PURSUANT TO A.R.S. SECTION 38-431 THE GILA COUNTY BOARD OF SUPERVISORS WILL HOLD AN OPEN MEETING IN THE SUPERVISORS' AUDITORIUM, 1400 EAST ASH STREET, GLOBE, ARIZONA. ONE OR MORE BOARD MEMBERS MAY PARTICIPATE IN THE MEETING BY TELEPHONE CONFERENCE CALL OR BY INTERACTIVE TELEVISION VIDEO (ITV). **ANY MEMBER OF THE PUBLIC IS WELCOME TO ATTEND THE MEETING VIA ITV WHICH IS HELD AT 610 E. HIGHWAY 260, BOARD OF SUPERVISORS' CONFERENCE ROOM, PAYSON, ARIZONA.** THE AGENDA IS AS FOLLOWS:

REGULAR MEETING - TUESDAY, APRIL 3, 2012 - 10 A.M.

1 Call to Order - Pledge of Allegiance – Invocation

2 **PUBLIC HEARINGS:**

A **Public Hearing -** Information/Discussion/Action to adopt Resolution No. 12-03-02 authorizing the Gila County Housing Authority to submit its Annual Plan for Fiscal Year 2012 to the U.S. Department of Housing and Urban Development. **(Malissa Buzan)**

B **Public Hearing** - Information/Discussion/Action to approve Order No. LL-12-01, an application submitted by Alexander MacLean for a person transfer and location transfer of a Series 7 beer and wine bar license for The Flying Grizzly located in Strawberry. **(Marian Sheppard)**

C **Public Hearing** - Information/Discussion/Action to approve Order No. LL-12-02, an application submitted by Tamara Morken for a new Series 3 domestic microbrewery license for THAT Brewery located in Pine. **(Marian Sheppard)**

3 **REGULAR AGENDA ITEMS:**

A Information/Discussion/Action to adopt Proclamation No. 12-02 to proclaim April 2012 as National County Government Month in Gila County and to encourage all Gila County officials, employees, schools and residents to participate in related activities throughout the month. **(Shirley Dawson)**

B **(Motion to adjourn as the Gila County Board of Supervisors and convene as the Gila County Board of Deposit.)** Information/Discussion/Action to authorize the advertisement of Request for Proposals No. 011312-1 for primary banking service for the Gila County Treasurer. **(Debora Savage) (Motion to adjourn as the Gila County Board of Deposit and reconvene as the Gila County Board of Supervisors)**

C Information/Discussion/Action to approve Agreement No. 152-12 between the Arizona Department of Housing and the Gila County Division of Community Services, Housing Department, allocating funds in the amount of $120,218, which will be used to help residents who meet program qualifications with housing rehabilitation for the period effective upon execution by the Arizona Department of Housing through March 30, 2014. **(Malissa Buzan)**

D Information/Discussion/Action to review all bids submitted for Request for Bids No. 111311-1 for the Pine Creek Canyon Road Reconstruction Project; award to the lowest, responsible and qualified bidder; and authorize the Chairman's signature on the award contract for the winning bidder. **(Steve Stratton)**

E Information/Discussion/Action to approve a Grant Agreement between the Arizona Department of Transportation (Grant 5316 Agreement No. JPA 12-056) and Gila County d/b/a Gila Employment and Special Training (GEST) in the total amount of $68,000 with a GEST match requirement of $25,600 for one dual cab long bed pickup truck, and operating reimbursement for staff salary and employment related expenses up to $20,000 per year through the end of the Agreement, which expires in 2016, for the continued provision of employment transportation needs to GEST clients. **(David Caddell)**

F Information/Discussion/Action to authorize the Gila County Attorney's Office to sign on behalf of the County the Stipulated Judgment in Town of Star Valley v. Payson Water Co., CV 2011-00438. Pursuant to A.R.S. § 38-431.03(A)(3) the Board may vote to go into executive session to receive legal advice from its attorney. Pursuant to A.R.S. § 38-431.03(A)(4) the Board may vote to go into executive session in order to consider its position and instruct its attorneys regarding the Board's position in settlement discussion to resolve the lawsuit. **(Bryan Chambers)**

4 **CONSENT AGENDA ACTION ITEMS:**

A Approval of Amendment No. 6 to an Intergovernmental Agreement (Contract No. DE111006001) between the Arizona Department of Economic Security and Gila County Board of Supervisors decreasing the contract amount from $5,862,242 to $5,847,242, a total decrease of $15,000.

B Approval to accept the change of Gila/Pinal Workforce Investment Area Equal Opportunity Officer from Barbara Valencia to Christina Throop.

C Approval of a Data Sharing Agreement between the Arizona Department of Economic Security, Rehabilitation Services and Gila County, d/b/a Gila Employment and Special Training for Contract No. DE126000-001 (Disability Related Employment Services) which will expire June 30, 2014.

D Approval of a Data Sharing Agreement between the Arizona Department of Economic Security, Rehabilitation Services and Gila County, d/b/a Gila Employment and Special Training for Extended Supported Employment Contract No. DE126007-015, which expires June 30, 2016.

E Approval of Amendment No. 7 to Contract No. C037-09-02 between the Governor's Office of Energy Policy and the Gila County Division of Community Services, Weatherization Program, amending the Term of Contract through August 31, 2012, effective upon signature by both parties.

F Approval of the Chairman's signature on the Memorandum of Understanding (MOU) between the Gila County Division of Health and Emergency Services, the Gila County Board of Supervisors and Cenpatico Behavioral Health of Arizona, LLC for a period of one year (from the date of the last signature on the MOU) to provide a coordinated response to the behavioral health needs of persons impacted by disaster.

G Approval of the appointments of the following precinct committeemen as submitted by the Gila County Republican Committee: Star Valley Precinct - Kenneth Seeman; and Tonto Basin Precinct - Rosanne Marie Mitchell-Gilver.

H Approval of a Special Event Liquor License Application submitted by the Humane Society of Central Arizona to serve liquor at a fund-raiser event to be held on June 2, 2012.

I Approval of the February 2012 monthly departmental activity report submitted by the Payson Regional Justice.

J Approval of the February 2012 monthly departmental activity report submitted by the Clerk of the Superior Court.

K Approval of the March 20, 2012, BOS meeting minutes.

L Acknowledgment of the Human Resources weekly reports for all personnel action items approved by the County Manager for the month of March 2012, as follows: March 6, 2012, March 13, 2012, March 20, 2012, and March 27, 2012.

M Acknowledgement of contracts under $50,000 which have been approved by the County Manager for the weeks of March 3, 2012, to March 9, 2012; and March 10, 2012, to March 16, 2012.

N Approval of finance reports/demands/transfers for the weeks of March 27, 2012, and April 3, 2012.

5 **CALL TO THE PUBLIC:** Call to the Public is held for public benefit to allow individuals to address issue(s) within the Board's jurisdiction. Board members may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to Arizona Revised Statute §38-431.01(G), action taken as a result of public comment will be limited to directing staff to study the matter, responding to criticism, or scheduling the matter for further discussion and decision at a future date.

6 At any time during this meeting pursuant to A.R.S. §38-431.02(K), members of the Board of Supervisors and the Chief Administrator may present a brief summary of current events. No action may be taken on issues presented.

IF SPECIAL ACCOMMODATIONS ARE NEEDED, PLEASE CONTACT THE RECEPTIONIST AT (928) 425-3231 AS EARLY AS POSSIBLE TO ARRANGE THE ACCOMMODATIONS. FOR TTY, PLEASE DIAL 7-1-1 TO REACH THE ARIZONA RELAY SERVICE AND ASK THE OPERATOR TO CONNECT YOU TO (928) 425-3231.

THE BOARD MAY VOTE TO HOLD AN EXECUTIVE SESSION FOR THE PURPOSE OF OBTAINING LEGAL ADVICE FROM THE BOARD'S ATTORNEY ON ANY MATTER LISTED ON THE AGENDA PURSUANT TO A.R.S. SECTION 38-431.03(A)((3)

THE ORDER OR DELETION OF ANY ITEM ON THIS AGENDA IS SUBJECT TO MODIFICATION AT THE MEETING

ARF-1131 **Public Hearing 2- A**

Regular BOS Meeting

Meeting Date: 04/03/2012

Submitted For:	Malissa Buzan, CAP/Housing Services Manager	Submitted By:	Cecilia Bejarano, Executive Administrative Assistant, Community Services Division
Department:	Community Services Division	Division:	Comm. Action Program/Housing Servs.
Presenter's Name:	Malissa Buzan		

Information

Request/Subject

OMB No. 2577-0226 Public Housing Agency Annual Plan Resolution No. 12-03-02

Background Information

The Gila County Housing Authority Section 8-Housing Choice Voucher Program receives funding from the U.S. Department of Housing and Urban Development (HUD) to provide the HUD rental assistance to eligible citizens residing in Gila County. As a requirement for receiving these funds, the Gila County Housing Authority must revise its Agency Annual Plan for Fiscal Year 2012 to be in compliance with the Quality Housing and Work Responsibility Act of 1998. A Notice of Public Hearing has been issued and a Public Hearing is set for April 3rd at the regularly scheduled Board of Supervisors meeting. At this time Resolution No. 12-03-02 will be presented to the Board of Supervisors requesting approval to submit the Revised Administrative Plan for fiscal year 2012 to HUD.

The Gila County Housing Authority has also mailed letters to Section 8-Housing Choice Voucher Tenants inviting them to become a member of the Resident Advisory Committee. Included with the letters was the required form that needed to be completed by the Tenant if they were interested in serving on the committee. This committee is made up of residents within Gila County's Section 8 Housing Choice Voucher Program in the Housing Services Department.

On 3/2/2010, Chairman Shirley Dawson signed the 5-Year PHA Plan for Fiscal Years 2010-2014 and the Annual PHA Plan for Fiscal Year 2010-2012.

On 5/17/2011, Chairman Michael A. Pastor signed the Annual PHA Plan for Fiscal Year 2011-2012.

Evaluation

It is important for the Board of Supervisors to adopt Resolution No. 12-03-02 which ensures that the Gila County Section 8 Housing Choice Voucher Program is in compliance with the requirements set forth by the U.S. Department of Housing and Urban Development.

Conclusion

By adopting Resolution 12-03-02, Section 8 Housing Choice Voucher Program will be in compliance with the requirements as set forth by the U.S. Department of Housing and Urban Development.

Recommendation

The Gila County Community Action/Housing Services Manager recommends that the Board of Supervisors adopt Resolution No. 12-03-02.

Suggested Motion

Public Hearing - Information/Discussion/Action to adopt Resolution No. 12-03-02 authorizing the Gila County Housing Authority to submit its Annual Plan for Fiscal Year 2012 to the U.S. Department of Housing and Urban Development. **(Malissa Buzan)**

Attachments

OMB No. 2577-0226 Annual Plan & Resolution No. 12-03-02

Previous Resolution No. 11-05-01

Original OMB NO. 2577-0226

TABLE OF CONTENTS

PHA Plan

HUD Form -50075

Section 1.0 PHA Information

Section 2.0 Inventory

Section 3.0 Submission Type

Section 6.0 PHA Plan Update

Section 9.0 Housing Needs

Section 10.0 Additional Information

Required Certifications

Section 11.0 HUD Form -50077

Section 11.0 Resident Advisory Board Information Attachment I

Attachment II

Financial Resources

Civil Rights Certification

VAWA Description

Gila County Payment Standards

Resolution No-12-03-02

Notice of Public Hearing

PHA 5-Year and Annual Plan	U.S. Department of Housing and Urban Development Office of Public and Indian Housing	OMB No. 2577-0226 Expires 8/30/2011

1.0 PHA Information
PHA Name: Gila County Housing Authority PHA Code: AZ045
PHA Type: ☒ Small ☐ High Performing ☐ Standard ☒ HCV (Section 8)
PHA Fiscal Year Beginning: (MM/YYYY): 07/01/2012

2.0 Inventory (based on ACC units at time of FY beginning in 1.0 above)
Number of PH units: 0 Number of HCV units: 53

3.0 Submission Type
☐ 5-Year and Annual Plan ☒ Annual Plan Only ☐ 5-Year Plan Only

4.0 PHA Consortia ☐ PHA Consortia: (Check box if submitting a joint Plan and complete table below.)

Participating PHAs	PHA Code	Program(s) Included in the Consortia	Programs Not in the Consortia	No. of Units in Each Program	
				PH	HCV
PHA 1:					
PHA 2:					
PHA 3:					

5.0 5-Year Plan. Complete items 5.1 and 5.2 only at 5-Year Plan update.

5.1 Mission. State the PHA's Mission for serving the needs of low-income, very low-income, and extremely low income families in the PHA's jurisdiction for the next five years:

5.2 Goals and Objectives. Identify the PHA's quantifiable goals and objectives that will enable the PHA to serve the needs of low-income and very low-income, and extremely low-income families for the next five years. Include a report on the progress the PHA has made in meeting the goals and objectives described in the previous 5-Year Plan.

6.0 PHA Plan Update

(a) Identify all PHA Plan elements that have been revised by the PHA since its last Annual Plan submission: Adjusted Payment Standards
(b) Identify the specific location(s) where the public may obtain copies of the 5-Year and Annual PHA Plan. For a complete list of PHA Plan elements, see Section 6.0 of the instructions.
Main PHA (Public Housing Authority) Administrative Office, PHA Website amd Main County Government Office.

7.0 Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-based Vouchers. *Include statements related to these programs as applicable.*

8.0 Capital Improvements. Please complete Parts 8.1 through 8.3, as applicable.

8.1 Capital Fund Program Annual Statement/Performance and Evaluation Report. As part of the PHA 5-Year and Annual Plan, annually complete and submit the *Capital Fund Program Annual Statement/Performance and Evaluation Report,* form HUD-50075.1, for each current and open CFP grant and CFFP financing.

8.2 Capital Fund Program Five-Year Action Plan. As part of the submission of the Annual Plan, PHAs must complete and submit the *Capital Fund Program Five-Year Action Plan,* form HUD-50075.2, and subsequent annual updates (on a rolling basis, e.g., drop current year, and add latest year for a five year period). Large capital items must be included in the Five-Year Action Plan.

8.3 Capital Fund Financing Program (CFFP).
☐ Check if the PHA proposes to use any portion of its Capital Fund Program (CFP)/Replacement Housing Factor (RHF) to repay debt incurred to finance capital improvements.

9.0 Housing Needs. Based on information provided by the applicable Consolidated Plan, information provided by HUD, and other generally available data, make a reasonable effort to identify the housing needs of the low-income, very low-income, and extremely low-income families who reside in the jurisdiction served by the PHA, including elderly families, families with disabilities, and households of various races and ethnic groups, and other families who are on the public housing and Section 8 tenant-based assistance waiting lists. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location. Shortage affordable housing for all eligible populations and unit sizes.

9.1	**Strategy for Addressing Housing Needs.** Provide a brief description of the PHA's strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. **Note: Small, Section 8 only, and High Performing PHAs complete only for Annual Plan submission with the 5-Year Plan.**
10.0	**Additional Information.** Describe the following, as well as any additional information HUD has requested. (a) Progress in Meeting Mission and Goals. Provide a brief statement of the PHA's progress in meeting the mission and goals described in the 5-Year Plan. Payment Standards are at 100% of FMR, hoping to help more participants. (b) Significant Amendment and Substantial Deviation/Modification. Provide the PHA's definition of "significant amendment" and "substantial deviation/modification" Substantial Deviation from the 5yr plan Significant Amendment or Modification to the Annual Plan

11.0	**Required Submission for HUD Field Office Review.** In addition to the PHA Plan template (HUD-50075), PHAs must submit the following documents. Items (a) through (g) may be submitted with signature by mail or electronically with scanned signatures, but electronic submission is encouraged. Items (h) through (i) must be attached electronically with the PHA Plan. **Note:** Faxed copies of these documents will not be accepted by the Field Office. (a) Form HUD-50077, *PHA Certifications of Compliance with the PHA Plans and Related Regulations* (which includes all certifications relating to Civil Rights) (b) Form HUD-50070, *Certification for a Drug-Free Workplace* (PHAs receiving CFP grants only) (c) Form HUD-50071, *Certification of Payments to Influence Federal Transactions* (PHAs receiving CFP grants only) (d) Form SF-LLL, *Disclosure of Lobbying Activities* (PHAs receiving CFP grants only) (e) Form SF-LLL-A, *Disclosure of Lobbying Activities Continuation Sheet* (PHAs receiving CFP grants only) (f) Resident Advisory Board (RAB) comments. Comments received from the RAB must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the recommendations and the decisions made on these recommendations. (g) Challenged Elements (h) Form HUD-50075.1, *Capital Fund Program Annual Statement/Performance and Evaluation Report* (PHAs receiving CFP grants only) (i) Form HUD-50075.2, *Capital Fund Program Five-Year Action Plan* (PHAs receiving CFP grants only)

This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937, as amended, which introduced 5-Year and Annual PHA Plans. The 5-Year and Annual PHA plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA's mission and strategies for serving the needs of low-income and very low-income families. This form is to be used by all PHA types for submission of the 5-Year and Annual Plans to HUD. Public reporting burden for this information collection is estimated to average 12.68 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Privacy Act Notice. The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality

Instructions form HUD-50075

Applicability. This form is to be used by all Public Housing Agencies (PHAs) with Fiscal Year beginning April 1, 2008 for the submission of their 5-Year and Annual Plan in accordance with 24 CFR Part 903. The previous version may be used only through April 30, 2008.

1.0 PHA Information
Include the full PHA name, PHA code, PHA type, and PHA Fiscal Year Beginning (MM/YYYY).

2.0 Inventory
Under each program, enter the number of Annual Contributions Contract (ACC) Public Housing (PH) and Section 8 units (HCV).

3.0 Submission Type
Indicate whether this submission is for an Annual and Five Year Plan, Annual Plan only, or 5-Year Plan only.

4.0 PHA Consortia
Check box if submitting a Joint PHA Plan and complete the table.

5.0 Five-Year Plan
Identify the PHA's Mission, Goals and/or Objectives (24 CFR 903.6). Complete only at 5-Year update.

5.1 Mission. A statement of the mission of the public housing agency for serving the needs of low-income, very low-income, and extremely low-income families in the jurisdiction of the PHA during the years covered under the plan.

5.2 Goals and Objectives. Identify quantifiable goals and objectives that will enable the PHA to serve the needs of low income, very low-income, and extremely low-income families.

6.0 PHA Plan Update. In addition to the items captured in the Plan template, PHAs must have the elements listed below readily available to the public. Additionally, a PHA must:

(a) Identify specifically which plan elements have been revised since the PHA's prior plan submission.

(b) Identify where the 5-Year and Annual Plan may be obtained by the public. At a minimum, PHAs must post PHA Plans, including updates, at each Asset Management Project (AMP) and main office or central off ice of the PHA. PHAs are strongly encouraged to post complete PHA Plans on its official website. PHAs are also encouraged to provide each resident council a copy of its 5-Year and Annual Plan.

PHA Plan Elements. (24 CFR 903.7)

1. **Eligibility, Selection and Admissions Policies, including Deconcentration and Wait List Procedures.** Describe the PHA's policies that govern resident or tenant eligibility, selection and admission including admission preferences for both public housing and HCV and unit assignment policies for public housing; and procedures for maintaining waiting lists for admission to public housing and address any site-based waiting lists.

2. **Financial Resources.** A statement of financial resources, including a listing by general categories, of the PHA's anticipated resources, such as PHA Operating, Capital and other anticipated Federal resources available to the PHA, as well as tenant rents and other income available to support public housing or tenant-based assistance. The statement also should include the non-Federal sources of funds supporting each Federal program, and state the planned use for the resources.

3. **Rent Determination.** A statement of the policies of the PHA governing rents charged for public housing and HCV dwelling units.

4. **Operation and Management.** A statement of the rules, standards, and policies of the PHA governing maintenance management of housing owned, assisted, or operated by the public housing agency (which shall include measures necessary for the prevention or eradication of pest infestation, including cockroaches), and management of the PHA and programs of the PHA.

5. **Grievance Procedures.** A description of the grievance and informal hearing and review procedures that the PHA makes available to its residents and applicants.

6. **Designated Housing for Elderly and Disabled Families.** With respect to public housing projects owned, assisted, or operated by the PHA, describe any projects (or portions thereof), in the upcoming fiscal year, that the PHA has designated or will apply for designation for occupancy by elderly and disabled families. The description shall include the following information: 1) development name and number; 2) designation type; 3) application status; 4) date the designation was approved, submitted, or planned for submission, and; 5) the number of units affected.

7. **Community Service and Self-Sufficiency.** A description of: (1) Any programs relating to services and amenities provided or offered to assisted families; (2) Any policies or programs of the PHA for the enhancement of the economic and social self-sufficiency of assisted families, including programs under Section 3 and FSS; (3) How the PHA will comply with the requirements of community service and treatment of income changes resulting from welfare program requirements. **(Note: applies to only public housing).**

8. **Safety and Crime Prevention.** For public housing only, describe the PHA's plan for safety and crime prevention to ensure the safety of the public housing residents. The statement must include: (i) A description of the need for measures to ensure the safety of public housing residents; (ii) A description of any crime prevention activities conducted or to be conducted by the PHA; and (iii) A description of the coordination between the PHA and the appropriate police precincts for carrying out crime prevention measures and activities.

9. **Pets.** A statement describing the PHAs policies and requirements pertaining to the ownership of pets in public housing.

10. **Civil Rights Certification.** A PHA will be considered in compliance with the Civil Rights and AFFH Certification if: it can document that it examines its programs and proposed programs to identify any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with the local jurisdiction to implement any of the jurisdiction's initiatives to affirmatively further fair housing; and assures that the annual plan is consistent with any applicable Consolidated Plan for its jurisdiction.

11. **Fiscal Year Audit.** The results of the most recent fiscal year audit for the PHA.

12. **Asset Management.** A statement of how the agency will carry out its asset management functions with respect to the public housing inventory of the agency, including how the agency will plan for the long-term operating, capital investment, rehabilitation, modernization, disposition, and other needs for such inventory.

13. **Violence Against Women Act (VAWA).** A description of: **1)** Any activities, services, or programs provided or offered by an agency, either directly or in partnership with other service providers, to child or adult victims of domestic violence, dating violence, sexual assault, or stalking; **2)** Any activities, services, or programs provided or offered by a PHA that helps child and adult victims of domestic violence, dating violence, sexual assault, or stalking, to obtain or maintain housing; and **3)** Any activities, services, or programs provided or offered by a public housing agency to prevent domestic violence, dating violence, sexual assault, and stalking, or to enhance victim safety in assisted families.

7.0 Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-based Vouchers

(a) **Hope VI or Mixed Finance Modernization or Development.** **1)** A description of any housing (including project number (if known) and unit count) for which the PHA will apply for HOPE VI or Mixed Finance Modernization or Development; and **2)** A timetable for the submission of applications or proposals. The application and approval process for Hope VI, Mixed Finance Modernization or Development, is a separate process. See guidance on HUD's website at: http://www.hud.gov/offices/pih/programs/ph/hope6/index.cfm

(b) **Demolition and/or Disposition.** With respect to public housing projects owned by the PHA and subject to ACCs under the Act: **(1)** A description of any housing (including project number and unit numbers [or addresses]), and the number of affected units along with their sizes and accessibility features) for which the PHA will apply or is currently pending for demolition or disposition; and **(2)** A timetable for the demolition or disposition. The application and approval process for demolition and/or disposition is a separate process. See guidance on HUD's website at: http://www.hud.gov/offices/pih/centers/sac/demo_dispo/index.cfm
Note: This statement must be submitted to the extent **that approved and/or pending** demolition and/or disposition has changed.

(c) **Conversion of Public Housing.** With respect to public housing owned by a PHA: **1)** A description of any building or buildings (including project number and unit count) that the PHA is required to convert to tenant-based assistance or that the public housing agency plans to voluntarily convert; **2)** An analysis of the projects or buildings required to be converted; and **3)** A statement of the amount of assistance received under this chapter to be used for rental assistance or other housing assistance in connection with such conversion. See guidance on HUD's website at: http://www.hud.gov/offices/pih/centers/sac/conversion.cfm

(d) **Homeownership.** A description of any homeownership (including project number and unit count) administered by the agency or for which the PHA has applied or will apply for approval.

(e) **Project-based Vouchers.** If the PHA wishes to use the project-based voucher program, a statement of the projected number of project-based units and general locations and how project basing would be consistent with its PHA Plan.

8.0 Capital Improvements. This section provides information on a PHA's Capital Fund Program. With respect to public housing projects owned, assisted, or operated by the public housing agency, a plan describing the capital improvements necessary to ensure long-term physical and social viability of the projects must be completed along with the required forms. Items identified in 8.1 through 8.3, must be signed where directed and transmitted electronically along with the PHA's Annual Plan submission.

8.1 Capital Fund Program Annual Statement/Performance and Evaluation Report. PHAs must complete the *Capital Fund Program Annual Statement/Performance and Evaluation Report* (form HUD-50075.1), for each Capital Fund Program (CFP) to be undertaken with the current year's CFP funds or with CFFP proceeds. Additionally, the form shall be used for the following purposes:

(a) To submit the initial budget for a new grant or CFFP;

(b) To report on the Performance and Evaluation Report progress on any open grants previously funded or CFFP; and

(c) To record a budget revision on a previously approved open grant or CFFP, e.g., additions or deletions of work items, modification of budgeted amounts that have been undertaken since the submission of the last Annual Plan. The Capital Fund Program Annual Statement/Performance and Evaluation Report must be submitted annually.

Additionally, PHAs shall complete the Performance and Evaluation Report section (see footnote 2) of the *Capital Fund Program Annual Statement/Performance and Evaluation* (form HUD-50075.1), at the following times:

1. At the end of the program year; until the program is completed or all funds are expended;

2. When revisions to the Annual Statement are made, which do not require prior HUD approval, (e.g., expenditures for emergency work, revisions resulting from the PHAs application of fungibility); and

3. Upon completion or termination of the activities funded in a specific capital fund program year.

8.2 Capital Fund Program Five-Year Action Plan

PHAs must submit the *Capital Fund Program Five-Year Action Plan* (form HUD-50075.2) for the entire PHA portfolio for the first year of participation in the CFP and annual update thereafter to eliminate the previous year and to add a new fifth year (rolling basis) so that the form always covers the present five-year period beginning with the current year.

8.3 Capital Fund Financing Program (CFFP). Separate, written HUD approval is required if the PHA proposes to pledge any

portion of its CFP/RHF funds to repay debt incurred to finance capital improvements. The PHA must identify in its Annual and 5-year capital plans the amount of the annual payments required to service the debt. The PHA must also submit an annual statement detailing the use of the CFFP proceeds. See guidance on HUD's website at: http://www.hud.gov/offices/pih/programs/ph/capfund/cffp.cfm

9.0 Housing Needs. Provide a statement of the housing needs of families residing in the jurisdiction served by the PHA and the means by which the PHA intends, to the maximum extent practicable, to address those needs. **(Note:** Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan).

9.1 Strategy for Addressing Housing Needs. Provide a description of the PHA's strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. **(Note:** Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan).

10.0 Additional Information. Describe the following, as well as any additional information requested by HUD:

(a) Progress in Meeting Mission and Goals. PHAs must include (i) a statement of the PHAs progress in meeting the mission and goals described in the 5-Year Plan; (ii) the basic criteria the PHA will use for determining a significant amendment from its 5-year Plan; and a significant amendment or modification to its 5-Year Plan and Annual Plan. **(Note: Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan).**

(b) Significant Amendment and Substantial Deviation/Modification. PHA must provide the definition of "significant amendment" and "substantial deviation/modification". **(Note: Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan.)**

(c) PHAs must include or reference any applicable memorandum of agreement with HUD or any plan to improve performance. **(Note: Standard and Troubled PHAs complete annually).**

11.0 Required Submission for HUD Field Office Review. In order to be a complete package, PHAs must submit items (a) through (g), with signature by mail or electronically with scanned signatures. Items (h) and (i) shall be submitted electronically as an attachment to the PHA Plan.

(a) Form HUD-50077, *PHA Certifications of Compliance with the PHA Plans and Related Regulations*

(b) Form HUD-50070, *Certification for a Drug-Free Workplace* **(PHAs receiving CFP grants only)**

(c) Form HUD-50071, *Certification of Payments to Influence Federal Transactions* **(PHAs receiving CFP grants only)**

(d) Form SF-LLL, *Disclosure of Lobbying Activities* **(PHAs receiving CFP grants only)**

(e) Form SF-LLL-A, *Disclosure of Lobbying Activities Continuation Sheet* **(PHAs receiving CFP grants only)**

(f) Resident Advisory Board (RAB) comments.

(g) Challenged Elements. Include any element(s) of the PHA Plan that is challenged.

(h) Form HUD-50075.1, ***Capital Fund Program Annual Statement/Performance and Evaluation Report*** **(Must be attached electronically for PHAs receiving CFP grants only).** See instructions in 8.1.

(i) Form HUD-50075.2, *Capital Fund Program Five-Year Action Plan* **(Must be attached electronically for PHAs receiving CFP grants only).** See instructions in 8.2.

PHA Certifications of Compliance with PHA Plans and Related Regulations

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 08/30/2011

PHA Certifications of Compliance with the PHA Plans and Related Regulations: Board Resolution to Accompany the PHA 5-*Year and Annual* PHA Plan

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the___ 5-Year and/or _X_ Annual PHA Plan for the PHA fiscal year beginning 07/01/2012, hereinafter referred to as" the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

1. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.
2. The Plan contains a certification by the appropriate State or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the PHA's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan.
3. The PHA certifies that there has been no change, significant or otherwise, to the Capital Fund Program (and Capital Fund Program/Replacement Housing Factor) Annual Statement(s), since submission of its last approved Annual Plan. The Capital Fund Program Annual Statement/Annual Statement/Performance and Evaluation Report must be submitted annually even if there is no change.
4. The PHA has established a Resident Advisory Board or Boards, the membership of which represents the residents assisted by the PHA, consulted with this Board or Boards in developing the Plan, and considered the recommendations of the Board or Boards (24 CFR 903.13). The PHA has included in the Plan submission a copy of the recommendations made by the Resident Advisory Board or Boards and a description of the manner in which the Plan addresses these recommendations.
5. The PHA made the proposed Plan and all information relevant to the public hearing available for public inspection at least 45 days before the hearing, published a notice that a hearing would be held and conducted a hearing to discuss the Plan and invited public comment.
6. The PHA certifies that it will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
7. The PHA will affirmatively further fair housing by examining their programs or proposed programs, identify any impediments to fair housing choice within those programs, address those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and maintain records reflecting these analyses and actions.
8. For PHA Plan that includes a policy for site based waiting lists:
   - The PHA regularly submits required data to HUD's 50058 PIC/IMS Module in an accurate, complete and timely manner (as specified in PIH Notice 2006-24);
   - The system of site-based waiting lists provides for full disclosure to each applicant in the selection of the development in which to reside, including basic information about available sites; and an estimate of the period of time the applicant would likely have to wait to be admitted to units of different sizes and types at each site;
   - Adoption of site-based waiting list would not violate any court order or settlement agreement or be inconsistent with a pending complaint brought by HUD;
   - The PHA shall take reasonable measures to assure that such waiting list is consistent with affirmatively furthering fair housing;
   - The PHA provides for review of its site-based waiting list policy to determine if it is consistent with civil rights laws and certifications, as specified in 24 CFR part 903.7(c)(1).
9. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
10. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
11. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
12. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.

13. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
14. The PHA will provide the responsible entity or HUD any documentation that the responsible entity or HUD needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58 or Part 50, respectively.
15. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under Section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
16. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
17. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act, the Residential Lead-Based Paint Hazard Reduction Act of 1992, and 24 CFR Part 35.
18. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments), 2 CFR Part 225, and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).
19. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the regulations and included in its Plan.
20. All attachments to the Plan have been and will continue to be available at all times and all locations that the PHA Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its PHA Plan and will continue to be made available at least at the primary business office of the PHA.
21. The PHA provides assurance as part of this certification that:
    (i) The Resident Advisory Board had an opportunity to review and comment on the changes to the policies and programs before implementation by the PHA;
    (ii) The changes were duly approved by the PHA Board of Directors (or similar governing body); and
    (iii) The revised policies and programs are available for review and inspection, at the principal office of the PHA during normal business hours.
22. The PHA certifies that it is in compliance with all applicable Federal statutory and regulatory requirements.

Gila County Housing Authority	AZ045
PHA Name	PHA Number/HA Code

X Annual PHA Plan for Fiscal Years 2012- 2013

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official	Title
Tommie C. Martin	Chairman, Gila County Board of Supervisors
Signature	Date

Approved as to form:

_____

Bryan B. Chambers
Chief Deputy County Attorney

_____

Date

David Fletcher
Director

Gila County Community Services Division

"A Community Action Agency"
5515 S. Apache Avenue, Suite 200, Globe, Arizona 85501
(928) 425-7631
"Improving the Quality of Life for all Residents, one life at a time"

February 13, 2012

Dear Section 8-Housing Choice Voucher Tenant:

Once again at this time the Gila County Housing Authority needs to form a Resident Advisory Committee which is a requirement of Federal Regulations. The purpose of this letter is to invite you to become a member of the committee. The Committee is made up of residents within the Gila County Section 8 Program only. As a member of the committee you will be required to review the Agencies Annual Plan and participate in at least one meeting to discuss the plan and provide recommendations to our Section 8 Housing Choice Voucher Program in our Housing Services Department.

The Gila County Housing Authority would also like to inform you that if you choose to be a Member of the Resident Advisory Committee you may also be appointed to sit on the PHA Board or Governing Body. In which you would approve any Section 8 Housing Choice Voucher Program changes within the Agencies Plan.

If you are interested in sitting on this committee, please be kind enough to respond by February 21, 2012 either by:

- Completing the second portion of this letter and returning it to me in the self address, pre-postage provided envelope;
- Contacting me at 928-425-7631; or
- E-mailing me at pcampos@co.gila.az.us

Respectfully,

Patricia Campos
Program Administrator

Equal employment opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities.
800-304-4452 Toll Free
Countywide T.T.Y. 7-1-1

_____ Yes, I am interested in being a member of the Resident Advisory Committee.

_____ Yes, I am interested in being a member of the Resident Advisory Committee, and to be a member of the Resident Membership on the PHA Board or Governing Body.

_____ No, I am not interested in being a member of the Resident Advisory Committee or to be a member of the Resident Membership on the PHA Board or Governing Body.

Name: _____

Address: _____

Telephone Number: _____

Comments:

_____

_____

_____

_____

_____

_____

_____

_____

_____

REQUIRED ATTACHMENT I:

Resident Membership on PHA Board or Governing Body

List members of the Resident Membership on PHA Board or Governing Body:

Claudia Jo Slover
404 W. Bridle Path Ln
Payson, AZ 85541

Robert Bumbalow
901 W. Chatham Dr.
Payson, AZ 85541

Rose Durst
906 S. McLane #13
Payson, AZ 85541

Joanne Roethlein
807 S. Westerly Rd. #221
Payson, AZ 85541

Roberta Green
420 E. Cedar St. Apt. B
Globe, AZ 85501

The Gila County Housing Authority sent notices to all participants regarding that a Resident Membership for the PHA Board or Governing Body would be created and invited residents to participate.

REQUIRED ATTACHMENT II: Membership of the Resident Advisory Board or Boards

List members of the Resident Advisory Board or Boards: (If the list would be unreasonably long, list organizations represented or otherwise provided a description sufficient to identify how members are chosen):

Members:

Claudia Jo Slover
404 W. Bridle Path Ln
Payson, AZ 85541

Rose Durst
906 S. McLane #13
Payson, AZ 85541

Roberta Green
420 E. Cedar St. Apt. B
Globe, AZ 85501

Robert Bumbalow
901 W. Chatham Dr.
Payson, AZ 85541

Joanne Roethlein
807 S. Westerly Rd. #221
Payson, AZ 85541

The Gila County Housing Authority sent notices to all participants that a Resident Advisory Board would be created and invited residents to participate. *14* residents responded to our inquiry and only the above were interested.

COMMENTS:

_____
_____
_____
_____
_____
_____
_____
_____
_____
_____

Financial Resources: Planned Sources and Uses Gila County - AZ045			
	Sources	**Planned $**	**Planned Uses**
1	***Federal Grants (FY 2012 Grants)***		
a	Public Housing Operating Fund	$ -	
b	Public Housing Capital Fund	$ -	
c	HOPE VI Revitalization	$ -	
d	HOPE VI Demolition	$ -	
e	Annual Contributions for Section 8 Tenant-Based Assistance	$ -	
f	Public Housing Drug Elimination Program (including any Technical Assistance funds)	$ -	
g	Resident Opportunity and Self-Sufficiency Grants	$ -	
h	Community Block Grant	$ -	
i	HOME	$ -	
2	***Other Federal Grants (list below)***		
a	Housing Choice Voucher	$ 305,516.00	Section 8 Client Assistance
b	FSS Coordinator Grant	$ -	
3	***Prior Year Federal Grants (Unobligated funds only) (list below)***		
a		$ -	
4	***Public Housing Dwelling Rental Income (list below)***		
a		$ -	
5	***Other Income (list below)***		
a	Fraud/Recovery Collection-Section 8	$ 540.00	Program Operations
b	Section 8 Administrative Fees	$ 25,488.00	Program Operations
c	Section 8 Portable Admin Fees	$ 2,000.00	Program Operations
6	***Non-federal sources (list below)***		
a	Gila County General Fund	$ 30,000.00	Program Operations
	TOTAL Resources:	$ 363,544.00	

Civil Rights Certification	**U.S. Department of Housing and Urban Development** Office of Public and Indian Housing **Expires 08/30/2011**

Civil Rights Certification

Annual Certification and Board Resolution

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioner, I approve the submission of the Plan for the PHA of which this document is a part and make the following certification and agreement with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

The PHA certifies that it will carry out the public housing program of the agency in conformity with title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990, and will affirmatively further fair housing.

Gila County Housing Authority	AZ045
PHA Name	PHA Number/HA Code

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official Malissa Buzan	Title Housing Services Director
Signature	Date

The Gila County Housing Authority VAWA Description

This VAWA Description is submitted as required pursuant to Section 603 of the law amending Section 5A of the U.S. Housing Act to require PHAs five-year and annual PHA Plans to contain information regarding any goals, activities, objectives, policies, or programs of the PHA that are intended to support or assist victims of domestic violence, dating violence, sexual assault, or stalking. Sections 606 and Section 607 amend the Section 8 and public housing sections of the U.S. Housing Act to protect certain victims of criminal domestic violence, dating violence, sexual assault, or stalking as well as members of the victims and immediate families from losing their HUD-assisted housing as a consequence of the abuse of which they were the victim.

The Gila County Housing Authority has established policies to support and assist victims of domestic violence and protect tenants and family members of tenants who are victims of domestic violence, dating violence or stalking from being evicted or terminated from housing assistance based on acts of such violence against them.

The Violence against Women Act (VAWA) protects tenants and family members of tenants who are victims of domestic violence, dating violence, or stalking from being evicted or terminated from housing assistance based on acts of such violence against them. These provisions apply to our agency administering the Section 8 programs and to owners renting to families under Section 8 rental assistance programs.

The law provides in part that criminal activity directly relating to domestic violence, dating violence, or stalking, engaged in by a member of a tenants household or any guest or other person under the tenants control, shall not be cause for termination of assistance, tenancy, or occupancy rights if the tenant or an immediate member of the tenants family is the victim or threatened victim of that abuse. The law also provides that an incident or incidents of actual or threatened domestic violence, dating violence, or stalking will not be construed as serious or repeated violations of the lease by the victim or threatened victim of that violence and will not be good cause for termination of the assistance, tenancy, or occupancy rights of a victim of such violence.

The Gila County Housing Services is part of a Social Services networking that provides assistance to activity directly relating to domestic violence, dating violence, or stalking, engaged in by a member of a household. Partnerships in the networking include Horizon Services (Safe Home) and the Community Action Program. Some of the examples of assistance are assisting in Rent or Utilities payments and assisting victims in need of help who want to remove themselves from life threatening situations. The Gila County Section 8 Program has not had any participants who have needed this help, but it is offered to many residents in the Gila County Area

Gila County
Section 8~
Housing Choice Voucher Program
Payment Standards

Gila County Payment Standards
At 100% of the
Fair Market Rents

0 Bedroom ~	**$487**
1 bedroom ~	**$570**
2 Bedroom ~	**$750**
3 bedroom ~	**$1030**
4 bedroom ~	**$1061**

Effective November 1, 2011

RESOLUTION NO. 12-03-02

A RESOLUTION OF THE BOARD OF SUPERVISORS OF GILA COUNTY AUTHORIZING THE GILA COUNTY HOUSING AUTHORITY TO SUBMIT ITS PHA (PUBLIC HOUSING AUTHORITY) ANNUAL PLAN FOR FISCAL YEAR 2012 TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

WHEREAS, the Department of Housing and Urban Development (HUD) requires Housing Agencies to update their Agency Annual Plan for Fiscal Year (FY) 2012.

WHEREAS, Gila County has held a public hearing to receive public comment on the Annual Plan for FY 2012. The Annual Plan has also been reviewed by the Section 8 Resident Advisory Board.

NOW, THEREFORE, BE IT RESOLVED BY THE GILA COUNTY BOARD OF SUPERVISORS that:

- The Gila County Housing Annual Plan for Fiscal Year 2012 is hereby approved.
- The Chairman of the Gila County Board of Supervisors is authorized and directed to execute the required certifications of compliance associated with the Gila County Housing Authority's Plan and related regulations.

PASSED AND ADOPTED this 3rd day of April 2012, at Globe, Gila County, Arizona

Attest:

GILA COUNTY BOARD OF SUPERVISORS

_____

Marian Sheppard
Chief Deputy Clerk of the Board

_____

Tommie C. Martin, Chairman

Approved as to form:

_____

Bryan Chambers
Chief Deputy County Attorney

NOTICE OF PUBLIC HEARING

Gila County Housing Authority has revised its Agency Annual Plan for the Fiscal Year 2012 in compliance with the Quality Housing and Work Responsibility Act of 1998. The Plan is available for review at the Housing Department located at 5515 S. Apache Ave., Suite 200 Globe, Arizona from 8:00 a.m. To 5:00 p.m. In addition, a public hearing will be held on April 3, 2012 at 10:00 a.m., at the regularly scheduled Board of Supervisors Meeting, Board of Supervisors' Hearing Room, located at 1400 E. Ash Street Globe, Arizona.

Comments on this Plan must be submitted in writing no later than March 16, 2012 to the Housing Department at the address Housing Services-Housing Choice Voucher program at 5515 S. Apache Ave. Suite 200, Globe AZ 85501

Gila County Board of Supervisors
Marian Sheppard, Chief Deputy Clerk of the Board

Gila County Housing Authority Section 8-Housing Choice Voucher Program is a federally funded program through the U.S. Department of Housing and Urban Development.

PHA 5-Year and Annual Plan	U.S. Department of Housing and Urban Development Office of Public and Indian Housing	OMB No. 2577-0226 Expires 4/30/2011

1.0 PHA Information

PHA Name: Gila County Housing Authority PHA Code: AZ045

PHA Type: ☑ Small ☐ High Performing ☐ Standard ☑ HCV (Section 8)

PHA Fiscal Year Beginning: (MM/YYYY): 07/01/2011

2.0 Inventory (based on ACC units at time of FY beginning in 1.0 above)

Number of PH units: N/A Number of HCV units: 53

3.0 Submission Type

☐ 5-Year and Annual Plan ☑ Annual Plan Only ☐ 5-Year Plan Only

4.0 PHA Consortia ☐ PHA Consortia: (Check box if submitting a joint Plan and complete table below.)

Participating PHAs	PHA Code	Program(s) Included in the Consortia	Programs Not in the Consortia	No. of Units in Each Program	
				PH	HCV
PHA 1:					
PHA 2:					
PHA 3:					

5.0 5-Year Plan. Complete items 5.1 and 5.2 only at 5-Year Plan update.

5.1 Mission. State the PHA's Mission for serving the needs of low-income, very low-income, and extremely low income families in the PHA's jurisdiction for the next five years:

5.2 Goals and Objectives. Identify the PHA's quantifiable goals and objectives that will enable the PHA to serve the needs of low-income and very low-income, and extremely low-income families for the next five years. Include a report on the progress the PHA has made in meeting the goals and objectives described in the previous 5-Year Plan.

6.0 PHA Plan Update

(a) Identify all PHA Plan elements that have been revised by the PHA since its last Annual Plan submission:

Adjusted Payment Standards

(b) Identify the specific location(s) where the public may obtain copies of the 5-Year and Annual PHA Plan. For a complete list of PHA Plan elements, see Section 6.0 of the instructions.

Main PHA Administrative office, PHA website and Main County Government Office.

7.0 Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-based Vouchers. *Include statements related to these programs as applicable.*

8.0 Capital Improvements. Please complete Parts 8.1 through 8.3, as applicable.

8.1 Capital Fund Program Annual Statement/Performance and Evaluation Report. As part of the PHA 5-Year and Annual Plan, annually complete and submit the *Capital Fund Program Annual Statement/Performance and Evaluation Report*, form HUD-50075.1, for each current and open CFP grant and CFFP financing.

8.2 Capital Fund Program Five-Year Action Plan. As part of the submission of the Annual Plan, PHAs must complete and submit the *Capital Fund Program Five-Year Action Plan*, form HUD-50075.2, and subsequent annual updates (on a rolling basis, e.g., drop current year, and add latest year for a five year period). Large capital items must be included in the Five-Year Action Plan.

8.3 Capital Fund Financing Program (CFFP).

☐ Check if the PHA proposes to use any portion of its Capital Fund Program (CFP)/Replacement Housing Factor (RHF) to repay debt incurred to finance capital improvements.

9.0	**Housing Needs.** Based on information provided by the applicable Consolidated Plan, information provided by HUD, and other generally available data, make a reasonable effort to identify the housing needs of the low-income, very low-income, and extremely low-income families who reside in the jurisdiction served by the PHA, including elderly families, families with disabilities, and households of various races and ethnic groups, and other families who are on the public housing and Section 8 tenant-based assistance waiting lists. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location. Shortage affordable housing for all eligible populations and unit sizes.
9.1	**Strategy for Addressing Housing Needs.** Provide a brief description of the PHA's strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. **Note: Small, Section 8 only, and High Performing PHAs complete only for Annual Plan submission with the 5-Year Plan.**
10.0	**Additional Information.** Describe the following, as well as any additional information HUD has requested. (a) Progress in Meeting Mission and Goals. Provide a brief statement of the PHA's progress in meeting the mission and goals described in the 5-Year Plan. Payment Standards are now at 100% of the Fair Market Rent, hoping to help participants find more housing opportunities and The $50.00 minimum rent for the Gila County Housing is working good. (b) Significant Amendment and Substantial Deviation/Modification. Provide the PHA's definition of "significant amendment" and "substantial deviation/modification" Substantial Deviation from the 5yr plan Significant Amendment or Modification to the Annual plan

11.0	**Required Submission for HUD Field Office Review.** In addition to the PHA Plan template (HUD-50075), PHAs must submit the following documents. Items (a) through (g) may be submitted with signature by mail or electronically with scanned signatures, but electronic submission is encouraged. Items (h) through (i) must be attached electronically with the PHA Plan. **Note:** Faxed copies of these documents will not be accepted by the Field Office. (a) Form HUD-50077, *PHA Certifications of Compliance with the PHA Plans and Related Regulations* (which includes all certifications relating to Civil Rights) (b) Form HUD-50070, *Certification for a Drug-Free Workplace* (PHAs receiving CFP grants only) (c) Form HUD-50071, *Certification of Payments to Influence Federal Transactions* (PHAs receiving CFP grants only) (d) Form SF-LLL, *Disclosure of Lobbying Activities* (PHAs receiving CFP grants only) (e) Form SF-LLL-A, *Disclosure of Lobbying Activities Continuation Sheet* (PHAs receiving CFP grants only) (f) Resident Advisory Board (RAB) comments. Comments received from the RAB must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the recommendations and the decisions made on these recommendations. (g) Challenged Elements (h) Form HUD-50075.1, *Capital Fund Program Annual Statement/Performance and Evaluation Report* (PHAs receiving CFP grants only) (i) Form HUD-50075.2, *Capital Fund Program Five-Year Action Plan* (PHAs receiving CFP grants only)

This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937, as amended, which introduced 5-Year and Annual PHA Plans. The 5-Year and Annual PHA plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA's mission and strategies for serving the needs of low-income and very low-income families. This form is to be used by all PHA types for submission of the 5-Year and Annual Plans to HUD. Public reporting burden for this information collection is estimated to average 12.68 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Privacy Act Notice. The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality

Instructions form HUD-50075

Applicability. This form is to be used by all Public Housing Agencies (PHAs) with Fiscal Year beginning April 1, 2008 for the submission of their 5-Year and Annual Plan in accordance with 24 CFR Part 903. The previous version may be used only through April 30, 2008.

1.0 PHA Information
Include the full PHA name, PHA code, PHA type, and PHA Fiscal Year Beginning (MM/YYYY).

2.0 Inventory
Under each program, enter the number of Annual Contributions Contract (ACC) Public Housing (PH) and Section 8 units (HCV).

3.0 Submission Type
Indicate whether this submission is for an Annual and Five Year Plan, Annual Plan only, or 5-Year Plan only.

4.0 PHA Consortia
Check box if submitting a Joint PHA Plan and complete the table.

5.0 Five-Year Plan
Identify the PHA's Mission, Goals and/or Objectives (24 CFR 903.6). Complete only at 5-Year update.

5.1 Mission. A statement of the mission of the public housing agency for serving the needs of low-income, very low-income, and extremely low-income families in the jurisdiction of the PHA during the years covered under the plan.

5.2 Goals and Objectives. Identify quantifiable goals and objectives that will enable the PHA to serve the needs of low income, very low-income, and extremely low-income families.

6.0 PHA Plan Update. In addition to the items captured in the Plan template, PHAs must have the elements listed below readily available to the public. Additionally, a PHA must:

(a) Identify specifically which plan elements have been revised since the PHA's prior plan submission.

(b) Identify where the 5-Year and Annual Plan may be obtained by the public. At a minimum, PHAs must post PHA Plans, including updates, at each Asset Management Project (AMP) and main office or central off ice of the PHA. PHAs are strongly encouraged to post complete PHA Plans on its official website. PHAs are also encouraged to provide each resident council a copy of its 5-Year and Annual Plan.

PHA Plan Elements. (24 CFR 903.7)

1. **Eligibility, Selection and Admissions Policies, including Deconcentration and Wait List Procedures.** Describe the PHA's policies that govern resident or tenant eligibility, selection and admission including admission preferences for both public housing and HCV and unit assignment policies for public housing; and procedures for maintaining waiting lists for admission to public housing and address any site-based waiting lists.

2. **Financial Resources.** A statement of financial resources, including a listing by general categories, of the PHA's anticipated resources, such as PHA Operating, Capital and other anticipated Federal resources available to the PHA, as well as tenant rents and other income available to support public housing or tenant-based assistance. The statement also should include the non-Federal sources of funds supporting each Federal program, and state the planned use for the resources.

3. **Rent Determination.** A statement of the policies of the PHA governing rents charged for public housing and HCV dwelling units.

4. **Operation and Management.** A statement of the rules, standards, and policies of the PHA governing maintenance management of housing owned, assisted, or operated by the public housing agency (which shall include measures necessary for the prevention or eradication of pest infestation, including cockroaches), and management of the PHA and programs of the PHA.

5. **Grievance Procedures.** A description of the grievance and informal hearing and review procedures that the PHA makes available to its residents and applicants.

6. **Designated Housing for Elderly and Disabled Families.** With respect to public housing projects owned, assisted, or operated by the PHA, describe any projects (or portions thereof), in the upcoming fiscal year, that the PHA has designated or will apply for designation for occupancy by elderly and disabled families. The description shall include the following information: 1) development name and number; 2) designation type; 3) application status; 4) date the designation was approved, submitted, or planned for submission, and; 5) the number of units affected.

7. **Community Service and Self-Sufficiency.** A description of: (1) Any programs relating to services and amenities provided or offered to assisted families; (2) Any policies or programs of the PHA for the enhancement of the economic and social self-sufficiency of assisted families, including programs under Section 3 and FSS; (3) How the PHA will comply with the requirements of community service and treatment of income changes resulting from welfare program requirements. **(Note: applies to only public housing).**

8. **Safety and Crime Prevention.** For public housing only, describe the PHA's plan for safety and crime prevention to ensure the safety of the public housing residents. The statement must include: (i) A description of the need for measures to ensure the safety of public housing residents; (ii) A description of any crime prevention activities conducted or to be conducted by the PHA; and (iii) A description of the coordination between the PHA and the appropriate police precincts for carrying out crime prevention measures and activities.

9. **Pets.** A statement describing the PHAs policies and requirements pertaining to the ownership of pets in public housing.

10. **Civil Rights Certification.** A PHA will be considered in compliance with the Civil Rights and AFFH Certification if: it can document that it examines its programs and proposed programs to identify any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with the local jurisdiction to implement any of the jurisdiction's initiatives to affirmatively further fair housing; and assures that the annual plan is consistent with any applicable Consolidated Plan for its jurisdiction.

11. **Fiscal Year Audit.** The results of the most recent fiscal year audit for the PHA.

12. **Asset Management.** A statement of how the agency will carry out its asset management functions with respect to the public housing inventory of the agency, including how the agency will plan for the long-term operating, capital investment, rehabilitation, modernization, disposition, and other needs for such inventory.

13. **Violence Against Women Act (VAWA).** A description of: **1)** Any activities, services, or programs provided or offered by an agency, either directly or in partnership with other service providers, to child or adult victims of domestic violence, dating violence, sexual assault, or stalking; **2)** Any activities, services, or programs provided or offered by a PHA that helps child and adult victims of domestic violence, dating violence, sexual assault, or stalking, to obtain or maintain housing; and **3)** Any activities, services, or programs provided or offered by a public housing agency to prevent domestic violence, dating violence, sexual assault, and stalking, or to enhance victim safety in assisted families.

7.0 Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-based Vouchers

(a) **Hope VI or Mixed Finance Modernization or Development.** **1)** A description of any housing (including project number (if known) and unit count) for which the PHA will apply for HOPE VI or Mixed Finance Modernization or Development; and **2)** A timetable for the submission of applications or proposals. The application and approval process for Hope VI, Mixed Finance Modernization or Development, is a separate process. See guidance on HUD's website at: http://www.hud.gov/offices/pih/programs/ph/hope6/index.cfm

(b) **Demolition and/or Disposition.** With respect to public housing projects owned by the PHA and subject to ACCs under the Act: **(1)** A description of any housing (including project number and unit numbers [or addresses]), and the number of affected units along with their sizes and accessibility features) for which the PHA will apply or is currently pending for demolition or disposition; and **(2)** A timetable for the demolition or disposition. The application and approval process for demolition and/or disposition is a separate process. See guidance on HUD's website at: http://www.hud.gov/offices/pih/centers/sac/demo_dispo/index.cfm
Note: This statement must be submitted to the extent **that approved and/or pending** demolition and/or disposition has changed.

(c) **Conversion of Public Housing.** With respect to public housing owned by a PHA: **1)** A description of any building or buildings (including project number and unit count) that the PHA is required to convert to tenant-based assistance or that the public housing agency plans to voluntarily convert; **2)** An analysis of the projects or buildings required to be converted; and **3)** A statement of the amount of assistance received under this chapter to be used for rental assistance or other housing assistance in connection with such conversion. See guidance on HUD's website at: http://www.hud.gov/offices/pih/centers/sac/conversion.cfm

(d) **Homeownership.** A description of any homeownership (including project number and unit count) administered by the agency or for which the PHA has applied or will apply for approval.

(e) **Project-based Vouchers.** If the PHA wishes to use the project-based voucher program, a statement of the projected number of project-based units and general locations and how project basing would be consistent with its PHA Plan.

8.0 Capital Improvements. This section provides information on a PHA's Capital Fund Program. With respect to public housing projects owned, assisted, or operated by the public housing agency, a plan describing the capital improvements necessary to ensure long-term physical and social viability of the projects must be completed along with the required forms. Items identified in 8.1 through 8.3, must be signed where directed and transmitted electronically along with the PHA's Annual Plan submission.

8.1 Capital Fund Program Annual Statement/Performance and Evaluation Report. PHAs must complete the *Capital Fund Program Annual Statement/Performance and Evaluation Report* (form HUD-50075.1), for each Capital Fund Program (CFP) to be undertaken with the current year's CFP funds or with CFFP proceeds. Additionally, the form shall be used for the following purposes:

(a) To submit the initial budget for a new grant or CFFP;

(b) To report on the Performance and Evaluation Report progress on any open grants previously funded or CFFP; and

(c) To record a budget revision on a previously approved open grant or CFFP, e.g., additions or deletions of work items, modification of budgeted amounts that have been undertaken since the submission of the last Annual Plan. The Capital Fund Program Annual Statement/Performance and Evaluation Report must be submitted annually.

Additionally, PHAs shall complete the Performance and Evaluation Report section (see footnote 2) of the *Capital Fund Program Annual Statement/Performance and Evaluation* (form HUD-50075.1), at the following times:

1. At the end of the program year; until the program is completed or all funds are expended;

2. When revisions to the Annual Statement are made, which do not require prior HUD approval, (e.g., expenditures for emergency work, revisions resulting from the PHAs application of fungibility); and

3. Upon completion or termination of the activities funded in a specific capital fund program year.

8.2 Capital Fund Program Five-Year Action Plan

PHAs must submit the *Capital Fund Program Five-Year Action Plan* (form HUD-50075.2) for the entire PHA portfolio for the first year of participation in the CFP and annual update thereafter to eliminate the previous year and to add a new fifth year (rolling basis) so that the form always covers the present five-year period beginning with the current year.

8.3 Capital Fund Financing Program (CFFP). Separate, written HUD approval is required if the PHA proposes to pledge any

portion of its CFP/RHF funds to repay debt incurred to finance capital improvements. The PHA must identify in its Annual and 5-year capital plans the amount of the annual payments required to service the debt. The PHA must also submit an annual statement detailing the use of the CFFP proceeds. See guidance on HUD's website at: http://www.hud.gov/offices/pih/programs/ph/capfund/cffp.cfm

9.0 Housing Needs. Provide a statement of the housing needs of families residing in the jurisdiction served by the PHA and the means by which the PHA intends, to the maximum extent practicable, to address those needs. **(Note:** Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan).

9.1 Strategy for Addressing Housing Needs. Provide a description of the PHA's strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. **(Note:** Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan).

10.0 Additional Information. Describe the following, as well as any additional information requested by HUD:

(a) Progress in Meeting Mission and Goals. PHAs must include (i) a statement of the PHAs progress in meeting the mission and goals described in the 5-Year Plan; (ii) the basic criteria the PHA will use for determining a significant amendment from its 5-year Plan; and a significant amendment or modification to its 5-Year Plan and Annual Plan. **(Note: Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan).**

(b) Significant Amendment and Substantial Deviation/Modification. PHA must provide the definition of "significant amendment" and "substantial deviation/modification". **(Note: Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan.)**

(c) PHAs must include or reference any applicable memorandum of agreement with HUD or any plan to improve performance. **(Note: Standard and Troubled PHAs complete annually).**

11.0 Required Submission for HUD Field Office Review. In order to be a complete package, PHAs must submit items (a) through (g), with signature by mail or electronically with scanned signatures. Items (h) and (i) shall be submitted electronically as an attachment to the PHA Plan.

(a) Form HUD-50077, *PHA Certifications of Compliance with the PHA Plans and Related Regulations*

(b) Form HUD-50070, *Certification for a Drug-Free Workplace* **(PHAs receiving CFP grants only)**

(c) Form HUD-50071, *Certification of Payments to Influence Federal Transactions* **(PHAs receiving CFP grants only)**

(d) Form SF-LLL, *Disclosure of Lobbying Activities* **(PHAs receiving CFP grants only)**

(e) Form SF-LLL-A, *Disclosure of Lobbying Activities Continuation Sheet* **(PHAs receiving CFP grants only)**

(f) Resident Advisory Board (RAB) comments.

(g) Challenged Elements. Include any element(s) of the PHA Plan that is challenged.

(h) Form HUD-50075.1, ***Capital Fund Program Annual Statement/Performance and Evaluation Report*** **(Must be attached electronically for PHAs receiving CFP grants only).** See instructions in 8.1.

(i) Form HUD-50075.2, *Capital Fund Program Five-Year Action Plan* **(Must be attached electronically for PHAs receiving CFP grants only).** See instructions in 8.2.

PHA Certifications of Compliance with PHA Plans and Related Regulations	U.S. Department of Housing and Urban Development Office of Public and Indian Housing Expires 4/30/2011

PHA Certifications of Compliance with the PHA Plans and Related Regulations: Board Resolution to Accompany the PHA 5-*Year and Annual* PHA Plan

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the___ 5-Year and/or X Annual PHA Plan for the PHA fiscal year beginning 7/1/11, hereinafter referred to as" the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

1. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.
2. The Plan contains a certification by the appropriate State or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the PHA's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan.
3. The PHA certifies that there has been no change, significant or otherwise, to the Capital Fund Program (and Capital Fund Program/Replacement Housing Factor) Annual Statement(s), since submission of its last approved Annual Plan. The Capital Fund Program Annual Statement/Annual Statement/Performance and Evaluation Report must be submitted annually even if there is no change.
4. The PHA has established a Resident Advisory Board or Boards, the membership of which represents the residents assisted by the PHA, consulted with this Board or Boards in developing the Plan, and considered the recommendations of the Board or Boards (24 CFR 903.13). The PHA has included in the Plan submission a copy of the recommendations made by the Resident Advisory Board or Boards and a description of the manner in which the Plan addresses these recommendations.
5. The PHA made the proposed Plan and all information relevant to the public hearing available for public inspection at least 45 days before the hearing, published a notice that a hearing would be held and conducted a hearing to discuss the Plan and invited public comment.
6. The PHA certifies that it will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
7. The PHA will affirmatively further fair housing by examining their programs or proposed programs, identify any impediments to fair housing choice within those programs, address those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and maintain records reflecting these analyses and actions.
8. For PHA Plan that includes a policy for site based waiting lists:
   - The PHA regularly submits required data to HUD's 50058 PIC/IMS Module in an accurate, complete and timely manner (as specified in PIH Notice 2006-24);
   - The system of site-based waiting lists provides for full disclosure to each applicant in the selection of the development in which to reside, including basic information about available sites; and an estimate of the period of time the applicant would likely have to wait to be admitted to units of different sizes and types at each site;
   - Adoption of site-based waiting list would not violate any court order or settlement agreement or be inconsistent with a pending complaint brought by HUD;
   - The PHA shall take reasonable measures to assure that such waiting list is consistent with affirmatively furthering fair housing;
   - The PHA provides for review of its site-based waiting list policy to determine if it is consistent with civil rights laws and certifications, as specified in 24 CFR part 903.7(c)(1).
9. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
10. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
11. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.

12. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.
13. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
14. The PHA will provide the responsible entity or HUD any documentation that the responsible entity or HUD needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58 or Part 50, respectively.
15. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under Section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
16. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
17. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act, the Residential Lead-Based Paint Hazard Reduction Act of 1992, and 24 CFR Part 35.
18. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments), 2 CFR Part 225, and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).
19. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the regulations and included in its Plan.
20. All attachments to the Plan have been and will continue to be available at all times and all locations that the PHA Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its PHA Plan and will continue to be made available at least at the primary business office of the PHA.
21. The PHA provides assurance as part of this certification that:
    (i) The Resident Advisory Board had an opportunity to review and comment on the changes to the policies and programs before implementation by the PHA;
    (ii) The changes were duly approved by the PHA Board of Directors (or similar governing body); and
    (iii) The revised policies and programs are available for review and inspection, at the principal office of the PHA during normal business hours.
22. The PHA certifies that it is in compliance with all applicable Federal statutory and regulatory requirements.

Gila County Housing	AZ045
PHA Name	PHA Number/HA Code

____ 5-Year PHA Plan for Fiscal Years 20____ - 20____

_x_ Annual PHA Plan for Fiscal Years 20_11_ - 20_12_

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official	Title
Michael A. Pastor	Chairman, Gila County Board of Supervisors
Signature: Michael A. Pastor	Date: 5/17/11

Approved as to form:

Bryan B. Chambers
Chief Deputy County Attorney

5-17-2011
Date

David Fletcher
Director

Bree'na York
Divisional Fiscal Manager

Jendean Sartain
Deputy Director

Judy Smith
Divisional Program Manager

GILA COUNTY DIVISION of HEALTH and COMMUNITY SERVICES

Office of Community Services

"Helping People to Help Themselves"

January 24, 2011

Dear Section 8-Housing Choice Voucher Tenant:

Once again at this time the Gila County Housing Authority needs to form a Resident Advisory Committee which is a requirement of Federal Regulations. The purpose of this letter is to invite you to become a member of the committee. The Committee is made up of residents within the Gila County Section 8 Program only. As a member of the committee you will be required to review the Agencies Five year Plan and participate in at least one meeting to discuss the plan and provide recommendations to our Section 8 Housing Choice Voucher Program in our Housing Services Department.

The Gila County Housing Authority would also like to inform you that if you choose to be a Member of the Resident Advisory Committee you may also be appointed to sit on the PHA Board or Governing Body. In which you would approve any Section 8 Housing Choice Voucher Program changes within the Agencies Plan.

If you are interested in sitting on this committee, please be kind enough to respond by February 18, 2011 either by:

- Completing the second portion of this letter and returning it to me in the self address, pre-postage provided envelope;
- Contacting me at 928-425-7631; or
- E-mailing me at pcampos@co.gila.az.us

Respectfully,

Patricia Campos
Program Administrator

5515 S. Apache Ave. Suite 200
Globe, AZ 85501

Reasonable accommodations for persons with disabilities may be requested.

(928) 425-7631
(928) 425-9468 FAX
800-304-4452 toll free
T.T.Y. 7-1-1

_____ Yes, I am interested in being a member of the Resident Advisory Committee.

_____ Yes, I am interested in being a member of the Resident Advisory Committee, and to be a member of the Resident Membership on the PHA Board or Governing Body.

_____ No, I am not interested in being a member of the Resident Advisory Committee or to be a member of the Resident Membership on the PHA Board or Governing Body.

Name: _____

Address: _____

Telephone Number: _____

Comments:

_____

_____

_____

_____

_____

_____

_____

REQUIRED ATTACHMENT I:

Resident Membership on PHA Board or Governing Body

List members of the Resident Membership oh PHA Board or Governing Body:

The Gila county Housing sent notices to all participants that a Resident Membership on PHA Board or Governing Body would be created and invited residents to participate. ***We did not have a response regarding the invitation for the Membership.***

REQUIRED ATTACHMENT II: Membership of the Resident Advisory Board or Boards

List members of the Resident Advisory Board or Boards: (If the list would be unreasonably long, list organizations represented or otherwise provided a description sufficient to identify how members are chosen):

Members:

The Gila County Housing Authority sent notices to all participants that a Resident Advisory Board would be created and invited residents to participate. ***0*** residents responded to our inquiry.

COMMENTS:

_____
_____
_____
_____
_____
_____
_____
_____
_____
_____

RESOLUTION NO. 11-05-01

A RESOLUTION OF THE BOARD OF SUPERVISORS OF GILA COUNTY, ARIZONA, AUTHORIZING THE GILA COUNTY HOUSING AUTHORITY TO SUBMIT ITS REVISED ADMINISTRATIVE PLAN FOR FISCAL YEAR 2011 TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WHEREAS, the Department of Housing and Urban Development (HUD) requires Housing Agencies to update their Administrative Plans as needed and revised needed changes to the Agency Annual Plans to coincide with each other's changes; and

WHEREAS, Gila County has held a public hearing to receive public comment on the revisions to its Gila County Administrative Plan for Fiscal Year 2011.

NOW, THEREFORE, BE IT RESOLVED by the Gila County Board of Supervisors that:

- Gila County Housing Authority's Revised Administrative Plan for Fiscal Year 2011 is hereby approved.
- The Chairman of the Gila County Board of Supervisors is authorized and directed to execute the required certifications of compliance associated with the Gila County Housing Authority's Plans and related regulations.

PASSED AND ADOPTED this 17th day of May 2011, at Globe, Gila County, Arizona

Attest:

for Marilyn Brewer, Deputy Clerk
Marian Sheppard
Chief Deputy Clerk of the Board

GILA COUNTY BOARD OF SUPERVISORS

Michael A. Pastor
Michael A. Pastor, Chairman

Approved as to form:

Bryan Chambers
Chief Deputy County Attorney

The Gila County Housing Authority VAWA Description

This VAWA Description is submitted as required pursuant to Section 603 of the law amending Section 5A of the U.S. Housing Act to require PHAs five-year and annual PHA Plans to contain information regarding any goals, activities, objectives, policies, or programs of the PHA that are intended to support or assist victims of domestic violence, dating violence, sexual assault, or stalking. Sections 606 and Section 607 amend the Section 8 and public housing sections of the U.S. Housing Act to protect certain victims of criminal domestic violence, dating violence, sexual assault, or stalking as well as members of the victims and immediate families from losing their HUD-assisted housing as a consequence of the abuse of which they were the victim.

The Gila County Housing Authority has established policies to support and assist victims of domestic violence and protect tenants and family members of tenants who are victims of domestic violence, dating violence or stalking from being evicted or terminated from housing assistance based on acts of such violence against them.

The Violence against Women Act (VAWA) protects tenants and family members of tenants who are victims of domestic violence, dating violence, or stalking from being evicted or terminated from housing assistance based on acts of such violence against them. These provisions apply to our agency administering the Section 8 programs and to owners renting to families under Section 8 rental assistance programs.

The law provides in part that criminal activity directly relating to domestic violence, dating violence, or stalking, engaged in by a member of a tenants household or any guest or other person under the tenants control, shall not be cause for termination of assistance, tenancy, or occupancy rights if the tenant or an immediate member of the tenants family is the victim or threatened victim of that abuse. The law also provides that an incident or incidents of actual or threatened domestic violence, dating violence, or stalking will not be construed as serious or repeated violations of the lease by the victim or threatened victim of that violence and will not be good cause for termination of the assistance, tenancy, or occupancy rights of a victim of such violence.

The Gila County Housing Services is part of a Social Services networking that provides assistance to activity directly relating to domestic violence, dating violence, or stalking, engaged in by a member of a household. Partnerships in the networking include Horizon Services (Safe Home) and the Community Action Program. Some of the examples of assistance are assisting in Rent or Utilities payments and assisting victims in need of help who want to remove themselves from life threatening situations. The Gila County Section 8 Program has not had any participants who have needed this help, but it is offered to many residents in the Gila County Area

NOTICE OF PUBLIC HEARING

Gila County Housing Authority has revised its Agency Annual Plan for the Fiscal Year 2011 in compliance with the Quality Housing and Work Responsibility Act of 1998. The Plan is available for review at the Housing Department located at 5515 S. Apache Ave., Suite 200 Globe, Arizona from 8:00a.m. To 5:00p.m. In addition, a public hearing will be held on May 17, 2011 at 10:00 a.m., at the regularly scheduled Board of Supervisors Meeting, Board of Supervisors' Hearing Room, located at 1400 E. Ash Street Globe, Arizona.

Comments on this Plan must be submitted in writing no later than May 13, 2011 to the Housing Department at the address Housing Services-Housing Choice Voucher program at 5515 S. Apache Ave. Suite 200, Globe AZ 85501

Gila County Board of Supervisors
Marian Sheppard, Chief Deputy Clerk of the Board

Gila County Housing Authority Section 8-Housing Choice Voucher Program is a federally funded program through the U.S. Department of Housing and Urban Development.

Civil Rights Certification	U.S. Department of Housing and Urban Development Office of Public and Indian Housing Expires 4/30/2011

Civil Rights Certification

Annual Certification and Board Resolution

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioner, I approve the submission of the Plan for the PHA of which this document is a part and make the following certification and agreement with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

The PHA certifies that it will carry out the public housing program of the agency in conformity with title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990, and will affirmatively further fair housing.

Gila County Housing Authority	AZ045
PHA Name	PHA Number/HA Code

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)	
Name of Authorized Official Malissa Buzan	Title Community Action/Housing Services Program Manager
Signature	Date

Civil Rights Certification	U.S. Department of Housing and Urban Development Office of Public and Indian Housing Expires 4/30/2011

Civil Rights Certification

Annual Certification and Board Resolution

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioner, I approve the submission of the Plan for the PHA of which this document is a part and make the following certification and agreement with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

The PHA certifies that it will carry out the public housing program of the agency in conformity with title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990, and will affirmatively further fair housing.

Gila County Housing Authority	AZ045
PHA Name	PHA Number/HA Code

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)	
Name of Authorized Official Malissa Buzan	Title Community Action/Housing Services Program Manager
Signature	Date

Civil Rights Certification	U.S. Department of Housing and Urban Development Office of Public and Indian Housing Expires 4/30/2011

Civil Rights Certification

Annual Certification and Board Resolution

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioner, I approve the submission of the Plan for the PHA of which this document is a part and make the following certification and agreement with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

The PHA certifies that it will carry out the public housing program of the agency in conformity with title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990, and will affirmatively further fair housing.

Gila County Housing Authority	AZ045
PHA Name	PHA Number/HA Code

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)	
Name of Authorized Official Malissa Buzan	Title Community Action/Housing Services Program Manager
Signature	Date

Civil Rights Certification	U.S. Department of Housing and Urban Development Office of Public and Indian Housing Expires 4/30/2011

Civil Rights Certification

Annual Certification and Board Resolution

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioner, I approve the submission of the Plan for the PHA of which this document is a part and make the following certification and agreement with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

The PHA certifies that it will carry out the public housing program of the agency in conformity with title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990, and will affirmatively further fair housing.

Gila County Housing Authority	AZ045
PHA Name	PHA Number/HA Code

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)	
Name of Authorized Official Malissa Buzan	Title Community Action/Housing Services Program Manager
Signature	Date

PHA 5-Year and Annual Plan	U.S. Department of Housing and Urban Development Office of Public and Indian Housing	OMB No. 2577-0226 Expires 4/30/2011

1.0 PHA Information

PHA Name: Gila County Housing PHA Code: AZ045

PHA Type: ☑ Small ☐ High Performing ☐ Standard ☑ HCV (Section 8)

PHA Fiscal Year Beginning: (MM/YYYY): 07/2010

2.0 Inventory (based on ACC units at time of FY beginning in 1.0 above)

Number of PH units: 0 Number of HCV units: 53

3.0 Submission Type

☑ 5-Year and Annual Plan ☐ Annual Plan Only ☐ 5-Year Plan Only

4.0 PHA Consortia ☐ PHA Consortia: (Check box if submitting a joint Plan and complete table below.)

Participating PHAs	PHA Code	Program(s) Included in the Consortia	Programs Not in the Consortia	No. of Units in Each Program	
				PH	HCV
PHA 1:					
PHA 2:					
PHA 3:					

5.0 5-Year Plan. Complete items 5.1 and 5.2 only at 5-Year Plan update.

5.1 Mission. State the PHA's Mission for serving the needs of low-income, very low-income, and extremely low income families in the PHA's jurisdiction for the next five years:

To promote adequate and affordable housing, economic opportunity and a suitable living environment free from discrimination.

5.2 Goals and Objectives. Identify the PHA's quantifiable goals and objectives that will enable the PHA to serve the needs of low-income and very low-income, and extremely low-income families for the next five years. Include a report on the progress the PHA has made in meeting the goals and objectives described in the previous 5-Year Plan.

To utilize the HA budget authority to its maximum, to enable us to serve as many applicants as possible. To improve voucher management. Apply for additional funding if available.

6.0 PHA Plan Update

(a) Identify all PHA Plan elements that have been revised by the PHA since its last Annual Plan submission:

HA has established a minimum rent and adjusted payment standards

(b) Identify the specific location(s) where the public may obtain copies of the 5-Year and Annual PHA Plan. For a complete list of PHA Plan elements, see Section 6.0 of the instructions.

Main PHA administrative office, PHA Website and Main County government administrative office.

7.0 Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-based Vouchers. *Include statements related to these programs as applicable.*

8.0 Capital Improvements. Please complete Parts 8.1 through 8.3, as applicable.

8.1 Capital Fund Program Annual Statement/Performance and Evaluation Report. As part of the PHA 5-Year and Annual Plan, annually complete and submit the *Capital Fund Program Annual Statement Performance and Evaluation Report*, form HUD-50075.1, for each current and open CFP grant and CFFP financing.

8.2 Capital Fund Program Five-Year Action Plan. As part of the submission of the Annual Plan, PHAs must complete and submit the *Capital Fund Program Five-Year Action Plan*, form HUD-50075.2, and subsequent annual updates (on a rolling basis, e.g., drop current year, and add latest year for a five year period). Large capital items must be included in the Five-Year Action Plan.

8.3 Capital Fund Financing Program (CFFP).

☐ Check if the PHA proposes to use any portion of its Capital Fund Program (CFP)/Replacement Housing Factor (RHF) to repay debt incurred to finance capital improvements.

9.0	**Housing Needs.** Based on information provided by the applicable Consolidated Plan, information provided by HUD, and other generally available data, make a reasonable effort to identify the housing needs of the low-income, very low-income, and extremely low-income families who reside in the jurisdiction served by the PHA, including elderly families, families with disabilities, and households of various races and ethnic groups, and other families who are on the public housing and Section 8 tenant-based assistance waiting lists. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location. Shortage of affordable housing for all eligible populations and unit sizes.
9.1	**Strategy for Addressing Housing Needs.** Provide a brief description of the PHA's strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. **Note: Small, Section 8 only, and High Performing PHAs complete only for Annual Plan submission with the 5-Year Plan.** Landlord Education of program requirements including decreasing of payment standards to increase lease up rate.
10.0	**Additional Information.** Describe the following, as well as any additional information HUD has requested. (a) Progress in Meeting Mission and Goals. Provide a brief statement of the PHA's progress in meeting the mission and goals described in the 5-Year Plan. The Gila County Housing has decreased the Payment Standards to 90%, established a minimum rent of $50.00 and currently revising its Administrative Plan. (b) Significant Amendment and Substantial Deviation/Modification. Provide the PHA's definition of "significant amendment" and "substantial deviation/modification" *Substantial Deviation from the 5-year Plan *Significant Amendment or Modification to the Annual Plan

11.0	**Required Submission for HUD Field Office Review.** In addition to the PHA Plan template (HUD-50075), PHAs must submit the following documents. Items (a) through (g) may be submitted with signature by mail or electronically with scanned signatures, but electronic submission is encouraged. Items (h) through (i) must be attached electronically with the PHA Plan. **Note:** Faxed copies of these documents will not be accepted by the Field Office. (a) Form HUD-50077, *PHA Certifications of Compliance with the PHA Plans and Related Regulations* (which includes all certifications relating to Civil Rights) (b) Form HUD-50070, *Certification for a Drug-Free Workplace* (PHAs receiving CFP grants only) (c) Form HUD-50071, *Certification of Payments to Influence Federal Transactions* (PHAs receiving CFP grants only) (d) Form SF-LLL, *Disclosure of Lobbying Activities* (PHAs receiving CFP grants only) (e) Form SF-LLL-A, *Disclosure of Lobbying Activities Continuation Sheet* (PHAs receiving CFP grants only) (f) Resident Advisory Board (RAB) comments. Comments received from the RAB must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the recommendations and the decisions made on these recommendations. (g) Challenged Elements (h) Form HUD-50075.1, *Capital Fund Program Annual Statement/Performance and Evaluation Report* (PHAs receiving CFP grants only) (i) Form HUD-50075.2, *Capital Fund Program Five-Year Action Plan* (PHAs receiving CFP grants only)

This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937, as amended, which introduced 5-Year and Annual PHA Plans. The 5-Year and Annual PHA plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA's mission and strategies for serving the needs of low-income and very low-income families. This form is to be used by all PHA types for submission of the 5-Year and Annual Plans to HUD. Public reporting burden for this information collection is estimated to average 12.68 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Privacy Act Notice. The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality

Instructions form HUD-50075

Applicability. This form is to be used by all Public Housing Agencies (PHAs) with Fiscal Year beginning April 1, 2008 for the submission of their 5-Year and Annual Plan in accordance with 24 CFR Part 903. The previous version may be used only through April 30, 2008.

1.0 PHA Information
Include the full PHA name, PHA code, PHA type, and PHA Fiscal Year Beginning (MM/YYYY).

2.0 Inventory
Under each program, enter the number of Annual Contributions Contract (ACC) Public Housing (PH) and Section 8 units (HCV).

3.0 Submission Type
Indicate whether this submission is for an Annual and Five Year Plan, Annual Plan only, or 5-Year Plan only.

4.0 PHA Consortia
Check box if submitting a Joint PHA Plan and complete the table.

5.0 Five-Year Plan
Identify the PHA's Mission, Goals and/or Objectives (24 CFR 903.6). Complete only at 5-Year update.

5.1 Mission. A statement of the mission of the public housing agency for serving the needs of low-income, very low-income, and extremely low-income families in the jurisdiction of the PHA during the years covered under the plan.

5.2 Goals and Objectives. Identify quantifiable goals and objectives that will enable the PHA to serve the needs of low income, very low-income, and extremely low-income families.

6.0 PHA Plan Update. In addition to the items captured in the Plan template, PHAs must have the elements listed below readily available to the public. Additionally, a PHA must:

(a) Identify specifically which plan elements have been revised since the PHA's prior plan submission.

(b) Identify where the 5-Year and Annual Plan may be obtained by the public. At a minimum, PHAs must post PHA Plans, including updates, at each Asset Management Project (AMP) and main office or central office of the PHA. PHAs are strongly encouraged to post complete PHA Plans on its official website. PHAs are also encouraged to provide each resident council a copy of its 5-Year and Annual Plan.

PHA Plan Elements. (24 CFR 903.7)

1. **Eligibility, Selection and Admissions Policies, Including Deconcentration and Wait List Procedures.** Describe the PHA's policies that govern resident or tenant eligibility, selection and admission including admission preferences for both public housing and HCV and unit assignment policies for public housing; and procedures for maintaining waiting lists for admission to public housing and address any site-based waiting lists.

2. **Financial Resources.** A statement of financial resources, including a listing by general categories, of the PHA's anticipated resources, such as PHA Operating, Capital and other anticipated Federal resources available to the PHA, as well as tenant rents and other income available to support public housing or tenant-based assistance. The statement also should include the non-Federal sources of funds supporting each Federal program, and state the planned use for the resources.

3. **Rent Determination.** A statement of the policies of the PHA governing rents charged for public housing and HCV dwelling units.

4. **Operation and Management.** A statement of the rules, standards, and policies of the PHA governing maintenance management of housing owned, assisted, or operated by the public housing agency (which shall include measures necessary for the prevention or eradication of pest infestation, including cockroaches), and management of the PHA and programs of the PHA.

5. **Grievance Procedures.** A description of the grievance and informal hearing and review procedures that the PHA makes available to its residents and applicants.

6. **Designated Housing for Elderly and Disabled Families.** With respect to public housing projects owned, assisted, or operated by the PHA, describe any projects (or portions thereof), in the upcoming fiscal year, that the PHA has designated or will apply for designation for occupancy by elderly and disabled families. The description shall include the following information: 1) development name and number; 2) designation type; 3) application status; 4) date the designation was approved, submitted, or planned for submission, and; 5) the number of units affected.

7. **Community Service and Self-Sufficiency.** A description of: (1) Any programs relating to services and amenities provided or offered to assisted families; (2) Any policies or programs of the PHA for the enhancement of the economic and social self-sufficiency of assisted families, including programs under Section 3 and FSS; (3) How the PHA will comply with the requirements of community service and treatment of income changes resulting from welfare program requirements. **(Note: applies to only public housing).**

8. **Safety and Crime Prevention.** For public housing only, describe the PHA's plan for safety and crime prevention to ensure the safety of the public housing residents. The statement must include: (i) A description of the need for measures to ensure the safety of public housing residents; (ii) A description of any crime prevention activities conducted or to be conducted by the PHA; and (iii) A description of the coordination between the PHA and the appropriate police precincts for carrying out crime prevention measures and activities.

9. **Pets.** A statement describing the PHAs policies and requirements pertaining to the ownership of pets in public housing.

10. **Civil Rights Certification.** A PHA will be considered in compliance with the Civil Rights and AFFH Certification if: it can document that it examines its programs and proposed programs to identify any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with the local jurisdiction to implement any of the jurisdiction's initiatives to affirmatively further fair housing; and assures that the annual plan is consistent with any applicable Consolidated Plan for its jurisdiction.

11. **Fiscal Year Audit.** The results of the most recent fiscal year audit for the PHA.

12. **Asset Management.** A statement of how the agency will carry out its asset management functions with respect to the public housing inventory of the agency, including how the agency will plan for the long-term operating, capital investment, rehabilitation, modernization, disposition, and other needs for such inventory.

13. **Violence Against Women Act (VAWA).** A description of: 1) Any activities, services, or programs provided or offered by an agency, either directly or in partnership with other service providers, to child or adult victims of domestic violence, dating violence, sexual assault, or stalking; 2) Any activities, services, or programs provided or offered by a PHA that helps child and adult victims of domestic violence, dating violence, sexual assault, or stalking, to obtain or maintain housing; and 3) Any activities, services, or programs provided or offered by a public housing agency to prevent domestic violence, dating violence, sexual assault, and stalking, or to enhance victim safety in assisted families.

7.0 Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-based Vouchers

(a) **Hope VI or Mixed Finance Modernization or Development.** 1) A description of any housing (including project number (if known) and unit count) for which the PHA will apply for HOPE VI or Mixed Finance Modernization or Development; and 2) A timetable for the submission of applications or proposals. The application and approval process for Hope VI, Mixed Finance Modernization or Development, is a separate process. See guidance on HUD's website at: http://www.hud.gov/offices/pih/programs/ph/hope6/index.cfm

(b) **Demolition and/or Disposition.** With respect to public housing projects owned by the PHA and subject to ACCs under the Act: (1) A description of any housing (including project number and unit numbers [or addresses]), and the number of affected units along with their sizes and accessibility features) for which the PHA will apply or is currently pending for demolition or disposition; and (2) A timetable for the demolition or disposition. The application and approval process for demolition and/or disposition is a separate process. See guidance on HUD's website at: http://www.hud.gov/offices/pih/centers/sac/demo_dispo/index.cfm
Note: This statement must be submitted to the extent that approved and/or pending demolition and/or disposition has changed.

(c) **Conversion of Public Housing.** With respect to public housing owned by a PHA: 1) A description of any building or buildings (including project number and unit count) that the PHA is required to convert to tenant-based assistance or that the public housing agency plans to voluntarily convert; 2) An analysis of the projects or buildings required to be converted; and 3) A statement of the amount of assistance received under this chapter to be used for rental assistance or other housing assistance in connection with such conversion. See guidance on HUD's website at: http://www.hud.gov/offices/pih/centers/sac/conversion.cfm

(d) **Homeownership.** A description of any homeownership (including project number and unit count) administered by the agency or for which the PHA has applied or will apply for approval.

(e) **Project-based Vouchers.** If the PHA wishes to use the project-based voucher program, a statement of the projected number of project-based units and general locations and how project basing would be consistent with its PHA Plan.

8.0 Capital Improvements. This section provides information on a PHA's Capital Fund Program. With respect to public housing projects owned, assisted, or operated by the public housing agency, a plan describing the capital improvements necessary to ensure long-term physical and social viability of the projects must be completed along with the required forms. Items identified in 8.1 through 8.3, must be signed where directed and transmitted electronically along with the PHA's Annual Plan submission.

8.1 Capital Fund Program Annual Statement/Performance and Evaluation Report. PHAs must complete the *Capital Fund Program Annual Statement/Performance and Evaluation Report* (form HUD-50075.1), for each Capital Fund Program (CFP) to be undertaken with the current year's CFP funds or with CFFP proceeds. Additionally, the form shall be used for the following purposes:

(a) To submit the initial budget for a new grant or CFFP;

(b) To report on the Performance and Evaluation Report progress on any open grants previously funded or CFFP; and

(c) To record a budget revision on a previously approved open grant or CFFP, e.g., additions or deletions of work items, modification of budgeted amounts that have been undertaken since the submission of the last Annual Plan. The Capital Fund Program Annual Statement/Performance and Evaluation Report must be submitted annually.

Additionally, PHAs shall complete the Performance and Evaluation Report section (see footnote 2) of the *Capital Fund Program Annual Statement/Performance and Evaluation* (form HUD-50075.1), at the following times:

1. At the end of the program year; until the program is completed or all funds are expended;

2. When revisions to the Annual Statement are made, which do not require prior HUD approval, (e.g., expenditures for emergency work, revisions resulting from the PHAs application of fungibility); and

3. Upon completion or termination of the activities funded in a specific capital fund program year.

8.2 Capital Fund Program Five-Year Action Plan

PHAs must submit the *Capital Fund Program Five-Year Action Plan* (form HUD-50075.2) for the entire PHA portfolio for the first year of participation in the CFP and annual update thereafter to eliminate the previous year and to add a new fifth year (rolling basis) so that the form always covers the present five-year period beginning with the current year.

8.3 Capital Fund Financing Program (CFFP). Separate, written HUD approval is required if the PHA proposes to pledge any

portion of its CFP/RHF funds to repay debt incurred to finance capital improvements. The PHA must identify in its Annual and 5-year capital plans the amount of the annual payments required to service the debt. The PHA must also submit an annual statement detailing the use of the CFFP proceeds. See guidance on HUD's website at:
http://www.hud.gov/offices/pih/programs/ph/capfund/cffp.cfm

9.0 Housing Needs. Provide a statement of the housing needs of families residing in the jurisdiction served by the PHA and the means by which the PHA intends, to the maximum extent practicable, to address those needs. (Note: Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan).

9.1 Strategy for Addressing Housing Needs. Provide a description of the PHA's strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. (Note: Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan).

10.0 Additional Information. Describe the following, as well as any additional information requested by HUD:

(a) **Progress in Meeting Mission and Goals.** PHAs must include (i) a statement of the PHAs progress in meeting the mission and goals described in the 5-Year Plan; (ii) the basic criteria the PHA will use for determining a significant amendment from its 5-year Plan; and a significant amendment or modification to its 5-Year Plan and Annual Plan. **(Note: Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan).**

(b) **Significant Amendment and Substantial Deviation/Modification.** PHA must provide the definition of "significant amendment" and "substantial deviation/modification". **(Note: Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan.)**

(c) PHAs must include or reference any applicable memorandum of agreement with HUD or any plan to improve performance. **(Note: Standard and Troubled PHAs complete annually).**

11.0 Required Submission for HUD Field Office Review. In order to be a complete package, PHAs must submit items (a) through (g), with signature by mail or electronically with scanned signatures. Items (h) and (i) shall be submitted electronically as an attachment to the PHA Plan.

(a) Form HUD-50077, *PHA Certifications of Compliance with the PHA Plans and Related Regulations*

(b) Form HUD-50070, *Certification for a Drug-Free Workplace* **(PHAs receiving CFP grants only)**

(c) Form HUD-50071, *Certification of Payments to Influence Federal Transactions* **(PHAs receiving CFP grants only)**

(d) Form SF-LLL, *Disclosure of Lobbying Activities* **(PHAs receiving CFP grants only)**

(e) Form SF-LLL-A, *Disclosure of Lobbying Activities Continuation Sheet* **(PHAs receiving CFP grants only)**

(f) Resident Advisory Board (RAB) comments.

(g) Challenged Elements. Include any element(s) of the PHA Plan that is challenged.

(h) Form HUD-50075.1, ***Capital Fund Program Annual Statement/Performance and Evaluation Report*** **(Must be attached electronically for PHAs receiving CFP grants only).** See instructions in 8.1.

(i) Form HUD-50075.2, *Capital Fund Program Five-Year Action Plan* **(Must be attached electronically for PHAs receiving CFP grants only).** See instructions in 8.2.

PHA Certifications of Compliance with PHA Plans and Related Regulations	U.S. Department of Housing and Urban Development Office of Public and Indian Housing OMB No. 2577-0226 Expires 4/30/2011

PHA Certifications of Compliance with the PHA Plans and Related Regulations: Board Resolution to Accompany the PHA 5-*Year and Annual* PHA Plan

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the X *5-Year and/or* X *Annual PHA Plan for the PHA fiscal year beginning* 2010 *, hereinafter referred to as" the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:*

1. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.
2. The Plan contains a certification by the appropriate State or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the PHA's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan.
3. The PHA certifies that there has been no change, significant or otherwise, to the Capital Fund Program (and Capital Fund Program/Replacement Housing Factor) Annual Statement(s), since submission of its last approved Annual Plan. The Capital Fund Program Annual Statement/Annual Statement/Performance and Evaluation Report must be submitted annually even if there is no change.
4. The PHA has established a Resident Advisory Board or Boards, the membership of which represents the residents assisted by the PHA, consulted with this Board or Boards in developing the Plan, and considered the recommendations of the Board or Boards (24 CFR 903.13). The PHA has included in the Plan submission a copy of the recommendations made by the Resident Advisory Board or Boards and a description of the manner in which the Plan addresses these recommendations.
5. The PHA made the proposed Plan and all information relevant to the public hearing available for public inspection at least 45 days before the hearing, published a notice that a hearing would be held and conducted a hearing to discuss the Plan and invited public comment.
6. The PHA certifies that it will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
7. The PHA will affirmatively further fair housing by examining their programs or proposed programs, identify any impediments to fair housing choice within those programs, address those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and maintain records reflecting these analyses and actions.
8. For PHA Plan that includes a policy for site based waiting lists:
   - The PHA regularly submits required data to HUD's 50058 PIC/IMS Module in an accurate, complete and timely manner (as specified in PIH Notice 2006-24);
   - The system of site-based waiting lists provides for full disclosure to each applicant in the selection of the development in which to reside, including basic information about available sites; and an estimate of the period of time the applicant would likely have to wait to be admitted to units of different sizes and types at each site;
   - Adoption of site-based waiting list would not violate any court order or settlement agreement or be inconsistent with a pending complaint brought by HUD;
   - The PHA shall take reasonable measures to assure that such waiting list is consistent with affirmatively furthering fair housing;
   - The PHA provides for review of its site-based waiting list policy to determine if it is consistent with civil rights laws and certifications, as specified in 24 CFR part 903.7(c)(1).
9. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
10. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
11. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
12. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.

13. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
14. The PHA will provide the responsible entity or HUD any documentation that the responsible entity or HUD needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58 or Part 50, respectively.
15. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under Section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
16. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
17. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act, the Residential Lead-Based Paint Hazard Reduction Act of 1992, and 24 CFR Part 35.
18. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments), 2 CFR Part 225, and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).
19. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the regulations and included in its Plan.
20. All attachments to the Plan have been and will continue to be available at all times and all locations that the PHA Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its PHA Plan and will continue to be made available at least at the primary business office of the PHA.
21. The PHA provides assurance as part of this certification that:
    (i) The Resident Advisory Board had an opportunity to review and comment on the changes to the policies and programs before implementation by the PHA;
    (ii) The changes were duly approved by the PHA Board of Directors (or similar governing body); and
    (iii) The revised policies and programs are available for review and inspection, at the principal office of the PHA during normal business hours.
22. The PHA certifies that it is in compliance with all applicable Federal statutory and regulatory requirements.

Gila County Housing	AZ045
PHA Name	PHA Number/HA Code

X 5-Year PHA Plan for Fiscal Years 20 10 - 20 14

X Annual PHA Plan for Fiscal Years 20 10 - 20 11

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official	Title
Shirley L. Dawson	Chairman, Gila County Board of Supervisors
Signature: Shirley L. Dawson	Date 3/2/10

David Fletcher
Director

Bree'na York
Divisional Fiscal Manager

Jendean Sartain
Deputy Director

Judy Smith
Divisional Program Manager

GILA COUNTY DIVISION of HEALTH and COMMUNITY SERVICES

Office of Community Services

"Helping People to Help Themselves"

January 21, 2010

Dear Section 8-Housing Choice Voucher Tenant:

Once again at this time the Gila County Housing Authority needs to form a Resident Advisory Committee which is a requirement of Federal Regulations. The purpose of this letter is to invite you to become a member of the committee. The Committee is made up of residents within the Gila County Section 8 Program only. As a member of the committee you will be required to review the Agencies Five year Plan and participate in at least one meeting to discuss the plan and provide recommendations to our Section 8 Housing Choice Voucher Program in our Housing Services Department.

The Gila County Housing Authority would also like to inform you that if you choose to be a Member of the Resident Advisory Committee you may also be appointed to sit on the PHA Board or Governing Body. In which you would approve any Section 8 Housing Choice Voucher Program changes within the Agencies Plan.

If you are interested in sitting on this committee, please be kind enough to respond by February 10, 2010 either by:

- Completing the second portion of this letter and returning it to me in the self address, pre-postage provided envelope;
- Contacting me at 928-425-7631; or
- E-mailing me at pcampos@co.gila.az.us

Respectfully,

PCampos

Patricia Campos
Program Administrator

5515 S. Apache Ave. Suite 200
Globe, AZ 85501

Reasonable accommodations for persons with disabilities may be requested.

(928) 425-7631
(928) 425-9468 FAX
800-304-4452 toll free
T.T.Y. 7-1-1

_____ Yes, I am interested in being a member of the Resident Advisory Committee.

_____ Yes, I am interested in being a member of the Resident Advisory Committee, and to be a member of the Resident Membership on the PHA Board or Governing Body.

_____ No, I am not interested in being a member of the Resident Advisory Committee or to be a member of the Resident Membership on the PHA Board or Governing Body.

Name: _____

Address: _____

Telephone Number: _____

Comments:

_____

_____

_____

_____

_____

_____

_____

Required Attachment ii: Membership of the Resident Advisory Board or Boards

List members of the Resident Advisory Board or Boards: (If the list would be unreasonably long, list organizations represented or otherwise provided a description sufficient to identify how members are chosen).

Members:

Sandra Oliver
650 E. Kline St.
Globe, AZ 85501

Florence Davis
743 E. Monroe St.
Globe, AZ 85501

Michelle Hansen
325 S. 1st St.
Globe, AZ 85501

The GCHA sent notices to all residents that a Resident Advisory Board would be created and invited residents to participate. Only eight (8) people responded to our inquiry, three (3) of them followed through the process of reviewing the plan.

Sandra Oliver, Florence Davis and Michelle Hansen (Members) had no comments and approved the plan as written as well as being very appreciative of the program.

ATTACHMENT 3

RESOLUTION NO. 10-03-01

A RESOLUTION OF THE BOARD OF SUPERVISORS OF GILA COUNTY AUTHORIZING THE GILA COUNTY HOUSING AUTHORITY TO SUBMIT ITS PHA FIVE (5) YEAR PLAN AND ANNUAL PLAN FOR FISCAL YEAR 2010 THRU 2014 TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

WHEREAS, the Department of Housing and Urban Development (HUD) requires Housing Agencies to update their Agency Annual Plans to coincide with the Public Housing Authorities Five (5) year Plan for FY's 2010 – 2014.

WHEREAS, Gila County has held a public hearing to receive public comment on the Public Housing Agencies Five (5) year and Annual Plan for FY's 2010 - 2014. Both Plans have also been reviewed by the Section 8 Resident Advisory Board.

NOW, THEREFORE, BE IT RESOLVED BY THE GILA COUNTY BOARD OF SUPERVISORS that:

- Gila County Housing Authority's Five (5) Year plan and Annual Plan for Fiscal Year's 2010 – 2014 and Fiscal Year 2010 is hereby approved.

- The Chairman of the Gila County Board of Supervisors is authorized and directed to execute the required certifications of compliance associated with the Gila County Housing Authority's Plans and related regulations.

PASSED AND ADOPTED this 2nd day of March, 2010.

GILA COUNTY BOARD OF SUPERVISORS

By: Shirley L. Dawson

Shirley L. Dawson,
Chairman, Gila County Board of Supervisors

ATTEST:

By:

John F. Nelson,
Clerk

APPROVED AS TO FORM:

By:

Bryan Chambers,
Chief Deputy County Attorney

NOTICE OF PUBLIC HEARING

Gila County Housing Authority has prepared its Agency its Agency Five Year Plan and Annual Plan for the Fiscal Year 2010-2014 in compliance with the Quality Housing and Work Responsibility Act of 1998. The Plan is available for review at the Housing Department located at 5515 S. Apache Ave. Suite 200, Globe, Arizona from 8:00a.m. To 5:00p.m. In addition, a public hearing will be held on March 2, 2010, at 10:00 a.m., at the regularly scheduled Board of Supervisors Meeting, Board of Supervisors' Hearing Room, at 1400 E. Ash Street, Globe, Arizona.

Comments on this Plan must be submitted in writing no later then February 26, 2010, to the Housing Department at the address indicated above.

Gila County Housing Authority Section 8-Housing Choice Voucher Program is a federally funded program through the U.S. Department of Housing and Urban Development.

Civil Rights Certification	U.S. Department of Housing and Urban Development Office of Public and Indian Housing Expires 4/30/2011

Civil Rights Certification

Annual Certification and Board Resolution

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioner, I approve the submission of the Plan for the PHA of which this document is a part and make the following certification and agreement with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

The PHA certifies that it will carry out the public housing program of the agency in conformity with title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990, and will affirmatively further fair housing.

Gila County Housing Authority	AZ045
PHA Name	PHA Number/HA Code

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official	Malissa Buzan	Title	Housing Services Director
Signature		Date	08/17/2010

The Gila County Housing Authority VAWA Description

This VAWA Description is submitted as required pursuant to Section 603 of the law amending Section 5A of the U.S. Housing Act to require PHAs five-year and annual PHA Plans to contain information regarding any goals, activities, objectives, policies, or programs of the PHA that are intended to support or assist victims of domestic violence, dating violence, sexual assault, or stalking. Sections 606 and Section 607 amend the Section 8 and public housing sections of the U.S. Housing Act to protect certain victims of criminal domestic violence, dating violence, sexual assault, or stalking as well as members of the victims and immediate families from losing their HUD-assisted housing as a consequence of the abuse of which they were the victim.

The Gila County Housing Authority has established policies to support and assist victims of domestic violence and protect tenants and family members of tenants who are victims of domestic violence, dating violence or stalking from being evicted or terminated from housing assistance based on acts of such violence against them.

The Violence against Women Act (VAWA) protects tenants and family members of tenants who are victims of domestic violence, dating violence, or stalking from being evicted or terminated from housing assistance based on acts of such violence against them. These provisions apply to our agency administering the Section 8 programs and to owners renting to families under Section 8 rental assistance programs.

The law provides in part that criminal activity directly relating to domestic violence, dating violence, or stalking, engaged in by a member of a tenants household or any guest or other person under the tenants control, shall not be cause for termination of assistance, tenancy, or occupancy rights if the tenant or an immediate member of the tenants family is the victim or threatened victim of that abuse. The law also provides that an incident or incidents of actual or threatened domestic violence, dating violence, or stalking will not be construed as serious or repeated violations of the lease by the victim or threatened victim of that violence and will not be good cause for termination of the assistance, tenancy, or occupancy rights of a victim of such violence.

The Gila County Housing Services is part of a Social Services networking that provides assistance to activity directly relating to domestic violence, dating violence, or stalking, engaged in by a member of a household. Partnerships in the networking include Horizon Services (Safe Home) and the Community Action Program. Some of the examples of assistance are assisting in Rent or Utilities payments and assisting victims in need of help who want to remove themselves from life threatening situations. The Gila County Section 8 Program has not had any participants who have needed this help, but it is offered to many residents in the Gila County Area.

ARF-1172 **Public Hearing 2- B**

Regular BOS Meeting

Meeting Date: 04/03/2012

Submitted For: Marian Sheppard, Chief Deputy Clerk, BOS

Submitted By: Marian Sheppard, Chief Deputy Clerk, BOS, Clerk of the Board of Supervisors

Department: Clerk of the Board of Supervisors

Presenter's Name: Marian Sheppard

Information

Request/Subject

Gila County Order No. LL-12-01, a Liquor License Application submitted by Alexander D. MacLean for The Flying Grizzly.

Background Information

Alexander MacLean has submitted an application to the State Department of Liquor Licenses and Control (Department) for a person transfer and location transfer of a Series 7 beer and wine bar license for The Flying Grizzly located in Strawberry. Part of the statutory process is once the Department accepts and processes the license, it is sent to the local governing body in which city, town or county the establishment is located. Upon the local governing body's review of the application, a recommendation is then issued by the local governing, which in Gila County it is the Board of Supervisors (Board), to the Department to either approve, deny or issue a "no recommendation" decision.

Per statutory requirements, a notice of hearing by the Board was posted at the establishment for a period of 20 days, specifically to inform any person residing or owning or leasing property within a one-mile radius of the establishment regarding this application. To date, the Clerk of the Board's Department has not received any objections to this application.

Evaluation

This application has been forwarded to the Gila County Clerk of the Board of Supervisors' Department for submission to the Board. An internal review has been conducted by both the Gila County Community Development Division and the Health Department. The Health Department hasn't any issues related to this application and the Community Development Division is working with the applicant on building permitting requirements. Both departments have no objections with regard to this liquor license application.

Conclusion

This application has been reviewed by several County departments with no objections and no one has submitted a written objection to this application; therefore, a public hearing should be held by the Board to entertain any comments from the public with regard to this application before the Board takes an action to issue a recommendation to the Department.

Recommendation

The Chief Deputy Clerk of the Board of Supervisors recommends that the Board issue an approval recommendation to the Department.

Suggested Motion

Public Hearing - Information/Discussion/Action to approve Order No. LL-12-01, an application submitted by Alexander MacLean for a person transfer and location transfer of a Series 7 beer and wine bar license for The Flying Grizzly located in Strawberry. **(Marian Sheppard)**

Attachments

The Flying Grizzly Liquor License Application

The Flying Grizzly Internal Memos

Rec'd
3-1-12
LL-12-01

Arizona Department of Liquor Licenses and Control
800 West Washington, 5th Floor
Phoenix, Arizona 85007
www.azliquor.gov
602-542-5141

APPLICATION FOR LIQUOR LICENSE

TYPE OR PRINT WITH BLACK INK

Notice: Effective Nov. 1, 1997, All Owners, Agents, Partners, Stockholders, Officers, or Managers actively involved in the day to day operations of the business must attend a Department approved liquor law training course or provide proof of attendance within the last five years. See page 5 of the Liquor Licensing requirements.

SECTION 1 This application is for a:

- ☐ MORE THAN ONE LICENSE
- ☐ INTERIM PERMIT *Complete Section 5*
- ☐ NEW LICENSE *Complete Sections 2, 3, 4, 13, 14, 15, 16*
- ☒ PERSON TRANSFER (Bars & Liquor Stores ONLY) *Complete Sections 2, 3, 4, 11, 13, 15, 16*
- ☒ LOCATION TRANSFER (Bars and Liquor Stores ONLY) *Complete Sections 2, 3, 4, 12, 13, 15, 16*
- ☐ PROBATE/WILL ASSIGNMENT/DIVORCE DECREE *Complete Sections 2, 3, 4, 9, 13, 16* (fee not required)
- ☐ GOVERNMENT *Complete Sections 2, 3, 4, 10, 13, 15, 16*

SECTION 2 Type of ownership:

- ☐ J.T.W.R.O.S. *Complete Section 6*
- ☒ INDIVIDUAL *Complete Section 6*
- ☐ PARTNERSHIP *Complete Section 6*
- ☐ CORPORATION *Complete Section 7*
- ☐ LIMITED LIABILITY CO. *Complete Section 7*
- ☐ CLUB *Complete Section 8*
- ☐ GOVERNMENT *Complete Section 10*
- ☐ TRUST *Complete Section 6*
- ☐ OTHER (Explain) _____

SECTION 3 Type of license and fees LICENSE #(s): 07040008

1. Type of License(s): BEER + WINE LICENCE SERIES 7

2. Total fees attached: $ (Department Use Only)

APPLICATION FEE AND INTERIM PERMIT FEES (IF APPLICABLE) ARE NOT REFUNDABLE.

The fees allowed under A.R.S. 44-6852 will be charged for all dishonored checks.

SECTION 4 Applicant

1. Owner/Agent's Name: Mr. Ms. MACLEAN (Last) Alexander (First) S (Middle) Douglas
(Insert one name ONLY to appear on license)

2. Corp./Partnership/L.L.C.: _____
(Exactly as it appears on Articles of Inc. or Articles of Org.)

3. Business Name: THE FLYING GRIZZLY B1025237
(Exactly as it appears on the exterior of premises)

4. Principal Street Location 5079 HWY 87 (Do not use PO Box Number) STRAWBERRY (City) GILA (County) 85544 (Zip)

5. Business Phone: 928 476 3064 Daytime Contact: 928-476-3064

6. Is the business located within the incorporated limits of the above city or town? ☐ YES ☒ NO

7. Mailing Address: HC 1 BOX 212 (City) STRAWBERRY (State) AZ. (Zip) 85544

8. Price paid for license only bar, beer and wine, or liquor store: Type D7 $ 5000 00 Type _____ $ _____

DEPARTMENT USE ONLY

Fees: 200. Application | _____ Interim Permit | _____ Agent Change | _____ Club | 24.00 Finger Prints $ | 224.00 TOTAL OF ALL FEES

Is Arizona Statement of Citizenship & Alien Status For State Benefits complete? ☒ YES ☐ NO

Accepted by: M.C Date: 2/27/2012 Lic. # 07040008

July 2010

*Disabled individuals requiring special accommodation, please call (602) 542-9027.

SECTION 5 Interim Permit:

1. If you intend to operate business when your application is pending you will need an Interim Permit pursuant to A.R.S. 4-203.01.
2. There **MUST** be a valid license of the same type you are applying for currently issued to the location.
3. Enter the license number currently at the location._____
4. Is the license currently in use? ☐ YES ☐ NO If no, how long has it been out of use?_____

ATTACH THE LICENSE CURRENTLY ISSUED AT THE LOCATION TO THIS APPLICATION.

I, _____, declare that I am the CURRENT OWNER, AGENT, CLUB MEMBER, PARTNER,
(Print full name)
MEMBER, STOCKHOLDER, OR LICENSEE (circle the title which applies) of the stated license and location.

State of _____ County of_____

X_____
(Signature)

The foregoing instrument was acknowledged before me this

_____day of _____, _____
Day Month Year

My commission expires on: _____

_____
(Signature of NOTARY PUBLIC)

SECTION 6 Individual or Partnership Owners:

EACH PERSON LISTED MUST SUBMIT A COMPLETED QUESTIONNAIRE (FORM LIC0101), AN "APPLICANT" TYPE FINGERPRINT CARD, AND $24 PROCESSING FEE FOR EACH CARD.

1. Individual:

Last	First	Middle	% Owned	Mailing Address	City State Zip
MacLean	Alexander	Douglas	100	9171 Circle Drive	Stoneberry AZ 85544

Partnership Name: (Only the first partner listed will appear on license) _____

General-Limited	Last	First	Middle	% Owned	Mailing Address	City State Zip
☐ ☐						
☐ ☐						
☐ ☐						
☐ ☐						

(ATTACH ADDITIONAL SHEET IF NECESSARY)

2. Is any person, other than the above, going to share in the profits/losses of the business? ☐ YES ☒ NO
If Yes, give name, current address and telephone number of the person(s). Use additional sheets if necessary.

Last	First	Middle	Mailing Address	City, State, Zip	Telephone#

SECTION 7 Corporation/Limited Liability Co.:

EACH PERSON LISTED MUST SUBMIT A COMPLETED QUESTIONNAIRE (FORM LIC0101), AN "APPLICANT" TYPE FINGERPRINT CARD, AND $24 PROCESSING FEE FOR EACH CARD.

☐ CORPORATION *Complete questions 1, 2, 3, 5, 6, 7, and 8.*

☐ L.L.C. *Complete 1, 2, 4, 5, 6, 7, and 8.*

1. Name of Corporation/L.L.C.: _____
   (Exactly as it appears on Articles of Incorporation or Articles of Organization)
2. Date Incorporated/Organized: _____ State where Incorporated/Organized: _____
3. AZ Corporation Commission File No.: _____ Date authorized to do business in AZ: _____
4. AZ L.L.C. File No: _____ Date authorized to do business in AZ: _____
5. Is Corp./L.L.C. Non-profit? ☐ YES ☐NO
6. List all directors, officers and members in Corporation/L.L.C.:

Last	First	Middle	Title	Mailing Address	City State Zip

(ATTACH ADDITIONAL SHEET IF NECESSARY)

7. List stockholders who are controlling persons or who own 10% or more:

Last	First	Middle	% Owned	Mailing Address	City State Zip

(ATTACH ADDITIONAL SHEET IF NECESSARY)

8. If the corporation/L.L.C. is owned by another entity, attach a percentage of ownership chart, and a director/officer/member disclosure for the parent entity. Attach additional sheets as needed in order to disclose personal identities of all owners.

SECTION 8 Club Applicants:

EACH PERSON LISTED MUST SUBMIT A COMPLETED QUESTIONNAIRE (FORM LIC0101), AN "APPLICANT" TYPE FINGERPRINT CARD, AND $24 PROCESSING FEE FOR EACH CARD.

1. Name of Club: _____ Date Chartered: _____
   (Exactly as it appears on Club Charter or Bylaws) (Attach a copy of Club Charter or Bylaws)
2. Is club non-profit? ☐ YES ☐ NO
3. List officer and directors:

Last	First	Middle	Title	Mailing Address	City State Zip

(ATTACH ADDITIONAL SHEET IF NECESSARY)

SECTION 9 **Probate, Will Assignment or Divorce Decree of an existing Bar or Liquor Store License:**

1. Current Licensee's Name: _____
(Exactly as it appears on license) Last First Middle

2. Assignee's Name: _____
Last First Middle

3. License Type: _____ License Number: _____ Date of Last Renewal: _____

4. ATTACH TO THIS APPLICATION A CERTIFIED COPY OF THE WILL, PROBATE DISTRIBUTION INSTRUMENT, OR DIVORCE DECREE THAT SPECIFICALLY DISTRIBUTES THE LIQUOR LICENSE TO THE ASSIGNEE TO THIS APPLICATION.

SECTION 10 **Government: (for cities, towns, or counties only)**

1. Governmental Entity: _____

2. Person/designee: _____ _____
Last First Middle Contact Phone Number

A SEPARATE LICENSE MUST BE OBTAINED FOR EACH PREMISES FROM WHICH SPIRITUOUS LIQUOR IS SERVED.

SECTION 11 **Person to Person Transfer:**

Questions to be completed by CURRENT LICENSEE (Bars and Liquor Stores ONLY-Series 06,07, and 09).

1. Current Licensee's Name: MICKLE RICHARD STEWART Entity: INDIV
(Exactly as it appears on license) Last First Middle (Indiv., Agent, etc.)

2. Corporation/L.L.C. Name: _____
(Exactly as it appears on license)

3. Current Business Name: HOWLING JAVELINA
(Exactly as it appears on license)

4. Physical Street Location of Business: Street 508 SULLIVAN ST.
City, State, Zip MIAMI - AZ 85539

5. License Type: SERIES 7 License Number: 07040008

6. If more than one license to be transfered: License Type: _____ License Number: _____

7. Current Mailing Address: (Other than business) Street 310 N. BURCH AVE.
City, State, Zip MIAMI AZ 85539

8. Have all creditors, lien holders, interest holders, etc. been notified of this transfer? ☑ YES ☐ NO

9. Does the applicant intend to operate the business while this application is pending? ☐ YES ☐ NO If yes, complete Section 5 of this application, attach fee, and current license to this application.

10. I, RICHARD S. MICKLE, hereby authorize the department to process this application to transfer the
(print full name)
privilege of the license to the applicant, provided that all terms and conditions of sale are met. Based on the fulfillment of these conditions, I certify that the applicant now owns or will own the property rights of the license by the date of issue.

I, RICHARD S. MICKLE, declare that I am the CURRENT OWNER, AGENT, MEMBER, PARTNER
(print full name)
STOCKHOLDER, or LICENSEE of the stated license. I have read the above Section 11 and confirm that all statements are true, correct, and complete.

_____
(Signature of CURRENT LICENSEE)

OFFICIAL SEAL
MICHELE COLEGROVE
NOTARY PUBLIC - State of Arizona
MARICOPA COUNTY
My Comm. Expires February 12, 2016

My commission expires on: _____

State of Az County of Maricopa
The foregoing instrument was acknowledged before me this
27 February 2012
Day Month Year

_____
(Signature of NOTARY PUBLIC)

SECTION 12 Location to Location Transfer: (Bars and Liquor Stores ONLY)

APPLICANTS CANNOT OPERATE UNDER A LOCATION TRANSFER UNTIL IT IS APPROVED BY THE STATE

1. Current Business: (Exactly as it appears on license) Name _____
   Address _____
2. New Business: (Physical Street Location) Name _____
   Address _____
3. License Type: _____ License Number: _____
4. If more than one license to be transferred: License Type: _____ License Number: _____
5. What date do you plan to move? _____ What date do you plan to open? _____

SECTION 13 **Questions for all in-state applicants excluding those applying for government, hotel/motel, and restaurant licenses (series 5, 11, and 12):**

A.R.S. § 4-207 (A) and (B) state that no retailer's license shall be issued for any premises which are at the time the license application is received by the director, within three hundred (300) horizontal feet of a church, within three hundred (300) horizontal feet of a public or private school building with kindergarten programs or grades one (1) through (12) or within three hundred (300) horizonal feet of a fenced recreational area adjacent to such school building. The above paragraph DOES NOT apply to:

a) Restaurant license (§ 4-205.02)
b) Hotel/motel license (§ 4-205.01)
c) Government license (§ 4-205.03)
d) Fenced playing area of a golf course (§ 4-207 (B)(5))

'12 FEB 6 PM 3:25 LIC

1. Distance to nearest school: 21120 ft. Name of school PINE STRAWBERRY ELEMENTARY School
   Address 3868 N. PINECREEK DR PINE AZ 85544
   City, State, Zip
2. Distance to nearest church: 5280 ft. Name of church STRAWBERRY CHAPEL IN THE PINES
   Address 8579 FOSSIL CREEK RD STRAWBERRY AZ 85544
   City, State, Zip
3. I am the: ☒ Lessee ☐ Sublessee ☐ Owner ☐ Purchaser (of premises)
4. If the premises is leased give lessors: Name CHERYL HAMMOND
   Address 134 HARDSCRABBLE, PINE, AZ, 85544
   City, State, Zip

4a. Monthly rental/lease rate $ 1000.00 What is the remaining length of the lease 1 yrs. 5 mos.

4b. What is the penalty if the lease is not fulfilled? $ -0- or other _____
(give details - attach additional sheet if necessary)

5. What is the total **business** indebtedness for this license/location excluding the lease? $ -0-
   Please list lenders you owe money to.

Last	First	Middle	Amount Owed	Mailing Address	City State	Zip

(ATTACH ADDITIONAL SHEET IF NECESSARY)

6. What type of business will this license be used for (be specific)? BAR.

SECTION 13 - continued

7. Has a license or a transfer license for the premises on this application been denied by the state within the past one (1) year?
   ☐ YES ☒ NO If yes, attach explanation.
8. Does any spirituous liquor manufacturer, wholesaler, or employee have any interest in your business? ☐ YES ☒ NO
9. Is the premises currently licensed with a liquor license? ☐ YES ☒ NO If yes, give license number and licensee's name:

License #_____(exactly as it appears on license) Name _____

SECTION 14 Restaurant or hotel/motel license applicants:

1. Is there an existing restaurant or hotel/motel liquor license at the proposed location? ☐ YES ☐ NO
   If yes, give the name of licensee, Agent or a company name:

   _____ and license #: _____
   Last First Middle
2. If the answer to Question 1 is YES, you may qualify for an Interim Permit to operate while your application is pending; consult A.R.S. § 4-203.01; and complete SECTION 5 of this application.
3. All restaurant and hotel/motel applicants must complete a Restaurant Operation Plan (Form LIC0114) provided by the Department of Liquor Licenses and Control.
4. As stated in A.R.S. § 4-205.02.G.2, a restaurant is an establishment which derives at least 40 percent of its gross revenue from the sale of food. Gross revenue is the revenue derived from all sales of food and spirituous liquor on the licensed premises. By applying for this ☐ hotel/motel ☐ restaurant license, I certify that I understand that I must maintain a minimum of 40 percent food sales based on these definitions and have included the Restaurant Hotel/Motel Records Required for Audit (form LIC 1013) with this application.

   _____
   applicant's signature

As stated in A.R.S § 4-205.02 (B), I understand it is my responsibility to contact the Department of Liquor Licenses and Control to schedule an inspection when all tables and chairs are on site, kitchen equipment, and, if applicable, patio barriers are in place on the licensed premises. With the exception of the patio barriers, these items are not required to be properly installed for this inspection. Failure to schedule an inspection will delay issuance of the license. If you are not ready for your inspection 90 days after filing your application, please request an extension in writing, specify why the extension is necessary, and the new inspection date you are requesting. To schedule your site inspection visit www.azliquor.gov and click on the "Information" tab.

_____
applicants initials

SECTION 15 Diagram of Premises: (Blueprints not accepted, diagram must be on this form)

1. Check **ALL** boxes that apply to your business:

   ☒ Entrances/Exits ☒ Liquor storage areas Patio: ☒ Contiguous
   ☐ Service windows ☐ Drive-in windows ☐ Non Contiguous

2. Is your licensed premises currently closed due to construction, renovation, or redesign? ☒ YES ☐ NO
   If yes, what is your estimated opening date? 7-2-12
   month/day/year
3. Restaurants and hotel/motel applicants are required to draw a detailed floor plan of the kitchen and dining areas including the locations of all kitchen equipment and dining furniture. Diagram paper is provided on page 7.
4. The diagram (a detailed floor plan) you provide is required to disclose only the area(s) where spiritous liquor is to be sold, served, consumed, dispensed, possessed, or stored on the premises unless it is a restaurant (see #3 above).
5. Provide the square footage or outside dimensions of the licensed premises. Please do not include non-licensed premises, such as parking lots, living quarters, etc.

As stated in A.R.S. § 4-207.01(B), I understand it is my responsibility to notify the Department of Liquor Licenses and Control when there are changes to boundaries, entrances, exits, added or deleted doors, windows or service windows,or increase or decrease to the square footage after submitting this initial drawing.

DAM
applicants initials

SECTION 15 Diagram of Premises

4. In this diagram please show only the area where spirituous liquor is to be sold, served, consumed, dispensed, possessed or stored. It must show all entrances, exits, interior walls, bars, bar stools, hi-top tables, dining tables, dining chairs, the kitchen, dance floor, stage, and game room. Do not include parking lots, living quarters, etc. When completing diagram, North is up ↑.

If a legible copy of a rendering or drawing of your diagram of premises is attached to this application, please write the words "diagram attached" in box provided below.

Diagram Attached

1800 Sq Feet

'12 FEB 27 Liq Lic PM12:55

SECTION 16 Signature Block

I, Alexander Douglas [illegible] MacLean (print full name of applicant) hereby declare that I am the OWNER/AGENT filing this application as stated in Section 4, Question 1. I have read this application and verify all statements to be true, correct and complete.

X _____
(signature of applicant listed in Section 4, Question 1)

Cindy Lou Carter
NOTARY PUBLIC - ARIZONA
GILA COUNTY
My Commission Expires
June 14, 2015

State of Arizona County of Gila

The foregoing instrument was acknowledged before me this 24 (Day) of February (Month) 2012 (Year)

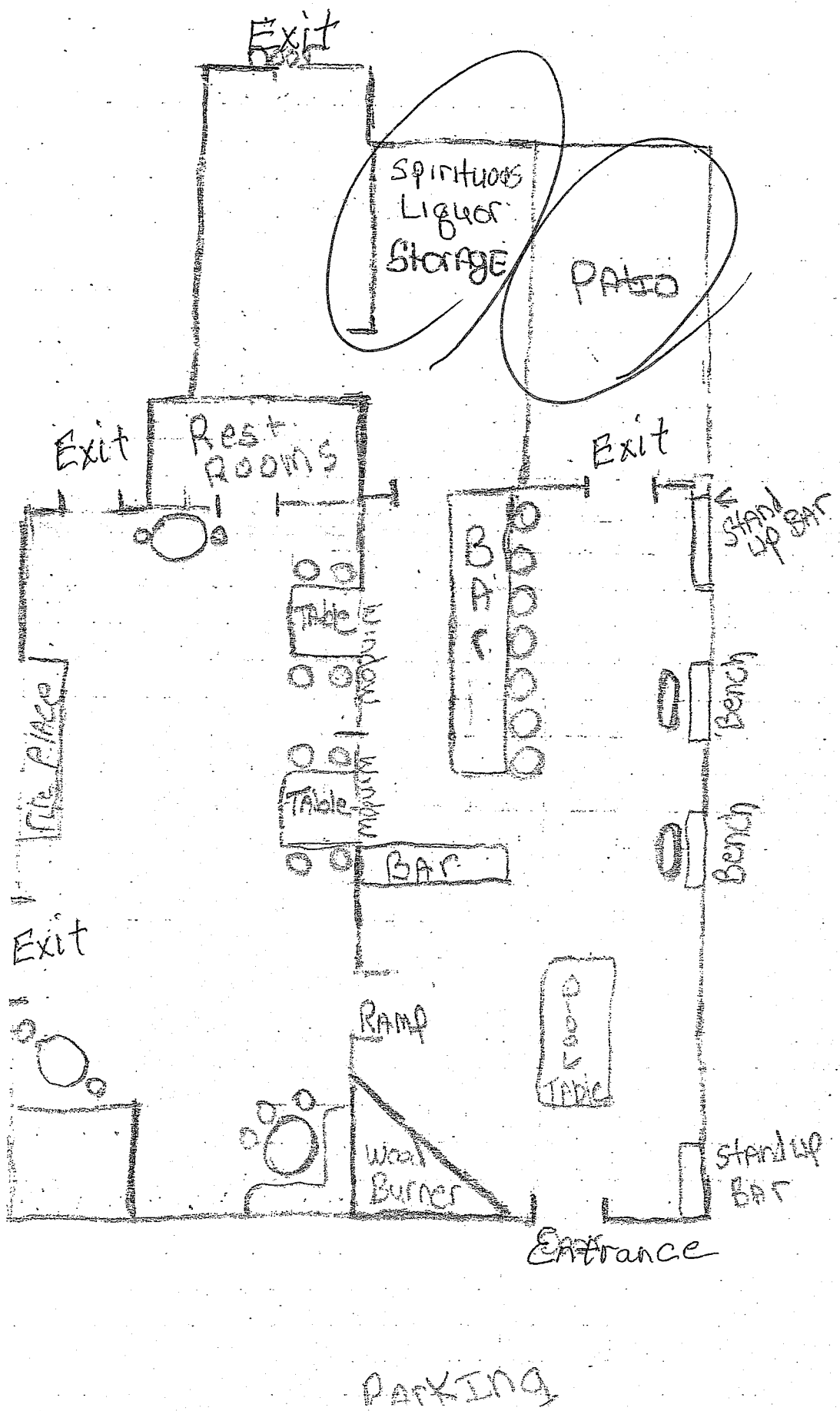
Cindy Lou Carter
signature of NOTARY PUBLIC

My commission expires on : _____
Day Month Year

THE Flying Grizzly
Hwy 87
Strawberry AZ
85544

Doug MacLean

'12 FEB 27 Liq. Lic. M1265



BWBAR

License 07040008

Issue Date: 8/29/2008

Expiration Date: 6/30/2012

Beer & Wine Bar

Issued To:
RICHARD STEWART MICKLE, Owner

Location:
HOWLIN JAVELINA
508 SULLIVAN ST
MIAMI, AZ 85539

Mailing Address:
RICHARD STEWART MICKLE
HOWLIN JAVELINA
310 N BURCH AVE
MIAMI, AZ 85539

EXP 6/30/2012

'12 FEB 27 Liqr. Lic. PM12:55

Print Form

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

QUESTIONNAIRE

Attention all Local Governing Bodies: Social Security and Birthdate Information is Confidential. This information may be given to local law enforcement agencies for the purpose of background checks only but must be blocked to be unreadable prior to posting or any public view.

Read carefully. This instrument is a sworn document. Type or print with BLACK INK. An extensive investigation of your background will be conducted. False or incomplete answers could result in criminal prosecution and the denial or subsequent revocation of a license or permit.

TO BE COMPLETED BY EACH CONTROLLING PERSON, AGENT, OR MANAGER. EACH PERSON COMPLETING THIS FORM MUST SUBMIT AN "APPLICANT" TYPE FINGERPRINT CARD WHICH MAY BE OBTAINED AT DLLC. FINGERPRINTING MUST BE DONE BY A BONA FIDE LAW ENFORCEMENT AGENCY OR A FINGERPRINTING SERVICE APPROVED BY DLLC. THE DEPARTMENT DOES NOT PROVIDE THIS SERVICE.

Effective 10/01/07 there is a $24.00 processing fee for each fingerprint card submitted.

The fees allowed by A.R.S. § 44-6852 will be charged for all dishonored checks.

Liquor License # 07040008
(If the location is currently licensed)

1. Check appropriate box → ☒ Controlling Person ☐ Agent (Complete Questions 1-19) Controlling Person or Agent must complete #21 for a Manager | ☐ Manager (Only) (Complete All Questions except # 14, 14a & 21) Controlling Person or Agent must complete #21

2. Name: MACLEAN (Last) Alexander (First) Douglas (Middle) Date of Birth [redacted] (NOT a Public Record)

3. Social Security Number [redacted] (NOT a public record) Drivers License # [redacted] (NOT a public record) State: AZ

4. Place of Birth: LONG Beach (City) CA. (State) USA (Country) (not county) Height: 6'1 Weight: 225 Eyes: Blue Hair: BROWN

5. Marital Status ☒ Single ☐ Married ☐ Divorced ☐ Widowed Daytime Contact Phone: 970-210-6788

6. Name of Current or Most Recent Spouse: MACLEAN (Last) PAM (First) M. (Middle) (Maiden) Date of Birth: 8/1/63 (NOT a public record)
(List all for last 5 years - Use additional sheet if necessary)

7. You are a bona fide resident of what state? ARIZONA If Arizona, date of residency: 3/2009

8 Telephone number to contact you during business hours for any questions regarding this document. 928-476-3250

9. If you have been an Arizona resident for less than three (3) months, submit a copy of your Arizona driver's license or voter registration card.

10. Name of Licensed Premises: Flying Grizzly Premises Phone: 928-476-3064

11. Physical Location of Licensed Premises Address: 5079 HWY 87 (Street Address) (Do not use PO Box #) Strawberry (City) Gila (County) 85544 (Zip)

12. List your employment or type of business during the past five (5) years. If unemployed part of the time, list those dates. **List most recent 1st.**

FROM Month/Year	TO Month/Year	DESCRIBE POSITION OR BUSINESS	EMPLOYER'S NAME OR NAME OF BUSINESS (street address, city, state & zip)
3/04	CURRENT	Oil Field Consultant	Eagle Eye Counsulting 5079 Hwy 87 Strawberry AZ. 85544

ATTACH ADDITIONAL SHEET IF NECESSARY FOR EITHER SECTION

13. Indicate your residence address for the last five (5) years:

FROM Month/Year	TO Month/Year	Rent or Own	RESIDENCE Street Address If rented, attach additional sheet with name, address and phone number of landlord	City	State	Zip
12/10	CURRENT	-	9171 CIRCLE DR.	Strawberry	AZ	85544
8/95	12/10	OWN	349 S. 1500 WEST	VERNAL	Ut.	84078

If you checked the Manager box on the front of this form skip to # 15

14. As a Controlling Person or Agent, will you be physically present and operating the licensed premises? ☐YES ☒NO
If you answered YES, how many hrs/day?_____, and **answer #14a below**. If NO, skip to #15.

14a. Have you attended a DLLC-approved Liquor Law Training Course within the past 5 years? (Must provide proof) ☐YES ☒NO
If the answer to # 14a is "NO", course must be completed before issuance of a new license or approval on an existing license.

15. Have you been detained, cited, arrested, indicted or summoned into court for violation of ANY law or ordinance, regardless of the disposition, even if dismissed or expunged, within the past ten (10) years (include only traffic violations that were alcohol and/or drug related)? ☐ YES ☒ NO

16. Are there ANY administrative law citations, compliance actions or consents, criminal arrest, indictments or summonses PENDING against you or ANY entity in which you are now involved? ☐ YES ☒ NO

17. Have you or any entity in which you have held ownership, been an officer, member, director or manager EVER had a business, professional or liquor application or license rejected, denied, revoked, suspended or fined in this or any other state? ☐YES ☒NO

18. Has anyone EVER filed suit or obtained a judgment against you, the subject of which involved fraud or misrepresentation? ☐YES ☒NO

19. Are you NOW or have you EVER held ownership, been a controlling person, been an officer, member, director or manager on any other liquor license in this or any other state? ☐YES ☒NO

If any answer to questions 15 through 19 is "YES" YOU MUST attach a signed statement. Give complete details including dates, agencies involved, and dispositions.

SUBSTANTIVE CHANGES TO THIS APPLICATION WILL NOT BE ACCEPTED

20. Alexander Douglas MACLEAN, hereby declare that I am the APPLICANT/REPRESENTATIVE
(print full name of Applicant)
filing this questionnaire. I have read this questionnaire and all statements are true, correct and complete.

x _____
(Signature of Applicant)

State of Arizona County of Gila

The foregoing instrument was acknowledged before me this 24 day of February, 2012
Month Year

Cindy Lou Carter
(Signature of NOTARY PUBLIC)

My commission expires on: Cindy Lou Carter NOTARY PUBLIC - ARIZONA GILA COUNTY My Commission Expires June 14, 2015
Day Month

COMPLETE THIS SECTION ONLY IF YOU ARE A CONTROLLING PERSON OR AGENT APPROVING A MANAGER'S APPLICATION

21. The applicant hereby authorizes the person named on this questionnaire to act as manager for the named liquor license. The manager named must be at least 21 years of age.

State of_____ County of _____

The foregoing instrument was acknowledged before me this

_____ day of _____, _____
Month Year

x _____
Signature of Controlling Person or Agent (circle one)

_____
(Signature of NOTARY PUBLIC)

_____
Print Name

My commission expires on: _____
Day Month Year

Print Form

ARIZONA STATEMENT OF CITIZENSHIP AND ALIEN STATUS FOR STATE PUBLIC BENEFITS

Professional License and Commercial License

Department of Liquor Licenses and Control

Liquor License #: 07040008

Ownership Name: Alexander Douglas MacLean
(as listed on the current liquor license application or renewal application)

Title IV of the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (the "Act"), 8 U.S.C. § 1621, provides that, with certain exceptions, only United States citizens, United States non-citizen nationals, non-exempt "qualified aliens" (and sometimes only particular categories of qualified aliens), nonimmigrants, and certain aliens paroled into the United States are eligible to receive state or local public benefits. With certain exceptions, a professional license and commercial license issued by a State agency is a State public benefit.

Arizona Revised Statutes § 1-501 requires, in general, that a person applying for a license must submit documentation to the licensing agency that satisfactorily demonstrates that the applicant is lawfully present in the United States.

'12 FEB 27 LIQ. LIC. AM1255

Directions: All applicants must complete Sections I, II, and IV. Applicants who are not U.S. citizens or nationals must also complete Section III. Submit this completed form and copy of one or more documents that evidence your citizenship or alien status with your application for license or renewal.

SECTION I – APPLICANT INFORMATION

APPLICANT'S NAME (Print or type) Alexander Douglas MacLean DATE 2/27/2012

TYPE OF APPLICATION (check one) X INITIAL APPLICATION ___ RENEWAL

TYPE OF LICENSE 07

SECTION II – CITIZENSHIP OR NATIONAL STATUS DECLARATION

Directions: Attach a legible copy of the front, and the back (if any), of a document from the attached List A or other document that demonstrates U.S. citizenship or nationality. Name of document provided: Birth Certificate

A. Are you a citizen or national of the United States? (check one) X Yes ___ No

B. If the answer is "Yes," where were you born? List city, state (or equivalent), and country.
City Long Beach State (or equivalent) Calif Country or Territory USA

If you are a citizen or national of the United States, go to Section IV. If you are not a citizen or national of the United States, please complete Sections III and IV.

SECTION III — ALIEN STATUS DECLARATION

Directions: To be completed by applicants who are not citizens or nationals of the United States. Please indicate alien status by checking the appropriate box. Attach a legible copy of the front, and the back (if any), of a document from the attached List B or other document that evidences your status. A.R.S. § 1-501. Name of document provided: _____.

"Qualified Alien" Status (8 U.S.C.§§ 1621(a)(1), -1641(b) and (c))

☐ 1. An alien lawfully admitted for permanent residence under the Immigration and Nationality Act (INA).

☐ 2. An alien who is granted asylum under Section 208 of the INA.

☐ 3. A refugee admitted to the United States under Section 207 of the INA

☐ 4. An alien paroled into the United States for at least one year under Section 212(d)(5) of the INA.

☐ 5. An alien whose deportation is being withheld under Section 243(h) of the INA.

☐ 6. An alien granted conditional entry under Section 203(a)(7) of the INA as in effect prior to April 1, 1980.

☐ 7. An alien who is a Cuban and Haitian entrant (as defined in section 501(e) of the Refugee Education Assistance Act of 1980).

☐ 8. An alien who is, or whose child or child's parent is a "battered alien" or an alien subjected to extreme cruelty in the United States.

Nonimmigrant Status (8 U.S.C.§ 1621(a)(2))

☐ 9. A nonimmigrant under the Immigration and Nationality Act [8 U.S.C. § 1101 et seq.] Nonimmigrants are persons who have temporary status for a specific purpose. See 8 U.S.C. § 1101(a)(15).

Alien Paroled into the United States For Less Than One Year (8 U.S.C.§ 1621(a)(3))

☐ 10. An alien paroled into the United States for less than one year under Section 212(d)(5) of the INA

Other Persons (8 U.S.C.§ 1621(c)(2)(A) and (C))

☐ 11. A nonimmigrant whose visa for entry is related to employment in the United States, or

☐ 12. A citizen of a freely associated state, if section 141 of the applicable compact of free association approved in Public Law 99-239 or 99-658 (or a successor provision) is in effect [Freely Associated States include the Republic of the Marshall Islands, Republic of Palau and the Federate States of Micronesia, 48 U.S.C. § 1901 *et seq.*];

☐ 13. A foreign national not physically present in the United States.

Otherwise Lawfully Present (A.R.S. § 1-501)

☐ 14. A person not described in categories 1–13 who is otherwise lawfully present in the United States. PLEASE NOTE: The federal Personal Responsibility and Work Opportunity Reconciliation Act may make persons who fall into this category ineligible for licensure. See 8 U.S.C.§ 1621(a).

(2) Evidence of civil service employment by the U.S. government before June 1, 1976;
(3) Early school records (preferably from the first school) showing the date of admission to the school, the applicant's date and U.S. place of birth, and the name(s) and place(s) of birth of the applicant's parents(s);
(4) Census record showing name, U.S. nationality or a U.S. place of birth, and applicant's date of birth or age;
(5) Adoption finalization papers showing the applicant's name and place of birth in one of the 50 states, the District of Columbia, Puerto Rico (on or after January 13, 1941), Guam, the U.S. Virgin Islands (on or after January 17, 1917), American Samoa, or the Northern Mariana Islands (on or after November 4, 1986, Northern Mariana Islands local time) (unless the applicant was born to foreign diplomats residing in such a jurisdiction), or, when the adoption is not finalized and the state or other U.S. jurisdiction listed above will not release a birth certificate prior to final adoption, a statement from a State-or jurisdiction-approved adoption agency showing the applicant's name and place of birth in one of such jurisdictions, and stating that the source of the information is an original birth certificate;
(6) Any other document that establishes a U.S. place of birth or otherwise indicates U.S. nationality (e.g., a contemporaneous hospital record of birth in that hospital in one of the 50 states, the District of Columbia, Puerto Rico (on or after January 13, 1941), Guam, the U.S. Virgin Islands (on or after January 17, 1917), American Samoa, or the Northern Mariana Islands (on or after November 4, 1986, Northern Mariana Islands local time) (unless the applicant was born to foreign diplomats residing in such a jurisdiction);

c. **Collective Naturalization**

If the applicant cannot present one of the documents listed in (a) or (b) above, the following will establish U.S. citizenship for collectively naturalized individuals:

Puerto Rico:

- Evidence of birth in Puerto Rico on or after April 11, 1899 and the applicant's statement that he or she was residing in the U.S., a U.S. possession or Puerto Rico on January 13, 1941; or
- Evidence that the applicant was a Puerto Rican citizen and the applicant's statement that he or she was residing in Puerto Rico on March 1, 1917 and that he or she did not take an oath of allegiance to Spain.

U.S. Virgin Islands:

- Evidence of birth in the U.S. Virgin Islands, and the applicant's statement of residence in the U.S., a U.S. possession or the U.S. Virgin Islands on February 25, 1927;
- The applicant's statement indicating resident in the U.S. Virgin Islands as a Danish citizen on January 17, 1917 and residence in the U.S., a U.S. possession or the U.S. Virgin Islands on February 25, 1927, and that he or she did not make a declaration to maintain Danish citizenship; or
- Evidence of birth in the U.S. Virgin Islands and the applicant's statement indicating residence in the U.S., a U.S. possession or territory or the Canal Zone on June 28, 1932.

Northern Mariana Islands (NMI) (formerly part of the Trust Territory of the Pacific Islands (TTPI)):

- Evidence of birth in the NMI, TTPI citizenship and residence in the NMI, the U.S., or a U.S. territory or possession on November 3, 1986 (NMI local time) and the applicant's statement that he or she did not owe allegiance to a foreign state on November 4, 1986 (NMI local time);
- Evidence of TTPI citizenship, continuous residence in the NMI since before November 3, 1981 (NMI local time), voter registration prior to January 1, 1975 and the applicant's statement that he or she did not owe allegiance to a foreign state on November 4, 1986 (NMI local time); or
- Evidence of continuous domicile in the NMI since before January 1, 1974 and the applicant's statement that he or she did not owe allegiance to a foreign state on November 4, 1986 (NMI local time). Note: If a person entered the NMI as a nonimmigrant and lived in the NMI since January 1, 1974, this does not constitute continuous domicile and the individual is not a U.S. citizen

'12 FEB 27 Lig. Lic. RM1255

d. Derivative Citizenship

If the applicant cannot present one of the documents listed in a or b above, the following may be used to make a determination of derivative U.S. citizenship:

Applicant born abroad to two U.S. citizen parents: Evidence of the U.S. citizenship of the parents and the relationship of the applicant to the parents, and evidence that at least one parent resided in the U.S. or an outlying possession prior to the applicant's birth.

Applicant born abroad to a U.S. citizen parent and a U.S. non-citizen national parent: Evidence that one parent is a U.S. citizen and that the other is a U.S. non-citizen national, evidence of the relationship of the applicant to the U.S. citizen parent, and evidence that the U.S. citizen parent resided in the U.S., a U.S. possession, American Samoa or Swain's Island for a period of at least one year prior to the applicant's birth.

Applicant born out of wedlock abroad to a U.S. citizen mother: - Evidence of the U.S. citizenship of the mother, evidence of the relationship to the applicant and, for births on or before December 24, 1952, evidence that the
mother resided in the U.S. prior to the applicant's birth or, for births after December 24, 1952, evidence that the mother had resided, prior to the child's birth, in the U.S. or a U.S. possession for a period of one year.

Applicant born in the Canal Zone or the Republic of Panama:

- A birth certificate showing birth in the Canal Zone on or after February 26, 1904 and before October 1, 1979 and evidence that one parent was a U.S. citizen at the time of the applicant's birth; or
- A birth certificate showing birth in the Republic of Panama on or after February 26, 1904 and before October 1, 1979 and evidence that at least one parent was a U.S. citizen and employed by the U.S. government or the Panama Railroad Company or its successor in title.

In all other situations in which an applicant claims to have a U.S. citizen parent and an alien parent, or claims to fall within one of the above categories, but is unable to present the listed documentation:

- If the applicant is in the U.S., the applicant should contact the local U.S. Citizenship and Immigration Service office for determination of U.S. citizenship;
- If the applicant is outside the U.S., the applicant should contact the State Department for a U.S. citizenship determination.

e. Adoption of Foreign-Born Child by U.S. Citizen

- If the birth certificate shows a foreign place of birth and the applicant cannot be determined to be a naturalized citizen under any of the above criteria, obtain other evidence of U.S. citizenship;
- Because foreign-born adopted children do not automatically acquire U.S. citizenship by virtue of adoption by U.S. citizens, the applicant should contact the local U.S. Citizenship and Immigration Service office for a determination of U.S. citizenship, if the applicant provides no evidence of U.S. citizenship.

f. U.S. Citizenship By Marriage

A woman acquired U.S. citizenship through marriage to a U.S. citizen before September 22, 1922. Provide evidence of U.S. citizenship of the husband, and evidence showing the marriage occurred before September 22, 1922.

Note: If the husband was an alien at the time of the marriage, and became naturalized before September 22, 1922, the wife also acquired naturalized citizenship. If the marriage terminated, the wife maintained her U.S. citizenship if she was residing in the U.S. at that time and continued to reside in the U.S.

LIST B: QUALIFIED ALIENS, NONIMMIGRANTS, AND ALIENS PAROLED INTO U.S. FOR LESS THAN ONE YEAR

The documents listed below that are registration documents are indicated with an asterisk ("*").

a. "Qualified Aliens"

Evidence of "Qualified Alien" status includes the following:

Alien Lawfully Admitted for Permanent Residence

- *Form I-551 (Alien Registration Receipt Card, commonly known as a "green card"); or
- Unexpired Temporary I-551 stamp in foreign passport or on *I Form I-94.

Asylee

- * Form I-94 annotated with stamp showing grant of asylum under section 208 of the INA;
- *Form I-688B (Employment Authorization Card) annotated "274a.12(a)(5)";
- * Form I-766 (Employment Authorization Document) annotated "A5";
- Grant letter from the Asylum Office of the U.S. Citizenship and Immigration Service; or
- Order of an immigration judge granting asylum.

Refugee

- * Form I-94 annotated with stamp showing admission under § 207 of the INA;
- * Form I-688B (Employment Authorization Card) annotated "274a.12(a)(3)"; or
- * Form I-766 (Employment Authorization Document) annotated "A3"

Alien Paroled Into the U.S. for a Least One Year

- * Form I-94 with stamp showing admission for at least one year under section 212(d)(5) of the INA. (Applicant cannot aggregate periods of admission for less than one year to meet the one-year requirement.)

Alien Whose Deportation or Removal Was Withheld

- * Form I-688B (Employment Authorization Card) annotated "274a.12(a)(10)";
- * Form I-766 (Employment Authorization Document) annotated "A10"; or
- Order from an immigration judge showing deportation withheld under §243(h) of the INA as in effect prior to April 1, 1997, or removal withheld under § 241(b)(3) of the INA.

Alien Granted Conditional Entry

- * Form I-94 with stamp showing admission under §203(a)(7) of the INA;
- * Form I-688B (Employment Authorization Card) annotated "274a.12(a)(3)"; or
- * Form I-766 (Employment Authorization Document) annotated "A3."

Cuban/Haitian Entrant

- * Form I-551 (Alien Registration Receipt Card, commonly known as a "green card") with the code CU6, CU7, or CH6;
- Unexpired temporary I-551 stamp in foreign passport or on * Form I-94 with the code CU6 or CU7; or
- Form I-94 with stamp showing parole as "Cuba/Haitian Entrant" under Section 212(d)(5) of the INA.

Alien Who Has Been Declared a Battered Alien or Alien Subjected to Extreme Cruelty

- U.S. Citizenship and Immigration Service petition and supporting documentation

b. Nonimmigrant

Evidence of "Nonimmigrant" status includes the following:

- * Form I-94 with stamp showing authorized admission as nonimmigrant

c. Alien Paroled into U.S. for Less than One Year

Evidence includes:

- * Form I-94 with stamp showing admission for less than one year under section 212(d)(5) of the INA

'12 FEB 27 Liq. Lic. PM1255

SECTION IV — DECLARATION

All applicants must complete this section. I declare under penalty of perjury under the laws of the state of Arizona that the answers I have given are true and correct to the best of my knowledge.

APPLICANT'S SIGNATURE

2/27/2012
TODAY'S DATE

'12 FEB 27 Liq. Lic. AW1255

Attachment to Form 1 Applicant Statement

EVIDENCE OF U.S. CITIZENSHIP, U.S NATIONAL STATUS, OR ALIEN STATUS

LIST A: U.S. CITIZEN OR U.S. NATIONAL

Note: In this List, the term "Service" refers to the U.S. Citizenship and Immigration Service, formerly, the U.S. Immigration and Naturalization Service (INS).

[Source: Proposed Rules, Verification of Eligibility for Public Benefits, 8 CFR § 104.23; 63 FR 41662-01 August 4, 1998); and Interim Guidance of Verification of Citizenship, Qualified Alien Status and Eligibility Under Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 ("Interim Guidance"), 62 FR 61344 (Nov. 17, 1997), Attachment 4]

Evidence showing U.S. citizen or U.S. national status includes the following:

a. Primary Evidence:

(1) A birth certificate showing birth in one of the 50 states, the District of Columbia, Puerto Rico (on or after January 13, 1941), Guam, the U.S. Virgin Islands (on or after January 17, 1917), American Samoa, or the Northern Mariana Islands (on or after November 4, 1986, Northern Mariana Islands local time) (unless the applicant was born to foreign diplomats residing in such a jurisdiction);

(2) United States passport;

(3) Report of birth abroad of a U.S. citizen (FS-240) (issued by the Department of State to U.S. citizens);

(4) Certificate of Birth (FS-545) (issued by a foreign service post) or Certification of Report of Birth (DS-1350), copies of which are available from the Department of State;

(5) Form N-561, Certificate of Citizenship;

(6) Form I-197, United States Citizen Identification Card (issued by the Service until April 7, 1983 to U.S. citizens living near the Canadian or Mexican border who needed it for frequent border crossings) (formerly Form I-179, last issued in February 1974);

(7) Form I-873 (or prior versions), Northern Marianas Card (issued by the Service to a collectively naturalized U.S. citizen who was born in the Northern Mariana Islands before November 3, 1986);

(8) Statement provided by a U.S. consular official certifying that the individual is a U.S. citizen (given to an individual born outside the United States who derives citizenship through a parent but does not have an FS-240, FS-545, or DS-1350); or

(9) Form I-872 (or prior versions), American Indian Card with a classification code "KIC" and a statement on the back identifying the bearer as a U.S. citizen (issued by the Service to U.S. citizen members of the Texas Band of Kickapoos living near the U.S./Mexican border).

[Source: Interim Guidance of Verification of Citizenship, Qualified Alien Status and Eligibility Under Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 ("Interim Guidance"), 62 FR 61344 (Nov. 17, 1997), Attachment 4]

b. Secondary Evidence

If the applicant cannot present one of the documents listed in (a) above, the following may be relied upon to establish U.S. citizenship or U.S. national status:

(1) Religious record recorded in one of the 50 states, the District of Columbia, Puerto Rico (on or after January 13, 1941), Guam, the U.S. Virgin Islands (on or after January 17, 1917), American Samoa, or the Northern Mariana Islands (on or after November 4, 1986, Northern Mariana Islands local time) (unless the applicant was born to foreign diplomats residing in such a jurisdiction) within three 3 months after birth showing that the birth occurred in such jurisdiction and the date of birth or the individual's age at the time the record was made;

CERTIFICATION OF VITAL RECORD

COUNTY OF LOS ANGELES • REGISTRAR-RECORDER/COUNTY CLERK

STATE FILE NUMBER

CERTIFICATE OF LIVE BIRTH

STATE OF CALIFORNIA—DEPARTMENT OF PUBLIC HEALTH

LOCAL REGISTRATION DISTRICT AND CERTIFICATE NUMBER 7052 1919

THIS CHILD

1a. NAME OF CHILD—FIRST NAME: Alexander
1b. MIDDLE NAME: Douglas
1c. LAST NAME: Mac Lean
2. SEX: Male
3a. THIS BIRTH SINGLE TWIN OR TRIPLET?: Single
3b. IF TWIN OR TRIPLET THIS CHILD BORN 1ST 2ND 3RD?:
4a. DATE OF BIRTH—MONTH DAY YEAR: [redacted]
4b. HOUR: 4:44 a.m.

PLACE OF BIRTH

5a. PLACE OF BIRTH—NAME OF HOSPITAL: Memerial Hospital of Long Beach
5b. STREET ADDRESS (GIVE STREET OR RURAL ADDRESS OR LOCATION. DO NOT USE P. O. BOX NUMBERS): 2801 Atlantic Ave.
5c. CITY OR TOWN: Long Beach
5d. COUNTY: Los Angeles

MOTHER OF CHILD

6a. MAIDEN NAME OF MOTHER—FIRST NAME: Karolyn
6b. MIDDLE NAME: Jeanett
6c. LAST NAME: Olson
7. COLOR OR RACE OF MOTHER: White
8. AGE OF MOTHER (AT TIME OF THIS BIRTH): 24 YEARS
9. BIRTHPLACE (STATE OR FOREIGN COUNTRY): Utah
10. MAILING ADDRESS OF MOTHER—STREET ADDRESS OR RURAL ADDRESS OR LOCATION:

USUAL RESIDENCE OF MOTHER (WHERE DOES MOTHER LIVE?)

11a. USUAL RESIDENCE OF MOTHER—STREET ADDRESS (GIVE STREET OR RURAL ADDRESS OR LOCATION. DO NOT USE P. O. BOX NUMBERS): 1943 Constitution Lane
11b. IF INSIDE CORPORATE LIMITS ☒ CHECK HERE
IF OUTSIDE CITY CORPORATE LIMITS CHECK ONE: ON A FARM NOT ON A FARM
11c. CITY OR TOWN: Long Beach
11d. COUNTY: Los Angeles
11e. STATE: California

FATHER OF CHILD

12a. NAME OF FATHER—FIRST NAME: James
12b. MIDDLE NAME: Alexander
12c. LAST NAME: Mac Lean
13. COLOR OR RACE OF FATHER: White
14. AGE OF FATHER (AT TIME OF THIS BIRTH): 23 YEARS
15. BIRTHPLACE (STATE OR FOREIGN COUNTRY): Utah
16a. PRESENT OR LAST OCCUPATION: Storekeeper
16b. KIND OF INDUSTRY OR BUSINESS: U. S. Navy

INFORMANT'S CERTIFICATION

I HAVE REVIEWED THE ABOVE STATED INFORMATION AND HEREBY CERTIFY THAT IT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE

17a. PARENT OR OTHER INFORMANT—SIGNATURE (IF OTHER THAN PARENT SPECIFY): ▶ Karolyn J. MacLean
17b. DATE SIGNED BY INFORMANT: July 25, 1960

ATTENDANT'S CERTIFICATION

I HEREBY CERTIFY THAT I ATTENDED THIS BIRTH AND THAT THE CHILD WAS BORN ALIVE AT THE HOUR, DATE AND PLACE STATED ABOVE

18a. PHYSICIAN OR OTHER PERSON WHO ATTENDED THIS BIRTH—SIGNATURE—DEGREE OR TITLE: ▶ O. F. Kesling MD
18b. ADDRESS: 1231 Cerritos Ave

REGISTRAR'S CERTIFICATION

19. DATE ON WHICH NAME ADDED BY SUPPLEMENTAL NAME REPORT:
20. LOCAL REGISTRAR—SIGNATURE: ▶ [signature]
21. DATE RECEIVED BY LOCAL REGISTRAR: JUL 29 1960

This is to certify that this document is a true copy of the official record filed with the Registrar-Recorder/County Clerk. OCT 05 2010

Dean C Logan

DEAN C. LOGAN
Registrar-Recorder/County Clerk

000708701

This copy not valid unless prepared on engraved border displaying the Seal and Signature of the Registrar-Recorder/County Clerk.

PBNCO (Rev) 07/09

THE GREAT SEAL OF THE STATE OF CALIFORNIA EUREKA

REGISTRAR-RECORDER/COUNTY CLERK COUNTY OF LOS ANGELES CALIFORNIA

SECURITY FEATURES CHANGE ON THIS DOCUMENT. ALTERATION MAY DEFACE OR MODIFY THIS DOCUMENT. ALTERATION MAY DEFACE OR MODIFY THIS CERTIFICATE

Print Form

Arizona Department of Liquor Licenses and Control

800 West Washington, 5th Floor
Phoenix, Arizona 85007
www.azliquor.gov
602-542-5141

LOCAL GOVERNING BODY RECOMMENDATION

CITY/TOWN OF N/A STATE APPLICATION # 07040008

COUNTY OF GILA, ARIZONA: CITY/TOWN/COUNTY # LL-12-01

ORDER # LL-12-01.

At a regular (Regular or Special) meeting of the Board of Supervisors (Governing Body) of the City/Town/County of Gila held on the 3rd (Day) day of April (Month), 2012 (Year) the application of Alexander D. MacLean for a license to sell spirituous liquors at the premises described in Application # LL-12-01, License Class Series 7 was considered as provided by Title 4, A.R.S. as amended.

IT IS THEREFORE ORDERED that the APPLICATION of Alexander D. MacLean for The Flying Grizzly is hereby recommended for approval (approval/disapproval) a license to sell spirituous liquors of the class, and in the manner designated in the Application.

IT IS FURTHER ORDERED that a Certified Copy of this Order be immediately transmitted to the Department of Liquor Licenses and Control, Licensing Division, Phoenix, Arizona.

_____ CITY/TOWN/COUNTY CLERK

DATED AT _____

This _____ (Day) day of _____ (Month). _____ (Year)

* Disabled individuals requiring special accommodations please call the Department

lic 1007 05/2009

Tommie C. Martin, District I
610 E. Hwy 260, Payson 85547
(928) 474-2029
tmartin@gilacountyaz.gov

Michael A. Pastor, District II
(928) 402-8753
mpastor@gilacountyaz.gov

Shirley L. Dawson, District III
(928) 402-8511
sdawson@gilacountyaz.gov

GILA COUNTY
BOARD OF SUPERVISORS
1400 E. Ash
Globe, Arizona 85501

Don E. McDaniel, Jr.,
County Manager
(928) 402-4257
dmcdaniel@gilacountyaz.gov

John F. Nelson,
Deputy County Manager/
Clerk of the Board of Supervisors
(928) 402-8754
jnelson@gilacountyaz.gov

DATE: March 1, 2012

TO: Joe Mendoza, Community Development Division

FROM: Marian Sheppard, Chief Deputy Clerk of the Board MS

SUBJECT: Liquor License Application

Please be advised that the following Liquor License Application was filed with the Arizona Department of Liquor Licenses and Control on February 27, 2012. In accordance with A.R.S. §4-201, the Board of Supervisors is required to accept, deny, or return a "no recommendation" decision regarding this application to the Arizona State Department of Liquor Licenses and Control **within sixty days of the filing date**.

Applicant:	Alexander Douglas MacLean
No./Type:	Series 7 – Person Transfer/Location Transfer
Business Name:	The Flying Grizzly
Location:	5079 Hwy. 87, Strawberry, AZ 85544
Current License Owner:	Richard Stewart Mickle
Location of License:	previously at 508 Sullivan Street, Miami, AZ

Please indicate (below) if there are building permit issues or concerns that are related to this business and return to me as soon as possible.

____ No pending issues.

Issues pending, as follows: Plans for remodel of building currently in review. Certificate of Occupancy pending issuance of permit and inspection/approval of work done. No objections to proceeding with liquor license.

Signed: _____ 3/26/12

Tommie C. Martin, District I
610 E. Hwy 260, Payson 85547
(928) 474-2029
tmartin@gilacountyaz.gov

Michael A. Pastor, District II
(928) 402-8753
mpastor@gilacountyaz.gov

Shirley L. Dawson, District III
(928) 402-8511
sdawson@gilacountyaz.gov

GILA COUNTY
BOARD OF SUPERVISORS
1400 E. Ash
Globe, Arizona 85501

Don E. McDaniel, Jr.,
County Manager
(928) 402-4257
dmcdaniel@gilacountyaz.gov

John F. Nelson,
Deputy County Manager/
Clerk of the Board of Supervisors
(928) 402-8754
jnelson@gilacountyaz.gov

DATE: March 1, 2012

TO: Gila County Health Department

FROM: Marian Sheppard, Chief Deputy Clerk of the Board MS

SUBJECT: Liquor License Application

Please be advised that the following Liquor License Application was filed with the Arizona Department of Liquor Licenses and Control (Department) on February 27, 2012. In accordance with A.R.S. §4-201, the Board of Supervisors is required to accept, deny, or return a "no recommendation" decision regarding this application to the Department **within sixty days of the filing date**.

Applicant:	Alexander Douglas MacLean
No./Type:	Series 7 – Person Transfer/Location Transfer
Business Name:	The Flying Grizzly
Location:	5079 Hwy. 87, Strawberry, AZ 85544
Current License Owner:	Richard Stewart Mickle
Location of License:	previously at 508 Sullivan Street, Miami, AZ

Please indicate (below) if there are permitting issues or concerns within your department that are related to this business and return to me as soon as possible.

____ No pending issues.

X Issues pending, as follows:
Please see attached e-mail. Thank you.

Signed: Michael A Pancell 3/27/12

Sheppard, Marian

From: White, Sarah
Sent: Tuesday, March 27, 2012 6:02 PM
To: Sheppard, Marian
Cc: Stuler, Shane
Subject: Flying Grizzly

Marian,

I spoke with Shane Stuler, The Environmental Health Manager this afternoon and the Division of Health and Emergency Services no longer has any pending issues regarding the Flying Grizzly liquor license application.

Let me know if you have any questions.

Thanks,

Sarah White
Executive Administrative Assistant
Health & Emergency Services
5515 S. Apache Ave., Suite 500
Globe, Arizona 85501
E-mail: swhite@co.gila.az.us
Phone: (928) 402-8761

Tommie C. Martin, District I
610 E. Hwy 260, Payson 85547
(928) 474-2029
tmartin@gilacountyaz.gov

Michael A. Pastor, District II
(928) 402-8753
mpastor@gilacountyaz.gov

Shirley L. Dawson, District III
(928) 402-8511
sdawson@gilacountyaz.gov

GILA COUNTY
BOARD OF SUPERVISORS
1400 E. Ash
Globe, Arizona 85501

Don E. McDaniel, Jr.,
County Manager
(928) 402-4257
dmcdaniel@gilacountyaz.gov

John F. Nelson,
Deputy County Manager/
Clerk of the Board of Supervisors
(928) 402-8754
jnelson@gilacountyaz.gov

DATE: March 1, 2012

TO: Gila County Sheriff's Office

FROM: Marian Sheppard, Chief Deputy Clerk of the Board MS

SUBJECT: Liquor License Application

Please be advised that the following Liquor License Application was filed with the Arizona Department of Liquor Licenses and Control on February 27, 2012. In accordance with A.R.S. §4-201, the Board of Supervisors is required to accept, deny, or return a "no recommendation" decision regarding this application to the Arizona State Department of Liquor Licenses and Control **within sixty days of the filing date.**

I've attached a copy of the Application for Liquor License, Notice, and Affidavit of Posting pertaining to the following:

Applicant:	Alexander Douglas MacLean
No./Type:	Series 7 – Person Transfer/Location Transfer
Business Name:	The Flying Grizzly
Location:	5079 Hwy. 87, Strawberry, AZ 85544
Current License Owner:	Richard Stewart Mickle
Location of License:	previously at 508 Sullivan Street, Miami, AZ

Please post the Notice and Application for Liquor License INSIDE THE ESTABLISHMENT FACING OUT TOWARD THE PUBLIC for a period of 20 days. If access to the establishment cannot be obtained, the Notice and Application must be posted in a conspicuous place on the front of the premises where the business is proposed to be conducted. It is important to note that every attempt should be made to post the Notice and Application inside the establishment to prevent the paperwork from being blown away or being removed by an unauthorized person. POST THE APPLICATION DIRECTLY UNDER THE NOTICE.

Thomas H. Melcher
Chief Deputy

James A. Eskew
Jail Commander

Office of
Sheriff of Gila County
John R. Armer

February 27, 2012
Gila County Sheriff's Office

Please direct the deputy to immediately notify Nancy Neumann at the Globe Sheriff's Office of the posting date. Nancy can be reached at (928) 402-8579.

After the 20-day period has ended, I would appreciate the Notice being taken down as quickly as possible. (Note: The Notice must be taken down on the 21st day or after not the 20th day.) Upon removal of the Notice and Application, the deputy should complete the Affidavit of Posting Form and all of the paperwork should immediately be sent to Nancy Neumann who will record the removal date and then forward to me all paperwork including this letter signed by the Sheriff.

I can be contacted at (928) 425-3231 ext. 8757 if you have questions.

Address of Posting: **5079 Hwy 87 Strawberry, AZ 85544 (The Flying Grizzly)**

THE APPLICATION FOR THE LIQUOR LICENSE AND NOTICE WERE POSTED AT THE ADDRESS LISTED FOR A PERIOD OF TWENTY DAYS AS REQUIRED BY LAW.

SIGNED: John R. Armer
Sheriff John R. Armer

P.O. Box 311, Globe, AZ 85502 – Phone: (928)425-4449 – Toll Free: (800) 635-8017 – Fax: (928) 425-5674
108 Main St., Payson, AZ 85541 – Phone: (928)474-2208 – Toll Free: (866) 866-4452 – Fax: (928) 474-0614

Print Form

ARIZONA DEPARTMENT OF LIQUOR LICENSES AND CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007-2934
www.azliquor.gov
(602) 542-5141

AFFIDAVIT OF POSTING

Date of Posting: 03/06/12 Date of Posting Removal: 03/27/12

Applicant Name: MacLean (Last) Alexander (First) Douglas (Middle)

Business Address: 5079 Hwy. 87 (Street) Strawberry, AZ (City) 85544 (Zip)

License #: 07040008

I hereby certify that pursuant to A.R.S. § 4-201, I posted notice in a conspicuous place on the premises proposed to be licensed by the above applicant and said notice was posted for at least twenty (20) days.

Print Name of City/County Official	Title	Telephone #
DON ENGLER	DEPUTY SHERIFF	474 2208

Signature	Date Signed
Donald B Engler II	03/05/12

Return this affidavit with your recommendation (i.e., Minutes of Meeting, Verbatim, etc.) or any other related documents.

If you have any questions please call (602) 542-5141 and ask for the Licensing Division.

Individuals requiring special accommodations please call (602) 542-9027

Lic0119 4/2009

ARF-1173 **Public Hearing 2- C**

Regular BOS Meeting

Meeting Date: 04/03/2012

Submitted For: Marian Sheppard, Chief Deputy Clerk, BOS

Submitted By: Marian Sheppard, Chief Deputy Clerk, BOS, Clerk of the Board of Supervisors

Department: Clerk of the Board of Supervisors

Presenter's Name: Marian Sheppard

Information

Request/Subject

Gila County Order No. LL-12-02, a Liquor License Application submitted by Tamara L. Morken for THAT Brewery

Background Information

Tamara Morken has submitted an application to the State Department of Liquor Licenses and Control (Department) for a new Series 3 domestic microbrewery license for THAT Brewery located in Pine. Part of the statutory process is once the Department accepts and processes the license, it is sent to the local governing body in which city, town or county the establishment is located. Upon the local governing body's review of the application, a recommendation is then issued by the local governing, which in Gila County it is the Board of Supervisors (Board), to the Department to either approve, deny or issue a "no recommendation" decision.

Per statutory requirements, a notice of hearing by the Board was posted at the establishment for a period of 20 days, specifically to inform any person residing or owning or leasing property within a one-mile radius of the establishment regarding this application. To date, the Clerk of the Board's Department has not received any objections to this application.

Evaluation

This application has been forwarded to the Gila County Clerk of the Board of Supervisors' Department for submission to the Board. An internal review has been conducted by both the Gila County Community Development Division and the Health Department. The Health Department hasn't any issues related to this application and the Community Development Division is working with the applicant to permit the construction required to accomodate the proposed brewery. Both departments have no objections with regard to this liquor license application.

Conclusion

This application has been reviewed by several County departments with no objections and no one has submitted a written objection to this application; therefore, a public hearing should be held by the Board to entertain any comments from the public with regard to this application before the Board takes an action to issue a recommendation to the Department.

Recommendation

The Chief Deputy Clerk of the Board of Supervisors recommends that the Board issue an approval recommendation to the Department.

Suggested Motion

Public Hearing - Information/Discussion/Action to approve Order No. LL-12-02, an application submitted by Tamara Morken for a new Series 3 domestic microbrewery license for THAT Brewery located in Pine.
(Marian Sheppard)

Attachments

THAT Brewery Liquor License Application

THAT Brewery Internal Memos

LL-12-02

'12 FEB 29 Liq. Lic. AM10:19

Arizona Department of Liquor Licenses and Control
800 West Washington, 5th Floor
Phoenix, Arizona 85007
www.azliquor.gov
602-542-5141

APPLICATION FOR LIQUOR LICENSE

TYPE OR PRINT WITH BLACK INK

Notice: Effective Nov. 1, 1997, All Owners, Agents, Partners, Stockholders, Officers, or Managers actively involved in the day to day operations of the business must attend a Department approved liquor law training course or provide proof of attendance within the last five years. See page 5 of the Liquor Licensing requirements.

SECTION 1 This application is for a:

- ☐ MORE THAN ONE LICENSE
- ☐ INTERIM PERMIT *Complete Section 5*
- ☒ NEW LICENSE *Complete Sections 2, 3, 4, 13, 14, 15, 16*
- ☐ PERSON TRANSFER (Bars & Liquor Stores ONLY) *Complete Sections 2, 3, 4, 11, 13, 15, 16*
- ☐ LOCATION TRANSFER (Bars and Liquor Stores ONLY) *Complete Sections 2, 3, 4, 12, 13, 15, 16*
- ☐ PROBATE/WILL ASSIGNMENT/DIVORCE DECREE *Complete Sections 2, 3, 4, 9, 13, 16* (fee not required)
- ☐ GOVERNMENT *Complete Sections 2, 3, 4, 10, 13, 15, 16*

SECTION 2 Type of ownership:

- ☐ J.T.W.R.O.S. *Complete Section 6*
- ☐ INDIVIDUAL *Complete Section 6*
- ☐ PARTNERSHIP *Complete Section 6*
- ☐ CORPORATION *Complete Section 7*
- ☒ LIMITED LIABILITY CO. *Complete Section 7*
- ☐ CLUB *Complete Section 8*
- ☐ GOVERNMENT *Complete Section 10*
- ☐ TRUST *Complete Section 6*
- ☐ OTHER (Explain) _____

SECTION 3 Type of license and fees LICENSE #(s): 03043003

1. Type of License(s): Series 03 Microbrewery
2. Total fees attached: $ 1480 (Department Use Only)

APPLICATION FEE AND INTERIM PERMIT FEES (IF APPLICABLE) ARE NOT REFUNDABLE.

The fees allowed under A.R.S. 44-6852 will be charged for all dishonored checks.

SECTION 4 Applicant

1. Owner/Agent's Name: Mr. / Ms. Morken (Last) Tamara (First) Lynne (Middle)
   (Insert one name ONLY to appear on license)
2. Corp./Partnership/L.L.C.: HTNB Ventures LLC
   (Exactly as it appears on Articles of Inc. or Articles of Org.)
3. Business Name: THAT Brewery
   (Exactly as it appears on the exterior of premises)
4. Principal Street Location: 3270 N Highway 87 (Do not use PO Box Number) Pine (City) Gila (County) 85544 (Zip)
5. Business Phone: 928-476-3349 Daytime Contact: 602-527-2886
6. Is the business located within the incorporated limits of the above city or town? ☐YES ☒NO
7. Mailing Address: PO Box 90 Pine (City) AZ (State) 85544 (Zip)
8. Price paid for license only bar, beer and wine, or liquor store: Type 03 $ 600 Type _____ $ _____

DEPARTMENT USE ONLY

Fees: 100 (Application) _____ (Interim Permit) _____ (Agent Change) _____ (Club) 480 (Finger Prints $) 1480 (TOTAL OF ALL FEES)

Is Arizona Statement of Citizenship & Alien Status For State Benefits complete? ☒ YES ☐ NO

Accepted by: AC Date: 2/29/2012 Lic. # 03043003

July 2010

*Disabled individuals requiring special accommodation, please call (602) 542-9027.

SECTION 5 Interim Permit:

1. If you intend to operate business when your application is pending you will need an Interim Permit pursuant to A.R.S. 4-203.01.
2. There **MUST** be a valid license of the same type you are applying for currently issued to the location.
3. Enter the license number currently at the location._____
4. Is the license currently in use? ☐ YES ☐ NO If no, how long has it been out of use?_____

ATTACH THE LICENSE CURRENTLY ISSUED AT THE LOCATION TO THIS APPLICATION.

I, _____, declare that I am the CURRENT OWNER, AGENT, CLUB MEMBER, PARTNER,
(Print full name)
MEMBER, STOCKHOLDER, OR LICENSEE (circle the title which applies) of the stated license and location.

State of _____ County of_____

X_____
(Signature)

The foregoing instrument was acknowledged before me this

My commission expires on: _____

_____day of _____, _____
Day Month Year

_____
(Signature of NOTARY PUBLIC)

SECTION 6 Individual or Partnership Owners:

EACH PERSON LISTED MUST SUBMIT A COMPLETED QUESTIONNAIRE (FORM LIC0101), AN "APPLICANT" TYPE FINGERPRINT CARD, AND $24 PROCESSING FEE FOR EACH CARD.

1. Individual:

Last	First	Middle	% Owned	Mailing Address	City State Zip

Partnership Name: (Only the first partner listed will appear on license) _____

General-Limited	Last	First	Middle	% Owned	Mailing Address	City State Zip
☐ ☐						
☐ ☐						
☐ ☐						
☐ ☐						

(ATTACH ADDITIONAL SHEET IF NECESSARY)

2. Is any person, other than the above, going to share in the profits/losses of the business? ☐ YES ☐ NO
If Yes, give name, current address and telephone number of the person(s). Use additional sheets if necessary.

Last	First	Middle	Mailing Address	City, State, Zip	Telephone#

'12 FEB 29 Liqr. Lic. AM10:19

SECTION 7 Corporation/Limited Liability Co.:

EACH PERSON LISTED MUST SUBMIT A COMPLETED QUESTIONNAIRE (FORM LIC0101), AN "APPLICANT" TYPE FINGERPRINT CARD, AND $24 PROCESSING FEE FOR EACH CARD.

☐ CORPORATION *Complete questions 1, 2, 3, 5, 6, 7, and 8.*

☒ L.L.C. *Complete 1, 2, 4, 5, 6, 7, and 8.*

1. Name of Corporation/L.L.C.: HTNB Ventures, LLC
(Exactly as it appears on Articles of Incorporation or Articles of Organization)
2. Date Incorporated/Organized: 5/13/2004 State where Incorporated/Organized: Arizona
3. AZ Corporation Commission File No.: ~~L11329686~~ Date authorized to do business in AZ: ~~6/11/2004~~
4. AZ L.L.C. File No: L11329686 Date authorized to do business in AZ: ~~6-11-2004~~ 5-13-04
5. Is Corp./L.L.C. Non-profit? ☐ YES ☒ NO
6. List all directors, officers and members in Corporation/L.L.C.:

Last	First	Middle	Title	Mailing Address	City State Zip
Morken	Tamara	Lynne	Member	PO Box 1751	Pine, AZ 85544
Morken	Steven	Wade	Member	PO Box 1751	Pine, AZ 85544

(ATTACH ADDITIONAL SHEET IF NECESSARY)

7. List stockholders who are controlling persons or who own 10% or more:

Last	First	Middle	% Owned	Mailing Address	City State Zip
Morken	Tamara	Lynne	50	PO Box 1751	Pine AZ 85544
Morken	Steven	Wade	50	PO Box 1751	Pine AZ 85544

(ATTACH ADDITIONAL SHEET IF NECESSARY)

8. If the corporation/L.L.C. is owned by another entity, attach a percentage of ownership chart, and a director/officer/member disclosure for the parent entity. Attach additional sheets as needed in order to disclose personal identities of all owners.

SECTION 8 Club Applicants:

EACH PERSON LISTED MUST SUBMIT A COMPLETED QUESTIONNAIRE (FORM LIC0101), AN "APPLICANT" TYPE FINGERPRINT CARD, AND $24 PROCESSING FEE FOR EACH CARD.

1. Name of Club: _____ Date Chartered: _____
(Exactly as it appears on Club Charter or Bylaws) (Attach a copy of Club Charter or Bylaws)
2. Is club non-profit? ☐ YES ☐ NO
3. List officer and directors:

Last	First	Middle	Title	Mailing Address	City State Zip

(ATTACH ADDITIONAL SHEET IF NECESSARY)

'12 FEB 29 Liqr. Lic. AM10:19

SECTION 9 Probate, Will Assignment or Divorce Decree of an existing Bar or Liquor Store License:

1. Current Licensee's Name: _____
(Exactly as it appears on license) Last First Middle

2. Assignee's Name: _____
Last First Middle

3. License Type: _____ License Number: _____ Date of Last Renewal: _____

4. ATTACH TO THIS APPLICATION A CERTIFIED COPY OF THE WILL, PROBATE DISTRIBUTION INSTRUMENT, OR DIVORCE DECREE THAT SPECIFICALLY DISTRIBUTES THE LIQUOR LICENSE TO THE ASSIGNEE TO THIS APPLICATION.

SECTION 10 Government: (for cities, towns, or counties only)

1. Governmental Entity: _____

2. Person/designee: _____ _____
Last First Middle Contact Phone Number

A SEPARATE LICENSE MUST BE OBTAINED FOR EACH PREMISES FROM WHICH SPIRITUOUS LIQUOR IS SERVED.

SECTION 11 Person to Person Transfer:

Questions to be completed by CURRENT LICENSEE (Bars and Liquor Stores ONLY-Series 06,07, and 09).

1. Current Licensee's Name: _____ Entity: _____
(Exactly as it appears on license) Last First Middle (Indiv., Agent, etc.)

2. Corporation/L.L.C. Name: _____
(Exactly as it appears on license)

3. Current Business Name: _____
(Exactly as it appears on license)

4. Physical Street Location of Business: Street _____
City, State, Zip _____

5. License Type: _____ License Number: _____

6. If more than one license to be transfered: License Type: _____ License Number: _____

7. Current Mailing Address: Street _____
(Other than business)
City, State, Zip _____

8. Have all creditors, lien holders, interest holders, etc. been notified of this transfer? ☐ YES ☐ NO

9. Does the applicant intend to operate the business while this application is pending? ☐ YES ☐ NO If yes, complete Section 5 of this application, attach fee, and current license to this application.

10. I, _____, hereby authorize the department to process this application to transfer the
(print full name)
privilege of the license to the applicant, provided that all terms and conditions of sale are met. Based on the fulfillment of these conditions, I certify that the applicant now owns or will own the property rights of the license by the date of issue.

I, _____, declare that I am the CURRENT OWNER, AGENT, MEMBER, PARTNER
(print full name)
STOCKHOLDER, or LICENSEE of the stated license. I have read the above Section 11 and confirm that all statements are true, correct, and complete.

_____
(Signature of CURRENT LICENSEE)

State of _____ County of _____
The foregoing instrument was acknowledged before me this

_____ _____
Day Month Year

My commission expires on: _____

_____
(Signature of NOTARY PUBLIC)

'12 FEB 29 Liq. Lic. AM10:19

SECTION 12 Location to Location Transfer: (Bars and Liquor Stores ONLY)

APPLICANTS CANNOT OPERATE UNDER A LOCATION TRANSFER UNTIL IT IS APPROVED BY THE STATE

1. Current Business: (Exactly as it appears on license) Name _____
   Address _____
2. New Business: (Physical Street Location) Name _____
   Address _____
3. License Type: _____ License Number: _____
4. If more than one license to be transferred: License Type: _____ License Number: _____
5. What date do you plan to move? _____ What date do you plan to open? _____

'12 FEB 29 Liq. Lic. AM10:14

SECTION 13 Questions for all in-state applicants excluding those applying for government, hotel/motel, and restaurant licenses (series 5, 11, and 12):

A.R.S. § 4-207 (A) and (B) state that no retailer's license shall be issued for any premises which are at the time the license application is received by the director, within three hundred (300) horizontal feet of a church, within three hundred (300) horizontal feet of a public or private school building with kindergarten programs or grades one (1) through (12) or within three hundred (300) horizonal feet of a fenced recreational area adjacent to such school building. The above paragraph DOES NOT apply to:

a) Restaurant license (§ 4-205.02)
b) Hotel/motel license (§ 4-205.01)
c) Government license (§ 4-205.03)
d) Fenced playing area of a golf course (§ 4-207 (B)(5))

1. Distance to nearest school: 4224 ft. Name of school Pine/Strawberry School
   Address 3868 N Pine Creek Rd Pine, AZ 85544
   City, State, Zip
2. Distance to nearest church: 5280 ft. Name of church First Baptist Church
   Address 4039 N Highway 87 Pine, AZ 85544
   City, State, Zip
3. I am the: ☐ Lessee ☐ Sublessee ☐ Owner ☒ Purchaser (of premises)
4. If the premises is leased give lessors: Name _____
   Address _____
   City, State, Zip

4a. Monthly rental/lease rate $_____ What is the remaining length of the lease __ yrs. ____mos.

4b. What is the penalty if the lease is not fulfilled? $_____ or other _____
(give details - attach additional sheet if necessary)

5. What is the total **business** indebtedness for this license/location excluding the lease? $ 476,000
   Please list lenders you owe money to.

Last	First	Middle	Amount Owed	Mailing Address	City State	Zip
Ciena Capital, LLC			281,000	1633 Broadway New York, NY 10019		
Sunrise Bank of Arizona			95,000	2777 E Camelback Rd Suite 100 Phoenix AZ 85016		
Mangy Moose, LLC			100,000	55 N Myrna Tempe AZ 85281		

(ATTACH ADDITIONAL SHEET IF NECESSARY)

6. What type of business will this license be used for (be specific)? Brewery & Brew Pub, we have a series 11

SECTION 13 - continued

7. Has a license or a transfer license for the premises on this application been denied by the state within the past one (1) year?
☐ YES ☒ NO If yes, attach explanation.

8. Does any spirituous liquor manufacturer, wholesaler, or employee have any interest in your business? ☐ YES ☒ NO

9. Is the premises currently licensed with a liquor license? ☒ YES ☐ NO If yes, give license number and licensee's name:

License # 11043006 (exactly as it appears on license) Name Tamara Lynne Morken

---

SECTION 14 Restaurant or hotel/motel license applicants:

1. Is there an existing restaurant or hotel/motel liquor license at the proposed location? ☐ YES ☐ NO
If yes, give the name of licensee, Agent or a company name:

_____ and license #: _____
Last First Middle

2. If the answer to Question 1 is YES, you may qualify for an Interim Permit to operate while your application is pending; consult A.R.S. § 4-203.01; and complete SECTION 5 of this application.

3. All restaurant and hotel/motel applicants must complete a Restaurant Operation Plan (Form LIC0114) provided by the Department of Liquor Licenses and Control.

4. As stated in A.R.S. § 4-205.02.G.2, a restaurant is an establishment which derives at least 40 percent of its gross revenue from the sale of food. Gross revenue is the revenue derived from all sales of food and spirituous liquor on the licensed premises. By applying for this ☐ hotel/motel ☐ restaurant license, I certify that I understand that I must maintain a minimum of 40 percent food sales based on these definitions and have included the Restaurant Hotel/Motel Records Required for Audit (form LIC 1013) with this application.

_____
applicant's signature

As stated in A.R.S § 4-205.02 (B), I understand it is my responsibility to contact the Department of Liquor Licenses and Control to schedule an inspection when all tables and chairs are on site, kitchen equipment, and, if applicable, patio barriers are in place on the licensed premises. With the exception of the patio barriers, these items are not required to be properly installed for this inspection. Failure to schedule an inspection will delay issuance of the license. If you are not ready for your inspection 90 days after filing your application, please request an extension in writing, specify why the extension is necessary, and the new inspection date you are requesting. To schedule your site inspection visit www.azliquor.gov and click on the "Information" tab.

_____
applicants initials

SECTION 15 Diagram of Premises: (Blueprints not accepted, diagram must be on this form)

1. Check **ALL** boxes that apply to your business:

☒ Entrances/Exits ☒ Liquor storage areas Patio: ☒ Contiguous
☐ Service windows ☐ Drive-in windows ☐ Non Contiguous

2. Is your licensed premises currently closed due to construction, renovation, or redesign? ☐ YES ☒ NO
If yes, what is your estimated opening date? closing part of April/May 2012
month/day/year

3. Restaurants and hotel/motel applicants are required to draw a detailed floor plan of the kitchen and dining areas including the locations of all kitchen equipment and dining furniture. Diagram paper is provided on page 7.

4. The diagram (a detailed floor plan) you provide is required to disclose only the area(s) where spiritous liquor is to be sold, served, consumed, dispensed, possessed, or stored on the premises unless it is a restaurant (see #3 above).

5. Provide the square footage or outside dimensions of the licensed premises. Please do not include non-licensed premises, such as parking lots, living quarters, etc.

As stated in A.R.S. § 4-207.01(B), I understand it is my responsibility to notify the Department of Liquor Licenses and Control when there are changes to boundaries, entrances, exits, added or deleted doors, windows or service windows, or increase or decrease to the square footage after submitting this initial drawing.

TM
applicants initials

29 Liq. Lic. AM10:19

SECTION 15 Diagram of Premises

4. In this diagram please show only the area where spirituous liquor is to be sold, served, consumed, dispensed, possessed or stored. It must show all entrances, exits, interior walls, bars, bar stools, hi-top tables, dining tables, dining chairs, the kitchen, dance floor, stage, and game room. Do not include parking lots, living quarters, etc. When completing diagram, North is up ↑.

If a legible copy of a rendering or drawing of your diagram of premises is attached to this application, please write the words "diagram attached" in box provided below.

"diagram attached"

12 FEB 29 LIQ. LIC. 001019

SECTION 16 Signature Block

I, Tamara Lynne Morken, hereby declare that I am the OWNER/AGENT filing this
(print full name of applicant)
application as stated in Section 4, Question 1. I have read this application and verify all statements to be true, correct and complete.

x Tamara Lynne Morken
(signature of applicant listed in Section 4, Question 1)

LAURA M RITTER
Notary Public - Arizona
Gila County
My Comm. Expires Aug 28, 2015

State of AZ County of Gila

The foregoing instrument was acknowledged before me this 28 of Feb, 2012
Day Month Year

Laura M Ritter
signature of NOTARY PUBLIC

My commission expires on : 28 Aug 2015
Day Month Year

'12 FEB 28 Liq. Lic. #10019
37'
ENTRANCE
EXIT
NORTH SIDE
PATIO
*EXISTING LICENSE
24'
19'
DINING
ROOM
*EXISTING LICENSE
23' X 24'
SERVER
PREP
AREA
DISH-
WASH
AREA
WOMEN'S
BR
MEN'S
BR
EXIT
EXIT
80'
SOUTH SIDE
PATIO
48' X 30'
*EXISTING LICENSE
KITCHEN COOK LINE
- KITCHEN -
BAR COUNTER
30'
BAR
*EXISTING
LICENSE
19'
BREWING
ROOM
PROPOSED
FERMENTATION
LIQUOR
STORAGE
EXISTING
EXIT
WALKIN
COOLER
BEER
STORAGE
*EXISTING RESTAURANT/HOTEL LICENSE
*110430006
N
0ft
24ft
48ft
2845 total
floor planner

DO NOT PUBLISH THIS SECTION

ARTICLE 1
The company name must contain an ending which may be "limited liability company," "limited company," or the abbreviations "L.L.C.", "L.C.", "LLC" or "LC". If you are the holder or assignee of a tradename or trademark, attach Declaration of Tradename Holder form.

ARTICLE 2
May be in care of the statutory agent.

ARTICLE 3
The statutory agent must provide both a physical and mailing address. If statutory agent has P.O. Box, then they must provide a physical description of their street address/location. The agent must sign the Articles or provide a consent to acceptance of appointment.

ARTICLES 4
Complete this section only if you desire to select a date or occurrence when the company will dissolve. If perpetual duration is desired, leave this section blank.

ARTICLE 5.a
Check which management structure will be applicable to your company.

AZ. CORP. COMMISSION
FILED

MAY 13 2004

APPR. [signature]
TERM
DATE [illegible]

ARTICLES OF ORGANIZATION

OF

HTNB VENTURES LLC
(An Arizona Limited Liability Company)

1. Name. The name of the limited liability company is:
HTNB VENTURES LLC OK MG

2. Registered Office. The address of the registered office in Arizona is:
3270 N AZ HWY 87, PINE, AZ 85544

located in the County of GILA

3. Statutory Agent. (In Arizona) The name and address of the statutory agent of the company is: TAMARA LOGSDON
512 W MORROW DR, PHOENIX, AZ 85027

4. Dissolution. The latest date, if any, on which the limited liability company must dissolve is _____

5.a. Management.

[ ] Management of the limited liability company is vested in a manager or managers. The names and addresses of each person who is a manager AND each member who owns a twenty percent or greater interest in the capital or profits of the limited liability company are:

[X] Management of the limited liability company is reserved to the members. The names and addresses of each person who is a member are:

'12 FEB 29 Liqr. Lic. AM10:19

DO NOT PUBLISH THIS SECTION

5.b.

Name:	TAMARA L. LOGSDON	STEVEN W. MORKEN
	[X] member [ ] manager	[X] member [ ] manager
Address:	512 W MORROW DR	8127 W LARKSPUR DR
City, State, Zip:	PHOENIX, AZ 85027	PEORIA, AZ 85381
Name:		
	[ ] member [ ] manager	[ ] member [ ] manager
Address:		
City, State, Zip:		

ARTICLE 5.b.- Depending upon your selection in 5.a., provide the names and addresses of the managers and members of the organization. Check the applicable title for each person. A member managed company cannot contain a manager or managers.

EXECUTED this 13 day of MAY, 2004

[Signature] [Signature]

Tamara L. Logsdon STEVEN W. MORKEN

[Print Name Here] [Print Name Here]

PHONE (602)907-4790 FAX

The person(s) executing this document need not be member(s) of the company.

Acceptance of Appointment By Statutory Agent

I TAMARA L. Logsdon, having been designated to act as Statutory Agent, hereby consent to act in that capacity until removed or resignation is submitted in accordance with the Arizona Revised Statutes.

Your fax and phone number is optional.

The agent must consent to the appointment by executing the consent.

Signature of Statutory Agent

See A.R.S. §29-601 et seq. for more info.

Tamara L. Logsdon

[Print name]

[If signing on behalf of a company serving as statutory agent, print company name here]

LL-0004
Rev. 01/04

OPERATING AGREEMENT

HTNB VENTURES, LLC
an Arizona Limited Liability Company

'12 FEB 29 Liq. Lic. AM10:19

TABLE OF CONTENTS

ARTICLE 1. Definitions 1

1.1 Act 1
1.2 Additional Capital Contribution 1
1.3 Additional Member 1
1.4 Administrative Member 1
1.5 Articles 1
1.6 Assignee 1
1.7 Bankrupt Member 1
1.8 Business Day 1
1.9 Capital Account 2
1.10 Capital Contributions 2
1.11 Code 2
1.12 Company 2
1.13 Company's Method of Accounting 2
1.14 Dissociated Member. 2
1.15 Distribution 2
1.16 Disposition (to Dispose of) 2
1.17 Event of Dissolution 2
1.18 Event of Dissociation 2
1.19 Gross Asset Value 2
1.20 Immediate Family 2
1.21 Initial Capital Contribution 2
1.22 Initial Members 2
1.23 Majority Vote 2
1.24 Member 3
1.25 Membership Interest 3
1.26 Money 3
1.27 Notice 3
1.28 Organization 3
1.29 Organization Expenses 3

'12 FEB 29 Liqr. Lic. 9M10:20

1.30 Percentage Interest 3
1.31 Permitted Transferee 3
1.32 Person 3
1.33 Principal Office 3
1.34 Proceeding 3
1.35 Property 4
1.36 Regulations 4
1.37 Remaining Members 4
1.38 Substitute Member 4
1.39 Tax Year 4
1.40 Taxing Jurisdiction 4
1.41 Unanimous Vote 4

ARTICLE 2. Formation 4
2.1 Organization 4
2.2 Intent 4
2.3 Name 5
2.4 Termination 5
2.5 Statutory Agent and Registered Office 5
2.6 Place of Business 5

ARTICLE 3. Nature of Business 5

ARTICLE 4. Names and Addresses of Members 5

ARTICLE 5. Rights and Duties of Members 5
5.1 Management Rights 5
5.2 Organizational Member 5
5.3 Voting Rights 6
5.4 Limitation of Liability of Members 6
5.5 Indemnification 6
5.6 Representations and Warranties 6

'12 FEB 29 Liq. Lic. AM10:20

5.7 Conflicts of Interest/No Exclusive Duty to Company 7
5.8 Action by Members Without a Meeting 8
5.9 Waiver of Notice 8
5.10 Compensation 8
5.11 Approval of Sale of All Assets. 8
5.12 Priority and Return of Capital 8

ARTICLE 6. Administrative Member 8
6.1 Administrative Member 8
6.2 Term of Office as Administrative Member 8
6.3 Rights and Duties of Administrative Member 8
6.4 Bank Accounts 9

ARTICLE 7. Accounting and Records 10
7.1 Books of Account and Records 10
7.2 Member's Capital Account 10
7.3 Method of Accounting 10

ARTICLE 8. Tax Matters 10
8.1 Federal Income Tax Treatment 10
8.2 Organization Expenses 10
8.3 Knowledge of Tax Consequences 10
8.4 Returns and Other Elections 10
8.5 Tax Matters Member 11

ARTICLE 9. Contributions and Capital Accounts/Loans 11
9.1 Initial Contributions 11
9.2 Additional Capital Contributions 11
9.3 Capital Accounts 11
9.4 Interpretation and Changes 12
9.5 Interest On and Return of Capital Contributions 12
9.6 Loans 12

'12 FEB 29 Liq. Lic. AM10:20

ARTICLE 10. Allocations and Distributions 12
10.1 Allocations of Net Profits and Net Losses 12
10.2 Interim Distributions 13
10.3 Distributions For Taxes 13
10.4 Limitation Upon Distributions 13
10.5 Allocation in the Event of Transfer of Membership Interest 13
10.6 Special Allocations 13

ARTICLE 11. Disposition of Membership Interests 14
11.1 Restrictions on Transferability 14
11.2 Permitted Transfers 14
11.3 Right of First Refusal 14
11.4 Dispositions Not in Compliance With This Article Void 15

ARTICLE 12. Dissociation of a Member 15
12.1 Dissociation 15
12.2 Rights of Dissociating Member 16

ARTICLE 13. Admission of Assignees and Additional Members 16
13.1 Rights of Assignees 16
13.2 Admission of Substitute Members 16
13.3 Admission of Permitted Transferees 17
13.4 Admission of Additional Members 17

ARTICLE 14. Dissolution and Winding Up 17
14.1 Dissolution 17
14.2 Effect of Filing of Dissolving Statement 17
14.3 Winding Up, Liquidation and Distribution of Assets 17
14.4 Articles of Termination 19
14.5 Return of Contribution Non-Recourse to Other Members 19

ARTICLE 15. Miscellaneous Provisions 19

'12 FEB 29 Liq. Lic. AM10:20

15.1 Acknowledgment or Disclaimer of Spouse 19
15.2 Amendment or Modification of Operating Agreement 19
15.3 Application of Arizona Law 19
15.4 Arbitration 19
15.5 Conflict Between Act and Agreement. 20
15.6 Construction 20
15.7 Counterparts 21
15.8 Entire Agreement 21
15.9 Execution of Additional Instruments and Necessary Acts 21
15.10 Headings 21
15.11 Heirs, Successors and Assigns 21
15.12 Incorporation by Reference 21
15.13 Notices 21
15.14 References 21
15.15 Rights and Remedies Cumulative 21
15.16 Rights of Creditors and Third Parties Under Agreement 21
15.17 Severability 22
15.18 Specific Performance 22
15.19 Time 22
15.20 Time Periods 22
15.21 Waiver of Action for Partition 22
15.22 Waivers 22

'12 FEB 29 Liqr. Lic. AM10:20

'12 FEB 29 Liqr. Lic. AM1020

OPERATING AGREEMENT
OF
HTNB VENTURES, LLC

This Operating Agreement ("Agreement") is made and entered into as of May 13, 2004 (the "Effective Date") by and among STEVEN W. MORKEN and TAMARA L. MORKEN (the "Initial Members") and any other person who may be admitted as a Substitute Member or Additional Member pursuant to the terms hereof, as Members of HTNB VENTURES, L.L.C., a limited liability company organized pursuant to the Arizona Limited Liability Company Act.

ARTICLE 1.
Definitions

For purposes of this Agreement, unless the context clearly indicates otherwise, the following terms shall have the following meanings:

1.1 Act. The Arizona Limited Liability Company Act (A.R.S. § 29-601 et seq.) as amended from time to time.

1.2 Additional Capital Contribution. The Capital Contributions other than Initial Capital Contributions that a Member or Assignee is obligated or permitted to make as set forth in Section 9.2.

Draft Copy

1.3 Additional Member. A Member other than an Initial Member or a Substitute Member who has acquired a Membership Interest from the Company and is admitted as a Member pursuant to Article 13.

1.4 Administrative Member. A Member to which certain management duties are delegated under Article 6.

1.5 Articles. The Articles of Organization of the Company as properly adopted and amended from time to time by the Members and filed with the Arizona Corporation Commission.

1.6 Assignee. A transferee of a Membership Interest who has not been admitted as a Substitute Member.

1.7 Bankrupt Member. A Member (a) who has filed a voluntary petition for liquidation or reorganization under any Chapter of the United States Bankruptcy Code, or any successor statute; or (b) against whom there has been filed an involuntary petition under any Chapter of the United States Bankruptcy Code, or any successor statute, which petition is not dismissed within ninety (90) days of the date of filing; or (c) who has initiated, either in an original Proceeding or by way of answer in any state insolvency or receivership proceeding, an action for liquidation arrangement, composition, readjustment, dissolution, or similar relief.

1.8 Business Day. Any day other than Saturday, Sunday or any legal holiday observed in the State of Arizona.

'12 FEB 29 Liq. Lic. AM10:20

1.9 Capital Account. The account maintained for a Member or Assignee determined in accordance with Article 9.

1.10 Capital Contributions. Any contributions of Money, Property, services or the obligation to contribute Money, Property or services made by or on behalf of a Member or Assignee, including an Initial Capital Contribution and Additional Capital Contributions.

1.11 Code. The Internal Revenue Code of 1986, as amended from time to time.

1.12 Company. HTNB, LLC, a limited liability company formed under the laws of the State of Arizona, and any successor limited liability company.

1.13 Company's Method of Accounting. The method of accounting adopted from time to time by the Company. The Company's Method of Accounting initially will be the cash method.

1.14 Dissociated Member. A Member who is subject to an Event of Dissociation.

1.15 Distribution. A transfer of Property to a Member on account of a Membership Interest. Distributions of Property shall be valued at their Gross Asset Value for purposes of measuring the Members' Capital Accounts and other accounts under this Agreement.

1.16 Disposition (to Dispose of). Any sale, assignment, transfer, exchange, mortgage, pledge, grant, or other transfer, absolute or as security or encumbrance (including Dispositions by operation of law).

1.17 Event of Dissolution. An event, as set forth in Section 14.1, the occurrence of which shall result in the dissolution of the Company.

1.18 Event of Dissociation. An event, as set forth in Section 12.1, which shall cause a Member to cease to be a Member.

1.19 Gross Asset Value. The fair market value of Property contributed by a Member as a Capital Contribution or distributed to a Member as a Distribution, which shall be determined as set forth under Regulation 1.704-1(b)(2)(iv)(h).

1.20 Immediate Family. A Member's Immediate Family includes the Member's spouse, children (including natural, adopted and stepchildren), spouses of children, grandchildren, and parents.

1.21 Initial Capital Contribution. The Capital Contribution agreed to be made by the Initial Member as described in Section 9.1.

1.22 Initial Members. STEVEN W. MORKEN and TAMARA L. MORKEN.

1.23 Majority Vote. In the event there is more than one (1) Member, the affirmative vote or consent of the Members or Remaining Members having more than fifty percent (50%) of

'12 FEB 29 Liq. Lic. AM10:20

the Percentage Interests of all such Members or Remaining Members required to vote on a particular matter under this Agreement or under the Act.

1.24 Member. Initial Member, Substitute Member or Additional Member, and, unless the context expressly indicates to the contrary, includes the Administrative Member and Assignees.

1.25 Membership Interest. The rights of a Member or, in the case of an Assignee, the rights of the assigning Member in Distributions (liquidating or otherwise) and allocations of the Net Profits, Net Losses, income, gains, deductions, and credits of the Company. The percentage of each Member's Membership Interest shall be that Member's Percentage Interest as set forth in Section 1.30, as such may be adjusted from time to time pursuant to this Agreement.

1.26 Money. Cash or other legal tender of the United States, or any obligation that is immediately reducible to legal tender without delay or discount. Money shall be considered to have a fair market value equal to its face amount.

1.27 Notice. All notices required or permitted to be given hereunder as set forth in Section 15.13.

1.28 Organization. Organization includes, without limitation, corporations (both non-profit and other corporations), partnerships (both limited and general), joint ventures, limited liability companies, and unincorporated associations.

1.29 Organization Expenses. Those expenses incurred in the organization of the Company including the costs of preparation of this Agreement and the Articles.

1.30 Percentage Interest. With respect to any Member, the percentage shown on the attached Schedule 1, as such interest may be adjusted from time to time pursuant to this Agreement.

1.31 Permitted Transferee. A trust in which the Member and/or the Member's spouse are the grantor, trustee and beneficiary in which the Member, Member's spouse or a member of Member's Immediate Family is the beneficiary.

1.32 Person. An individual, trust, estate, or any Organization permitted to be a member of a limited liability company under the laws of the State of Arizona.

1.33 Principal Office. The principal place of business of the Company as designated pursuant to Section 2.6.

1.34 Proceeding. Any judicial or administrative trial, hearing or other activity, civil, criminal or investigative, the result of which may be that a court, arbitrator, or governmental agency may enter a judgment, order, decree, or other determination which, if not appealed and reversed, would be binding upon the Company, a Member or other person subject to the jurisdiction of such court, arbitrator, or governmental agency.

'12 FEB 29 Liq. Lic. #11020

1.35 Property. Any property, real or personal, tangible or intangible, including Money and any legal or equitable interest in such property, but excluding services and promises to perform services in the future.

1.36 Regulations. Except where the context indicates otherwise, the permanent, temporary or proposed regulations of Department of the Treasury under the Code, as such regulations may be lawfully changed from time to time.

1.37 Remaining Members. Members who are not subject to an Event of Dissociation.

1.38 Substitute Member. A transferee of a Membership Interest who has been admitted to all of the rights of membership pursuant to this Agreement.

1.39 Tax Year. The taxable year of the Company as determined pursuant to § 706 of the Code. The Tax Year of the Company will be the calendar year.

1.40 Taxing Jurisdiction. Any state, local, or foreign government that collects tax, interest or penalties, however designated, on any Member's share of the income or gain attributable to the Company.

1.41 Unanimous Vote. In the event there is more than one (1) Member, the affirmative vote or consent of all Members or Remaining Members required to vote on any particular matter under this Agreement or under the Act.

ARTICLE 2.
Formation

2.1 Organization. Pursuant to the Act, the Initial Members formed an Arizona limited liability company effective upon the filing of the Articles. The Member or Members shall immediately, and from time to time hereafter, as may be required by law, execute all amendments of the Articles, and do all filing, recording and other acts as may be appropriate to comply with the operation of the Company under the Act.

2.2 Intent. If there is more than one (1) Member, it is the intent of the Members that the Company shall always be operated in a manner consistent with its treatment as a "partnership" for federal and state income tax purposes. The provisions of this Agreement regarding the establishment and maintenance of capital accounts and the taxation of the Company as a "partnership" shall only apply if there is more than one (1) Member and the Company is no longer taxed for federal income tax purposes as a disregarded entity. It also is the intent of the Members that the Company not be operated or treated as a "partnership" for purposes of § 303 of the federal Bankruptcy Code. Notwithstanding the foregoing, if there is more than one (1) Member, the Members have formed the Company under the Act, and expressly do not intend hereby to form a partnership under either the Arizona Revised Uniform Partnership Act nor the Arizona Revised Uniform Limited Partnership Act as adopted from time to time by the State of Arizona. For state law purposes, the Members do not intend to be partners one to another, or partners as to any third party.

'12 FEB 29 Liq. Lic. #1020

2.3 Name. The name of the Company is HTNB, L.L.C., an Arizona limited liability company, and all business of the Company shall be conducted under that name or under any other name as the Members shall determine, but in any case, only to the extent permitted by applicable law.

2.4 Termination. The Company shall continue perpetually, unless sooner dissolved and the affairs of the Company are wound up in accordance with the Act and this Agreement.

2.5 Statutory Agent and Registered Office. The statutory agent for the service of process and the registered office shall be that Person and location reflected in the Articles. The Administrative Member may, from time to time, change the statutory agent or registered office through appropriate filings with the Arizona Corporation Commission.

2.6 Place of Business. The Principal Office shall be at 3270 North Arizona Highway 87, Pine, Arizona 85544, or such other place as the Administrative Member shall determine in its sole discretion.

ARTICLE 3.
Nature of Business

The Company intends to engage in the business of restaurant and bar, and may engage in any other lawful business permitted by the Act or the laws of any jurisdiction in which the Company may do business. The Company shall have the authority to do all things necessary or convenient to accomplish its purpose and operate its business as described in this Article 3.

ARTICLE 4.
Names and Addresses of Members

The name, address and facsimile number, if any, of the Initial Members are set forth on Schedule 1. The Initial Members, or any other Member, may designate from time to time, a change of address or facsimile number by Notice to all other Members, the Administrative Member and the Company.

ARTICLE 5.
Rights and Duties of Members

5.1 Management Rights. Subject to Article 6, the business and affairs of the Company shall be managed by the Member or Members, as the case may be. Unless otherwise set forth herein, all decisions with respect to the management of the Company, shall be determined by the Member if there is one (1) Member, or if there is more than one (1) Member, by the Unanimous Vote of the Members. The Administrative Member may be delegated administrative and other duties in connection with the Company business upon a Unanimous Vote of the Members, subject to provisions contained herein which set forth specific actions and duties the Administrative Member or any other Member is hereby authorized to undertake.

5.2 Organizational Member. Any Member, including an Administrative Member, that is an Organization (an "Organizational Member") acting under this Article shall act through

an individual ("Member Agent") who need not have any ownership or other interest in such Administrative Member, and who shall act pursuant to a written instrument of appointment, a copy of which shall be delivered to the Company at the Principal Office. An Organizational Member shall be entitled, in its discretion, at any time and from time to time, to change its Member Agent, provided that no such change shall be effective unless and until (a) Notice of such change shall have been given to the Company and each other Member and (b) a copy of the instrument of appointment under which the replacement Member Agent is to act has been delivered to the Company at the Principal Office.

5.3 Voting Rights. Unless otherwise required by the Act, all Members, other than Assignees that have not been admitted as Substitute Members and Dissociated Members, shall be entitled to vote on any matter submitted to a vote or for the consent of the Members or the Remaining Members, under this Agreement or under the Act.

5.4 Limitation of Liability of Members. No Member shall be liable as such for the liabilities of the Company. Each Member's liability for the debts and obligations of the Company shall be limited as set forth in Act § 29-651 and other applicable law. The failure of the Company to observe any formalities or requirements relating to the exercise of its powers or management of its business or affairs under this Agreement or the Act shall not be grounds for imposing personal liability on the Members or Administrative Member for liabilities of the Company.

5.5 Indemnification. The Company shall indemnify the Members, Administrative Member, and Management Agents from and against all costs, losses, liabilities, and damages paid or accrued by such Member, Administrative Member or Management Agent in connection with the business of the Company, to the fullest extent provided or allowed by the laws of Arizona; provided, however, that this Section 5.5 shall not apply as to any act or omission by a Member, Administrative Member or Management Agent which act or omission is finally determined, by judgment or arbitration award, to constitute gross negligence, fraud, bad faith, or willful misconduct.

5.6 Representations and Warranties. Each Member, and in the case of an Organization, the person(s) executing this Agreement on behalf of the Organization, represents and warrants to the Company and each other Member that:

(a) If that Member is an Organization, it is duly organized, validly existing, and in good standing under the laws of its state of organization and that it has full organizational power to execute and agree to this Agreement and to perform its obligations hereunder;

(b) The Member (i) is aware that investment in the Company is speculative in nature and subject to a high degree of risk, including, but not limited to, any risks that have been disclosed to the Member, (ii) can bear the economic risk of the purchase of its Membership Interest, including the complete loss of its investment in the Company, and (iii) has sufficient knowledge and experience in business and financial matters as to be capable of evaluating the merits and risks of its purchase of a Membership Interest;

'12 FEB 29 Liq. Lic. #1020

(c) The Member (i) knows or has had the opportunity to acquire all information concerning the business affairs, financial condition, plans and prospects of the Company which the Member deems relevant to make a fully informed decision respecting the investment therein; (ii) has been encouraged and has had the opportunity to rely upon the advice of the Member's legal counsel and accountants and other advisers with respect to the purchase of its Membership Interest; and (iii) has had the opportunity to ask such questions and receive such answers and information with respect to, among other things, the business affairs, financial condition, plans and prospects of the Company and the terms and conditions of the purchase of its Membership Interest as the Member has requested so as to fully understand his investment in the Company;

(d) The Member is acquiring its Membership Interest for its own account, without a view to a public distribution or resale, and the Member has no contract, undertaking, agreement or arrangement to transfer, sell or otherwise dispose of its Membership Interest or any interest therein to any other person;

(e) The Member understands that the Membership Interests have not been registered under the Securities Act of 1933 (the "1933 Act"), the Arizona Securities Act (the "Arizona Act"), or the securities laws of any other jurisdiction and must be held indefinitely without any transfer, sale or other disposition unless the transfer of the Membership Interests is subsequently registered under the 1933 Act, the Arizona Act and any applicable securities laws of any other jurisdiction or, in the opinion of counsel for Company, registration is not required under the 1933 Act, the Arizona Act or any applicable securities laws of any other jurisdiction as the result of available exemptions.

(f) The Member owns its Membership Interest free and clear of any contract, option, lien or encumbrance, other than by virtue of this Agreement and presently has the right and will have the right in the future to transfer the Membership Interest pursuant to this Agreement.

5.7 Conflicts of Interest/No Exclusive Duty to Company.

(a) Neither the Members nor the Administrative Member shall be required to manage the Company as their sole and exclusive function, and they may have other business interests and may engage in other activities in addition to those relating to the Company. Neither the Company nor any Member shall have any right, by virtue of this Agreement, to share or participate in such other investments or activities of any Member or to the income or proceeds derived therefrom. A Member, including an Administrative Member, does not violate a duty or obligation to the Company merely because the Member's conduct furthers the Member's own interest.

(b) Members shall account to the Company and hold as trustee for it, any Property, profit, or benefit derived by the Member, without the consent of the other Members, in the conduct and winding up of the Company business or from a use or appropriation by the Member of Company property including information developed exclusively for the Company and opportunities expressly offered to the Company.

'12 FEB 29 Liq. Lic. 001020

5.8 Action by Members Without a Meeting. Any action required or permitted to be taken by the Members hereunder shall be considered authorized by the Members if the action is evidenced by one or more written consents describing the action taken, signed by such number or percentage of the Members as is sufficient to take or approve the action under this Agreement, and delivered to the Company for inclusion in the minutes or for filing with the Company records. Action taken under this Section 5.8 is effective when all Members sufficient to vote and approve the action under this Agreement have signed the consent, unless the consent specifies a different effective date.

5.9 Waiver of Notice. When any Notice is required to be given to any Member, a waiver thereof in writing signed by the person entitled to such Notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of such Notice.

5.10 Compensation. The salaries and other compensation of any Member of the Company shall be fixed from time to time by a Unanimous Vote of the Members.

5.11 Approval of Sale of All Assets. In the event there is more than one (1) Member, the Members shall have the right, by Unanimous Vote of the Members, to approve the sale, exchange or other disposition of all, or substantially all, of the Company's assets.

5.12 Priority and Return of Capital. No Member shall have priority over any other Member, either as to the return of Capital Contributions or as to Net Profits, Net Losses or Distributions, except as specifically provided for herein; provided that this Section shall not apply to loans (as distinguished from Capital Contributions) from a Member to the Company.

ARTICLE 6.
Administrative Member

6.1 Administrative Member. Without limiting the generality of Section 5.1, the ordinary and usual decisions concerning the business affairs of the Company shall be made by the Administrative Member. The Administrative Member shall be a Member of the Company. The initial Administrative Member shall be TAMARA MORKEN.

6.2 Term of Office as Administrative Member. The Administrative Member shall serve until the earlier of the Administrative Member's death (if an individual), resignation or removal. An Administrative Member may resign at any time upon giving Notice to the Members. In addition, an Administrative Member may be removed, with or without cause, by a Majority Vote of the Members. The resignation of any Administrative Member shall take effect upon such Notice, or upon a later time specified in such Notice. The resignation or removal of an Administrative Member shall not affect the Membership Interest of the Administrative Member that has resigned or been so removed. Any new Administrative Member shall be appointed by a Majority Vote of the Members, including the Administrative Member that has been removed if such Administrative Member has been removed without cause.

6.3 Rights and Duties of Administrative Member. Without limiting the generality of Section 5.1, as a matter of mutual convenience, certain decisions of the Members with respect to the day-to-day management and operation of the Company's business shall be the responsibility

'12 FEB 29 Liq. Lic. AM10:20

of the Administrative Member. In this regard, in addition to the rights and obligations of the Administrative Member provided for elsewhere in this Agreement, the Members hereby delegate authority to the Administrative Member to accomplish the following:

(a) Employ, supervise, and coordinate on behalf of the Company, all attorneys, accountants, and managing agents and other necessary professionals and personnel;

(b) Obtain property, liability and other insurance for the protection of the Company, the Members and the Property;

(c) Purchasing and maintaining supplies, inventory, stock, fixtures and other items determined necessary or beneficial for the operation of the business of the Company, provided, however, that any expenditure exceeding $10,000 shall require approval by a Unanimous Vote of the Members.

(d) Applying for and maintaining all licenses in connection with the operation of the business of the Company, including restaurant and liquor licenses, and transaction privilege tax licenses.

(e) Pay all bills, invoices and expenses properly incurred by and on behalf of the Company;

(f) Keep all books of account and other records required by the Company, keep vouchers, statements, receipted bills and invoices and all other records, covering all collections, disbursements and other data in connection with the Company;

(g) Filing appropriate returns and paying when due all taxes, including income taxes, withholding taxes and sales taxes to federal and state authorities in connection with the Business of the Company;

(h) Defend, compromise and settle those claims against the Company which individually do not exceed Ten Thousand Dollars ($10,000);

(i) Perform such other acts as are set forth herein or as are reasonably necessary or appropriate in connection with the Company's day-to-day business operations.

6.4 Bank Accounts. The Administrative Member may from time to time open bank accounts in the name of the Company, and determine who may be the signatory thereon. All funds of the Company shall be deposited or invested in Company's name. Withdrawals of funds from Company accounts shall be made on the signature as the Administrative Member may approve from time to time.

'12 FEB 29 Liq. Lic. AM10:20

ARTICLE 7.
Accounting and Records

7.1 Books of Account and Records. Proper and complete records and books of account shall be kept or shall be caused to be kept by the Administrative Member in which shall be entered fully and accurately all transactions and other matters relating to the Company's business in such detail and completeness as is customary and usual for businesses of the type engaged in by the Company. Such books and records shall be maintained as provided under the Act. The books and records shall at all times be maintained at the Principal Office of the Company and shall be open to the reasonable inspection and examination of the Members or their duly authorized representatives during reasonable business hours. The Administrative Member shall provide all Members with those information returns required by the Code and the laws of any state in which the Company is doing business.

7.2 Member's Capital Account. The Administrative Member shall maintain a record of Capital Account for each Member in accordance with Article 9.

7.3 Method of Accounting. Books and records of account shall be maintained on the Company's Method of Accounting.

ARTICLE 8.
Tax Matters

8.1 Federal Income Tax Treatment. For federal income tax purposes, the Company (a) shall be disregarded as an entity separate from the Member for so long as all Membership Interests are held by a single Member, and (b) shall be treated as a partnership during any period in which the Membership Interests are held by two (2) or more Persons.

8.2 Organization Expenses. Organization Expenses incurred by any Member with respect to the Company shall be reimbursed by the Company. The Company shall amortize Organizational Expenses in accordance with § 709 of the Code.

8.3 Knowledge of Tax Consequences. The Members are aware of the income tax consequences and economic impact of the allocations made and amounts receivable by them under this Agreement. The Members hereby agree to be bound by the provisions of this Agreement in reporting their shares of Company income and loss for income tax purposes.

8.4 Returns and Other Elections. The Administrative Member shall cause the preparation and timely filing of all tax returns required to be filed by the Company pursuant to the Code and all other tax returns deemed necessary and required in each jurisdiction in which the Company does business. Income tax returns shall be prepared based on the Company's Method of Accounting. Copies of such returns, or pertinent information therefrom, shall be furnished to the Members within a reasonable time after the end of the Company's Tax Year. The Administrative Member, in its sole discretion, may make any tax elections for the Company allowed under the Code or the tax laws of any state or other jurisdiction having Taxing Jurisdiction over the Company. Upon the transfer of an interest in the Company as permitted under the provisions of this Agreement, or in the event of the death of a Member, the Company

'12 FEB 29 Liq. Lic. AM1021

shall elect, pursuant to § 754 of the Code, to adjust the basis of the Company's property and the Capital Account of the affected Member as allowed by § 734(b) and § 743(b) of the Code at the request of the transferee of such Member's Percentage Interest.

8.5 Tax Matters Member. The Administrative Member shall be the initial "tax matters partner" of the Company pursuant to § 6231(a)(7) of the Code ("Tax Matters Member"). The Tax Matters Member shall take such action as may be necessary to cause each other Member to become a "notice partner" within the meaning of § 6223 of the Code. The Tax Matters Member may not take any action contemplated by §§ 6222 through 6231 of the Code without the Unanimous Vote of the Members.

ARTICLE 9.
Contributions and Capital Accounts/Loans

9.1 Initial Contributions. Each Initial Member shall make an Initial Capital Contribution in an amount agreed to by the Members, which amount shall be reflected on the books and records of the Company.

9.2 Additional Capital Contributions. Each Member hereby agrees, upon the Unanimous Vote of the Members, to make Additional Capital Contributions in the amount agreed to by the Members to pay the obligations of the Company. The obligation to make Additional Capital Contributions shall be a personal obligation of each Member and shall be enforceable by the Company and each of its Members. The obligation to contribute shall be solely for the benefit of the Members and no creditor or Non-Member shall have a right to enforce the provisions of this Section 9.2. The right of a Member to enforce this Section 9.2 may not be assigned voluntarily or by operation of law. The failure of a Member to make Additional Capital Contributions as agreed upon pursuant to this Section 9.2 shall constitute a breach of this Agreement.

9.3 Capital Accounts. A separate Capital Account shall be maintained for each Member in accordance with the applicable provisions of the Regulations as follows:

(a) Each Member's Capital Account shall be credited with the Gross Asset Value of any Property that is contributed by such Member, such Member's other Capital Contributions, such Member's distributive share of Net Profits allocated to such Member in accordance with the provisions of this Agreement, any items in the nature of income or gain that are specially allocated pursuant to Section 10.6, and the amount of any Company liabilities that are assumed by such Member or that are secured by any Company Property distributed to such Member.

(b) Each Member's Capital Account shall be debited by the amount of cash distributed to such Member in accordance with this Agreement, the Gross Asset Value of any other Company Property distributed to such Member pursuant to any provision of this Agreement, such Member's distributive share of Net Losses allocated to such Member in accordance with this Agreement, any items in the nature of expenses or losses that are specially allocated pursuant to Section 10.6, and the amount of any liabilities of such Member that are

'12 FEB 29 Liqr. Lic. #1021

assumed by the Company or that are secured by any property contributed by such Member to the Company.

(c) In the event any Membership Interest is subject to a Disposition in accordance with the terms of this Agreement, the transferee of such Interest shall succeed to the Capital Account to the extent it relates to the transferred Membership Interest.

(d) In the event the Gross Asset Values of the Company assets are adjusted pursuant to this Agreement, the Capital Accounts of all Members shall be adjusted simultaneously to reflect the aggregate net adjustment, as if the Company had recognized gain or loss equal to the amount of such aggregate net adjustment and the resulting gain or loss had been allocated among the Members in accordance with this Agreement.

9.4 Interpretation and Changes. The provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with the Code and applicable Regulations and shall be interpreted and applied in a manner consistent therewith. In the event the Administrative Member shall determine, after consultation with Company counsel, that it is prudent to modify the manner in which the Capital Accounts, or any debits or credits thereto are allocated or computed, in order to comply with such applicable federal tax law, the Administrative Member shall make such modification without the consent of any other Members, provided the Administrative Member determines in good faith that such modification is not likely to have a material adverse effect on the amounts properly distributable to any Member upon the termination of the Company and that such modification will not increase the liability of any Member to third parties.

9.5 Interest On and Return of Capital Contributions. No Member shall be entitled to interest on the Member's Capital Contribution or to the return of the Member's Capital Contribution, except as otherwise specifically set forth in this Agreement.

9.6 Loans. From time to time, a Member may lend or advance money to the Company. If a Member shall make any such loan(s) to the Company or advance money on its behalf, the amount of any such loan or advance shall not be treated as a Capital Contribution but shall be a debt due from the Company. Any other provision of this Agreement notwithstanding, the amount of any such loan or advance by a Member shall bear interest at such rate and be repayable upon such terms as are approved by a Unanimous Vote of the Members.

ARTICLE 10.
Allocations and Distributions

10.1 Allocations of Net Profits and Net Losses. Except as set forth in this Article 10, all Net Profits, Net Losses, and other items of income, gain, loss, deduction and credit shall be allocated among the Members in proportion to their Percentage Interests.

'12 FEB 29 Liqr. Lic. AM10:21

10.2 Interim Distributions. From time to time, but not less frequently than quarterly, the Members shall determine by Unanimous Vote to what extent, if any, the Company's Money on hand exceeds the current and reasonably anticipated needs, including, without limitation, needs for operating expenses, debt service, acquisitions, reserves, and mandatory Distributions under Section 10.3, if any. For purposes of this Section 10.2, "reserves" shall mean funds set aside or amounts allocated during such period to reserves which shall be maintained in amounts deemed sufficient by the Members for working capital and to pay taxes, insurance, debt service or other costs or expenses incident to the ownership or operation of the Company's business. To the extent such excess exists, the Company may make Distributions to the Members. In the event such Distributions are made to the Members, such Distributions shall be in proportion to the Members' Percentage Interests on the record date of any such Distribution. Such Distributions shall be in Money or Property (which need not be distributed proportionately) or partly in both, as determined by the Unanimous Vote of the Members.

10.3 Distributions For Taxes. Unless otherwise agreed by Unanimous Vote, to provide for Members' payment of federal and state income tax liabilities incurred due to the pass-through of taxable income, the Company shall distribute Money to each Member at least annually and to the extent permitted by law, at least equal to the product of the Net Profits of the Company allocated to such Member, multiplied by the sum of the highest marginal federal and state income tax rates then applicable. In the event that the Company should incur a Net Loss for any Tax Year, then, for purposes of this computation, such Net Loss shall be deducted from and shall offset the net taxable income realized by the Company for the next Tax Year(s) until exhausted for purposes of determining the Distribution under this Section 10.3.

10.4 Limitation Upon Distributions. Subject to Section 14.3, no Distribution shall be declared and paid unless under the terms of this Agreement, if after the Distribution is made, the assets of the Company are in excess of all liabilities of the Company, except liabilities to Members on account of their Capital Contributions.

10.5 Allocation in the Event of Transfer of Membership Interest. In the event Additional or Substituted Members are admitted to the Company, the Net Profits and Net Losses and other items allocated in this Article 10, allocated to the Members for the Tax Year shall be allocated among them in accordance with Code § 706, using any convention permitted by law and selected by the Members.

10.6 Special Allocations.

(a) Qualified Income Offset. In the event any Member, in such capacity, unexpectedly receives any adjustments, allocations or distributions described in Regulation §§ 1.704-1(b)(2)(ii)(d)(4) (regarding depletion deductions), 1.704-1(b)(2)(ii)(d)(5) (regarding certain mandatory allocations under Regulations regarding family partnerships, the so-called varying interest rules, or certain in-kind distributions), or 1.704-1(b)(2)(ii)(d)(6) (regarding certain distributions, to the extent they exceed certain expected offsetting increases in a Member's Capital Account), items of Company income and gain shall be specially allocated to such Members in an amount and a manner sufficient to eliminate, as quickly as possible, the deficit balances in the Member's Capital Account created by such adjustments, allocations or distributions. Any special allocations of items of income or gain pursuant to this subsection (a)

'12 FEB 29 Liq. Lic. #1021

shall be taken into account in computing subsequent allocations of Net Profits pursuant to this Article 10, so that the net amount of any items so allocated and the Net Profits, Net Losses or other items allocated to each Member pursuant to this Article 10 shall, to the extent possible, be equal to the net amount that would have been allocated to each such Member pursuant to this Article 10 as if such unexpected adjustments, allocations or distributions had not occurred.

(b) Section 704(c) Allocations. In accordance with § 704(c) of the Code and the applicable Regulations thereunder, income, gain, loss, and deduction with respect to any Property contributed to the capital of the Company, shall, solely for tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such property to the Company for federal income tax purposes and its initial Gross Asset Value. In the event the Gross Asset Value of any Company property is adjusted pursuant to this Agreement, subsequent allocations of income, gain, loss, and deduction with respect to such asset shall take into account any variation between the adjusted basis of such asset for federal income tax purposes and its Gross Asset Value in the same manner as under § 704(c) of the Code and the Regulations. Any elections or other decisions relating to such allocations shall be made by the Administrative Member in any manner that reasonably reflects the purpose of this Agreement. Allocations made pursuant to this subsection (b) are solely for purposes of federal, state, and local taxes and shall not affect, or in any way be taken into account in computing, any Member's Capital Account or share of Net Profits, Net Losses, other items, or Distributions pursuant to any provision of this Agreement.

(c) Other Allocations. The Administrative Member, upon a Majority Vote of the Members, shall make such other special allocations as are required in order to comply with any mandatory provision of the applicable Regulations or to reflect a Member's economic interest in the Company determined with reference to such Member's right to receive Distributions from the Company and such Member's obligation to pay its expenses and liabilities.

ARTICLE 11.
Disposition of Membership Interests

11.1 Restrictions on Transferability. Without the Unanimous Vote of the Members, no Member shall have any right to retire or withdraw voluntarily from the Company or to sell, transfer or assign a Membership Interest or to voluntarily commit an act that constitutes an Event of Dissociation.

11.2 Permitted Transfers. Notwithstanding the provisions of Section 11.1, a Member may transfer a Membership Interest to a Permitted Transferee without Unanimous Vote. Notwithstanding the fact that a Member may be a Permitted Transferee or that there may be a subsequent transfer to another Permitted Transferee, the transferor shall remain the "Member" for all purposes under Articles 5 and 6 until the Permitted Transferee is admitted as a Member as set forth in Article 13.

11.3 Right of First Refusal. The Membership Interest of each Member shall at all times be subject to a right of first refusal, in favor of the remaining Members, on the following terms and conditions:

'12 FEB 29 Liq. Lic. AM10:21

(a) In the event that any Member ("Selling Member"), having received a bona fide written offer ("Third Party Offer") from a Person financially capable of carrying out the terms of such offer ("Offeror"), desires voluntarily to dispose of its Membership Interest, or any interest therein (the "First Refusal Interest"), the Selling Member, as a condition to the acceptance of the Third Party Offer, shall give Notice ("First Refusal Notice") to the remaining Member ("Offeree Member") of the existence and terms of the Third Party Offer. The First Refusal Notice shall contain a true and correct copy of the Third Party Offer and shall constitute an irrevocable offer (the "First Refusal Offer"), on the part of the Selling Member, to dispose of the First Refusal Interest for the consideration and upon the terms and conditions set forth in the Third Party Offer.

(b) The Offeree Member shall be entitled, by Notice given within thirty (30) days of the expiration of such period (the "Members First Refusal Period"), to accept the First Refusal Offer. In the event the First Refusal Offer is timely accepted as to all of the First Refusal Interest, the Offeree Member that has accepted the First Refusal Offer shall acquire the First Refusal Interest from the Selling Member for the consideration and upon the terms and conditions set forth in the Third Party Offer.

(c) If the Offeree Member fails to timely accept the First Refusal Offer, the First Refusal Offer will automatically expire and the Selling Member will be entitled, during the period of one hundred twenty (120) days following the date of the First Refusal Notice, to dispose of the First Refusal Interest for the consideration and upon terms and conditions substantially as set forth in the Third Party Offer. In the event the Selling Member fails, for any reason, to dispose of the First Refusal Interest within such one hundred twenty (120) day period, the Selling Member shall not thereafter Dispose of its Membership Interest, or any interest therein, without first having complied with the first refusal provisions of this Section.

11.4 Dispositions Not in Compliance With This Article Void. Any attempted Disposition of a Membership Interest, or any part thereof, not in compliance with this Article, at the option of the Company, shall be null and void. The decision of the Company under this Section 11.4 shall be made by the Unanimous Vote of all Remaining Members who have not purported to dispose of their Membership Interests in violation of this Article 11.

ARTICLE 12.
Dissociation of a Member

12.1 Dissociation. A Member shall cease to be a Member, and shall dissociate from the Company, upon the occurrence of any of the following (each an "Event of Dissociation"):

(a) The withdrawal of a Member by giving Notice to the Administrative Member. Such withdrawal shall be effective thirty (30) days after giving Notice to the Administrative Member;

(b) A Member becomes a Bankrupt Member;

'12 FEB 29 Liq. Lic. AM10:21

(c) In the case of a Member who is a natural person, the death of the Member or the entry of an order by a court of competent jurisdiction adjudicating the Member incompetent to manage such Member's personal estate;

(d) In the case of an estate, the distribution by the fiduciary of the estate's entire interest in the Company;

(e) In the case of a Member that is an Organization, the filing of a Certificate of Dissolution, or its equivalent, for the Organization, or the revocation of its charter or legal status to operate its business;

(f) In the case of a Member that is acting as a Member by virtue of being a trustee of a trust, the termination of the trust and the distribution of the trust's entire interest in the Company, but not merely the substitution of a new trustee.

12.2 Rights of Dissociating Member.

(a) Upon an Event of Dissociation which results in a dissolution and winding up of the Company under Article 14, the Member shall be entitled to participate in the winding up of the Company to the same extent as any other Member except that any Distributions to which the Member would have been entitled shall be reduced by the damages sustained by the Company as a result of the dissolution and winding up.

(b) Upon an Event of Dissociation which does not result in a dissolution and winding up of the Company under Article 14, the Dissociated Member, or such Member's Successor In Interest, shall have the rights of an Assignee pursuant to Section 13.1;

(c) Notwithstanding anything to the contrary contained herein, in the event a Member becomes a Bankrupt Member or voluntarily commits or causes to occur any other Event of Dissociation without the consent of the Remaining Members by a Unanimous Vote, the Dissociated Member shall be liable to the Company and the Remaining Members as a result of such Event of Dissociation.

ARTICLE 13.
Admission of Assignees and Additional Members

13.1 Rights of Assignees. The Assignee of a Membership Interest has no right to participate in the management of the business and affairs of the Company or to become a Member. The Assignee is only entitled to receive the Distributions and to be allocated the Net Profits, Net Losses and other items of income, gain, loss, deduction and credit attributable to the assigned Membership Interest.

13.2 Admission of Substitute Members. An Assignee of a Membership Interest shall be admitted as a Substitute Member and admitted to all the rights of the Member who initially assigned the Membership Interest only upon the Unanimous Vote of the Members. The Administrative Member and Members may grant or withhold the approval of such admission in their sole and absolute discretion. If so admitted, the Substitute Member has all the rights and

'12 FEB 29 Liq. Lic. AM10:21

powers and is subject to all the restrictions and liabilities of the Member originally assigning the Membership Interest. The admission of a Substitute Member shall not release the Member originally assigning the Membership Interest from any liability to Company that may have existed prior to the approval.

13.3 Admission of Permitted Transferees. The provisions of Section 13.2 notwithstanding, the Membership Interest of any Member shall be transferrable without the consent of the Administrative Member or any of the Members if the Transferee is a Permitted Transferee. Any such Permitted Transferee shall be admitted as a Substitute Member, whereupon all other terms and conditions of Section 13.2 shall apply which are not inconsistent with this Section 13.3.

13.4 Admission of Additional Members. After the formation of the Company, any Person acceptable to all of the Members may become a Member of the Company for such consideration as the Members by their Unanimous Vote shall determine. No new Members shall be entitled to any retroactive allocation of Net Profits, Net Losses, income, gain or deductions incurred by the Company. The Administrative Member may, at the time an additional Member is admitted, close the Company books (as though the Company's tax year had ended) or make pro rata allocations of Net Profits, Net Losses, gain, income and deductions to an additional Member for that portion of the Company's tax year in which an additional Member was admitted in accordance with the provisions of § 706(d) of the Code and the Regulations promulgated thereunder.

ARTICLE 14.
Dissolution and Winding Up

14.1 Dissolution. The Company shall be dissolved and its affairs wound up, upon the first to occur of the following events (each, an Event of Dissolution):

(a) The Unanimous Vote of all of the Members;

(b) The entry of a decree of dissolution under Act § 29-785; or

(c) An Event of Dissociation of the last Remaining Member, unless all Assignees within ninety (90) days after such event consent to admit at least one (1) Member pursuant to Act § 29-731B.4.

14.2 Effect of Filing of Dissolving Statement. As soon as possible following the occurrence of any Event of Dissolution, a representative of the Company shall execute and file a Notice of Winding Up with the Arizona Corporation Commission. Upon the dissolution of the Company, the Company shall cease to carry on its business, except insofar as may be necessary for the winding up of its business, but its separate existence shall continue until Articles of Termination have been filed with the Arizona Corporation Commission or until a decree dissolving the Company has been entered by a court of competent jurisdiction.

14.3 Winding Up, Liquidation and Distribution of Assets.

'12 FEB 29 Liq. Lic. AM10:21

(a) Upon dissolution, an accounting shall be made by the Company's independent accountants of the accounts of the Company and of the Company's assets, liabilities and operations, from the date of the last previous accounting until the date of dissolution. The Members (or a liquidating trustee or agent appointed by all Successors In Interest in the absence of any Remaining Members (the "Liquidating Agent")) shall immediately proceed to wind up the affairs of the Company.

(b) If the Company is dissolved and its affairs are to be wound up, the Members (or the Liquidating Agent, as the case may be) shall (1) sell or otherwise liquidate all of the Company's assets as promptly as practicable (except to the extent the Members (or the Liquidating Agent) may determine to distribute any assets to the Members or the Members' respective Successors In Interest in kind), (2) allocate any Net Profit or Net Loss resulting from such sales to the Members' Capital Accounts in accordance with Article 10, (3) discharge all liabilities of the Members (other than liabilities to Members), including all costs relating to the dissolution, winding up, and liquidation and Distribution of assets, (4) establish such reserves as may be reasonably necessary to provide for contingent liabilities of the Company (for purposes of determining the Capital Accounts of the Members, the amounts of such reserves shall be deemed to be an expense of the Company), (5) discharge any liabilities of the Company to the Members other than on account of their interests in Company capital or Net Profits, and (6) distribute the remaining assets as set forth below.

(i) If any assets of the Company are to be distributed in kind, the net fair market value of such assets as of the date of dissolution shall be determined by independent appraisal or by agreement of a Majority of the Members. Such assets shall be deemed to have been sold as of the date of dissolution for their fair market value, and the Capital Accounts of the Members shall be adjusted pursuant to the provisions of Article 10 and Section 9.3 to reflect such deemed sale.

(ii) The positive balance of each Member's Capital Account as determined after taking into account all Capital Account adjustments for the Company's Tax Year during which the liquidation occurs, shall be distributed to the Members, either in cash or in kind, as determined by the Members, with any assets distributed in kind being valued for this purpose at their fair market value. Any such Distributions to the Members in respect of their Capital Accounts shall be made in accordance with the time requirements set forth in § 1.704-1(b)(2)(ii)(b)(2) of the Regulations.

(c) Notwithstanding anything to the contrary in this Agreement, upon a liquidation within the meaning of § 1.704-1(b)(2)(ii)(g) of the Regulations, if any Member has a negative deficit Capital Account balance (after giving effect to all contributions, Distributions, allocations and other Capital Account adjustments for all s, including the year during which such liquidation occurs), such Member shall have no obligation to make any contribution to the capital of the Company, and the negative balance of such Member's Capital Account shall not be considered a debt owed by such Member to the Company or to any other person for any purpose whatsoever.

'12 FEB 29 Liq. Lic. AM10:21

(d) Upon completion of the winding up, liquidation and Distribution of the assets, the Company shall be deemed terminated.

(e) The Members shall comply with any applicable requirements of applicable law pertaining to the winding up of the affairs of the Company and the final Distribution of its assets.

14.4 Articles of Termination. The winding up of the Company shall be completed when all debts, liabilities, and obligations of the Company have been paid and discharged or reasonably adequate provision therefor has been made, and all of the remaining Property and assets of the Company have been distributed to the Members. Upon the completion of winding up of the Company, Articles of Termination shall be delivered to the Arizona Corporation Commission for filing pursuant to the Act.

14.5 Return of Contribution Non-Recourse to Other Members. Except as provided in Section 9.2 and by law, upon dissolution, each Member shall look solely to the assets of the Company for the return of his or her Capital Contribution. If the Property remaining after the payment or discharge of the debts and liabilities of the Company is insufficient to return the cash or other property contribution of one or more Members, such Member or Members shall have no recourse against any other Member.

ARTICLE 15.
Miscellaneous Provisions

15.1 Acknowledgment or Disclaimer of Spouse. Each married Member agrees that such Member shall (unless his or her spouse is already a party hereto) obtain his or her spouse's signature on either an Acknowledgment and Agreement of Member's Spouse in the form of Exhibit A attached hereto or a Disclaimer of Interest in the form of Exhibit B attached hereto, and shall deliver such executed document to the Company simultaneously with the Member's execution of this Agreement. Any Member contemplating marriage during the term of this Agreement shall obtain the signature of his or her future spouse on a form similar to either Exhibit A or Exhibit B and deliver such executed form to the Company no later than ten (10) days prior to the marriage.

15.2 Amendment or Modification of Operating Agreement. This Agreement may be amended or modified from time to time only by a written instrument adopted and approved by a Majority Vote of the Members.

15.3 Application of Arizona Law. This Agreement and its application and interpretation shall be governed exclusively by its terms and by the laws of the State of Arizona.

15.4 Arbitration Any dispute between the Parties under this Agreement which cannot be resolved within thirty (30) days of the date the dispute arose, shall be resolved by arbitration in Phoenix, Arizona. Arbitration shall be conducted in accordance with the procedures set forth in the Arizona Uniform Arbitration Act, A.R.S. §12-1501, et seq., subject, however, to the following:

'12 FEB 29 Liq. Lic. AM10:21

(a) The Parties each waive their respective rights to seek a judicial determination of whether a Party is in breach or in default of any provision under this Agreement. The requirement that such disputes be resolved through arbitration pursuant to this Section 15.4 shall constitute an absolute defense to any court action filed by one of the Parties hereto against the other and shall enable the Party against whom such action is filed to cause such action to be dismissed or set aside at any time.

(b) Pleadings will be in accordance with the Arizona Rules of Civil Procedure, except that service of the Complaint will be accomplished, and will be effective, upon delivery, by courier or overnight mail, to the Parties at their respective business addresses;

(c) The arbitrator will be selected by mutual agreement of the parties to the dispute, provided that, if the parties cannot so agree, each party will select a neutral third party to act as nominator and the nominators so selected will select the arbitrator by mutual agreement;

(d) Discovery and disclosure shall be in accordance with, and subject to the provisions of, the Arizona Rules of Civil Procedure;

(e) At least five (5) business days prior to the commencement of the arbitration hearing, each Party shall provide to the other and the arbitrator a statement of their respective positions respecting the dispute in question and a list of any witnesses which each Party expects to testify at such hearing on his or its behalf. The arbitration hearing shall grant the Parties the right to conduct discovery in accordance with the Arizona Rules of Civil Procedure and submit evidence, with the privilege of cross-examination on the question at issue. The arbitrator shall deliver a written determination within then (10) days following the arbitration hearing;

(f) All fees of the arbitrator and appellate arbitrator, if any, shall be advanced by one-half by the Party initiating arbitration and one-half by the Party or Parties named as respondents in the Complaint;

(g) The prevailing Party shall be entitled to recover its reasonable attorneys' fees, expert witness fees and shares of fees paid to the arbitrator and appellate arbitrator pursuant to Section 15.4(f).

(h) The arbitrator shall have the authority to award any remedy of relief that a court of the State of Arizona could order or grant, including, without limitation, specific performance of any obligation created under this Agreement, the issuance of an injunction, or the imposition of sanctions for abuse or frustration of the arbitration process.

15.5 Conflict Between Act and Agreement. In the event there is a conflict between the terms of the Act and this Agreement, the terms of this Agreement shall control unless the Act specifically states that such terms cannot be changed by agreement.

15.6 Construction. Whenever the singular number is used in this Agreement and when required by the context, the same shall include the plural, and the masculine gender shall include the feminine and neuter genders and vice versa; and the word "person" or "party" shall include a corporation, firm, partnership, proprietorship or other form of association.

15.7 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument.

15.8 Entire Agreement. This Agreement represents the entire agreement among all the Members and between the Members and the Company.

15.9 Execution of Additional Instruments and Necessary Acts. Each Member hereby agrees to perform all acts to execute such other and further statements of interest and holdings, designations, powers of attorney and other instruments necessary to comply with any laws, rules or regulations and to be reasonably necessary to carry out the provisions of this Agreement.

15.10 Headings. The headings in this Agreement are inserted for convenience only and are in no way intended to describe, interpret, define, or limit the scope, extent or intent of this Agreement or any provision hereof.

15.11 Heirs, Successors and Assigns. Each and all of the covenants, terms, provisions and agreements herein contained shall be binding upon and inure to the benefit of the parties hereto and, to the extent permitted by this Agreement, their respective heirs, legal representatives, successors and assigns.

15.12 Incorporation by Reference. Every Schedule and Exhibit attached to the Agreement and referred to herein in incorporated in this Agreement by reference.

15.13 Notices. All notices required or permitted to be given hereunder must be in writing and shall be effective upon delivery if delivered personally (which includes notices delivered by messenger, telephone facsimile or overnight courier) or, if given by mail, three (3) calendar days after mailing, by certified mail, return receipt requested, postage prepaid. Unless Notice of a change of address is given to the Administrative Member and all other Members by any Member or other addressee, Notices shall be sent (a) if to the Company, to the Principal Office or to facsimile number, and (b) if to a Member or Administrative Member, to the respective address and/or facsimile number set forth in Article 4.

15.14 References. Unless otherwise specifically set forth herein, all reference herein to Articles, Sections, Schedules and Exhibits in this Agreement shall be to those Articles, Sections, Schedules and Exhibits described or referenced in this Agreement.

15.15 Rights and Remedies Cumulative. The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive the right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise.

15.16 Rights of Creditors and Third Parties Under Agreement. This Agreement is entered into among the Company and the Members for the exclusive benefit of the Company, its Members, and their successors and assigns. This Agreement is expressly not intended for the benefit of any creditor of the Company or any other Person. Except and only to the extent provided by applicable statute, no such creditor or third party shall have any rights under this

'12 FEB 29 Liqr. Lic. #1021

Agreement or any agreement between the Company and any Member with respect to any Capital Contribution or otherwise.

15.17 Severability. If any provision of this Agreement or the application to any person or circumstance shall be invalid, illegal or unenforceable to any extent, the remainder of this Agreement and the application shall not be affected and shall be enforceable to the fullest extent permitted by law.

15.18 Specific Performance. The parties hereto agree that failure to perform the obligations and observe the restrictions provided by this Agreement will result in irreparable damage to the non-defaulting Members and hereby consent to the entering of an order by any competent court commanding the specific performance of any and all such obligations or prohibiting the violation of any and all such restrictions.

15.19 Time. Time is of the essence of each and every provision of this Agreement.

15.20 Time Periods. All time periods contained herein shall refer to calendar days, except when specific reference is made to business days. Should any time period contained herein expire on a Saturday, Sunday or legal holiday, then such period shall be extended to the first subsequent day that is not a Saturday, Sunday or legal holiday.

15.21 Waiver of Action for Partition. Each Member irrevocably waives during the term of the Company any right that he or she may have to maintain any action for partition with respect to the property of the Company.

15.22 Waivers. The failure of any party to insist upon strict performance of any condition, promise, agreement or understanding set forth herein shall not be construed as a waiver or relinquishment of the right to insist upon strict performance of the same or any other condition, promise, agreement or understanding at a future time.

IN WITNESS WHEREOF, the Initial Members have signed this Agreement as of the date first set forth above.

MEMBER:

STEVEN W. MORKEN

TAMARA L. MORKEN

'12 FEB 29 Liq. Lic. AM10:21

LIST OF SCHEDULES AND EXHIBITS

SCHEDULE 1 - Schedule of Percentage Interests

'12 FEB 29 Liq. Lic. AM10:21

SCHEDULE 1

SCHEDULE OF PERCENTAGE INTERESTS

The following shall be the Percentage Interests of the Members of the Company:

Name of Member	Percentage Interest
Steven W. Morken P.O. Box 90 Pine, Arizona 85544 Phone: (602) 527-2886	50%
Tamara L. Morken P.O. Box 90 Pine, Arizona 85544 Phone: (602) 909-4790	50%

Print Form

'12 FEB 29 Liqr. Lic. AM10:21

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

QUESTIONNAIRE

AC P1046979

Attention all Local Governing Bodies: Social Security and Birthdate Information is Confidential. This information may be given to local law enforcement agencies for the purpose of background checks only but must be blocked to be unreadable prior to posting or any public view.

Read carefully. This instrument is a sworn document. Type or print with BLACK INK. An extensive investigation of your background will be conducted. False or incomplete answers could result in criminal prosecution and the denial or subsequent revocation of a license or permit.

TO BE COMPLETED BY EACH CONTROLLING PERSON, AGENT, OR MANAGER. EACH PERSON COMPLETING THIS FORM MUST SUBMIT AN "APPLICANT" TYPE FINGERPRINT CARD WHICH MAY BE OBTAINED AT DLLC. FINGERPRINTING MUST BE DONE BY A BONA FIDE LAW ENFORCEMENT AGENCY OR A FINGERPRINTING SERVICE APPROVED BY DLLC. THE DEPARTMENT DOES NOT PROVIDE THIS SERVICE.

Effective 10/01/07 there is a $24.00 processing fee for each fingerprint card submitted.

The fees allowed by A.R.S. § 44-6852 will be charged for all dishonored checks.

Liquor License # 03043003
~~11043006~~
(If the location is currently licensed)

1. Check appropriate box → ☒ Controlling Person ☒ Agent (Complete Questions 1-19) Controlling Person or Agent must complete #21 for a Manager | ☐ Manager (Only) (Complete All Questions except # 14, 14a & 21) Controlling Person or Agent must complete # 21

2. Name: Morken (Last) Tamara (First) Lynne (Middle) Date of Birth: [redacted] (NOT a Public Record)

3. Social Security Number [redacted] (NOT a public record) Drivers License #: [redacted] (NOT a public record) State: AZ

4. Place of Birth: Phoenix (City) AZ (State) USA (Country) (not county) Height: 5'5" Weight: 130 Eyes: BR Hair: BR

5. Marital Status ☐ Single ☒ Married ☐ Divorced ☐ Widowed Daytime Contact Phone: 602-909-4790

6. Name of Current or Most Recent Spouse: Morken (Last) Steven (First) Wade (Middle) (Maiden) Date of Birth: [redacted] (NOT a public record)
(List all for last 5 years - Use additional sheet if necessary)

7. You are a bona fide resident of what state? Arizona If Arizona, date of residency: [redacted]

8. Telephone number to contact you during business hours for any questions regarding this document. 602-527-2886 ~~602-909-4790~~ 2m

9. If you have been an Arizona resident for less than three (3) months, submit a copy of your Arizona driver's license or voter registration card.

10. Name of Licensed Premises: 2m ~~Rimside Grill & Cabins~~ → That Brewery Premises Phone: 928-476-3349

11. Physical Location of Licensed Premises Address: 3270 N Hwy 87 (Street Address) (Do not use PO Box #) Pine (City) Gila (County) AZ (Zip) 85544

12. List your employment or type of business during the past five (5) years. If unemployed part of the time, list those dates. **List most recent 1st.**

FROM Month/Year	TO Month/Year	DESCRIBE POSITION OR BUSINESS	EMPLOYER'S NAME OR NAME OF BUSINESS (street address, city, state & zip)
6/04	CURRENT	Owner	Rimside Grill & Cabins 3270 N. Hwy 87 Pine AZ 85544

ATTACH ADDITIONAL SHEET IF NECESSARY FOR EITHER SECTION

13. Indicate your residence address for the last five (5) years:

FROM Month/Year	TO Month/Year	Rent or Own	RESIDENCE Street Address If rented, attach additional sheet with name, address and phone number of landlord	City	State	Zip
October 2007	CURRENT	Own	3675 N. ~~Hwy~~ 2m Tall Pine Lane	Pine	AZ	85544
05/04	10/07	own	3270 N. Hwy 87, ~~Pine AZ~~	Pine	AZ	85544

Disabled individuals requiring special accommodations, please call the Department. (602) 542-9027

If you checked the Manager box on the front of this form skip to # 15

14. As a Controlling Person or Agent, will you be physically present and operating the licensed premises? ☒ YES ☐ NO
If you answered YES, how many hrs/day? 4-6, and **answer #14a below**. If NO, skip to #15.

14a. Have you attended a DLLC-approved Liquor Law Training Course within the past 5 years? (Must provide proof) ☒ YES ☐ NO
If the answer to # 14a is "NO", course must be completed before issuance of a new license or approval on an existing license.

15. Have you been detained, cited, arrested, indicted or summoned into court for violation of ANY law or ordinance, regardless of the disposition, even if dismissed or expunged, within the past ten (10) years (include only traffic violations that were alcohol and/or drug related)? ☐ YES ☒ NO

16. Are there ANY administrative law citations, compliance actions or consents, criminal arrest, indictments or summonses PENDING against you or ANY entity in which you are now involved? ☐ YES ☒ NO

17. Have you or any entity in which you have held ownership, been an officer, member, director or manager EVER had a business, professional or liquor application or license rejected, denied, revoked, suspended or fined in this or any other state? ☐ YES ☒ NO

18. Has anyone EVER filed suit or obtained a judgment against you, the subject of which involved fraud or misrepresentation? ☐ YES ☒ NO

19. Are [redacted] u EVER held ownership, been a controlling person, been an officer, member, director or manager on any other liquor license in this or any other state? ☒ YES ☐ NO

If any answer to [redacted] is "YES" YOU MUST [redacted]
Give complete details including dates, agencies involved, and dispositions.
SUBSTANTIVE CHANGES TO THIS APPLICATION WILL NOT BE ACCEPTED

20. [redacted] Tamara Lynne Morken, hereby declare that I am the APPLICANT/REPRESENTATIVE
(print full name of Applicant)
filing this questionnaire. I have read this questionnaire and all statements are true, correct and complete.

x Tamara Lynne Morken
(Signature of Applicant)

State of AZ County of Gila

The foregoing instrument was acknowledged before me this 28 day of Feb, 2012
Month Year

Laura M Ritter
(Signature of NOTARY PUBLIC)

LAURA M RITTER
Notary Public - Arizona
Gila County
My Comm. Expires Aug 28, 2015

My commission expires on: 28 Aug 2015
Day Month Year

COMPLETE THIS SECTION ONLY IF YOU ARE A CONTROLLING PERSON OR AGENT APPROVING A MANAGER'S APPLICATION

21. The applicant hereby authorizes the person named on this questionnaire to act as manager for the named liquor license. The manager named must be at least 21 years of age.

State of _____ County of _____

The foregoing instrument was acknowledged before me this

_____ day of _____, _____
Month Year

x _____
Signature of Controlling Person or Agent (circle one)

_____
(Signature of NOTARY PUBLIC)

_____
Print Name

My commission expires on: _____
Day Month Year

'12 FEB 29 Liq. Lic. AM10:21

Signed Statement
#19 yes
Tamara Lynne Morken

I currently have a Series 11 license at the same premises.
I am applying for an additional license for the Microbrewery - Series #3 license.

Tamara Lynne Morken

Tamara Lynne Morken

2/29/12

'12 FEB 29 Liq. Lic. 001021

ARIZONA STATEMENT OF CITIZENSHIP AND ALIEN STATUS FOR STATE PUBLIC BENEFITS

Professional License and Commercial License

Department of Liquor Licenses and Control

Liquor License ~~#: 11043006~~ 03043003 m

Ownership Name: ~~Tamara Lynne Morken~~ HTNB Ventures, LLC

(as listed on the current liquor license application or renewal application)

Title IV of the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (the "Act"), 8 U.S.C. § 1621, provides that, with certain exceptions, only United States citizens, United States non-citizen nationals, non-exempt "qualified aliens" (and sometimes only particular categories of qualified aliens), nonimmigrants, and certain aliens paroled into the United States are eligible to receive state or local public benefits. With certain exceptions, a professional license and commercial license issued by a State agency is a State public benefit.

Arizona Revised Statutes § 1-501 requires, in general, that a person applying for a license must submit documentation to the licensing agency that satisfactorily demonstrates that the applicant is lawfully present in the United States.

Directions: All applicants must complete Sections I, II, and IV. Applicants who are not U.S. citizens or nationals must also complete Section III. Submit this completed form and copy of one or more documents that evidence your citizenship or alien status with your application for license or renewal.

SECTION I — APPLICANT INFORMATION

APPLICANT'S NAME (Print or type) Tamara Lynne Morken DATE 2/26/12

TYPE OF APPLICATION (check one) X INITIAL APPLICATION ___ RENEWAL

TYPE OF LICENSE Series 3 Microbrewery

SECTION II — CITIZENSHIP OR NATIONAL STATUS DECLARATION

Directions: Attach a legible copy of the front, and the back (if any), of a document from the attached List A or other document that demonstrates U.S. citizenship or nationality. Name of document provided: passport

A. Are you a citizen or national of the United States? (check one) X Yes ___ No

B. If the answer is "Yes," where were you born? List city, state (or equivalent), and country.
City Phoenix State (or equivalent) Arizona Country or Territory US

If you are a citizen or national of the United States, go to Section IV. If you are not a citizen or national of the United States, please complete Sections III and IV.

'12 FEB 29 Liq. Lic. AM10:21

SECTION IV — DECLARATION

All applicants must complete this section. I declare under penalty of perjury under the laws of the state of Arizona that the answers I have given are true and correct to the best of my knowledge.

Amarylynne Morkes
APPLICANT'S SIGNATURE

02-26-12
TODAY'S DATE

Attachment to Form 1 Applicant Statement

EVIDENCE OF U.S. CITIZENSHIP, U.S NATIONAL STATUS, OR ALIEN STATUS

LIST A: U.S. CITIZEN OR U.S. NATIONAL

Note: In this List, the term "Service" refers to the U.S. Citizenship and Immigration Service, formerly, the U.S. Immigration and Naturalization Service (INS).

[Source: Proposed Rules, Verification of Eligibility for Public Benefits, 8 CFR § 104.23; 63 FR 41662-01 August 4, 1998); and Interim Guidance of Verification of Citizenship, Qualified Alien Status and Eligibility Under Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 ("Interim Guidance"), 62 FR 61344 (Nov. 17, 1997), Attachment 4]

Evidence showing U.S. citizen or U.S. national status includes the following:

a. Primary Evidence:

(1) A birth certificate showing birth in one of the 50 states, the District of Columbia, Puerto Rico (on or after January 13, 1941), Guam, the U.S. Virgin Islands (on or after January 17, 1917), American Samoa, or the Northern Mariana Islands (on or after November 4, 1986, Northern Mariana Islands local time) (unless the applicant was born to foreign diplomats residing in such a jurisdiction);

(2) United States passport;

(3) Report of birth abroad of a U.S. citizen (FS-240) (issued by the Department of State to U.S. citizens);

(4) Certificate of Birth (FS-545) (issued by a foreign service post) or Certification of Report of Birth (DS-1350), copies of which are available from the Department of State;

(5) Form N-561, Certificate of Citizenship;

(6) Form I-197, United States Citizen Identification Card (issued by the Service until April 7, 1983 to U.S. citizens living near the Canadian or Mexican border who needed it for frequent border crossings) (formerly Form I-179, last issued in February 1974);

(7) Form I-873 (or prior versions), Northern Marianas Card (issued by the Service to a collectively naturalized U.S. citizen who was born in the Northern Mariana Islands before November 3, 1986);

(8) Statement provided by a U.S. consular official certifying that the individual is a U.S. citizen (given to an individual born outside the United States who derives citizenship through a parent but does not have an FS-240, FS-545, or DS-1350); or

(9) Form I-872 (or prior versions), American Indian Card with a classification code "KIC" and a statement on the back identifying the bearer as a U.S. citizen (issued by the Service to U.S. citizen members of the Texas Band of Kickapoos living near the U.S./Mexican border).

[Source: Interim Guidance of Verification of Citizenship, Qualified Alien Status and Eligibility Under Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 ("Interim Guidance"), 62 FR 61344 (Nov. 17, 1997), Attachment 4]

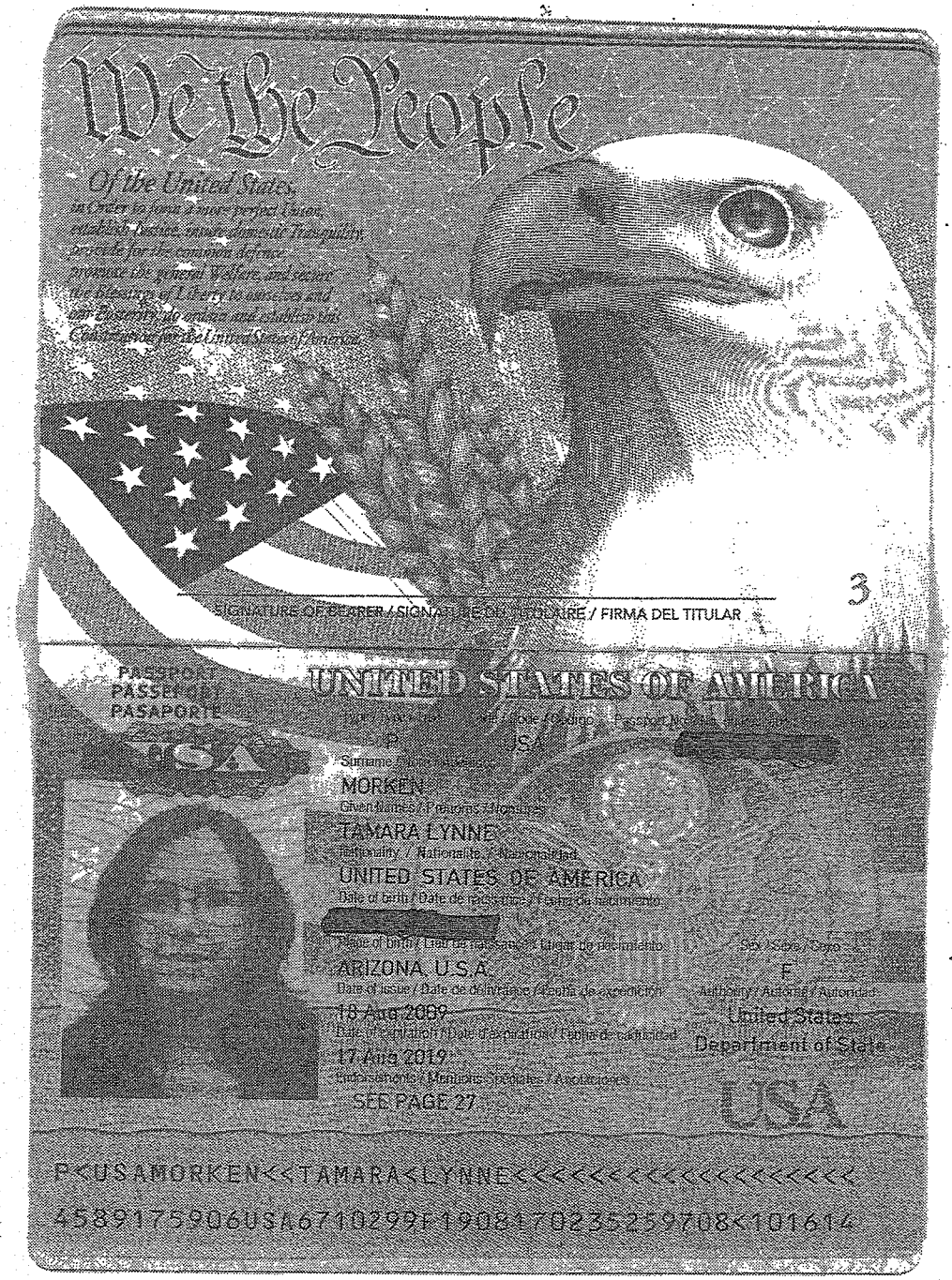
b. Secondary Evidence

If the applicant cannot present one of the documents listed in (a) above, the following may be relied upon to establish U.S. citizenship or U.S. national status:

(1) Religious record recorded in one of the 50 states, the District of Columbia, Puerto Rico (on or after January 13, 1941), Guam, the U.S. Virgin Islands (on or after January 17, 1917), American Samoa, or the Northern Mariana Islands (on or after November 4, 1986, Northern Mariana Islands local time) (unless the applicant was born to foreign diplomats residing in such a jurisdiction) within three 3 months after birth showing that the birth occurred in such jurisdiction and the date of birth or the individual's age at the time the record was made;

'12 FEB 29 Lic. 10:22 AM

'12 FEB 29 Liq. Lic. #1021



Print Form

'12 FEB 29 Liqr. Lic. AM10:22

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

QUESTIONNAIRE

AC P1046978

Attention all Local Governing Bodies: Social Security and Birthdate Information is Confidential. This information may be given to local law enforcement agencies for the purpose of background checks only but must be blocked to be unreadable prior to posting or any public view.

Read carefully. This instrument is a sworn document. Type or print with BLACK INK. An extensive investigation of your background will be conducted. False or incomplete answers could result in criminal prosecution and the denial or subsequent revocation of a license or permit.

TO BE COMPLETED BY EACH CONTROLLING PERSON, AGENT, OR MANAGER. EACH PERSON COMPLETING THIS FORM MUST SUBMIT AN "APPLICANT" TYPE FINGERPRINT CARD WHICH MAY BE OBTAINED AT DLLC. FINGERPRINTING MUST BE DONE BY A BONA FIDE LAW ENFORCEMENT AGENCY OR A FINGERPRINTING SERVICE APPROVED BY DLLC. THE DEPARTMENT DOES NOT PROVIDE THIS SERVICE.

Effective 10/01/07 there is a $24.00 processing fee for each fingerprint card submitted.

The fees allowed by A.R.S. § 44-6852 will be charged for all dishonored checks.

Liquor License # 03043003

~~11043006~~
(If the location is currently licensed)

1. Check appropriate box → ☒ Controlling Person ☐ Agent (Complete Questions 1-19) Controlling Person or Agent must complete #21 for a Manager | ☐ Manager (Only) (Complete All Questions except # 14, 14a & 21) Controlling Person or Agent must complete # 21

2. Name: Morken (Last) Steven (First) Wade (Middle) Date of Birth: [redacted] (NOT a Public Record)

3. Social Security Number: [redacted] (NOT a public record) Drivers License [redacted] (NOT a public record) State: AZ

4. Place of Birth: Kalispell (City) MT (State) USA (Country) (not county) Height: 5'8" Weight: 150 Eyes: Blu Hair: ~~BR~~ BL

5. Marital Status ☐ Single ☒ Married ☐ Divorced ☐ Widowed Daytime Contact Phone: 602-527-2886

6. Name of Current or Most Recent Spouse: Morken (Last) Tamara (First) Lynne (Middle) Willis (Maiden) Date of Birth [redacted] (NOT a public record)
(List all for last 5 years - Use additional sheet if necessary)

7. You are a bona fide resident of what state? Arizona If Arizona, date of residency: 10/84

8. Telephone number to contact you during business hours for any questions regarding this document. 602-527-2886

9. If you have been an Arizona resident for less than three (3) months, submit a copy of your Arizona driver's license or voter registration card.

10. Name of Licensed Premises: Rimside Grill & Cabins THAT Brewery Premises Phone: 928-476-3349

11. Physical Location of Licensed Premises Address: 3270 N Highway 87 (Street Address) (Do not use PO Box #) Pine (City) Gila (County) 85544 (Zip)

12. List your employment or type of business during the past five (5) years. If unemployed part of the time, list those dates. **List most recent 1st.**

FROM Month/Year	TO Month/Year	DESCRIBE POSITION OR BUSINESS	EMPLOYER'S NAME OR NAME OF BUSINESS (street address, city, state & zip)
6/04	CURRENT	Restaurant Owner	Rimside Grill 3270 N Highway 87 Pine, AZ 85544

ATTACH ADDITIONAL SHEET IF NECESSARY FOR EITHER SECTION

13. Indicate your residence address for the last five (5) years:

FROM Month/Year	TO Month/Year	Rent or Own	RESIDENCE Street Address If rented, attach additional sheet with name, address and phone number of landlord	City	State	Zip
OCT 2007	CURRENT	Own	3675 N. Tall Pine Lane	Pine	AZ	85544
5/04	10/07	Own	3270 N Hwy 87	Pine	AZ	85544

LIC 0101 9/24/2009

Disabled individuals requiring special accommodations, please call the Department. (602) 542-9027

If you checked the Manager box on the front of this form skip to # 15

14. As a Controlling Person or Agent, will you be physically present and operating the licensed premises? If you answered YES, how many hrs/day? 4, and **answer #14a below**. If NO, skip to #15.	☒YES ☐NO
14a. Have you attended a DLLC-approved Liquor Law Training Course within the past 5 years? (Must provide proof) **If the answer to # 14a is "NO", course must be completed before issuance of a new license or approval on an existing license.**	☒YES ☐NO

15. Have you been detained, cited, arrested, indicted or summoned into court for violation of ANY law or ordinance, regardless of the disposition, even if dismissed or expunged, within the past ten (10) years (include only traffic violations that were alcohol and/or drug related)? ☒YES ☐NO

16. Are there ANY administrative law citations, compliance actions or consents, criminal arrest, indictments or summonses PENDING against you or ANY entity in which you are now involved? ☐YES ☒NO

17. Have you or any entity in which you have held ownership, been an officer, member, director or manager EVER had a business, professional or liquor application or license rejected, denied, revoked, suspended or fined in this or any other state? ☐YES ☒NO

18. Has anyone EVER filed suit or obtained a judgment against you, the subject of which involved fraud or misrepresentation? ☐YES ☒NO

19. Are [redacted] EVER held ownership, been a controlling person, been an officer, member, director or manager on any other liquor license in this or any other state? ☒YES ☐NO

If any answer to Qu[redacted] "YES" YOU MUST a[redacted]nt.
Give complete details including dates, agencies involved, and dispositions.
SUBSTANTIVE CHANGES TO THIS APPLICATION WILL NOT BE ACCEPTED

20. I Steven Wade Morken, hereby declare that I am the APPLICANT/REPRESENTATIVE
[redacted] (print full name of Applicant)
filing this questionnaire. I have read this questionnaire and all statements are true, correct and complete.

X [signature] (Signature of Applicant)

State of AZ County of Gila

The foregoing instrument was acknowledged before me this 28 day of Feb, 2012
Month Year

LAURA M RITTER
Notary Public - Arizona
Gila County
My Comm. Expires Aug 28, 2015

My commission expires on: 28 Aug 2015
Day Month Year

[signature] (Signature of NOTARY PUBLIC)

'12 FEB 29 Liqr. Lic. AM10:22

COMPLETE THIS SECTION ONLY IF YOU ARE A CONTROLLING PERSON OR AGENT APPROVING A MANAGER'S APPLICATION

21. The applicant hereby authorizes the person named on this questionnaire to act as manager for the named liquor license. The manager named must be at least 21 years of age.

State of _____ County of _____

The foregoing instrument was acknowledged before me this _____ day of _____, _____
Month Year

X _____
Signature of Controlling Person or Agent (circle one)

_____ (Signature of NOTARY PUBLIC)

_____
Print Name

My commission expires on: _____
Day Month Year

'12 FEB 29 Liq. Lic. AM10:22

Signed Statement
Question 15) "Yes"
On 3/6/98 I attended a spring training baseball game at the Oakland A's facility in Tempe, Arizona. I had a couple of beers during the game. Upon leaving the baseball game, I made a wrong turn onto a one-way street causing a multiple car accident at the intersection. I was unfamiliar with the area and the traffic was quite confusing leaving the baseball facility.
After the Tempe police arrived, I was questioned and given a sobriety test at the scene of the accident. At that time, I was arrested by Officer D.A. Yennie for charges ARS 28-1381.A.1, ARS 28-1381.A.2, and ARS 28-772 all of which were misdemeanors. On 6/19/1998 all 3 charges were dismissed and I plead guilty to ARS 28-693A (reckless driving), which was also a misdemeanor. The sentence included 6 months unsupervised probation terms 1, 8 and 22.

Question 19) "Yes"
I currently have a series 11 license at the same premises.
I am applying for an additional license for the microbrewery – series #3 license.

Steven Wade Morken
2/26/2012

Print Form

Arizona Department of Liquor Licenses and Control

800 West Washington, 5th Floor
Phoenix, Arizona 85007
www.azliquor.gov
602-542-5141

LOCAL GOVERNING BODY RECOMMENDATION

CITY/TOWN OF N/A STATE APPLICATION # 03043003

COUNTY OF GILA, ARIZONA. CITY/TOWN/COUNTY # LL-12-02

ORDER # LL-12-02.

At a regular (Regular or Special) meeting of the Board of Supervisors (Governing Body) of the City/Town/County of Gila held on the 3rd (Day) day of April (Month), 2012 (Year) the application of Tamara L. Morken for a license to sell spirituous liquors at the premises described in Application # LL-12-02, License Class Series 3 was considered as provided by Title 4, A.R.S. as amended.

IT IS THEREFORE ORDERED that the APPLICATION of Tamara Lynne Morken for THAT Brewery is hereby recommended for approval (approval/disapproval) a license to sell spirituous liquors of the class, and in the manner designated in the Application.

IT IS FURTHER ORDERED that a Certified Copy of this Order be immediately transmitted to the Department of Liquor Licenses and Control, Licensing Division, Phoenix, Arizona.

_____ CITY/TOWN/COUNTY CLERK

DATED AT _____

This _____ (Day) day of _____ (Month). _____ (Year)

* Disabled individuals requiring special accommodations please call the Department

lic 1007 05/2009

Tommie C. Martin, District I
610 E. Hwy 260, Payson 85547
(928) 474-2029
tmartin@gilacountyaz.gov

Michael A. Pastor, District II
(928) 402-8753
mpastor@gilacountyaz.gov

Shirley L. Dawson, District III
(928) 402-8511
sdawson@gilacountyaz.gov

GILA COUNTY
BOARD OF SUPERVISORS
1400 E. Ash
Globe, Arizona 85501

Don E. McDaniel, Jr.,
County Manager
(928) 402-4257
dmcdaniel@gilacountyaz.gov

John F. Nelson,
Deputy County Manager/
Clerk of the Board of Supervisors
(928) 402-8754
jnelson@gilacountyaz.gov

DATE: March 5, 2012

TO: Gila County Health Department

FROM: Marian Sheppard, Chief Deputy Clerk of the Board MS

SUBJECT: Liquor License Application

Please be advised that the following Liquor License Application was filed with the Arizona Department of Liquor Licenses and Control (Department) on February 29, 2012. In accordance with A.R.S. §4-201, the Board of Supervisors is required to accept, deny, or return a "no recommendation" decision regarding this application to the Department **within sixty days of the filing date**.

Applicant:	Tamara Lynne Morken
No./Type:	#3 New License
Business Name:	THAT Brewery
Location:	3270 N. Highway 87, Pine, AZ 85544
Current License Owner:	N/A
Location of License:	N/A

Please indicate (below) if there are permitting issues or concerns within your department that are related to this business and return to me as soon as possible.

X No pending issues.

Issues pending, as follows:

_____

_____

Signed: Michael Arnold 3-13-12

Tommie C. Martin, District I
610 E. Hwy 260, Payson 85547
(928) 474-2029
tmartin@gilacountyaz.gov

Michael A. Pastor, District II
(928) 402-8753
mpastor@gilacountyaz.gov

Shirley L. Dawson, District III
(928) 402-8511
sdawson@gilacountyaz.gov

GILA COUNTY
BOARD OF SUPERVISORS

1400 E. Ash
Globe, Arizona 85501

Don E. McDaniel, Jr.,
County Manager
(928) 402-4257
dmcdaniel@gilacountyaz.gov

John F. Nelson,
Deputy County Manager/
Clerk of the Board of Supervisors
(928) 402-8754
jnelson@gilacountyaz.gov

DATE: March 5, 2012

TO: Joe Mendoza, Community Development Division

FROM: Marian Sheppard, Chief Deputy Clerk of the Board MS

SUBJECT: Liquor License Application

Please be advised that the following Liquor License Application was filed with the Arizona Department of Liquor Licenses and Control (Department) on February 29, 2012. In accordance with A.R.S. §4-201, the Board of Supervisors is required to accept, deny, or return a "no recommendation" decision regarding this application to the Department **within sixty days of the filing date**.

Applicant:	Tamara Lynne Morken
No./Type:	#3 New License
Business Name:	THAT Brewery
Location:	3270 N. Highway 87, Pine, AZ 85544
Current License Owner:	N/A
Location of License:	N/A

Please indicate (below) if there are building permit issues or concerns that are related to this business and return to me as soon as possible.

X No pending issues.

Issues pending, as follows: Owners are currently working with Community Development to permit the construction required to accomodate the proposed brewery

Signed: Joe Mendoza

Tommie C. Martin, District I
610 E. Hwy 260, Payson 85547
(928) 474-2029
tmartin@gilacountyaz.gov

Michael A. Pastor, District II
(928) 402-8753
mpastor@gilacountyaz.gov

Shirley L. Dawson, District III
(928) 402-8511
sdawson@gilacountyaz.gov

GILA COUNTY
BOARD OF SUPERVISORS
1400 E. Ash
Globe, Arizona 85501

Don E. McDaniel, Jr., County Manager
(928) 402-4257
dmcdaniel@gilacountyaz.gov

John F. Nelson, Deputy County Manager/ Clerk of the Board of Supervisors
(928) 402-8754
jnelson@gilacountyaz.gov

DATE: March 5, 2012

TO: Gila County Sheriff's Office

FROM: Marian Sheppard, Chief Deputy Clerk of the Board MS

SUBJECT: Liquor License Application

Please be advised that the following Liquor License Application was filed with the Arizona Department of Liquor Licenses and Control (Department) on February 29, 2012. In accordance with A.R.S. §4-201, the Board of Supervisors is required to accept, deny, or return a "no recommendation" decision regarding this application to the Department **within sixty days of the filing date.**

Applicant:	Tamara Lynne Morken
No./Type:	#3 New License - Domes
Business Name:	THAT Brewery
Location:	3270 N. Highway 87, Pine, AZ 85544
Current License Owner:	N/A
Location of License:	N/A

Please post the Notice and Application for Liquor License INSIDE THE ESTABLISHMENT FACING OUT TOWARD THE PUBLIC for a period of 20 days. If access to the establishment cannot be obtained, the Notice and Application must be posted in a conspicuous place on the front of the premises where the business is proposed to be conducted. It is important to note that every attempt should be made to post the Notice and Application inside the establishment to prevent the paperwork from being blown away or being removed by an unauthorized person. POST THE APPLICATION DIRECTLY UNDER THE NOTICE.

Thomas H. Melcher
Chief Deputy

James A. Eskew
Jail Commander

Office of
Sheriff of Gila County
John R. Armer

February 27, 2012
Gila County Sheriff's Office

Please direct the deputy to immediately notify Nancy Neumann at the Globe Sheriff's Office of the posting date. Nancy can be reached at (928) 402-8579.

After the 20-day period has ended, I would appreciate the Notice being taken down as quickly as possible. (Note: The Notice must be taken down on the 21st day or after not the 20th day.) Upon removal of the Notice and Application, the deputy should complete the Affidavit of Posting Form and all of the paperwork should immediately be sent to Nancy Neumann who will record the removal date and then forward to me all paperwork including this letter signed by the Sheriff.

I can be contacted at (928) 425-3231 ext. 8757 if you have questions.

Address of Posting: **3270 N. Highway 87 Pine, AZ 85544 (THAT Brewery)**

THE APPLICATION FOR THE LIQUOR LICENSE AND NOTICE WERE POSTED AT THE ADDRESS LISTED FOR A PERIOD OF TWENTY DAYS AS REQUIRED BY LAW.

SIGNED: John R. Armer
Sheriff John R. Armer

P.O. Box 311, Globe, AZ 85502 – Phone: (928)425-4449 – Toll Free: (800) 635-8017 – Fax: (928) 425-5674
108 Main St., Payson, AZ 85541 – Phone: (928)474-2208 – Toll Free: (866) 866-4452 – Fax: (928) 474-0614

Print Form

ARIZONA DEPARTMENT OF LIQUOR LICENSES AND CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007-2934
www.azliquor.gov
(602) 542-5141

AFFIDAVIT OF POSTING

Date of Posting: 03/06/12 Date of Posting Removal: 03/27/12

Applicant Name: MORKEN (Last) TAMARA (First) LYNNE (Middle)

Business Address: 3270 N. Highway ~~76~~ 87 AN (Street) Pine, AZ (City) 85544 (Zip)

License #: LL-12-01

I hereby certify that pursuant to A.R.S. § 4-201, I posted notice in a conspicuous place on the premises proposed to be licensed by the above applicant and said notice was posted for at least twenty (20) days.

D. ENGLER #758 (Print Name of City/County Official) DEPUTY SHERIFF (Title) 474-2208 (Telephone #)

Donald B. Engler II #758 (Signature) 03/06/12 (Date Signed)

Return this affidavit with your recommendation (i.e., Minutes of Meeting, Verbatim, etc.) or any other related documents.

If you have any questions please call (602) 542-5141 and ask for the Licensing Division.

Individuals requiring special accommodations please call (602) 542-9027

Lic0119 4/2009

ARF-1125 **Regular Agenda Item 3- A**

Regular BOS Meeting

Meeting Date: 04/03/2012

Submitted For:	Shirley Dawson, Member, Board of Supervisors	Submitted By:	Sherry Grice, Supervisor's Staff Specialist, Board of Supervisors-District 2
Department:	Board of Supervisors-District 3		
Presenter's Name:	Shirley Dawson		

Information

Request/Subject

Proclamation No. 12-02 proclaiming April 2012 as National County Government Month in Gila County.

Background Information

Since 1991, the National Association of Counties (NACo) has encouraged counties to actively promote the services and programs they offer.

National County Government Month is an excellent opportunity for county officials to raise public awareness and understanding about the roles and responsibilities of counties and to highlight essential county services and effective programs.

With this year's theme of "Healthy Counties, Healthy Families," counties can promote their health services, wellness programs, recreational programs and other services. The idea is to work together to encourage healthy living and lifestyle choices throughout our community.

Evaluation

Each year the Board of Supervisors adopts a Proclamation proclaiming the month of April as County Government Month and encourages all Gila County officials, employees, schools and residents to participate in related activities throughout the month.

Conclusion

It is appropriate to place this issue before the Board of Supervisors at this time to adopt Proclamation No. 12-02 proclaiming April 2012 as National County Government Month in Gila County.

Recommendation

It is recommended that the Board of Supervisors adopt Proclamation No. 12-02 to proclaim April 2012 as National County Government Month in Gila County.

Suggested Motion

Information/Discussion/Action to adopt Proclamation No. 12-02 to proclaim April 2012 as National County Government Month in Gila County and to encourage all Gila County officials, employees, schools and residents to participate in related activities throughout the month. **(Shirley Dawson)**

Attachments

CGM Proclamation

PROCLAMATION NO. 12-02

A PROCLAMATION OF THE BOARD OF SUPERVISORS OF GILA COUNTY, ARIZONA, PROCLAIMING THE MONTH OF APRIL 2012, AS NATIONAL COUNTY GOVERNMENT MONTH, "HEALTHY COUNTIES, HEALTHY FAMILIES", IN GILA COUNTY.

WHEREAS, the nation's 3,068 counties provide a variety of essential public services to communities serving more than 300 million Americans; and

WHEREAS, Gila County and all counties take seriously their responsibility to protect and enhance the health, welfare and safety of its residents in sensible and cost-effective ways; and

WHEREAS, county governments are essential to America's healthcare system and are unique in their responsibility to both finance and deliver health services through public hospitals and clinics, local health departments, long-term care facilities, mental health services and substance abuse treatment, and coverage programs for the uninsured; and

WHEREAS, National Association of Counties President Lenny Eliason is encouraging counties to promote healthy living and lifestyle choices in communities across the country through his 2011-2012 "Healthy Counties," presidential initiative; and

WHEREAS, each year since 1991 the National Association of Counties has encouraged counties across the country to actively promote their own programs and services to the public they serve;

NOW, THEREFORE, BE IT HEREBY RESOLVED THAT we, the Gila County Board of Supervisors, proclaim the month of April 2012, as National County Government Month and encourage all Gila County officials, employees, schools and residents to participate in county government celebration activities.

PASSED and ADOPTED this 3rd day of April 2012.

ATTEST:

_____

Marian Sheppard, Chief Deputy Clerk

GILA COUNTY BOARD OF SUPERVISORS

_____

Tommie C. Martin, Chairman

_____

Shirley L. Dawson, Vice-Chairman

_____

Michael A. Pastor, Member

ARF-1064 **Regular Agenda Item 3- B**

Regular BOS Meeting

Meeting Date: 04/03/2012

Submitted For:	Debora Savage, Treasurer	Submitted By:	Valrie Bejarano, Contracts Support Specialist, Finance Department
Department:	Treasurer's Office		
Fiscal Year:	FY 2012-2013	Budgeted?:	Yes
Contract Dates Begin & End:	7-1-12 to 6-30-15	Grant?:	No
Matching Requirement?:	No	Fund?:	Renewal
Presenter's Name:	Debora Savage		

Information

Request/Subject

Request to Advertise Request for Proposals No. 011312-1 Primary Banking Service

Background Information

The current contract for the primary banking service for Gila County will expire June 30, 2012.

Pursuant to the provisions of A.R.S. 31-325 the Board of Deposit of Gila County will call for bids from qualified banks which agree to perform the duties of the Gila County Servicing Bank for the period from July 1, 2012, through June 30, 2015, with an option to extend until June 30, 2017.

Evaluation

It is required that the County go out for bids in order to establish a contract with a qualified contractor to provide the primary banking service of the Board of Deposit of Gila County (Treasurer).

Conclusion

The Request for Proposals for a Primary Banking Service for Gila County shall be advertised in the Arizona Silver Belt on April 11th and 18th, 2012. The bid due date is scheduled for May 3, 2012.

Recommendation

The Gila County Treasurer recommends that the Board of Supervisors approve the advertisement of RFP No. 011312-1 to establish a contract for the County's primary banking service.

Suggested Motion

(Motion to adjourn as the Gila County Board of Supervisors and convene as the Gila County Board of Deposit.) Information/Discussion/Action to authorize the advertisement of Request for Proposals No. 011312-1 for primary banking service for the Gila County Treasurer. **(Debora Savage) (Motion to adjourn as the Gila County Board of Deposit and reconvene as the Gila County Board of Supervisors)**

Attachments

Request to Advertise RFP 011312-1 Primary Banking Service

Request for Proposals 011312-1

GILA COUNTY DEPARTMENTAL REQUEST TO ADVERTISE FOR BIDS

SEE GC2-7-111 (ART.1) OF PROCUREMENT PROCEDURES FOR INSTRUCTIONS TO PREPARE THIS FORM

All departments procuring purchases in excess of $50,000.00 that requires advertising for bids must follow the Procurement Procedure and must complete item "I" of this form prior to such a purchase. **The requesting Department is responsible for writing the necessary specifications and routing them, including this form, accompanied by a Bid Request Form to the Procurement Department.** THIS FORM MUST BE COMPLETE, ACCURATE, AND HAVE A COPY OF THE SPECIFICATIONS ATTACHED BEFORE ROUTING BEGINS. ALL CALLS FOR BID/PROPOSALS AND SPECIFICATIONS WILL BE IN ACCORDANCE WITH THE AZ. REVISED STATUTES AND THE GILA COUNTY PURCHASING CODE AND PROCEDURES.

I. IS THIS A CALL FOR BID: _____ PROPOSAL: X DEPARTMENT NAME: Gila County Treasurer

FUNDING SOURCE: FUND NO.: 1005 DEPT NO.: 203 PROGRAM NO.: _____ LOCATION NO.: 000 ACCOUNT NO.: 4260.10 PJCT: _____

I. DESCRIPTION: List item(s) to be purchased, Purpose, Spec. Summary, Estimated Cost and Funding Source. It is the intent of this solicitation to establish a contract with a qualified contractor to provide Primary Banking Services for Gila County.

Signed: Debora Savage Date: 3-16-12 Signature indicates material specifications are approved as written.
Elected Officials or Department Head

II. DEPARTMENTAL INFORMATION ONLY BID NO.: 011312-1
(For Procurement Use Only)

Action Dates:

Department Receipt: ___/___/___ Placed on Agenda: 04 / 03 / 12

Presented to Board: ___/___/___ Approved to Call: ___/___/___

Delivered to Paper: ___/___/___ Paper Name: Arizona Silver Belt

Advertised Dates: From: 04 / 11 / 12 To: 04 / 18 / 12

Closing Date: 05 / 03 / 12 Bid Award Date: ___/___/___

Awarded to: _____ P.O. No.: _____

Proposed Delivery Date: ___/___/___

III. OTHER APPROVAL (only as necessary)

Public Works: Dept. Head Sign: _____ Date: ___/___/___

Community Action: Dept. Head Sign: _____ Date: ___/___/___

MIS Department: Dept. Head Sign: _____ Date: ___/___/___

IV. APPROVED FUNDING

Finance Director Signature: _____ Date: ___/___/___

V. LEGAL AND ADMINISTRATIVE APPROVAL (Bid packet must be completed and attached)

Signed: _____ Date: ___/___/___
Bryan B. Chambers, Chief Deputy County Attorney (Approved as to form)
for Daisy Flores County Attorney

Signed: _____ Date: ___/___/___
Tommie C. Martin, Chairman, Board of Supervisors (Approved as to specifications and information)

VI. AWARD APPROVAL

Signed: _____ Date: ___/___/___
(Declaration that the Board of Supervisors approved the award as stated in Section V. of this page)
Tommie C. Martin, Chairman of the Board of Supervisors, Gila County

GILA COUNTY

REQUEST FOR PROPOSALS
011312-1

PRIMARY BANKING SERVICE

BIDDER'S INFORMATION
CONTRACT DOCUMENTS AND SPECIFICATIONS

BOARD OF SUPERVISORS
Tommie C. Martin, Chairman
Shirley L. Dawson, Vice Chairman
Michael A. Pastor, Member

COUNTY MANAGER
Don E. McDaniel Jr.

GILA COUNTY
PROCUREMENT GROUP
NOTICE OF REQUEST FOR PROPOSALS

1400 East Ash Street
Globe, Arizona
85501

SOLICITATION NUMBER
011312-1

BID DUE DATE: May 3, 2012 **TIME:** 3:00 PM

DESCRIPTION: Primary Banking Service

PRE-BID CONFERENCE: Not Applicable

Bid Submittal Location: Gila County Procurement, 1400 E. Ash St., Globe, AZ 85501

Bid Opening Location: Gila County Board Conference Room #257, 2nd Floor
1400 E. Ash Street, Globe, AZ 85501

In accordance with A.R.S. §41-2533, Request for Proposals for the materials or services specified will be received by the Gila County Procurement Group at the above specified location until the time and date cited.

Interested Offerors may obtain a copy of the solicitation from the Gila County Procurement Group by calling (928)402-8612. Information concerning the solicitation can also be found on the Procurement web site at www.gilacountyaz.gov/purchasing/BidRequest. Request for submittals after the specified date and time shall not be considered.

Additional instructions for preparing a bid are provided on pages 12-13, of the bid documents to Offerors as contained within this solicitation.

The Board of Supervisors reserves the right to reject any or all bids, or to accept any bid, or to waive any informality in any bid, or to withhold the award if deemed in the best interest of Gila County. All procurement activities conducted by Gila County are in conformance with the rules and regulations of the Gila County procurement code. A copy of the Code is available for review in the office of the Clerk of the Board, Gila County Courthouse, 1400 E. Ash St., Globe, AZ.

Advertisement Dates: ***April 11, 2012 and April 18, 2012***

BIDDERS ARE STRONGLY ENCOURAGED TO CAREFULLY READ THE ENTIRE SOLICITATION.

Designated Department:	Gila County Treasurer
Type of Contract:	Term
Term of Contract:	36 Months
Phone Number:	928-402-8612

Signed: _____ Date: _____
Tommie C. Martin, Chairman, Board of Supervisors

Signed: _____ Date: _____
Bryan B. Chambers, Chief Deputy County Attorney

TABLE OF CONTENTS

CONTENT **PAGE**

Introduction **3**

Scope of Services **4-11**

Instructions to Bidders **12-14**

Contract Award Agreement **14-15**

Special Terms & Conditions **16-18**

Standard Terms & Conditions **19-23**

Minimum Specifications **24**

Required Forms **25-31**

Offer Page **32**

INTRODUCTION

General Information

Gila County is located in central Arizona. The southern border is along the Gila River, the namesake for the County.

The County has an area of 4,800 square miles. Gila County has both desert areas and mountain areas within its borders. Over half of the land is owned by the U.S. Forest Service and 37% is owned by the Apache Indian Nation.

There are four main areas of economy in the County. They are ranching, tourism, recreation, and copper production. The main emphasis, though, is for the raising of livestock. All of Gila County is an Enterprise Zone.

Main attractions of Gila County include: the Salt River Canyon, Tonto National Monument, Coolidge Dam, Roosevelt Dam and lake.

The County seat is located in Globe, Arizona. Gila County has a population currently estimated at 54,000. For detailed information on Gila County, go to: http://www.gilacountyaz.gov.

Gila County Cities and Towns (*Incorporated Areas):

- Bear Flat
- Canyon Day
- Carrizo
- Cedar Creek
- Central Heights
- Claypool
- Copper Hill
- Cutter
- Flowing Springs
- Freedom Acres
- Gisela
- Globe*
- Hayden*
- Jakes Corner
- Kohls Ranch
- Mesa Del Caballo
- Miami*
- Midland City
- Oxbow Estates
- Payson*
- Peridot
- Pinal
- Pine
- Roosevelt
- Rye
- San Carlos
- Star Valley*
- Strawberry
- Tonto Basin
- Tonto Village
- Top-of-the-World
- Washington Park
- Whispering Pines
- Winkelman*
- Young

The Gila County Board of Supervisors is designated as the sole contracting authority for the management of Primary Banking Services for all Gila County departments/divisions.

SCOPE OF SERVICE

The intent of this Request for Proposals (RFP) is to seek proposals from qualified bank(s) to provide for Gila County's Primary Banking Service. The successful Offeror shall have the ability, and capacity, to provide innovative banking and investment services for all funds not restricted by law or bond covenants.

The County's main objectives are to:

1. Obtain comprehensive banking services.
2. Minimize the cost of banking services to the taxpayers of Gila County.
3. Preserve capital, protect investment principal, and maximize the return on liquid assets while avoiding unreasonable risk.

The County reserves the right to eliminate any individual service contained within the RFP for reasons such as, but not limited to: *determination that the fees assessed for providing a category of service are excessive, or that the service can be performed in-house at no additional cost.*

Minimum Qualifications

In order to be eligible to respond to this RFP, responding banks must meet the following minimum qualifications.

- Authority to offer institutional banking services via charter from either the United States Federal Government or the State of Arizona.
- Institution must be an Arizona State qualified depository for public funds and be in compliance with all Arizona Revised Statutory guidelines or the deposit of public funds by government agencies.
- Be a current member of the Federal Reserve System with access to all Federal Reserve System services.
- Institution must have established local branch offices within Gila County that are able to fulfill the County's banking service needs as specified herein.

Banking Service Overview

The majority of banking services' activity is conducted under the auspices of the Treasurer's Office acting on behalf of the County's administrative departments, elected officials' offices, such as Sheriff, Recorder, Assessor, school district(s) and limited courts. Currently the Treasurer's Office handles fifteen (15) bank accounts under the Gila County Banking Services umbrella.

With reference to A.R.S. § 11-635, the Servicing Bank shall bid a percentage (less than 10%) on warrants that cannot be paid for lack of funds which will be carried by the bank until called by the County Treasurer.

Offeror's shall consider the Treasurer's requirements when preparing the complete service proposal.

Proposals will be evaluated on the basis of the most complete servicing package offered to Gila County for the services and requirements set forth herein.

All technical questions concerning this proposal request should be directed to Ms. Debora Savage, Gila County Treasurer, at (928)402-8700.

Offeror Questionnaire

Offeror must complete the questionnaire. All questions must be answered; if an Offeror does not provide the service or the question does not pertain to the Offeror, the question must be answered as "N/A" meaning "not applicable". The Offeror must have a reason why the service is not provided or why the question does not pertain to them.

Responder must provide all fee, cost, comparison, payment or credits-related information, and must reference the numbering scheme used in the questionnaire on the Pricing Sheet. For example, for costs associated with item 1) Deposits, respond with the following: "1-d) Costs associated with a deposit: <*type in all costs associated with a deposit, including an aggregate total for this item>*". This information must be included in Offeror's proposal with the Pricing Sheet in addition to the information requested on the Pricing Sheet.

1. **DEPOSITS -** Describe bank's services in this category, including:
   a) Identify any deposit procedures you require, such as a limit on the number checks per deposit.
   b) What method do you have available to allow us to identify the Gila County department or political subdivision making the deposit?
   c) Are there branches located throughout Gila County that can accept deposits from various political subdivisions and Gila County departments? If yes, identify the locations in the county.
   d) Identify all costs associated with a deposit. *(Fees or credits-related information shall be included on your Pricing Sheet.)*
   e) Do you provide for image cash letter processing? If so, what fees are associated including monthly maintenance fees?
   f) Standard return and re-clear processing.
   g) Deposit reconciliation services availability.
   h) Does the bank provide any methods to detect counterfeit currency before it is accepted by the County i.e. cash verifying pens, scanners, etc?

2. **CHECK CLEARING**
   a) Identify all costs associated with check clearing on your Pricing Sheet.

3. **WARRANT CLEARING**
   a) Can credit be provided to the Treasurer for any missing warrants?
   b) What method do you have available to allow us to identify the political subdivision that issued the warrant?
   c) Can you provide images of paid warrants by political subdivision?
   d) Identify all costs associated with clearing and payment of warrants on Pricing Sheet.

4. **RETURNED ITEMS AND STOP PAYMENT**
   a) Identify all costs associated with placing a Stop Payment on a check or warrant issued by the Gila County Treasurer or any of its political subdivisions.
   b) Can you provide an interface to allow the Treasurer to process stop payments directly into the bank's system? If so, describe the interface.
   c) Identify the time before the stop-pay becomes effective.
   d) Identify all costs associated with clearing and payment of warrants on the Pricing Sheet.
   e) Can you provide a means for returned items to be deposited a second time before the items is returned to the Treasurer for collection?

5. **WIRE TRANSFER SERVICES –** Describe the bank's process, including:
   a) Ability of County to initiate and monitor wire transfers online.
   b) Ability of County to create and store recurring/repetitive3 wire instruction and templates.
   c) Ability of County to create and store future dated wire instructions.
   d) Security measures for wire initiation and approval.
   e) Same-day credit for incoming wires.
   f) Identify all costs associated with placing an outgoing wire.
   g) Identify all costs associated with receiving an incoming wire.
   h) What provisions are in place to allow the customer to initiate a priority wire transfer requiring special handling and immediate release?
   i) Identify the opening hours and the cut-off times in Mountain Standard Time initiating wire transfers to ensure same-day execution? List by type of transfer and method of communication.
   j) How soon after wire execution would a confirmation/sequence number (not the Fed Reference number) be available? Explain any delays.
   k) Will the bank look to the funding account if the debit account is a zero balance account?
   l) What steps are you taking to ensure uninterrupted service?
   m) How can the status of wire transfers be tracked by the customer?
   n) Is a method available to allow for wire transfer and ACH payment preparation, review and release prior to the payment date? How far in advance can a wire be prepared and released?
   o) What is the bank's policy in the event of a wire transfer failure for which receipt of instructions has been confirmed to the customer?
   p) At what point does the bank assume legal liability for executing a wire transfer? How is that event identified?
   q) What are procedures and the time limits to effectively cancel a wire?
   r) Describe security measures to protect the validity of wire transfers.
   s) What information is available to identify incoming wires? Are any of these fields available for standardization?

6. **REPORTING SERVICES**
   a) Identify all costs associated with reporting.
   b) Provide a description of the reporting services available on-line.
   c) Required Service: Ability to download daily & monthly DDA activity.
   d) Provide a sample of your statement.

7. ACH (Automatic Clearing House) Services
   a) Identify all costs associated with processing ACH transactions.
   b) Identify methods available to transfer ACH files, with complete descriptions and technical requirements, including but not limited to modern and FTP (File Transfer Protocol) process.
   c) What services are available to protect our account from unauthorized ACH debits?
   d) Can the bank selectively accept ACH debits only from originators authorized by us?
   e) Describe the bank's ACH return process. When will returned funds to be posted to the County's account?
   f) How do you advise customers of NACHA (National Automated Clearing House Association) rule changes and their impact?
   g) Identify timelines for ACH transactions?
   h) Define reporting available to the County for ACH transactions and other reconciliation tools available.

i) Identify data available for incoming ACH transactions.
j) Can the county specify required data to accept an ACH deposit?

8. ON-LINE BANKING

a) Identify available on-line banking services.
b) Identify controls available with on-line banking.
c) Can access to on-line services be provided to various sites and users?
d) Can access to on-line services be restricted to users according to a authorization hierarchy?

9. TECHNICAL REQUIREMENTS

a) If implemented: Lockbox data must be able to be delivered electronically. Describe the method that will be used for lockbox data in a format usable by the County Treasurer on a daily basis.
b) Provide the methods available to provide images of deposited and paid items, including indexes.
c) Does the bank provide technical customer support for computer hardware, software and communications problems? If so, what are the hours of operation for technical support?
d) For file transfers between the bank and County, and between the County and the bank describe acceptable file types (i.e., CSV, Tab Delimited, Fixed Length, etc.).

10. LOCKBOX SERVICES

a) Identify all costs associated with your lockbox services including returned items.
b) Where is your lockbox service provider located?
c) Identify the relationship of your lockbox service provider.
d) Identify key staff responsible for our account and their qualifications.
e) Identify the technical specifications required for wholesale processing.
f) Describe your lockbox process and procedures.
    i. Identify the controls in place to ensure accurate processing per customer specifications.
    ii. Describe any priority handling of items.
    iii. Describe the methods to assure validity of data.
    iv. Do you retain the actual check in the lockbox department until data capture is completed or do you send the check for collection prior to data capture?
    v. What back-up arrangements exist should the system fail?
    vi. Describe procedures to ensure that transmissions are received successfully and contain all remittance payment detail. Describe your backup procedures in the event transmission is not successful.
    vii. Describe the receipt and handling of remittances delivered by private services to the lockbox for processing.
    viii. How will your processing, procedures and/or timelines change with our extreme peak demands for services?
g) Do you allow for same day credit of lockbox deposits (i.e. lockbox deposits after normal deposit cut-off times are posted as same day)?
h) Do you have the ability to stop and start services without added fees?

11. **LINE-OF CREDIT AND REGISTERED WARRANTS**
    a) Identify all costs associated with line of credit activity.
    b) Provide a sample copy of the line of credit agreements.
    c) Will the bank purchase registered warrants?
    d) If so, identify all costs associated with registered warrant activity.
    e) Will the bank require each entity to have a separate line of credit?
    f) What is the turnaround time to increase a line of credit?

12. **COMPENSATION**
    a) Identify the rate the bank will use for compensation of bank fees based on account balances.
    b) Identify the method of calculating bank compensation, i.e. earnings credits.
    c) Identify the settle terms, if earnings credits are insufficient.
    d) Identify any charges that would NOT be covered by account balance compensation.
    e) If the county elects to pay for banking fees in cash, identify any variation in terms offered.

13. **FRAUD PREVENTION**
    a) Identify any fraud prevention and detection services you offer.
    b) Identify any fraud prevention and detection services you require of your customers, such as positive pay.
    c) Do you offer positive pay on payee?
    d) What protection do you offer if a warrant is rejected for payment under a positive pay program?
    e) Under what conditions will you accept financial burden for fraudulent checks and warrants paid from any Gila County funds under the custody of the Gila County Treasurer or any other accounts under this agreement?

14. **CHECK 21 COMPLIANCE AND OFFERED SERVICES**
    a) Identify any new products or services that are expected to be offered and the anticipated timeline as a result of Checks 21 legislation.

15. **PERSONNEL AND CUSTOMER SERVICE**
    b) Identify personnel responsible for our account and provide their qualifications.
    c) Indicate the organizational structure

16. **CREDIT CARD PROCESSING (MERCHANT) SERVICES**
    a) Do you have the ability to identify transactions by Gila County Department?
    b) Identify all cost associated with credit card processing.

17. **CREDIT CARD PROCUREMENT SERVICES E-COMMERCE SERVICES**
    a) Identify all costs associated with credit card processing for procurement of goods and services for small purchases (Less than $5,000.00).
    b) Describe your credit card procurement process.
    c) Describe your rebate program.
    d) Provide your rebate rate schedule.
    e) Provide sample reports.

18. E-COMMERCE SERVICES

a) Describe your products available to allow Gila County to offer E-Commerce to its citizens.
b) Identify all costs associated with the available products.

19. INVESTMENT SERVICES

a) Do you offer same day sweep and end-of-day investment products for the available balance in the account?
b) Identify the supporting investment for these products for conformity with Arizona Revised Statutes regarding acceptable investments.
c) What yield do your products offer and how is the yield determined?
d) Specify how the following situations are handled:
    i. Settlement of Trades
    ii. Failed Trades
    iii. Difference in monies or securities
    iv. Notification of calls, maturities and interest payments
e) Do you provide market pricing of the County's investment portfolio?

20. SAFEKEEPING SERVICES

a) Identify safekeeping services offered.
b) Identify all costs associated with safekeeping services.

21. DISASTER RECOVERY

a) Identify your Disaster Recovery Process.
b) What arrangements are made regarding service level agreements in the event of a disaster?
c) Have disaster recovery procedures ever been employed for a real disaster? If so, explain.
d) Identify Disaster Recovery Services available and associated fees.

22. COLLATERAL REQUIREMENTS AND SERVICES

a) Requirements:
    i. Collateral must be maintained in accordance with Arizona Revised States § 35-323 regarding deposit and investment of public monies.
    ii. Collateral must be held by a trustee approved by the Gila County Treasurer's Office.
    iii. The County reserves the right to review all pledged collateral and approve the substitution of any item.
    iv. Statements must be provided to the county at least monthly
    v. Additional collateral may be required daily to cover deposits with same day notification.
b) Describe your processes and procedures to ensure that a accounts are properly collateralized.
c) Provide any separate required agreements for collateral.

23. AVAILABILITY SCHEDULES

a) Provide availability schedule for check deposit.
b) Provide maximum time of day deposits must be received to be considered a same day deposit by type of deposit, e.g., regular branch deposit, armored car deposit, or lockbox deposit.
c) If this schedule does not pertain to checks of all dollar sizes, explain.

24. FEE SCHEDULES

a) Responder shall provide a list of all fees associated with each offered service. List any fees not specifically requested in the solicitation. For example, identify all fees associated with a check deposit: a deposit slip fee, a per deposit item fee, a posted credit fee.
b) Responder shall identify any increases if the bank servicing agreement is extended by the Gila County Board of Deposit for up to two additional years.
c) Identify the rate charged for overdrafts, should they occur.

25. SUPPLEMENTAL AGREEMENTS AND OTHER REQUIRED INFORMATION

a) Please provide a copy of any supplemental agreements that you anticipate will be required for the services to be provided. For example, revolving line of credit agreement or repurchase agreement.
b) Location where primary services will be provided.
c) Location of additional branches where services may be provided, such as remote deposits.
d) Provide any details any merger or acquisition that the bank is currently committed to and the expected impact on the services requested in this solicitation.
e) Does the bank outsource any of the services requested in this solicitation? If so, describe.
f) Provide any additional information that you believe to be relevant to this solicitation and your capabilities to provide the services requested (e.g., product brochures, articles in trade journals).
g) Identify procedure used to resolve disputed amounts, for example, deposit corrections for cash and check deposits.
h) Supplies to conduct general banking business must be provided by the servicing bank. These include check and warrant stock, deposit slips, bank bags, currency straps, coin wraps, etc. Provide price list for these supplies.

26. CONVERSION AND IMPLEMENTATION

a) Provide conversion plan for implementation by ***July 1, 2012***. The plan must include the bank's conversion approach, the relevant time lines and the key personnel responsible for the conversion. Including:
    i. What is the average lead-time for implementation? What are the critical factors that may impact that lead time?
    ii. Describe support provided during conversion and implementation, including training, technical assistance, user manuals and on-site visits.
    iii. What additional resources does the bank require for successful conversion and successful implementation?
b) Identify any costs of conversion that will be charged by the bank.

END OF QUESTIONAIRE

Note: All costs described in the Questionnaire must also be included on the Pricing Sheet. Any costs not included on the Pricing Sheet will not be considered for award.

Proposal Evaluation

Criteria:

The County will evaluate proposals on three (3) core service areas:

1. Service Capabilities
2. Earnings Options
3. Fees (Price Proposal)

Based on the information requested herein, the County will utilize the following evaluation criteria to determine award.

A. Financial strength.
B. Ability to meet County's current and projected service requirements over the term of the Contract.
C. Availability schedule for deposit items.
D. Capacity to provide a wide range of electronic banking services.
E. Cost per identified activity, aggregate banking services cost, and corresponding compensating balances, if applicable.
F. Rate of interest paid historically on accounts, including evaluation of indexed rates.
G. Proposed benchmark for Earning Credit Rate (ECR).
H. Experience and governmental knowledge of proposed bank and bank team.
I. Quality of references.
J. Completeness of response to all required items on the standard forms provided.

General:

1. Shortlist
   The County reserves the right to shortlist the offerors on all of the sited criteria. However, the County may determine that short-listing is not necessary.

2. Interviews
   The County reserves the right to conduct interviews with all or some of the offerors at any point during the evaluation process. However, the County may determine that interviews are not necessary. In the event interviews are conducted, information provided during the interview process shall be taken into consideration when evaluating the state criteria.

3. Additional Investigations
   The County reserves the right to make such additional investigations as it deems necessary to establish the competence and financial stability of any firm submitting a proposal.

4. Prior Experience
   Experience with Gila County and entities which have evaluation committee members present shall be taken into consideration when evaluating qualifications and experience.

INSTRUCTIONS TO BIDDERS

Instructions to Bidders and Bidders Award Agreement are basic content to Gila County bid packages. Individual bids may require different language for instructions and award agreements. Where applicable, such changes will appear in Minimum Product Specifications and Information and take precedence over the language appearing in Instructions to Bidders and Bidders Award Agreement.

INSTRUCTIONS TO BIDDERS

Preparation of Sealed Proposal

A. Sealed Proposals will be received by the Gila County Purchasing Department, from bidders to deliver the goods and services contained to establish a contract for specified locations within Gila County. The County seeks sealed Proposals only from qualified, experienced bidders able to provide services which are, in all respects, responsive to the specifications.

   1. All proposals shall be on the forms provided in the RFP package. It is permissible to copy these forms as required.
   2. Facsimiles, telegraphic proposals or mailgrams shall not be considered.
   3. Erasures, interlineations, or other modifications in the proposal shall be initialed in original ink by the authorized person signing the vendor offer.
   4. No alterations in Proposals, or in the printed forms therefore, by erasures, interpolations, or otherwise will be acceptable unless each such alteration is signed or initialed by the bidder.
   5. In case of error in the extension of prices in the proposal, unit price shall govern when applicable.
   6. Periods of time, stated as days, shall be calendar days.
   7. The names of all persons authorized to sign the Proposal must also be legibly printed below the signature. Evidence of the authority of the person signing shall be furnished.
   8. The Offer and Acceptance Page shall be submitted with an original ink signature by the person authorized to sign the proposal.

B. Before submitting its Proposal and Qualification Form each bidder shall familiarize itself with the Scope of Work, laws, regulations and other factors affecting performance of work. It shall carefully correlate its observations with requirements of the Contract and otherwise satisfy itself of the expense and difficulties attending the performance of the work. The submission of a Proposal will constitute a representation of compliance by the bidder. There will be no subsequent financial adjustment, other than that provided for by the Contract, for lack of such familiarization.

C. Bidders must complete the Proposal and Qualifications Forms provided in this Request for Proposal package in full, original signature in ink, by the person(s) authorized to sign the Proposal and to be submitted at the time of bid, and made a part of this contract. The County will use the Proposal and Qualifications Form in evaluating the capacity of bidder to perform the Scope of Services as set forth in the Contract. Failure of any bidder to complete and submit the required forms at time and place of opening shall be grounds for automatic disqualification of the bidder from further consideration.

D. It is the responsibility of all offerors to examine the entire RFP package and seek clarification of any requirement that may not be clear and to check all response for accuracy before submitting a proposal. Negligence in preparing a proposal confers no right of withdrawal after due time and date.

Amendments

Any addendum issued as a result of any change in this Request for Sealed Proposal must be acknowledged by all bidders in the following manner:

- Completion of the Bidder Checklist & Addenda Acknowledgment form, page 31.

Failure to indicate receipt of addenda in the above manner may result in a Proposal being rejected as non-responsive.

Proposal Format

It is requested that **Two (2) Originals and three (3) copies (5 TOTAL)** should be submitted on the forms and in the format specified in the RFP. The two originals shall be clearly labeled "Original" and shall be unbound and single-sided. The material should be in sequence and related to the RFP. The County will not be liable for any cost incident to the preparation of Proposal, materials, reproductions, presentations, copy-right infringements, etc. It is permissible to copy these forms if required. Facsimiles or mailgrams shall not be considered. Failure to include all required documents, originals with original signatures, may invalidate the bid.

1. By signature in the offer section of the Offer and Acceptance page, Contractor certifies:
   A. The submission of the proposal did not involve collusion or other anti-competitive practices.
   B. The Contractor has not given, offered to give, nor intends to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted offer.
   C. In order to conserve resources, reduce procurement costs, improve timely acquisition and cost of supplies and to improve efficiency and economy of procurement, any political subdivision, Stated, County, City, Town, etc., of the State of Arizona, will be allowed by the Contractor(s) awarded the contract to provide the same services, at the same prices stated in the Proposal. Delivery charges may differentiate depending on geographical location.

2. Proposals submitted early may be modified or withdrawn by notice to the party receiving proposals at the place and prior to the time designated for receipts of Proposals.

3. The County is not responsible for any Contractor's errors or omissions. Negligence in preparing an offer confers no right to the Contractor unless the Contractor discovers and corrects such errors prior to the Proposal deadline.

Where to Submit Proposals

In order to be considered, the offeror must complete and submit their proposal to the Procurement Office at the location indicated, or prior to the exact time and date indicated on the Notice of Request for Proposals page.

- The offerors proposal shall be presented in a sealed envelope
- The words "SEALED PROPOSAL" with Proposal Title "SERVICING BANK", Bid No., "**011312-1**", Date "**May 3, 2012**", and time "**3:00 PM**" of Proposal opening shall be written on the envelope.
- The Bidder shall assume full responsibility for timely delivery at the location designated in the Notice.

Late Proposals

Late proposals shall not be considered. Globe is considered a "rural" area by many express delivery carriers and thus, they do not guarantee priority delivery (next day). Offerors are encouraged to keep this in mind when arranging delivery of their proposals and are advised herein that late proposals shall be rejected and returned to the bidder regardless of reason for being late.

Offer and Response Period

In order to allow for an adequate evaluation, the County requires an offer in response to this solicitation to be valid and irrevocable for ninety (90) days after the opening time and date.

Inquires

Any question related to a Request for Proposal shall be directed to the Procurement Group. The offeror shall not contact or ask questions of the department for whom the requirement is being procured. Questions should be submitted in writing when time permits. The Procurement Officer may require any and all questions to be submitted in writing at the Procurement Officer's sole discretion. Any correspondence related to a solicitation should be referred to the appropriate Request for Proposal number, page and paragraph number.

However, the offeror must not place the number on the outside of an envelope containing questions since such an envelope may be identified as a sealed proposal and may not be opened until the official proposal due time and date. Oral interpretations or clarifications will be without legal effect. Only questions answered by formal written Request for Proposal amendment will be binding.

Request for Additional Information

The County reserves the right to request additional information from Offerors for the purpose of explaining the contents of their proposal. Any such request shall be for information purposes only and does not constitute discussions.

Contract Negotiations

The County reserves the right to enter into negotiations with the offeror(s) determined to be reasonably susceptible of being selected for award, or to enter into exclusive negotiations with the Offeror whose proposal is deemed most advantageous, whichever is in the County's best interest, for the purpose of negotiation. In the event that exclusive negotiations are conducted and an agreement is not reached, the County reserves the right to enter into negotiations with the next highest ranked Offeror without the need to repeat the formal solicitation process.

Proposal Results

Proposal results **ARE NOT** provided in response to telephone inquiries. A tabulation of proposals received is on file in the Office of the Clerk of the Board of Supervisors and the Procurement Office, and available for review after official contract award.

BIDDER AWARD AGREEMENT

This exhibit shall serve as the contract agreement to any bidder, their agents, subcontractors and/or representatives, awarded this or any portion of this contract by the County, by submitting Proposals to this or any other solicitation requiring sealed Proposals, does hereby agree to the following provisions. Proof of acceptance of these provisions will be the bidder's signature(s) appearing on page 32, BIDDERS OFFER PAGE, and page 25 Bidders Qualification and Certification forms.

Award of Contract

The Gila County Board of Supervisors reserves the right to award any Proposal by individual line item, by group of line items or as total, or any part thereof, whichever is deemed to be in the best interest, most advantageous of the County of Gila.

- Notwithstanding any or other provisions of the RFP, the County reserves the right to:
  1. Waive any immaterial defects or informalities; or
  2. Reject any or all Proposals; or portions thereof; or
  3. Reissue a Request for Proposal.

A response to any RFP is an offer to contract with the County based upon the terms, conditions, and specifications contained in the County's Request for Proposal. Proposals do not become contracts unless and until they are executed by the Gila County Board of Supervisors. A contract has its inception in the award, eliminating a formal signing of a separate contract. For that reason, all of the terms and conditions of the contract are contained in the Request for Proposals, unless any of the terms and conditions are modified by the RFP amendment, a contract amendment, or by mutually agreed terms and conditions in the contract documents.

It is the responsibility of the Gila County Board of Supervisors to let the County contracts to the lowest responsive and responsible bidder. To ensure that all bidders are experienced, reasonably equipped and adequately financed to meet their contractual obligations, a determination of responsibility shall be made by the Gila County Board of Supervisors prior to contract award.

Further, the County reserves the right to reject the Proposal of any bidder who has previously failed to perform adequately after having once been awarded a prior Proposal for furnishing and installing materials similar in nature.

All submitted forms provided in this Request for Proposal will be reviewed by the Gila County Purchasing Department, Gila County Attorney, and Gila County Board of Supervisors.

Those bidders who, in the opinion of the Gila County Board of Supervisors, are best qualified and whose Proposals are most advantageous of the County may be invited to appear before the Board for an oral review.

Familiarization of Scope of Work

Before submitting a proposal, each Offeror shall familiarize itself with the Scope of Work, laws, regulations and other factors affecting performance of work. It shall carefully correlate its observations with requirements of the Contract and otherwise satisfy itself as to the expense and difficulties attending the performance of the work. The submission of a Proposal will constitute a representation of compliance by the Offeror. There will be no subsequent financial adjustment, other than that provided by the Contract, for lack of such familiarization.

Withdrawal of Proposal

At any time prior to a specified solicitation due time and date an offeror (or designated representative) may withdraw the proposal. Facsimile or telephone withdrawals shall not be considered.

Upon Notice of Intent to Award

The apparent successful offeror shall sign and file with the County, within ten (10) days after Notice of Intent to Award, all documents necessary to the successful execution of the contract including Certificate of Insurance and Bonds.

SPECIAL TERMS AND CONDITIONS

Insurance Requirements

Contractor and subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Contract are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors.

The insurance requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The County in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under this contract by the Contractor, his agents, representatives, employees or subcontractors and Contractor is free to purchase additional insurance as may be determined necessary.

A. **MINIMUM SCOPE AND LIMITS OF INSURANCE:** Contractor shall provide coverage with limits of liability not less than those stated below.

1. **Commercial General Liability – Occurrence Form**

   Policy shall include bodily injury, property damage and broad form contractual liability coverage.

   - General Aggregate $2,000,000
   - Products – Completed Operations Aggregate $1,000,000
   - Personal and Advertising Injury $1,000,000
   - Each Occurrence $1,000,000

   a. The policy shall be endorsed to include the following additional insured language: **"The County of Gila shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of the Contractor".**

2. **Worker's Compensation and Employers' Liability**

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	$100,000
Disease – Each Employee	$100,000
Disease – Policy Limit	$500,000

   a. Policy shall contain a **waiver of subrogation** against the County of Gila.

4. **Fidelity Bond or Crime Insurance**

   Bond or Policy Limit $_____

   a. The bond or policy shall be issued with limits based on the amount of cash being handled by the Contractor.
   b. The bond or policy shall include coverage for all directors, officers, agents and employees of the Contractor.
   c. The bond or policy shall include coverage for third party fidelity.
   d. The bond or policy shall include coverage for extended theft and mysterious disappearance.
   e. The bond or policy shall not contain a condition requiring an arrest and conviction.

B. **ADDITIONAL INSURANCE REQUIREMENTS:** The policies shall include, or be endorsed to include, the following provisions:

1. On insurance policies where the County of Gila is named as an additional insured, the County of Gila shall be an additional insured to the full limits of liability purchased by the Contractor even if those limits of liability are in excess of those required by this Contract.
2. The Contractor's insurance coverage shall be primary insurance and non-contributory with respect to all other available sources.
3. Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of this Contract.

C. **NOTICE OF CANCELLATION:** Each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be suspended, voided, canceled, reduced in coverage or endorsed to lower limits except after thirty (30) days prior written notice has been given to the County. Such notice shall be sent directly to ***Gila County Purchasing, 1400 E. Ash St., Globe, AZ 85501***, and shall be sent by certified mail, return receipt requested.

D. **ACCEPTABILITY OF INSURERS:** Insurance is to be placed with insurers duly licensed or approved unlicensed companies in the state of Arizona and with an "A.M. Best" rating of not less than B+ VI. The County in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

E. **VERIFICATION OF COVERAGE:** Contractor shall furnish the County with certificates of insurance (ACORD form or equivalent approved by the County) as required by this Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

All certificates and endorsements are to be received and approved by the County before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract or to provide evidence of renewal is a material breach of contract.

All certificates required by this Contract shall be sent directly to, ***Gila County Purchasing, 1400 E. Ash St., Globe, AZ 85501***. The County project/contract number and project description shall be noted on the certificate of insurance. The County reserves the right to require complete, certified copies of all insurance policies required by this Contract at any time**.**

F. **SUBCONTRACTORS:** Contractors' certificate(s) shall include all subcontractors as additional insured's under its policies **or** Contractor shall furnish to the County separate certificates and endorsements for each subcontractor. All coverage's for subcontractors shall be subject to the minimum requirements identified above.

G. **APPROVAL:** Any modification or variation from the insurance requirements in this Contract shall be made by the County Attorney, whose decision shall be final. Such action will not require a formal Contract amendment, but may be made by administrative action.

Failure to Insure

Failure on the part of the Contractor to meet the insurance requirements herein shall constitute a material breach of Contract, upon which the County may immediately terminate this agreement.

Contract Term and Renewal

The term of the contract shall commence upon award and remain in effect for a period of three (3) years, unless terminated, canceled, or extended as otherwise provided herein. The Contractor agrees that the County shall have the right, at its sole option, to renew the contract for two (2) additional one-year periods or portions thereof. In the event the County exercises such rights, all terms, conditions, and provisions of the original contract shall remain the same and apply during the renewal period with the possible exception of rate adjustments and minor scope additions and/or deletions which may be mutually agreed upon in writing.

Contract Rate Adjustments

The County will review fully documented requests for a rate adjustment after services have been successfully provided by Contractor for a three (3) year period.

Any rate adjustment will only be made at the time of contract renewal or extension and will be a factor in the extension review process and must be fully justified in writing by the Contractor.

Certificates and Licenses

The contractor shall posses all necessary and valid licenses and certificates required for performance of the work specified herein. Current copies of all applicable licenses and certificates shall be provided to the County within twenty-four (24) hours upon demand at any time prior to and during the contract term.

Quality of Work

The contractor shall be responsible for the professional quality and technical accuracy of the services provided under this contract and shall perform services under this contract in accordance with generally accepted professional and industry standards. All services shall conform to and be in compliance with applicable federal, state and local statues, rules, codes, laws, ordinances, regulations, and restrictions.

Contract Default

The County, by written notice of default to the Contractor, may terminate the whole or any part of this contract in any one of the following circumstances:

a. If the Contractor fails to make delivery of the supplies or to perform the services within the times specified; or
b. If the Contractor fails to perform any of the other provisions of this contract; and fails to remedy the situation within a period of ten (10) days after receipt of notice.
c. In the event the County terminates this contract in whole or part, the County may procure supplies or services similar to those terminated, and the Contractor shall be liable to the County for any excess costs for such similar supplies or services.

Co-op Use of Contract – Intergovernmental Purchasing

Gila County has entered into an active purchasing agreement with other political subdivisions, cities, and towns of the State of Arizona in order to conserve resources, reduce procurement costs and improve timely acquisition and cost of supplies, equipment and services. The Contractor to whom this contract is awarded may be requested by other parties of said interactive purchasing agreements to extend to those parties the right to purchase supplies, equipment and services provided by the Contractor under this contract, pursuant to the terms and conditions stated herein. Any such usage by other entities must be in accord with the rules and regulations of the respective entity and the approval of the Contractor.

STANDARD TERMS AND CONDITIONS

Termination of Contract

The County, with or without cause, may terminate this contract at any time by mutual written consent, or by giving thirty (30) days written notice to you. The County at its convenience, by written notice, may terminate this contract, in whole or in part. If this contract is terminated, the County shall be liable only for payment under the payment provisions of this contract for the services rendered and accepted material received by the County before the effective date of termination.

The County reserves the right to cancel the whole or any part of this contract due to failure of the Contractor to carry out any term, promise, or condition of the contract. The County will issue a written ten (10) day notice of default to Contractor for acting or failing to act as in any of the following:

1. In the opinion of the County, the Contractor fails to perform adequately the stipulations, conditions or services/specifications required in the contract.
2. In the opinion of the County, the Contractor attempts to impose on the County material products, or workmanship, which is of unacceptable quality.
3. Contractor fails to furnish the required service and/or product within the time stipulated in the contract.
4. In the opinion of the County, the Contractor fails to make progress in the performance of the requirements of the contract and/or give the County a positive indication that Contractor will not or cannot perform to the requirements of the contract.

Each payment obligation of the County created hereby is conditioned upon the availability of County, State and Federal funds, which are appropriated or allocated for the payment of such an obligation.

If funds are not allocated by the County and available for the continuance of service herein contemplated, the contract period for the service may be terminated by the County at the end of the period for which funds are available. The County shall notify the Contractor at the earliest possible time which service may be affected by a shortage of funds. No penalty shall accrue to the County in the event this provision is exercised, and the County shall not be obligated or liable for any future payments due or for any damages as a result of termination under this paragraph.

Records

Internal control over all financial transactions related to this contract shall be in accordance with sound fiscal policies. The County may, at reasonable times and places, audit the books and records of you or any and all of your sub contractors. Said audit shall be limited to this contract and its scope of services.

Arbitration

It is understood and agreed that no provision of the contract relating to arbitration or requiring arbitration shall apply to or be binding upon the County except by the County's express written consent given subsequent to the execution of the contract. However, at the County's sole option, or by other means expressly approved by the County, disputes may be resolved through arbitration. The dispute shall be resolved as provided for in A.R.S. § 12-1501, et seq. Contractor shall continue to render the services required by this contract without interruption, notwithstanding the provisions of this section.

Cancellation of County Contracts

This contract is subject to the cancellation provisions of **A.R.S. §38-511**

Indemnification Clause

Contractor shall indemnify, defend, save and hold harmless the County of Gila and its officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all claims. It is agreed that Contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. In consideration of the award of this contract, the Contractor agrees to waive all rights of subrogation against the County, its officers, officials, agents and employees for losses arising from the work performed by the Contractor for the County.

Confidentiality of Records

The Contractor shall establish and maintain procedures and controls that are acceptable to the County for the purpose o assuring that no information contained in its records or obtained from the County or from others in carrying out its functions under the contract shall be used by or disclosed by it, its agents, officers, or employees, except as required to efficiently perform duties under the contract. Persons requesting such information should be referred to the County. Contractor also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of contractor as needed for the performance of duties under the contract, unless otherwise agreed to in writing by the County.

Protests

Only other bidders who have submitted a bid for this proposal have the right to protest. A protest of an award must be filed within ten (10) days after the award by the Board of Supervisors. A protest must be in writing and must include the following:

A. Name, address and telephone number of the protester.
B. Signature of the protester or its representative, and evidence of authority to sign.
C. Identification of the contract and the solicitation or contract number.
D. Detailed statement of the legal and factual grounds of protest including copies of relevant documents.
E. The form of relief requested.

All protests shall be sent to the attention of the Gila County Board of Supervisors, 1400 East Ash Street, Globe, Arizona 85501.

Laws and Ordinances

This agreement shall be enforced under the laws of the State of Arizona and Gila County. Contractor shall maintain in current status all Federal, State and Local licenses and permits required for the operation of the business conducted by the Contractor.

The Contractor shall comply with the applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and applicable federal regulations under the act.

Overcharges by Antitrust Violations

The County maintains that, in actual practice, overcharges resulting from antitrust violations are borne by the purchaser. Therefore, to the extent permitted by law, the bidder hereby assigns to the County any and all claims for such overcharges as to the goods or services used to fulfill the contract.

Authority to Contract

This contract is based upon the Request for Proposal, Attached Exhibits and Forms, issued by the County and the offer submitted by the bidder in response to the RFP. The offer shall substantially conform to the terms, conditions, specifications and other requirements set forth within the text of the RFP and attached exhibits. All other conditions, specifications and other requirements set forth within the text of the RFP, attached exhibits and forms are incorporated by this reference into this contract. The county reserves the right to clarify any contractual terms with the concurrence of the bidder; however, any substantial non-conformity in the offer, as determined by the County Attorney, shall be deemed non-responsive and the offer rejected. The contract and incorporated RFP with attached exhibits and forms shall contain the entire agreement between Gila County and the bidder relating to these requirements and shall prevail over any and all previous agreements, contracts, proposals, negotiations, purchase orders, or master agreement in any form. The contract activity is issued under the authority of the Gila County Manager, after the Gila County Board of Supervisors approves the award. No alteration of any portion of the contract, any items or services awarded, or any other agreement that is based upon this contract may be made without express written approval of the Gila County Board of Supervisors in the form of an official contract amendment. Any attempt to alter any documents on the part of the bidder or any agency is a violation of the County Procurement Code. Any such action is subject to the legal and contractual remedies available to the County inclusive, but not limited to, contract cancellation, suspension and/or debarment of the bidder.

Right to Assurance

Whenever one party to this contract in good faith has reason to question the other party's intent to perform, the other party may demand that the other party give a written assurance of this intent to perform. In the event that a demand is made and no written assurance is given within five (5) days, the demanding party may treat this failure as an anticipatory repudiation of this contract.

Force Majeure

Except for payment of sums due, neither party shall be liable to the other nor deemed in default under this contract if and to the extent that such party's performance of this contract is prevented by reason of Force Majeure. The term "Force Majeure" means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Force Majeure shall not include late performance by a subcontractor unless the delay arises out of a Force Majeure occurrence in accordance with this Force Majeure term and condition.

If either party is delayed at any time in the progress of the work by Force Majeure, the delayed party shall notify the other party in writing of such delay, as soon as is practical, of the commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be hand-delivered or mailed certified-return receipt and shall make a specific reference to this article, thereby invoking its provisions.

The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The time of completion shall be extended by contact modification for a period of time equal to the time that results or effects of such delay prevent the delayed party from performing in accordance with this contract.

Contract

The contract shall be based upon the RFP issued by the County and the offer submitted by the Contractor in response to the RFP. The offer shall substantially conform to the terms, conditions, specifications, and other requirements set forth within the text of the RFP. The County reserves the right to clarify any contractual terms with the concurrence of the Contractor; however, any substantial non-conformity in the offer, as determined by the County's Finance Director, shall be deemed non-responsive and the offer rejected. The contract shall contain the entire agreement between the County and the Contractor relating to this requirement and shall prevail over any and all previous agreements, contracts, proposals, negotiations, purchase orders, or master agreements in any form.

Rights and Remedies

No provision in this document or in the Contractor's proposal shall be construed, expressly or by implication as a waiver by either party of any existing or future right and/or remedy available by law in the event of any claim or default or breach of contract. The failure of either party to insist upon the strict performance of any term or condition of the contract or to exercise or delay the exercise of any right or remedy provided in the contract, or by law, or the acceptance of materials or services, obligations imposed by this contract or by law, and shall not be deemed a waiver of any right of either party to insist upon this strict performance of the contract.

Inspection

All material or service is subject to final inspection and acceptance by the County. Material or service failing to conform to the specifications of this contract shall be held at Contractor's risk and may be returned to the Contractor. If so returned, all costs are the responsibility of the Contractor. Noncompliance shall conform to the cancellation clause set forth in this document.

Exclusive Possession

All services, information, computer program elements, reports, and other deliverables which may be created under this contract are the sole property of the County and shall not be used or released by the Contractor or any other person except with prior written permission by the County.

Liens

All materials, services, and other deliverables supplied to the County under this contract shall be free of all liens other than the security interest held by the Contractor until payment in full is made by the County. Upon request of the County, the Contractor shall provide a formal release of all liens.

Licenses

Contractor shall maintain in current status all Federal, State, and local licenses and permits required for the operation of the business conducted by the Contractor as applicable to this contract.

Costs and Payments

Payment: Payments shall comply with the requirements of A.R.S. Title 35 and 41, Net 30 days. Upon receipt and acceptance of goods and services, the Contractor shall submit a complete and accurate invoice for payment from the County within thirty (30) days.

Payment of Taxes: The Contractor shall be responsible for paying all applicable taxes.

Tax Indemnification: Contractor and all subcontractors shall pay all Federal, state and local taxes applicable to its operation and any persons employed by the Contractor. Contractor shall, and require all subcontractors to hold the County harmless from any responsibility for taxes, damages and interest, if applicable, contributions required under Federal, and/or state and local laws and regulations any other costs including transaction privilege taxes, unemployment compensation insurance, Social Security and Worker's Compensation.

IRS W9 Form: In order to receive payment the Contractor shall have a current IRS W9 Form on file with the County unless not required by law.

Note: If County receives a Preliminary Lien Notice from a subcontractor the Contractor will provide Lien Waivers prior to Contractor receiving payment.

Public Record

All proposals submitted in response to the request shall become the property of the County and shall become a matter of public record available for review subsequent to the award notification.

MINIMUM SPECIFICATIONS

Purpose

It is the intent of this Request for Proposals to enter into a contract with a qualified contractor to provide Primary Banking Services for Gila County, Arizona.

SECTION 1.0

General Purpose

1.1 All product specifications are **minimum.**

1.2 Contractor should have adequate manufacturing/stocking facilities to serve the needs of Gila County.

1.3 All Proposals must represent the entire package. Partial awards will not be made unless otherwise stated in the Proposal specifications.

1.4 The parties specifically understand and agree that the quantities used for bidding purposes are estimates of County needs and in no event shall the County be obligated to purchase the exact quantities of any item set forth in the Proposal. The County does not guarantee any maximum or minimum amounts of purchase.

1.5 Contractor shall review its Proposal submission to assure the following requirements are met.

- 1.5.1 **Two (2) originals and three (3) copies, total of five (5),** shall be submitted at time of bid opening.
- 1.5.2 Qualification and Certification Forms
- 1.5.3 Price Sheet
- 1.5.4 References List
- 1.5.5 No Collusion Certification
- 1.5.6 Legal Arizona Workers Act Compliance
- 1.5.7 Checklist & Addenda Acknowledgment
- 1.5.8 Offer Page

SECTION 2.0

Proposal Pricing & Term

2.1 Prices shall be in effect for the duration of the contract period.

2.2 The contract shall commence upon award and shall remain in effect for a period of thrity-six (36) months unless terminated, cancelled or extended as otherwise provided herein. The Contractor agrees that Gila County shall have the right, at its sole option, to renew the contract for two (2) additional one-year periods. In the event the County exercises such a right, all terms, conditions and provisions of the original contract shall remain the same and apply during the renewal period.

2.3 Any price increases after the three (3) year term must meet the Board of Supervisor's approval by an amendment to the contract prior to any such extension.

QUALIFICATION AND CERTIFICATION FORMS

Bidder Qualifications and Certification

This exhibit shall serve as a requirement to enable the evaluation team to assess the qualifications of Offeror's under consideration for final award.

The information may or may not be a determining factor in award.

Contract Number 011312-1 Primary Banking Service

The applicant submitting this Proposal warrants the following:

1. Name, Address, Telephone Number and Email Address of Offeror:

   _____
   _____
   _____

2. Had Offeror (under its present or any previous name) ever failed to complete a contract? _____Yes _____No. If "Yes, give details, including the date, the contracting agency, and the reasons Contractor failed to perform in the narrative part of this Contract.

3. Has Offeror (under its present or any previous name) ever been disbarred or prohibited from competing for a contract? _____Yes _____No. If "Yes", give details, including the date, the contracting agency, the reasons for the Offerors disqualification, and whether this disqualification remains in effect in the narrative part of this Contract.

4. Has a contracting agency ever terminated a contract with the Offeror prior to contract expiration date (under your Contractor's present or any previous name)? _____Yes _____No. If "Yes", give details including the date, the contracting agency, and the reasons Offeror was terminated in the narrative part of this Contract.

5. Offeror must also provide at least the following information:
   a. A Cost Proposal shall be submitted on the Price Sheet, attached hereon and made a full part of this contract by this reference.
   b. A list of previous and current customers, which are considered identical or similar to the Scope of Services described herein; shall be submitted on the Reference List, attached hereon and made a full part of this contract by this reference.
   c. List the specific qualifications the Offeror has in supplying the specified services.
   d. Gila County reserves the right to request additional information.

6. Current Business License Number**:** _____
   (If Applicable)

7. Offeror must provide copies of all required Arizona Certifications in performing the scope of services provided in this request for proposals.

_____
Signature of Authorized Representative

_____
Printed Name

_____
Title

PRICE SHEET

Offeror must complete all items on the pricing sheet and may provide any other costs associated with information from the Questionnaire. (Offeror shall also include additional pages to this price sheet with detailed information about other costs identified within the Questionnaire as needed.)

Fees shall either be fixed fees or index-based. An example of a fixed fee is "$0.02 per transaction". An example of an index based rate is the rate that is tied to an index such as the Federal Funds Rate. If any index-based rates are proposed, clearly indentify the name of the index, the organization that publishes it, the web address or other means by which the current rate may be readily obtained, the proposed frequency of adjustment (such as "annually on the contract anniversary date") and the formula by which adjustment shall be made.

ITEM DESCRIPTION	QUANTITY	TOTAL
Current Accounts	15	Rate to Service Each Account = $ _____ x 15 Accounts = $_____
Deposits & Other Credits	Annual	
Daily Deposits	300 / year	Daily Deposit Rate = $ _____ x 300 Daily Deposits / Year = $ _____
Deposits & Other Credits	$xxx	
Deposit Items	5,000 / year	Rate for Deposit Items = $_____ x 5,000 Deposits/Year = $ _____
Currency / Coin Deposits	$xxx / year	
ACH Credits	5,000 / year	Rate for ACH Credits = $_____ x 5,000 ACH Credits/Year = $ _____

Offeror Name: _____

Wire Transfers - Outgoing	10	Rate for Wire Transfers - Outgoing = $_____ x 10 Outgoing Wire Transfers/Year= $_____
Wire Transfers - Incoming	20	Rate for Wire Transfers - Incoming = $_____ x 20 Outgoing Wire Transfers/Year= $_____
Book Transfers	5	Rate for Book Transfers = $_____ x 5 Book Transfers/Year = $_____
Debits - Warrants	39,000	Rate For Warrants = $_____ x 39,000 Checks/Year = $ _____
Debits -Checks	1,000	Rate for Checks = $_____ x 1,000 Checks/Year = $ _____
Armored Car Service	1 Stop 5 Days/Week In April	Rate per Week $_____X 52 Weeks/Year = $ _____
Armored Car Service	1 Stop 5 Days/Week In October	Rate per Week $_____X 52 Weeks/Year = $ _____
Armored Car Service	1 Stop 5 Days/Week In December	Rate per Week $_____X 52 Weeks/Year = $ _____
Armored Car Service	November 1st May 1st	Rate per Day $_____ 2 Days/Year = $ _____
GRAND TOTAL PER YEAR		

Offeror Name: _____

REFERENCE LIST

References

Please list a minimum of three (3) references for contracts of similar size and scope as this Request for Proposals during the past twenty-four (24) months, in or as close to Gila County as possible. Bidder may attach further reference information as necessary.

1. **Company:** _____
   Contact: _____
   Phone: _____
   Address: _____
   Job Description: _____
   _____
   _____

2. **Company:** _____
   Contact: _____
   Phone: _____
   Address: _____
   Job Description: _____
   _____
   _____

3. **Company:** _____
   Contact: _____
   Phone: _____
   Address: _____
   Job Description: _____
   _____
   _____

_____
Name of Business

_____
Signature of Authorized Representative

_____
Title

AFFIDAVIT BY OFFEROR
CERTIFYING THAT THERE WAS NO COLLUSION
IN BIDDING FOR CONTRACT

STATE OF ARIZONA)
)ss
COUNTY OF:)

_____
(Name of Individual)
being first duly sworn, deposes and says:

That he is _____
(Title)

of_____ and
(Name of Business)

That he is bidding on **Gila County BID NO. 011312-1 PRIMARY BANKING SERVICE, GILA COUNTY** and,

That neither he nor anyone associated with the said _____

_____
(Name of Business)

has, directly or indirectly entered into any agreement, participated in any collusion or otherwise taken any action in restraint of free competitive bidding in connection with the above mentioned project.

_____
Name of Business

_____
By

_____
Title

Subscribed and sworn to before me this _____ day of _____, 20_____.

_____ **My Commission expires:**
Notary Public

_____

LEGAL ARIZONA WORKERS ACT COMPLIANCE

Contractor hereby warrants that it will at all times during the term of this Contract comply with all federal immigration laws applicable to Contractor's employment of its employees, and with the requirements of A.R.S. § 23-214 (A) (together the "State and Federal Immigration Laws"). Contractor shall further ensure that each subcontractor who performs any work for Contractor under this contract likewise complies with the State and Federal Immigration Laws.

County shall have the right at any time to inspect the books and records of Contractor and any subcontractor in order to verify such party's compliance with the State and Federal Immigration Laws.

Any breach of Contractor's or any subcontractor's warranty of compliance with the State and Federal Immigration Laws, or of any other provision of this section, shall be deemed to be a material breach of this Contract subjecting Contractor to penalties up to and including suspension or termination of this Contract. If the breach is by a subcontractor, and the subcontract is suspended or terminated as a result, Contractor shall be required to take such steps as may be necessary to either self-perform the services that would have been provided under the subcontract or retain a replacement subcontractor, (subject to County approval if MWBE preferences apply) as soon as possible so as not to delay delivery of services.

Contractor shall advise each subcontractor of County's rights, and the subcontractor's obligations, under this Article by including a provision in each subcontract substantially in the following form: "Subcontractor hereby warrants that it will at all times during the term of this contract comply with all federal immigration laws applicable to Subcontractor's employees, and with the requirements of A.R.S. § 23-214 (A). Subcontractor further agrees that County may inspect the Subcontractor's books and records to insure that Subcontractor is in compliance with these requirements. Any breach of this paragraph by Subcontractor will be deemed to be a material breach of this contract subjecting Subcontractor to penalties up to and including suspension or termination of this contract."

Any additional costs attributable directly or indirectly to remedial action under this Article shall be the responsibility of Contractor.

_____

Signature of Authorized Representative

_____

Printed Name

_____

Title

BIDDER CHECKLIST & ADDENDA ACKNOWLEDGMENT

NOTICE IS HEREBY GIVEN that all Bid Documents shall be completed and/or executed and submitted with this RFP. If Contractor fails to complete and/or execute any portion of the Bid documents, all with original signatures, the RFP may be determined to be "non-responsive" and rejected.

CHECKLIST:

REQUIRED DOCUMENT	COMPLETED / EXECUTED
QUALIFICATION & CERTIFICATION FORM	_____
PRICE SHEET	_____
REFERENCE LIST	_____
NO COLLUSION IN BIDDING	_____
LEGAL ARIZONA WORKERS ACT COMPLIANCE	_____
CHECKLIST & ADDENDA ACKNOWLEDGMENT	_____
OFFER PAGE	_____
BACKGROUND AUTHORIZATION	_____

ACKNOWLEDGMENT OF RECEIPT OF ADDENDA:

	#1	#2	#3	#4	#5
Initials	_____	_____	_____	_____	_____
Date	_____	_____	_____	_____	_____

Signed and dated this _____ day of _____, 2012

_____
Offeror:

_____
By:

Each proposal shall be sealed in an envelope addressed to the Gila County Procurement Group and bearing the following statement on the outside of the envelope: Request for Sealed Proposals No. 011312-1 Primary Banking Service. All proposals shall be filed with Gila County Procurement at 1400 E. Ash St., Globe, AZ on or before May 3, 2012, by 3:00 PM.

OFFER PAGE

TO GILA COUNTY:

The undersigned hereby offers and agrees to furnish the material or service in compliance with all terms and conditions, instruction, specifications, and any amendments contained in this Request for Proposal document.

Signature also certifies the Contractors bid proposal is genuine, and is not in any way collusive or a sham; that the bid proposal is not made with the intent to restrict or prohibit competition; that the Contractor submitting the proposal has not revealed the contents of the proposal to, or in any way colluded with, any other Contractor which may compete for the contract; and that no other Contractor which may compete for the contract has revealed the contents of a proposal to, or in any way colluded with, the Contractor submitting this proposal.

Pursuant to A.R.S. §35-397 the Contractor certifies that it does not have scrutinized business operations in Iran or Sudan and that they are in compliance with the Export Administration Act and not on the Excluded Parties List.

CONTRACT NUMBER: 011312-1 Primary Banking Service

Contractor Submitting Proposal:

_____
Company Name

_____
Address

_____
City State Zip

For clarification of this offer, contact:

Name: _____

Phone No.: _____

Fax _____

Email: _____

_____
Signature of Authorized Person to Sign

_____
Printed Name

_____
Title

Proposal must be signed by a duly authorized officer(s) eligible to sign contract documents for the Contractor.

ACCEPTANCE OF OFFER

(For Gila County use only)

The Offer is hereby Accepted:

The Contractor _____ is now bound to provide the materials or services listed in RFP No.: 011312-1 including all terms and conditions, specifications, amendments, etc. and the Contractor's Offer as accepted by County/public entity.

The contract shall henceforth be referenced to as **Contract No. 011312-1**. The Contractor has been cautioned not to commence any billable work or to provide any material or service under this Contract until Contractor receives written notice to proceed from Gila County.

GILA COUNTY BOARD OF SUPERVISORS:

Awarded this _____ day of _____, 2012

_____

Tommie C. Martin, Chairman of the Board

ATTEST:

_____

Marian Sheppard, Chief Deputy Clerk of the Board

APPROVED AS TO FORM:

_____

Bryan B. Chambers, Chief Deputy County Attorney
***for* Daisy Flores, County Attorney**

ARF-1145 **Regular Agenda Item 3- C**

Regular BOS Meeting

Meeting Date: 04/03/2012

Submitted For:	Malissa Buzan, CAP/Housing Services Manager	Submitted By:	Cecilia Bejarano, Executive Administrative Assistant, Community Services Division
Department:	Community Services Division	Division:	Comm. Action Program/Housing Servs.
Fiscal Year:	2011-2012	Budgeted?:	Yes
Contract Dates Begin & End:	Date signed by ADOH-3/30/2014	Grant?:	Yes
Matching Requirement?:	No	Fund?:	New
Presenter's Name:	Malissa Buzan		

Information

Request/Subject

Funding Agreement No. 152-12 with Arizona Department of Housing

Background Information

The Community Development Block Grant program was started with the Housing and Community Development Act of 1974. The Department of Housing and Urban Development was to distribute funds to entitlement communities for projects that would develop viable communities, provide decent housing, suitable living environments and expand economic opportunities. It wasn't until 1981 that each state received an allocation on behalf of the non-entitlement communities and in 1982 funds were distributed and administered from the Arizona Department of Housing to the four rural Councils of Government within Arizona.

Each year an eligible application is submitted by communities to the Arizona Department of Housing for projects that meet the National Objectives.

Evaluation

This is a new contract and helps households that meet the eligibility requirements with housing rehabilitation. Qualified homeowners will be selected from the Gila County Housing Rehabilitation waiting list, on a first come first served basis. The homeowner will receive the help in the form of a forgivable, non-interest bearing deferred payment loan. All rehabilitation services provided will be completed by in-house staff, and all construction services will be completed by licensed and insured general contractors.

Resolution No. 11-08-02 authorizing the submission of an application for Community Development Block Grant funding between the State of Arizona, Department of Housing, was approved by the Board of Supervisors on August 2nd, 2011, and a copy of said resolution is included in this agreement.

Conclusion

By the Board of Supervisors approving Agreement No. 152-12, funds in the amount of $120,218 will be allocated to the Gila County Community Services Housing Department to provide housing rehabilitation to eligible citizens in Gila County.

Recommendation

The Gila County Community Action/Housing Program Manager recommends that the Board of Supervisors approve this agreement.

Suggested Motion

Information/Discussion/Action to approve Agreement No. 152-12 between the Arizona Department of Housing and the Gila County Division of Community Services, Housing Department, allocating funds in the amount of $120,218, which will be used to help residents who meet program qualifications with housing rehabilitation for the period effective upon execution by the Arizona Department of Housing through March 30, 2014. **(Malissa Buzan)**

Attachments

Funding Agreement No. 152-12 ADOH

Legal Explanation

FUNDING AGREEMENT
with
ARIZONA DEPARTMENT OF HOUSING

Table of Contents

SECTION 1. FUNDS PROVIDED 2
SECTION 2. OTHER FUNDS 2
SECTION 3. ACCEPTANCE OF FUNDS 2
SECTION 4. DURATION 3
SECTION 5. INCORPORATION OF TERMS FOR COMPLIANCE WITH PROGRAM REQUIREMENTS AND APPLICABLE STATE AND FEDERAL LAW 3
SECTION 6. SCOPE OF WORK 4
SECTION 7. REPORTS 4
SECTION 8. SCHEDULE OF COMPLETION 6
SECTION 9. BUDGET 7
SECTION 10. AMENDMENTS AND MODIFICATIONS 8
SECTION 11. ENVIRONMENTAL REVIEW CONDITIONS 8
SECTION 12. APPLICATION AND OTHER PRE-AWARD COSTS 9
SECTION 13. COMPENSATION AND METHOD OF PAYMENT 9
SECTION 14. FUNDS RECOUPED BY THE RECIPIENT, INTEREST AND PROGRAM INCOME 10
SECTION 15. DEOBLIGATION, RECAPTURE AND REPAYMENT OF FUNDS 11
SECTION 16. REVERSION OF ASSETS 12
SECTION 17. DEPARTMENT OF HOUSING RESPONSIBILITIES 13
SECTION 18. SUBCONTRACTING 14
SECTION 19. FAILURE TO MAKE PROGRESS 14
SECTION 20. TERMINATION FOR CAUSE 14
SECTION 21. TERMINATION FOR CONVENIENCE 15
SECTION 22. ENFORCEMENT 15
SECTION 23. CANCELLATION 16
SECTION 24. RECORDS RETENTION 16
SECTION 25. NO OBLIGATION OF STATE GENERAL APPROPRIATIONS FUNDS 16
SECTION 26. AVAILABILITY OF FUNDS 16
SECTION 27. APPLICABLE LAW AND ARBITRATION 17
SECTION 28. INDEMNIFICATION 17

FUNDING AGREEMENT
with
ARIZONA DEPARTMENT OF HOUSING

Table of Contents

SECTION 29. FEDERAL GOVERNMENT LIABILITY 17
SECTION 30. AUDIT 17
SECTION 31. AUDIT EXCEPTIONS 18
SECTION 32. UNALLOWABLE USE OF FUNDS 18
SECTION 33. INTEREST OF MEMBERS OF DEPARTMENT OF HOUSING AND OTHERS 18
SECTION 34. ACCESS TO RECORDS, PARTICIPANTS AND STAFF 18
SECTION 35. IDENTIFICATION OF DOCUMENTS 18
SECTION 36. COPYRIGHT 19
SECTION 37. RIGHTS IN DATA 19
SECTION 38. FUNDING CONDITIONS 19
SECTION 39. NON-DISCRIMINATION 19
SECTION 40. THIRD PARTY ANTITRUST VIOLATIONS 20
SECTION 41. SCRUTINIZED BUSINESS OPERATIONS 20
SECTION 42. COMPLIANCE REQUIREMENTS FOR A.R.S. § 41-4401—IMMIGRATION LAWS AND E-VERIFY REQUIREMENT 20
SECTION 43. INSURANCE 21
SECTION 44. PRIVACY CONSIDERATIONS 23
SECTION 45. NOTICES 23
SECTION 46. REGISTRATION WITH SOCIAL SERVE 24
SECTION 47. ADOH SIGNAGE 24
SECTION 48. PHOTOGRAPHS 24

ATTACHMENTS

☒ A Scope of Work
☒ B Performance Report/Schedule of Completion
☒ C Budget
☒ D Request for Payment Form
☐ E Special Conditions of the Agreement
☒ F Certification and Other Requirements Relating to Title I or Title II Assistance
☒ G Authorizing Resolution(s)

AGREEMENT NO. **152-12**
TERMINATION DATE **March 30, 2014**

FUNDING AGREEMENT
BETWEEN THE ARIZONA DEPARTMENT OF HOUSING
AND
GILA COUNTY
FOR
Owner Occupied Housing Rehabilitation

This Funding Agreement is made by and between:

The **Arizona Department Of Housing (ADOH),** located at, 1110 West Washington, Suite 310, Phoenix, Arizona 85007, acting pursuant to A.R.S. § 41-3953 and (please select applicable funding source):

☒ Title I of the Housing and Community Development Act of 1974, as amended ("CDBG")

☐ Title II of the National Affordable Housing Act of 1990, as amended (HOME Investments Partnerships Act) ("HOME")

☐ A.R.S. § 41-3955 (State Housing Trust Fund) ("HTF")

☐ Title 24 Part 574 and 42 U.S.C. Section 12902 of the AIDS Housing Opportunity Act of (Housing Opportunities for Persons With HIV/AIDS) ("HOPWA")

☐ Title IV Part 582 of the Stewart B. McKinney Homeless Assistance Act of 1987, as amended (Shelter Plus Care) ("SPC")

☐ Title IV Part 583 of the Stewart B. McKinney Homeless Assistance Act of 1987, as amended (Supportive Housing Program) ("SHP")

☐ Title III of the Housing and Economic Recovery Act of 2008, Pub. Law 110-289, July 30, 2008, (the Neighborhood Stabilization Program which provides emergency assistance for redevelopment of abandoned and foreclosed homes and multifamily housing)("NSP").

and

GILA COUNTY
(Entity)

An Arizona County **(Recipient)** DUNS # **02407139**, located at

5515 South Apache Avenue, Suite 200
Street
Globe, Arizona 85501-4430
City State Zip

In consideration of the mutual representations and obligations hereunder ADOH and Recipient agree as follows:

Section 1. FUNDS PROVIDED

ADOH agrees to provide $ $120,218.00 in the following type of funds to Recipient in accordance with this Agreement.

☒ **CDBG**, CFDA # 14.228
Federal Fiscal Year 2011
$ 120,218.00

☐ **HOME**, CFDA # 14.239
$____

☐ **HTF**
$____

☐ **HOPWA**, CFDA # 14.241
Federal Fiscal Year _____
$____

☐ **SHP**, CFDA # 14.235
Federal Fiscal Year _____
$____

☐ **SPC**, CFDA # 14.238
Federal Fiscal Year _____
$____

☐ **NSP**, CFDA #
Federal Fiscal Year _____
$____

Section 2. OTHER FUNDS

If applicable, Recipient agrees to secure funding other than that listed in **Section 1** for the completion of this Agreement as indicated in the ***Budget*** attached hereto as **Attachment C**. ADOH reserves the right to rescind some or all of the funding committed through this Agreement if other funding sources become unavailable.

Section 3. ACCEPTANCE OF FUNDS

Recipient hereby accepts the award of funds under the terms of this Agreement and agrees to execute and return this Agreement to ADOH within 30 days of receipt unless Recipient receives a written waiver of this requirement by ADOH.

Section 4. DURATION

This Agreement shall be effective beginning on the date of execution by ADOH and shall remain in effect until March 30, 2014 unless sooner terminated, extended or otherwise amended in accordance with the terms of this Agreement.

Section 5. INCORPORATION OF TERMS FOR COMPLIANCE WITH PROGRAM REQUIREMENTS AND APPLICABLE STATE AND FEDERAL LAW

Recipient shall carry out each activity in compliance with all applicable State and Federal laws, Federal regulations and other requirements including, but not limited to the provisions indicated as marked below and hereby incorporated into this Agreement, as if fully set forth herein. Also incorporated into this Agreement, as applicable, are the terms of any resolution authorizing Recipient's application for funds, which is attached hereto as **Attachment G,** ***Authorizing Resolution(s)*** and any ***Special Conditions of the Agreement*** attached hereto as **Attachment E.**

☒ **CDBG** funds require adherence to the following additional provisions: (1) the provisions of 24 CFR, Part 570 as revised; (2) ***Certification and Other Requirements Relating to Title I Assistance*** attached hereto as **Attachment F;** (3) the provisions contained in the ***State of Arizona Consolidated Plan;*** (4) ***ADOH ERR Handbook;*** (5) ***ADOH Labor Standards Handbook*** (6) ***CDBG Application Handbook;*** (7) ***CDBG Grant Administration Handbook;*** and (8) ***CDBG Procurement, Contracts and Acquisition Handbook*** (collectively "the Incorporated Documents") as each may be amended from time to time. In the event of a conflict between the terms of this Agreement and the terms of the Incorporated Documents, the terms of this Agreement shall govern.

☐ **HOME** funds require adherence to the following additional provisions: (1) the provisions contained in 24 CFR Part 92 Home Investment Partnerships Program as revised, (2) ***Certification and Other Requirements Relating to Title II Assistance*** attached hereto as **Attachment F;** (3) the provisions contained in the ***State of Arizona Consolidated Plan;*** (4) ***ADOH ERR Handbook;*** (5) ***ADOH Labor Standards Handbook*** (6) the ***State Housing Fund Program Summary and Application Guide*** and any revisions thereto.

☐ **The use of Housing Trust Funds (HTF)** requires adherence to the following additional provisions: (1) the ***State Housing Fund Program Summary and Application Guide*** as revised.

☐ **Special Needs Housing "homeless" funding from SPC** requires adherence to 24 CFR Part 582 as revised.

☐ **Special Needs Housing "homeless" funding from SHP requires** adherence to 24 CFR Part 583 as revised.

☐ **Special Needs Housing "homeless" funding from HOPWA requires** adherence to 24 CFR Part 574 as revised.

☐ **Neighborhood Stabilization Program, NSP,** requires adherence to specific reporting requirements described in Attachment A, B & D to this Agreement.

Section 6. SCOPE OF WORK

Recipient agrees to utilize all funds made available under this Agreement only for the purpose of implementing the *Scope of Work* hereby incorporated into this Agreement and described in **Attachment A.**

Revisions to Scope of Work. Recipient agrees to follow the procedures indicated as marked below regarding changes to the *Scope of Work.*

Revisions to the *Scope of Work* that change the manner in which an activity is to be executed or that change final outcome such as number of units, feet of utility line, number of households served, square footage of building, etc. require written approval from ADOH. The following substantial revisions to the *Scope of Work* require written amendment to this Agreement:

(a) The purpose of the project changes;
(b) The location of the project changes;
(c) A project activity is added, deleted or altered such that it becomes a different activity;
(d) The beneficiary of any activity changes; and
(e) The Recipient is requesting a change to the loan or grant terms. Recipient must submit a written request for an Agreement amendment to ADOH, with a revised *Scope of Work* attached;
(f) The ownership entity changes;
(g) Any other changes that involve program requirements.

ADOH will respond to the written request within 14 business days. Amendments may not be implemented until ADOH consents in writing and an amendment to the Agreement has been executed.

Section 7. REPORTS

Recipient shall be responsible for providing various reports of all activities related to this Agreement both as identified below and as requested by ADOH or HUD. The Recipient shall also provide to ADOH any additional written information requested by ADOH in a timely manner and within reasonable deadlines as shall be set by ADOH.

7.1 **Performance Report.** Recipient agrees to submit the ADOH *Performance Report* respective of the funding source indicated below and attached as Attachment B.

☐ **RENTAL Projects funded with HOME OR HTF.** Recipient must submit a

Bimonthly Progress Report attached hereto as **Attachment B.** The Bimonthly Progress Report must be submitted to ADOH on the 20th of January, March, May, July, September and November and address activities of the preceding two months, i.e., the January report covers the months of November and December.

☒ **All OTHER projects funded with HOME, HTF and CDBG.** Recipient must submit a *Quarterly Progress Report* attached hereto as **Attachment B.** The Quarterly Progress Report must be submitted to ADOH on the 15th of July, October, January and April and address activities of the preceding three months, i.e., the July report covers the months of April, May and June. Failure to submit timely Quarterly Progress Reports will result in suspension of payment reimbursement requests until such reports are brought current.

☐ **Special Needs Housing "homeless" funding from SPC or SHP.** ADOH is required to administer the program during the contract term, which is synonymous with the HUD grant term and as set forth in **Section 4.** Recipient shall submit one (1) ***HUD Annual Progress Report (APR) document No. 40118,*** attached hereto as **Attachment B** no later than 60 days following the contract termination date listed on Page 1 of the Agreement. Recipient shall enter information reported on the APR into the Homeless Management Information System (HMIS).

☐ **Special Needs Housing "homeless" funding HOPWA.** A Recipient of HOPWA awarded funding shall administer said program in the contract term as set forth in **Section 4** and submit one (1) ***HUD Annual Progress Report (APR) document No. 40110-C*** attached hereto as **Attachment B** no later than 60 days following the contract termination date listed on Page 1 of the **Agreement.**

☐ **HTF "Eviction Prevention / Emergency Housing/EPEH" funding.** ADOH shall administer said program in accordance with the dates listed in **Section 4.** Recipient shall submit monthly payment requests accompanied by ADOH generated ***Monthly report*** attached hereto as **Attachment B** and a bi-annual program narrative report.

☐ **NSP.** Specific reporting requirements for the NSP funding are attached to this Agreement as Attachment A, B & D.

7.2 Contract Closeout—Completion Reports and Post-Funding Audits. The Recipient's obligation to ADOH under this Agreement shall not end until all closeout requirements described in this paragraph are completed. ADOH will notify Recipient in writing that a **Completion Report** is due to ADOH within Sixty (60) days of one of the following occurrences:

(a) The funds have been expended;
(b) The Scope of Work has been completed;
(c) The contract period set forth in this Agreement has expired; or

(d) The Agreement has been otherwise terminated.

The Completion Report shall contain the information identified in the notice.

Following the receipt and approval of the Completion Report, ADOH will notify Recipient in writing that the Agreement is Administratively Closed.

After the project is administratively closed the recipient must submit all required audits to ADOH. All audits for fiscal years in which Recipient received funds from ADOH must be received, reviewed and found to be satisfactory by ADOH. In the event that ADOH determines that any project costs described in a post funding audit are unjustified or describe ineligible activities, the Recipient will be required to refund such monies back to ADOH.

Section 8. SCHEDULE OF COMPLETION

Recipient agrees to make progress with the ***Scope of Work*** in accordance with the ***Schedule of Completion*** hereby incorporated into this Agreement and described in **Attachment B.**

Revisions to the Schedule of Completion. Recipient agrees to follow the procedures indicated as marked below regarding changes to the Schedule of Completion.

☐ **RENTAL Projects funded with HOME OR HTF.** Recipient must notify ADOH of revisions to the ***Schedule of Completion*** using the ***Bimonthly Performance Report,*** attached hereto as **Attachment B.** To the extent that the changes cause the schedule timeline to be extended Recipient must submit a written request for a contract amendment to ADOH with a revised ***Schedule of Completion*** attached. Contract amendment requests must be received by ADOH a minimum of 30 days prior to the contract expiration date. ADOH will respond to the written request within 14 business days. Amendments may not be implemented until ADOH consents in writing and an amendment to the Agreement has been executed.

☒ **All OTHER projects funded with HOME, HTF and CDBG.** Recipient must notify ADOH of revisions to the ***Schedule of Completion*** using the ***Quarterly Performance Report,*** attached hereto as **Attachment B.** To the extent that the changes cause the schedule timeline to be extended Recipient must submit a written request for a contract amendment to ADOH with a revised ***Schedule of Completion*** attached. Contract amendment requests must be received by ADOH a minimum of 30 days prior to the contract expiration date. ADOH will respond to the written request within 14 business days. Amendments may not be implemented until ADOH consents in writing and an amendment to the Agreement has been executed.

☐ **Special Needs Housing "homeless" funding from SPC or SHP.** To the extent that the changes cause the schedule timeline to be extended Recipient must submit a written request for a contract amendment to ADOH with a revised ***Schedule of***

Completion attached. Contract amendment requests must be received by ADOH a minimum of 30 days prior to the contract expiration date. ADOH will respond to the written request within 14 business days. Amendments may not be implemented until ADOH consents in writing and an amendment to the Agreement has been executed.

☐ **HTF "Eviction Prevention/Emergency Housing/EPEH" funding.** To the extent that the changes cause the schedule timeline to be extended Recipient must submit a written request for a contract amendment to ADOH with a revised *Schedule of Completion* attached. Contract amendment requests must be received by ADOH a minimum of 30 days prior to the contract expiration date. ADOH will respond to the written request within 14 business days. Amendments may not be implemented until ADOH consents in writing and an amendment to the Agreement has been executed.

Section 9. BUDGET

Recipient agrees to use the funds provided pursuant to this Agreement in accordance with the **Budget** that is attached as **Attachment C.** Recipient further agrees that any project costs, unless otherwise specified, exceeding the Budget shall be the sole responsibility of Recipient.

Availability of funding under this Agreement is contingent on final review and approval of the Budget. Budgetary considerations for specific programs are described below:

☒ **CDBG Revisions to the Budget.** Recipient must obtain written approval from ADOH to move funds from one Budget Activity Line Item to another. The following substantial revisions to the **Budget** require a contract amendment:

(a) Funds are moved from one Budget Activity Line Item to another and the change in the Budget Activity Line from which it is moved or to which it is being moved exceeds 50%, unless the move is from administration to a non-administration activity, in which case only written notice without a contract amendment is required;
(b) Additional funding sources are added to the Project;
(c) Recipient is requesting a change to the grant terms.

☐ **HOME and HTF Revisions to the Budget.** Recipient must obtain prior written approval from ADOH to move funds from one Budget Activity Line Item to another. ADOH will only approve changes to the Budget for eligible costs as outlined in the State Housing Fund program. The following substantial revisions to the **Budget** require a contract amendment:

(a) Additional funding sources are added to the Project which required a project to be re-underwritten to determine gap;
(b) Recipient is requesting a change to the loan terms.

See Section 10 for changes that affect the Budget.

The Recipient shall not retain any funds that are drawn down in excess of immediate cash needs (to be utilized within 15 days of draw down) to cover subsequent requests for reimbursement, and must return them to ADOH within 30 days of receipt. The Recipient must also return to ADOH any interest that is earned on these funds that are drawn down and not expended for eligible costs within 15 days of draw down.

Section 10. AMENDMENTS AND MODIFICATIONS

ADOH may consent to amendment or modification of this Agreement upon written request of the Recipient. All amendments or modifications to this agreement shall be by mutual consent of the parties in writing.

Requests for amendments or modifications that result in changes to the Budget must be supported by a revised Budget that is otherwise consistent with Section 9.

ADOH will respond to the request for amendment or modification to the Agreement within 14 business days.

Section 11. ENVIRONMENTAL REVIEW CONDITIONS

In accordance with 24 CFR 50 and 24 CFR 58 (Environmental Review), the environmental effects of each activity carried out with Federal funds must be assessed. Local government entities are responsible for environmental reviews and requesting a release of funds from ADOH. Non-profits and other non-governmental entities are responsible for assisting ADOH with environmental review and ADOH then requests a release of funds from HUD. Completion of the Environmental Review Record (ERR) is mandatory before taking any physical action on a site or entering into contracts. Only exempt activities such as architecture, engineering and administration may be undertaken and reimbursed by ADOH prior to receiving a written release of funds. Exempt activities described in 24 CFR 58.34(a)(1)-(11) are activities that generally have no physical impact on the environment. If federal funds are involved in a project, neither federal nor non-federal funds may be expended or committed by contract (conditional or not) for property acquisition, rehabilitation, conversion, lease, repair or construction activities, until HUD or ADOH has provided written authorization based on approval of an ERR.

An option agreement (to purchase land) on a proposed site or property is allowable prior to the completion of the environmental review if the option agreement is contingent upon an ADOH or HUD authorization to use funds based on a completed ERR. The cost of the option must be a nominal portion of the purchase price.

Projects funded solely with Housing Trust Funds do not require an ERR but are required to meet the requirements of the State Historic Preservation Act by consulting with the State Historic Preservation Office (SHPO). For State Housing Funded projects Phase I Environmental Assessments are required to be completed on properties for which new

construction/change in use is proposed, regardless of whether Federal or State funds are the source of funding. Expenditures incurred or obligated by construction contract prior to ADOH's release of funds or consultation with SHPO will not be reimbursed by ADOH.

Recipients who had committed or expended non-Federal funds to begin a project before receiving the authorization from ADOH or HUD may still be eligible to use federal funds on the project under the following circumstances:

(a) Recipients started the project without the intention of using Federal assistance (e.g., as evidenced by other anticipated funding, the original project budget, etc.);

(b) All work on the project ceases once an application for federal funds is made and an ERR is begun on all activities, i.e., acquisition, construction, etc. ADOH or HUD provides authorization to proceed based on the completed ERR.

Section 12. APPLICATION AND OTHER PRE-AWARD COSTS

Recipient may use a portion of the funds provided hereunder to reimburse itself for exempt activities pursuant to 24 CFR 58.34(a)(1)-(11) such as architecture, engineering, testing and sampling of asbestos and capital needs assessments and environmental reviews.

☒ **CDBG.** If the Recipient is receiving funding under this Agreement from the CDBG program, in accordance with federal procedures, Recipient may use funds provided hereunder to reimburse it or to pay for costs incurred in preparing the application. In no event shall such compensation exceed 18 percent of the total funding provided to Recipient by ADOH.

Section 13. COMPENSATION AND METHOD OF PAYMENT

Subject to availability of and receipt of funds from the State's Unclaimed Property Fund (for state HTF funds) and/or the United States Treasury (for HOME, CDBG, SHP, SPC and HOPWA funds) and the commitment of other required funding as indicated in Recipient's application, ADOH agrees to reimburse or advance Recipient for authorized expenditures according to the ***Budget*** in **Attachment C.** Recipient must maintain invoices and other similar documentation to support payment expenses under those generally accepted accounting principles and procedures approved by ADOH and outlined in OMB Circulars A-87, A-122, and A-133, as applicable, and 24 CFR Parts 44, 84, 85, 92 and 570 as applicable.

Recipient may request funds only after the date of the executed Agreement and other legal documents as applicable, provided Recipient has satisfied ADOH funding contingencies and federal environmental review conditions. Requests for reimbursement must be made using the Arizona Department of Housing ***Request for Payment*** form hereby incorporated

into this Agreement and attached as **Attachment D**. For construction projects Release of Lien documents must be attached to the Request for Payment in amounts proportionate to contractor reimbursement requests.

Recipient must maintain proof of said expenditures including checks, payrolls, time records, invoices, contracts, vouchers, orders and other accounting documents evidencing in proper detail the nature and propriety of the respective charges as may be required by applicable federal rules and regulations, including requirements by the Federal Office of Management and Budget, and as may be otherwise reasonably required to permit ADOH to determine or confirm that any such expenditures are prudent and within the Scope of Work.

Recipient's right to incur expenses under Agreement shall cease upon expiration of Agreement. All requests for reimbursement on expenditures made prior to expiration of Agreement must be requested within 60-days after expiration. Unless expressly authorized by ADOH in writing, expenditures not requested within the 60-day period after expiration of Agreement shall be disallowed and all funds shall be reclaimed by ADOH.

Section 14. FUNDS RECOUPED BY THE RECIPIENT, INTEREST AND PROGRAM INCOME

14.1 Definitions. For purposes of this section the following definitions shall apply:

"Funds Recouped by the Recipient" means funds initially provided by ADOH to the Recipient under this Agreement and any matching contributions that are recouped by the Recipient when: (1) the funds provided by ADOH under this Agreement or matching contributions or the proceeds of funds provided by ADOH (including, but not limited to, equipment or housing) do not continue to be used for an approved purpose or eligible activity, as described in applicable law or regulations, for the full period of affordability required by this Agreement, or (2) when a State-assisted homeownership housing does not continue to be the principal residence of the assisted homebuyer for the full affordability period required by this Agreement. Funds Recouped by the Recipient are subject to all the requirements of Program Income described below with the exception that the Recipient shall not use Funds Recouped by the Recipient for administrative purposes. For this reason, the Recipient must separately account for all Funds Recouped by the Recipient.

"Interest" means any compensation paid or to be paid for the use or deposit of the funds provided by ADOH to the Recipient under this Agreement.

"Program Income" means gross income received by the Recipient directly generated from the use of funds provided by ADOH under this Agreement. When Program Income is generated by housing that is only partially assisted with funds provided by ADOH under this Agreement or matching contributions, the income shall be prorated to reflect the percentage of funds provided by ADOH under this Agreement. Program Income includes, but is not limited to, the following: (1) proceeds from the disposition by sale or long-term lease of real property purchased or improved with funds provided by ADOH under this Agreement; (2) gross income from the use or rental of real or personal property acquired by the Recipient with funds provided by ADOH under this Agreement, less costs incidental to

generation of the income; (3) payments of principal and interest on loans made using funds provided by ADOH under this Agreement or matching contributions; (4) proceeds from the sale of loans made with funds provided by ADOH under this Agreement or matching contributions; (5) proceeds from sale of obligations secured by loans made with funds provided by ADOH under this Agreement or matching contributions; (6) Interest earned on Program Income pending its disposition; (7) proceeds from the disposition of equipment purchased with CDBG funds; (8) gross income from the use or rental of real property, owned by the Recipient, that was constructed or improved with funds provided by ADOH under this Agreement, less costs incidental to generation of the income; (9) if the funds provided by ADOH under this Agreement are from the CDBG Program, funds collected through special assessments made against properties owned and occupied by households not of low and moderate income, where the assessments are used to recover all or part of the CDBG portion of a public improvement; and (10) if the funds provided by ADOH under this Agreement are from the HOME Program, any other interest or return on the investment permitted under 24 C.F.R. Part 92.205(b) of HOME funds or matching contributions.

14.2 Use of Program Income and Funds Recouped by the Recipient.

The Recipient is not authorized by ADOH to retain and reuse Program Income, Funds Recouped by the Recipient or accrued Interest as described in the following paragraph(s) except as authorized by ADOH through a written agreement.

The Recipient must return all Program Income, Funds Recouped by the Recipient, and Interest to ADOH within 30 days of receipt.

The Recipient must remit to ADOH any Program Income, Funds Recouped by the Recipient or Interest on hand at the time of expiration, cancellation, or termination of this Agreement or subsequently received by Recipient within **30 days** of receipt by Recipient.

Section 15. DEOBLIGATION, RECAPTURE AND REPAYMENT OF FUNDS

15.1 De-obligation. ADOH may reduce funds from the funding award evidenced by this Agreement without regard to the source of funding, under the following circumstances: (1) the Recipient has completed performance under the ***Scope of Work* (Attachment A)** without using all of the funds provided by ADOH under this Agreement; (2) this Agreement expires and not all funds have been expended; (3) ADOH's original allocation was a loan and Recipient or Sub-recipient paid the loan; (4) the Recipient, with the consent of ADOH, cancelled or changed an activity required under the ***Scope of Work*** for reasons other than non-performance; or (5) the Recipient receives Program Income that has not been included in the budget or set forth in the ***Scope of Work;*** and (6) this Agreement has otherwise been terminated. ADOH may de-obligate funds under this Agreement under the foregoing circumstances upon written notice to the Recipient.

15.2 Reallocation of De-obligated HOME or State HTF Funds. If the funds provided by ADOH under this Agreement are from the State HTF or the HOME Program,

ADOH may reallocate funds that it has de-obligated under this Agreement as it determines in its sole discretion.

15.3 Reallocation of De-obligated CDBG Funds. If the funds provided by ADOH under this Agreement are from the CDBG Program, ADOH may reallocate funds that it has de-obligated under this Agreement to the Recipient from which the funds were de-obligated for use under an existing or new funding contract of the same funding year if the Recipient can immediately commit the reallocated funds to a project and execute a new or amended funding contract within sixty (60) calendar days of the reallocation. If ADOH is not able to reallocate funds that it has de-obligated under this Agreement in accord with the foregoing sentence of this subsection, ADOH may reallocate those funds as it determines in its sole discretion.

15.4 Recapture. ADOH may reduce funds from the amount of the funding award evidenced by this Agreement, without regard to the source of funding, under the following circumstances: (1) ADOH determines that the Recipient has failed to use the funds provided by ADOH under this Agreement in compliance with the terms of this Agreement or the requirements of applicable laws and regulations (non-compliance); or (2) the Recipient fails to perform in accordance with the performance obligations set forth in the ***Scope of Work*** (**Attachment A**) and the ***Schedule of Completion*** (**Attachment B**) or the terms of this Agreement. ADOH may recapture funds under this Agreement under the foregoing circumstances upon written notice to the Recipient.

15.5 Reallocation of Recaptured Funds. ADOH may reallocate funds that it has recaptured under this Agreement, without regard to the source of funding, as it determines in its sole discretion.

15.6 Repayment of Funds. Recipient agrees to repay funds provided under this contract if ADOH determines that the Recipient has failed to use the funds provided by ADOH under this Agreement in compliance with the terms of this Agreement or the requirements of applicable laws and regulations. ADOH may specify in writing the terms of the repayment or alternative terms in lieu of repayment however in no case shall repayment or alternative terms be accomplished later than One Hundred Eighty (180) days following the written determination of non-compliance by ADOH.

Section 16. REVERSION OF ASSETS

16.1 Funds Remaining at Expiration. Upon expiration of this Agreement, the Recipient shall transfer to ADOH any unexpended funds advanced to Recipient by ADOH under this Agreement.

16.2 Real Property Acquired or Improved with CDBG Funds. Upon expiration of this Agreement, any real property under the Recipient's control that was acquired or improved in whole or in part with CDBG funds, for non-owner occupied use, provided to Recipient by ADOH under this Agreement (including CDBG funds provided to the

Recipient in the form of a loan) in excess of $25,000, shall either: (1) be used to meet one of the national objectives in 24 CFR Part 570.208 until five years after expiration of this Agreement, or for such longer period of time as determined to be appropriate by the Recipient; or (2) not be used in accordance with 24CFR Part 570.503(b)(8)(i), in which event the Recipient shall pay to ADOH an amount equal to the current market value of the property less any portion of the value attributable to expenditures of non-CDBG funds for the acquisition of, or improvement to, the property. No payment is required after the period of time specified in 24CFR Part 570.503 (b)(8)(i).

16.3 Real Property Acquired or Improved with HOME Funds. Upon expiration of this Agreement, any real property under the Recipient's control that was acquired or improved in whole or in part with HOME funds, for non-owner occupied uses, provided to Recipient by ADOH under this Agreement (including funds provided to the Recipient in the form of a loan), must be occupied only by households that are eligible as low-income families and must meet the requirements to qualify as affordable housing and is subject to encumbrances and obligations described in any applicable Declaration of Conditions, Covenants, and Restrictions ("CC&Rs") for the period of affordability set forth in 24 CFR Part 92.252.

16.4 Real Property Acquired or Improved With State Housing Trust Funds. Upon expiration of this Agreement, any real property under the Recipient's control that was acquired or improved in whole or in part with state HTF funds, for non-owner occupied uses, provided to Recipient by ADOH under this Agreement (including funds provided to the Recipient in the form of a loan), must be occupied only by households that are eligible as low-income families and must meet the requirements to qualify as affordable housing and is subject to encumbrances and obligations described in any applicable Declaration of CC&Rs for the period of affordability set forth in the CC&Rs.

Section 17. DEPARTMENT OF HOUSING RESPONSIBILITIES

ADOH shall monitor and evaluate the Recipient to determine compliance with and performance under this Agreement. A summary of discrepancies noted by ADOH during monitoring visits will be specified in writing. Appropriate time for correction of discrepancies will be specified in the written report to the Recipient. ADOH shall follow up on discrepancies to ensure that they have been corrected in a timely manner. The failure of ADOH to require timely performance of any provision of this Agreement shall in no way affect the right of ADOH thereafter to enforce such provision nor shall the waiver of any succeeding breach of such provision act as waiver of the provision itself.

ADOH shall provide reasonable technical assistance to assist the Recipient to comply with program requirements for the provision of services under this Agreement. However, this in no way relieves the Recipient of full responsibility for its acts or omissions in the performance of activities required by this Agreement.

Section 18. SUBCONTRACTING

Recipient shall not disburse any funds received under this Agreement without fully completed written agreements with subcontractors requiring they follow all provisions of this Agreement and a completed Environmental Review pursuant to **Section 11** of the Agreement.

The use of subcontractors does not relieve Recipient of responsibility for ensuring the administration of the provided funds in accordance with all applicable program requirements. Recipient is responsible for determining the adequacy of performance under subcontractor agreements and procurement contracts and for taking appropriate action when performance issues arise.

Section 19. FAILURE TO MAKE PROGRESS

Failure of Recipient to make progress according to the **Schedule of Completion,** attached hereto as **Attachment B** may result in contract termination, deobligation of funds or recapture of funds. Recipient agrees to meet with ADOH at the site in which the funded activity is taking place to discuss progress and allow ADOH to provide technical assistance if:

(a) The Recipient fails to begin work on its Environmental Review pursuant to **Section 11** within the sixty (60) calendar days from the date ADOH executes the Agreement;

(b) The Recipient fails to expend any funds in performance of and in accordance with the terms of this Agreement within ninety (90) calendar days from the inception date of this Agreement.

ADOH will terminate any Agreement and recapture funds from the same Agreement in which the Recipient does not commence any of the activities described in the ***Scope of Work*** **(Attachment A)** or fails to expend any funds in accordance with the ***Budget*** **(Attachment C)** within One hundred eighty (180) calendar days from the full execution date of this Agreement. ADOH may in its sole discretion, forgo providing technical assistance and recapture funds as outlined in this Agreement under **Section 15.4** hereof and/or terminate this Agreement for cause pursuant to **Section 20** of this Agreement.

Section 20. TERMINATION FOR CAUSE

ADOH may terminate this Agreement in whole or in part at any time whenever it determines that Recipient has failed to comply with the conditions hereof including, but not limited to the **Scope of Work** set forth in **Attachment A, Schedule of Completion** set forth in **Attachment B** and **Budget** set forth in **Attachment C** to this Agreement. If ADOH so determines, it shall notify Recipient in writing by certified mail, return receipt requested, of such termination for cause with such notification to include the reason(s) for the termination and the effective date of termination. If ADOH terminates the Agreement pursuant to this Section, ADOH shall recapture all funds allocated to the Recipient under this Agreement pursuant to **Section 15.4** hereof and obtain repayment of funds expended pursuant to **Section 15.6,** hereof.

Section 21. TERMINATION FOR CONVENIENCE

ADOH or Recipient may terminate this Agreement in whole or part (one or more activities) if either Party believes that continuation will not produce beneficial results. If ADOH so determines, it shall notify Recipient in writing by certified mail, return receipt requested, of such termination for convenience and the effective date of termination. If Recipient so determines, it shall notify ADOH in writing by certified mail, return receipt requested, of such termination for convenience and the effective date of termination. If ADOH terminates the Agreement pursuant to this Section, ADOH shall de-obligate, recapture or receive repayment, as applicable, all funds allocated to the Recipient under this Agreement pursuant to **Section 15** hereof.

Section 22. ENFORCEMENT

22.1 Remedies for Noncompliance. If a Recipient materially fails to comply with any term of this Agreement or applicable law, ADOH may take one or more of the following actions, as appropriate in the circumstances:

(a) Temporarily withhold cash payments pending correction of the deficiency by the Recipient or more severe enforcement action by the awarding agency,

(b) Disallow (that is, deny both use of funds and matching credit for) all or part of the cost of the activity or action not in compliance,

(c) Wholly or partly suspend or terminate the award evidenced by this Agreement,

(d) Withhold further awards to the Recipient's project funded by the award evidenced by this Agreement,

(e) Recapture funds and terminate contract,

(f) Withhold future ADOH grant awards from all sources, or

(g) Take other remedies that may be legally available.

22.2 Appealable Agency Action. Enforcement action taken under this section is an appealable agency action pursuant to A.R.S., Title 41, Chapter 6, Article 10.

22.3 Effects of suspension and termination. Costs incurred by Recipient resulting from obligations incurred by the Recipient during a suspension or after termination of an award are not allowable unless ADOH expressly authorizes them in the notice of suspension or termination or subsequently.

22.4 Relationship to debarment and suspension. The enforcement remedies identified in this section, including suspension and termination, do not preclude Recipient from being subject to "Debarment and Suspension" under the United States President's Executive Order 12549.

Section 23. CANCELLATION

Pursuant to A.R.S. § 38-511, ADOH may, within three years after its execution, cancel this Agreement, without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the Agreement on behalf of ADOH is, at any time while the Agreement or any extension of the Agreement is in effect, be an employee or agent of any other party to the Agreement in any capacity or a consultant to any party of the Agreement with respect to the subject matter of the contract. A cancellation notice made pursuant to this provision shall be effective when the Recipient receives written notice of the cancellation unless the notice specifies a later time.

Section 24. RECORDS RETENTION

Pursuant to A.R.S. § 35-214, Recipient shall retain and require that its subcontractors retain, for inspection and audit by ADOH, all books, accounts, reports, files, including information regarding actual beneficiaries of the fund, and other records relating to the bidding and performance of this Agreement for a period of five (5) years following the date of the letter informing Recipient of the Administrative Closeout or termination.

Upon request by ADOH, Recipient shall produce a legible copy of all such records at the Administrative Office of ADOH or at the Office of the Auditor General. The original records shall be available and produced for inspection and audit when required by ADOH or the Auditor General.

Recipient shall maintain records that adequately identify the source and application of the funds provided under this Agreement (including Program Income and Recaptured Funds) as part of the financial transactions of their funding program, consistent with generally accepted accounting principles and the requirements of 24 CFR Part 85.20. Recipient will provide reports regarding the capture and reuse of Program Income and Recaptured Funds as requested by ADOH from time to time.

In addition, in the event that the project resulted in Recipient holding any liens or notes as a result of this funding, Recipient must retain all pertinent records for five (5) years beyond the expiration or release of such liens or notes.

Section 25. NO OBLIGATION OF STATE GENERAL APPROPRIATIONS FUNDS

Nothing herein shall be construed as obligating state general appropriation funds, excepting HTF funds, for payment of any debt or liability of any nature arising hereunder. The parties expressly recognize that all payments to be made by ADOH are from federal funds and HTF funds made available to ADOH for this purpose.

Section 26. AVAILABILITY OF FUNDS

Payments under this Agreement are subject to the availability of the federal funds provided to the Arizona Department of Housing for the HOME and CDBG programs and

the availability of state funds provided for the state HTF Program. Every payment obligation of ADOH under this Agreement is conditioned upon the availability of funds appropriated or allocated for the payment of such obligation. If funds are not allocated and available for the continuance of this Agreement, this Agreement may be terminated by ADOH at the end of the period for which funds are available. No liability shall accrue to ADOH in the event this provision is exercised, and ADOH shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.

Section 27. APPLICABLE LAW AND ARBITRATION

This Agreement shall be governed and interpreted by the laws of the State of Arizona. The parties to this Agreement agree to resolve all disputes arising out of or relating to this Agreement through arbitration, after exhausting applicable administrative review, to the extent required by A.R.S. § 12-1518 except as may be required by other applicable statutes.

Section 28. INDEMNIFICATION

Recipient shall indemnify, defend, and save harmless ADOH, the State of Arizona and its agents, officials, and employees from any and all claims, demands, suits, actions, proceedings, loss, costs, and damages of every kind and description, including any attorney's fees and litigation expenses, which may be brought or made against or incurred by the State on account of loss of or damage to any property or for injuries to or death of any person, caused by, arising out of or contributed to, in whole or in part, by reasons of any alleged act, omission, professional error, fault, mistake, or negligence of Recipient, its employees, agents, representatives, or subcontractors, their employees, agents, or representatives in connection with or incidental to the performance of the Agreement, or arising out of Workmen's Compensation claims, Unemployment Compensation claims, or Unemployment Disability Compensation claims of employees of Recipient or its subcontractors or claims under similar such laws or obligations. Recipient's obligation under this section shall not extend to any liability caused by the sole negligence of ADOH, the State or Arizona, or its employees.

Section 29. FEDERAL GOVERNMENT LIABILITY

It is agreed by all parties that the Federal Government and particularly the U.S. Department of Housing and Urban Development is not a party to this Agreement, and that no legal liability on the part of the Federal Government is inferred or implied under the terms of this Agreement.

Section 30. AUDIT

If federal funds are paid to Recipient through this Agreement, Recipient shall comply with the audit requirements set forth in 24 CFR Part 84. Recipient shall comply with A.R.S. § 35-181.03 if any state funds are paid through this Agreement. Recipient agrees to rectify issues identified in audits within ADOH prescribed time periods. Failure to comply

shall result in withholding of all present and future ADOH provided funds.

Section 31. AUDIT EXCEPTIONS

If federal or state audit exceptions are made relating to this Agreement, Recipient shall reimburse all costs incurred by the State of Arizona and ADOH associated with defending against the audit exception or performing an audit or follow-up audit including but not limited to: audit fees, court costs, attorneys' fees based upon a reasonable hourly amount for attorneys in the community, travel costs, penalty assessments, and all other costs of whatever nature.

Immediately upon notification from ADOH, Recipient shall reimburse the amount of the audit exception and any other related costs directly to ADOH as specified by ADOH in the notification.

Section 32. UNALLOWABLE USE OF FUNDS

Recipient, its officers, employees and agents, shall not utilize any of the federal funds or HTF provided under this Agreement to solicit or influence, or attempt to solicit or influence, directly or indirectly, any member of Congress regarding pending or prospective legislation.

Section 33. INTEREST OF MEMBERS OF DEPARTMENT OF HOUSING AND OTHERS

No officer or employee of ADOH and no public official, employee or member of the governing body of Recipient who exercises any functions or responsibilities in review or approval of the undertaking or carrying out of the Agreement shall participate in any decision relating to this Agreement which affects their personal interest or the interest of any corporation, partnership, or association in which they are directly or indirectly interested, or have any interest, direct or indirect, in this Agreement or its proceeds.

Section 34. ACCESS TO RECORDS, PARTICIPANTS AND STAFF

Recipient agrees to provide ADOH and its representatives access at any reasonable time to all participants and staff involved in this Agreement and to all records and reports involving this Agreement.

Section 35. IDENTIFICATION OF DOCUMENTS

All materials used for public outreach and for informational purposes as a part of this Agreement, other than documents exclusively for internal use by ADOH, shall identify the source of federal (CDBG, HOME, SHP, SPC, HOPWA) or state (HTF) funds used is part of this Agreement as well as acknowledgement of support from ADOH.

Section 36. COPYRIGHT

Reports, maps or other documents produced in whole or in part under this Agreement are works for hire and shall not be the subject of any application for copyright by or on behalf of Recipient by any employee or subcontractor of Recipient. Recipient shall advise ADOH or its designee at the time of delivery of any copyrighted or copyrightable work furnished under this Agreement, or any adversely held copyrighted or copyrightable material incorporated in any such work and of any invasion of the right of privacy therein contained.

Section 37. RIGHTS IN DATA

ADOH may duplicate, use and disclose in any manner and for any purpose whatsoever, within the limits established by federal and state laws and regulations, all information relating to this Agreement.

Section 38. FUNDING CONDITIONS

ADOH will make the funding assistance available to the Recipient upon execution of this Agreement by the parties. The obligation and utilization of the funding assistance provided through this Agreement are subject to the proper observation of the requirements incorporated by reference. The Recipient shall require any subcontracting entities to observe and follow all provisions of this Agreement.

Section 39. NON-DISCRIMINATION

(a) Recipient shall comply with A.R.S. § 41-1463 and Executive Orders 99-4 and 2009-09, which prohibit Recipient from discriminating against persons, or depriving or tending to deprive any individual of employment opportunities or otherwise adversely affecting the individual's status as an employee on the basis of race, color, religion, sex, age, national origin, disability or political affiliation and require Recipient to take action to ensure that applicants are employed and that employees are treated during employment without regard to race, color, religion, sex, age, national origin, disability, or political affiliation. Recipient shall comply with all of the other requirements of Executive Order 2009-09.

(b) Recipient agrees to comply with Title VII of the Civil Rights Act of 1964, as amended. Recipient shall also comply with applicable federal regulations that prohibit discrimination in the employment or advancement in employment of qualified persons because of physical or mental handicap. Recipient shall comply with all applicable federal regulations regarding equal employment opportunity and relevant orders issued by the U.S. Secretary of Labor. Recipient agrees to comply, and will require any subcontractor(s) to comply with applicable Federal nondiscrimination

requirements, which may include: Omnibus Crime Control and Safe Streets Act (Safe Streets Act) of 1968 (42 U.S.C. §3789d); the Victims of Crime Act (42 U.S.C. §10604(e)); the Juvenile Justice and Delinquency Prevention Act of 2002 (42 U.S.C. §5672(b)); the Civil Rights Act of 1964 (42 U.S.C. §2000d); Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. §794); Title II of the Americans with Disabilities Act of 1990 (42 U.S.C. §§12132); Title IX of the Education Amendments of 1972 (20 U.S.C. §1681); the Age Discrimination Act of 1975 (42 U.S.C. §6102); 28 C.F.R. pt. 35 (DOJ Regulations- Nondiscrimination on the Basis of Disability in State and Local Government Services); 28 C.F.R. pt. 42 (DOJ Regulations- Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Executive Order 13279 (equal protection of the laws for faith-based and community organizations); and 28 C.F.R. pt. 38 (DOJ Regulations- Equal Treatment for Faith-Based Organizations).

Section 40. THIRD PARTY ANTITRUST VIOLATIONS

Recipient assigns to the State of Arizona any claim for overcharges resulting from antitrust violations to the extent that such violations concern materials or services supplied by third parties to the Recipient toward fulfillment of this Agreement.

Section 41. SCRUTINIZED BUSINESS OPERATIONS

Pursuant to A.R.S. § 35-391.06 and 35-393.06, the Recipient certifies that it does not have a scrutinized business operation in Sudan or Iran. For the purpose of this Section the term "scrutinized business operations" shall have the meanings set forth in A.R.S. § 35-391 or and 35-393, as applicable. If the State of Arizona or the Department determines that the Recipient submitted a false certification, the Department may impose remedies as provided by law including cancellation or termination of this Agreement.

Section 42. COMPLIANCE REQUIREMENTS FOR A.R.S. § 41-4401—IMMIGRATION LAWS AND E-VERIFY REQUIREMENT

(a) The Recipient warrants compliance with all Federal immigration laws and regulations relating to employees and warrants its compliance with Section A.R.S. § 23-214, Subsection A. (That subsection reads: "After December 31, 2007, every employer, after hiring an employee, shall verify the employment eligibility of the employee through the E-Verify program.)

(b) A breach of a warranty regarding compliance with immigration laws and regulations shall be deemed a material breach of the contract and the Recipient may be subject to penalties up to and including termination of the Agreement.

(c) The Department retains the legal right to inspect the papers of any employee who works on the Agreement to ensure that the Recipient or Recipient's subcontractor is complying with the warranty under paragraph (a).

Section 43. INSURANCE

During the contract period, Recipient shall purchase and maintain in full force the following insurance. All certifications of insurance must provide for a thirty (30) day notice to ADOH of cancellation, non-renewal, or material change. Proof of Insurance from the Recipient shall be provided to ADOH prior to execution of this contract and periodic certifications must be furnished at the request of the Program Specialist.

The Recipient and its Subcontractor, at Recipients' and Subcontractors' own expense, shall purchase and maintain the herein stipulated minimum insurance with companies duly licensed, possessing a current A.M. Best, Inc. Rating of A-, 7, local government insurance pools formed pursuant to ARS 11-952.01 or other as approved by ADOH, and licensed in the State of Arizona with policies and forms satisfactory to ADOH.

All insurance required herein shall be maintained in full force and effect until all work or service required to be performed under the terms of the Agreement is completed satisfactorily and formally accepted; failure to do so may, at the sole discretion of ADOH, constitute a material breach of this Agreement.

The Recipient's insurance shall be primary insurance as respects ADOH, and any insurance or self-insurance maintained by ADOH shall not contribute to it.

Recipient shall not fail to comply with the claim reporting provisions of the insurance policies or cause any breach of an insurance policy warranty, which would affect coverage afforded under insurance policies to protect ADOH.
The insurance policies, except Worker's Compensation, shall contain a waiver of transfer of rights of recovery (subrogation) against ADOH, its agents, representatives, directors, officers, and employees for any claims arising out of the Recipient's acts, errors, mistakes, omissions, work or service.

The insurance policies may provide coverage, which contain deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall not be applicable with respect to the coverage provided to ADOH under such policies. The Recipient shall be solely responsible for the deductible and/or self-insured retention, and ADOH, at its option, may require the Recipient to secure payment of such deductibles or self-insured retentions by a Surety Bond or an irrevocable and unconditional letter of credit.

ADOH 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. ADOH shall not be obligated, however, to review same or to advise Recipient of any deficiencies in such

policies and endorsements, and such receipt shall not relieve Recipient from, or be deemed a waiver of ADOH's right to insist on, strict fulfillment of Recipient's obligations under this Agreement.

The insurance policies, except Worker's Compensation and Professional Liability, required by this Agreement, shall name ADOH, its agents, representatives, officers, directors, officials and employees as additionally insured.

43.1 Required Coverage

Commercial General Liability. Recipients shall maintain Commercial General Liability insurance with a limit of not less than $1,000,000 for each occurrence with a $2,000,000 Products/Completed Operations Aggregate and a $2,000,000 General Aggregate Limit. The Policy shall include coverage for bodily injury, broad form property damage, personal injury, products and completed operations and blanket contractual coverage. Coverage will be at least as broad as Insurance Service Office, Inc. Policy Form CG 00011093 or any replacements thereof.

Such policy shall contain a severability of interest provision and shall not contain a sunset provision or commutation clause, nor any provision that would serve to limit third party action over claims. The Commercial General Liability additional insured endorsement shall be at least as broad as the Insurance Service Office, Inc. Additional Insured, Form B, CG 20101185, and shall include coverage for Recipient's operations and products and completed operations.

Automobile Liability. Recipient 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 the Recipient's any auto, all owned autos, scheduled autos, hired autos, non-owned autos assigned to or used in performance of the Recipient's work. Coverage will be at least as broad as coverage code 1, "any auto", (Insurance Service Office, Inc. Policy Form CA 00011293, or any replacements thereof).

Worker's Compensation. The Recipient shall carry Worker's Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Recipient's employees engaged in the performance of the work or services; and Employer's Liability insurance of not less than $100,000 for each accident, $100,000 disease for each employee, and $500,000 disease policy limit.

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

43.2 Certificates of Insurance

Prior to commencing work or services under this Agreement, Recipient shall furnish ADOH with Certificates of Insurance, or formal endorsements as required by the Agreement, issued by Recipient's insurer(s), as evidence that policies providing the required coverage, conditions and limits required by this Agreement are in full force and effect.

In the event any insurance policy(s) required by this contract is (are) written on a "claims made" basis, coverage shall extend for two years past completion and acceptance of the Recipient's work or services and as evidenced by annual Certificates of Insurance.

If a policy does expire during the life of the Agreement, a renewal certificate must be sent to ADOH fifteen (15) days prior to the expiration date.

43.3 Cancellation and Expiration Notice

Insurance required herein shall not expire, be canceled, or materially changed without thirty (30) days written notice to ADOH.

Section 44. PRIVACY CONSIDERATIONS

Recipients of federal funds (for the purpose of this section "federal funds" means funding from the CDBG, HOME, HOPWA, SHP, SPC, and NSP programs; *see* Section 1, above) from ADOH warrant and represent that commencing from the effective date of this Agreement and until the latest expiration or termination date of any promissory note, deed of trust, declaration, or other agreement that secures the federal funds that are the subject of this Agreement, the Recipient and the Recipient's contractors shall comply with the requirements of the federal Privacy Act, 5 U.S.C. § 552a. Recipient warrants and represents that it has read and understands the requirements of the federal Privacy Act and requires the same of its contractors and subcontractors.

Section 45. NOTICES

When routine reports or correspondence is required to be sent to ADOH it shall be addressed to Arizona Department of Housing, to the attention of the assigned Program Specialist at 1110 West Washington Street, Suite 310, Phoenix, AZ 85007. Notices or correspondence regarding material changes to the contract or requests for amendment shall be addressed to the same. All correspondence regarding this Agreement must be identified by its ADOH Agreement number (which is located on the top left hand corner of the first page of this Agreement).

When notice or correspondence is required to be sent to the Recipient, it shall be addressed to:

GILA COUNTY
Entity
MALISSA BUZAN, HOUSING SERVICES MANAGER
Attention (if applicable)
5515 SOUTH APACHE AVENUE, SUITE 200
Mailing Address
GLOBE, ARIZONA 85501-4430
City State Zip

Section 46. REGISTRATION WITH SOCIAL SERVE

For new construction or rehabilitation of rental projects, recipient agrees to register the project with *socialserve.com* and keep the project listed with *socialserve.com* for the duration of the period of affordability as indicated in the Conditions, Covenants and Restrictions.

Section 47. ADOH SIGNAGE

For new construction and rehabilitation projects, Recipients must erect a sign at the project site indicating that the project is funded through the Arizona Department of Housing and indicate the sources of funds. The sign must be a minimum size of 24 inches high by 36 inches wide, include a minimum 5-inch high ADOH logo and text printed at a minimum 72 point font. An individual ADOH sign does not have to be provided if Recipient incorporates ADOH information into a larger group sign.

Section 48. PHOTOGRAPHS

For new construction and rehabilitation projects, Recipients are required to provide to ADOH before and after photographs of the project in digital or film format.

AGREED, effective as of the later date of the signatures of the duly authorized representatives subscribed below:

THE STATE OF ARIZONA,
ARIZONA DEPARTMENT OF HOUSING

BY: _____

Michael Trailor
Director

DATE: _____

GILA COUNTY, RECIPIENT

BY: _____

Tommie C. Martin
TITLE: Chairman, Gila County Board of Supervisors

DATE: _____

Approved as to form:

_____
Bryan B. Chambers,
Chief Deputy County Attorney

Date: _____

Attachment A

SCOPE OF WORK

Activity #1 - Administration **$21,639 CDBG**

To carry out required actions in the administration of all activities funded from the **FY 2011 CAAG Regional Account for Gila County.** Actions are to include requisite record keeping, reporting, monitoring and all other actions necessary to ensure compliance with CDBG Program requirements as identified in the 24 CFR 570.500 –570.614 and current Arizona Department of Housing Handbooks.

Activity #2 –Owner Occupied Housing Rehab **$98,579 CDBG**

To use CDBG funds for single family owner occupied housing rehab. The activity will be conducted within Gila County boundaries excluding Indian Reservations. The project will rehab 3 units. Qualified homeowners (at 80% or below AMI) will be selected from a Gila County Housing Rehab waiting list, on a first come first served basis. The homeowner will receive the help in the form of a forgivable, non-interest bearing deferred payment loan. All rehab services provided will be completed by in-house staff, and all construction services will be completed by licensed and insured general contractors.

This activity will meet the Low Moderate Income Benefit National Objective (LMH) and will benefit approximately 6 people. 100% are considered low to moderate income.

HUD Performance Measures

Objective: Decent Housing

Outcome: Accessibility/Affordability

Indicator(s): Number of units brought to standard condition

Data Collection Methodology:

1) Activity logs that show units and households assisted,
2) Surveys that show customer satisfaction

HOUSING PERFORMANCE REPORT

ATTACHMENT B

Recipient _____ **Report Period** **Year** _____

Contract # _____ ☐October ☐January ☐April ☐July

APPLICANT/BENEFICIARY DATA

☐**Homeownership Activity**
Homeownership activities are deemed completed when the mortgage closing has taken place. Homeownership counseling activities are deemed complete when the persons have completed all required counseling sessions.

☐**Housing - New Construction Activity**
New construction activities are deemed completed when construction is complete, final payment has been issued to all contractors and a certificate of occupancy has been issued.

☐**Rehabilitation Activity** ***(including wells/septic installations for individual households; replacement of manufactured homes (mobile homes); private sewer/water hookups and meters)***
Housing rehabilitation activities are deemed complete when the rehabilitation of the unit is complete, the release of liens is signed and final payments have been issued to all contractors.

RACIAL CATEGORIES (HUD DESIGNATED)	TOTAL NUMBER OF ELIGIBLE APPLICANTS **		TOTAL HOUSEHOLDS BENEFITING***		TOTAL PERSONS BENEFITING***	
	RACIAL GROUP	*HISPANIC	RACIAL GROUP	*HISPANIC	RACIAL GROUP	* HISPANIC
WHITE						
BLACK/AFRICAN AMERICAN						
ASIAN						
AMERICAN INDIAN/ALASKAN NATIVE						
NATIVE HAWAIIAN/OTHER PACIFIC ISLANDER						
AMERICAN INDIAN/ALASKAN NATIVE AND WHITE						
ASIAN AND WHITE						
BLACK/AFRICAN AMERICAN AND WHITE						
AMERICAN INDIAN/ALASKAN NATIVE & BLACK/AFRICAN AMERICAN						
OTHER MULTI-RACIAL						
TOTALS						

*Hispanic HUD has designated Hispanic as an ethnic group. A household or person can be identified as both a member of a racial group and an ethnic group.

** Applicant A person/household who has applied for and has been determined to be eligible to receive assistance based on the requirements specific to that program regarding income, location of home, type of home, type of rehab needed, age, family size, etc. or a person/household who has applied for a specific public service. The "applicant" may or may not receive a benefit, depending on the length of the program and the availability of funds. If multiple persons apply for housing or public services under one household application form, only one person can be deemed "applicant" and thus determines the race and ethnicity of the household. This determination can be made by the recipient.

Benefiting A household/person that meets the eligibility requirements of the program ***and has actually received the benefit, e.g. received a rehab loan/grant, homeownership assistance or public service being offered.

Complete chart below to show how many of the total number of households/persons benefiting were in these categories:

OTHER BENEFICIARY DATA		
TOTAL NUMBER BENEFITING:	HOUSEHOLDS BENEFITING***	PERSONS BENEFITING***
FEMALE HEAD OF HOUSEHOLDS		
ELDERLY		
DISABLED		

Part III. Financial Activity & Demographic Information

Contract #:

IDIS #	Name	Address, Zip Code +4	* Lead Abate?	Amount Expended ($)	After Rehab Value ($)	Project Completion Date (mm/dd/yy)	# of Bedrooms	Gross Monthly Income ($)	* HH% of Area Median Income	* Race of HH	Persons in HH (#)	* Head of Household	* HH Type	Hispanic (Y/N)

Total # of Units Set Up	NA
Total # of Units Completed	NA
Total Amount of CDBG Funds Expended.	$0.00
Total # of Units.	

*** Demographic Codes**

Race of HH	HH Type (Select ALL that apply)	HH % of Area Median Income	Head of Household	Lead Abatement?
11- White 12- Black/African American 13- Asian	1- Single, Non-Elderly	1- 0 to 30%	M - Male	Y - Yes
14- American Indian or Alaskan Native	2- Elderly (62+)	2- 31 to 50%	F - Female	N - No
15- Native Hawaiian or other Pacific Islander	3- Single Parent	3- 51 to 60%		
16- American Indian or Alaskan Native & White	4- Two parent	4- 61 to 80%		
17- Asian & White 18- African American & White	5- Not Related			
19- American Indian or Alaskan Native & Black	6- Female Head of House			
20- Other Multi-racial	7- Disabled			

FOR HOUSING TRUST FUND PROGRAM USE ONLY: On Site M

Contract Closed ___ Date: _____ **ADOH Signatur**

*** Demographic Codes**

Race of HH	HH Type (Select ALL that apply)	HH % of Area Median Income	Head of Household	Lead Abatement?
11- White 12- Black/African American 13- Asian	1- Single, Non-Elderly	1- 0 to 30%	M - Male	Y - Yes
14- American Indian or Alaskan Native	2- Elderly (62+)	2- 31 to 50%	F - Female	N - No
15- Native Hawaiian or other Pacific Islander	3- Single Parent	3- 51 to 60%		
16- American Indian or Alaskan Native & White	4- Two parent	4- 61 to 80%		
17- Asian & White 18- African American & White	5- Not Related			

ARIZONA DEPARTMENT OF HOUSING

CDBG

Attachment C

Budget

Recipient	Gila County			Date	
Contract No./File No.	152-12	Contract Period: 3/1/12 to 3/30/14		Revision No.	
Activity	OOHR				
Recipient Address	5515 S Apache Ave Suite 200			City	Globe
Contact Person	Malissa Buzan			Fax	85501
Phone	928-425-7631 x8693	Email	mbuzan@co.gila.az.us	Zip Code	928-425-9468
Program Specialist	Sharon Tolman	Email	sharon.tolman@azhousing.gov	County	Gila

a	c	d	e	f	g	h
Budget Line Item or Activity No.	CDBG FY2011	Source Program Year	Source Program Year	Source Program Year	Source Program Year	Source Program Year
1. Admin	$21,639.00					
2. OOHR	$98,579.00					
Total	$120,218.00					

ARIZONA DEPARTMENT OF HOUSING

Attachment D

ARIZONA DEPARTMENT OF HOUSING REQUEST FOR PAYMENT SUMMARY SHEET PAGE 1 OF 2

Recipient	Gila County	Date	
Contract No	152-12 Contract Period: 3/1/12 to 3/30/14	Pay Req. No/Mo	
Activity	OOHR	Direct Wire Dep	Yes No
Recipient Address	5515 S Apache Ave Suite 200	City	Globe
Contact Person	Malissa Buzan	Zip Code	85501
Phone	928-425-7631 x8693 Email mbuzan@co.gila.az.us	Fax	928-425-9468
Program Specialist	Sharon Tolman Email sharon.tolman@azhousing.gov	County	Gila

Itemized Payment Statement (Sheet 2 of 2) must accompany this form. Copies of actual receipts, invoices, and cancelled checks should be included. ORIGINAL SIGNATURES are required for processing.

a	b	c	d	e	f	g	h
Budget Line Item or Activity No.	IDIS Act No.	**CDBG FY2011**		Total Amount Req. to Date	Balance in Account	Amount of this Request	New Balance
1. Admin		$21,639.00			21,639.00		21,639.00
2. OOHR		$98,579.00			98,579.00		98,579.00
Total		$120,218.00	$0.00	$0.00	$120,218.00	$0.00	$120,218.00

Recipient Authorized Signature Date Title

Recipient Authorized Signatory certifies that all activities undertaken by the contractor with funds provided under this contract have been carried out in accordance with the contract. Attach wiring information if not previously submitted. Attach alternate mailing address if necessary.

Performance Reports		Current ☐	Not Current ☐	For ADOH Use Only	
ADOH Program Specialist Approval			Date	ADOH Program Manager Approval	Date

ARIZONA DEPARTMENT OF HOUSING

ARIZONA DEPARTMENT OF HOUSING REQUEST FOR PAYMENT -ITEMIZED PAYMENT STATEMENT PAGE 2 OF 2

Recipient	Gila Co	Date	
Contract No	152-12 Contract Period: 3/1/12 to 3/30/14	Pay Req. No	

Budget Line Item or Activity No	Description of Expense (List in according to funding source)	Paid (or Payable) to	Address of Payee	Federal Employer Identification Number (EIN)	Date Paid	Check # Invoice PO	Amount of Request Column "g"	Balance paid by other source	Name of other source
Totals							0.00	0.00	

ATTACHMENT F

CERTIFICATION AND OTHER REQUIREMENTS RELATING TO TITLE I ASSISTANCE

The applicant hereby assures and certifies that:

1. It possesses legal authority to apply for Community Development Block Grant funds, and to execute the proposed program.
2. Prior to the submission of the application, the applicant's governing body has duly adopted or passed as an official act a resolution authorizing the submission of the application, including all understandings, assurances, statutes, regulations and orders contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.
3. Its chief executive officer or other officer of the applicant approved by the State:
   a. Consents to assume the status of a responsible Federal official under the National Environmental Policy Act of 1969 (NEPA) and other provisions of Federal law, as specified at 24 CFR 58.1(a) (3) and (a)(4), which further the purposes of NEPA insofar as the provisions of such Federal law apply to this program.
   b. Is authorized and consents on behalf of the applicant and him(her)self to accept the jurisdiction of the federal and State courts for the purpose of enforcement of his/her responsibilities as such an official.
4. It will comply with the provisions of Executive Order 11990, relating to evaluation of flood hazards and Executive Order 11288 relating to the prevention, control and abatement of water pollution.
5. It will, in connection with its performance of environmental assessments under the National Environmental Policy Act of 1969, comply with Section 106 of the National Historic Preservation Act of 1966 (16 U.S.C. 470), Executive Order 11593, and the Preservation of Archeological and Historical Data Act of 1966, P.L. 93-291 (16 U.S.C. 469a-1, et.seq.).
6. It will administer and enforce the labor standard requirements of the Davis Bacon Act, as amended at 40 U.S.C. 276a-276a-5, and the Contract Work Hours and Safety Standards Act at 40 U.S.C. 327-333.
7. It will comply with the provisions of 24 CFR Part 24 relating to the employment, engagement of services, awarding of contracts or funding of any contractors or subcontractors during any period of debarment, suspension or placement in ineligibility status.
8. It shall comply with the requirements of the 1992 Lead Based Paint Poisoning Prevention Act of 42 U.S.C. 4821-4846 (also Title X of the Housing and Community Development Act of 1992) and implementing regulations at 24 CFR Part 35.
9. It will comply with the provisions of 24 CFR part 58 "Uniform Grant Administrative Requirements" and OMB Circular A-87.
10. It will comply with the American Disabilities Act and Section 504 of the Rehabilitation Act, as amended.
11. It will comply with
    a. Title VI of the Civil Rights Act of 1964 (Pub. L. 88- 352), and the regulations issued pursuant thereto (24 CFR Part 1).
    b. Title VIII of the Civil Rights Act of 1968 (Pub. L. 90- 284), as amended.

c. Section 109 of the Housing and Community Development Act of 1974.
d. Executive Order 11063 pertaining to equal opportunity in housing and nondiscrimination in the sale or rental of housing built with Federal assistance.
e. Executive Order 11246, and the regulations issued pursuant thereto (24 CFR Part 130 and 41 CFR Chapter 60).
f. Section 3 of the Housing and Urban Development Act of 1968, as amended.
g. Federal Fair Housing Act of 1988, P.L. 100-430.
h. The prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1973, 42. U.S.C. 6101-07, and the prohibitions against discrimination against persons with handicaps under Section 504 of the Rehabilitation Act of 1973, (P.L. 93-112), as amended, and the regulations at 24 CFR Part 8.
i. The requirements of the Architectural Barriers Act of 1966 at 42 U.S.C. 4151-415.

12. It will comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations.
13. It will comply with applicable conflict of interest provisions, incorporate such in all contracts and establish safeguards to prohibit employees from using positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have family, business, or other ties.
14. It will comply with the provisions of the Hatch Act which limit the political activity of employees.
15. It will give representatives of the State, the Secretary of HUD, the Inspector General, and the General Accounting Office access to all books, accounts, records, reports, files and other papers, things, or property belonging to it or in use by it pertaining to the adr[illegible]ion of State CDBG assistance.
16. It will ensure that the facilities under its ownership, lease or supervision which shall be utilized in the accomplishment of the program are not listed on the Environmental Protection Agency's (EPA) list of violating facilities and that it will notify the State of the receipt of any communication from the Director of the EPA Office of Federal Activities indicating that a facility to be used in the project is under consideration for listing by the EPA.
17. It will comply with the flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973, Pub.L. 93-234, 87 Stat., 975, approved December 31, 1973. Section 103 (a) required, on and after March 2, 1974.
18. It has AND WILL COMPLY WITH THE PROVISIONS OF THE STATE OF ARIZONA CITIZEN AND PUBLIC PARTICIPATION PLAN FOR THE STATE OF ARIZONA CDBG PROGRAM.
19. It has developed plans to minimize displacement of persons as a result of activities assisted in whole or in part with CDBG funds and to assist persons actually displaced as a result of such activities, and has provided information about such plans to the public.
20. It will not recover any capital costs of public improvements assisted in whole or in part with CDBG funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements **unless**:
    a. the CDBG funds are used to pay the proportion of the fee or assessment that is financed from other revenue sources, or:
    b. it will certify to the State in writing that it lacks sufficient CDBG funds to comply with (a) but that it will not assess properties owned by very low income persons.

21. It will provide all other funds/resources identified in the application, or any additional funds/resources necessary to complete the project as described in the application as submitted, or as may be later amended.
22. It will comply with the requirements of the Single Audit Act of 1996 and OMB Circular A-133; and if the grant is closed out prior to all funds having been audited, it shall refund to Commerce any costs disallowed as a result of any audit conducted after the date of grant closeout.
23. It hereby adopts and will enforce a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and will enforce applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such nonviolent civil rights demonstrations within its jurisdiction.
24. It will ensure that, to the best of the knowledge and belief of the undersigned:
    a. no Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in the connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
    b. if any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, and officer or employee of Congress, or an empl[illegible] Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form - LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
    c. the undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

    "This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure."

25. It shall comply with the provisions of Section 102 of the HUD Reform Act of 1989.
26. It shall ensure that efforts are made to recruit minority, disabled and woman owned businesses for its vendor/supplier lists.

AUTHORIZATION TO SUBMIT APPLICATIONS AND IMPLEMENT CDBG PROJECTS

RESOLUTION NO. 11-08-02

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF GILA AUTHORIZING THE SUBMISSION OF AN APPLICATION(S) FOR FY 2011STATE COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS, CERTIFYING THAT SAID APPLICATION(S) MEETS THE COMMUNITY'S PREVIOUSLY IDENTIFIED HOUSING AND COMMUNITY DEVELOPMENT NEEDS AND THE REQUIREMENTS OF THE STATE CDBG PROGRAM, AND AUTHORIZING ALL ACTIONS NECESSARY TO IMPLEMENT AND COMPLETE THE ACTIVITIES OUTLINED IN SAID APPLICATION.

WHEREAS, the COUNTY OF GILA is desirous of undertaking community development activities; and

WHEREAS, the State of Arizona is administering the Community Development Block Grant Program; and

WHEREAS, the State CDBG Program requires that CDBG funds requested address one of the three Congressional mandated National Objectives; and

WHEREAS, the activities within *this* application(s) address the community's identified housing and community development needs, including the needs of low and moderate income persons; and

WHEREAS, an Applicant of State CDBG funds is required to comply with the program guidelines and Federal Statutes and regulations.

NOW, THEREFORE, BE IT RESOLVED THAT the BOARD OF SUPERVISORS of the COUNTY OF GILA authorize application to be made to the State of Arizona, Department of Housing for FY 2011 CDBG funds, and authorize the Chairman of the Board of Supervisors of the County of Gila to sign application and contract or grant documents for receipt and use of these funds for Housing Rehabilitation, and authorize the Chairman of the Board of Supervisors to take all actions necessary to implement and complete the activities submitted in said application(s); and

THAT this application for State CDBG funds meets the requirements of low- and moderate-income benefit for activities justified as benefiting low- and moderate-income persons, aids in the prevention or elimination of slum and blight or addresses an urgent need which poses a threat to health; and
THAT, the *County of Gila* will comply with all State CDBG Program guidelines, Federal Statutes and Regulations applicable to the State CDBG Program and the certifications contained in this application(s).

Passed and adopted by the *Board of Supervisors of the County of Gila* on this 2nd day of August 2011.

By: Michael A. Pastor
Michael A. Pastor, Chairman,
Gila County Board of Supervisors

ATTEST:

By: Marian Sheppard
Marian Sheppard, Chief Deputy Clerk

APPROVED AS TO FORM:

Bryan B. Chambers, Chief Deputy County Attorney

26.1

ORIGINAL TO STATE CDBG

STATE OF ARIZONA
DEPARTMENT OF HOUSING
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

GRANTEE	FUNDING AGREEMENT NUMBER(S)

AUTHORIZED SIGNATURE CARD FOR ALL ADMINISTRATIVE ACTIONS PERTAINING TO CDBG FUNDING AGREEMENTS

ONLY ONE SIGNATURE REQUIRED(additional recommended to ensure signatory availability)

SIGNATURE(S) OF AUTHORIZED INDIVIDUAL(S)

Typed Name David J.H. Fletcher Title Director
Signature Date 3/7/2012

Typed Name Bree'na York Title Fiscal Services Manager
Signature Breena York Date 3/7/2012

Typed Name Malissa Buzan Title Housing Services Program Manager
Signature Malissa Buzan Date 3/7/2012

Typed Name Stacie Allison Title Planning & Grants Coordinator
Signature Stacie Allison Date 3/15/2012

I CERTIFY THAT THE SIGNATURES ABOVE ARE THOSE OF THE INDIVIDUALS WHO MAY AUTHORIZE ADMINISTRATIVE ACTIONS FOR THE CITED CONTRACT AND THAT I AS THE CHIEF ELECTED OFFICIAL HAVE THE AUTHORITY TO DESIGNATE THESE INDIVIDUALS TO TAKE SUCH ACTION.

Typed Name Tommie C. Martin Title of Chief Elected Official Chairman, Gila County Board of Supervisors
Signature Date

ORIGINAL TO STATE CDBG

State of Arizona
Arizona Department of Housing
Community Development Block Grant (CDBG) Program

DESIGNATION OF DEPOSIT OF GRANT FUNDS (F-1)

Funding Agreement Number(s) 144-11

Grantee/Recipient: Gila County

Address: 5515 S. Apache Ave., Suite 200
City: Globe
State: Arizona
Zip: 85501

Funds shall be deposited by the grantee to:

JP Morgan Chase Bank — Gila County Treasurer, #11804047

Name of Financial Institution — Account Name/Number

A. [ ] Check this box if payment to be mailed to grantee
B. [x] Check this box if payment to be sent electronically (direct deposit).

Note: If Box B checked, GA0-618 Automated clearinghouse (ACH) Vendor Authorization must be sent to ADOH.

Account number by which CDBG funds will be recorded in grantee financial records: 2000.171.3310.00
194-01-17100-4402

Leverage account number, if applicable: N/A

I certify that CDBG funds shall be deposited as specified above; shall not be deposited in an interest bearing account (unless all requests for payment shall be on a reimbursement basis); and shall be deposited in an FDIC-insured financial institution.

Tommie C. Martin

Typed Name of Chief Elected Official — Signature of Chief Elected Official

Chairman, Gila County Board of Supervisors

Title — Date

F-1 (11/06)

State of Arizona
Arizona Department of Housing
Community Development Block Grant (CDBG) Program

AUTHORIZED SIGNATURE CARD
FOR REQUESTS FOR PAYMENT ON CDBG ACCOUNT (F-2)

Grantee	Funding Agreement Number(s)

SIGNATURES OF INDIVIDUALS AUTHORIZED TO REQUEST FUNDS ON THE CITED CDBG FUNDING AGREEMENTS(s).:

❶

Signature	3/7/2012 Date
David J.H. Fletcher	Director
Typed Name	Title

❷

Bree'na York	3/7/2012
Signature	Date
Bree'na York	Fiscal Services Manager
Typed Name	Title

❸

Signature	3/7/2012 Date
Malissa Buzan	Housing Services Program Manager
Typed Name	Title

❹

Stacie Allison	3/15/2012
Signature	Date
Stacie Allison	Planning & Grants Coordinator
Typed Name	Title

I certify that the signatures above are of the individuals authorized to request payments for the cited contract, and that ***I as the Chief Elected Official (Mayor/County Board Chairperson) have the authority to designate these individuals to take such action.***

Signature OF Chief Elected Official	Date
Tommie C. Martin	Chairman, Gila County Board of Supervisors
Typed Name	Title

F-2 (11/06)

State of Arizona - Department of Administration - General Accounting Office (GAO)

ACH Vendor Authorization - Attn: Vendor Setup - 100 N 15th Ave, STE 302, Phoenix, AZ 85007

Please notify all State agencies that you do business with of any ACH requests

REQUEST TYPE

◯ New ◯ Change ◯ Cancellation, Cancellation Reason:

PAYEE IDENTIFICATION

Federal Employer's Identification Number (EIN) 86 - 6004444

OR State Employee EIN

OR Social Security Number (SSN) - -

Disclosure of your social security number is voluntary pursuant to 42 U.S.C. 405(c)(2)(C). The State of Arizona will use your SSN or EIN to file required information returns with the Internal Revenue Service.

Payee's Name	Gila County Community Services	Phone	928 425-7631	Ext	8667
Address	1400 E. Ash Street	City	Globe	State	AZ	Zip Code	85501

CHANGE INFORMATION-FOR CHANGE REQUEST ONLY

Changing: ☐ Financial Institution ☐ Account Type ☐ Account Number ☐ Authorized Signers

Previous Financial Institution: Previous Account Type: ◯ Checking ◯ Savings Previous Account Number:

AUTHORIZATION FOR NEW SETUP, CHANGE(S) OR CANCELLATION

Pursuit to A.R.S. Sec. 35-185, I authorize the Arizona Department of Administration (ADOA), General Accounting Office (GAO) to process payments owed to me by the State of Arizona (State) via Automated Clearing House (ACH) deposits. The State shall deposit the ACH payments in the financial institution and account designated below. I **recognize that if I fail to provide complete and accurate information** on this authorization form, the processing of the form may be delayed or made impossible, or my electronic payments may be erroneously made.

I authorize the State to withdraw from the designated account all amounts deposited electronically in error. If the designated account is closed or has an insufficient balance to allow withdrawal, then I authorize the State to withhold any payment owed to me by the State until the erroneous deposited amount are repaid. If decide to change or revoke this authorization, I recognize that I must forward such notice to the ADOA-GAO. The change or revocation is effective on the day the ADOA-GAO processes the request.

I certify th[illegible] and agree to comply with the State's rules governing payments and electronic transfers as they exist on the date of my signature on this form or as subsequently adopted, amended, or repealed. I consent to, and agree to, comply with these rules even if they conflict with this authorization form.

I authorize the State to stop making electronic transfers to my account without advance notice.

I certify that I am authorized to contract for the entity receiving deposits pursuant to this agreement, that all information provided is accurate.

Name	Authorized Signature (Required)	Title	Date
Bree'na York	Breena York	Fiscal Services Manager	3-7-12

Additional Authorized Signers

Name	Authorized Signature	Title	Date

I would like to receive addendum records in the following format: ◯ CTX ◯ CCD ◯ CCD+

Please Note: If your financial institution is unable to receive addendum information, detailed information can be obtained online at http://venpay.gao.azdoa.gov.

If State Employee, attach a cancelled check here

FINANCIAL INSTITUTION (Must be completed by a financial institution representative) -FOR NEW OR CHANGE REQUEST ONLY

Financial Institution Name	JP Morgan Chase	Phone	602 221-2960	Ext
Address	P.O.Box 71	City	Phoenix	State	AZ	Zip Code	85001-0071
Routing Transit #	1221-0002-4	Customer Account #	11804047	Account Type ☒ Checking ◯ Saving
Financial Institution Representative Name	Tonique Smith	Title	CSP	
Signature (Required)	see attached	Date		Phone		Ext

GAO USE ONLY

Verified by and date	Entered by and date	Vendor #	MC
Prenote date	Input verified by	Approved by	

State of Arizona - Department of Administration - General Accounting Office (GAO)

ACH Vendor Authorization - Attn: Vendor Setup - 100 N 15th Ave, STE 302, Phoenix, AZ 85007

Please notify all State agencies that you do business with of any ACH requests

REQUEST TYPE

( ) New ( ) Change ( ) Cancellation, Cancellation Reason:

PAYEE IDENTIFICATION

Federal Employer's Identification Number (EIN) 86 - 6000444

OR State Employee EIN

OR Social Security Number (SSN) - -

Disclosure of your social security number is voluntary pursuant to 42 U.S.C. 405(c)(2)(C). The State of Arizona will use your SSN or EIN to file required information returns with the Internal Revenue Service.

Payee's Name Gila County Community Services		Phone 928 425-7631	Ext 8667
Address 1400 E. Ash Street	City Globe	State AZ	Zip Code 85501

CHANGE INFORMATION-FOR CHANGE REQUEST ONLY

Changing: ☐ Financial Institution ☐ Account Type ☐ Account Number ☐ Authorized Signers

Previous Financial Institution: Previous Account Type: ( ) Checking ( ) Savings Previous Account Number:

AUTHORIZATION FOR NEW SETUP, CHANGE(S) OR CANCELLATION

Pursuit to A.R.S. Sec. 35-185, I authorize the Arizona Department of Administration (ADOA), General Accounting Office (GAO) to process payments owed to me by the State of Arizona (State) via Automated Clearing House (ACH) deposits. The State shall deposit the ACH payments in the financial institution and account designated below. I recognize that if I fail to provide complete and accurate information on this authorization form, the processing of the form may be delayed or made impossible, or my electronic payments may be erroneously made.

I authorize the State to withdraw from the designated account all amounts deposited electronically in error. If the designated account is closed or has an insufficient balance to allow withdrawal, then I authorize the State to withhold any payment owed to me by the State until the erroneous deposited amount are repaid. If decide to change or revoke this authorization, I recognize that I must forward such notice to the ADOA-GAO. The change or revocation is effective on the day the ADOA-GAO processes the request.

I certify th[illegible] and agree to comply with the State's rules governing payments and electronic transfers as they exist on the date of my signature on this form or as subsequently adopted, amended, or repealed. I consent to, and agree to, comply with these rules even if they conflict with this authorization form.

I authorize the State to stop making electronic transfers to my account without advance notice.

I certify that I am authorized to contract for the entity receiving deposits pursuant to this agreement, that all information provided is accurate.

Name	Authorized Signature (Required)	Title	Date
Bree'na York	Breena York	Fiscal Services Manager	3-7-12

Additional Authorized Signers

Name	Authorized Signature	Title	Date

I would like to receive addendum records in the following format: ( ) CTX ( ) CCD ( ) CCD+

Please Note: If your financial institution is unable to receive addendum information, detailed information can be obtained online at http://vendpay.gao.azdoa.gov.

If State Employee, attach a cancelled check here

FINANCIAL INSTITUTION (Must be completed by a financial institution representative) -FOR NEW OR CHANGE REQUEST ONLY

Financial Institution Name JP Morgan Chase		Phone 602 221-2960	Ext
Address P.O.Box 71	City Phoenix	State AZ	Zip Code 85001-0071
Routing Transit # 1221-0002-4	Customer Account # 11804047	Account Type ☒ Checking ( ) Saving	
Financial Institution Representative Name Tonique Smith		Title CSP	
Signature (Required) Tonique Smith	Date 3/9/12	Phone 602 221 2960	

GAO USE ONLY

Verified by and date	Entered by and date	Vendor #	MC
Prenote date	Input verified by	Approved by	

STATE OF ARIZONA
AUTOMATED CLEARING HOUSE (ACH) PAYMENT
VENDOR INFORMATION PACKET

SECTION 1. DEFINITIONS

The following terms used in this information packet have the meanings indicated unless the context clearly indicates otherwise.

Automated Clearing House (ACH) - a central distribution and settlement point for clearing the electronic credit and debit transactions between financial institutions.

American Clearing House Association (ACHA) - a regional association that provides rules and guidelines for the efficient operation of the ACH network.

ACH payment - a payment made to a vendor by way of direct deposit to the vendor's bank account as an alternative to issuing a warrant.

Addendum Record - an ACH record type that carries supplemental data needed to completely identify an account holder or to provide information concerning an ACH payment.

Arizona Financial Information System (AFIS) - the accounting system used by the State of Arizona for making payments to vendors.

A.R.S. - Arizona Revised Statutes.

Business Day - any day on which financial institutions are open for business with the public.

CCD - cash concentration or disbursement, the format of ACH payment without any addenda information.

CCD+ - cash concentration or disbursement, the format of ACH payment with addenda information allowing up to one addendum record per payment record. Due to the limitation on the length of the addendum record, only the contact telephone number of the paying entity is included as payment related information.

Confirmation Letter - a letter sent by the GAO Vendor Group that verifies the accuracy of the first ACH payment generated for a vendor.

Credit Entry - an electronic funds transfer (EFT) to deposit funds into an EFT account.

CTX Format - the format of ACH payment with addenda information allowing up to 9,999 addendum records per payment record.

Debit Entry - a reversal of a credit entry.

EFT Account - an account that had been designated in accordance with this section to receive credit entries from paying State agencies.

General Accounting Office (GAO) - part of the Department of Administration responsible for oversight of the payment processing system including ACH.

National Automated Clearing House Association (NACHA) - sets the operating rules and procedures for users of the ACH direct deposit system.

Payee - see Vendor.

Paying State Agency - with respect to a particular credit or debit entry, the State agency that initiates the entry.

Pre-note Record - a $0.00 test transmittal of each vendor's direct deposit information. Pre-notes are sent for initial ACH setup, changes in financial institution or account information and re-activation of vendor ACH profiles.

Rules - the requirements of the National Automated Clearing House Association, Arizona Clearing House Association, Federal Reserve System's Regulation E and the State Comptroller's rules for ACH payments.

Settlement Date - the date the vendor's financial institution credits the vendor's individual account.

State - the State of Arizona.

State Agency - any Department, Authority, Board, Commission, Council, Administration, Court, Registrar, Office, Institution or other Arizona entity in the Executive, Legislative or Judicial branch.

Vendor - an individual, entity, annuitant or state employee (for non-payroll transactions) that receives a payment from the State of Arizona.

SECTION 2. THE ELECTRONIC SYSTEM

The State of Arizona implemented ACH payment processing throughout the State in February of 2001.

The electronic payment method used by the State is called the Automated Clearing House (ACH), which is an alternative to issuing warrants to vendors for payment. The State uses the American Clearing House Association's (ACHA) ACH system. The ACHA serves as the clearing house and processes electronic payments to the vendors' accounts. The ACHA authorizes only certain financial institutions to originate electronic payments through their systems. Therefore, the GAO uses an authorized originator, the State servicing bank, to process these payments through the ACH system.

SECTION 3. ACH APPROVAL PROCESS

Vendors doing business with the State of Arizona who desire to receive ACH payments must complete an ACH Vendor Authorization Form (GAO-618). The state agencies will provide the ACH Vendor Authorization Form (GAO-618) to new ACH vendors along with a vendor set up package. Vendors can also obtain a copy of this form at the GAO's website at www.gao.state.az.us. After completion, the form should be submitted to the GAO for processing. Vendors only need to complete one ACH Vendor Authorization Form (GAO-618) to receive payments from multiple state agencies. Any changes in financial institution or account number will require a new ACH Vendor Authorization Form (GAO-618).

Vendors should be willing to receive all ACH payments into a single checking or savings account. Approval for requests to receive ACH payments into multiple accounts will be determined on a case-by-case basis by the State Comptroller.

Vendors will receive ACH payments with the format indicated on their ACH Vendor Authorization Form (GAO-618). The acceptable ACH formats are CTX, CCD, and CCD+. These addendum records contain the detailed supporting payment information such as the name of the paying agency, the claim number, the purchase order number, the vendor invoice number/date and the payment amount. Detailed payment information can also be viewed online **at** http://venpay.gao.azdoa.gov

The GAO will verify the completeness of the data on the ACH Vendor Authorization Form (GAO-618) and for update to the AFIS vendor file. After a successful update, the GAO will transmit a pre-note record to the State servicing bank. The State servicing bank will process the pre-note record though the ACHA for verification of the vendor's account. The GAO will allow 15 days for the pre-note to be verified. If negative notification is not received, the vendor will be approved to receive their first ACH payment after the 15 day pre-note period.

The GAO will send a confirmation letter to each vendor after the first ACH payment has been made. The letter will identify payment information (invoice number, amount and payment number) for the vendor to verify that the deposit was credited properly to the correct bank account. Vendors must sign and return the confirmation letter to GAO within 90 days of their first ACH payment. No future ACH payments will be made until a signed confirmation letter has been returned by the vendor. If the vendor does not sign and return the confirmation letter within 90 days, the GAO will inactivate the vendor's ACH mail code. Vendors with inactivated ACH mail codes will need to submit a new ACH Authorization Form (GAO-618) to restart the ACH approval process.

SECTION 4: ACH PAYMENT PROCESS

The various steps of an ACH payment from the GAO to a vendor's account are indicated below:

Step 1: State agencies submit their vendor claims for ACH payment issuance through AFIS using the ACH approved vendor number and mail code on the claim.

Step 2: The GAO transmits a daily file with detailed ACH payment data to the State servicing bank. The State servicing bank transmits the information to the ACHA. The ACHA determines the routing for each ACH payment to properly credit the vendor's account by using the unique 9-digit routing number assigned to each financial institution.

Step 3: On the settlement date of the electronic payment, two business days after transmission to the State servicing bank, the vendor's financial institution will credit the vendor's bank account. The funds should be available to vendors at the opening of business on the settlement date. Vendors should contact their financial institutions to determine their policies for posting ACH payments.

It should be noted that if the paying State agency determines that an erroneous credit ACH entry was made to a vendor, the State agency must immediately submit an ACH Payment Reversal Form (GAO PM-ACH1) to the GAO to reverse the credit. The GAO will then transmit an electronic debit entry to the State servicing bank for the erroneous payment. The State servicing bank will credit the State's account and transmit the debit entry to the vendor's financial institution. Upon verification that the vendor's financial institution returned the funds to the State servicing bank, the GAO will transfer the funds back to the appropriate State agency.

GILA COUNTY ATTORNEY
Daisy Flores

Re: County Attorney's Office approval of IGA pursuant to A.R.S. § 11-952(D).

To whom it may concern:

The County Attorney's Office has reviewed the Intergovernmental Agreement attached to this agenda item and has determined that it is in its "proper form" and "is within the powers and authority granted under the laws of this state to such public agency or public procurement unit" pursuant to A.R.S. § A.R.S. § 11-952(D).

Explanation of the Gila County Attorney's Office Intergovernmental Agreement (IGA) Review

A.R.S. § 11-952(D) requires that

> every agreement or contract involving any public agency or public procurement unit of this state . . . before its execution, shall be submitted to the attorney for each such public agency or public procurement unit, who shall determine whether the agreement is in proper form and is within the powers and authority granted under the laws of this state to such public agency or public procurement unit.

In performing this review, the County Attorney's Office reviews IGAs to see that they are in "proper form" prior to their execution. "Proper form" means that the contract conforms to fundamental contract law, conforms to specific legislative requirements, and is within the powers and authority granted to the public agency. It does not mean that the County Attorney's Office approves of or supports the policy objectives contained in the IGA. That approval is solely the province of the public agency through its elected body.

Likewise, this approval is not a certification that the IGA has been properly executed. Proper execution can only be determined after all the entities entering into the IGA have taken legal action to approve the IGA. There is no statutory requirement for the County Attorney's Office to certify that IGAs are properly executed.

Nonetheless, it is imperative for each public agency to ensure that each IGA is properly executed because A.R.S. § 11-952(F) requires that "[a]ppropriate action … applicable to the governing bodies of the participating agencies approving or extending the duration of the … contract shall be necessary before any such agreement, contract or extension may be filed or become effective." This can be done by ensuring that the governing body gives the public proper notice of the meeting wherein action will be taken to approve the IGA, that the item is adequately described in the agenda accompanying the notice, and that the governing body takes such action. Any questions regarding whether the IGA has been properly executed may be directed to the County Attorney's Office.

Proper execution of IGAs is important because A.R.S. § 11-952(H) provides that "[p]ayment for services under this section shall not be made unless pursuant to a fully approved written contract." Additionally, A.R.S. § 11-952(I) provides that "[a] person who authorizes payment of any monies in violation of this section is liable for the monies paid plus twenty per cent of such amount and legal interest from the date of payment."

The public agency or department submitting the IGA for review has the responsibility to read and understand the IGA in order to completely understand its obligations under the IGA if it is ultimately approved by the public entity's board. This is because while the County Attorney's Office can approve the IGA as to form, the office may not have any idea whether the public agency has the capacity to actually comply with its contractual obligations. Also, the County Attorney's Office does not monitor IGA compliance. Hence the public entity or submitting department will need to be prepared to monitor their own compliance. A thorough knowledge of the provisions of the IGA will be necessary to monitor compliance.

Before determining whether an IGA contract "is in proper form," the County Attorney's Office will answer any questions or concerns the public agency has about the contract. It is the responsibility of the public agency or department submitting the IGA for review to ask any specific questions or address any concerns it has about the IGA to the County Attorney's Office at the same time they submit the IGA for review. Making such an inquiry also helps improve the County Attorney's Office review of the IGA because it will help focus the review on specific issues that are of greatest concern to the public agency. Failing to make such an inquiry when the agency does have issues or concerns will decrease the ability of the County Attorney's Office to meaningfully review the IGA.

ARF-1154 **Regular Agenda Item 3- D**

Regular BOS Meeting

Meeting Date: 04/03/2012

Submitted For:	Steve Stratton, Public Works Division Director	Submitted By:	Valrie Bejarano, Contracts Support Specialist, Finance Department
Department:	Public Works Division	Division:	Administration
Fiscal Year:	FY 2012-2013	Budgeted?:	Yes
Contract Dates Begin & End:	4-3-12 to 9-30-12	Grant?:	No
Matching Requirement?:	No	Fund?:	New
Presenter's Name:	Steve Stratton		

Information

Request/Subject

Contract Award for Bid No. 111311-1 Pine Creek Canyon Road Reconstruction Project

Background Information

Since 2001 the Engineering Department has been working on the Right-of-Way (ROW) and Alignment Study of Pine Creek Canyon road. The aerials flown help create the photographs and final topographic mapping to begin the design. With so many properties involved in the ROW it has taken a lot longer than anticipated to complete the final design.

Evaluation

The improved roadway will be paid for out of the Transportation Excise Tax fund.

Conclusion

Upon completion of the project, Pine Creek Road will consist of no less than a 22-foot wide paved surface with improved shoulders and culverts. The posted speed limit will be 25 miles per hour. The project will improve the road and provide safer travel for the public.

Contract Period: For construction in the contract documents, the project shall be completed within one hundred eighty (180) days of the Notice to Proceed.

Recommendation

After extensive review of submitted proposals, the Public Works Director recommends that the Board of Supervisors approve the award of Invitation for Bids No. 111311-1 for the Pine Creek Canyon Road Reconstruction Project to Carson Construction Company, Inc. in the amount of, $1,443,880.21 minus the water-line cost adjustment of $60,000, for total contract amount of *$1,38*
$1,383,880.21.

Suggested Motion

Information/Discussion/Action to review all bids submitted for Request for Bids No. 111311-1 for the Pine Creek Canyon Road Reconstruction Project; award to the lowest, responsible and qualified bidder; and authorize the Chairman's signature on the award contract for the winning bidder.
(Steve Stratton)

Attachments

Bid Tabulation for 111311-1

Bid Opening Attendance Form - Pine Crk

Solicitation Sign-In Form, Pine Crk

Contract 111311-1 Pine Creek Cyn Rd Reconstruction

Contract 111311-1 Proposal

Bid 111311-1 Addendums

Letters Concerning Water-Line Cost

Legal Explanation

BID TABULATION FORM

GILA COUNTY

BID TITLE: Pine Creek Canyon Road Reconstruction Project

BID NO: 111311-1 **DUE DATE:** March 1, 2012 **TIME:** 11:00 AM

RANKING	BIDDER FIRM NAME	BID AMOUNT	COMMENTS
2	McCauley Construction Inc.	$ 1,486.456.89	
1	Carson Construction Company Inc.	$ 1,443.880.21	
3	Intermountain West Civil Constructors, Inc.	$1,634,230.32	

ATTENDANCE FORM

SOLICITATION OPENING
GILA COUNTY

Solicitation Title: Pine Creek Canyon Road Reconstruction Project

Solicitation No.: 111311-1 **Opening Date:** March 1, 2012

Witnesses: We, the undersigned, witnessed the opening of the above dated sealed solicitation.

Company Name	Representative name	Signature
Carson Construction	LARRY BENNETT	Lawrence E. Bennett
Dan Fitzpatrick	Varde Engineering	[illegible]
Brad Cole	PSWID	[illegible]
Larry Floyd	IMCCC	[illegible]
McCauley Const.	John McCauley	John McCauley
Gila County P.W.	Michael Gillette	[illegible]
Gila County Finance	Laurie Bejarano	
" "	Michele Epperson	
Gila County P.W.	Steve Sanders	
" "	Steve Stratton	

GILA COUNTY

SOLICITATION SIGN-IN-SHEET

Solicitation No 111311-1 ***Due Date*** 3/1/2012 ***Time*** 11:00 AM

Title Pine Creek Canyon Road Reconstruction Project

Gila County has received the following responses to the above listed solicitation.

Name McCauley Construction Date Rec'd 3/1 Time Rec'd 10:14 AM

Comments

Name Garson Construction Date Rec'd 3/1 Time Rec'd 10:34 AM

Comments

Name Intermountain West Civil Const. Date Rec'd 3/1 Time Rec'd 10:45 am

Comments

Name Date Rec'd Time Rec'd

Comments

Name Date Rec'd Time Rec'd

Comments

Name Date Rec'd Time Rec'd

Comments

Name Date Rec'd Time Rec'd

Comments

Note: Sign-in-sheet complies with the Arizona Auditor General's office as of March 9, 2005.

GILA COUNTY
REQUEST FOR INVITATION FOR BIDS

PINE CREEK CANYON ROAD
RECONSTRUCTION PROJECT

BID CALL 111311-1

BIDDER'S INFORMATION
CONTRACT DOCUMENTS AND SPECIFICATIONS

BOARD OF SUPERVISORS
Tommie C. Martin, Chairman
Shirley L. Dawson, Vice Chairman
Michael A. Pastor, Member

COUNTY MANAGER
Don E. McDaniel Jr.

PUBLIC WORKS DIRECTOR
Steve Stratton

JANUARY 2012

Registered Professional Engineer (Civil)
CERTIFICATE NO.
23412
JOSEPH M.
ALWIN
Date Signed 1/4/2012
ARIZONA U.S.A.
Expires 6/31/2014

GILA COUNTY
REQUEST FOR INVITATION FOR BIDS

PINE CREEK CANYON ROAD
RECONSTRUCTION PROJECT

PINE, ARIZONA

BIDDER'S INFORMATION
CONTRACT DOCUMENTS AND SPECIFICATIONS

BID NO. 111311-1

C.L. Williams Consulting, Incorporated
621 South Hillside Lane
Pinetop, Arizona 85935
(928) 367-2248

SECTION 0I

INVITATION FOR BIDS

IFB-1

INVITATION FOR BIDS
BID CALL NO. 111311-1

Sealed bids will be received by **Gila County Procurement, 1400 East Ash St., Globe, AZ 85501,** until **11:00 A.M. (AZ Time), Thursday, March 1st, 2012** for the **PINE CREEK CANYON ROAD RECONSTRUCTION PROJECT, GILA COUNTY, ARIZONA, BID NO. 111311-1** in strict accordance with the rules and regulations of the Gila County Procurement Code on file in the office of the Gila County Clerk of the Board, Globe, Arizona. **No bids will be accepted after 11:00 AM. The Bids will be publicly opened and read aloud at 11:00 AM, Arizona time, at the location above, 2nd floor, Board Conference Room #257.**

All Bids shall be made on the Invitation for Bids forms included in the Contract Documents and shall include all applicable taxes.

There is a mandatory site walk through scheduled for 10:00 A.M. (AZ Time), Friday, January 27th, 2012. Meeting shall be held at the Pine Community Center, Cultural Hall, Highway 87 , Pine, AZ. Only those companies signed in on the walk through sign-in sheet will be permitted to bid. Plans, Specifications and Contract documents are available and may be obtained from the office of Engineering Services, 928-402-8612, Gila County Public Works Division, 745 North Rose Mofford Way, Globe, AZ.

Each Bid submitted, either by hand, United States Postal Service, or other carrier, shall be sealed and plainly marked **"PINE CREEK CANYON ROAD RECONSTRUCTION PROJECT, GILA COUNTY, ARIZONA BID CALL NO. 111311-1".** All Bids shall be mailed or delivered to the **Gila County Procurement, 1400 East Ash St., Globe, AZ 85501.** Gila County Procurement and Board of Supervisors of Gila County will not be responsible for those bids submitted that are not marked appropriately and/or sent to the wrong address. Prevailing clock shall be the atomic clock in the Purchasing office.

Contractors are invited to be present at the opening of bids but absence will not be considered cause for disqualification.

Contractors shall be responsible for any licenses or permits required by the regulatory agency of the State of Arizona that apply to the performance of this contract.

After the Contractor who is determined to be most Advantageous to the county has been selected through the source selection process, negotiations may be conducted for the purpose of developing a recommended Contract for Award.

The Gila County Board of Supervisors reserves the right to reject any or all bids, or to accept any bids, or to waive any informality in any bid, or to withhold the award if deemed in the best interest of Gila County.

Dates advertised in Arizona Silver Belt: **January 18th and 25th, 2012**

Signed: _____ Date: 1/10/12
Bryan B. Chambers, Chief Deputy County Attorney
***for* Daisy Flores, County Attorney**

Signed: _____ Date: 1/10/12
Tommie C. Martin, Chairman, Board of Supervisors

TABLE OF CONTENTS

GENERAL PROVISIONS

SECTION 01 1
NOTIFICATION TO BIDDERS 1

SECTION 10 3
DEFINITION OF TERMS 3

SECTION 20 9
PROPOSAL REQUIREMENTS AND CONDITIONS 9
20-03 CONTENTS OF PROPOSAL FORMS 9
20-04 ISSUANCE OF PROPOSAL FORMS 9
20-05 INTERPRETATION OF ESTIMATED PROPOSAL QUANTITIES 9
20-06 EXAMINATION OF PLANS, SPECIFICATIONS, AND SITE 9
20-07 PREPARATION OF PROPOSAL 10
20-08 IRREGULAR PROPOSALS 10
20-09 PROPOSAL GUARANTY 11
20-10 DELIVERY OF PROPOSAL 11
20-11 WITHDRAWAL OR REVISION OF PROPOSALS 11
20-12 PUBLIC OPENING OF PROPOSALS 11
20-13 DISQUALIFICATION OF BIDDERS 11
20-14 PROTESTS 12

SECTION 30 13
AWARD AND EXECUTION OF CONTRACT 13
30-01 CONSIDERATION OF PROPOSALS 13
30-02 AWARD OF CONTRACT 13
30-03 CANCELLATION OF AWARD 13
30-04 RETURN OF PROPOSAL GUARANTY 13
30-05 REQUIREMENTS OF CONTRACT BONDS 14
30-06 EXECUTION OF CONTRACT 14
30-07 APPROVAL OF CONTRACT 14
30-08 FAILURE TO EXECUTE CONTRACT 14
30-09 DISPUTE & RESOLUTION. 14

SECTION 40 16
SCOPE OF WORK 16
40-01 INTENT OF CONTRACT 16
40-02 ALTERATION OF WORK AND QUANTITIES 16
40-03 OMITTED ITEMS 16
40-04 EXTRA WORK 17
40-05 MAINTENANCE OF TRAFFIC 17
40-06 RIGHTS IN AND USE OF MATERIALS FOUND IN THE WORK 18
40-07 FINAL CLEANING UP 19

SECTION 50 20
CONTROL OF WORK 20
50-01 AUTHORITY OF THE OWNER'S ENGINEER 20
50-02 CONFORMITY WITH PLANS AND SPECIFICATIONS 20
50-03 COORDINATION OF CONTRACT, PLANS AND SPECIFICATIONS 21
50-04 COOPERATION OF CONTRACTOR 21
50-05 COOPERATION BETWEEN CONTRACTORS 21
50-06 CONSTRUCTION LAYOUT AND STAKES 22
50-07 AUTOMATICALLY CONTROLLED EQUIPMENT 22
50-08 AUTHORITY AND DUTIES OF INSPECTORS 22
50-09 INSPECTION OF THE WORK 22
50-10 REMOVAL OF UNACCEPTABLE AND UNAUTHORIZED WORK 23
50-11 LOAD RESTRICTIONS 24
50-12 MAINTENANCE DURING CONSTRUCTION 24
50-13 FAILURE TO MAINTAIN THE WORK 24
50-14 PARTIAL ACCEPTANCE 25
50-15 FINAL ACCEPTANCE 25
50-17 GUARANTEE OF WORK (ADDITIONAL) 26
50-18 CONSTRUCTION SCHEDULE 26
50-19 NEGOTIATIONS WITH INDIVIDUAL CONTRACTORS 26

SECTION 60 28
CONTROL OF MATERIAL 28
60-01 SOURCE OF SUPPLY AND QUALITY REQUIREMENTS 28
60-02 SAMPLES, TESTS, AND CITED SPECIFICATIONS 28
60-03 CERTIFICATION OF COMPLIANCE 29
60-04 PLANT INSPECTION 29
60-05 OWNER'S FIELD OFFICE AND LABORATORY 30
60-06 STORAGE OF MATERIALS 30
60-07 UNACCEPTABLE MATERIALS 30
60-08 OWNER-FURNISHED MATERIALS 30

SECTION 70 32
LEGAL RELATIONS AND RESPONSIBILITY TO PUBLIC 32
70-01 LAWS TO BE OBSERVED 32
70-02 PERMITS, LICENSES, AND TAXES 32
70-03 PATENTED DEVICES, MATERIALS, AND PROCESSES 32
70-04 RESTORATION OF SURFACES DISTURBED BY OTHERS 32
70-05 SANITARY, HEALTH, AND SAFETY PROVISIONS 33
70-06 PUBLIC CONVENIENCE AND SAFETY 34
70-07 BARRICADES, WARNING SIGNS AND HAZARD MARKINGS 34
70-08 PROTECTION AND RESTORATION OF PROPERTY AND LANDSCAPE 34
70-09 RESPONSIBILITY FOR DAMAGE CLAIMS 35
70-10 CONTRACTOR'S INSURANCE 35
70-11 THIRD PARTY BENEFICIARY CLAUSE 36
70-12 OPENING SECTIONS OF THE WORK TO TRAFFIC 36

70-13 CONTRACTOR'S RESPONSIBILITY FOR WORK 36
70-14 CONTRACTOR'S RESPONSIBILITY FOR UTILITY SERVICE AND FACILITIES OF OTHERS 37
70-15 FURNISHING RIGHTS-OF-WAY 38
70-16 PERSONAL LIABILITY OF PUBLIC OFFICIALS 38
70-17 NO WAIVER OF LEGAL RIGHTS 38
70-18 ENVIRONMENTAL PROTECTION 39

SECTION 80 40
PROSECUTION AND PROGRESS 40
80-01 SUBLETTING OF CONTRACT 40
80-02 NOTICE TO PROCEED 40
80-03 PROSECUTION AND PROGRESS 41
80-04 CONSTRUCTION LIMITS 41
80-05 CHARACTER OF WORKERS, METHODS AND EQUIPMENT 41
80-06 TEMPORARY SUSPENSION OF THE WORK 42
80-07 DETERMINATION AND EXTENSION OF CONTRACT TIME 43
80-08 FAILURE TO COMPLETE ON TIME 44
80-09 DEFAULT AND TERMINATION OF CONTRACT 45
80-10 TERMINATION FOR NATIONAL EMERGENCIES 46

SECTION 90 47
MEASUREMENT AND PAYMENT 47
90-01 MEASUREMENT OF QUANTITIES 47
90-02 SCOPE OF PAYMENT 50
90-03 COMPENSATION FOR ALTERED QUANTITIES 50
90-04 PAYMENT FOR OMITTED ITEMS 50
90-05 PAYMENT FOR EXTRA AND FORCE ACCOUNT WORK 51
90-06 ACCEPTANCE AND FINAL PAYMENT 52

SPECIAL PROVISIONS

PROPOSED WORK SP-1
GENERAL REQUIREMENTS SP-1
POINTS AND INSTRUCTION AND AS-BUILTS SP-1
CONSTRUCTION LIMITS SP-2
OPERATION AND TRAFFIC CONTROL PLANS SP-3
QUALITY CONTROL PLAN SP-3
SAMPLING AND TESTING SP-3
MEASUREMENT AND PAYMENT SP-4
HAUL ROUTE SP-5
DUST CONTROL SP-5
TEMPORARY CONSTRUCTION EASEMENTS SP-5
OWNER'S FIELD OFFICE SP-6
BLASTING NOTIFICATION SP-6
CONFLICTING UTILITY SYSTEMS SP-6

DISPOSAL OF REMOVED VEGETATION OR UNSUITABLE MATERIALS SP-6
KEYSTONE WALLS SP-6
WATERLINE CONSTRUCTION SP-7

TECHNICAL SPECIFICATIONS

109-FORCE ACCOUNT WORK T-1
201-CLEARING AND GRUBBING T-1
202-REMOVAL OF STRUCTURES AND OBSTRUCTIONS T-1
203-EARTH WORK T-2
209-FURNISH WATER SUPPLY T-2
211-FILL CONSTRUCTION T-2
301-SUBGRADE PREPARATION T-2
303-AGGREGATE SUBBASES AND AGGREGATE BASES T-2
321-ASPHALTIC CONCRETE PAVEMENT T-3
340-CONCRETE CURB, GUTTER, SIDEWALK, SIDEWALK RAMPS, DRIVEWAY AND ALLEY ENTRANCE T-3
405-MONUMENTS T-3
607-ROADSIDE SIGN SUPPORTS T-3
608-SIGN PANELS T-3
621-CORRUGATED METAL PIPE AND ARCHES T-3
701-MAINTENANCE AND PROTECTION OF TRAFFIC T-4
708-PAINTED PAVEMENT MARKINGS T-4
760-COATING CORRUGATED METAL PIPE AND ARCHES T-4
810-EROSION CONTROL AND POLLUTION PREVENTION (SWPPP) T-4
901-MOBILIZATION T-6
905-GUARD RAIL T-6
913-BANK PROTECTION T-6
925-CONSTRUCTION SURVEYING AND LAYOUT AND AS-BUILT DRAWINGS T-6

CONTRACT FORMS

PROPOSAL P-1
BIDDING SCHEDULE BS-1
SURETY (BID) BOND BB-1
QUALIFICATION AND CERTIFICATION QC-1
REFERENCE LIST RL-1
AFFIDAVIT OF NON-COLLUSION ANC-1
SUBCONTRACTOR CERTIFICATION SC-1
CHECKLIST AND ADDENDA ACKNOWLEDGMENT CK-1
CONTRACT C-1
CONTRACT PERFORMANCE BOND CPB-1
LABOR AND MATERIALS BOND LMB-1
CONTRACT PERFORMANCE WARRANTY CWP-1
IRS W-9 FORM W-9

GENERAL PROVISIONS
Bid No. 111311-1

SECTION 01

NOTIFICATION TO BIDDERS

BIDDERS ARE HEREBY NOTIFIED:

1. The bidder must supply all the information required by the bidding documents or specifications. All proposals shall be made on the bid proposal forms prepared by Gila County as part of the Contract Documents. The proposal must include the following forms, **all with original signatures,** must accompany the bidders proposal:

   - Bid Proposal (pages P-1 to P-3)
   - Qualification & Certification Form (pages QC-1 to QC-2)
   - Reference List (RL1)
   - Bid Schedule (pages BS-1 to BS-6)
   - Surety (Bid) Bond (page BB-1)
   - Affidavit of Non-Collusion (page ANC-1)
   - Subcontracting Certification (page SC-1)
   - Check List & Addenda Acknowledgment (CK-1)
   - Contract (C1-C7)
   - IRS W-9 Form (W-9)

   Failure to include all required documents, all with original signatures, may invalidate the bid. Prices shall include all applicable taxes.

2. **Proposal Guaranty** -Proposals shall be accompanied by a certified check, cashier's check or bid bond for 10 percent (10%) of the total contract price bid.

3. **Delivery of Proposal** - Each bid shall be sealed and plainly marked **"Bid No. 111311-1 PINE CREEK CANYON ROAD RECONSTRUCTION PROJECT"**, on the outer most envelope or label. If courier is used, bidder shall instruct the courier to deliver the package by **Thursday, March 1st, 2012, 11:00 a.m.** on the date specified herein, to the Gila County Procurement, 1400 East Ash, Globe, Arizona 85501. **No bids will be accepted after 11:00 A.M. AZ Time, Thursday, March 1st, 2012. Bids will be opened at 11:00 A.M., Thursday, March 1st, 2012.**

4. **Rejection of Bids** -The Owner reserves the right to reject any and all bids, waive all or any informalities in the bids.

5. **Plans and Specifications** -Plans, specifications and all other documents required by bidders may be obtained at the address shown below. **A deposit of $20 per set, and $10 for mailing, $20 of which will be refunded upon return of the documents in good, usable order within seven (7) days of bid award. Payment shall be by check or money order only. No cash will be accepted.**

Gila County
Public Works Division
745 North Rose Mofford Way
Globe, Arizona 85501

6. **Arizona Contractor's License** -**Prior to submission of bids**, bidders must have a valid Arizona Contractor's License of a type which meets all criteria and requirements to perform the work as specified in the contract documents in accordance with the **Arizona State Registrar of Contractors.**

7. **Bid Opening Information** - Information regarding the bid award will not be available until after the Gila County Board of Supervisors has issued a decision regarding the submitted project bids. This will be the only time, until bid award, this information will be revealed.

8. **Mandatory Pre-Bid Walk Through**
There is a mandatory site walk through scheduled for **10:00 A.M. (AZ Time), Friday, January 27th, 2012**. Meeting shall be held at the Pine Community Center, Cultural Hall, Highway 87 , Pine, Arizona. Only those companies signed in on the walk through sign-in sheet will be permitted to bid.

9. **Request for Clarifications**
Requests for clarification shall be made to Ms. Valrie Bejarano (vbejarano@co.gila.az.us) in writing (phone: 928-402-8612 fax: 928-425-8104) submitted no later than **Friday, February 3rd, 2012 at 12:00 Noon.** A response will be issued to all plan holders no later than **Friday, February 10th, 2012 at 2:00 P.M.**

GENERAL PROVISIONS

SECTION 10

DEFINITION OF TERMS

Whenever the following terms are used in these specifications, in the contract, in any documents or other instruments pertaining to construction where these specifications govern, the intent and meaning shall be interpreted as follows:

10-00 M.A.G. Uniform Standard Specifications for Public Works Construction (Latest Edition and Revisions). Maricopa Association of Governments.

10-01 ACCESS ROAD. The right-of-way, the roadway and all improvements constructed thereon.

10-02 ADOT. Arizona Department of Transportation

10-03 ADOT STANDARD SPECIFICATIONS. "Arizona Department of Transportation Standard Specifications for Road and Bridge Construction, Revised Edition 2000", and all revisions.

10-04 ADVERTISEMENT. A public announcement, as required by local law, inviting bids for work to be performed and materials to be furnished.

10-05 ASTM. The American Society for Testing and Materials.

10-05a AASHTO. The American Association of State Highway and Transportation Officials.

10-06 AWARD. The acceptance, by the Owner, of the successful bidder's proposal.

10-07 BIDDER. Any individual, partnership, firm, or corporation, acting directly or through a duly authorized representative, who submits a proposal for the work contemplated.

10-08 BUILDING AREA. An area to be used, considered, or intended to be used for a building or other facilities or rights-of-way together with all buildings and facilities located thereon.

10-09 CALENDAR DAY. Every day shown on the calendar.

10-09a CERTIFIED FLAGGER. An individual who has been trained and certified by the Arizona Department of Transportation, an Arizona County or Municipal agency, the Federal Highway Administration, or the Highway agency of another state, to control traffic in a construction zone. Individuals certified outside Arizona must also exhibit familiarity with Arizona laws.

10-10 CHANGE ORDER. A written order by the Engineer or Owner to the Contractor covering changes in the plans, specifications, or proposal quantities and establishing the basis of payment and contract time adjustment, if any, for the work affected by such changes. The work, covered by a change order, shall be within the scope of the contract.

10-11 CONTRACT. The written agreement covering the work to be performed. The awarded contract shall include, but is not limited to: the Advertisement; the Contract form; the Proposal; the Performance Bond; the Payment Bond; any required insurance certificates; the Specifications; the Plans; and any addenda issued to bidders.

10-12 CONTRACT ITEM (PAY ITEM). A specific unit of work for which a price is provided in the contract. All pay items on this contract will be measured in English units.

10-13 CONTRACT TIME. The number of calendar days or working days, stated in the proposal, allowed for completion of the contract, including authorized time extensions. If a calendar date of completion is stated in the proposal, in lieu of a number of calendar or working days, the contract shall be completed by that date.

10-14 CONTRACTOR. The individual, partnership, firm, or corporation primarily liable for the acceptable performance of the work contracted and for the payment of all legal debts pertaining to the work who acts directly or through lawful agents or employees to complete the contract work.

10-15 CONTRACTOR'S ENGINEER. The Arizona Registered Professional Civil Engineer, individual, partnership, firm, or corporation, duly authorized by Contractor to be responsible for engineering supervision, quality control and certification of the Contract work.

10-15a DEPARTMENT. The term Department in the ADOT Standard Specifications and supplements references the Arizona Department of Transportation. Department shall reference OWNER for this contract work.

10-16 ENGINEER. See OWNER.

10-17 EQUIPMENT. All machinery, together with the necessary fuel and supplies for upkeep and maintenance including, but not limited to, all tools and apparatus necessary for the proper construction and acceptable completion of the work.

10-18 EXTRA WORK. An item of work not provided for in the awarded contract as previously modified by change order or supplemental agreement, but which is found by the Owner's Engineer to be necessary to complete the work within the intended scope of the contract as previously modified.

10-19 INSPECTOR. An authorized representative of the Owner's Engineer assigned to make all necessary quality assurance inspections and/or tests of the work performed or being performed, or of the materials furnished or being furnished by the Contractor.

10-20 INTENTION OF TERMS. Whenever, in these specifications or on the plans, the words "directed," "required," "permitted," "ordered," "designated," "prescribed," or words of the like import are used, it shall be understood that the direction, requirement, permission, order, designation, or prescription of the Owner's Engineer is intended; and similarly, the words, "approved," "acceptable," "satisfactory," or words of like import, shall mean approved by, or acceptable to, or satisfactory to the Owner's Engineer, subject in each case to the final determination of the Owner.

Any reference to a specific requirement of a numbered paragraph of the contract specifications or a cited standard shall be interpreted to include all general requirements of the entire section, specification item, or cited standard that may be pertinent to such specific reference.

10-21 LABORATORY. A testing laboratory as may be designated or approved by the Owner's Engineer to test construction materials and products.

10-22 LABOR AND MATERIALS BOND. The approved form of security furnished by the Contractor and his surety as a guaranty that he will pay in full all bills and accounts for materials and labor used in the construction of the work. Also known as Payment Bond.

10-23 MAJOR AND MINOR CONTRACT ITEMS. A major contract item shall be any item that is listed in the proposal, the total cost of which is equal to or greater than 10 percent of the total amount of the awarded contract. All other items shall be considered minor contract items.

10-24 MATERIALS. Any substance specified for use in the construction of the contract work.

10-24a MUTCD. The *Manual on Uniform Traffic Control Devices for Streets and Highways*, U.S. Department of Transportation, Federal Highway Administration, Millennium Edition, with current revisions.

10-25 NOTICE TO PROCEED. A written notice to the Contractor to begin the actual contract work on a previously agreed to date. If applicable, the Notice to Proceed shall state the date on which the contract time begins.

10-26 OWNER (SPONSOR). The term Owner shall mean the party of the first part or the contracting agency signatory to the contract.

10-27 OWNER'S ENGINEER. The individual, partnership, firm, or corporation duly authorized by the Owner (sponsor) to be responsible for engineering supervision of the contract work and acting directly or through an authorized representative. The Owner's Engineer is:

C.L. Williams Consulting Inc.
621 South Hillside Lane
Pinetop, Arizona 85935
(928) 367-2248

Contacts: Joseph M. Alwin, P.E. (joe@clwilliams.net)

10-28 PAVEMENT. The combined surface, base course, and sub base course, if any, considered as a single unit.

10-29 PERFORMANCE BOND. The approved form of security furnished by the Contractor and his surety as a guaranty that the Contractor will complete the work in accordance with the terms of the contract.

10-30 PLANS. The official drawings or exact reproductions, approved by the Owner's Engineer, which show the location, character, dimensions and details of the work to be done and which are to be considered as a part of the contract, supplementary to the specifications.

10-31 PROJECT. The agreed scope of work for accomplishing specific tasks.

10-32 PROPOSAL. The written offer of the bidder (when submitted on the approved proposal form) to perform the contemplated work and furnish the necessary materials in accordance with the provisions of the plans and specifications.

10-33 PROPOSAL GUARANTY. The security furnished with a proposal to guarantee that the bidder will enter into a contract if his proposal is accepted by the Owner.

10-34 SPECIFICATIONS. A part of the contract containing the written directions and requirements for completing the contract work. Standards for specifying materials or testing which are cited in the contract specifications by reference shall have the same force and effect as if included in the contract physically.

10-35 STRUCTURES. Facilities such as bridges, culverts, catch basins, inlets, retaining walls, cribbing, storm and sanitary sewer lines, water lines, underdrains, electrical ducts, manholes, handholes, lighting fixtures and bases, transformers, flexible and rigid pavements, navigational aids, buildings, vaults, and other manmade features that may be encountered in the work and not otherwise classified herein.

10-36 SUBGRADE. The soil that forms the pavement foundation.

10-37 SUPERINTENDENT. The Contractor's authorized representative who is present on the work site during progress, and is authorized to receive and fulfill instructions from the Owner's Engineer, and who shall supervise and direct the construction.

10-38 SUPPLEMENTAL AGREEMENT. A written agreement between the Contractor and the Owner covering: 1) work that would increase or decrease the total dollar amount of the awarded contract, or any major contract item, by more than 25 percent, such increased or decreased work being within the scope of the originally awarded contract, or 2) work that is not within the scope of the originally awarded contract.

10-39 SURETY. The corporation, partnership, or individual, other than the Contractor, executing payment or performance bonds which are furnished to the Owner by the Contractor.

10-40 WORK. The furnishing of all labor, materials, tools, equipment and incidentals necessary or convenient to the Contractor's performance of all duties and obligations imposed by the contract, plans, and specifications.

10-41 WORK DAY, WORKING DAY. A work day shall be any day other than a legal holiday, Saturday, or Sunday on which the normal working forces of the Contractor may proceed with regular work for at least 6 hours toward completion of the contract, unless work is suspended for causes beyond the Contractor's control. Saturdays, Sundays and holidays on which the Contractor's forces engage in regular work, after obtaining written permission from the Public Works Director, or his authorized representative, which requires the presence of an inspector, will be considered and applied as working days.

10-42 WORK WEEK. A work week shall consist of forty (40) hours beginning on Sunday and ending on Saturday. Should the Contractor engage in work exceeding the forty (40) hour work week which requires the presence of an inspector, as determined by the County Public Works Director or his authorized representative, the Contractor shall reimburse the County for all overtime hours as 10-43.

10-43 OVERTIME HOURS. Any and all hours worked which are other than a normal work week as defined under 10-42. Contractor must give prior written notification to the Public Works Director or his authorized representative, for any and all overtime hours to be worked. It shall be at the Owner's discretion to provide an inspector at the worksite to ensure compliance during any and all overtime hours worked.

10-44 OVERTIME PAY. Any and all pay resulting from overtime hours worked.

10-45 OWNER'S INSPECTOR'S OVERTIME PAY. Any and all pay to the Owner's Inspector for overtime hours worked resulting from the Contractor having received approval for overtime hours. The inspector's overtime pay shall be the actual monies paid by the County and shall be reimbursed by the Contractor to the County. Certified payrolls for the Owner's Inspector's Overtime will be submitted to the Contractor. The cost for the Owner's Inspector's Overtime Pay will be deducted from the Contractor's billing.

10-46 SUBSTANTIAL COMPLETION. See the ADOT Standard Specification Section 105.19

SECTION 20

PROPOSAL REQUIREMENTS AND CONDITIONS

20-03 CONTENTS OF PROPOSAL FORMS. The Owner shall furnish bidders with proposal forms. All papers bound with or attached to the proposal forms are necessary parts of the proposal..

The plans, specifications, and other documents designated in the proposal whether attached or not to the proposal are considered as a part of and included with the proposal.

20-04 ISSUANCE OF PROPOSAL FORMS. The Owner reserves the right to refuse to issue a proposal form to a prospective bidder should such bidder be in default for any of the following reasons:

(a) Failure to comply with any prequalification regulations of the Owner, if such regulations are cited, or otherwise included, in the proposal as a requirement for bidding.
(b) Failure to pay, or satisfactorily settle, all bills due for labor and materials on former contracts in force (with the Owner) at the time the Owner issues the proposal to a prospective bidder.
(c) Contractor default under previous contracts with the Owner.
(d) Unsatisfactory work on previous contracts with the Owner.

20-05 INTERPRETATION OF ESTIMATED PROPOSAL QUANTITIES. An estimate of quantities of work to be done and materials to be furnished under these specifications is given in the proposal. It is the result of careful calculations and is believed to be correct. It is given only as a basis for comparison of proposals and the award of the contract. The Owner does not expressly or by implication agree that the actual quantities involved will correspond exactly therewith; nor shall the bidder plead misunderstanding or deception because of such estimates of quantities, or of the character, location, or other conditions pertaining to the work. **Payment to the Contractor will be made only for the actual quantities of work performed or materials furnished in accordance with the plans and specifications.** It is understood that the quantities may be increased or decreased as hereinafter provided in the subsection titled ALTERATION OF WORK AND QUANTITIES of Section 40-02 without in any way invalidating the unit bid prices.

20-06 EXAMINATION OF PLANS, SPECIFICATIONS, AND SITE. The bidder is expected to carefully examine the site of the proposed work, the proposal, plans, specifications, and contract forms. He shall satisfy himself as to the character, quality, and quantities of work to be performed, materials to be furnished, and as to the requirements of the proposed contract. The submission of a proposal shall be prima facie evidence that the bidder has made such examination and is satisfied as to the conditions to be encountered in performing the work and as to the requirements of the proposed contract, plans and specifications.

If any person contemplating submitting a bid for the proposed contract is in doubt as to the true meaning of any part of the plans, specifications, or other proposed contract documents, or finds discrepancies in, or omissions from the drawings or specifications, he may submit to the Owner's Engineer a written request for an interpretation or correction thereof. The person submitting the request will be responsible for its prompt delivery. Any interpretation or correction of the contract documents will be made only by addendum duly issued and a copy of such addendum will be made or delivered to each person having received a set of such documents. The Owner will not be responsible for any other explanations or interpretations of the contract documents.

Any addenda or bulletins issued during the time of bid preparations, forming a part of the contract documents furnished the bidder for the preparation of his bid, shall be covered in the bid, and shall be made a part of the contract.

20-07 PREPARATION OF PROPOSAL The bidder shall submit his proposal on the forms furnished by the Owner. All blank spaces in the proposal forms must be correctly filled in where indicated for each and every item for which a quantity is given. The bidder shall state the price (written in ink or typed) in NUMERALS for which he proposes to do each pay item furnished in the proposal. The TOTAL AGGREGATE AMOUNT bid shall be stated in both WORDS and NUMERALS. A minimum of one (1) original and two (2) copies all with original signatures shall be submitted.

The bidder shall sign his proposal correctly and in ink. If the proposal is made by an individual, his name and mailing address must be shown. If made by a partnership, the name and mailing address of each member of the partnership must be shown. If made by a corporation, the person signing the proposal shall give the name of the state under which the laws of the corporation were chartered and the name, titles, and business address of the president, secretary, and the treasurer. Anyone signing a proposal as an agent shall file evidence of his authority to do so and that the signature is binding upon the firm or corporation.

20-08 IRREGULAR PROPOSALS. Proposals shall be considered irregular for the following reasons:

(a) If the proposal is on a form other than that furnished by the Owner, or if the Owner's form is altered, or if any part of the proposal form is detached.
(b) If there are unauthorized additions, conditional or alternate pay items, or irregularities of any kind which make the proposal incomplete, indefinite, or otherwise ambiguous.
(c) If the proposal does not contain a unit price for each pay item listed in the proposal, except in the case of authorized alternate pay items, for which the bidder is not required to furnish a unit price.
(d) If the proposal contains unit prices that are obviously unbalanced.
(e) If the proposal is not accompanied by the proposal guaranty specified by the Owner.

The Owner reserves the right to reject any irregular proposal and the right to waive technicalities if such waiver is in the best interest of the Owner and conforms to local laws and ordinances pertaining to the letting of construction contracts.

20-09 PROPOSAL GUARANTY. Each proposal shall be accompanied by a certified check, cashier's check or surety bond for ten percent (10%) of the amount of the bid included in the proposal as a guarantee that the Contractor will enter into a contract to perform the proposed work in accordance with the plans and specifications.

20-10 DELIVERY OF PROPOSAL. Each proposal submitted shall be placed in a sealed envelope plainly marked with the project number, name of project, and name and business address of the bidder on the outside. When sent by mail, preferably registered, or courier, the sealed proposal, marked as indicated above, should be enclosed in an additional envelope. No proposal will be considered unless received at the place specified in the advertisement before the time specified. Proposals received after the specified time shall be returned to the bidder unopened.

20-11 WITHDRAWAL OR REVISION OF PROPOSALS. A bidder may withdraw or revise (by withdrawal of one proposal and submission of another) a proposal provided that the bidder's request for withdrawal is received by the Owner in writing or by telegram before the time specified for receipt of bids. Revised proposals must be received at the place specified in the advertisement before the time specified for receipt of bids.

20-12 PUBLIC OPENING OF PROPOSALS. Proposals shall be opened and read publicly at the time and place specified in the advertisement. Bidders, their authorized agents, and other interested persons are invited to attend.

Proposals that have been withdrawn (by written or telegraphic request) or received after the time specified shall be returned to the bidder unopened.

This will be the only time, until bid award, this information will be revealed.

20-13 DISQUALIFICATION OF BIDDERS. A bidder shall be considered disqualified for any of the following reasons:

(a) Submitting more than one proposal from the same partnership, firm, or corporation under the same or different name.
(b) Evidence of collusion among bidders. Bidders participating in such collusion shall be disqualified as bidders for any future work of the Owner until any such participating bidder has been reinstated by the Owner as a qualified bidder.
(c) If the bidder is considered to be in "default" for any reason specified in the subsection titled ISSUANCE OF PROPOSAL FORMS of Section 20-04.
(d) Failure to submit all required official bid forms.

20-14 PROTESTS. Only other bidders have the right to protest. A protest of a proposed award or of an award must be filed within ten (10) days after the bid award by the Gila County Board of Supervisors and must be sent to the Board of Supervisors. A protest must be in writing and must include:

(a) Name, address and telephone number of the protester.
(b) Signature of the protester or its representative, and evidence of authority to sign.
(c) Identification of the contract and the solicitation or contract number.
(d) Detailed statement of the legal and factual grounds of protest including copies of relevant documents.
(e) The form of relief requested.

All protests shall be sent to the attention of the Gila County Board of Supervisors, 1400 E. Ash Street, Globe, Arizona 85501

SECTION 30

AWARD AND EXECUTION OF CONTRACT

30-01 CONSIDERATION OF PROPOSALS. After the proposals are publicly opened and read, they will be compared on the basis of the summation of the products obtained by multiplying the estimated quantities shown in the proposal by the unit bid prices. If a bidder's proposal contains a discrepancy between unit bid prices written in words and unit bid prices written in numbers, the unit price written in words, unless obviously incorrect, shall govern.

Until the award of a contract is made, the Owner reserves the right to reject a bidder's proposal for any of the following reasons:

(a) If the proposal is irregular as specified in the subsection titled IRREGULAR PROPOSALS of Section 20-08.
(b) If the bidder is disqualified for any of the reasons specified in the subsection titled DISQUALIFICATION OF BIDDERS of Section 20-13.

In addition, until the award of a contract is made, the Owner reserves the right to reject any or all proposals; waive technicalities, if such waiver is in the best interest of the Owner and is in conformance with applicable state and local laws or regulations pertaining to the letting of construction contracts; advertise for new proposals; or proceed with the work otherwise. All such actions shall promote the Owner's best interests.

30-02 AWARD OF CONTRACT. The award of contract, if it is to be awarded, shall be made within sixty (60) calendar days of the date specified for publicly opening proposals, unless otherwise specified herein.

This contract will be awarded to the responsible bidder whose bid conforms to the invitation and whose bid is the most advantageous to the Owner concerning price, conformity to the specifications and other factors.

30-03 CANCELLATION OF AWARD. The Owner reserves the right to cancel the award without liability to the bidder, except return of proposal guaranty, at any time before a contract has been fully executed by all parties and is approved by the Owner in accordance with the subsection titled APPROVAL OF CONTRACT of Section 30-07.

30-04 RETURN OF PROPOSAL GUARANTY. All proposal guaranties, except those of the two (2) lowest bidders, will be returned immediately after the Owner has made a comparison of bids as hereinbefore specified in the subsection titled CONSIDERATION OF PROPOSALS of Section 30-01. Proposal guaranties of the two lowest bidders will be retained by the Owner until such time as an award is made, at which time the unsuccessful bidder's proposal guaranty will be returned as soon as the Owner receives the contract bonds as specified in the subsection titled REQUIREMENTS OF CONTRACT BONDS of Section 30-05.

30-05 REQUIREMENTS OF CONTRACT BONDS. At the time of the execution of the contract, the successful bidder shall furnish the Owner surety bond or bonds which have been fully executed by the bidder and his surety guaranteeing the performance of the work and the payment of all legal debts that may be incurred by reason of the Contractor's performance of the work. The surety and the form of the bond or bonds shall be acceptable to the Owner. Unless otherwise specified in this subsection, the surety bond or bonds shall be in a sum equal to the full amount of the contract. All bonds shall conform to the requirements of A.R.S. §34-222 and §34-223. §

30-06 EXECUTION OF CONTRACT. The successful bidder shall sign (execute) the necessary agreements for entering into the contract and return such signed contract to the Owner, along with the fully executed surety bond or bonds specified in the subsection titled REQUIREMENTS OF CONTRACT BONDS of Section 30-05, the Contractor's Statement of Insurance and an original Certificate of Insurance conforming with the requirements of Section 70-10, within 10 calendar days from the date mailed or otherwise delivered to the successful bidder. If the contract is mailed, special handling is recommended.

30-07 APPROVAL OF CONTRACT. Upon receipt of the contract and contract bond or bonds that have been executed by the successful bidder, the Owner shall complete the execution of the contract in accordance with local laws or ordinances, and return the fully executed contract to the Contractor. Delivery of the fully executed contract to the Contractor shall constitute the Owner's approval to be bound by the successful bidder's proposal and the terms of the contract. **This agreement is subject to cancellation pursuant to A.R.S. §38-511.**

30-08 FAILURE TO EXECUTE CONTRACT. Failure of the successful bidder to execute the contract as specified in the subsection titled EXECUTION OF CONTRACT of Section 30-06 and furnish an acceptable surety bond or bonds within the 10-calendar-day period specified in the subsection titled REQUIREMENTS OF CONTRACT BONDS of Section 30-05 shall be just cause for cancellation of the award and forfeiture of the proposal guaranty, not as a penalty, but as liquidation of damages to the Owner.

30-09 DISPUTE & RESOLUTION.

- **Initial Notification & Dispute of Resolution:** As required by these Specifications or any time the Contractor believes the action or decision of the County, lack of action by the County, or for some other reason will result in or necessitate the revision of the Contract, the County Engineer must be notified immediately. If within two (2) working days the identified issue has not been resolved between the Contractor and the County, the Contractor shall provide a written notice. At a minimum, the written notice shall provide a description of the nature of the issue, the time and date the problem was discovered, and if appropriate, the location of the issue. After initial written notice has been provided, the County Engineer will proceed in accordance with *MAG Uniform Standard Specifications Subsection 104.2.* In addition to proceeding in accordance with *Subsection 104.2,* the Contractor and the County must make every effort to resolve the issue identified in the initial notice. Only if the issue cannot be quickly resolved will it be necessary to proceed to the next step in accordance with *MAG Specs Subsection 110.2.2 Dispute Resolution.*

- **Process for Dispute Resolution:** If the Contractor rejects the decision of the County according to *Subsection 110.2.2(B)*, the Contractor may begin the Administration Process to resolve the dispute. All dispute resolutions shall be handled in accordance with *MAG Spec's Subsection 110.3, Administrative Process for Dispute Resolution.*

The administrative process for the resolution of disputes is sequential in nature and is composed of the following levels: Level I (County Project Manager), Level II (County Engineer, Level III (Public Works Director).

The provision set forth in *Subsection 110.2* is a contractual obligation assumed by the Contractor in executing the Contract. It is understood that the Contractor will be forever barred from recovering against the County if the Contractor fails to give notice of any act or failure to act, by the County, or the happening of any event, thing, or occurrence, in accordance with *Subsection 104.2*, Alteration of Work.

- **Dispute Review Board:** If the Dispute Review Board is utilized as prescribed in *Subsection 110.3.3*, the County Engineer shall be notified within thirty (30) days after the Level III Representative decision. The Dispute Review Board is a three (3) member board independent of the parties involved in the issue. The County and Contractor shall each select a member for this board. The third (3rd) member shall be a mutually agreed upon independent member. This Review Board must be selected within fourteen (14) calendar days after notice to the Level III Representative. Each member shall agree to impartially serve the County and Contractor. Fees and expenses of the Board Members are to be shared equally by the County and the Contractor. The Dispute Review Board shall meet within thirty (30) days of the selection of the board, unless, by mutual agreement, another date is selected. The scope of the Dispute Review Board shall be restricted and limited to the matters originally presented to the Level III Representative for decision or determination and shall include no other matters. The Board shall consider and evaluate the dispute and render a written decision that assigns financial responsibilities and allocates adjustments in the contact time, if applicable, within seven (7) calendar days after the meeting. The decision of the Dispute Review Board will be final.

SECTION 40

SCOPE OF WORK

40-01 INTENT OF CONTRACT. The intent of the contract is to provide for construction and completion, in every detail, of the work described. It is further intended that the Contractor shall furnish all labor, materials, equipment, tools, and supplies required to complete the work in accordance with the plans, specifications, and terms of the contract.

40-02 ALTERATION OF WORK AND QUANTITIES. The Owner reserves and shall have the right to make such alterations in the work as may be necessary or desirable to complete the work originally intended in an acceptable manner. Unless otherwise specified herein, the Owner's Engineer shall be and is hereby authorized to make such alterations in the work as may increase or decrease the originally awarded contract quantities, provided that the aggregate of such alterations does not change the total contract cost or the total cost of any major contract item by more than twenty-five percent (25%) (total cost being based on the unit prices and estimated quantities in the awarded contract). Alterations which do not exceed the twenty-five percent (25%) limitation shall not invalidate the contract nor release the surety, and the Contractor agrees to accept payment for such alterations as if the altered work had been a part of the original contract. These alterations which are for work within the general scope of the contract shall be covered by "Change Orders" issued by the Owner's Engineer. Change order for altered work shall include extensions of contract time where, in the Owner's Engineer's opinion, such extensions are commensurate with the amount and difficulty of added work.

Should the aggregate amount of altered work exceed the twenty-five percent (25%) limitation hereinbefore specified, such excess altered work shall be covered by supplemental agreement. If the Owner and the Contractor are unable to agree on a unit adjustment for any contract item that requires a supplemental agreement, the Owner reserves the right to terminate the contract with respect to the item and make other arrangements for its completion.

All supplemental agreements shall require consent of the Contractor's surety and separate performance and payment bonds.

40-03 OMITTED ITEMS. The Owner's Engineer may, in the Owner's best interest, omit from the work any contract item, except major contract items. Major contract items may be omitted by a supplemental agreement. Such omission of contract items shall not invalidate any other contract provision or requirement.

Should a contract item be omitted or otherwise ordered to be non-performed, the Contractor shall be paid for all work performed toward completion of such item prior to the date of the order to omit such item. Payment for work performed shall be in accordance with the subsection titled PAYMENT FOR OMITTED ITEMS of Section 90-04.

40-04 EXTRA WORK. Should acceptable completion of the contract require the Contractor to perform an item of work for which no basis of payment has been provided in the original contract or previously issued change orders or supplemental agreements, the same shall be called EXTRA WORK. Extra work that is within the general scope of the contract shall be covered by written change order. Change orders for such extra work shall contain agreed unit prices for performing the change order work in accordance with the requirements specified in the order, and shall contain any adjustment to the contract time that, in the Owner's Engineer's opinion, is necessary for completion of such extra work.

When determined by the Owner's Engineer to be in the Owner's best interest, he may order the Contractor to proceed with extra work by force account as provided in the subsection titled PAYMENT FOR EXTRA AND FORCE ACCOUNT WORK of Section 90-05.

Extra work that is necessary for acceptable completion of the project, but is not within the general scope of the work covered by the original contract, shall be covered by an agreement as hereinbefore defined in the subsection titled SUPPLEMENTAL AGREEMENT of Section 10-38.

Any claim for payment of extra work that is not covered by written agreement (change order or supplemental agreement) shall be rejected by the Owner.

40-05 MAINTENANCE OF TRAFFIC. It is the explicit intention of the contract that the safety of all traffic, vehicular and pedestrian, as well as the Contractor's equipment and personnel, is the most important consideration.

With respect to his own operations and the operations of all his subcontractors, the Contractor shall provide marking, lighting, and other acceptable means of identifying personnel, equipment, vehicles, storage areas, and any work area or condition that may be hazardous to the operation of all traffic, vehicular and pedestrian.

When the contract requires the maintenance of vehicular traffic on an existing road, street, or highway during the Contractor's performance of work that is otherwise provided for in the contract, plans, and specifications, the Contractor shall keep such road, street, or highway open to all traffic and shall provide such maintenance as may be required to accommodate traffic. The Contractor shall furnish, erect, and maintain barricades, warning signs, flaggers, and other traffic control devices in reasonable conformity with the Manual of Uniform Traffic Control Devices for Streets and Highways (MUTCD) PART VI, (published by the United States Government Printing Office), unless otherwise specified herein. The Contractor shall also construct and maintain in a safe condition any temporary connections necessary for ingress to and egress from abutting property or intersecting roads, streets or highways. Unless otherwise specified herein, the Contractor will not be required to furnish snow removal for such existing road, street, or highway.

The Contractor shall make his own estimate of all labor, materials, equipment, and incidentals necessary for providing the maintenance of pedestrian and vehicular traffic as specified in this subsection.

40-06 RIGHTS IN AND USE OF MATERIALS FOUND IN THE WORK. Should the Contractor encounter any materials such as (but not restricted to) sand, stone, gravel, slag, or concrete slabs within the established lines, grades, or grading sections, the use of which is intended by the terms of the contract to be either embankment or waste, he may at his option either:

(a) Use such material in another contract item, providing such use is approved by the Owner's Engineer and is in conformance with the contract specifications applicable to such use; or,
(b) Remove such material from the site, upon written approval of the Owner's Engineer; or,
(c) Use such material for his own temporary construction on site; or,
(d) Use such material as intended by the terms of the contract.

Should the Contractor wish to exercise option (a), (b), or (c), he shall request the Owner's Engineer's approval in advance of such use. Should the Owner's Engineer approve the Contractor's request to exercise option (a), (b), or (c), the Contractor shall be paid for the excavation or removal of such material at the applicable contract price. The Contractor shall replace, at his own expense, such removed or excavated material with an agreed equal volume of material that is acceptable for use in constructing embankment, backfills, or otherwise to the extent that such replacement material is needed to complete the contract work. The Contractor shall not be charged for his use of such material so used in the work or removed from the site.

Should the Owner's Engineer approve the Contractor's exercise of option (a), the Contractor shall be paid, at the applicable contract price, for furnishing and installing such material in accordance with requirements of the contract item in which the material is used.

It is understood and agreed that the Contractor shall make no claim for delays by reason of his exercise of option (a), (b), or (c).

The Contractor shall not excavate, remove, or otherwise disturb any materials, structure, or part of a structure which is located outside the lines, grades, or grading sections established for the work, except where such excavation or removal is provided for in the contract, plans, or specifications.

40-07 FINAL CLEANING UP. Upon completion of the work and before acceptance and final payment will be made, the Contractor shall remove from the site all machinery, equipment, surplus and discarded materials, rubbish, temporary structures, and stumps or portions of trees. He shall cut all brush and woods within the limits indicated and shall leave the site in a neat and presentable condition. Material cleared from the site and deposited on adjacent property will not be considered as having been disposed of satisfactorily, unless the Contractor has obtained the written permission of such property owner and furnished a copy to the Owner's Engineer.

SECTION 50

CONTROL OF WORK

50-01 AUTHORITY OF THE OWNER'S ENGINEER. The Owner shall decide any and all questions which may arise as to the quality and acceptability of materials furnished, based upon the Contractor's Engineer's certification for the quality and acceptability work performed, and as to the manner of performance and rate of progress of the work. He shall decide all questions which may arise as to the interpretation of the specifications or plans relating to the work, the fulfillment of the contract on the part of the Contractor, and the rights of different contractors on the project. The Owner shall review and determine, based upon the Contractor's Engineer's certifications on amounts, quality of work and materials furnished, the amount and quality of the several kinds of work performed and materials furnished which are to be paid for under contract.

50-02 CONFORMITY WITH PLANS AND SPECIFICATIONS. All work and materials furnished shall be the full responsibility of the Contractor and shall be in reasonably close conformity with the lines, grades, grading section, cross sections, dimensions, material requirements, and testing requirements that are specified (including specified tolerances) in the contract, plans, or specifications, and shall be certified by the Contractor's Engineer.

If the Owner finds the materials furnished, work performed, or the finished product not within reasonably close conformity with the plans and specifications, but that the portion of the work affected will, in his opinion, result in a finished product having a level of safety, economy, durability and workmanship acceptable to the Owner, he will advise the Owner of his determination that the affected work be accepted and remain in place. In this event, the Owner will document his determination and recommend to the Owner a basis of acceptance which will provide for an adjustment in the contract price for the affected portion of the work. The Owner's determination and recommended contract price adjustments will be based on good engineering judgment and on such tests or retests by the Contractor's Engineer, and at the Contractor's expense, of the affected work as are, in his opinion, needed. Changes in the contract price shall be covered by contract modifications (change order or supplemental agreement) as applicable.

If the Owner finds the materials furnished, work performed, or the finished product are not in reasonably close conformity with the plans and specifications and have resulted in an unacceptable finished product, the affected work or materials shall be removed and replaced or otherwise corrected by and at the expense of the Contractor in accordance with the Owner written orders.

For the purpose of this subsection, the term "reasonably close conformity" shall not be construed as waiving the Contractor's responsibility to complete the work in accordance with the contract, plans and specifications. The terms shall not be construed as waiving the Owner's right to insist on strict compliance with the requirements of the contract, plans, and specifications during the Contractor's prosecution of the work, when, in the Owner's opinion, such compliance is essential to provide an acceptable finished portion of the work.

For the purpose of this subsection, the term "reasonably close conformity" is also intended to provide the Owner with the authority to use good engineering judgment in his determinations as to acceptance of work that is not in strict conformity but will provide a finished product equal to or better than that intended by the requirements of the contract, plans and specifications.

50-03 COORDINATION OF CONTRACT, PLANS AND SPECIFICATIONS. The contract, plans, specifications, and all referenced standards cited are essential parts of the contract requirements. A requirement occurring in one is as binding as though occurring in all. They are intended to be complementary and to describe and provide for a complete work. In case of discrepancy, calculated dimensions will govern over scaled dimensions; contract technical specifications shall govern over contract general provisions, plans, cited standards for materials or testing; contract general provisions shall govern over plans, cited standards for materials or testing; plans shall govern over County standards for materials or testing.

The Contractor shall not take advantage of any apparent error or omission on the plans or specifications. In the event the Contractor discovers any apparent error or discrepancy, he shall immediately call upon the Owner for his interpretation and decision, and such decision shall be final.

50-04 COOPERATION OF CONTRACTOR. The Contractor will be supplied with two copies each of the plans and specifications. He shall have available on the job at all times one copy each of the plans and specifications. Additional copies of plans and specifications may be obtained by the Contractor for the cost of reproduction.

The Contractor shall give constant attention to the work to facilitate the progress thereof, and he shall cooperate with the Owner and his inspectors and with other contractors in every way possible. The Owner shall allocate the work and designate the sequence of construction in case of controversy between contractors. The Contractor shall have a competent superintendent on the job at all times who is fully authorized as his agent for the work. The superintendent shall be capable of reading and thoroughly understanding the plans and specifications and shall receive and fulfill instructions from the Owner or his authorized representative.

50-05 COOPERATION BETWEEN CONTRACTORS. The Owner reserves the right to contract for and perform other or additional work on or near the work covered by this contract.

When separate contracts are let within the limits of any one project, each contractor shall conduct his work so as not to interfere with or hinder the progress of completion of the work being performed by other contractors. Contractors working on the same project shall cooperate with each other as directed.

Each contractor involved shall assume all liability, financial or otherwise, in connection with his contract and shall protect and save harmless the Owner from any and all damages or claims that may arise because of inconvenience, delays, or loss experienced by him because of the presence and operations of other contractors working within the limits of the same project.

The Contractor shall arrange his work and shall place and dispose of the materials being used so as not to interfere with the operations of the other contractors within the limits of the same project. He shall join his work with that of the others in an acceptable manner and shall perform it in proper sequence to that of the others.

50-06 CONSTRUCTION LAYOUT AND STAKES. The Contractor and the Contractor's Engineer will establish lines, grades, and measurements necessary to the proper prosecution and control of the work contracted for under these specifications. The Contractor shall satisfy himself as to the accuracy of all measurements before constructing any permanent structure. Any question raised relative to the accuracy of construction shall not be raised unless all survey stakes remain intact. Should such stakes not be present and verified as to their origin, no claim for addition compensation for correction shall be submitted for payment and such shall be corrected by the Contractor at his expense.

50-07 AUTOMATICALLY CONTROLLED EQUIPMENT. Whenever batching or mixing plant equipment is required to be operated automatically under the contract and a breakdown or malfunction of the automatic controls occurs, the equipment may be operated manually or by other methods for a period of 48 hours following the breakdown or malfunction, provided this method of operations will produce results which conform to all other requirements of the contract.

50-08 AUTHORITY AND DUTIES OF INSPECTORS. Inspectors employed by the Owner shall be authorized to inspect all work done and all material furnished. Such inspection may extend to all or any part of the work and to the preparation, fabrication, or manufacture of the materials to be used. Inspectors are not authorized to revoke, alter, or waive any provision of the contract. Inspectors are not authorized to issue instructions contrary to the plans and specifications or to act as foreman for the Contractor.

Inspectors employed by the Owner are authorized to notify the Contractor or his representative of any failure of the work or materials to conform to the requirements of the contract, plans, or specifications and to reject such nonconforming materials in question until such issues can be referred to the Owner's Engineer for his decision.

50-09 INSPECTION OF THE WORK. All materials and each part or detail of the work shall be subject to inspection by the Owner. The Owner shall be allowed access to all parts of the work and shall be furnished with such information and assistance by the Contractor as is required to make a complete and detailed inspection.

If the Owner requests it, the Contractor, at any time before acceptance of the work, shall remove or uncover such portions of the finished work as may be directed. After examination, the Contractor shall restore said portions of the work to the standard required by the specifications. Should the work thus exposed or examined prove acceptable, the uncovering, or removing and the replacing of the covering or making good of the parts removed will be paid for as extra work; but should the work so exposed or examined prove unacceptable, the uncovering, or removing, and the replacing of the covering or making good of the parts removed will be at the Contractor's expense.

Any work done or materials used without supervision or inspection by an authorized representative of the Owner may be ordered removed and replaced at the Contractor's expense unless the Owner's representative failed to inspect after having been given reasonable notice in writing that the work was to be performed.

Should the contract work include relocation, adjustment, or any other modification to existing facilities, not the property of the (contract) Owner, authorized representatives of the owners of such facilities shall have the right to inspect such work. Such inspection shall in no way make any facility owner a party to the contract, and shall in no way interfere with the rights of the parties to this contract.

50-10 REMOVAL OF UNACCEPTABLE AND UNAUTHORIZED WORK. All work which does not conform to the requirements of the contract, plans, and specifications will be considered unacceptable, unless otherwise determined acceptable by the Owner as provided in the subsection titled CONFORMITY WITH PLANS AND SPECIFICATIONS of Section 50-02.

Unacceptable work, whether the result of poor workmanship, use of defective materials, damage through carelessness, or any other cause found to exist prior to the final acceptance of the work, shall be removed immediately and replaced in an acceptable manner in accordance with the provisions of the subsection titled CONTRACTOR'S RESPONSIBILITY FOR WORK of Section 70-13.

No work shall be done without lines and grades having been given by the Contractor's Engineer and authorized by the Owner. Work done contrary to the instructions of the Owner, work done beyond the lines shown on the plans or as given, except as herein specified, or any extra work done without authority will be considered as unauthorized and will not be paid for under the provisions of the contract. Work so done may be ordered removed or replaced at the Contractor's expense.

Upon failure on the part of the Contractor to comply as soon as possible with any order of the Owner made under the provisions of this subsection, the Owner will have authority to cause unacceptable work to be remedied or removed and replaced and unauthorized work to be removed and to deduct the costs (incurred by the Owner) from any monies due or to become due the Contractor.

50-11 LOAD RESTRICTIONS. The Contractor shall comply with all legal load restrictions in the hauling of materials on public roads beyond the limits of the work. A special permit will not relieve the Contractor of liability for damage that may result from the moving of material or equipment.

The operation of equipment of such weight or so loaded as to cause damage to structures or to any other type of construction will not be permitted. Hauling of materials over the base course or surface course under construction shall be limited as directed. No loads will be permitted on a concrete pavement, base, or structure before the expiration of the curing period. The Contractor shall be responsible for all damage done by his hauling equipment and shall correct such damage at this own expense.

50-12 MAINTENANCE DURING CONSTRUCTION. The Contractor shall maintain the work during construction and until the work is accepted. This maintenance shall constitute continuous and effective work prosecuted day by day, with adequate equipment and forces so that the work is maintained in satisfactory condition at all times.

In the case of a contract for the placing of a course upon a course or subgrade previously constructed, the Contractor shall maintain the previous course or subgrade during all construction operations.

All costs of maintenance work during construction and before the project is accepted shall be included in the unit prices bid on the various contract items, and the Contractor will not be paid an additional amount for such work.

50-13 FAILURE TO MAINTAIN THE WORK. Should the Contractor at any time fail to maintain the work as provided in the subsection titled MAINTENANCE DURING CONSTRUCTION of Section 50-12, the Owner shall immediately notify the Contractor of such noncompliance. Such notification shall specify a reasonable time within which the Contractor shall be required to remedy such unsatisfactory maintenance conditions. The time specified will give due consideration to the emergency that exists.

Should the Contractor fail to respond to the Owner notification, the Owner may suspend any work necessary for the Owner to correct such unsatisfactory maintenance condition, depending on the emergency that exists. Any maintenance cost incurred by the Owner shall be deducted from monies due or to become due the Contractor.

50-14 PARTIAL ACCEPTANCE. If at any time during the prosecution of the project the Contractor substantially completes a usable unit or portion of the work, the occupancy of which will benefit the Owner, he may request the Owner to make final inspection of that unit. If the Owner finds upon inspection that the unit has been satisfactorily completed in compliance with the contract, and certified to be in compliance by the Contractor's Engineer, he may accept it as being completed, and the Contractor may be relieved of further responsibility for that unit, subject to stated guarantees. Such partial acceptance and beneficial occupancy by the Owner shall not void or alter any provision of the contract.

50-15 FINAL ACCEPTANCE. Upon due notice from the Contractor of presumptive completion of the entire project, and certification of completion and compliance to the approved plans by the Contractor's Engineer, Owner will make an inspection. If all construction provided for and contemplated by the contract is found to be completed in accordance with the contract, plans, and specifications, such inspection shall constitute the final inspection. The Owner shall notify the Contractor in writing of final acceptance as of the date of the final inspection.

If, however, the inspection discloses any work, in whole or in part, as being unsatisfactory, the Owner will give the Contractor the necessary instructions for correction of same, and the Contractor shall immediately comply with and execute such instructions. Upon correction of the work, and recertification by the Contractor's Engineer, another inspection will be made which shall constitute the final inspection, provided the work has been satisfactorily completed. In such event, the Owner will make the final acceptance and notify the Contractor in writing of this acceptance as of the date of final inspection.

50-16 CLAIMS FOR ADJUSTMENT AND DISPUTES. If for any reason the Contractor deems that additional compensation is due him for work or materials not clearly provided for in the contract, plans, or specifications or previously authorized as extra work, he shall notify the Owner in writing of his intention to claim such additional compensation before he begins the work on which he bases the claim. If such notification is not given or the Owner is not afforded proper opportunity by the Contractor for keeping strict account of actual cost as required, then the Contractor hereby agrees to waive any claim for such additional compensation. Such notice by the Contractor and the fact that the Owner has kept account of the cost of the work shall not in any way be construed as proving or substantiating the validity of the claim. When the work on which the claim for additional compensation is based has been completed, the Contractor shall, within 10 calendar days, submit his written claim, along with certification by the Contractor's Engineer, to the Owner for consideration in accordance with local laws or ordinances.

Nothing in this subsection shall be construed as a waiver of the Contractor's right to dispute final payment based on differences in measurements or computations.

50-17 GUARANTEE OF WORK (ADDITIONAL). The Contractor shall guarantee all work against any defects due to faulty materials or workmanship for a period of two years from the date of final inspection and acceptance. The Owner shall give notice of observed defects with reasonable promptness. Any omission on the part of the Owner to condemn defective work at the time of construction or final inspection shall not be deemed an acceptance. The Contractor shall be required to correct defective work or material at any time before final inspection and acceptance and within two years thereafter.

50-18 CONSTRUCTION SCHEDULE. Prior to commencement of the work the Contractor shall prepare and submit to the Owner for review, a written schedule covering the general sequence of the work to be performed on a bi-weekly basis. The work schedule, after review and acceptance by the Owner, shall not be changed without the written consent of the Owner. The Contractor shall assume the full responsibility for performing the work in an orderly procedure under the Contract.

50-19 NEGOTIATIONS. It is the intent of the County to award a Contract to the lowest responsible Bidder provided the Bid has been submitted in accordance with the requirements of the Bid Documents, is judged reasonable, and does not exceed the funds available.

(a) The County shall have the authority to negotiate with the lowest bidder to reduce the scope of the Project in the event that all responsive bids exceed the Project budget.

Bids shall be made available for public inspection by appointment only after the award has been made by the Board of Supervisors. The Board of Supervisors has the sole authority to award bids and any statement by any employee of the County is not binding on the Board.

The following criteria will be considered a part of the evaluation process:

(a) Competence and responsibility of Bidder.
(b) Qualifications and experience of Bidder.
(c) Past performance of Bidder.
(d) Conformity with bidding requirements and general considerations.
(e) Record of timely completion of punch lists on past projects.

Negotiations With Individual Contractors: Gila County Public Works Division shall establish procedures and schedules for conducting Negotiations. Disclosure of one (1) Contractor's Price or any information derived from competing Bid Prices or any information derived from competing Bids is prohibited.

(a) Any response to a request for clarification of a bid shall be in writing.
(b) The Public Works Division shall keep a record of all negotiations.

For the purpose of conducting Negotiations with Contractors, Gila County may use any of the following methods that, in their judgment, best meets the unique requirements.

(a) Concurrent Negotiations: Negotiations may be conducted concurrently with responsible Contractors for the purpose of determining source selection and/or Contract Award.

(b) Exclusive Negotiations: A determination may be made by the Public Works Director to enter into exclusive negotiations with the responsible Contractor whose bid is determined in the selection process to be the most Advantageous to Gila County.

Exclusive Negotiations may be conducted subsequent to concurrent Negotiations or may be conducted without requiring previous concurrent Negotiations.

(a) A determination to conduct exclusive Negotiations shall not constitute a Contract Award nor shall it confer any property rights to the successful bidder.

(b) If exclusive Negotiations are conducted and an agreement is not reached, the County may enter into exclusive Negotiations with the next highest ranked Contractor without the need to repeat the formal Solicitation process.

SECTION 60

CONTROL OF MATERIAL

60-01 SOURCE OF SUPPLY AND QUALITY REQUIREMENTS. The materials used on the work shall conform to the requirements of the contract, plans, and specifications. Unless otherwise specified, such materials that are manufactured or processed shall be new (as compared to used or reprocessed).

In order to expedite the inspection and testing of materials, the Contractor's Engineer shall furnish complete statements to the Owner as to the origin, composition, and manufacture of all materials to be used in the work. Such statements shall be furnished promptly after execution of the contract but, in all cases, prior to delivery of such materials.

At the Owner's option, materials may be approved at the source of supply before delivery is started. If it is found after trial that sources of supply for previously approved materials do not produce specified products, the Contractor shall furnish materials from other sources.

It shall be the responsibility of the Contractor to provide sources of aggregates to complete the work specified in the specifications and on the plans. The Contractor shall so inform the Owner of the location of his proposed sources in sufficient time to allow for the necessary preliminary sampling and testing. The Owner shall sample the aggregate source(s) and test those samples to determine the source's suitability for use, based upon the specifications of the Contract. Any materials information provided by the Owner shall not be considered as a part of the contract, and should be used at the discretion of each prospective contractor in formulating his bids and plan of operation.

Any construction, building addition or alteration project which is financed by monies of this state or its political subdivisions shall not use endangered wood species unless an exemption is granted by the director of the Department of Administration. The director shall only grant an exemption if the use of endangered wood species is deemed necessary for historical restoration or to repair existing facilities and the use of any substitute material is not practical. Any lease-purchase agreement entered into by this state or its political subdivisions for construction shall specify that no endangered wood species may be used in the construction unless an exemption is granted by the director. As used in this subsection, an endangered wood species includes those listed in Appendix I of the Convention on International Trade in Endangered Species of Wild Flora and Fauna.

60-02 SAMPLES, TESTS, AND CITED SPECIFICATIONS. All materials used in the work shall be inspected, tested and certified by the Owner before incorporation in the work. Any work in which untested materials are used without approved or written permission of the Owner shall be performed at the Contractor's risk. Materials found to be unacceptable and unauthorized will not be paid for and, if directed by the Owner, shall be removed at the Contractor's expense. Unless otherwise designated, tests in accordance with the cited standard methods of ADOT, AASHTO or ASTM which are current on the date of advertisement for bids will be made by and at the expense of the Owner; samples will be taken by a qualified representative of the Owner.

All materials being used are subject to inspection, test, or rejection at any time prior to or during incorporation into the work.

60-03 CERTIFICATION OF COMPLIANCE. The Owner' may permit the use, prior to sampling and testing, of certain materials or assemblies when accompanied by manufacturer's certificates of compliance stating that such materials or assemblies fully comply with the requirements of the contract.

The certificate shall be signed by the manufacturer. Each lot of such materials or assemblies delivered to the work must be accompanied by a certificate of compliance in which the lot is clearly identified.

Materials or assemblies used on the basis of certificates of compliance may be sampled and tested at any time and if found not to be in conformity with contract requirements will be subject to rejection whether in place or not.

The form and distribution of certificates of compliance shall be as approved by the Owner.

When a material or assembly is specified by "brand name or equal" and the Contractor elects to furnish the specified "brand name," the Contractor shall be required to furnish the manufacturer's certificate of compliance for each lot of such material or assembly delivered to the work. Such certificate of compliance shall clearly identify each lot delivered and shall certify as to:

(a) Conformance to the specified performance, testing, quality or dimensional requirements; and,
(b) Suitability of the material or assembly for the use intended in the contract work.

Should the Contractor propose to furnish an "or equal" material or assembly, he shall furnish the manufacturer's certificates of compliance as hereinbefore described for the specified brand name material or assembly. However, the Owner shall be the sole judge as to whether the proposed "or equal" is suitable for use in the work.

The Owner reserves the right to refuse permission for use of materials or assemblies on the basis of certificates of compliance.

60-04 PLANT INSPECTION. The Owner or his authorized representative may inspect, at its source, any specified material or assembly to be used in the work. Manufacturing plants may be inspected from time to time for the purpose of determining compliance with specified manufacturing methods or materials to be used in the work and to obtain samples required for his acceptance of the material or assembly.

Should the Owner conduct plant inspections, the following conditions shall exist:

(a) The Owner shall have the cooperation and assistance of the Contractor and the producer with whom he has contracted for materials.
(b) The Owner shall have full entry at all reasonable times to such parts of the plant that concern the manufacture or production of the materials being furnished.
(c) If required by the Owner, the Contractor shall arrange for adequate office or working space that may be reasonably needed for conducting plant inspections. Office or working space should be conveniently located with respect to the plant.

It is understood and agreed that the Owner shall have the right to retest any material which has been tested and approved at the source of supply after it has been delivered to the site. The Owner shall have the right to reject only material which, when retested, does not meet the requirements of the contract, plans, or specifications.

60-05 OWNER'S FIELD OFFICE AND LABORATORY. The Owner's field office and laboratory shall be the responsibility of the Contractor or his authorized representative as determined by need by the Owner.

60-06 STORAGE OF MATERIALS. Materials shall be so stored as to assure the preservation of their quality and fitness for the work. Stored materials, even though approved before storage, may again be inspected prior to their use in the work. Stored materials shall be located so as to facilitate their prompt inspection. The Contractor shall coordinate the storage of all materials with the Owner. Private property shall not be used for storage purposes without written permission of the owner or lessee of such property. The Contractor shall make all arrangements and bear all expenses for the storage of materials on private property. Upon request, the Contractor shall furnish the Owner a copy of the property owner's permission.

All storage sites on private property shall be restored to their original condition by the Contractor at his entire expense, except as otherwise agreed to (in writing) by the owner or lessee of the property.

60-07 UNACCEPTABLE MATERIALS. Any material or assembly that does not conform to the requirements of the contract, plans or specifications shall be considered unacceptable and shall be rejected. The Contractor shall remove any rejected material or assembly from the site of the work, unless otherwise instructed by the Owner.

No rejected material or assembly, the defects of which have been corrected by the Contractor, shall be returned to the site of the work until such time as the Owner has approved its use in the work.

60-08 OWNER-FURNISHED MATERIALS. The Contractor shall furnish all materials required to complete the work, except those specified herein (if any) to be furnished by the Owner. Owner-furnished materials shall be made available to the Contractor at the location specified herein.

All costs of handling, transportation from the specified location to the site of work, storage, and installing owner-furnished materials shall be included in the unit price bid for the contract item in which such owner-furnished material is used.

After any owner-furnished material has been delivered to the location specified, the Contractor shall be responsible for any demurrage, damage, loss, or other deficiencies that may occur during the Contractor's handling, storage, or use of such owner-furnished material. The Owner will deduct from any monies due or to become due the Contractor any cost incurred by the Owner in making good such loss due to the Contractor's handling, storage, or use of owner-furnished materials.

SECTION 70

LEGAL RELATIONS AND RESPONSIBILITY TO PUBLIC

70-01 LAWS TO BE OBSERVED. The Contractor shall keep fully informed of all Federal and State laws, all local laws, ordinances, and regulations and all orders and decrees of bodies or tribunals having any jurisdiction or authority, which in any manner affect those engaged or employed on the work, or which in any way affect the conduct of the work. He shall at all times observe and comply with all such laws, ordinances, regulations, orders, and decrees; and shall protect and indemnify the Owner and all his officers, agents, or servants against any claim or liability arising from or based on the violation of any such law, ordinance, regulation, order, or decree, whether by himself or his employees.

Laws and Ordinances: This agreement shall be enforced under the laws of the State of Arizona and Gila County. The Contractor shall maintain in current status all Federal, State and Local licenses and permits required for the operation of the business conducted by the Contractor. The Contractor shall comply with the applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and applicable federal regulations under the Act.

70-02 PERMITS, LICENSES, AND TAXES. The Contractor shall procure all permits and licenses, pay all charges, fees, and taxes, and give all notices necessary and incidental to the due and lawful prosecution of the work. All costs for any permits, licenses, fees, taxes, or other charges shall be included in the contract price bid.

70-03 PATENTED DEVICES, MATERIALS, AND PROCESSES. If the Contractor is required or desires to use any design, device, material, or process covered by letters of patent or copyright, he shall provide for such use by suitable legal agreement with the patentee or owner. The Contractor and the surety shall indemnify and save harmless the Owner, any third party, or political subdivision from any and all claims for infringement by reason of the use of any patented design, device, material or process, or any trademark or copyright, and shall indemnify the Owner for any costs, expenses, and damages which it may be obliged to pay by reason of an infringement, at any time during the prosecution or after the completion of the work.

70-04 RESTORATION OF SURFACES DISTURBED BY OTHERS. The Owner reserves the right to authorize the construction, reconstruction, or maintenance of any public or private utility service, or a utility service of another government agency at any time during the progress of the work. To the extent that such construction, reconstruction, or maintenance has been coordinated with the Owner, such authorized work (by others) is indicated as follows:

A. Preparatory work on the subgrade by the Owner.

Except as provided above, the Contractor shall not permit any individual, firm, or corporation to excavate or otherwise disturb such utility services or facilities located within the limits of the work without the written permission of the Owner's Engineer.

Should the owner of public or private utility service, or a utility service of another government agency be authorized to construct, reconstruct, or maintain such utility service or facility during the progress of the work, the Contractor shall cooperate with such owners by arranging and performing the work in this contract so as to facilitate such construction, reconstruction or maintenance by others whether or not such work by others is listed above. When ordered as extra work by the Owner's Engineer, the Contractor shall make all necessary repairs to the work which are due to such authorized work by others, unless otherwise provided for in the contract, plans or specifications. It is understood and agreed that the Contractor shall not be entitled to make any claim for damages due to such authorized work by others or for any delay to the work resulting from such authorized work.

70-05 SANITARY, HEALTH, AND SAFETY PROVISIONS. The Contractor shall provide and maintain in a neat, sanitary condition such accommodations for the use of his employees as required to comply with the requirements of the State and local boards of health, or of other bodies or tribunals having jurisdiction. Contractor is responsible for supplying toilet and hand washing facilities at work site.

Attention is directed to Federal, State and local laws, rules and regulations concerning construction safety and health standards. The Contractor shall not require any worker to work in surroundings or under conditions which are unsanitary, hazardous, or dangerous to his health or safety as determined under the Arizona Occupational Safety and Health Standards for Construction, adopted by the Industrial Commission of Arizona pursuant to the Authority in A.R.S. §23-410.

Contractor Safety Tailgate Meetings: Contractor shall conduct tailgate safety meetings regularly to ensure that safety on the job is given priority. Gila County will be represented at each of those informal meetings. Notification shall be given to the County QA/QC Safety Compliance Officer at (928) 402-8506 at least twenty-four (24) hours in advance of the next meeting. Each employee of the Contractor and Sub-Contractor shall read the County Safety & Loss Control Procedures book and sign an acknowledgement.

Accident/Injury Procedure: Contractor shall contact the Owner and the Gila County Risk Management Division within twenty-four (24) hours of the occurrence of an accident or injury arising out of the Contractor's work under this contract.

Unsafe Acts: Contractor employees are encouraged to abate or remedy any unsafe act or condition which may arise in the course of Contractor's work under this contract.

Safety Audits: The County reserves the right to conduct safety audits at the job site and stop unsafe acts at any time. In addition, the County shall be notified should any OSHA inspection occur at a County job site.

70-06 PUBLIC CONVENIENCE AND SAFETY. The Contractor shall control his operations and those of his subcontractors and all suppliers, to assure the least inconvenience to the traveling public. Under all circumstances, safety shall be the most important consideration.

The Contractor shall maintain the free and unobstructed movement of aircraft and/or vehicular traffic with respect to his own operations and those of his subcontractor and all suppliers in accordance with the subsection titled MAINTENANCE OF TRAFFIC of Section 40-05 hereinbefore specified.

70-07 BARRICADES, WARNING SIGNS AND HAZARD MARKINGS. The Contractor shall furnish, erect and maintain all barricades, warning signs, and markings for hazards necessary to protect the public and the work. When used during periods of darkness, such barricades, warning signs and hazard markings shall be suitably illuminated.

For vehicular and pedestrian traffic, the Contractor shall furnish, erect, and maintain barricades, warning signs, lights and other traffic control devices in reasonable conformity with the Manual of Uniform Traffic Control Devices for Streets and Highways (MUTCD Part VI), published by the United States Government Printing Office.

The Contractor shall furnish and erect all barricades, warning signs and markings for hazards prior to commencing work which required such erection and shall maintain the barricades, warning signs, and markings for hazards until their dismantling is directed by the Owner's Engineer.

70-08 PROTECTION AND RESTORATION OF PROPERTY AND LANDSCAPE. The Contractor shall be responsible for the preservation of all public and private property, and shall protect carefully from disturbance or damage all land monuments and property marks until the Contractor's Engineer and the Owner's Engineer has witnessed or otherwise referenced their location and shall not move them until directed.

The Contractor shall be responsible for all damage or injury to property of any character, during the prosecution of the work, resulting from any act, omission, neglect, or misconduct in his manner or method of executing the work, or at any time due to defective work or materials, and said responsibility will not be released until the project shall have been completed and accepted.

When or where any direct or indirect damage or injury is done to public or private property by or on account of any act, omission, neglect, or misconduct in the execution of the work, or in consequence of the non-execution thereof by the Contractor, he shall restore, at his own expense, such property to a condition similar or equal to that existing before such damage or injury was done, by repairing, rebuilding, or otherwise restoring as may be directed, or he shall make good such damage or injury in an acceptable manner.

70-09 RESPONSIBILITY FOR DAMAGE CLAIMS. To the fullest extent permitted by law, Contractor shall defend, indemnify and hold harmless Gila County, and the Pinal Creek Group and their respective agents, representatives, officers, directors, officials, and employees from and against any and all demands, proceedings, suits, actions, claims, damages, or losses relating to, arising out of, resulting from or alleged to have resulted from the performance of the Work. Contractor's duty to defend, indemnify and hold harmless the indemnitee and their respective agents, representatives, officers, directors, officials and employees shall arise in connection with any and all demands, proceedings, suits, actions, claims, workers compensation claims, unemployment claims, damages, losses or expenses (including but not limited to attorneys fees, court costs and the cost of appellate proceedings) that are attributable to personal or bodily injury, sickness, disease, death, or injury to, impairment or destruction of property including the loss of use resulting thereon, caused by any act or omission of the Contractor, a subcontractor, anyone directly or indirectly employed by them or for whose acts they may be liable. The amount and type of insurance coverage requirements set forth in the Contract shall in no way be construed as limiting the scope of this indemnity.

70-10 CONTRACTOR'S INSURANCE. Prior to the execution of the contract, the Contractor shall file with the Owner's Engineer a certificate or certificates of insurance executed by an insurance company doing business in the State of Arizona and acceptable to the Owner's Engineer. The certificate of insurance shall state that, with respect to the contract awarded the Contractor; the Contractor carries insurance in accordance with the requirements of this subsection.

On all policies Gila County shall be named as an additional insured.

All insurance policies or certificates shall include an endorsement providing for thirty (30) days prior written notice to the Owner's Engineer of any cancellation or reduction of coverage. The Contractor shall cease operations on the occurrence of any such cancellation or reduction and shall not resume operations until the required insurance is in force and new certificates of insurance have been filed with the Owner's Engineer. The insurance policy or policies provided by the Contractor may contain deductibles not to exceed $500 for any one accident or occurrence excluding bodily injury.

In addition to statutory Worker's Compensation insurance, the Contractor, with respect to all operations performed by himself or his subcontractors, shall have in force regular public liability insurance in not less than the following amount: **$2,000,000 Combined Single Limit of Liability per Occurrence.**

Such insurance shall include, but not be limited to, coverage for underground damage to facilities because of drilling and excavating with mechanical equipment, and for collapse of or structural injury to structures or utilities because of blasting or explosion, excavation, tunneling, pile driving, cofferdam work or demolition.

With respect to the operation of all motor vehicles, including those hired or borrowed, used in connection with the contract, the Contractor shall have in force automobile liability insurance in not less than the following amount: **$2,000,000 Combined Single Limit of Liability per Occurrence.**

70-11 THIRD PARTY BENEFICIARY CLAUSE. It is specifically agreed between the parties executing the contract that it is not intended by any of the provisions of any part of the contract to create to the public or any member thereof a third party beneficiary or to authorize anyone not a party to the contract to maintain a suit for personal injuries or property damage pursuant to the terms or provisions of the contract.

70-12 OPENING SECTIONS OF THE WORK TO TRAFFIC. Should it be necessary for the Contractor to complete portions of the contract work for the beneficial occupancy of the Owner prior to completion of the entire contract, such "phasing" of the work shall be specified herein and indicated on the plans. When so specified, the Contractor shall complete such portions of the work on or before the date specified or as otherwise specified. The Contractor shall make his own estimate of the difficulties involved in arranging his work to permit such beneficial occupancy by the Owner as described below:

Upon completion of any portion of the work listed above, with certification of the work by the Contractor's Engineer, such portion shall be accepted by the Owner in accordance with the subsection titled PARTIAL ACCEPTANCE of Section 50-14.

No portion of the work may be opened by the Contractor for public use until ordered by the Owner's Engineer in writing. Should it become necessary to open a portion of the work to public traffic on a temporary or intermittent basis, such openings shall be made when, in the opinion of the Owner's Engineer, such portion of the work is in an acceptable condition to support the intended traffic. Temporary or intermittent openings are considered to be inherent in the work and shall not constitute either acceptance of the portion of the work so opened or a waiver of any provision of the contract. Any damage to the portion of the work so opened that is not attributable to traffic which is permitted by the Owner shall be repaired by the Contractor at his expense.

The Contractor shall make his own estimate of the inherent difficulties involved in completing the work under the conditions herein described and shall not claim any added compensation by reason of delay or increased cost due to opening a portion of the contract work.

70-13 CONTRACTOR'S RESPONSIBILITY FOR WORK. Until the Owner's Engineer's final written acceptance of the entire completed work, excepting only those portions of the work accepted in accordance with the subsection titled PARTIAL ACCEPTANCE of Section 50-14, the Contractor shall have the charge and care thereof and shall take every precaution against injury or damage to any part due to the action of the elements or from any other cause, whether arising from the execution or from the non-execution of the work. The Contractor shall rebuild, repair, restore, and make good all injuries or damages to any portion of the work occasioned by any of the above causes before final acceptance and shall bear the expense thereof except damage to the

work due to unforeseeable causes beyond the control of and without the fault or negligence of the Contractor, including but not restricted to acts of God such as earthquake, tidal wave, tornado, hurricane or other cataclysmic phenomenon of nature, or acts of the public enemy or of governmental authorities.

If the work is suspended for any cause whatever, the Contractor shall be responsible for the work and shall take such precautions necessary to prevent damage to the work. The Contractor shall provide for normal drainage and shall erect necessary temporary structures, signs, or other facilities at his expense. During such period of suspension of work, the Contractor shall properly and continuously maintain in an acceptable growing condition all living material in newly established plantings, seedings, and soddings furnished under his contract, and shall take adequate precautions to protect new tree growth and other important vegetative growth against injury.

70-14 CONTRACTOR'S RESPONSIBILITY FOR UTILITY SERVICE AND FACILITIES OF OTHERS. As provided in the subsection titled RESTORATION OF SURFACES DISTURBED BY OTHERS of Section 70-04, the Contractor shall cooperate with the owner of any public or private utility service, or a utility service of another government agency that may be authorized by the Owner to construct, reconstruct or maintain such utility services or facilities during the progress of the work. In addition, the Contractor shall control his operations to prevent the unscheduled interruption of such utility services and facilities and shall notify Blue Stake in accordance with applicable State laws or regulations prior to commencing any work.

It is understood and agreed that the Owner does not guarantee the accuracy or the completeness of the location information relating to existing utility services, facilities, or structures that may be shown on the plans or encountered in the work. Any inaccuracy or omission in such information shall not relieve the Contractor of his responsibility to protect such existing features from damage or unscheduled interruption of service. It is further understood and agreed that the Contractor shall, upon execution of the contract, notify the owners of all utility services or other facilities of his plans of operations. Such notification shall be in writing and addressed to Blue Stake and the respective utility as provided hereinbefore in this subsection and the subsection titled RESTORATION OF SURFACES DISTURBED BY OTHERS of Section 70-04. A copy of each notification shall be given to the Owner's Engineer.

In addition to the general written notification hereinbefore provided, it shall be the responsibility of the Contractor to keep Blue Stake and such individual owners advised of changes in his plan of operations that would affect such owners.

Prior to commencing the work in the general vicinity of an existing utility service or facility, the Contractor shall again notify each such owner of his plan of operation. If, in the Contractor's opinion, the Owner's assistance is needed to locate the utility service or facility or the presence of a representative of the Owner is desirable to observe the work, such advice should be included in the notification. Such notification shall be given by the most expeditious means to reach the utility owner's PERSON TO CONTACT no later than two normal business days prior to the Contractor's commencement of operations in such general vicinity.

The Contractor shall furnish a written summary of the notification to the Owner's Engineer. The Contractor's failure to give the two day's notice hereinabove provided shall be cause for the Owner's Engineer to suspend the Contractor's operations in the general vicinity of a utility service or facility.

Where the outside limits of an underground utility service have been located and staked on the ground, the Contractor shall be required to use excavation methods acceptable to the Owner's Engineer within 3 feet of such outside limits at such points as may be required to insure protection from damage due to the Contractor's operations.

Should the Contractor damage or interrupt the operation of a utility service or facility by accident or otherwise, he shall immediately notify the proper authority and the Owner's Engineer and shall take all reasonable measures to prevent further damage or interruption of service. The Contractor, in such events, shall cooperate with the utility service or facility owner and the Owner's Engineer continuously until such damage has been repaired and service restored to the satisfaction of the utility or facility owner.

The Contractor shall bear all costs of damage and restoration of service to any utility service or facility due to his operations whether or not due to negligence or accident. The contract owner reserves the right to deduct such costs from any monies due or which may become due the Contractor, or his surety.

70-15 FURNISHING RIGHTS-OF-WAY. The Owner will be responsible for furnishing all rights-of-way, permanent easements and temporary construction easements upon which the work is to be constructed in advance of the Contractor's operations.

70-16 PERSONAL LIABILITY OF PUBLIC OFFICIALS. In carrying out any of the contractor provisions or in exercising any power or authority granted to him by this contract, there shall be no liability upon the Owner's Engineer, his authorized representatives, or any official of the Owner either personally or as an official of the Owner. It is understood that in such matters they act solely as agents and representatives of the Owner.

70-17 NO WAIVER OF LEGAL RIGHTS. Upon completion of the work, the Owner will expeditiously make final inspection and notify the Contractor of final acceptance. Such final acceptance, however, shall not preclude or stop the Owner from correcting any measurement, estimate, or certificate made before or after completion of the work, nor shall the Owner be precluded or stopped from recovering from the Contractor or his surety, or both, such overpayment as may be sustained, or by failure on the part of the Contractor to fulfill his obligations under the contract. A waiver on the part of the Owner of any breach of any part of the contract shall not be held to be a waiver of any other or subsequent breach.

The Contractor, without prejudice to the terms of the contract, shall be liable to the Owner for latent defects, fraud, or such gross mistakes as may amount to fraud, or as regards the Owner's rights under any warranty or guaranty.

70-18 ENVIRONMENTAL PROTECTION. The Contractor shall comply with all Federal, State, and local laws and regulations controlling pollution of the environment. He shall take necessary precautions to prevent pollution of streams, lakes, ponds and reservoirs with fuels, oils, bitumen's, chemicals, or other harmful materials and to prevent pollution of the atmosphere from particulate and gaseous matter.

SECTION 80

PROSECUTION AND PROGRESS

80-01 SUBLETTING OF CONTRACT. The Contractor shall not sublet, sell, transfer, assign or otherwise dispose of the contract or contracts or any portion thereof or of his right, title or interest therein without written consent of the Owner's Engineer. In case such consent is given, the Contractor will be permitted to sublet a portion thereof, but shall perform with his own organization work amounting to not less than 50 percent of the total contract amount, except that any items designated in the contract as "Specialty Items" may be performed by subcontract and the cost of any such specialty items so performed by subcontract may be deducted from the total cost before computing the amount of work required to be performed by the Contractor with his own organization. No subcontracts or transfer of contract shall release the Contractor of his liability under the contract and bond.

"His own organization" shall be construed to include only workmen employed and paid directly by the prime contractor and equipment owned or rented by him, with or without operators.

"Specialty Items" shall be construed to be limited to work that requires highly specialized knowledge, craftsmanship or equipment not ordinarily available in contracting organizations qualified to bid on the contract as a whole and in general are to be limited to minor components of the overall contract.

The contract amount upon which the 50 percent requirement is computed includes the cost of materials and manufactured products which are to be purchased or produced by the Contractor under the contract provisions.

Any items that have been selected as "Specialty Items" for the contract will be listed as such in the special provisions, bidding schedule, or elsewhere in the contract documents.

The Owner will not recognize any subcontractor on the work. The Contractor shall at all times when work is in progress be represented either in person, by a qualified superintendent, or by other designated, qualified representative who is duly authorized to receive and execute the orders of the Owner's Engineer.

Should the Contractor elect to assign his contract, said assignment shall be concurred in by the surety, shall be presented for the consideration and approval of the Owner, and shall be consummated only on the written approval of the Owner. In case of approval, the Contractor shall file copies of all subcontracts with the Owner's Engineer.

80-02 NOTICE TO PROCEED. The notice to proceed shall state the date on which it is expected the Contractor will begin the construction and from which date contract time will be charged. The Contractor shall begin the work to be performed under the contract within ten (10) calendar days of the date set by the Owner's Engineer in the written notice to proceed, but in any event, the Contractor shall notify the Owner's Engineer at least two (2) work days in advance of the time actual construction operations will begin.

80-03 PROSECUTION AND PROGRESS. Unless otherwise specified, the Contractor shall submit his progress schedule for the Owner's Engineer's approval within 10 days after the effective date of the notice to proceed. The Contractor's progress schedule, when approved by the Owner's Engineer, may be used to establish major construction operations and to check on the progress of the work. The Contractor shall provide sufficient materials, equipment, and labor to guarantee the completion of the project in accordance with the plans and specifications within the time set forth in the proposal.

If the Contractor falls significantly behind the submitted schedule, the Contractor shall, upon the Owner's Engineer's request, submit a revised schedule for completion of the work within the contract time and modify his operations to provide such additional materials, equipment, and labor necessary to meet the revised schedule. Should the prosecution of the work be discontinued for any reason, the Contractor shall notify the Owner's Engineer at least twenty-four (24) hours in advance of resuming operations.

The Contractor shall not commence any actual construction prior to the date on which the notice to proceed is issued by the Owner.

80-04 CONSTRUCTION LIMITS. Construction limits shall be defined as that area of the public right-of-way, easement or area shown on the construction plans to be disturbed as a part of this contract for this project.

80-05 CHARACTER OF WORKERS, METHODS AND EQUIPMENT. The Contractor shall, at all times, employ sufficient labor and equipment for prosecuting the work to full completion in the manner and time required by the contract, plans and specifications.

All workers shall have sufficient skill and experience to perform properly the work assigned to them. Workers engaged in special work or skilled work shall have sufficient experience in such work and in the operation of the equipment required to perform the work satisfactorily.

Any person employed by the Contractor or by any subcontractor who, in the opinion of the Owner's Engineer, does not perform his work in a proper and skillful manner or is intemperate or disorderly shall, at the written request of the Owner's Engineer, be removed forthwith by the Contractor or subcontractor employing such person, and shall not be employed again in any portion of the work without the approval of the Owner's Engineer.

Should the Contractor fail to remove such person or persons or fail to furnish suitable and sufficient personnel for the proper prosecution of the work, the Owner's Engineer may suspend the work by written notice until compliance with such orders.

All equipment which is proposed to be used on the work shall be of sufficient size and in such mechanical condition as to meet requirements of the work and to produce a satisfactory quality of work. Equipment used on any portion of the work shall be such that no injury to previously completed work, adjacent property, or existing facilities will result from its use.

When the methods and equipment to be used by the Contractor in accomplishing the work are not prescribed in the contract, the Contractor is free to use any methods or equipment that will accomplish the work in conformity with the requirements of the contract, plans and specifications. When the contract specifies the use of certain methods and equipment, such methods and equipment shall be used unless others are authorized by the Owner's Engineer. If the Contractor desires to use a method or type of equipment other than specified in the contract, he may request authority from the Owner's Engineer to do so. The request shall be in writing and shall include a full description of the methods and equipment proposed and of the reasons for desiring to make the change. If approval is given, it will be on the condition that the Contractor will be fully responsible for producing work in conformity with contract requirements. If, after trial use of the substituted methods or equipment, the Owner's Engineer determines that the work produced does not meet contract requirements, the Contractor shall discontinue the use of the substitute method or equipment and shall complete the remaining work with the specified methods and equipment. The Contractor shall remove any deficient work and replace it with work of specified quality, or take such other corrective action as the Owner's Engineer may direct. No change will be made in basis of payment for the contract items involved nor in contract time as a result of authorizing a change in methods or equipment under this subsection.

80-06 TEMPORARY SUSPENSION OF THE WORK. The Owner's Engineer shall have the authority to suspend the work wholly, or in part, for such period or periods as he may deem necessary, due to unsuitable weather, or such other conditions as are considered unfavorable for the prosecution of the work, or for such time as is necessary due to the failure on the part of the Contractor to carry out orders given or perform any or all provisions of the contract.

In the event that the Contractor is ordered by the Owner's Engineer, in writing, to suspend work for some unforeseen cause not otherwise provided for in the contract and over which the Contractor has no control, the Contractor may be reimbursed for actual money expended on the work during the period of shutdown. No allowance will be made for anticipated profits. The period of shutdown shall be computed from the effective date of the Owner's Engineer's order to suspend work to the effective date of the Owner's Engineer's order to resume the work. Claims for such compensation shall be filed with the Owner's Engineer within the time period stated in the Owner's Engineer's order to resume work. The Contractor shall submit with his claim information substantiating the amount shown on the claim. The Owner's Engineer will forward the Contractor's claim to the Owner for consideration in accordance with local laws or ordinances. No provision of this article shall be construed as entitling the Contractor to compensation for delays due to inclement weather, for suspensions made at the request of the Contractor, or for any other delay provided for in the contract, plans or specifications.

If it should become necessary to suspend work for an indefinite period, the Contractor shall store all materials in such manner that they will not become an obstruction nor become damaged in any way. He shall take every precaution to prevent damage or deterioration of the work performed and provide for normal drainage of the work. The Contractor shall erect temporary structures where necessary to provide for the continuous flow of traffic.

80-07 DETERMINATION AND EXTENSION OF CONTRACT TIME. The number of calendar or working days allowed for completion of the work shall be stated in the proposal and contract and shall be known as the CONTRACT TIME.

Should the contract time require extension for reasons beyond the Contractor's control, it shall be adjusted as follows:

(a) CONTRACT TIME (10-13) based on WORKING DAYS (10-41) shall be calculated weekly by the Owner's Engineer. The Owner's Engineer will furnish the Contractor a copy of his weekly statement of the number of working days charged against the contract time during the week and the number of working days currently specified for completion of the contract (the original contract time plus the number of working days, if any, that have been included in approved CHANGE ORDERS (10-10) or SUPPLEMENTAL AGREEMENTS (10-38) covering EXTRA WORK (40-04).

The Owner's Engineer shall base his weekly statement of contract time charged on the following considerations:

(1) No time shall be charged for days on which the Contractor is unable to proceed with the principal item of work under construction at the time for at least 6 hours with the normal work force employed on such principal item. Should the normal work force be on a double-shift, 12 hours shall be used. Should the normal work force be on a triple-shift, 18 hours shall apply. Conditions beyond the Contractor's control such as strikes, lockouts, unusual delays in transportation, temporary suspension of the principal items of work under construction or temporary suspension of the entire work which have been ordered by the Owner's Engineer for reasons not the fault of the Contractor, shall not be charged against the contract time.

(2) The Owner's Engineer will not make charges against the contract time prior to the effective date of the notice to proceed.

(3) The Owner's Engineer will begin charges against the contract time on the first working day after the effective date of the notice to proceed.

(4) The Owner's Engineer will not make charges against the contract time after the date of final acceptance as defined in the subsection titled FINAL ACCEPTANCE of Section 50-15.

(5) The Contractor will be allowed one week in which to file a written protest setting forth his objections to the Owner's Engineer's weekly statement. If no objection is filed within such specified time, the weekly statement shall be considered as acceptable to the Contractor.

The contract time (stated in the proposal) is based on the originally estimated quantities as described in the subsection titled INTERPRETATION OF ESTIMATED PROPOSAL QUANTITIES of Section 20-05.

Should the satisfactory completion of the contract require performance of work in greater quantities than those estimated in the proposal, the contract time shall be increased in the same proportion as the cost of the actually completed quantities bears to the cost of the originally estimated quantities in the proposal. Such increase in contract time shall not consider either the cost of work or the extension of contract time that has been covered by change order or supplemental agreement and shall be made at the time of final payment.

(b) CONTRACT TIME (10-13) based on CALENDAR DAYS (10-09) shall consist of the number of calendar days stated in the contract counting from the effective date of the notice to proceed and including all Saturdays, Sundays, holidays, and non-work days. All calendar days elapsing between the effective dates of the Owner's Engineer's orders to suspend and resume all work, due to causes not the fault of the Contractor, shall be excluded.

At the time of final payment, the contract time shall be increased in the same proportion as the final cost bears to the estimated cost in the proposal. Such increase in the contract time shall not consider either the cost of work or the extension of contract time that has been covered by a change order or supplemental agreement. Charges against the contract time will cease as of the date of final acceptance.

(c) When the contract time is a specified completion date, it shall be the date on which all contract work shall be substantially completed.

If the Contractor finds it impossible for reasons beyond his control to complete the work within the contract time as specified, or as extended in accordance with the provisions of this subsection, he may, at any time prior to the expiration of the contract time as extended, make a written request to the Owner's Engineer for an extension of time setting forth the reasons which he believes will justify the granting of his request. The Contractor's plea that insufficient time was specified is not a valid reason for extension of time. If the Owner's Engineer finds that the work was delayed because of conditions beyond the control and without the fault of the Contractor, he may extend the time for completion in such amount as the conditions justify. The extended time for completion shall then be in full force and effect, the same as though it were the original time for completion.

80-08 FAILURE TO COMPLETE ON TIME. For each calendar day or working day, as specified in the contract, that any work remains uncompleted after the contract time (including all extensions and adjustments as provided in the subsection titled DETERMINATION AND EXTENSION OF CONTRACT TIME of Section 80-07) the sum specified in the contract and proposal as liquidated damages will be deducted from any money due or to become due the Contractor or his surety. Such deducted sums shall not be deducted as a penalty but shall be considered as liquidation of a reasonable portion of damages that will be incurred by the Owner should the Contractor fail to complete the work in the time provided in his contract.

Permitting the Contractor to continue and finish the work or any part of it after the time fixed for its completion, or after the date to which the time for completion may have been extended, will in no way operate as a waiver on the part of the Owner of any of its rights under the contract.

80-09 DEFAULT AND TERMINATION OF CONTRACT. The Contractor shall be considered in default of his contract and such default will be considered as cause for the Owner to terminate the contract for any of the following reasons if the Contractor:

(a) Fails to begin the work under the contract within the time specified in the "Notice to Proceed (80-02)"; or
(b) Fails to perform the work or fails to provide sufficient workers, equipment or materials to assure completion of work in accordance with the terms of the contract; or
(c) Performs the work unsuitably or neglects or refuses to remove materials or to perform anew such work as may be rejected as unacceptable and unsuitable; or
(d) Discontinues the prosecution of the work; or
(e) Fails to resume work which has been discontinued within a reasonable time after notice to do so; or
(f) Becomes insolvent or is declared bankrupt, or commits any act of bankruptcy or insolvency; or
(g) Allows any final judgment to stand against him unsatisfied for a period of 10 days; or
(h) Makes an assignment for the benefit of creditors; or
(i) For any other cause whatsoever, fails to carry on the work in an acceptable manner.

Should the Owner's Engineer consider the Contractor in default of the contract for any reason hereinbefore, he shall immediately give written notice to the Contractor and the Contractor's surety as to the reasons for considering the Contractor in default and the Owner's intentions to terminate the contract.

If the Contractor or surety, within a period of 10 calendar days after such notice, does not proceed in accordance therewith, then the Owner will, upon written notification from the Owner's Engineer of the facts of such delay, neglect, or default and the Contractor's failure to comply with such notice, have full power and authority without violating the contract, to take the prosecution of the work out of the hands of the Contractor. The Owner may appropriate or use any or all materials and equipment that have been mobilized for use in the work and are acceptable and may enter into an agreement for the completion of said contract according to the terms and provisions thereof, or use such other methods as in the opinion of the Owner's Engineer will be required for the completion of said contract in an acceptable manner.

All costs and charges incurred by the Owner, together with the cost of completing the work under contract, will be deducted from any monies due or which may become due the Contractor. If such expense exceeds the sum which would have been payable under the contract, then the Contractor and the surety shall be liable and shall pay to the Owner the amount of such excess.

80-10 TERMINATION FOR NATIONAL EMERGENCIES. The Owner shall terminate the contract or portion thereof by written notice when the Contractor is prevented from proceeding with the construction contract as a direct result of an Executive Order of the President with respect to the prosecution of war or in the interest of national defense.

When the contract, or any portion thereof, is terminated before completion of all items of work in the contract, payment will be made for the actual number of units or items of work completed at the contract price or as mutually agreed for items of work partially completed or not started. No claims or loss of anticipated profits shall be considered.

Reimbursement for organization of the work, and other overhead expenses, (when not otherwise included in the contract) and moving equipment and materials to and from the job will be considered, the intent being that an equitable settlement will be made with the Contractor.

Acceptable materials, obtained or ordered by the Contractor for the work and that are not incorporated in the work shall, at the option of the Contractor, be purchased from the Contractor at actual cost as shown by receipted bills and actual cost records at such points of delivery as may be designated by the Owner's Engineer.

Termination of the contract or a portion thereof shall neither relieve the Contractor of his responsibilities for the completed work nor shall it relieve his surety of its obligation for and concerning any just claim arising out of the work performed.

SECTION 90

MEASUREMENT AND PAYMENT

90-01 MEASUREMENT OF QUANTITIES. All work completed under the contract will be measured by the Contractor's Engineer, certified and furnished to the Owner's Engineer and verified by the Owner or his authorized representatives, using United States Customary Units of Measurement.

The method of measurement and computations to be used in determination of quantities of material furnished and of work performed under the contract will be those methods generally recognized as conforming to good engineering practice.

Unless otherwise specified, longitudinal measurements for area computations will be made horizontally, and no deductions will be made for individual fixtures (or leave-outs) having an area of 9 square feet or less. Unless otherwise specified, transverse measurements for area computations will be the neat dimensions shown on the plans or ordered in writing by the Owner's Engineer.

Structures will be measured according to neat lines shown on the plans or as altered to fit field conditions.

Unless otherwise specified, all contract items which are measured by the linear foot such as pipe culverts, and similar items shall be measured parallel to the base or foundation upon which such items are placed.

In computing volumes of excavation the average end area method or other methods acceptable to the Owner's Engineer, will be used.

Areas of materials paid for by area shall be measured using the centerline length of the facility multiplied by the lesser of the average actual or plan dimensions perpendicular to centerline. Actual width shall be measured at random locations along the length of the project, with an average of two measurements per station. Volumes of materials in place shall be determined by multiplying the area by the lesser of the plan or actual average thickness of the material. Materials in a structural section such as aggregate base shall be not less than the specified thickness.

The thickness of plates and galvanized sheet used in the manufacture of corrugated metal pipe, metal plate pipe culverts and arches, and metal cribbing will be specified and measured in decimal fraction of inches.

The term "ton" will mean the short ton consisting of 2,000 pound avoirdupois. All materials which are measured or proportioned by weights shall be weighed on accurate, approved scales by competent, qualified personnel at locations designated by the Owner's Engineer.

If material is shipped by rail, the car weight may be accepted provided that only the actual weight of material be paid for. However, car weights will not be acceptable for material to be passed through mixing plants.

Trucks used to haul material being paid for by weight shall be weighed empty at least twice daily at such times as the Owner's Engineer directs, and each truck shall bear a plainly legible identification mark. Such empty weights shall be recorded with the time and truck identification on a Tare Sheet. Copies of each days Tare Sheets and the current scale certification shall be furnished to the Owner's Engineer with the pay request.

Materials **SHALL NOT** be measured by volume in the hauling vehicle unless approved in writing in advance by the Owner's Engineer.

When requested by the Contractor and approved by the Owner's Engineer in writing, material specified to be measured by the cubic yard may be weighed and such weights will be converted to cubic yards for payment purposes. Factors for conversion from weight measurement to volume measurement will be determined by the Owner's Engineer and shall be agreed to by the Contractor before such method of measurement of pay quantities is used.

Bituminous materials will be measured by the gallon or ton. When measured by volume, such volumes will be measured at 60 degrees F. or will be corrected to the volume at 60 degrees F. using ASTM D 1250 for asphalts or ASTM D 633 for tars.

Net certified scale weights or weights based on certified volumes in the case of rail shipments will be used as a basis of measurement, subject to correction when bituminous material has been lost from the car or the distributor, wasted, or otherwise not incorporated in the work.

When bituminous materials are shipped by truck or transport, net certified weights by volume, subject to correction for loss or foaming, may be used for computing quantities.

Portland cement, fly ash and lime will be measured by the ton or hundredweight.

Timber will be measured by the thousand feet board measure (M.F.B.M.) actually incorporated in the structure. Measurement will be based on nominal widths and thickness and the extreme length of each piece.

The term "lump sum" when used as an item of payment will mean complete payment for the work described in the contract. Contractor shall furnish a fee schedule to the Owner's Engineer at the preconstruction conference for all professional service lump sum items such as construction surveying and materials testing.

When a complete structure or structural unit (in effect, "lump sum" work) is specified as the unit of measurement, the unit will be construed to include all necessary fittings and accessories.

Rental of equipment will be measured by time in hours of actual working time and necessary traveling time of the equipment within the limits of the work. Special equipment ordered by the Owner's Engineer in connection with force account work will be measured as agreed in the change order or supplemental agreement authorizing such force account work as provided in the subsection titled PAYMENT FOR EXTRA AND FORCE ACCOUNT WORK of Section 90-05.

When standard manufactured items are specified such as fence, wire, plates, rolled shapes, pipe conduit, etc., and these items are identified by gauge, unit weight, section dimensions, etc., such identification will be considered to be nominal weights or dimensions. Unless more stringently controlled by tolerances in cited specifications, manufacturing tolerances established by the industries involved will be accepted.

Scales for weighing materials which are required to be proportioned or measured and paid for by weight shall be furnished, erected, and maintained by the Contractor, or by certified permanently installed commercial scales. Scales shall be accurate within one-half per cent of the correct weight throughout the range of use. The Contractor shall have the scales checked under the observation of the inspector before beginning work and at such other times as requested. The intervals shall be uniform in spacing throughout the graduated or marked length of the beam or dial and shall not exceed one-tenth of one per cent of the nominal rated capacity of the scale, but not less than one pound. The use of spring balances will not be permitted.

Beams, dials, platforms, and other scale equipment shall be so arranged that the operator and inspector can safely and conveniently view them.

Scale installations shall have available, ten standard fifty-pound weights for testing the weighing equipment or suitable weights and devices for other approved equipment.

Scales must be tested for accuracy and serviced before use at a new site. Platform scales shall be installed and maintained with the platform level and rigid bulkheads at each end.

Scales "overweighing" (indicating more than correct weight) will not be permitted to operate and all materials received subsequent to the last previous correct weighing-accuracy-test will be reduced by the percentage of error in excess of one-half of one per cent.

In the event inspection reveals the scales have been "under-weighing" (indicating less than correct weight) they shall be adjusted and no additional payment to the Contractor will be allowed for materials previously weighed and recorded.

All costs in connection with furnishing, installing, certifying, testing, and maintaining scales: for furnishing check weights and scale house; and for all other items specified in this subsection, for the weighing of materials for proportioning or payment, shall be included in the unit contract prices for the various items of the project.

When the estimated quantities for a specific portion of the work are designated as pay quantities in the contract, they shall be the final quantities for which payment for such specific portion of the work will be made, unless the dimensions of said portions of the work shown on the plans are revised by the Owner's Engineer. If revised dimensions result in an increase or decrease in the quantities of such work, the final quantities for payment will be revised in the amount represented by the authorized changes in the dimensions.

90-02 SCOPE OF PAYMENT. The Contractor shall receive and accept compensation provided for in the contract as full payment for furnishing all materials, for performing all work under the contract in a complete and acceptable manner, and for all risk, loss, damage, or expense of whatever character arising out of the nature of the work or the prosecution thereof, subject to the provisions of the subsection titled NO WAIVER OF LEGAL RIGHTS of Section 70-17.

When the "basis of payment" subsection of a technical specification requires that the contract price (price bid) include compensation for certain work or material essential to the item, this same work or material will not also be measured for payment under any other contract item which may appear elsewhere in the contract, plans or specifications.

Periodic progress payments shall be in accordance with A.R.S. §34-221.

90-03 COMPENSATION FOR ALTERED QUANTITIES. When the accepted quantities of work vary from the quantities in the proposal, the Contractor shall accept as payment in full, so far as contract items are concerned, payment at the original contract price for the accepted quantities of work actually completed and accepted. No allowance, except as provided for in the subsection titled ALTERATION OF WORK AND QUANTITIES of Section 40-02 will be made for any increased expense, loss of expected reimbursement, or loss of anticipated profits suffered or claimed by the Contractor which results directly from such alterations or indirectly from his unbalanced allocation of overhead and profit among the contract items, or from any other cause.

90-04 PAYMENT FOR OMITTED ITEMS. As specified in the subsection titled OMITTED ITEMS of Section 40-03, the Owner's Engineer shall have the right to omit from the work (order nonperformance) any contract item, except major contract items, in the best interest of the Owner.

Should the Owner's Engineer omit to order nonperformance of a contract item or portion of such item from the work, the Contractor shall accept payment in full at the contract prices for any work actually completed and acceptable prior to the Owner's Engineer's order to omit or non-perform such contract item.

Acceptable materials ordered by the contract or delivered on the work prior to the date of the Owner's Engineer's order will be paid for at the actual cost to the Contractor and shall thereupon become the property of the Owner.

In addition to the reimbursement hereinbefore provided, the Contractor shall be reimbursed for all actual costs incurred for the purpose of performing the omitted contract item prior to the date of the Owner's Engineer's order. Such additional costs incurred by the Contractor must be directly related to the deleted contract item and shall be supported by certified statements by the Contractor as to the nature and amount of such costs.

90-05 PAYMENT FOR EXTRA AND FORCE ACCOUNT WORK. Extra work, performed in accordance with the subsection titled EXTRA WORK of Section 40-04, will be paid for at the contract prices or agreed prices specified in the change order or supplemental agreement authorizing the extra work requiring that it be done by force account, such force account shall be measured and paid for as follows:

(a) Labor. For all labor (skilled and unskilled) and foremen in direct charge of a specific force account item, the Contractor shall receive the rate of wage (or scale) for every hour that such labor or foreman is actually engaged in the specified force account work. Such wage (or scale) shall be agreed upon in writing before beginning the work.

The Contractor shall receive the actual costs paid to, or in behalf of, workers by reason of subsistence and travel allowances, health and welfare benefits, pension fund benefits or other benefits, when such amounts are required by collective bargaining agreement or other employment contract generally applicable to the classes of labor employed on the work. An amount equal to 15 percent of the sum of the above items will also be paid the Contractor.

(b) Insurance and Taxes. For property damage, liability and workmen's compensation insurance premiums, unemployment insurance contributions, and social security taxes on the force account work the Contractor shall receive the actual cost, to which cost (sum) 5 percent will be added. The Contractor shall furnish satisfactory evidence of the rate or rates paid for such insurance and taxes.

(c) Materials. For materials accepted by the Owner's Engineer and used, the Contractor shall receive the actual cost of such materials delivered on the work, including transportation charges paid by him (exclusive of machinery rentals as hereinafter set forth), to which cost (sum) 15 percent will be added.

(d) Equipment. For any machinery or special equipment (other than small tools) including fuel and lubricants, plus transportation costs, the use of which has been authorized by the Owner's Engineer, the Contractor shall receive the rental rates in the current "Blue Book for Construction Equipment".

(e) Miscellaneous. No additional allowance will be made for general superintendence, the use of small tools, or other costs for which no specific allowance is herein provided.

(f) Comparison of Records. The Contractor and the Owner's Engineer shall compare records of the cost of force account work at the end of each day. Agreement shall be indicated by signature of the Contractor and Owner's Engineer or their duly authorized representatives.

(g) Statements. No payment will be made for work performed on a force account basis until the Contractor has furnished the Owner's Engineer with duplicate itemized statements of the cost of such force account work detailed as follows:

(1) Name, classification, date, daily hours, total hours, rate and extension for each laborer and foreman.
(2) Designation, dates, daily hours, total hours, rental rate and extension for each unit of machinery and equipment.
(3) Quantities of material, prices, and extensions.
(4) Transportation of materials.
(5) Cost of property damage, liability and workmen's compensation insurance premiums, unemployment insurance contribution and social security tax.

Statements shall be accompanied and supported by receipted invoice for all materials used and transportation charges. However, if materials used on the force account work are not specifically purchased for such work but are taken from the Contractor's stock, then in lieu of the invoices the Contractor shall furnish an affidavit certifying that such materials were taken from his stock, that the quantity claimed, was actually used, and that the price and transportation claimed represent the actual cost to the Contractor.

The additional payment, based on the percentages specified above, shall constitute full compensation for all items of expense not specifically provided for in the force account work. The total payment made as provided above shall constitute full compensation for such work.

90-06 ACCEPTANCE AND FINAL PAYMENT. When the contract work has been accepted in accordance with the requirements of the subsection titled FINAL ACCEPTANCE of Section 50-15, the Owner's Engineer will prepare the final estimate of the items of work actually performed. The Contractor shall approve the Owner's Engineer's final estimate or advise the Owner's Engineer of his objections to the final estimate which are based on disputes in measurements or computations of the final quantities to be paid under the contract as amended by change order or supplemental agreement. The Contractor and Owner's Engineer shall resolve all disputes (if any) in the measurement and computation of final quantities to be paid within 30 calendar days of the Contractor's receipt of the Owner's Engineer's final estimate. If, after such 30-day period, a dispute still exists, the Contractor may approve the Owner's Engineer's estimate under protest of the quantities in dispute and such disputed quantities shall be considered by the Owner as a claim in accordance with the subsection titled CLAIMS FOR ADJUSTMENT AND DISPUTES of Section 50-16.

Measurement & Payment continued...

After the Contractor has approved, or approved under protest, the Owner's Engineer's final estimate, final payment will be processed based on the entire sum, or the undisputed sum in case of approval under protest, determined to be due the Contractor less all previous payments and all amounts to be deducted under the provisions of the contract. All prior partial estimates and payments shall be subject to correction in the final estimate and payment.

Contractor shall provide an executed Affidavit of Release of Liens and an Affidavit of Payment to the Owners Engineer prior to the release of the final payment.

If the Contractor has filed a claim for additional compensation under the provisions of the subsection titled CLAIMS FOR ADJUSTMENTS AND DISPUTES of Section 50-16 or under the provisions of this subsection, such claims will be considered by the Owner in accordance with local laws or ordinances. Upon final adjudication of such claims, any additional payment determined to be due the Contractor will be paid pursuant to a supplemental, final estimate.

SPECIAL PROVISIONS

SP-1 TO SP-7

SPECIAL PROVISIONS

PINE CREEK CANYON ROAD RECONSTRUCTION PROJECT

1. PROPOSED WORK

The work consists of clearing and grubbing, removal of existing structures (e.g., asphaltic pavement, drainage pipe, guardrail,...etc.) interfering with the work, installation of miscellaneous concrete items, keystone walls, corrugated metal pipe, guardrail, dumped rock riprap, asphaltic concrete pavement, aggregate base course and other work as shown within the plans.

2. GENERAL REQUIREMENTS

The project has been designed utilizing the Arizona Department of Transportation (ADOT) Construction Standard Drawings (Latest Series), and 2008 Standard Specifications, with appropriate current revisions along with Uniform Standard Specifications for Public Works Construction (Latest Edition and Revisions), Maricopa Association of Governments. Wherever reference in the Standard Specifications is made to MAG, ADOT, the Owner, or the Department: it shall refer to Gila County.

In the event of any conflict between the plans and Standard Specifications, the plans shall prevail. In the event of any conflict between these Special Provisions and the plans or Standard Specifications, these Special Provisions shall prevail.

The following STANDARD SPECIFICATIONS and/or details are considered a part of these Contract Documents and are considered as binding as if actually attached hereto:

- Arizona Department of Transportation, Highways Division, Standard Specifications for Road and Bridge Construction, Edition of 2008,
- Arizona Department of Transportation, Highways Division, Standard Drawings, listed in the project plans and defined hereinafter,
- Manual on Uniform Traffic Control Devices, Millennium Edition, and Amendments.
- Uniform Standard Specifications for Public Works Construction (Latest Edition and Revisions). Maricopa Association of Governments.

3. POINTS AND INSTRUCTION AND AS-BUILTS

The Contractor will furnish and set control stakes and points for line and grade and will furnish the Engineer with the necessary information relating to such stakes and points.

The Contractor will provide such intermediate stakes as he may need to set to comply with these Specifications.

The Contractor shall carefully preserve benchmarks, reference points and stakes, and in case of willful or careless destruction, he shall be charged with the resulting expense of replacement, and shall be responsible for any mistakes that may be caused by their unnecessary loss or disturbance.

In the event that it is necessary for the OWNER to duplicate his work because of acts of omission or negligence on the part of the Contractor, or because of the removal of defective work, such additional cost of engineering shall be borne by the Contractor.

When the work is completed, the Contractor shall provide the OWNER with a set of as-built drawings on clean prints of the original drawings. The as-built drawings shall indicate in a neat and accurate manner all changes and revisions in the original design which affect the permanent structures and which exist in the completed work. All underground utilities relocated under this contract shall be referenced to semi-permanent or permanent physical objects.

The alterations and references shall be made with colored ink and shall be sufficiently clear and complete to enable reproducing these changes on the original tracings. The Engineer will document these changes on the original tracings and forward the tracings to the Contractor for review and signature. The registered Professional Land Surveyor who performed the Final Survey shall certify the As-Built information by signing and sealing the tracings for the Contractor. Final payment of this contract will not be made to the Contractor until the As-Built drawings are satisfactorily produced and certified.

As-Built conditions shall be kept current. They shall be inspected for accuracy and completeness monthly. The Contractor shall certify on his monthly payment requisition that the drawings are accurate and complete before the monthly payment estimate will be prepared and approved.

4. CONSTRUCTION LIMITS

The Contractor shall not disturb any vegetation or operate any equipment outside the approved clearing limits as defined in ADOT Standard Specifications, Section 201 - Clearing and Grubbing and as specified in the Technical Specifications. These limits shall be known as the Construction Limits. Deviation outside these limits is not authorized.

The Owner shall provide land, right-of-way, and easements for all work specified in this contract, except that the Contractor shall provide additional land if required for the erection of temporary construction facilities for storage of his material, together with right of access to same. The Contractor shall not enter or occupy with men, tools, equipment or materials, any private property without written consent of the Owner thereof.

The Contractor shall submit at the preconstruction conference a map showing the proposed location of his Contractor's yard. The location of the yard is subject to the approval of the Owner. The Contractor is responsible for the security of his yard and the equipment and materials stored at the yard or construction site. Damage, theft, vandalism, or loss of such equipment or materials is the responsibility of the Contractor. The Contractor will not be compensated for replacement, repair, or refusal of materials by the Engineer damaged by vandalism or theft. The Contractor will take whatever measures are necessary to secure his yard, equipment, and materials. Security measures such as yard fences, security guards, locks, chains, etc. are incidental to the work for this project.

5. OPERATION AND TRAFFIC CONTROL PLANS

The Contractor shall submit to the Owner for approval his proposed sequence of operations and a compatible method of maintaining traffic as described in ADOT Section 107 of the Standard Specifications and the Technical Provisions. The Contractor shall submit to the Owner a Traffic Control Plan sealed by an Arizona registered Professional Civil Engineer. The proposal and plan shall be submitted at the preconstruction conference. The Owner shall notify the Contractor of any required changes to the proposal/plan and the Contractor shall address any and all revisions. The Contractor shall be aware that the only available detour route permitted to be used during construction is Cedar Meadow Lane.

6. QUALITY CONTROL PLAN

The Owner shall be responsible for Quality Control. The Contractor shall provide access to all parts of the work and material sources for the Owner obtain all necessary sampling and testing and shall schedule all required testing with the Owner. The Owner shall have the right, at any stage of the operations, to reject any and all work and material that, in his/her opinion, do not meet the requirements of the specifications.

The Contractor shall be responsible for coordination and scheduling of all required sampling with the Owner's Quality Control representative and/or company. The Owner shall provide to the Contractor with all necessary contact information.

7. SAMPLING AND TESTING

All testing and sampling as specified herein shall be performed by a geotechnical laboratory. Unless otherwise specified, the cost of the laboratory testing, heavy equipment rental and labor incident to practical tests specified shall be at the Owner's expense.

The Contractor shall notify, during the preconstruction conference, the Owner of the proposed sources of all materials required by the Specifications to be tested. Before work starts sufficient time shall be allowed for the taking of samples and completing tests required.

For the verification of weights and character of materials, the Owner shall have access at all reasonable times to all parts of the work, plants, and assembly yards connected with the work. The Contractor shall facilitate and assist in the verification of all scales, measures and other devices, which he operates. Reference to ASTM and other Standard Specifications shall be considered to mean current standards. If it is found that sources of supply that have been approved do not furnish a uniform product, or if the product from any source proves unacceptable at any time, the Contractor shall furnish approved material from other approved sources. No material which, after approval, has in any way become unfit for use shall be used in the work. The approval of any material represented by any sample or samples shall not be taken as a guarantee of all materials from the source; and it shall be understood that all materials delivered to the site are subject to test at any time and will be rejected if they do not meet the requirement of the Specifications.

8. MEASUREMENT AND PAYMENT

Measurement will be in place for the completed work, with no allowance for waste, and as may be more particularly described in the description of the various items set forth in the Standard Specifications and as shown on the plans. All earthwork, fill and excavation, submitted for payment shall be certified by an Arizona registered Professional Land Surveyor in support of the work performed by the Contractor.

No additional payments will be made for work related to any item unless specifically noted and called for in the Proposal. Payment will be made at the unit price or lump sum price bid in the Proposal.

In addition to the requirements set forth in the ADOT Standard Specifications, no measurement or direct payment will be made for the following work. The cost for such work shall be considered as included in the price of other contract items.

A. Removal and salvage items as called for on the plans, in the Standard Specifications, or these Special Provisions.
B. Removal, salvage and/or re-installation of existing fence lines.
C. Sampling, testing, certification, and other quality control actions.
D. Disposal of surplus, waste or non-salvageable materials.
E. Grading of drainage ditches and drainage excavation not called out on the plans.
F. Preparation and submittal of operation, traffic control, and storm water pollution prevention plans, whether specified herein or required by the other agencies.

G. Obtaining and maintaining any required environmental and/or other permits and licenses.

The quantities set forth in the Proposal are used for the purpose of determining the basis of the award of the Contract, and may be increased or decreased 10% or less by the Owner to conform to the requirements of the work as set forth on the plans, and the Contractor shall agree to perform the work on the basis of the prices bid for the items contained in the Proposal regardless of whether or not the items or units are decreased or increased.

The Engineer or the Owner shall have the right to order omitted from the Contract any minor item found unnecessary to the work without violating the Contract or Performance Bond, and without any compensation to the Contractor.

To ensure the Contractor's satisfactory performance of the Contract, progress payments shall be subject to retainage pursuant to A.R.S. §34-221 in the amount of 10% of the approved estimate of the Work performed in the preceding calendar month. When the Work is 50% complete, the retainage shall be reduced to 5% so long as the Contractor is making satisfactory progress. If the Owner determines in writing that the Contractor is not making satisfactory progress at any time, the 10% retainage may be reinstated. In lieu of retainage, the Contractor may post substitute security meeting the requirements of A.R.S. §34-221.

9. HAUL ROUTE

The Contractor is to submit haul routes to the Owner for approval.

10. DUST CONTROL

The Contractor shall use all methods in the control of dust as set forth by A.R.S. §49-401 and the ADOT Standard Specifications Section 207. The cost thereof is to be included in the unit construction cost.

11. TEMPORARY CONSTRUCTION EASEMENTS

Temporary construction easements will be obtained by the Owner prior to construction. The Contractor shall be responsible for returning any disturbed areas, not shown as an improvement or change within the plans, to original condition after work has been completed or as otherwise agreed upon with the landowner. No additional cost for this work will be made to the Contractor, the cost being part of the unit cost of construction for the project.

12. OWNER'S FIELD OFFICE

The Owner's field office, as called for under Section 60-05 of the General Provisions, shall not be required of the Contractor for this project.

13. BLASTING NOTIFICATION

Blasting shall not be permitted within any portion of the project at any time.

14. CONFLICTING UTILITY SYSTEMS

The Contractor shall be aware that within the project limits there are utility systems that conflict with the proposed work. The Contractor is not responsible for resolving these conflicts. Such shall be the sole responsibility of each individual utility owner. However, the Contractor shall coordinate directly with each utility owner to insure that the work progresses and notify the Owner on all matters. A list of all known utility owner contact names and phone numbers is shown within the plans.

The Contractor shall be aware of several utility systems existing within and adjacent to the project limits. The Contractor shall be responsible for any damage to the utilities. The Contractor shall be aware of overhead utility lines along, near and crossing roadways within and/or adjacent to the project limits. The Contractor shall be responsible for any damage to any overhead utilities or their support structures.

15. DISPOSAL OF REMOVED VEGETATION OR UNSUITABLE MATERIALS

The Contractor shall dispose all removed vegetation and/or any unsuitable materials in a location as designated or approved by the Public Works Director. Disposal of said material in another location(s) shall be submitted to the OWNER for approval prior to disposal activities.

16. KEYSTONE WALLS

The Contractor shall be responsible for the design of all Keystone Wall systems shown within the project. The Contractor shall submit all necessary documentation to the Gila County Public Works Director for review and approval prior to construction of said item. The block type shall be Compact II and color shall be "brown".

18. WATERLINE CONSTRUCTION

Waterline construction and all requirements shall be as shown within the plans, specifications and requirements prepared by Verde Engineering Group, PLLC.

TECHNICAL SPECIFICATIONS

T-1 TO T-7

TECHNICAL SPECIFICATIONS

PINE CREEK CANYON ROAD RECONSTRUCTION PROJECT
PINE, ARIZONA

109 FORCE ACCOUNT WORK

Force Account Work shall be in accordance with Section 109 of the ADOT Standard Specifications unless modified herein.

201 CLEARING AND GRUBBING

Clearing and Grubbing shall be in accordance with Section 201 of the ADOT Standard Specifications unless modified herein.

201-1 Description: the first paragraph is revised to read:

The work under this section shall consist of removing and disposing of all vegetation, rubbish, trees, debris and other objectionable matter only from those areas required to install the proposed work unless otherwise shown on the plans or specified in the Special Provisions.

201-2 Removal of Disposal Materials: the first paragraph is revised to read:

All materials removed in clearing and grubbing shall be disposed of in locations subject to the OWNER's approval prior to said disposal. Disposal of materials within the project right-of-way or within the project limits is not permitted.

201-4 Method of Measurement: is revised to read:

No measurement shall be made for Clearing and Grubbing.

201-5 Method of Payment: first paragraph is revised to read:

The accepted quantities of clearing and grubbing, including all necessary trees, the cost thereof shall be as shown within the bid proposal.

202 REMOVAL OF STRUCTURES AND OBSTRUCTIONS

Removal of Structures and Obstructions shall be in accordance with Section 202 of the ADOT Standard Specifications unless modified herein.

203 EARTHWORK

Earthwork shall be in accordance with Section 203 of the ADOT Standard Specifications unless modified herein.

209 FURNISH WATER:

Furnish Water shall be done in accordance with Section 209 of the ADOT Standard Specifications unless modified herein.

209-1 Description: add the following paragraph.

Water shall be free of contaminants that in the opinion of the Owner or Owner's Engineer constitute a health hazard.

206-4 Method of Measurement: is revised to read:

No measurement or payment will be made for furnish water, the cost being considered as included in the cost of other contract items.

206-5 Basis of Payment: is revised to read:

No measurement or payment will be made for furnish water, the cost being considered as included in the cost of other contract items.

211 FILL CONSTRUCTION

Fill Construction shall be in accordance with Section 211 of the MAG Standard Specifications unless modified herein or stated within the plans.

301 SUBGRADE PREPARATION

Subgrade Preparation shall be in accordance with Section 301 of the MAG Standard Specifications unless modified herein or stated within the plans.

303 AGGREGATE SUBBASES AND AGGREGATE BASES

Aggregate Base Course shall be Class II in accordance with Section 303 of the ADOT Standard Specifications unless modified herein.

321 ASPHALT CONCRETE PAVEMENT

Asphaltic Concrete Pavement shall be in accordance with Section 321 of the MAG Standard Specifications unless modified herein. The pavement structural section (upper section) shall require two separate 2-inch lifts (i.e., layers).

340 CONCRETE CURB, GUTTER, SIDEWALK, SIDEWALK RAMPS, DRIVEWAY AND ALLEY ENTRANCE

Concrete curb, gutter, sidewalk, sidewalk ramps, driveway and alley entrances shall be in accordance with Section 340 of the MAG Standard Specifications unless modified herein.

340-2 Materials: of the Standard Specifications add the following:

All concrete shall be color tinted using Davis-Color /mix ready/ dry/ color group standard/ San Diego Buff # 5237 mixed at 4 lbs per yard excluding concrete driveways when the existing color is standard concrete.

405 MONUMENTS

Monuments shall be in accordance with Section 405 of the MAG Standard Specifications, except as modified herein or within the plans.

607 ROADSIDE SIGN SUPPORTS

Roadside Sign Supports shall be in accordance with Section 607 of the ADOT Standard Specifications unless modified herein.

608 SIGN PANELS

Sign Panels shall be in accordance with Section 608 of the ADOT Standard Specifications unless modified herein. Unless otherwise noted within the plans all sheeting shall be per ADOT Traffic Engineering PGP, Section 380, latest edition.

621 CORRUGATED METAL PIPE AND ARCHES

Corrugated Metal Pipe and Arches shall be in accordance with Section 621 of the MAG Standard Specifications unless modified herein.

701 MAINTENANCE AND PROTECTION OF TRAFFIC

Maintenance and Protection of Traffic shall be in accordance with Section 701 of the ADOT Standard Specifications, except as modified herein.

701-3.08 Changeable Message Board: the first sentence of the first paragraph is revised to read:

The Contractor shall furnish two message boards to be placed in a location(s) as designated by the Owner prior to construction and relocated during construction as required by the Owner.

708 PAINTED PAVEMENT MARKINGS

Painted Pavement Markings shall be in accordance with Section 708 of the ADOT Standard Specifications unless modified herein.

760 COATING CORRUGATED METAL PIPE AND ARCHES

Coating Corrugated Metal Pipe and Arches shall be in accordance with Section 760 of the MAG Standard Specifications unless modified herein.

760-1 General: the last sentence is revised to read:

The size and type of the pipe to be furnished shall be as specified on the project plans. The thickness of all pipe, unless otherwise states within the project plans, shall be 0.064 inches.

810 EROSION CONTROL AND POLLUTION PREVENTION (SWPPP)

An Erosion Control and Pollution Prevention Plan shall be required for this project as the estimated disturbed area is equal to or greater than 43,560 square feet.

Erosion Control shall be in accordance with Section 810, Erosion Control and Pollution Prevention, of the ADOT Standard Specifications, unless modified herein and shall be known as SWPPP herein.

810-1 Description: is revised to read:

The Contractor is required to prepare and submit a Storm Water Pollution Prevention Plan (SWPPP) and an Arizona Pollutant Discharge Elimination System (AzPDES) permit to the Arizona Department of Environmental Quality and provide the Owner with a copy of all correspondence demonstrating that all requirements and approval to begin the work has been met.

All work specified in this subsection will be temporary for use during construction, unless designated otherwise.

The Contractor shall be responsible for maintaining all erosion and pollution control devices in proper functioning condition at all times during Construction. After completion and final approval of construction activities the Owner shall be responsible for maintaining all erosion and pollution control devices.

When deficiencies in the erosion control devices or other elements of work listed herein are noted by inspection or other observation, specified corrections shall be made by the contractor by the end of the day or work shift, or as directed by the Engineer.

Work specified herein which is lost, destroyed, or deemed unacceptable by the Engineer as a result of the Contractor's operations shall be replaced. Work specified herein which is lost or destroyed, as a result of natural events, such as excessive rainfall, shall be replaced by the Contractor.

In cases of serious or willful disregard for the protection of the waters of the U.S. and/or natural surroundings by the contractor, the Engineer will immediately notify the Contractor of such non-compliance.

810-2.03 Riprap and Rock Mulch: is revised to read:

Rock check dams or similar methods using rock rip rap or rock mulch shall not be used for erosion control methods on this project. The Contractor shall employ the methods as described within Section 810-2.02 of the ADOT Standard Specifications.

810-4 Method of Measurement: is revised to read:

No measurement shall be made for Erosion Control and Pollution Prevention (SWPPP). The contract unit of measurement shall be lump sum.

810-5 Basis of Payment: is revised to read:

Payment for Erosion Control and Pollution Prevention (SWPPP) shall be lump sum and shall be full compensation for work necessary to complete said Erosion Control and Pollution Prevention (SWPPP) including all necessary permits, plans, and documentation.

901 MOBILIZATION

Mobilization shall be in accordance with Section 901 of the ADOT Standard Specifications.

905 GUARD RAIL

Guard Rail shall be in accordance with Section 905 of the ADOT Standard Specifications.

913 BANK PROTECTION

Bank Protection shall be in accordance with Section 913 of the ADOT Standard Specifications unless modified herein.

925 CONSTRUCTION SURVEYING AND LAYOUT AND AS-BUILT DRAWINGS:

Construction Surveying and Layout shall be in accordance with Section 925 of the ADOT Standard Specifications, except as modified herein.

925-1.01 As-Builts: add the following section:

Upon completion of the work, the Contractor shall perform an as-built survey of all portions of the work including but not limited to; pavements: centerline and edges where superelevation occurs; keystone walls: the alignment and elevation of all concrete footings for wall(s); beginning of top of wall, all changes in the footer and/or top of wall elevation change, changes in horizontal direction of the wall (i.e., angle points) and all points necessary to locate all concrete and other related work as shown within the plans (e.g., sidewalk, ramps including but not limited to changes in elevation, curbing, gutter flowline, concrete stairs, pavement, handrails...etc.), guardrail, pavement along all mainline roadways (i.e., not including private driveway features), all culvert pipe including at driveways, storm drain systems,....etc. The survey work shall be performed and certified by an Arizona registered Professional Land Surveyor. Datum of the survey shall be based on the benchmark information as shown on the Project Plans. Three (3) sets of the signed and sealed survey document shall be submitted to the Engineer for review and approval. As-built drawings shall also contain the following.

A. The as-built drawings shall indicate in a neat and accurate manner all changes and revisions in the original design which affect the permanent structures and which exist in the completed work. All underground utilities relocated under this contract shall be referenced to semi-permanent or permanent physical objects.

B. The alterations and references shall be made with colored ink and shall be sufficiently clear and complete to enable reproducing these changes on the original tracings. The Engineer will document these changes on the original tracings and forward the tracings to the Contractor for review and signature. The registered Professional Land Surveyor who performed the Final Survey shall certify the As-Built information by signing and sealing the tracings for the Contractor.

Final payment of this contract will not be made to the Contractor until the As-Built drawings are satisfactorily produced and certified.

C. As-Built conditions shall be kept current. They shall be inspected for accuracy and completeness monthly. The Contractor shall certify on his monthly payment requisition that the drawings are accurate and complete before the monthly payment estimate will be prepared and approved.

925-4 Method of Measurement: is revised to read:

No measurement shall be made for Construction Survey and Layout and As-Builts. The contract unit of measurement shall be lump sum.

925-5 Basis of Payment: is revised to read:

Payment for Construction Survey and Layout and As-Builts shall be lump sum and shall be full compensation for all work necessary to complete said Construction Survey and Layout and As-builts.

*Contract Forms are a binding part of
Informal Bid Documents and Awarded Contract.*

CONTRACT FORMS

Proposal	P-1 to P-3
Bidding Schedule	BS-1 to BS-6
Bid Bond	BB-1
Qualification & Certification	QC-1 to QC-2
Reference List	RL-1
Affidavit of Non-Collusion	ANC-1
Subcontractor Certification	SC-1
Checklist & Addenda Acknowledgment	CK-1
Contract	C-1 to C-7
Contract Performance Bond	CPB-1
Labor and Materials Bond	LMB-1
Contract Performance Warranty	CPW-1
IRS W-9 Form	W-9

PROPOSAL

TO THE GILA COUNTY PUBLIC WORKS DIVISION:

Gentlemen:

The following Proposal is made for the **BID NO. 111311-1, PINE CREEK CANYON ROAD RECONSTRUCTION PROJECT, PINE, ARIZONA,** in the County of Gila in the State of Arizona.

The following Proposal is made on behalf of C Arson Construction CO Inc.,
472 E. Wickenburg Way Ste 106
Wickenburg, AZ. 85390

and no others. The Proposal is in all respects fair and is made without collusion on the part of any person, firm or corporation mentioned above, and no member or employee of Gila County is personally or financially interested, directly or indirectly, in the Proposal, or in any purchase or sale of any materials or supplies for the work to which it relates, or in any portion of the profits thereof.

The undersigned certifies that the approved Plans, Technical Specifications, General and Special Provisions and forms of Contract and Bond authorized by Gila County and constituting essential parts of this Proposal, have been carefully examined, and also that the site of the work has been personally inspected. The undersigned declares that the amount and nature of the work to be done is understood and that at no time will misunderstanding of the Plans, Technical Specifications, General Provisions, Special Provisions, or conditions to be overcome, be plead. On the basis of Plans, Technical Specifications, General and Special Provisions, each Addendum (if any) and the forms of Contract and Bond proposed for use, the undersigned proposes to furnish all the necessary equipment, materials, machinery, tools, apparatus, and other means of construction, and labor, to do all the work in the manner specified and to finish the entire project within the time hereinafter proposed, and to accept, as full compensation therefore, the sum of the various products obtained by multiplying each unit price, herein bid for the work or materials on the attached Bidding Schedule, by the quantity thereof actually incorporated in the complete project, as determined by the Public Works Director. The undersigned understands that the quantities mentioned herein are approximate only and are subject to increase or decrease and hereby proposes to perform all quantities of work as either increased or decreased, in accordance with the provisions of the Specifications, at the unit price bid in the attached Bidding Schedule.

The undersigned further proposes to perform all extra work that may be required on the basis provided in the Specifications and to give such work personal attention and to secure economical performance.

Proposal continued...

The undersigned further proposes to execute the Contract Agreement and furnish satisfactory Bonds within ten (10) calendar days from the date of Notice of Award, time being of the essence. The undersigned further proposes to begin work as specified in the contract attached hereto, and to complete the work [illegible] hundred and eighty (180) Calendar Days of the Notice to Proceed, and maintain at all times a Payment Bond and Performance, Labor and Material Bonds, approved by the Public Works Director, in an amount equal to one hundred (100) percent of the total bid. These bonds shall serve not only to guarantee the completion of the work on the part of the undersigned, but also to guarantee the excellence of both workmanship and material and the payment of all obligations incurred, until the work is finally accepted and the provisions of the Plans, Standard Specifications and Special Provisions fulfilled.

A Proposal Guaranty in the amount and character named in the Call for Bids is enclosed amounting to not less than ten (10) percent of the total bid, which Proposal Guaranty is submitted as a guaranty of the good faith of the bidder and that the bidder will enter into written contract, as provided, to do the work, if successful in securing the award thereof, and it is hereby agreed that if at any time other than as provided in the Proposal requirements and conditions the undersigned should withdraw this Proposal, or if the Proposal is accepted and there should be failure on the part of the undersigned to execute the Contract and furnish satisfactory Bond as herein provided, Gila County, in either of such events, shall be entitled and is hereby given the right to retain the said Proposal Guaranty as liquidated damages.

If by a Corporation:

(SEAL)

Corporate Name: Carson Construction Co Inc.

Corporate Address: 472 E. Wickenburg Way Ste 106
Wickenburg, AZ. 85390

Incorporated under the laws of the State of: Arizona

By (Signature): Kay F Lemons **Date:** 2/27/12

President: RUPERT G LEMONS

Secretary: KAY F. LEMONS

Treasurer:

If by a Firm or Partnership:

Firm or Partnership Name:

Proposal continued...

Firm or Partnership Address:_____

By (Signature):_____ **Date:**_____

Name and Address of Each Member:_____

_____

_____

_____

_____

If by an Individual:

Signature:_____ **Date:**_____

BIDDING SCHEDULE

PINE CREEK CANYON ROAD RECONSTRUCTION PROJECT
GILA COUNTY, ARIZONA

We agree to provide all work and material necessary to complete the project as shown on the plans and specifications for the following Contract Price:

Firm Name: Carson Construction Co Inc.

TOTAL CONTRACT PRICE, for the sum of $ 1,443,880.21

WRITTEN TOTAL CONTRACT PRICE

One Million four hundred forty three Thousand Eight hundred Eighty **Dollars**

and Twenty one **Cents.**

This Contract Price is based upon the Bidder's quantities and unit prices tabulated on Pages BS-2 of the Proposal. The Bidder agrees that the Contract Price will be payment in full for all work shown on the plans and described in the Contract Documents.

Any authorized increases or decreases to the work shall be authorized by Change Order. The Contract Price shall be increased or decreased by the amount of work or material increased or decreased at the following Bid Unit Prices.

BIDDING SCHEDULE

Firm Name: CARSON CONSTRUCTION CO. INC

COST SUMMARY BREAK DOWN ROADWAY ITEMS

ITEM	DESCRIPTION	UNIT	ESTIMATED QUANTITIES	UNIT PRICE	EXTENDED AMOUNT
109	Force Account Work	L.S.	1	$100,000	$100,000
201.1	Clearing and Grubbing	L.S.	1	31,202.64	31,202.64
202.1	Remove Misc. Structures and Obstructions	L.S.	1	37,482.87	37,482.87
203	Earthwork	L.S.	1	40,348.58	40,348.58
211	Fill Construction	L.S.	1	7,374.40	7,374.40
301	Subgrade Preparation	S.Y.	16,440	0.67	11,014.80
310	Aggregate Base Course - ADOT Class II	C.Y.	3,234	45.93	148,537.62
321	Asphaltic Concrete - MAG	Ton	3,693	102.82	379,714.26
340.1	Concrete Driveway	S.F.	1,762	6.70	11,805.40
340.2	Concrete Headwall, ADOT B-11.11, for Limited S.D.	EA.	1	3,116.93	3,116.93
340.3	Concrete Headwall, ADOT B-11.11, for (2) 42" CMPA	EA.	1	4,021.66	4,021.66
340.4	Concrete Wall*	S.F.	192	89.21	17,128.32
340.5	Concrete Half-Barrier, ADOT Std. Dtl., C-10.50	L.F.	96	115.21	11,060.16
340.6	Concrete Half-Barrier Transition, ADOT Std. Dtl., C-10.75	L.F.	40	111.92	4,476.80
340.7	Concrete Ribbon Curb (MAG 220-1, Type C)	L.F.	71	15.39	1,092.69
405	Survey Monument	EA.	22	158.79	3,493.38
411	Asphaltic Concrete Friction Course	Ton	385	111.43	42,900.55

COST SUMMARY BREAK DOWN ROADWAY ITEMS *continued*

ITEM	DESCRIPTION	UNIT	ESTIMATED QUANTITIES	UNIT PRICE	EXTENDED AMOUNT
501	Cement Treated Slurry	C.Y.	45	116.85	5,258.25
511	Keystone Wall, Compact II Block*	S.F.	1,950	19.22	37,479.00
607.1	New Sign Panel, STOP, R1-1, 36"x36"	EA.	1	419.49	419.49
607.2	New Sign Panel, STOP, R1-1, 30"x30"	EA.	5	246.10	1,230.50
607.3	New Sign Panel, HILL BLOCKS VIEW, W7-6, 30"x30"	EA.	2	273.54	547.08
607.4	New Sign Panel, 20 MPH, W13-1, 24"x18"	EA.	4	132.20	528.80
607.5	New Sign Panel, 15 MPH, W13-1, 24"x18"	EA.	1	200.79	200.79
607.6	New Sign Panel, SPEED LIMIT 25, R2-1, 24"x30"	EA.	3	212.72	638.16
607.7	New Sign Panel, winding road symbol, W1-5, 30"X30"	EA.	2	273.54	547.08
607.8	New Sign Panel, roadway turn symbol, W1-1L, 30"X30"	EA.	1	319.26	319.26
607.9	New Sign Post and Foundation - ADOT S-1 (non-slip)	EA.	15	277.67	4,165.05
621.1	Pipe, Corrugated Metal, 12"	LF	75	38.59	2,894.25
621.2	Pipe, Corrugated Metal, 15"	LF	806	36.21	29,185.26
621.3	Pipe, Corrugated Metal, 24"	LF	160	43.65	6,984.00
621.4	Pipe, Corrugated Metal, 42"	LF	88	63.79	5,613.52
621.5	Pipe, Corrugated Metal, 28"x20"	LF	199	52.80	10,507.20
621.6	Pipe, Corrugated Metal, 49"x29"	LF	48	77.06	3,698.88
621.7	Pipe, UltraFLO, 18"	LF	225	49.78	11,200.50
621.8	Flared Metal End Section, 24", ADOT Std. Dtl. C-13.25	EA.	2	297.30	594.60
708.1	Permanent Pavement Marking (Painted)(White)(4" Equiv)	LF	63	2.88	181.44

COST SUMMARY BREAK DOWN ROADWAY ITEMS *continued*

ITEM	DESCRIPTION	UNIT	ESTIMATED QUANTITIES	UNIT PRICE	EXTENDED AMOUNT
708.2	Permanent Pavement Marking (Painted)(Yellow)(4" Equiv)	LF	13,751	0.59	8,113.09
708.9	Maintenance and Protection of Traffic	L.S.	1	20,573.70	20,573.70
810	Erosion Control and Pollution Prevention (SWPPP)	L.S.	1	17,983.79	17,983.79
901	Mobilization	L.S.	1	7,559.15	7,559.15
903.1	Dumped Rock RipRap, D50=9"	C.Y.	800	71.98	57,584.00
903.2	Gabion Mattress	C.Y.	28	265.44	7,432.32
905.1	Guardrail	LF	13	38.69	502.97
905.2	Guardrail, End Terminal, ET-PLUS	EA.	5	3,631.01	18,155.05
905.3	Guardrail, End Anchor, ADOT Std. Dtl. C-10.08	EA.	1	867.05	867.05
925	Construction Survey and Layout and As-builts	L.S.	1	44,554.39	44,554.39
				Total Base Bid Roadway	1,160,289.68

*wall items are measured in square foot face of wall

COST SUMMARY BREAK DOWN WATERLINE ITEMS

ITEM	DESCRIPTION	UNIT	ESTIMATED QUANTITIES	UNIT PRICE	EXTENDED AMOUNT
1	2" PVC Watermain	40	LF	6.76	270.40
2	4" PVC Watermain	30	LF	19.68	590.40
3	6" PVC Watermain	40	LF	24.73	989.20
4	8" PVC Watermain	5,032	LF	28.16	141,701.12
5	2" Tap and Valve, Box & Cover	1	EA	2,056.65	2,056.65
6	2" Valve, Box & Cover	1	EA	1,797.09	1,797.09
7	4" Valve, Box & Cover	1	EA	1,054.36	1,054.36
8	6" Valve, Box & Cover	3	EA	1,334.56	4,003.68
9	8" Valve, Box & Cover	15	EA	1,823.61	27,354.15
10	8" x 4" Tee	1	EA	484.43	484.43
11	8" x 8" Tee	3	EA	765.60	2,296.80
12	6" x 6" Tee	1	EA	447.68	447.68
13	8" x 6" Tee	3	EA	501.70	1,505.10
14	6" X 2" Reducer	1	EA	213.70	213.70
15	8" x 4" Reducer	3	EA	220.66	661.98
16	Watermain Sample Tap	6	EA	591.38	3,548.28
17	8" x 22.5° Bend	1	EA	275.19	275.19
18	8" x 90° Bend	2	EA	282.93	565.86
19	6" x 90° Bend	2	EA	222.74	445.48
20	6" Fire Hydrant Complete	9	EA	4,776.30	42,986.70

COST SUMMARY BREAK DOWN WATERLINE ITEMS *continued*

ITEM	DESCRIPTION	UNIT	ESTIMATED QUANTITIES	UNIT PRICE	EXTENDED AMOUNT
21	Blow-Off Valve	1	EA	1,358.98	1,358.98
22	Air Release Valve	1	EA	1,649.83	1,649.83
23	6" X 6" Tapping Sleeve and Valve, Box & Cover	1	EA	2,723.53	2,723.53
24	6" Check Valve, Box & Cover	1	EA	3,188.53	3,188.53
25	8" Check Valve, Box & Cover	1	EA	4,600.47	4,600.47
26	2" Water Service & Tap, Cap @ R/W	2	EA	1,497.88	2,995.76
27	1" Water Service & Tap, Cap @ R/W	8	EA	619.40	4,995.20
28	1" Double Water Service & Tap, Cap @ R/W	9	EA	1,022.80	9,205.20
29	Cap Watermain for Future Connection	6	EA	471.75	2,830.50
30	Connect to Existing Watermain	1	EA	490.53	490.53
31	Construction Survey	1	EA	11,406.06	11,406.06
32	QA/QC	1	EA	4,937.69	4,937.69
				Total Base Bid Waterline	283,590.53

GILA COUNTY

SURETY (BID) BOND

(Penalty of this bond must not be less than 10% of the bid amount)

KNOW ALL MEN BY THESE PRESENTS, that we, the undersigned Carson Construction Company, Inc.,

as Principal, hereinafter called the Principal, and the Hanover Insurance Company,

a corporation duly organized under the laws of the State of New Hampshire,

as Surety, hereinafter called the Surety, holding a certificate of authority to transact surety business in this State issued by the Director of the Department of Insurance, are held and firmly bound unto Gila County as Obligee, hereinafter called the Obligee, in the sum of ten percent (10%) of the amount bid, submitted by Principal to Gila County for the work described below, for the payment of which sum well and truly to be made, the said Principal and the said Surety bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal is herewith submitting its proposal for:

BID NO. 111311-1, PINE CREEK CANYON ROAD RECONSTRUCTION PROJECT, PINE

NOW THEREFORE, if the Obligee, acting by and through its Public Works Director, accepts the proposal of the Principal and the Principal shall enter into contract with the Obligee in accordance with the terms of such proposal, and give such bonds and certificates of insurance as may be specified in the contract documents with good and sufficient surety for the faithful performance of such contract and for the prompt payment of labor and material furnished in the prosecution thereof, or in the event of the failure of the Principal to enter into such contract and give such bonds and certificates of insurance, if the Principal shall pay to the Obligee the difference not to exceed the penalty of the bond between the amount specified in the proposal and such larger amount for which the Obligee may in good faith contract with another party to perform the work covered by the proposal then this obligation is void. Otherwise, it remains in full force and effect provided, however, that this bond is executed pursuant to the provisions of ARS '34-201, and all liabilities on this bond shall be determined in accordance with the provisions of the section to the extent as if it were copied at length herein.

IN WITNESS WHEREOF, we hereunto set our hands and seals: Bid Date: March 1, 2012

Carson Construction Company, Inc.
Principal

By Kay F. Lemond

Title Secretary

The Hanover Insurance Company
Surety

Stephanie L. Bucholz
By Attorney-in-Fact

1050 W. Washington St. #233, Tempe, AZ 85281
Address, Attorney-in-Fact

Subscribed and sworn to before me this 22nd **day of** February, **20** 12

My commission expires: November 12, 2013

Daniel L. Walsh
Notary Public

Daniel L. Walsh

OFFICIAL SEAL
DANIEL L. WALSH
NOTARY PUBLIC - State of Arizona
MARICOPA COUNTY
My Commission Expires November 12, 2013

THE HANOVER INSURANCE COMPANY
MASSACHUSETTS BAY INSURANCE COMPANY
CITIZENS INSURANCE COMPANY OF AMERICA

POWERS OF ATTORNEY
CERTIFIED COPY

KNOW ALL MEN BY THESE PRESENTS: That THE HANOVER INSURANCE COMPANY and MASSACHUSETTS BAY INSURANCE COMPANY, both being corporations organized and existing under the laws of the State of New Hampshire, and CITIZENS INSURANCE COMPANY OF AMERICA, a corporation organized and existing under the laws of the State of Michigan, do hereby constitute and appoint

Stephanie L. Bucholz and/or Daniel L. Walsh

of **Tempe, AZ** and each is a true and lawful Attorney(s)-in-fact to sign, execute, seal, acknowledge and deliver for, and on its behalf, and as its act and deed any place within the United States, or, if the following line be filled in, only within the area therein designated

any and all bonds, recognizances, undertakings, contracts of indemnity or other writings obligatory in the nature thereof, as follows:

Any such obligations in the United States, not to exceed Ten Million and No/100 ($10,000,000) in any single instance

and said companies hereby ratify and confirm all and whatsoever said Attorney(s)-in-fact may lawfully do in the premises by virtue of these presents. These appointments are made under and by authority of the following Resolution passed by the Board of Directors of said Companies which resolutions are still in effect:

"RESOLVED, That the President or any Vice President, in conjunction with any Vice President, be and they are hereby authorized and empowered to appoint Attorneys-in-fact of the Company, in its name and as its acts, to execute and acknowledge for and on its behalf as Surety any and all bonds, recognizances, contracts of indemnity, waivers of citation and all other writings obligatory in the nature thereof, with power to attach thereto the seal of the Company. Any such writings so executed by such Attorneys-in-fact shall be as binding upon the Company as if they had been duly executed and acknowledged by the regularly elected officers of the Company in their own proper persons." (Adopted October 7, 1981 - The Hanover Insurance Company; Adopted April 14, 1982 - Massachusetts Bay Insurance Company; Adopted September 7, 2001 - Citizens Insurance Company of America)

IN WITNESS WHEREOF, THE HANOVER INSURANCE COMPANY, MASSACHUSETTS BAY INSURANCE COMPANY and CITIZENS INSURANCE COMPANY OF AMERICA have caused these presents to be sealed with their respective corporate seals, duly attested by two Vice Presidents, this **9th** day of **November 2011**.

THE HANOVER INSURANCE COMPANY
MASSACHUSETTS BAY INSURANCE COMPANY
CITIZENS INSURANCE COMPANY OF AMERICA

Robert Thomas, Vice President

Mark Fitzgerald, Vice President

THE COMMONWEALTH OF MASSACHUSETTS)
COUNTY OF WORCESTER) ss.

On this **9th** day of **November 2011** before me came the above named Vice Presidents of The Hanover Insurance Company, Massachusetts Bay Insurance Company and Citizens Insurance Company of America, to me personally known to be the individuals and officers described herein, and acknowledged that the seals affixed to the preceding instrument are the corporate seals of The Hanover Insurance Company, Massachusetts Bay Insurance Company and Citizens Insurance Company of America, respectively, and that the said corporate seals and their signatures as officers were duly affixed and subscribed to said instrument by the authority and direction of said Corporations.

BARBARA A. GARLICK
Notary Public
Commonwealth of Massachusetts
My Commission Expires Sept. 21, 2018

Barbara A. Garlick, Notary Public
My Commission Expires September 21, 2018

I, the undersigned Vice President of The Hanover Insurance Company, Massachusetts Bay Insurance Company and Citizens Insurance Company of America, hereby certify that the above and foregoing is a full, true and correct copy of the Original Power of Attorney issued by said Companies, and do hereby further certify that the said Powers of Attorney are still in force and effect.

This Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of The Hanover Insurance Company, Massachusetts Bay Insurance Company and Citizens Insurance Company of America.

"RESOLVED, That any and all Powers of Attorney and Certified Copies of such Powers of Attorney and certification in respect thereto, granted and executed by the President or any Vice President in conjunction with any Vice President of the Company, shall be binding on the Company to the same extent as if all signatures therein were manually affixed, even though one or more of any such signatures thereon may be facsimile." (Adopted October 7, 1981 - The Hanover Insurance Company; Adopted April 14, 1982 - Massachusetts Bay Insurance Company; Adopted September 7, 2001 - Citizens Insurance Company of America)

GIVEN under my hand and the seals of said Companies, at Worcester, Massachusetts, this 22nd day of February 20 12.

THE HANOVER INSURANCE COMPANY
MASSACHUSETTS BAY INSURANCE COMPANY
CITIZENS INSURANCE COMPANY OF AMERICA

Glenn Margosian, Vice President

GILA COUNTY

QUALIFICATION AND CERTIFICATION FORMS

Purpose

This exhibit shall serve as a requirement to enable the evaluation team to assess the qualifications of Contractors under consideration for final award.

The information may or may not be a determining factor in award.

Contract Number 111311-1 PINE CREEK CANYON ROAD RECONSTRUCTION PROJECT

The applicant submitting this Bid warrants the following:

1. Name, Address, and Telephone Number of Principal Contractor:
   Carson Construction Co Inc
   472 E. Wickenburg Way Ste 106
   Wickenburg Az 85390

2. Had Contractor (under its present or any previous name) ever failed to complete a contract?
   _____Yes ___X___No. If "Yes, give details, including the date, the contracting agency, and the reasons Contractor failed to perform in the narrative part of this Contract.

3. Has Contractor (under its present or any previous name) ever been disbarred or prohibited from competing for a contract? _____Yes ___X___No. If "Yes", give details, including the date, the contracting agency, the reasons for the Contractors disqualification, and whether this disqualification remains in effect in the narrative part of this Contract.

4. Has a contracting agency ever terminated a contract with Contractor prior to contract expiration date (under your firm's present or any previous name)? _____Yes ___X___No. If "Yes", give details including the date, the contracting agency, and the reasons Contractor was terminated in the narrative part of this Contract.

5. Contractor must also provide at least the following information:
   a. A brief history of the Contractors Firm.
   b. A Cost Proposal shall be submitted on the Price Sheet, attached hereon and made a full part of this contract by this reference.
   c. A list of previous and current customers, which are considered identical or similar to the Scope of Work described herein; shall be submitted on the Reference List, attached hereon and made a full part of this contract by this reference.

d. List of any subcontractors (if applicable) to be used in performing the service must accompany the Proposal. The subcontractors Arizona ROC, contact name and phone # must be included.

e. List the specific qualifications the Contractor has in supplying the specified services.

f. Gila County reserves the right to request additional information.

6. **Contractor Experience Modifier (e-mod) Rating in Arizona:** 1.4
A method the National Council on Compensation Insurance (NCCI) uses to measure a business' computed loss ratio and determine a factor, which when multiplied by premium, can reward policyholders with lower losses. E-mod rate may be a determining factor in bid award.

7. **Current Arizona Contractor License Number:** 115769 Class A

Kay F Lemon
Signature of Authorized Representative

Kay F. Lemon.
Printed Name

Secretary
Title

GILA COUNTY

REFERENCE LIST

These references are required to enable the evaluation team to assess the qualifications of the Contractor under consideration for final award. The information may be a determining factor in award.

References

Please list a minimum of four (4) references for projects of similar size and scope as this Invitation for Bids during the past twelve (12) months, in or as close to Gila County as possible.

1. **Company:** City of Peoria
   Contact: Daniel Kiel
   Phone: 623-773-7982
   Address: 9875 N. 85th Ave 2nd Floor Peoria Az 85345

2. **Company:** Town of Wickenburg
   Contact: 928 684-5451
   Phone: Public Works Dept
   Address: 155 N. Tegner St Wickenburg Az 85390.

3. **Company:** Town of Buckeye
   Contact: Kim Schreck
   Phone: 623.349.6200
   Address: 530 E. Monroe Ave Buckeye Az 85326

4. **Company:** City of El Mirage
   Contact: Jorge Gastelum
   Phone: 623.876-2974
   Address: 12145 NW Grand Ave El Mirage Az 85335

Carson Construction CO Inc
Name of Business

Kay J. Lemons
Signature of Authorized Representative

Secretary
Title

AFFIDAVIT BY CONTRACTOR
CERTIFYING THAT THERE WAS NO COLLUSION
IN BIDDING FOR CONTRACT

STATE OF ARIZONA)
)ss
COUNTY OF: Maricopa)

Kay F. Lemons
(Name of Individual)
being first duly sworn, deposes and says:

That he is Secretary
(Title)
of Carson Construction Co Inc and
(Name of Business)

That he is properly prequalified by Gila County for bidding on **BID NO. 111311-1 PINE CREEK CANYON ROAD RECONSTRUCTION PROJECT, PINE, ARIZONA** and,

That pursuant to Section 112 (C) of Title 23 USC, he certifies as follows:

That neither he nor anyone associated with the said

Carson Construction Co Inc
(Name of Business)

has, directly or indirectly entered into any agreement, participated in any collusion or otherwise taken any action in restraint of free competitive bidding in connection with the above mentioned project.

Carson Construction Co Inc
Name of Business

Kay F. Lemons
By

Secretary
Title

OFFICIAL SEAL
JANET L. LEMONS
NOTARY PUBLIC - State of Arizona
MARICOPA COUNTY
My Comm. Expires June 6, 2013

Subscribed and sworn to before me this 27 day of February, 2012.

Janet L. Lemons
Notary Public

My Commission expires: 6/6/13

GILA COUNTY
CERTIFICATION: INTENTIONS CONCERNING SUBCONTRACTING

At the time of the submission of bids for **BID NO. 111311-1 PINE CREEK CANYON ROAD RECONSTRUCTION PROJECT, PINE, ARIZONA,** my intention concerning subcontracting a portion of the work is as indicated below.

In indicating that it is my intention to subcontract a portion of the work, this will acknowledge that such subcontractors will be identified and approved by the Engineer prior to award of the contract; and that documentation, such as copies of letters, requests for quotations, quotations, etc., substantiating the actions taken and the responses to such actions is on file and available for review.

A list of any subcontractors (if applicable) to be used in performing the service must accompany the Bid. The list must include the subcontractors name, address, and phone number.

Any subcontractor not listed with the bid must be approved by the County prior to providing any work pursuant to this contract. Further, contractor warrants that all subcontractors will comply with all terms and conditions of this contract. The County reserves the right to terminate the contract if the contractor fails to comply with the provisions of this certification.

Yes ☒ it is my intention to subcontract a portion of the work.

No ☐ it is not my intention to subcontract a portion of the work.

Carson Construction Co Inc
Name of Business

Kay F Lemons
Signature of Authorized Representative

Secretary
Title

BIDDERS CHECKLIST

NOTICE IS HEREBY GIVEN that all Bid Documents shall be completed and/or executed and submitted with this bid. If bidder fails to complete and/or execute any portion of the Bid Documents, this bid will be determined to be "non-responsive" and rejected.

CHECKLIST:

REQUIRED DOCUMENT	COMPLETED/EXECUTED
Proposal	KZL
Bidding Schedule	KZL
Surety (Bid) Bond	KZL
Qualification & Certification Form	KZL
Reference List	KZL
Affidavit of Non-Collusion	KZL
Subcontractor Certification	KZL
Contract	KZL
Bidders Checklist & Addenda Acknowledgment	KZL

ACKNOWLEDGMENT OF RECEIPT OF ADDENDA:

	#1	#2	#3	#4	#5
Initials/ Date	K.Z.L. 01/31/12	K.Z.L. 02/16/12	K.Z.L. 2/28/12	____	____

Signed and dated this 27th day of February, 2012.

Carson Construction Co Inc
CONTRACTOR:

Kay Z. Lemon
BY:

Each proposal shall be sealed in an envelope addressed to Gila County Engineering Services and bearing the following statement on the outside of the envelope: **Proposal to Construct: PINE CREEK CANYON ROAD RECONSTRUCTION PROJECT, Gila County Arizona, Bid No. 111311-1.** All proposals shall be filed at **Gila County Procurement, 1400 E. Ash St., Globe, AZ 85501,** on or before **Thursday, March 1st, 2012, 11:00 a.m.**

GILA COUNTY
CONTRACT NO. 111311-1

THIS AGREEMENT, made and entered into this 3rd day of April, **2012**, by and between Gila County, a political subdivision of the State of Arizona, party of the first part, hereinafter designated the **OWNER**, and Carson Construction Co., Inc. of the City of Wickenburg, County of Maricopa, State of Arizona, party of the second part, hereinafter designated the **CONTRACTOR**.

WITNESSETH: That the said **Contractor**, for and in consideration of the sum to be paid him by the said **Owner**, in the manner and at the time hereinafter provided, and of the other covenants and agreements herein contained, and under the penalties expressed in the bond hereto attached, hereby agrees, for himself, his heirs, administrators, successors, and assigns as follows:

ARTICLE I - SCOPE OF WORK: The **Contractor** shall furnish any and all plant materials, labor, construction equipment, and services, required for performing all work for construction for **Bid No. 111311-1 PINE CREEK CANYON ROAD RECONSTRUCTION PROJECT, PINE, ARIZONA** in accordance with the plans and these specifications, and to completely and totally construct the same and install the material herein for the **Owner**, in a good and workmanlike and substantial manner and to the satisfaction of the **Owner** through its Engineers and under the direction and supervision of the Engineer, or his properly authorized agents and strictly pursuant to and in conformity with the Specifications prepared by the Engineers for the **Owner**, and with such modifications of the same and other documents that may be made by the **Owner** through the Engineer, or his properly authorized agents, as provided herein. Once the Bid has been awarded the bid number 032204-1 will become the Contract Number.

ARTICLE II - CONTRACT DOCUMENTS: The attached "Call for Bids", "Technical Specifications", "General Provisions", "Special Provisions", "Proposal", "Bidding Schedule", "Bid Bond", "Qualification & Certification Forms", "Reference List", "Affidavit of Non-Collusion", "Subcontractor Certification", "Employment Laws Acknowledgment", "Checklist & Addenda Acknowledgment", "Performance Bond", "Labor and Materials Bond", "Contract Performance Bond", and Plans thereto, if any, are by this reference made a part of this Contract to the same extent as if set forth herein in full. In the event of any conflict or any inconsistency in the documents, controlling weight shall be assigned in the following order: the Contract; the Technical Specifications; the Special Provisions; the General Provisions; all other documents. Contract is considered invalid unless signed by the Gila County Board of Supervisors.

ARTICLE III – SAFETY AND LOSS CONTROL: The Gila County Safety and Loss Control booklet must be read and signed by all working at the job site.

During the pre-construction meeting a time will be set for the Gila County QA/QC Safety Compliance Officer for a safety meeting. For every safety meeting the Contractor shall invite the QA/QC Safety Compliance Officer and shall give at least a twenty-four (24) hour notice.

ARTICLE IV – INDEMNIFICATION CLAUSE: The Contractor agrees to indemnify and save harmless the County of Gila, its officers, agents and employees, and any jurisdiction or agency issuing permits for any work included in the project, their officers, agents and employees, hereinafter referred to as indemnitee, from all suits and claims, including attorney's fees and cost of litigation, actions, loss, damage, expense, cost or claims of any character or any nature arising out of the work done in fulfillment of the terms of this Contract or on account of any act, claim or amount arising or recovered under workers' compensation law or arising out of the failure of the Contractor to conform to any statutes, ordinances, regulation, law or court decree. It is agreed that the Contractor will be responsible for primary loss investigation, defense and judgment costs where this contract of indemnity applies. In consideration of the award of this contract, the Contractor agrees to waive all rights of subrogation against the County, its officers, officials, agents and employees for losses arising from the work performed by the Contractor for the County.

ARTICLE V – INSURANCE REQUIREMENTS: Contractor and subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Contract are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors.

The insurance requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract.

The County in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under this Contract by the Contractor, his agents, representatives, employees, or subcontractors. Contractor is free to purchase such additional insurance as may be determined necessary.

A. **MINIMUM SCOPE AND LIMITS OF INSURANCE** - Contractor shall provide coverage with limits of liability not less than those stated below:

1. **Commercial General Liability – Occurrence Form**
   Policy shall include bodily injury, property damage, broad form contractual liability and XCU coverage.

• General Aggregate	$2,000,000
• Products – Completed Operations Aggregate	$1,000,000
• Personal and Advertising Injury	$1,000,000
• Each Occurrence	$1,000,000

   a. The policy shall be endorsed to include the following additional insured language: **"The County of Gila shall be named as an additional insured with respect to**

liability arising out of the activities performed by, or on behalf of the Contractor".

2. **Automobile Liability**
   Bodily injury and property damage for any owned, hired, and non-owned vehicles used in the performance of this Contract.

   Combined Single Limit (CSL) $1,000,000

   a. The policy shall be endorsed to include the following additional insured language: **"The County of Gila shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of the Contractor, including automobiles owned, leased, hired or borrowed by the Contractor".**

3. **Worker's Compensation and Employers' Liability**

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	$100,000
Disease – Each Employee	$100,000
Disease – Policy Limit	$500,000

   a. Policy shall contain a **waiver of subrogation** against the County of Gila.

B. **ADDITIONAL INSURANCE REQUIREMENTS:** The policies shall include, or be endorsed to include, the following provisions:

1. On insurance policies where the County of Gila is named as an additional insured, the County of Gila shall be an additional insured to the full limits of liability purchased by the Contractor even if those limits of liability are in excess of those required by this Contract.
2. The Contractor's insurance coverage shall be primary insurance and non-contributory with respect to all other available sources.
3. Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of this Contract.

C. **NOTICE OF CANCELLATION:** Each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be suspended, voided, canceled, reduced in coverage or endorsed to lower limits except after thirty (30) days prior written notice has been given to the County. Such notice shall be sent directly to the **Gila County Purchasing Department, 1400 E. Ash St., Globe, AZ 85501** and shall be sent by certified mail, return receipt requested.

D. **ACCEPTABILITY OF INSURERS:** Insurance is to be placed with insurers duly licensed or approved unlicensed companies in the state of Arizona and with an "A.M. Best" rating of not less than B+ VI. The County in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

E. **VERIFICATION OF COVERAGE:** Contractor shall furnish the County with certificates of insurance (ACORD form or equivalent approved by the County) as required by this Contract.

The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

All certificates and endorsements are to be received and approved by the County before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract or to provide evidence of renewal is a material breach of contract.

All certificates required by this Contract shall be sent directly to the **Gila County Purchasing Department, 1400 E. Ash St., Globe, AZ 85501.** The County project/contract number and project description shall be noted on the certificate of insurance. The County reserves the right to require complete, certified copies of all insurance policies required by this Contract at any time.

F. **SUBCONTRACTORS:** Contractors' certificate(s) shall include all subcontractors as additional insureds under its policies **or** Contractor shall furnish to the County separate certificates and endorsements for each subcontractor. All coverage's for subcontractors shall be subject to the minimum requirements identified above.

G. **APPROVAL:** Any modification or variation from the insurance requirements in this Contract shall be made by the County Attorney, whose decision shall be final. Such action will not require a formal Contract amendment, but may be made by administrative action.

ARTICLE VI - TIME OF COMPLETION: The Contractor further covenants and agrees, at his own proper cost and expense, to do all work and furnish all materials, labor, construction equipment, and services for performing all of the work for construction of said improvements and to completely construct the same and install the material therein, as called for by this agreement free and clear of all claims, liens, and charges whatsoever, in the manner and under the conditions specified within the time, or times, stated in the Proposal.

Work on this project shall start within **no later than ten (10) Days of the Notice To Proceed,** and shall be completed within the following limits:

SCHEDULE:

For construction in the contract documents, the project shall be completed within **One Hundred and Eighty (180) Days of the Notice To Proceed.**

It is expressly understood and agreed that in case of failure on the part of the Contractor, for any reason, except with the written consent of the Engineer, to complete the work to the satisfaction of the Engineer and within the aforesaid time limits, the Owner may deduct from any money due, or which may become due the Contractor, as liquidated damages, an amount as fixed by the following schedule:

WORK ITEM	DAILY CHARGE PER CALENDAR DAY
All work not complete within the above specified time after start of work.	**$1,300.00**

If no money shall be due the Contractor, the Owner shall have a cause of action to recover against the Contractor in a court of competent jurisdiction, liquidated damages as fixed by the above schedule; said deduction to be made, or said sum to be recovered, not as a penalty, but as liquidated damages; provided, however, that upon receipt of written notice from the Contractor, of the existence of causes, as herein provided, over which said Contractor has no control and which must delay the completion of the said work or any delay occasioned by the Owner, the Engineer may extend the period hereinafter specified for the completion of said work in accordance with the specifications and in such case, the Contractor shall become liable for said liquidated damages for delays commencing from date said extension period shall expire.

ARTICLE VII - CANCELLATION: This agreement is subject to cancellation pursuant to **A.R.S. §38-511** and **GENERAL PROVISION 80-09 DEFAULT AND TERMINATION OF CONTRACT.**

ARTICLE VIII - PAYMENTS: The Contractor shall make an estimate of the work performed during the preceding month and submit the same to the Engineer for checking. On or before ***thirty (30) days*** after the certified and approved estimate of the work is received by the Owner, the Owner shall pay to the Contractor ninety percent (90%) of the value of said work in place, as approved by the Engineer. The balance of ten percent (10%) of the estimate shall be retained by the Owner until the time of final payment and acceptance of said work, as per **A.R.S. §34-221(A)(2).**

In order to receive payment the Contractor shall have a current W-9 Form on file with the County unless required by law.

All invoices submitted by the Contractor shall include at least the following but not be limited to:

- Purchase Order Number
- Contract Number
- Project Title
- Invoice Number
- Vendor Name and Address
- Description of Service

ARTICLE IX – LAWS AND ORDINANCES: This agreement shall be enforced under the laws of the State of Arizona. The Contractor shall maintain in current status all Federal, State, and Local licenses and permits required for the operation of the business conducted by the Contractor.

The **Contractor** shall comply with the applicable provisions of the Americans with Disabilities Act **(Public Law 101-336, 42 U.S.C. 12101-12213)** and applicable Federal regulations under the Act.

ARTICLE X – LEGAL ARIZONA WORKERS ACT COMPLIANCE: Contractor hereby warrants that it will at all times during the term of this Contract comply with all federal immigration laws applicable to Contractor's employment of its employees, and with the requirements of A.R.S. § 23-214 (A) (together the "State and Federal Immigration Laws"). Contractor shall further ensure that each subcontractor who performs any work for Contractor under this contract likewise complies with the State and Federal Immigration Laws.

County shall have the right at any time to inspect the books and records of Contractor and any subcontractor in order to verify such party's compliance with the State and Federal Immigration Laws.

Any breach of Contractor's or any subcontractor's warranty of compliance with the State and Federal Immigration Laws, or of any other provision of this section, shall be deemed to be a material breach of this Contract subjecting Contractor to penalties up to and including suspension or termination of this Contract. If the breach is by a subcontractor, and the subcontract is suspended or terminated as a result, Contractor shall be required to take such steps as may be necessary to either self-perform the services that would have been provided under the subcontract or retain a replacement subcontractor as soon as possible so as not to delay project completion.

Contractor shall advise each subcontractor of County's rights, and the subcontractor's obligations, under this Article by including a provision in each subcontract substantially in the following form:

"Subcontractor hereby warrants that it will at all times during the term of this contract comply with all federal immigration laws applicable to Subcontractor's employees, and with the requirements of A.R.S. §23-214 (A). Subcontractor further agrees that County may inspect the Subcontractor's books and records to insure that Subcontractor is in compliance with these requirements. Any breach of this paragraph by Subcontractor will be deemed to be a material breach of this contract subjecting Subcontractor to penalties up to and including suspension or termination of this contract."

Any additional costs attributable directly or indirectly to remedial action under this Article shall be the responsibility of Contractor. In the event that remedial action under this Article results in delay to one or more tasks on the critical path of Contractor's approved construction or critical milestones schedule, such period of delay shall be deemed excusable delay for which Contractor shall be entitled to an extension of time, but not costs.

ARTICLE XI – ANTI-TERRORISM WARRANTY: Pursuant to A.R.S. § 35-393.06(B) and 35-301.06(A) the Contractor certifies that it does not have scrutinized business operations in Iran or Sudan and that they are in compliance with the Export Administration Act and not on the Excluded Parties List.

IN WITNESS WHEREOF, three (3) identical counterparts of this contract, each of which shall for all purposes be deemed an original thereof, have been duly executed by the parties hereinabove named, on the date and year first above written.

In return for the performance of this Contract by the **Contractor**, the **Owner** agrees to pay the amount of $1,443,880.21 **INCLUDING ALL APPLICABLE TAXES** through a payment schedule as described in the Contract documents and as may be modified and executed by change orders and by final quantities.

The **Contractor** agrees that this contract, as awarded, is for the following work, and understands that payment for the total work will be made on the basis of the indicated amount(s), as bid in the Proposal and attached Bidding Schedule for:

PINE CREEK CANYON ROAD RECONSTRUCTION PROJECT
BID NO. 111311-1

OWNER:

GILA COUNTY BOARD OF SUPERVISORS

Tommie C. Martin, Chairman, Board of Supervisors

ATTEST:

Marian Sheppard, Chief Deputy Clerk of the Board

APPROVED AS TO FORM:

Brian B. Chambers, Chief Deputy County Attorney
***for* Daisy Flores, County Attorney**

CONTRACTOR:

Rupert G. Lemons

Contractor Signature

Rupert G. Lemons

Print Name

Witness (If Contractor is Individual)

STATUTORY PERFORMANCE BOND
PURSUANT TO TITLE 34, CHAPTER 2, ARTICLE 2 OF THE ARIZONA REVISED STATUTES
(PENALTY OF THIS BOND MUST BE 100% OF CONTRACT AMOUNT)

KNOW ALL MEN BY THESE PRESENTS:

That, _____

_____, (hereinafter called the Principal), as Principal,

and _____
(hereinafter called Surety), a corporation duly organized and existing the laws of the State of

_____ with its principal office in the city of _____
holding a certificate of authority to transact surety business in Arizona issued by the Director of the Department of Insurance, as Surety, are held and firmly bound unto Gila County (hereinafter called the Obligee) in the amount of (100% OF CONTRACT AMOUNT)_____ dollars ($_____), for the payment whereof, the said Principal and Surety bind themselves, and their heirs, administrator, executors, successors, and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has agreed to enter into a certain contract with the Obligee for: **PINE CREEK CANYON ROAD RECONSTRUCTION PROJECT, PINE, ARIZONA,** which contract is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the said Principal shall faithfully perform and fulfill all the undertakings, covenants, terms, conditions and agreements of said contract during the original term of said contract and any extension thereof, with or without notice to the Surety, and during the life of any guaranty required under the contract, and shall also perform and fulfill all the undertakings, covenants, terms, conditions, and agreements of any and all duly authorized modifications of said contract that may hereafter be made, notice of which modifications to the Surety being hereby waived; then the above obligation shall be void, otherwise to remain in full force and effect;

PROVIDED, HOWEVER, that this bond is executed pursuant to the provisions of Title 34, Chapter 2, Article 2, of the Arizona Revised Statutes, and all liabilities on this bond shall be determined in accordance with the provisions of said Title, Chapter and Article, so the extent as if they were copied at length herein.

The prevailing party in a suit on this bond shall recover as a part of the judgment such reasonable attorneys' fees as may be fixed by a judge of the court.

Witness our hands this _____ day of _____, 20 _____.

_____
Principal **Seal**

_____ _____
Surety **Seal** **By:**

_____ _____
Agency of Record **By:**

_____ _____
Arizona Countersignature **Agency Address**

_____
Address

_____
Phone Number

STATUTORY LABOR AND MATERIALS BOND
PURSANT TO TITLE 34, CHAPTER 2, ARTICLE 2 OF THE ARIZONA REVISED STATUTES

(PENALTY OF THIS BOND MUST BE 100% OF CONTRACT AMOUNT)

KNOW ALL MEN BY THESE PRESENTS:

That,

_____

_____, (hereinafter called the Principal), as Principal, and

_____

(hereinafter called Surety), a corporation duly organized and existing the laws of the State of

_____ with its principal office in the city of _____ holding a certificate of authority to transact surety business in Arizona issued by the Director of the Department of Insurance, as Surety, are held and firmly bound unto Gila County (hereinafter called the Obligee) in the amount of (100% of Contract Amount)_____ dollars ($_____), for the payment whereof, the said Principal and Surety bind themselves, and their heirs, administrator, executors, successors, and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has agreed to enter into a certain contract with the Obligee for: **PINE CREEK CANYON ROAD RECONSTRUCTION PROJECT, PINE, ARIZONA,** which contract is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the said Principal shall faithfully perform and fulfill all the undertakings, covenants, terms, conditions and agreements of said contract during the original term of said contract and any extension thereof, with or without notice to the Surety, and during the life of any guaranty required under the contract, and shall also perform and fulfill all the undertakings, covenants, terms, conditions, and agreements of any and all duly authorized modifications of said contract that may hereafter be made, notice of which modifications to the Surety being hereby waived; then the above obligation shall be void, otherwise to remain in full force and effect;

PROVIDED, HOWEVER, that this bond is executed pursuant to the provisions of Title 34, Chapter 2, Article 2, of the Arizona Revised Statutes, and all liabilities on this bond shall be determined in accordance with the provisions of said Title, Chapter and Article, so the extent as if they were copied at length herein.

The prevailing party in a suit on this bond shall recover as a part of the judgment such reasonable attorneys' fees as may be fixed by a judge of the court.

Witness our hands this _____ day of _____, 20 _____

Principal	**Seal**	**By:**
Surety	**Seal**	**By:**
Agency of Record		**Agency Address**
Arizona Countersignature		
Address		
Phone Number		

GILA COUNTY

CONTRACT PERFORMANCE WARRANTY

I, Kay F. Lemons, representing Carson Construction Co, Inc. (company name)

do hereby warranty the work performed for the waterline (as shown within the Verde Engineering Plans dated November 15, 2011) of the following overall project:

PINE CREEK CANYON ROAD RECONSTRUCTION PROJECT, PINE, ARIZONA,

for a period of **one (1) year** from completion and acceptance by the PSWID and ADEQ of said work.

and do hereby warranty all other work performed for:

PINE CREEK CANYON ROAD RECONSTRUCTION PROJECT, PINE, ARIZONA,

for a period of **two (2) years** from completion of said work.

Said work shall be free from defects which would cause the work not to perform in it's intended manner.

Kay F Lemons 2/27/12

(Officer, Partner, Owner) **Date**

Form **W-9**
(Rev. October 2007)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Give form to the requester. Do not send to the IRS.

Print or type
See Specific Instructions on page 2.

Name (as shown on your income tax return)

Business name, if different from above
Carson Construction Co Inc

Check appropriate box: ☐ Individual/Sole proprietor ☒ Corporation ☐ Partnership
☐ Limited liability company. Enter the tax classification (D=disregarded entity, C=corporation, P=partnership) ▶
☐ Other (see instructions) ▶

☐ Exempt payee

Address (number, street, and apt. or suite no.)
472 E. Wickenburg Way Ste 106

Requester's name and address (optional)

City, state, and ZIP code
Wickenburg Az 85390

List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number
☐☐☐ - ☐☐ - ☐☐☐☐

or

Employer identification number
86 - 0391587

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here Signature of U.S. person ▶ J Hemins Date ▶ 2/27/12

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),

2. Certify that you are not subject to backup withholding, or

3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

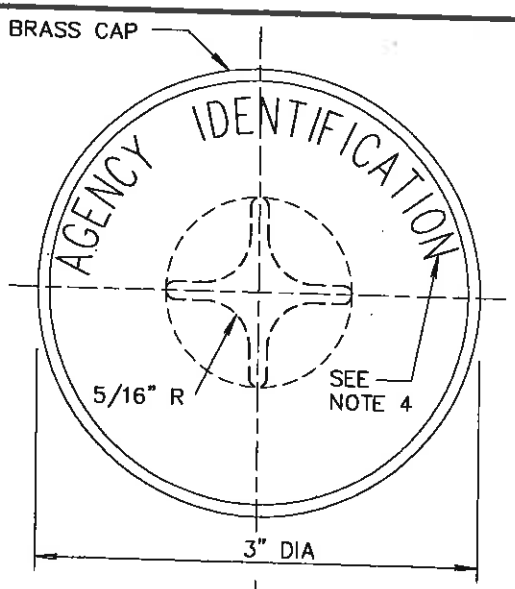
- The U.S. owner of a disregarded entity and not the entity,

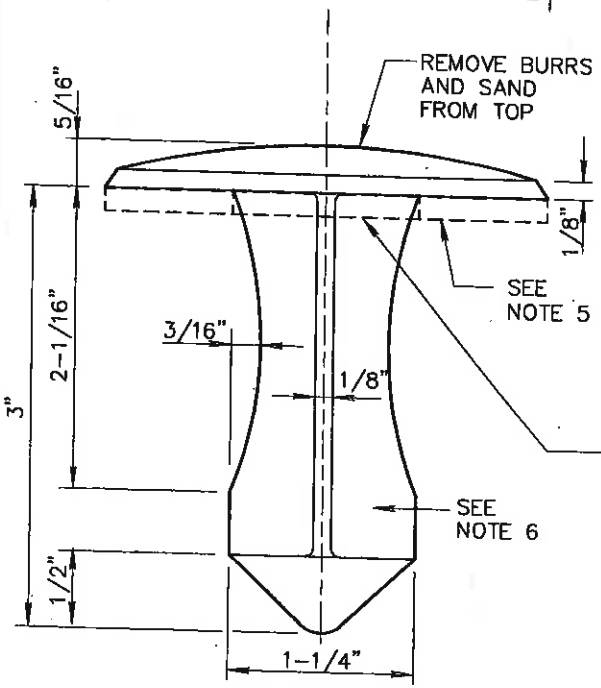
SECTION VI

NOTED STANDARD DETAIL DRAWINGS

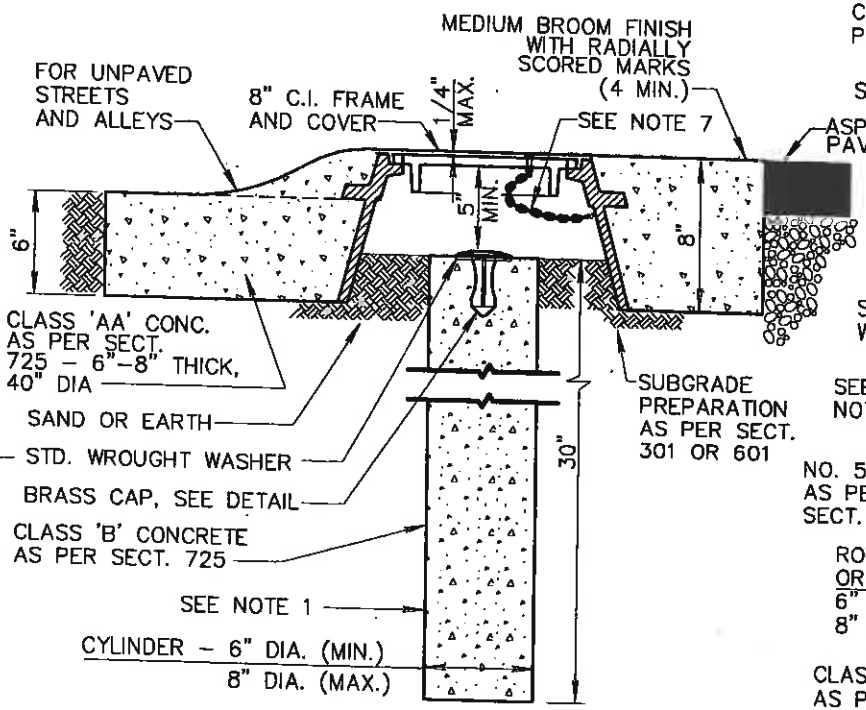
NOTES:

1. TYPE 'A' TO BE USED AT INTERSECTIONS OF MAJOR STREETS & COLLECTOR STREETS, AND AT OTHER SPECIAL PONTS IF REQUIRED BY ENGINEER, AS SHOWN ON PLANS.
2. TYPE 'B' TO BE USED AT INTERSECTION OF STREET CENTERLINES (EXCEPT WHERE TYPE 'A' IS SPECIFIED), CORNERS OR CHANGES IN ALIGNMENT OF SUBDIVISION BOUNDARIES (WHEN THEY FALL IN PAVEMENT), P.C.'S AND P.T.'S OF CURVES. WHEN P.I. FALLS IN PAVEMENT, THEN THE P.I. SHALL BE MONUMENTED.
3. TYPE 'C' TO BE USED AT CORNERS OF, AND CHANGE IN ALIGNMENT OF, SUBDIVISION BOUNDARIES WHERE CORNERS OR CHANGE POINTS FALL OUTSIDE OF PAVED AREAS OR IN ALLEYS.
4. LETTERS TO BE APPROX. 1/32" WIDE & 1/32" DEEP.
5. USE STANDARD WROUGHT IRON WASHER 3" O.D. x 11/64" THICK WITH 1-3/8" HOLE
6. CAP TO BE CONSTRUCTED OF RED BRASS OR BRONZE.
7. FRAME & COVER TO INCLUDE CHAIN PER DET. 270. (OPTIONAL PER AGENCY REQUIREMENTS.)

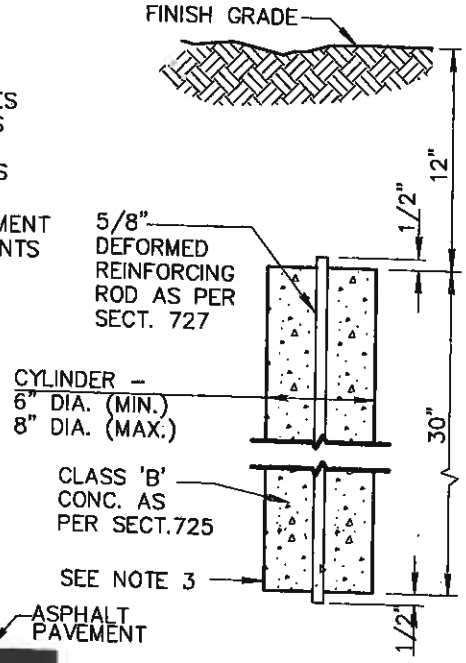




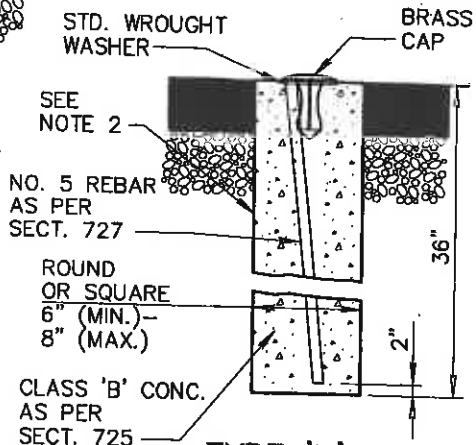
CAP DETAIL



TYPE 'A'
(WITH FRAME PER DETAIL 270)

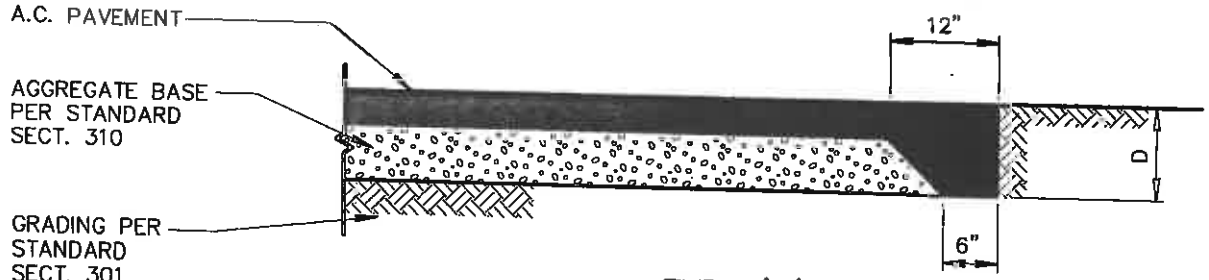


TYPE 'C'



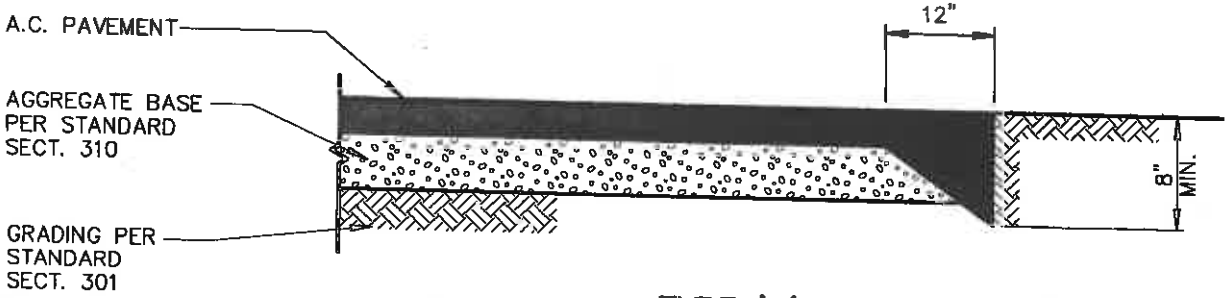
TYPE 'B'
(WITHOUT FRAME)

DETAIL NO.				REVISED	DETAIL NO.
120-1	MARICOPA ASSOCIATION of GOVERNMENTS	STANDARD DETAIL ENGLISH	SURVEY MARKER	01-01-2001	120-1



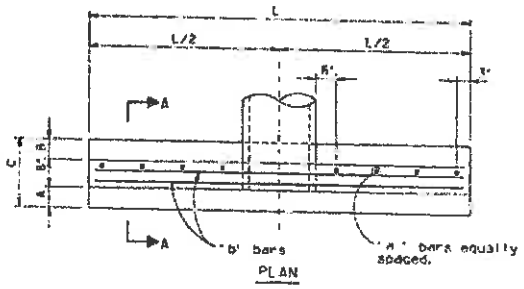
D = DESIGN THICKNESS OF A.C. PAVEMENT PLUS AGGREGATE BASE.

TYPE 'A'

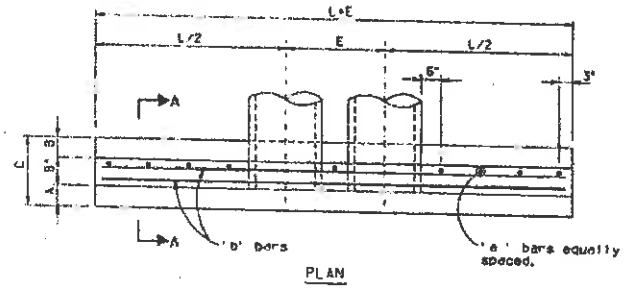


TYPE 'B'

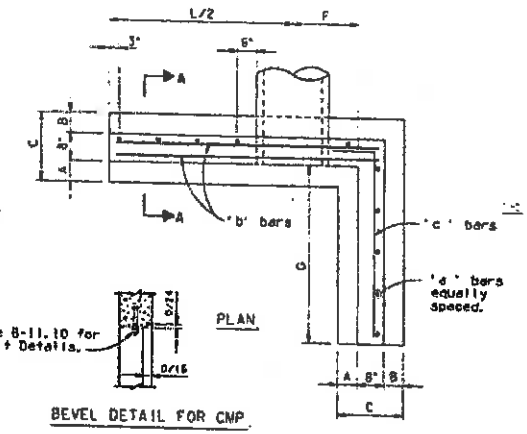
DETAIL NO.				REVISED	DETAIL NO.
201	MARICOPA ASSOCIATION of GOVERNMENTS	STANDARD DETAIL ENGLISH	PAVEMENT SECTION AT TERMINATION	01-01-2008	201

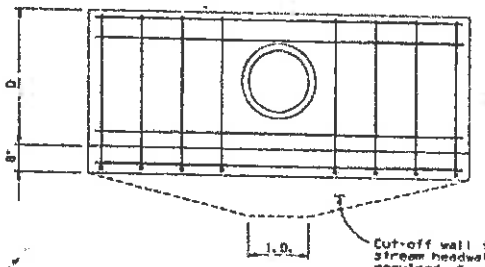


PLAN



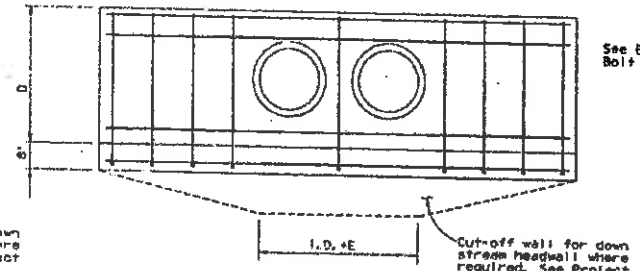
PLAN





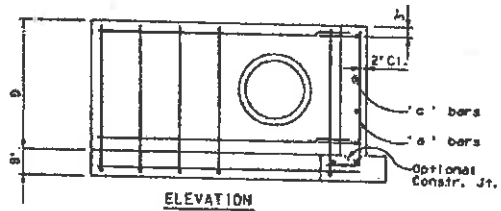
ELEVATION

SINGLE PIPE HEADWALL



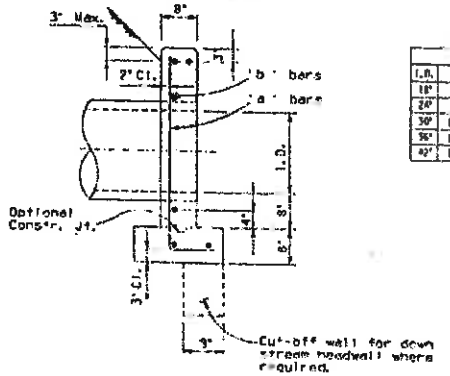
ELEVATION

DOUBLE PIPE HEADWALL



ELEVATION

'L' HEADWALL



SECTION A-A

Dimensions									
I.D.	A	B	C	D	E	F	G	L	L+E
18"	6"	18"	2'-0	3'-2	2'-6	1'-7	4'-6	5'-6	12'-0
24"	8"	1'-0	2'-4	3'-8	3'-0	2'-1	5'-6	11'-4	14'-6
30"	10"	1'-2	2'-8	4'-2	3'-9	2'-7	6'-6	13'-6	17'-3
36"	1'-0	1'-4	3'-0	4'-8	4'-6	3'-1	7'-6	15'-6	20'-0
42"	1'-2	1'-6	3'-4	5'-2	5'-3	3'-7	8'-6	17'-6	22'-9

* Approximate Quantities									
	Single Pipe Headwall		Double Pipe Headwall		Add'l. Pipe Headwall		"L" Headwall		
I.D.	Conc. C.Y.	Reinf. Lbs.	Conc. C.Y.	Reinf. Lbs.	Conc. C.Y.	Reinf. Lbs.	Conc. C.Y.	Reinf. Lbs.	
18"	1.2	60	1.4	13	.3	13	1.4	75	
24"	1.6	78	2.0	90	.4	15	2.0	100	
30"	2.1	97	2.6	116	.5	19	2.6	121	
36"	2.7	111	3.4	133	.7	22	3.4	152	
42"	3.4	135	3.1	160	.8	26	4.2	180	

* Quantities do not include cut-off wall.

Reinforcing																
I.D.	'a' Bars						'b' Bars						'c' Bars			
	Single Pipe Headwall		Double Pipe Headwall		"L" Headwall		Single Pipe Headwall		Double Pipe Headwall		"L" Headwall		"L" Headwall			
	No.	Lgth.	No.	Lgth.	No.	Lgth.	No.	Lgth.	No.	Lgth.	No.	Lgth.	No.	Lgth.		
18"	8	4'-3	9	4'-3	15	4'-3	6	5'-0	6	11'-6	6	6'-6	5	5'-9		
24"	10	5'-0	11	5'-0	17	5'-0	6	11'-0	6	14'-0	6	8'-0	6	8'-9		
30"	12	5'-6	13	5'-6	14	5'-6	6	13'-0	6	16'-9	6	9'-6	6	7'-9		
36"	12	6'-3	13	6'-3	16	6'-3	6	15'-0	6	7'-6	6	11'-0	7	8'-9		
42"	14	7'-0	15	7'-0	18	7'-0	6	17'-0	6	22'-3	6	12'-6	7	9'-9		

A+4"

'a' bars

NOTE:

For General Notes and Chamfer Detail see Std. B-11.10.

Concrete pipe shown. Corrugated metal pipe similar.

High point of headwall shall not project more than 3" above slope.

All concrete shall be Class "B", f'c=2500 psi.

All reinforcing bars are #4.

For 3 or more pipes, add quantities shown for each additional pipe to Double Pipe Headwall quantity. Add one 'a' bar to double pipe headwall total and increase 'b' bar length by Dimension E for each additional pipe.

Dimension E equals pipe spacing.

DESIGN APPROVED

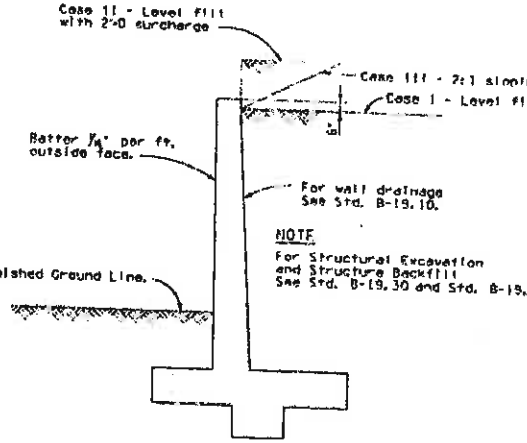
APPROVED FOR DISTRIBUTION

ARIZONA
DEPARTMENT OF TRANSPORTATION
HIGHWAYS DIVISION
STANDARD DRAWINGS

REVISION

INLET and OUTLET HEADWALLS
18" to 42" PIPES

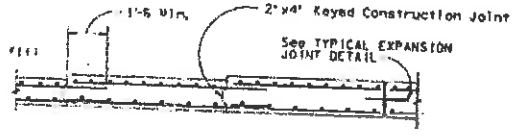
STANDARD NO.
B-11.11



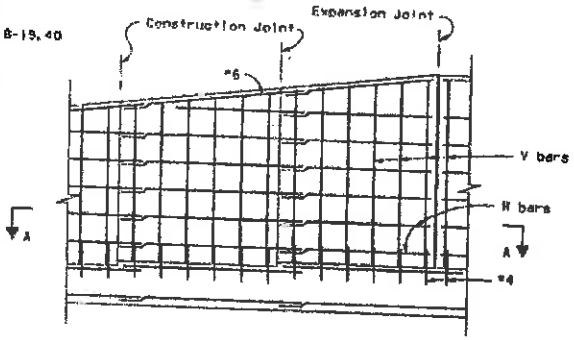
NOTE

For Structural Excavation and Structure Backfill See Std. B-19.30 and Std. B-19.40

TYPICAL SECTION

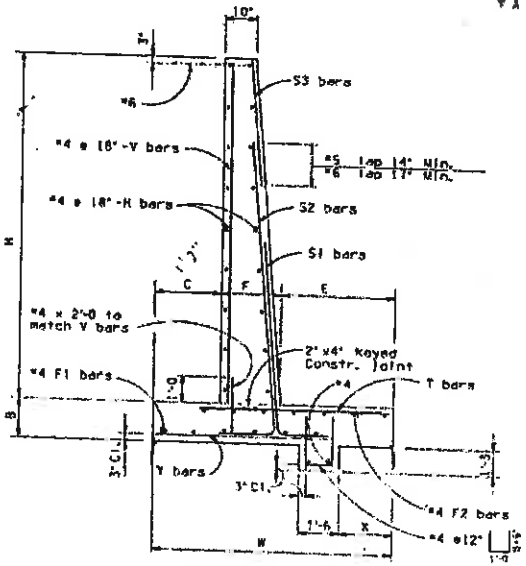


SECTION A-A



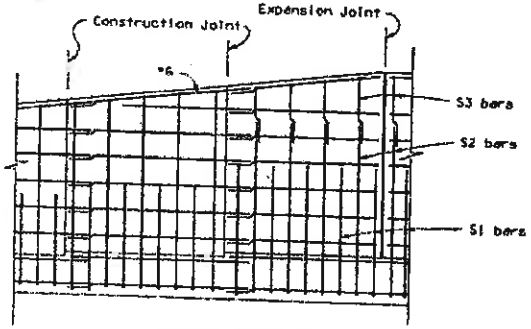
TYPICAL ELEVATION

Outside Face Reinforcing



TYPICAL WALL DETAILS

Case I, II & III



TYPICAL ELEVATION

Inside Face Reinforcing

GENERAL NOTES:

Construction Specification - Arizona Department of Transportation Standard Specifications for Road and Bridge Construction, latest Edition.

Design Specifications - AASHTO Standard Specifications for Highway Bridges, Edition of 1989 and the 1990 Interim Specifications.

Dead Load - Weight of backfill = 120 p.c.f.
Coefficient of friction = .4
Angle of internal friction -
Backfill 33.25°
Existing ground 30.96°

All concrete shall be Class 'S' unless noted otherwise.

Reinforcing steel shall conform to ASTM Specification A615. Bar sizes #6 and smaller shall be designed as Grade 40 but may be furnished as Grade 40 or Grade 60. Bar sizes #7 and larger shall be designed and furnished as Grade 60.

All bend dimensions for reinforcing steel shall be out-to-out of bars. All placement dimensions for reinforcing steel shall be to center of bars unless noted otherwise.

All reinforcing steel shall have 2 inch clear cover unless noted otherwise.

Stresses:
Class 'S' Concrete ..... f'c = 3000 psi
Grade 40 reinforcing steel ..... fs = 20000 psi
Grade 60 reinforcing steel ..... fs = 24000 psi

Chamfer all exposed corners 3/4" as per Standard B-19.10 unless noted otherwise.

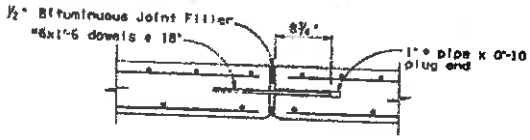
Dimensions shall not be scaled from drawings.

JOINT NOTE:

All Retaining Walls shall have Construction Joints spaced at not more than 30'-0 apart or as shown. Reinforcing Steel shall project through the joint.

Expansion Joints shall be provided at intervals not exceeding 90'-0.

Footings may be continuous with no joint.



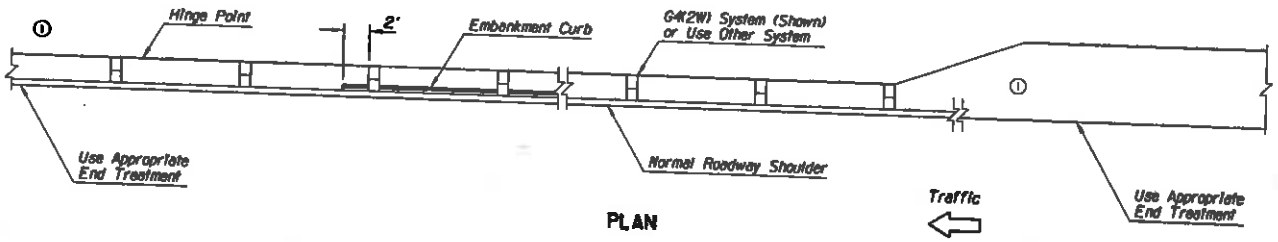
TYPICAL EXPANSION JOINT DETAIL

NOTE:

For Retaining Wall dimensions and quantities see B-18.20 and B-18.30.

DESIGN APPROVED	ARIZONA DEPARTMENT OF TRANSPORTATION HIGHWAYS DIVISION STANDARD DRAWINGS	REVISION 4-92
APPROVED FOR ASSISTANT DIR.	CANTILEVER RETAINING WALL DETAILS	STANDARD NO. B-18.10

NO	DESCRIPTION OF REVISIONS	MADE BY	DATE
1	MODIFIED PLAN VIEW GRAPHICS/REMOVED WIDTH DIMENSION	RLF	9/04
2	REVISED GENERAL NOTES 3 & 4	RLF	9/04
3	MODIFIED STANDARD DRAWING TITLE	RLF	9/04
4	REVISED SECTION VIEW TITLE	RLF	7/05

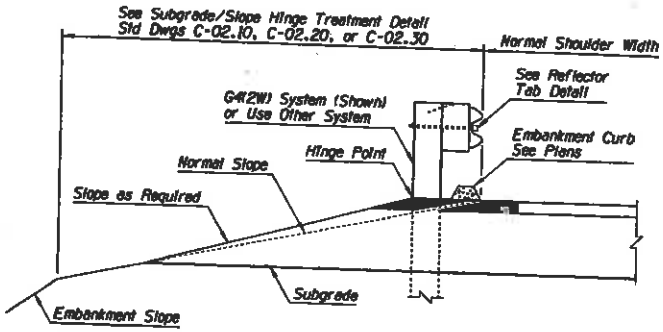


PLAN

GENERAL NOTES

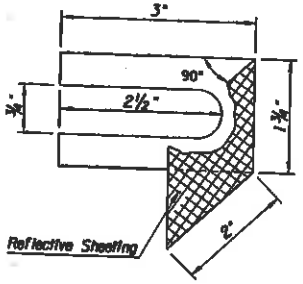
1. All embankment curb shall be protected by guardrail.
2. Guardrail shall extend beyond the limits of embankment curb.
3. ② See Std Dwg C-10.00 for measurement limits.
4. ② See Std Specs 703, 905 and 1012-3 for reflector tab and snow marker materials, reflective sheeting, and spacing requirements.

▲ Top of Rail = 28"
See General Note 1
Std Dwg C-10.03



④

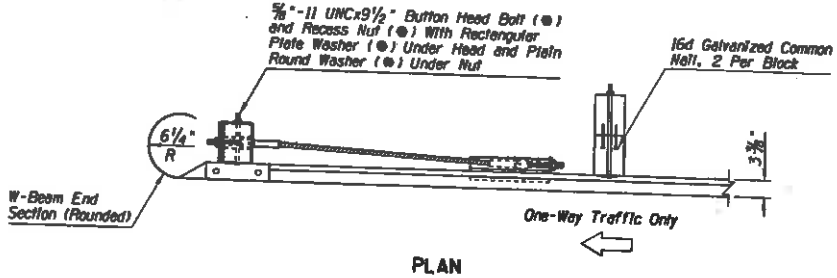
TYPE A SECTION



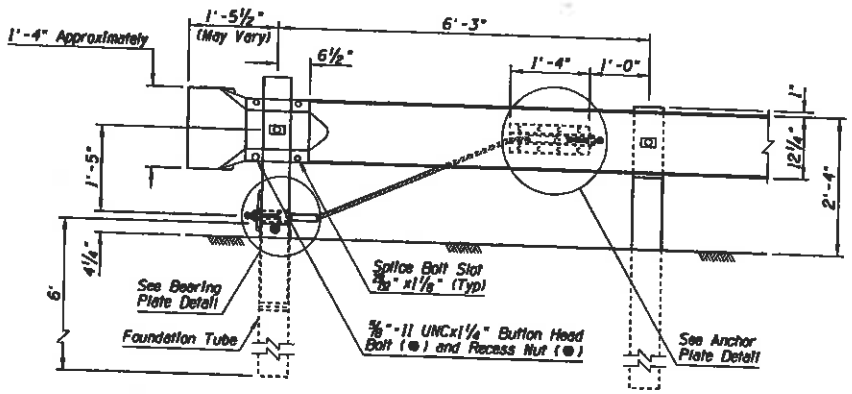
REFLECTOR TAB DETAIL

APPROVED FOR DESIGN: Mary Viparina	STATE OF ARIZONA DEPARTMENT OF TRANSPORTATION ROADWAY STANDARD DRAWINGS	REV. 5/07
APPROVED FOR DISTRIBUTION: [signature]	GUARDRAIL INSTALLATION ③ TYPE A AND REFLECTOR TAB	DRAWING NO. C-10.01

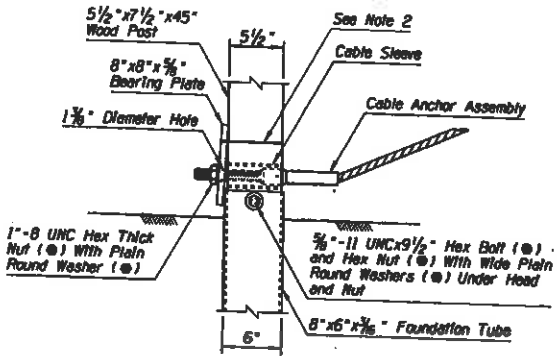
NO	DESCRIPTION OF REVISIONS	MADE BY	DATE
1	RENAMED STD DWG FROM C-10.45 & REVISED TITLE	RLF	9/04
2	REVISED DESIGNATION	RLF	9/04
3	REVISED GENERAL NOTE 2	RLF	9/04
4			



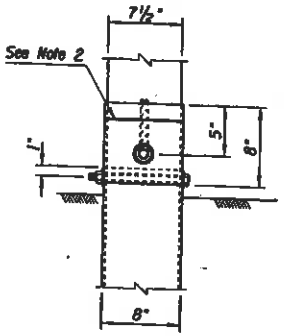
PLAN



ELEVATION



FRONT VIEW



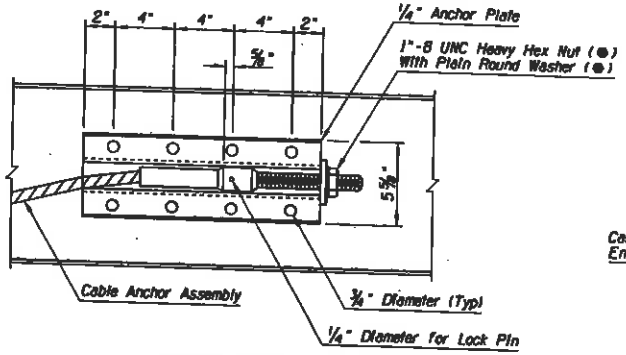
SIDE VIEW

BEARING PLATE DETAIL

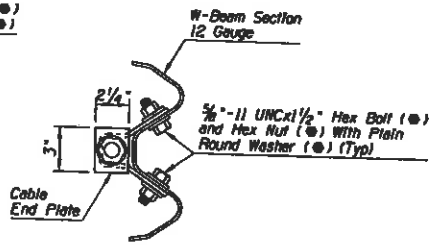
GENERAL NOTES

1. The cable assembly shall be tightened to remove slack.
2. (3) One wrap of 14 gauge galvanized steel wire shall be wrapped around the terminal post near the top of the bearing plate.
3. See Std Dwg C-10.00 for measurement limits.

(2) ● - Indicates AASHTO, AGC & ARTBA Task Force 13 Report designation



FRONT VIEW

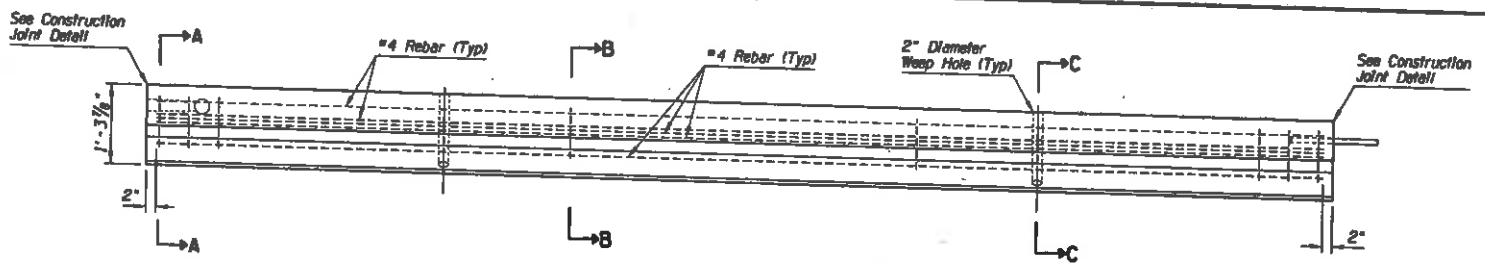


SIDE VIEW

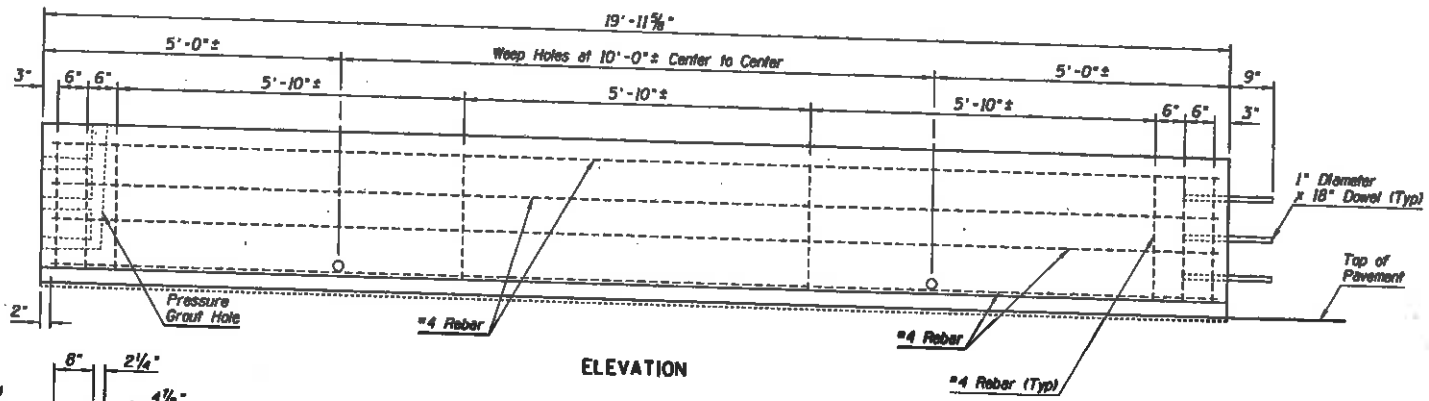
ANCHOR PLATE DETAIL

APPROVED FOR DESIGN: May Vizcaino	STATE OF ARIZONA DEPARTMENT OF TRANSPORTATION ROADWAY STANDARD DRAWINGS	REV. 5/07
APPROVED FOR DISTRIBUTION: [signature]	W-BEAM GUARDRAIL END ANCHOR (1)	DRAWING NO. C-10.08 (1)

NO	DESCRIPTION OF REVISIONS	MADE BY	DATE
1	RENAMED STD DWG FROM C-10.61 TO C-10.50 & REVISED TITLE	ALF	9/04
2			
3			
4			



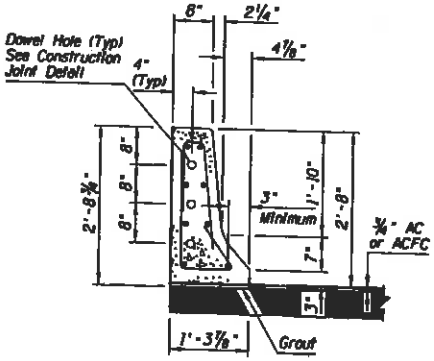
PLAN



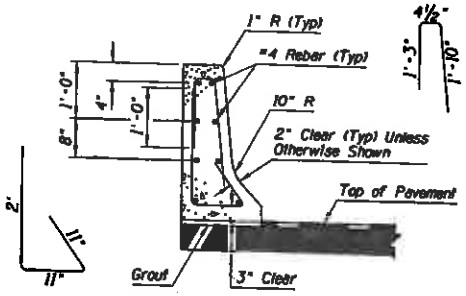
ELEVATION

GENERAL NOTES

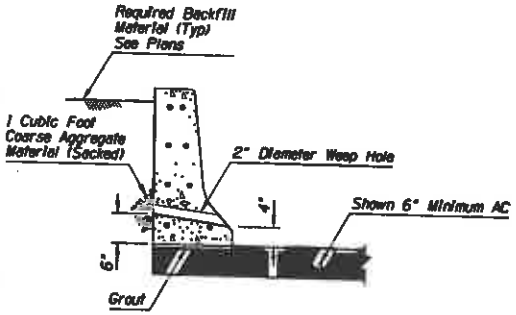
1. Concrete half barrier shall be precast.
2. Concrete shall be Class S, f'_c=4000 PSI.
3. Pavement thickness adjacent to half barrier shall be ¾" minimum.
4. The half barrier shall be placed upon a bed of grout in order to provide a uniform bearing.
5. Doweled joints shall be grouted under pressure until all of the openings and the joints are filled.
6. All bend dimensions for rebar are out-to-out of rebars.
7. Weep holes shall be placed whenever half barrier is backfilled unless otherwise indicated on the plans.



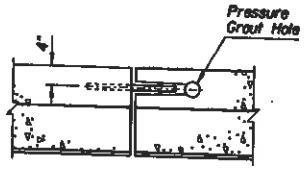
SECTION A-A



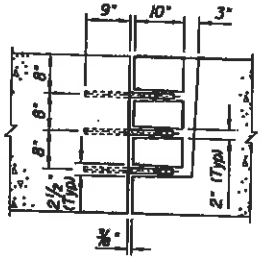
AT REBAR
SECTION B-B
SEE SECTION A-A FOR TYPICAL REBAR PLACEMENT



AT WEEP HOLE
SECTION C-C
SEE SECTION A-A FOR TYPICAL REBAR PLACEMENT



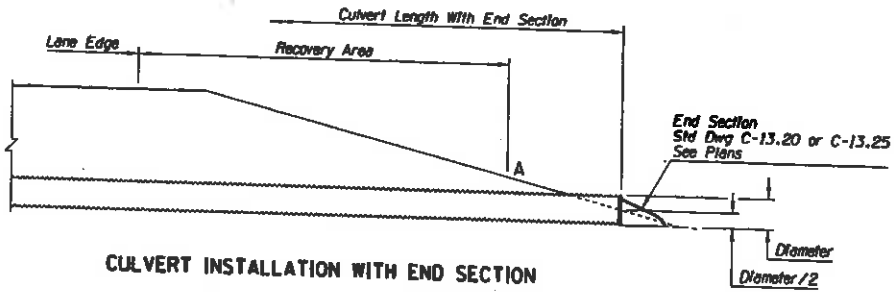
PLAN



ELEVATION
CONSTRUCTION JOINT DETAIL

APPROVED FOR DESIGN Mary Vipana	STATE OF ARIZONA DEPARTMENT OF TRANSPORTATION ROADWAY STANDARD DRAWINGS	REV. 5/07
APPROVED FOR DISTRIBUTION	CONCRETE HALF BARRIER 32" TYPE "F" PRECAST	DRAWING NO. C-10.50 Sheet 2 of 2

NO	DESCRIPTION OF REVISIONS	MADE BY	DATE
1	REISSUED STANDARD DRAWING	RLF	7/05
2			
3			
4			

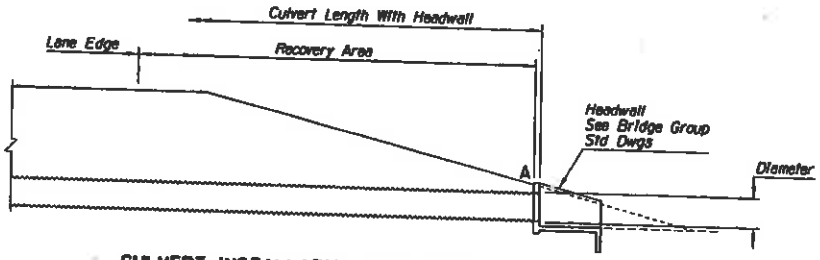


CULVERT INSTALLATION WITH END SECTION

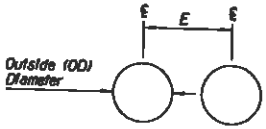
MINIMUM SPACING FOR MULTIPLE PIPES WITH HEADWALL	
Diameter or Span (In)	E (Ft-In)
18	2-6
24	3-0
30	3-9
36	4-6
42	5-3
48 to 66	OD + 3-0
72 and Over	OD + 3-0

GENERAL NOTES

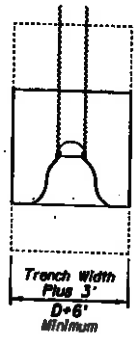
1. See plans for any required inlet and/or outlet protection.
2. E dimension applies to both non-trench and trench conditions.
3. Minimum cover over pipe culverts shall be 1', measured from the top of pipe.
4. See Pipe Berm Requirement Detail for pipe berm requirements and Std Dwg C-03.10 for installation. If Point A is within the recovery area, then a pipe berm is required and Point B is set at the edge of the recovery area.
5. Slope plating shall conform to Std Spec 501.



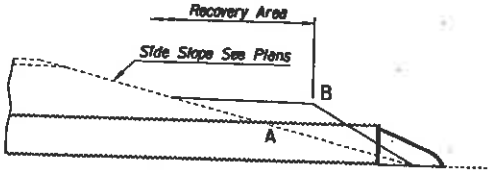
CULVERT INSTALLATION WITH HEADWALL



MINIMUM SPACING FOR MULTIPLE PIPES WITH HEADWALL

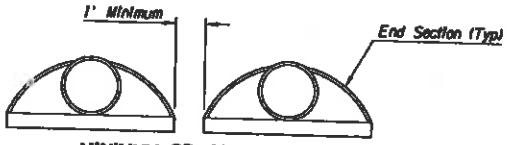


PLAN

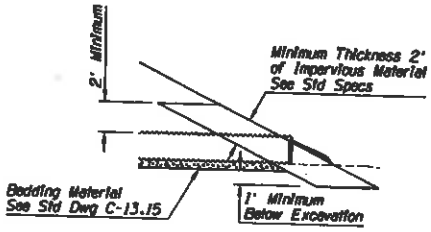


PIPE WITH BERM REQUIREMENT DETAIL

See General Note 4



MINIMUM SPACING FOR MULTIPLE PIPES WITH END SECTIONS

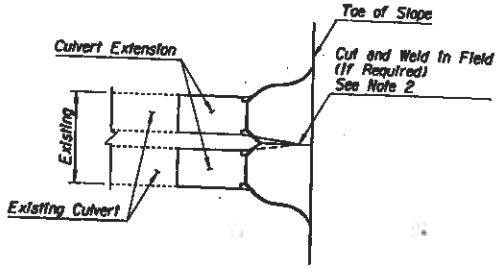


ELEVATION

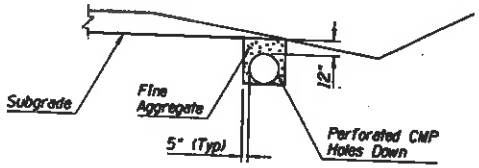
SLOPE PLATING FOR PIPE WITH END SECTIONS

APPROVED FOR DESIGN	STATE OF ARIZONA DEPARTMENT OF TRANSPORTATION ROADWAY STANDARD DRAWINGS	REV. 1 5/07
APPROVED FOR DISTRIBUTION	PIPE CULVERT INSTALLATION	DRAWING NO. C-13.10 Sheet 1 of 2

NO	DESCRIPTION OF REVISIONS	MADE BY	DATE
1	NEW GENERAL NOTE 2	RLF	9/04
2			
3			
4			



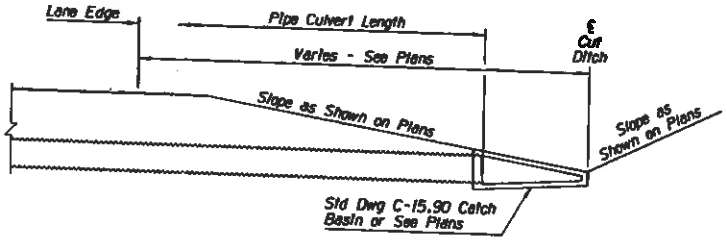
SPECIAL MULTIPLE PIPE END SECTION DETAIL
FOR PIPE CULVERT EXTENSIONS ONLY



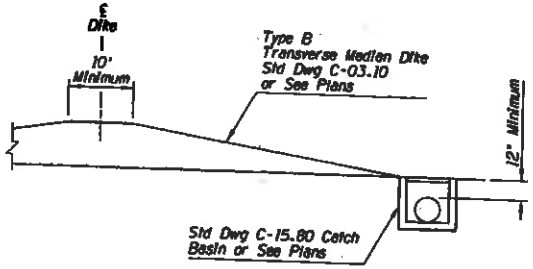
PERFORATED CMP INSTALLATION

GENERAL NOTES

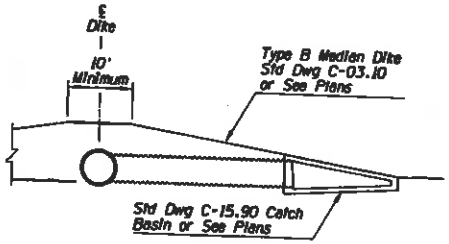
1. Minimum cover over pipe culverts shall be 12", measured from the top of pipe.
2. ① After welding, the damaged coating shall be cleaned by a wire brush and painted with at least one full coat of Paint Number 4, or given two coats of an approved hot asphalt paint, as directed by the Engineer.



PIPE AND CATCH BASIN INSTALLATION
AT SAG CONDITION OF CUT DITCH



PIPE AND CATCH BASIN INSTALLATION
AT BASE OF TRANSVERSE DIKE



PIPE AND CATCH BASIN INSTALLATION
AT FACE OF TRANSVERSE DIKE

APPROVED FOR DESIGN: May Vizcaino	STATE OF ARIZONA DEPARTMENT OF TRANSPORTATION ROADWAY STANDARD DRAWINGS	REV. 5/07
APPROVED FOR DISTRIBUTION: [illegible]	PIPE CULVERT INSTALLATION	DRAWING NO. C-13.10 Sheet 2 of 2

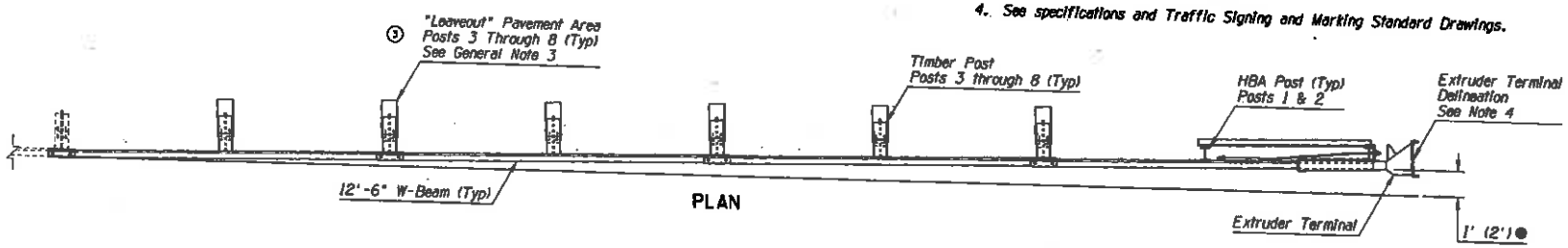
● FOR ELEVATIONS ABOVE 4,000', USE THE VALUES IN PARENTHESES

F.H.W.A. REGION	STATE	PROJECT NO.	SHEET NO.	TOTAL SHEETS	AS BUILT
9	ARIZ.				

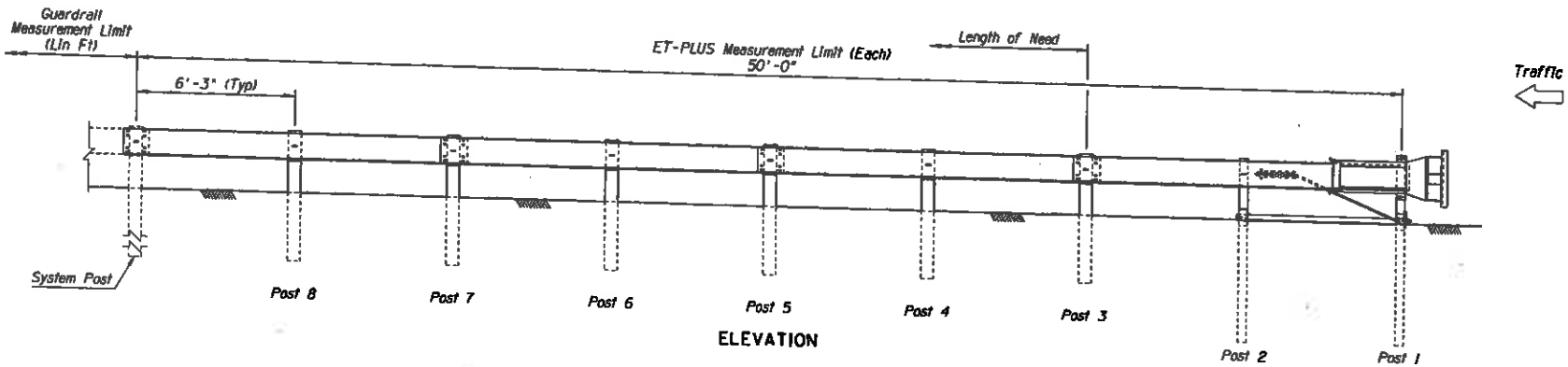
GENERAL NOTES

1. This detail is for roadway layout only.
2. The ET-PLUS shall be installed in accordance with the manufacturer's specifications and current approved drawings including all details, hardware, hardware quantities, and other information.

   The current manufacturer's approved drawing is number SS-358, 05/16/11. Visit the Roadway Design web site to view and print the drawing.
3. ③ "Leaveouts" in asphaltic concrete shall be provided in the AC pavement around the guardrail posts at the locations and dimensions specified on the manufacturer approved drawings. "Leaveout" material shall consist of a 1-sack grout mix or other non-cohesive material as approved by the engineer.
4. See specifications and Traffic Signing and Marking Standard Drawings.



PLAN



ELEVATION

DETAIL

Sheet 1 of 2

LAYOUT FOR ET-PLUS HBA POSTS (AC PAVEMENT) ①

DESIGN APPROVED: J.C. Cooper	ARIZONA DEPARTMENT OF TRANSPORTATION INTERMODAL TRANSPORTATION DIVISION ROADWAY GROUP PLANS DETAIL
APPROVED FOR DISTRIBUTION: Mary Viparina	
ROUTE / LOCATION	SHEET ___ OF ___
TRACS NO.	

Note to Designer:
The information presented in this Roadway Plans Detail is for general use. Designers should satisfy themselves that their project site conditions are appropriate for use of this drawing. Contents within the inner border shall not be altered, except for the addition of the Detail designation.

NO.	DESCRIPTION OF REVISIONS	MADE BY	DATE
1	REISSUED DRAWING WITH MODIFIED APPROACH TAPER	RLF	5/22/07
2	REVISED TITLE BLOCK NAME & DRAWING DATE	RLF	7/09/09
3	ADDED "LEAVEOUT" CALLOUT & NEW GENERAL NOTE 3	RLF	6/06/11
4			

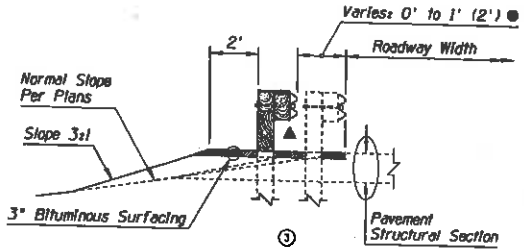
Dates 6/06/11

V:/ROADWAY\users\kp8526\ 4:11:48 PM 06/06/2011 V:\Roadway\Dev\details\gl849l.dgn

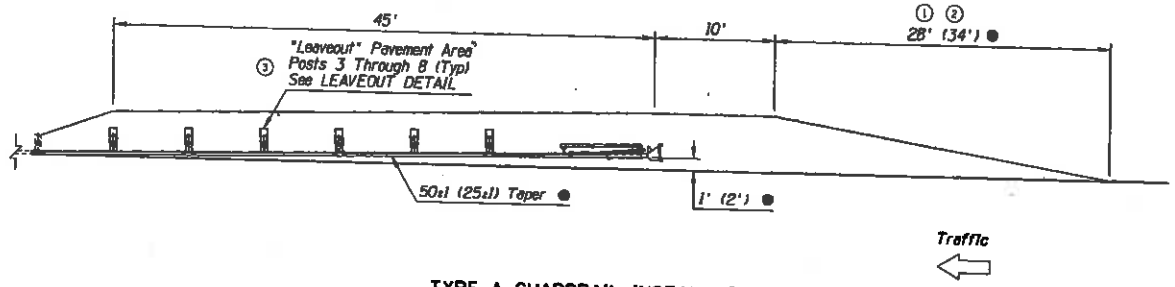
● FOR ELEVATIONS ABOVE 4,000 FT, USE THE VALUES IN PARENTHESES

▲ Top of Rail = 28"
See General Note 1
Std Dwg C-10.03

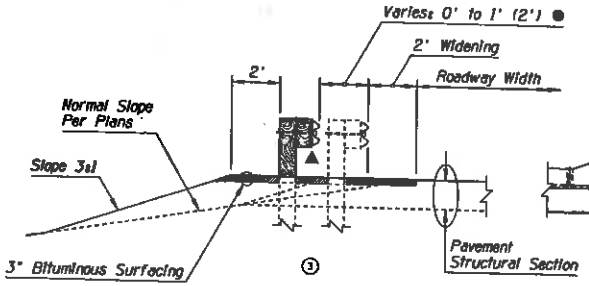
F.H.W.A. REGION	STATE	PROJECT NO.	SHEET NO.	TOTAL SHEETS	AS BUILT
9	ARIZ.				



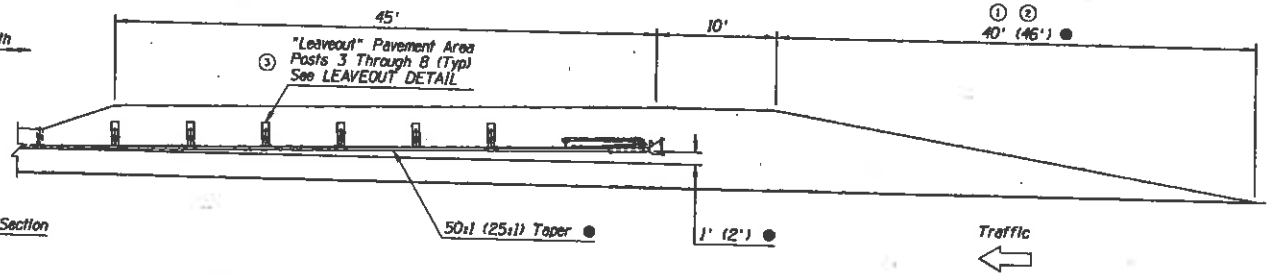
TYPE A SECTION



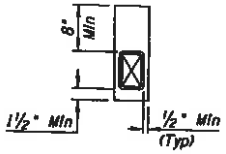
TYPE A GUARDRAIL INSTALLATION
(FACE OF RAIL AT EDGE OF PAVEMENT)



TYPE B SECTION



TYPE B GUARDRAIL INSTALLATION
(FACE OF RAIL OFFSET 2' FROM NORMAL EDGE OF PAVEMENT)



LEAVEOUT DETAIL
④

DETAIL

Sheet 2 of 2

LAYOUT FOR ET-PLUS
HBA POSTS
(AC PAVEMENT)

DESIGN APPROVED: J.C. Cooper	ARIZONA DEPARTMENT OF TRANSPORTATION INTERMODAL TRANSPORTATION DIVISION ROADWAY GROUP PLANS DETAIL
APPROVED FOR DISTRIBUTION: Mary Viparina	
ROUTE / LOCATION	SHEET OF
TRACS NO.	___ OF ___

	DESCRIPTION OF REVISIONS	MADE BY	DATE
①	REISSUED DRAWING WITH MODIFIED APPROACH TAPER	RLF	5/22/07
②	REVISED APPROACH TAPER CRITERIA	RLF	7/05/09
③	ADDED "LEAVEOUT" CALLOUT & REVISED SECTION VIEWS	RLF	5/16/11
④	ADDED "LEAVEOUT" DETAIL	RLF	5/16/11

Note to Designer:
The information presented in this Roadway Plans Detail is for general use. Designers should satisfy themselves that their project site conditions are appropriate for use of this drawing. Contents within the inner border shall not be altered, except for the addition of the Detail designation.

Date: 05/16/11

ADDENDUM #1

Gila County Bid No. 111311-1

Pine Creek Canyon Road Reconstruction Project

The following amendments are hereby incorporated into the bid documents for the above stated project:

January 31, 2012

Questions & Answer / Corrections / Changes / Clarifications

1. Correction to page number GP-2 within the Notification to Bidders section of the Bid Document:

   Item No. 9 is revised to read:

   Request for Clarifications
   Requests for clarification shall be made to Ms. Valrie Bejarano (vbejarano@co.gila.az.us) in writing via e-mail or fax (phone: 928-402-8612 fax: 928-425-8104) submitted no later than **Friday, February ~~3rd~~ *10th*, 2012 at 12:00 Noon.** A response will be issued to all plan holders no later than **Friday, February ~~10th~~ *17th*, 2012 at 2:00 P.M.**

2. Add the following Technical Specification to page T-1 of the Bid Document:

   108 COMMENCEMENT, PROSECUTION AND PROGRESS

   Commencement, Prosecution and Progress shall be in accordance with Section 108 of the MAG Standard Specifications unless modified herein.

   108.4 Contractor's Construction Schedule: add the following section:

   108.4.1 Construction Phasing:
   Phase I: The Contractor shall install all waterline elements prior to any roadway items, except as approved by the Engineer and shall carefully plan for and note that the placement of the watermain shall consider all final roadway and drainage improvements. The Contractor shall only remove that portion of the existing roadway to the minimum necessary limits required to install the waterline improvements. In addition, the Contractor shall construct all final improvements to Oak Leaf Circle (see plan sheets 13, 14 and 24) excluding the installation of the asphaltic concrete and friction course surfaces.

   All major cross road culverts (see sheets 28 through 31) may be installed during Phase I at the discretion of the Contractor as approved by the Engineer.

Phase II: The Contractor shall install all remaining improvements within this project phase. If during installation of the roadway and all other remaining work, it is discovered that the watermain or other related waterline improvements are in conflict with the roadway as designed and shown within the plans, the contractor at no additional cost to the Owner, shall re-install/relocate the new waterline element(s) to the satisfaction of the Owner, Water Improvement District (PSWID) and/or the Arizona Department of Environmental Quality (ADEQ).

Registered Professional Engineer (Civil)
CERTIFICATE NO.
33412
JOSEPH M.
ALWIN
Date Signed 1/31/2012
ARIZONA U.S.A.
Expires 3/31/2014

ADDENDUM #2

Gila County Bid No. 111311-1

Pine Creek Canyon Road Reconstruction Project

The following amendments are hereby incorporated into the bid documents for the above stated project:

February 16, 2012

Questions & Answer / Corrections / Changes / Clarifications

1. Correction:
    a. Replace page CPW-1 of the Bid Document with the revised Contract Performance Warranty page CPW-1R. The purpose for this revision is to address different warranty periods for portions of the work.

2. Correction:
    a. The survey control information provided within the waterline improvement plans (dated November 15, 2011) shall be disregarded. The survey control to be used for the installation of all waterline system elements shall be as included within this addendum.

3. Correction:
    a. Where the roadway improvement plans call for Asphalt Concrete Friction Course, such shall be per ADOT Standard Specification 411. Sheet 3 of the plans states ADOT 414 for Pavement Section No.1 incorrectly shows the ACFC as per ADOT 414 and shall be corrected to ADOT 411.

4. Correction:
    a. Replace pages BS-2, BS-3 and BS-4 of the Bid Document with the revised cost summary break down roadway items pages BS-2R, BS-3R and BS-4R, respectively.

5. Clarification:
    a. The roadway improvement plans titled CONSTRUCTION IMPROVEMENT PLANS FOR PINE CREEK CANYON ROAD (herein to be referred to as the "roadway improvement plans") and the waterline improvement plans titled WATERMAIN REPLACEMENT PLANS FOR PINE CREEK CANYON ROAD (herein to be referred to as the "waterline improvement plans") are considered together as part of the Bid Document for this project.

6. Clarification:
    a. Per page T-6 of the Bid Document, Section 925, the Contractor is required to provide to the owner a set of separate As-Built drawings (bid item 925, page BS-4, for the roadway improvement plans) (bid item 31, page BS-6, for the waterline improvement plans). As-built drawings of the waterline improvement plans shall

be submitted to the PSWID; as stated within the waterline construction specifications, note 13, as shown on sheet 3 of the waterline improvement plans.

7. Clarification:
    a. Per page T-4 of the Bid Document, Section 701-3.08, **Changeable Message Board**, the Contractor is required to provide two changeable message boards to be placed in a location as determined by the Owner.

8. Clarification:
    a. Delays of construction due to conflict resolution by utility company owners shall result in an equal extension of the construction time, where necessary.

9. Clarification:
    a. Waste material resulting from construction activities may be disposed of at the Buckhead Landfill (Owner is Gila County) based on the following information/requirements:
        i. Location: From the intersection of State Route 87 and Pine Creek Canyon Road, south 5 miles along State Route 87 to the Buckhead Mesa Landfill access road, turn east, proceed 1 mile to the landfill.
        ii. Hours of Operation: 8:00 a.m. to 4:00 p.m., 6 days a week, closed Sundays and County Holidays.
        iii. Earthen waste = no charge
            1. Broken asphalt pavement <u>included within</u> the earthen waste is acceptable.
        iv. All other waste materials, including vegetation = $47.03/ton
            1. Asbestos pipe shall be wet down and bagged prior to delivery to the landfill and placed in a separate location within the landfill as directed by the Owner.
        v. For additional information/requirements: contact Gila County Public Works Recycling and Landfill Management (928) 402-8531.

10. Clarification:
    a. The survey control to be used for all portions of the work is:
        i. Northing 9837.715, Easting 11492.238, Elevation 5555.48, Description C7-MAG NAIL w/ SHINER-SR87
        ii. Northing 9772.750, Easting 12352.672, Elevation 5590.51, Description C6-MAG NAIL-WAPITI MEADOWS
        iii. Northing 9761.071, Easting 13191.886, Elevation 5592.58, Description C5-MAG NAIL-HIDDEN PINES
        iv. Northing 9652.607, Easting 14827.180, Elevation 5682.68, Description C3-MAG NAIL-CEDAR MEADOWS
        v. Northing 8952.060, Easting 15982.135, Elevation 5670.49, Description C1-MAG NAIL-NORTH END
        vi. Northing 9828.619, Easting 14077.478, Elevation 5650.40, Description C4-MAG NAIL-N. OF S. PORTAL

vii. Northing 9381.963, Easting 15499.634, Elevation 5690.76, Description C2.5-MAG NAIL-N. OF OAK LEAF
viii. Northing 9037.990, Easting 15902.806, Elevation 5673.95, Description C2-PK NAIL-BETWEEN C1 & C2.5

11. Clarification:
    a. Per page T-1 of the Bid Document, Section 109, **Force Account Work**, all necessary force account work and costs associated with thereof shall be performed in accordance with ADOT Standard Specification Section 109.

12. Clarification:
    a. Per page GP-32, Section 70-02, **Permits, Licenses and Taxes**, the contractor is responsible for obtaining all necessary permits including but not limited to all work within rights-of-way under the jurisdiction of the Arizona Department of Transportation (e.g., intersection with State Route 87).

13. Clarification:
    a. Construction water for this project is <u>not</u> available from the Pine-Strawberry Water Improvement District (PSWID). Water is available, at no cost to the Contractor, from the PSWID for waterline testing only. All other water needed for construction of the project is the responsibility of the contractor.

14. Clarification:
    a. Where right-of-way or easement for construction of driveway improvements is not available the Contractor shall end the improvements at the existing right-of-way boundary.

15. Clarification:
    a. Where the installation of the waterline and all related connections, services, laterals...etc. is done within existing pavement, the existing pavement shall be sawcut and removed of properly.

16. Clarification:
    a. Where encroachment into adjacent private property is required to the limits as shown within the plans, <u>all</u> coordination with the affected landowner shall be done by the Owner or his authorized representative.

17. Clarification:
    a. The installation of single and double waterline service connections shall be as per the enclosed detail.

18. Question: If County is responsible for quality control and it doesn't pass who will be responsible to pay for the re-test and who will pick the contractor to perform the test?
    Answer: The Contractor shall be responsible for all costs related to material testing (excludes the initial test) that are found <u>not</u> to meet the requirements of the project as

stated within plans and/or specifications. The re-testing company shall be determined by the Contractor and approved by the Owner prior to material being submitted for testing.

19. Question: What is the old pipe-line made of?
Answer: The waterline owner: Pine-Strawberry Water Improvement District states that, in general, the existing waterline consists of 6-inch diameter asbestos cement pipe (no definitive percent, length or amount is provided or implied by this opinion and Gila County makes no claim or warranty to the validity of this statement by the utility Owner). There are portions where the material type is PVC.

20. Question: What will the contractor do with the old pipe-line if it contains asbestos?
Answer: The Contractor is responsible for complying with all state and federal requirements for removal, handling and disposal of the old pipeline. Also See Item 9 above.

21. Question: Will construction water be available?
Answer: See Item 13 above.

22. Question: Will private individuals provide water at cost to contractor?
Answer: The Owner offers no opinion as to if private individuals can provide water to the Contractor. The Contractor shall be responsible for all construction water. Also see Item 13 above.

23. Question: Is there a soils report available?
Answer: Per General Note 10, Sheet 2 of 42 of the roadway improvement plans there is not a soil report available for this project.

24. Question: Will contactor need to provide message board and of so where will it need to be placed?
Answer: See Item 7 above.

25. Question: What is the engineer's estimate?
Answer: As stated during the Pre-Bid Conference it is the opinion of the engineer that the overall cost of construction (roadway and waterline systems) is approximately $2,100,000.

26. Question: When switching to new water line how long will it take and what is the schedule?
Answer: See Addendum No.1

27. Question: What is the ACFC specification?
Answer: See Item 3 above.

28. Question: Are the stock pile quantities correct?
Answer: No estimate of "stock pile" quantities are stated or implied by the documents provided for this project. Estimates of excavation, fill, embankment...et.al. are shown within the plans and are accurate. If during construction the Contractor believes differences between the plan stated quantities and actual construction quantities exist, then the Contractor shall refer to Bid Document for the required procedure(s).

29. Question: What will happen if there is a major utility relocate and if this happens will the construction schedule be extended?
Answer: See Item 8 above.

30. Question: Does the County have any need for export material and if so where would it go?
Answer: All construction debris, waste...etc. shall become the property of the Contractor. The Owner has an available landfill for materials meeting the requirements as stated within Item 9 above.

31. Question: Can the asphalt go to the county landfill and if so will there be any fees?
Answer: Asphaltic pavement that is sufficiently broken up and mixed into other earthen waste material is acceptable to the Owner's landfill. See Item 8 above for additional information. Asphaltic pavement that is delivered to the Owner's landfill separately than discussed above shall be considered as waste material subject to disposal fee per Item 8 above.

32. Question: What is the address of the landfill?
Answer: See Item 8 above.

33. Question: Will the landfill except brush and if so at what is the dump fee?
Answer: See Item 8 above.

34. Question: Who will supply water to test lines?
Answer: See Item 13 above.

35. Question: Will the shut down for water lines switch all at once or be done in 2 phases?
Answer: See Addendum No.1

36. Question: What will the driveability be like on the road for residence and what type of plating will contractor need to have down?
Answer: See Addendum No.1

37. Question: At end of each work day what condition will the road need to be in?
Answer: See Addendum No.1 and the Bid Document requires as it relates to Responsibility to the Public.

38. Question: Who will address residence concerns during construction?
Answer: See Item 16 above.

39. Question: Who will address residence issues with vegetation and walls?
Answer: See Item 16 above.

40. Question: Will County be working with citizens and contractors to make sure all issues are resolved?
Answer: See Item 16 above.

41. Question: Will it be acceptable to place millings from the existing roadway on the unpaved section of roadway?
Answer: Millings produced from the removal of asphalt pavements shall only be permitted to be incorporated into the subgrade and/or fill material provided such material meets with all requirements as stated within the plans and specifications.

Registered Professional Engineer (Civil)
CERTIFICATE NO.
33412
JOSEPH M.
ALWIN
Date Signed 2/16/12
ARIZONA U.S.A.
Expires 3/31/2014

GILA COUNTY
CONTRACT PERFORMANCE WARRANTY

I, _____, representing

_____ (company name)

do hereby warranty the work performed for the waterline (as shown within the Verde Engineering Plans dated November 15, 2011) of the following overall project:

PINE CREEK CANYON ROAD RECONSTRUCTION PROJECT, PINE, ARIZONA,

for a period of **one (1) year** from completion and acceptance by the PSWID and ADEQ of said work.

and do hereby warranty all other work performed for:

PINE CREEK CANYON ROAD RECONSTRUCTION PROJECT, PINE, ARIZONA,

for a period of **two (2) years** from completion of said work.

Said work shall be free from defects which would cause the work not to perform in it's intended manner.

_____

(Officer, Partner, Owner) **Date**

BIDDING SCHEDULE

Firm Name: _____

COST SUMMARY BREAK DOWN ROADWAY ITEMS

ITEM	DESCRIPTION	UNIT	ESTIMATED QUANTITIES	UNIT PRICE	EXTENDED AMOUNT
109	Force Account Work	L.S.	1	$100,000	$100,000
201.1	Clearing and Grubbing	L.S.	1		
202.1	Remove Misc. Structures and Obstructions	L.S.	1		
203	Earthwork	L.S.	1		
211	Fill Construction	L.S.	1		
301	Subgrade Preparation	S.Y.	16,440		
310	Aggregate Base Course - ADOT Class II	C.Y.	3,234		
321	Asphaltic Concrete - MAG	Ton	3,693		
340.1	Concrete Driveway	S.F.	1,762		
340.2	Concrete Headwall, ADOT B-11.11, for Limited S.D.	EA.	1		
340.3	Concrete Headwall, ADOT B-11.11, for (2) 42" CMPA	EA.	1		
340.4	Concrete Wall*	S.F.	192		
340.5	Concrete Half-Barrier, ADOT Std. Dtl., C-10.50	L.F.	96		
340.6	Concrete Half-Barrier Transition, ADOT Std. Dtl., C-10.75	L.F.	40		
340.7	Concrete Ribbon Curb (MAG 220-1, Type C)	L.F.	71		
405	Survey Monument	EA.	22		
411	Asphaltic Concrete Friction Course	Ton	385		

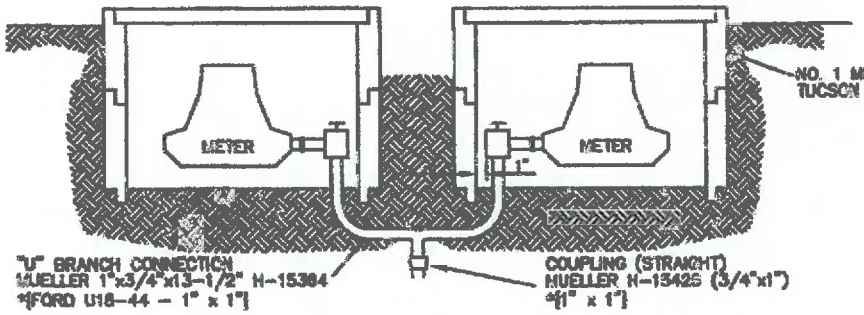
COST SUMMARY BREAK DOWN ROADWAY ITEMS *continued*

ITEM	DESCRIPTION	UNIT	ESTIMATED QUANTITIES	UNIT PRICE	EXTENDED AMOUNT
501	Cement Treated Slurry	C.Y.	45		
511	Keystone Wall, Compact II Block*	S.F.	1,950		
607.1	New Sign Panel, STOP, R1-1, 36"x36"	EA.	1		
607.2	New Sign Panel, STOP, R1-1, 30"x30"	EA.	5		
607.3	New Sign Panel, HILL BLOCKS VIEW, W7-6, 30"x30"	EA.	2		
607.4	New Sign Panel, 20 MPH, W13-1, 24"x18"	EA.	4		
607.5	New Sign Panel, 15 MPH, W13-1, 24"x18"	EA.	1		
607.6	New Sign Panel, SPEED LIMIT 25, R2-1, 24"x30"	EA.	3		
607.7	New Sign Panel, winding road symbol, W1-5, 30"X30"	EA.	2		
607.8	New Sign Panel, roadway turn symbol, W1-1L, 30"X30"	EA.	1		
607.9	New Sign Post and Foundation - ADOT S-1 (non-slip)	EA.	15		
621.1	Pipe, Corrugated Metal, 12"	LF	75		
621.2	Pipe, Corrugated Metal, 15"	LF	806		
621.3	Pipe, Corrugated Metal, 24"	LF	160		
621.4	Pipe, Corrugated Metal, 42"	LF	88		
621.5	Pipe, Corrugated Metal, 28"x20"	LF	199		
621.6	Pipe, Corrugated Metal, 49"x29"	LF	48		
621.7	Pipe, UltraFLO, 18"	LF	225		
621.8	Flared Metal End Section, 24", ADOT Std. Dtl. C-13.25	EA.	2		
708.1	Permanent Pavement Marking (Painted)(White)(4" Equiv)	LF	63		

COST SUMMARY BREAK DOWN ROADWAY ITEMS *continued*

ITEM	DESCRIPTION	UNIT	ESTIMATED QUANTITIES	UNIT PRICE	EXTENDED AMOUNT
708.2	Permanent Pavement Marking (Painted)(Yellow)(4" Equiv)	LF	13,751		
708.9	Maintenance and Protection of Traffic	L.S.	1		
810	Erosion Control and Pollution Prevention (SWPPP)	L.S.	1		
901	Mobilization	L.S.	1		
903.1	Dumped Rock RipRap, D50=9"	C.Y.	800		
903.2	Gabion Mattress	C.Y.	28		
905.1	Guardrail	LF	13		
905.2	Guardrail, End Terminal, ET-PLUS	EA.	5		
905.3	Guardrail, End Anchor, ADOT Std. Dtl. C-10.08	EA.	1		
925	Construction Survey and Layout and As-builts	L.S.	1		
				Total Base Bid Roadway	

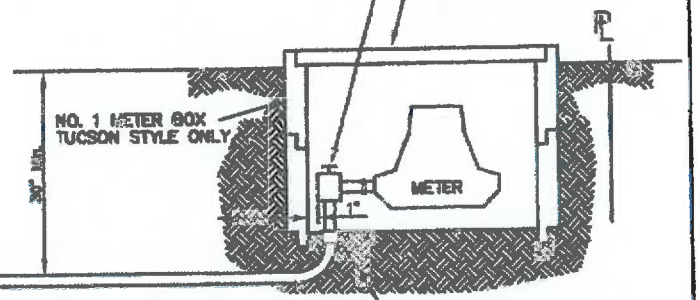
*wall items are measured in square foot face of wall



NOTE: ALL METER PITS ARE AT LEAST 2 BOXES DEEP. IF BOTTOM STYLE BOXES ARE USED AS THE UPPER BOX, ALL OPENINGS MUST BE GROUTED SOLID.

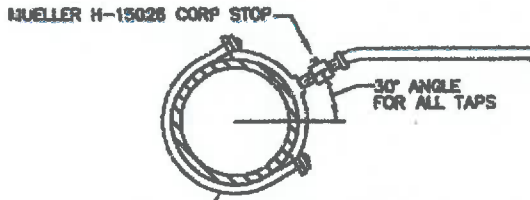
NO. 1 METER BOX
TUCSON STYLE ONLY

DOUBLE SERVICE DETAIL



SINGLE SERVICE DETAIL

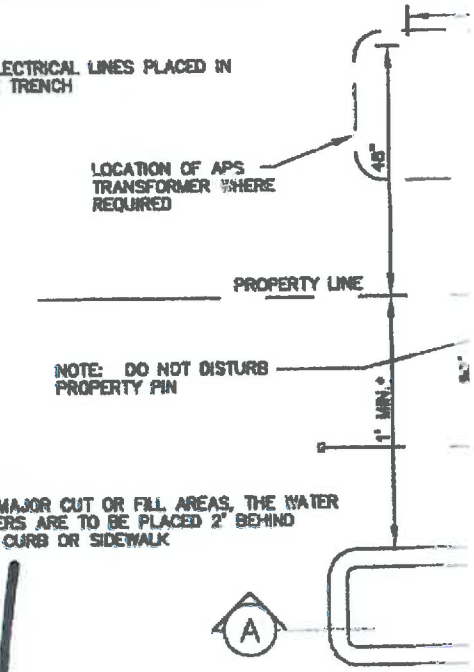
*TO BE USED ONLY WHEN 1" METERS ARE SPECIFIED



TYPICAL SERVICE TAP

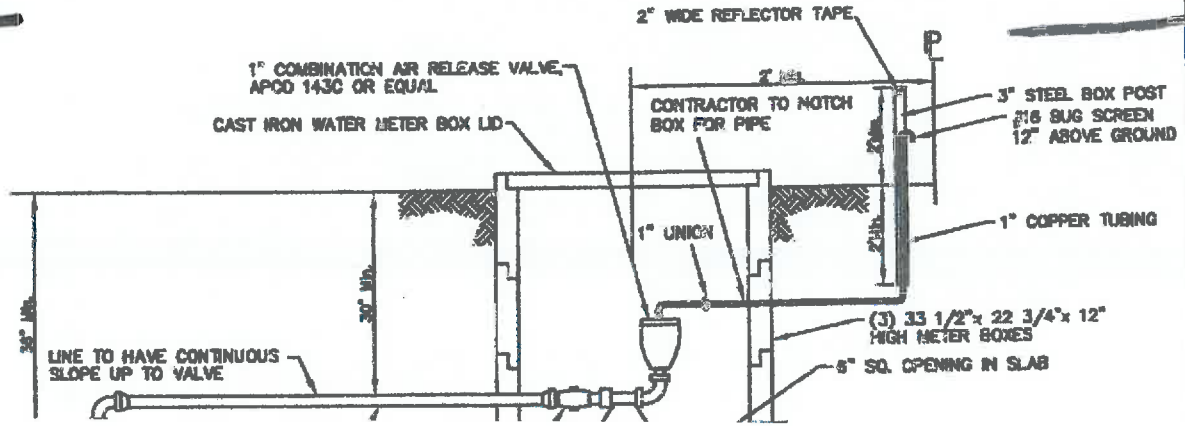
TYPICAL WATER SERVICE

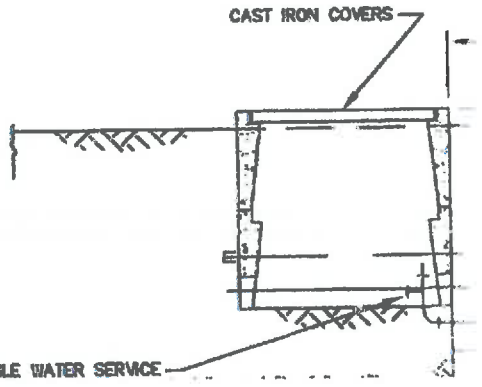
NOTE: ELECTRICAL LINES PLACED IN SEPARATE TRENCH



TYPICAL

NOTE: ELECTRICAL LINES PLACED IN SEPARATE TRENCH





ADDENDUM #3

Gila County Bid No. 111311-1

Pine Creek Canyon Road Reconstruction Project

The following amendments are hereby incorporated into the bid documents for the above stated project:

February 28, 2012

Changes / Clarifications

1. Change:
    a. Page T-3, Section 321 of the Technical Specifications is revised to read as follow:

321 ASPHALT CONCRETE PAVEMENT

Asphaltic Concrete Pavement shall be in accordance with Section 321 of the MAG Standard Specifications unless modified herein. The pavement structural section (upper section) shall require two separate 2-inch lifts (i.e., layers).

321-13 Payment: add the following:

The term "bituminous material" as used herein shall include asphalt cement, liquid asphalt, and emulsified asphalt.

The contract unit price for each item of bituminous material will be considered to include all costs for furnishing, hauling, handling, spreading, and mixing of the material as required, including the "initial cost" of bituminous material, but excluding any difference in the cost of bituminous material that occurs between the date of bid opening and the date that the material is used on the project.

A cost for bituminous material will be determined monthly by the Arizona Department of Transportation (herein referred to as the "Department") based on the selling prices of asphalt cement published by the Asphalt Weekly Monitor, a publication of Poten & Partners, Inc. The cost will be the arithmetic average of the high and low selling prices for asphalt cement shown in the previous four reports for the Arizona/Utah and Southern California regions.

This cost will be deemed the "initial cost" (IC) for bituminous material for projects on which bids are opened during the following month. This cost will also be deemed the "current price" (CP) for bituminous material for the following month for projects in construction.

This value will be made known by means of a memorandum issued on the last Wednesday of each month issued by Gila County.

For each item of bituminous material for which there is a specific pay item, and for the bituminous material used in Asphaltic Concrete items (pavement and friction course), an adjustment will be made as follows for each month that a quantity of bituminous material was used on the project.

The "initial cost" (IC) for the month in which the project was bid will be compared with the "current price" (CP) as specified above for the appropriate current month. The "current price" (CP) will be as shown in the memorandum issued on the last Wednesday of each month, and will be used to adjust costs for bituminous material incorporated into the job during the following month (for example; bituminous material used in May will be adjusted, as specified herein, based on the "current price" (CP) for May as shown in the memorandum issued on the last Wednesday of April). Any difference in price between these two values will be applied to the quantity of eligible bituminous material incorporated into the work.

Determination of the eligible quantities of bituminous material will be based on contractor furnished- invoices, except as modified below.

The tons of emulsified products to which the adjustment will be applicable will be the tons of the emulsified bituminous asphalt prior to dilution.

Adjustments in compensation for emulsified asphalts will be made at 60 percent of either the increase or decrease.

The tons of bituminous material incorporated in Asphaltic Concrete items (pavement and friction course) to which an adjustment will be applicable will be considered to equal five percent of the quantity, measured in tons, of Asphaltic Concrete items (pavement and friction course) placed, regardless of the actual percentage of bituminous material incorporated into the mix. If the quantity of Asphaltic Concrete items (pavement and friction course) is measured by volume, the supplemental agreement establishing the method of measurement will specify the manner in which the tons of asphalt cement eligible for the adjustment are determined.

The tons of bituminous materials which are paid for on the basis of testing by nuclear asphalt content gauge, ignition furnace, or other approved methods to which the adjustment will be applicable, are the tons which have been incorporated into the mixture.

No additional compensation will be made for any additional or increased charges, costs, expenses, taxes, etc., which the contractor may have incurred since the time of bidding and which may be the result of any increase in the "initial cost" of bituminous material.

Adjustment in unit prices of items governed by this provision will be made in the next regular monthly progress payment following actual use or application of the bituminous material.

Any adjustment in compensation made for bituminous material incorporated into the work after the expiration of the specified completion time set forth in the contract, or as may be extended in accordance with the provisions of bid document, will be on the basis of the price of bituminous material shown in the memorandum applicable on the date of the expiration of the specified completion time, as hereinbefore specified.

Registered Professional Engineer (Civil)
CERTIFICATE NO.
33412
JOSEPH M.
ALWIN
Date Signed 2/28/2012
ARIZONA U.S.A.
Expires 3/31/2014

472 EAST WICKENBURG WAY #106 WICKENBURG, AZ. 85390

928-684-3091 FAX 928-684-3403

CONCRETE CONTRACTING GRADING & PAVING COMMERICAL

March 19, 2012

Brad Cole
Pine Strawberry Water District
email: distman@pswid.org
Cell: 928.978.3277

RE: Pine Creek purposed changes

Dear Brad:

Our original quoted bid to furnish labor and materials to install the C900 waterline was $283,590.35.

The alternative would be to furnish labor and materials to install HDPE pipe, native shading and backfilling materials (not to exceed ¾" minus), to the sub grade of the road is, $223,590.35. This is a savings of $60,000.00.

Please confirm your decision to us as soon as possible, so we can order all the necessary materials.

Regards,

Rupert Lemons
President

Pine-Strawberry Water Improvement District
6306 W. Hardscrabble Road, Pine AZ 85544

Date: March 19, 2012

Mr. Rupert Lemons
President
Carson Construction Inc.
472 East Wickenburg Way, #106
Wickenburg, AZ 85390

RE: Acceptance, PCCR Bid Alternative on March 19, 2012

Dear Rupert:

Thank you for working with us on bid alternatives for the Pine Creek Canyon Road Widening Project in Pine, AZ. The value engineering alternatives are acceptable to the Pine-Strawberry Water Improvement District.

We, therefore, accept your bid alternative provided to us on this day, March 19, 2012 to furnish labor and materials to install HDPE pipe, native shading and backfilling materials (not to exceed ¾" minus), to the sub grade of the road for $223,590.35. As you have indicated, this represents a significant cost savings ($60,000) from your original bid of $283,590.35.

If you have any questions, please do not hesitate to call me at (928) 476-4222.

Sincerely,

Brad Cole
District Manager

This page was printed using recycled paper.

GILA COUNTY ATTORNEY

Daisy Flores

Re: County Attorney's Office "approval as to form" of contract or agreement.

To whom it may concern:

The County Attorney's Office has reviewed the contract or agreement titled

_____

_____

_____

and has determined that it is in its proper form and is within the powers and authority granted under the laws of this state to the public agency requesting the County Attorney's Office review. The attached document "Explanation of the Gila County Attorney's Approval as to Form" explains what that review covers and does not cover in further detail.

_____ _____

Date

Bryan B. Chambers
Chief Deputy County Attorney

Explanation of the Gila County Attorney's Office "Approval as to Form" Review

The Gila County Attorney's Office is often called upon to review contracts and other agreements between public entities represented by the County Attorney and private venders, contractors, and individuals.

In performing this review, the County Attorney's Office reviews these contracts to see that they are in "proper form" prior to their execution. "Proper form" means that the contract conforms to fundamental contract law, conforms to specific legislative requirements, and is within the powers and authority granted to the public agency. It does not mean that the County Attorney's Office approves of or supports the policy objectives contained in the contract. That approval is solely the province of the public agency through its elected body.

The public agency or department submitting the contract for review has the responsibility to read and understand the contract in order to completely understand its obligations under the contract if it is ultimately approved by the public entity's board. This is because while the County Attorney's Office can approve the contract as to form, the office may not have any idea whether the public agency has the capacity to actually comply with its contractual obligations. Also, the County Attorney's Office does not monitor contract compliance. Hence the public entity or submitting department will need to be prepared to monitor their own compliance. A thorough knowledge of the provisions of the contract will be necessary to monitor compliance.

Before signing a contract "approved as to form," the County Attorney's Office will answer any questions or concerns the public agency has about the contract. It is the responsibility of the public agency or department submitting the contract for review to ask any specific questions or address any concerns it has about the contract to the County Attorney's Office at the same time they submit the contract for review. Making such an inquiry also helps improve the County Attorney's Office review of the contract because it will help focus the review on specific issues that are of greatest concern to the public agency. Failing to make such an inquiry when the agency does have issues or concerns will decrease the ability of the County Attorney's Office to meaningfully review the agreement.

ARF-1164 **Regular Agenda Item 3- E**

Regular BOS Meeting

Meeting Date: 04/03/2012

Submitted For:	David Caddell, GEST Program Manager	Submitted By:	David Caddell, GEST Program Manager, Community Services Division
Department:	Community Services Division	Division:	GEST Department
Fiscal Year:	2012	Budgeted?:	Yes
Contract Dates Begin & End:	2012 to 2016	Grant?:	Yes
Matching Requirement?:	Yes	Fund?:	New
Presenter's Name:	David B. Caddell		

Information

Request/Subject

Grant Agreement between the Arizona Department of Transportation Grant 5316 Agreement No. JPA 12-056 and Gila County d/b/a Gila Employment and Special Training (GEST)

Background Information

The purpose of this grant is to assist states and localities in developing new or expanded transportation services that connect welfare recipients and other low income persons to jobs and employment-related activities. This grant will assist the Gila Employment and Special Training Program to provide transportation to individuals on our Mobile Crew and employment related transportation to and from their job in the community.

Evaluation

This grant will allow the Gila Employment and Special Training Program to continue to provide employment transportation needs to the individuals that GEST is authorized to provide services through our current contracts with Arizona Department of Economic Security, Division of Developmental Disabilities and Rehabilitation Services Administration. This is a four-year grant in the amount of $68,000 for the acquisition of one dual cab long bed pickup truck with a match requirement from GEST in the total amount of $25,600 for the length of the agreement. In addition grant funds are provided for operating reimbursement for staff salary and employment related expenses up to $20,000 per year.

Conclusion

This agreement will allow the GEST Program to continue and possibly expand services to meet the employment transportation needs of individuals with disabilities within Gila County. It is designated specifically for the GEST Mobile Crew Group Supported Employment Services under our current contracts with the Arizona Department of Economic Security, Division of Developmental Disabilities and Rehabilitation Services Administration.

Recommendation

The GEST Program Manager recommends Board approval and Chairman's signiture on the Grant Agreement between the Arizona Department of Transportation Grant 5316 Agreement No JPA 12-056 and Gila County d/b/a Gila Employment and Special Training (GEST).

Suggested Motion

Information/Discussion/Action to approve a Grant Agreement between the Arizona Department of Transportation (Grant 5316 Agreement No. JPA 12-056) and Gila County d/b/a Gila Employment and Special Training (GEST) in the total amount of $68,000 with a GEST match requirement of $25,600 for one dual cab long bed pickup truck, and operating reimbursement for staff salary and employment related expenses up to $20,000 per year through the end of the Agreement, which expires in 2016, for the continued provision of employment transportation needs to GEST clients. **(David Caddell)**

Attachments

ADOT Agreement No JPA 12-056

ADOT 2011 Grant Award Notification Letter

Agreement Number	**JPA 12-056**
AG Contract Number	**P0012011001036**
Advantage Project Number	**Refer to Exhibit A**
Advantage Vendor Number	**866000444 11 pls cnfrm 12/13**
DUNS Number	**req 12/13**
Eligibility Date	**October 1, 2011**
Project Name	**FFY11 COORDINATED MOBILITY: 49 USC 5310, 5316, 5317**

GRANT AGREEMENT
BETWEEN
THE ARIZONA DEPARTMENT OF TRANSPORTATION
MULTIMODAL PLANNING DIVISION acting for and on behalf of
THE STATE OF ARIZONA
AND
GILA COUNTY G.E.S.T., a Public Agency (Local & County)

THIS GRANT AGREEMENT is entered into _____, 2012, between the ARIZONA DEPARTMENT OF TRANSPORTATION MULTIMODAL PLANNING DIVISION (ADOT) acting for and on behalf of THE STATE OF ARIZONA herein referred to as the STATE, established pursuant to Arizona Revised Statutes (A.R.S.) § 28-334 and GILA COUNTY G.E.S.T., herein referred to as the RECIPIENT. The STATE and the RECIPIENT are collectively referred to as the "Parties", and individually as STATE, RECIPIENT, and "Party".

I. RECITALS

1) STATE is authorized by Arizona Revised Statutes Section 28-334 to enter into this Agreement and has delegated to the undersigned the authority to execute this Agreement on behalf of STATE.

2) RECIPIENT is authorized to enter into this Agreement and has delegated to the undersigned the authority to execute this Agreement on behalf of RECIPIENT.

3) 49 U.S.C. 5310 authorizes the formula assistance program for the special needs of elderly individuals and individuals with disabilities, subject to annual appropriations. 49 U.S.C. 5310(a)(1) authorizes funding for public transportation capital projects planned, designed and carried out to meet the special needs of elderly individuals and individuals with disabilities. 49 U.S.C. 5310(a)(2) provides that a STATE may allocate the funds apportioned to it to: a private non-profit organization, if public transportation service provided by STATE and local governmental authorities under Section 5310(a)(1) is unavailable, insufficient, or inappropriate; or a governmental authority that is approved by the STATE to coordinate services for elderly individuals and individuals with disabilities; or certifies that there are not any non-profit organizations readily available in the area to provide the special services.

4) 49 U.S.C. § 5316, the Job Access Reverse Commute (JARC) Program, is authorized under the provisions set forth in the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users, (SAFETEA–LU) to provide grants for financial assistance and to improve access to transportation services planned, designed, and carried out to meet the transportation needs of eligible low-income individuals, and of reverse commuters regardless of income.

5) 49 U.S.C. § 5317, the New Freedom Program, is authorized under the provisions set forth in the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users, (SAFETEA–LU) to make grants available to recipients for new public transportation services and public transportation alternatives beyond those required by the Americans with Disabilities Act of 1990 (ADA) (42 U.S.C. 12101 et seq.),

that assist individuals with disabilities with transportation, including transportation to and from jobs and employment support services.

6) The Governor of the STATE of Arizona, in accordance with a request by the Federal Transit Administration, hereinafter referred to as FTA, has designated the Department of Transportation as the responsible agency to evaluate and select proposed projects and to coordinate the grant applications. The applicable Program Handbook and Application, incorporated herein by reference, prescribes the STATE's Administrative Policies and Requirements for the Program.

7) The STATE and the RECIPIENT desire to secure Project Equipment and/or Services through the expenditure of FTA grant funds and to use said equipment and/or services for eligible Program participants of the STATE of Arizona.

8) The STATE and the RECIPIENT desire to secure funding for a Mobility Manager position using the expenditure of FTA grant funds to serve the transportation needs of the elderly individuals and individuals with disabilities in the State of Arizona. The Mobility Manager position will consist of short-range planning and management activities / projects to improve transportation services within the RECIPIENT's service area which will be carried out according to this Agreement and under the applicable section(s) of 49 USC Chapter 53.

9) The STATE and the RECIPIENT desire to secure funding for Capital expenses using the expenditure of FTA grant funds to be used within the RECIPIENTS service area. The PROJECT shall be carried out according to this Agreement under the applicable sections of 49 U.S.C. Chapter 53.

10) The STATE and the RECIPIENT desire to secure funding for Operating expenses using the expenditure of FTA grant funds to be used within the RECIPIENTS service area. The PROJECT shall be carried out according to this Agreement under the applicable sections of 49 U.S.C. Chapter 53.

11) RECIPIENT qualified local match and fees for Project Equipment procured by the STATE is due upon demand and prior to delivery. Match for Project Equipment procured by RECIPIENT is due upon request for reimbursement. All other match is due over the life of the award. Match is detailed and due as indicated in Exhibit A.

THEREFORE, in consideration of the mutual agreements expressed herein, it is agreed as follows:

II. SCOPE

1) RECIPIENT shall provide specific transportation services, herein called the PROJECT, to eligible Program participants, in accordance with the RECIPIENT'S application(s), incorporated herein as referenced and as allowable under the applicable 49 U.S.C. 5310, 5316, and/or 5317 codes.

2) The PROJECT equipment and/or services are described and detailed in Exhibit A.

3) PROJECT-appropriate expenses supported by receipts and other suitable and appropriate documentation are eligible for reimbursement beginning on the Eligibility Date indicated on Page 1 of this Agreement. Expenses incurred prior to this date are ineligible for reimbursement. Approved Capital and / or Operating Expenses must be incurred within 24 months from this eligible date. Final invoice must be received within 90 days of the end of the expenditure period or 24 months from eligibility date. No expenditures beyond that period are eligible for reimbursement under this Agreement.

4) The recipient shall provide a quarterly progress and milestones report to ADOT. ADOT will provide the reporting form and the due dates prescribing when each report shall be submitted. Information regarding measurements over the existing service conditions to be reported will include but are not be limited to rides provided/shared, miles increased/replaced, cost savings and other related improvements. The first report is to be submitted ninety (90) days from the date of this Agreement.

III. RESPONSIBILITIES

1) **ADOT will**:

   a. Review PROJECTS for compliance with statutory and program guidance.

   b. Review documentation supporting PROJECT expenditures for eligibility and ensure program match requirements are met.

   c. Review invoices, when appropriate to the Grant Award, from RECIPIENT and reimburse RECIPIENT within 30 days after receipt and approval of invoices, in a total amount not to exceed the lesser of the approved invoiced costs or the Grant Award.

   d. Communicate with RECIPIENT and FTA as necessary to facilitate program compliance and procedural efficiency.

2) **RECIPIENT will**:

   a. Submit payment of Grant required MATCH upon demand by the STATE and/or as indicated in the Recitals and Exhibit A. Administrative fees and local match must be remitted from funds for the program awarded as qualified under the applicable 49 USC regulations. Most federally-funded programs cannot use federal funds to provide match but 49 USC does provide certain exceptions to that stipulation. The RECIPIENT will ensure that matching funds qualify under the appropriate section of 49 USC 5310, 5316, or 5317 as appropriate to the awarded PROJECT(s) indicated in Exhibit A.

   b. RECIPIENT shall comply with all terms of the Grant Program in accordance with the RECIPIENT'S application(s) and the applicable Program Handbook in effect at the time of application or subsequently revised in writing and by notice, incorporated herein as referenced.

   c. Communicate with STATE and FTA as necessary to facilitate program compliance and procedural efficiency.

   d. Provide all required reports as prescribed by the Program Handbook or as requested by ADOT in a timely manner and as required by the STATE.

e. Ensure users of PROJECT equipment and/or services meet applicable federal and state regulations and statutes.

f. Review documentation supporting PROJECT expenditures for eligibility and ensure program match requirements are met.

g. Submit an approved Indirect Cost Plan if and only if indirect costs will be billed for reimbursement. Title 2 CFR Part 225, also known as OMB Circular A-87, "Cost Principles for State, Local, and Indian Tribal Governments", Title 2 CFR Part 220, also known as OMB Circular A-21 "Cost Principles for Educational Institutions", Title 2 CFR Part 230, also known as OMB Circular A-122, "Cost Principles for Non-Profit Organizations", FARS 31.2 for Private Agencies, and Appendix E of FTA Circular 5010 requires all grantees who intend to seek payment for indirect costs to prepare a Cost Allocation Plan (CAP) or an Indirect Cost Rate Proposal. CAPs and/or Indirect Cost Rate Proposals must be approved by FTA or another Cognizant Federal agency. ADOT will not reimburse indirect costs if a Cost Allocation Plan or an Indirect Cost Plan is not in place.

   Indirect costs, as defined in 2 CFR Part 225 are costs that are: 1) incurred for a common or joint purpose benefiting more than one cost objective; 2) not readily assignable to the cost objectives specifically benefited without effort disproportionate to the results achieved; and 3) originating in the grantee department as well as those incurred by other departments in supplying goods, services, and facilities to the grantee department.

   Cognizance is generally assigned to the Federal agency that provides the predominant amount of dollar involvement with a grantee organization within a given State or locality. (OMB has assigned cognizant audit agencies for State and local governments. See *Federal Register* (51 FR 552, Jan 6, 1986). In those cases where a grant recipient is not assigned a cognizant agency, these grantees will be under the general oversight of the Federal agency that provides them the most funds; which will also be identified as the "lead" Federal agency.

h. Report to the STATE quarterly that no expenditures occurred or, on the invoice form provided by ADOT, invoice the STATE quarterly for categorized reimbursable operating or other capital costs awarded as demonstrated in Exhibit A, as authorized and allowable under the federal grant requirements, and supported as required with vendor invoices, original receipts, or other suitable and appropriate documentation. **Each invoice must include the Agreement Number, the Advantage Project number, and the Grant Program Name with expenditures billed separately according to the Tracking Number(s) from Exhibit A.**

   In accordance with 49 CFR 18.20 (2) – "Grantees and subgrantees must maintain records which adequately identify the source and application of funds provided for financially-assisted activities. These records must contain information pertaining to grant or subgrant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and incomes."

   In accordance with 49 CFR 18.20 (6) – "Accounting records must be supported by such source documentation as cancelled checks, paid bills, payrolls, time and attendance records, contracts and subgrant award documentation, etc."

   Adequate supporting documentation should include a system generated financial summary disclosing an expense amount that matches the invoice amount. If a system generated report is unavailable, an excel spreadsheet maybe utilized to summarize the expenses and should be accompanied by appropriate invoices including evidence of payment, payroll documentation, etc.

IV. MISCELLANEOUS PROVISIONS

1) **Term Incorporation**: This Agreement is governed according to the laws of the State of Arizona. All cited statutes, public law, executive orders, and policies cited in this Agreement are incorporated by reference as a part of this Agreement. Any Agreement between RECIPIENT and its CONTRACTORs for use of grant funds shall incorporate the provisions contained herein.

2) **Duration:** This Agreement shall become effective upon signature by the parties hereto and shall remain in force and effect until PROJECT satisfaction and completion.

   For operating or other capital cost Projects awarded, the life of this Agreement will be the earlier of spend-down of the awarded funds or two (2) years from the date authorized under the ***Scope*** of this Agreement unless extended by amendment or as otherwise provided herein plus an additional ninety (90) days for submission of the final invoice for costs through the last authorized expenditure date of the Agreement.

   For vehicle Projects, the life of this Agreement shall continue through the useful life of the vehicle(s) as determined by FTA rules and explained under Agreement Article III.6 unless extended by amendment or as otherwise provided herein. This Agreement may be cancelled at any time prior to the commencement of performance under this Agreement, upon thirty (30) days written notice to the other party.

3) **Amendments:** This Agreement may be amended upon mutual agreement of the Parties at any time when in the best interest of FTA, STATE, or RECIPIENT.

4) **Matching and Federal Funding:** PROJECT award amounts and match requirements are indicated in Exhibit A. The RECIPIENT will provide, from eligible sources as prescribed in 49 USC 5310, 5316, or 5317 as appropriate to the Award(s) in Exhibit A, the Match amount required as indicated. The RECIPIENT shall initiate and complete all actions necessary to provide its share of the PROJECT costs at or prior to the time that such funds are requested and/or required by the STATE. Exhibit A will indicate if the match amount shown is an Estimate or if the match amount is final and due upon execution. For those match amounts that are estimated pending procurement of the awarded PROJECT equipment, the STATE will notify the RECIPIENT regarding final match requirements, which will be due upon receipt of said notice. The notice will include a modified Exhibit A, which shall be inserted into this executed Agreement without requiring contract amendment. In the event that this Agreement is terminated after matching and/or administrative funds have been issued to and deposited by the STATE, there is no guarantee of timeframe for refund of such funds, and shall not occur prior to the reassignment of the PROJECT award to another eligible agency and payment by that agency of any required matching funds. The remitted administrative fee is non-refundable. Refunds for PROJECT equipment will be based on the assessed value at the time of return to ADOT and subject to deduction of the cost of repairs required to return the equipment to usable and appropriate condition as close as possible to the condition when originally issued.

5) **Availability of Funds:** Every payment obligation of STATE under this Agreement is conditioned upon the availability of funds appropriated or allocated for the payment of such obligation. If funds are not allocated and available for the continuance of this Agreement, this Agreement may be terminated by STATE at the end of the period for which the funds are available. No liability shall accrue to STATE in the event this provision is exercised, and STATE shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.

6) **Liens on Equipment:** The purchase of PROJECT equipment shall be undertaken by the STATE on behalf of the RECIPIENT. The PROJECT equipment shall be titled in the name of the RECIPIENT. To the extent of financial assistance provided, the STATE shall hold a first lien on all capital equipment acquired under this agreement in the amount of the federal share of the equipment cost. The lien placed on vehicle equipment will remains in effect for at least four years or 100,000 miles but will extend through the useful life of the vehicle(s) and until the remaining asset value is less than $5000 or is no longer in service, whichever occurs first, from issuance of title unless this agreement is otherwise terminated under terms of this Agreement or four years from issuance of equipment if not a vehicle. Lien release is incumbent upon the RECIPIENT's submission of a written request for a lien release and compliance of all requirements

and guidance during the course of the lien period. These requirements include but are not limited to: maintenance of the equipment, annual reporting to the STATE of administrative and vehicle performance data, annual vehicle inspections, timely incident reporting and situation resolution, and other requirements as specified in the applicable Program Handbook and Application.

7) **Property and Equipment, Use, Inventory, and Disposal:** Title to real property under a grant will vest under acquisition in the RECIPIENT or their CONTRACTOR as applicable. The RECIPIENT or their CONTRACTOR is, however, responsible for adherence to any applicable federal program compliance requirement under 49 CFR 18 Section 32. Except as otherwise provided by statute, property and equipment shall be used for the originally authorized purposes as long as needed for that purpose. When no longer needed for the originally authorized purpose, the RECIPIENT and/or their CONTRACTOR will request disposition instructions from the STATE. RECIPIENT agrees to inventory, to maintain records of, and to ensure the proper use, control, and disposal of all property and equipment acquired pursuant to ADOT Policy FIN 11.08, incorporated herein by reference.

8) **Modifications and Other Changes to Grant Equipment**: Prior to any substantive modifications or other changes made or elimination, reduction, or addition to grant equipment, written approval from an authorized State grant program official must first be obtained. Examples include but are not limited to the elimination of wheelchair positions and additions of ambulatory seating, reduction in number or addition of passenger assist stanchions, rails, steps, secondary manufacturer and aftermarket vehicle components provided by the STATE, and other devices requiring or otherwise exposing or altering mechanical or structural modification to the vehicle.

9) **Statutory Compliance:** All parties shall comply with all applicable federal, state and local requirements including all applicable provision of Title 49 (United States Department of Transportation) and other applicable Codes of Federal Regulations where and when relevant.

10) **Incorporation of Federal Transit Administration (FTA) Terms:** All contractual provisions required by the U.S. Department of Transportation are hereby incorporated by reference. All applicable clauses shown in the FTA Master Agreement apply to this Agreement. The Federal Transit Administration Master Agreement can be viewed in its entirety at http://www.fta.dot.gov/documents/12-Master.doc.

11) **Conflict of Interest:** This agreement may be cancelled in accordance with Arizona Revised Statutes Section 38-511 as regards to conflicts of interest on behalf of STATE employees.

12) **Audit and Recordkeeping:** All RECIPIENTs and/or their CONTRACTORs and the parties shall retain all data, books, and other records relating to this Agreement for a period of five years after completion of the Agreement. All records shall be subject to inspection and audit by the STATE at reasonable times as set forth in A.R.S. 35-214, 49 CFR 18.26 and the requirements of applicable OMB Circulars.

13) **Dispute Resolution / Arbitration:** In the event of any controversy, the Parties agree that it is in their mutual best interest to promptly meet with the purpose of resolving said Dispute. In the event that the Parties cannot resolve their dispute informally, the parties hereto agree to abide by required arbitration as set forth for in Arizona Revised Statutes Section 12-1518.

14) **Third Party Antitrust Violations:** The Recipient assigns to the STATE any claim for overcharges resulting from antitrust violations to the extent that such violations concern materials or services supplied by third parties to the Recipient toward fulfillment of this Contract.

15) **Indemnification**: The RECIPIENT shall indemnify, defend, save and hold harmless The State of Arizona, its departments, agencies, boards, commissions, universities and its Officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be

caused, in whole or in part, by the negligent or willful acts or omissions of the RECIPIENT or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such contractor to conform to any federal, state, or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by the RECIPIENT from and against any and all claims. It is agreed that the RECIPIENT will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. In consideration of the award of this contract, the RECIPIENT agrees to waive all rights of subrogation against the State of Arizona, its officers, officials, agents and employees for losses arising from the work performed by the Contractor for the State of Arizona. *This indemnity shall not apply if the RECIPIENT or sub-contractor(s) is/are an agency, board, commission or university of the State of Arizona.*

16) **Insurance Requirements**: Recipient and subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Contract, are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Recipient, his agents, representatives, employees or subcontractors.

The insurance requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the Recipient from liabilities that might arise out of the performance of the work under this contract by the Recipient, its agents, representatives, employees or subcontractors, and the Recipient is free to purchase additional insurance.

MINIMUM SCOPE AND LIMITS OF INSURANCE: Recipient shall provide coverage with limits of liability not less than those stated below.

Business Automobile Liability
Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of this Contract.
Combined Single Limit (CSL) $1,000,000

The policy shall be endorsed to include the following additional insured language: "*The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named as additional insured's with respect to liability arising out of the activities performed by or on behalf of the Contractor, involving automobiles owned, leased, hired or borrowed by the Contractor*".

The policy shall contain a waiver of subrogation against the State of Arizona, as departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Recipient.

ADDITIONAL INSURANCE REQUIREMENTS: The policies shall include, or be endorsed to include, the following provisions:

The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees wherever additional insured status is required such additional insured shall be covered to the full limits of liability purchased by the Recipient, even if those limits of liability are in excess of those required by this Contract.

The RECIPIENT's insurance coverage shall be primary insurance with respect to all other available sources. Coverage provided by the RECIPIENT shall not be limited to the liability assumed under the indemnification provisions of this Contract.

NOTICE OF CANCELLATION: Each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be suspended, voided, canceled, or reduced in coverage or in limits except after thirty (30) days prior written notice has been given to the State of Arizona. Such notice shall be sent directly to (State of Arizona Department Representative's Name and Address) and shall be sent by certified mail, return receipt requested.

ACCEPTABILITY OF INSURERS: Insurance is to be placed with duly licensed or approved non-admitted insurers in the state of Arizona with an "A.M. Best" rating of not less than A- VII. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Recipient from potential insurer insolvency.

VERIFICATION OF COVERAGE: The RECIPIENT shall furnish the State of Arizona with certificates of insurance (ACORD form or equivalent approved by the State of Arizona) as required by this Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

All certificates and endorsements are to be received and approved by the State of Arizona before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the PROJECT. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

All certificates required by this Contract shall be sent directly to ADOT Multimodal Planning Division, 206 South 17th Avenue 340B, Phoenix, Arizona 85007. The Agreement Number, Project Number, and Project Description shall be noted on the certificate of insurance. The STATE reserves the right to require complete, certified copies of all insurance policies required by this Agreement at any time. DO NOT SEND CERTIFICATES OF INSURANCE TO THE STATE OF ARIZONA'S RISK MANAGEMENT SECTION.

SUBCONTRACTORS: RECIPIENT'S certificate(s) shall include all subcontractors as insured's under its policies or RECIPIENT shall furnish to the STATE separate certificates and endorsements for each subcontractor. All coverage for subcontractors shall be subject to the minimum requirements identified herein.

APPROVAL: Any modification or variation from the insurance requirements in this Agreement shall be made by the Department of Administration, Risk Management Section, whose decision shall be final. Such action will not require a formal Agreement amendment, but may be made by administrative action.

EXCEPTIONS: In the event the RECIPIENT or sub-contractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a Certificate of Self-insurance. If the Recipient or sub-contractor(s) is/are a State of Arizona agency, board, commission, or university, none of the Insurance Requirements shall apply.

17) **Discrimination**: This Agreement is subject to all applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 USC. 12101-12213) and all applicable Federal regulations under the ACT. RECIPIENT or its CONTRACTORs shall not discriminate against any employee or applicant for employment in violation of Federal Executive Order 11246, Arizona State Executive Order 2009-09, or A.R.S. 41−1461 through 1465, which mandates that all persons, regardless of race, color, religion, sex age, national origin or political affiliation shall have equal access to employment opportunities, and all other applicable state and federal employment laws, rules and regulations, including the Americans With Disabilities Act. The RECIPIENT shall take affirmative action to ensure that applicants for employment and employees are not discriminated against due to race, creed, color, religion, sex, age, national origin or political affiliation or disability.

18) **Title VI Of The Civil Rights Act Of 1964:** The RECIPIENT hereby agrees that as a condition to receiving any Federal financial assistance from the Department of Transportation it will comply with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C. 2000d-42 U.S.C. 2000d-4 (hereinafter referred to as the Act), the Civil Rights Restoration Act of 1987 (Public Law 100.259) and all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964 (hereinafter referred to as the Regulations) and other pertinent directives, to the end that in accordance with the Act, Regulations, and other pertinent directives, no person in the United States shall, on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Recipient receives Federal financial assistance from the Department of Transportation, including the Federal Highway Administration, and HEREBY GIVES ASSURANCE THAT it will promptly take any measures necessary to effectuate this agreement.

19) **Disadvantaged Business Enterprises (DBE)**: The Arizona Department of Transportation (ADOT) has established a Disadvantaged Business Enterprise (DBE) program in accordance with regulations of the U.S. Department of Transportation (DOT), 49 CFR Part 26. ADOT has received Federal financial assistance from the Department of Transportation, and as a condition of receipt of funding, ADOT has signed an assurance that it will comply with 49 CFR Part 26.

It is ADOT's policy to ensure that DBEs as defined in 49 CFR Part 26 have an equal opportunity to receive and participate in DOT-assisted contracts. ADOT's objectives are as follows:

- To ensure nondiscrimination in the award and administration of DOT-assisted contracts in the Department's construction, procurement, and professional services contracts in the areas of highway, transit, and airport financial assistance;
- To ensure nondiscrimination in the award and administration of USDOT-assisted contracts;
- To create a level playing field on which DBEs can compete fairly for USDOT assisted contracts;
- To ensure that the DBE program is narrowly tailored in accordance with applicable law;
- To ensure that only firms that fully meet 49 CFR Part 26 eligibility standards are counted as DBEs;
- To help remove barriers to the participation of DBEs in USDOT-assisted contracts; and
- To assist in the development of firms that can compete successfully in the market place outside the DBE program.

Each LPA, sub-recipient, and grantee must complete and have its executive officer sign a Sub-Recipient DBE Program Compliance Statement. In accordance with the compliance statement, all LPAs, sub-recipients, and grantees agree to the following:

- Use solicitation language provided by ADOT defining DBE requirements for all construction, professional services, and procurement contracts;
- Submit DBE goal requests via https://adot.dbesystem.com/frontend/welcome.asp using the ADOT DBE Goal Request Form(s);
- Conduct post-award monitoring and reporting using the online DBE data collection and reporting system found at https://arizonalpa.dbesystem.com;
- Ensure commercially useful function compliance post-award;
- Designate a single point of contact for DBE compliance purposes;

Additionally, all LPAs, sub-recipients, and grantees agree to collect the following information for each solicitation for which a DBE contract goal has been established:

- The names and contact information of DBE firms that will participate in the contract;
- A description of the work that each DBE will perform;
- The dollar amount of the participation of each DBE firm participating;
- Written and signed documentation of commitment to use a DBE subcontractor whose participation it submits to meet a contract goal;
- Written and signed confirmation from the DBE that it is participating in the contract as provided in the prime contractors commitment and
- If the contract goal is not met, evidence of good faith efforts.

LPAs, sub-recipients, and grantees will require prime contractors, consultants, and vendors to maintain records and documents of payments to DBE and non-DBE subcontractors for three years following the performance of a federal aid transportation contract. These records will be made available for inspection upon request by any authorized representative of the ADOT Civil Rights Office. Subcontractors are required to maintain payment information for any lower tier subcontractors for the same three-year duration.

LPAs, sub-recipients, and grantees are required to collect data on DBE and non-DBE participation to report to ADOT on Federal-aid projects. Contractors and consultants are to be notified that such record keeping is required for tracking DBE participation. Contractors, consultants, and vendors performing on federal aid transportation projects are required to provide monthly reports documenting amounts earned by and paid to all DBEs and non-DBEs. All DBE and non-DBE subcontractors working on federal aid transportation projects are required to verify receipt of payment. Further, first tier subcontractors are required to report amounts earned by and paid to all lower-tier DBE and non-DBE subcontractors. Lower-tier subcontractors are required to verify receipt of payment.

LPAs, sub-recipients, and grantees will submit project data in support of each semi-annual and annual submission made by the state. Sub-recipients are required to use the ADOT Local Public Agencies DBE Reporting System. This system may be accessed via www.arizonalpa.dbesystem.com. Semi-annual report data must be audited by LPAs, sub-recipients, and grantees for accuracy and completeness by May First and November First of each year. Semi-annual reports will be run by ADOT and reviewed with LPAs, sub-recipients, and grantees on an as-needed basis.

The ADOT DBE Program Plan and LPA/Sub-Recipient DBE Guidelines can be found online at www.azdot.gov.

20) **Immigration**: To the extent applicable under Arizona Revised Statutes Section 41-4401, each Party and its subcontractors warrants their compliance with all federal immigration laws and regulations that relate to their employees and their compliance with the E-verify requirements under Arizona Revised Statutes Section 23-214(A). A breach of the above-mentioned warranty by any Party or its subcontractors shall be deemed a material breach of the Agreement and may result in the termination of the Agreement by the non-breaching Parties. Each Party retains the legal right to randomly inspect the papers and records of the other Parties or its subcontractor employees who work on the Agreement to ensure that the Parties or its subcontractors are complying with the above-mentioned warranty.

21) **Scrutinized Business Operations:** Pursuant to Arizona Revised Statutes Sections 35-391 and 35-393, each Party certifies that it does not have a scrutinized business operation in Sudan or Iran. For the purpose of this Section the term "scrutinized business operations" shall have the meanings set forth in Arizona Revised Statutes Section 35-391 or 35-393, as applicable. If any Party determines that another Party submitted a false certification, that Party may impose remedies as provided by law including terminating this Agreement.

22) **Debarment and Suspension**. The RECIPIENT agrees to comply, and assures the compliance of each third-party contractor and sub-recipient at any tier, with Executive Orders Nos. 12549 and 12689, "Debarment and Suspension," 31 U.S.C. § 6101 note, and U.S. DOT regulations, "Government-wide Debarment and Suspension Non-procurement)," 49 C.F.R. Part 29. The RECIPIENT agrees to and assures that its third party contractors and sub-recipients will review the Excluded Parties Listing System at http://epls.arnet.gov/ before entering into any contracts.

23) **Termination for Convenience:** Either Party has the right to terminate the Agreement, in whole or in part at any time, when in the best interests of the FTA, RECIPIENT, or STATE without penalty or recourse.

24) **Transparency Act:** Because ADOT receives federal funds, ADOT is required to comply with the Federal Funding Accountability and Transparency Act of 2006 and associated 2008 Amendments. The reporting requirements and levels of reporting due to FTA are currently under development. Accordingly, ADOT is not currently aware of reporting requirements that might become required from RECIPIENTS. Should

requirements be stipulated wherein information is required from RECIPIENTS, such information will be requested. The RECIPIENT herein agrees that in a timely manner, and in the method specified by the STATE, the RECIPIENT will provide information that is requested by the STATE to enable the STATE's compliance with the requirements as may be applicable.

25) **Termination for Default:** STATE reserves the right to terminate this Agreement in whole or in part due to failure of RECIPIENT to carry out any term, promise, or condition of the Agreement. STATE will issue a written ten (10) day cure notice to RECIPIENT for failure to adequately perform, or if there is reason for STATE to believe that the RECIPIENT cannot or will not adequately perform the requirements of the Agreement. If RECIPIENT does not submit a Corrective Action Plan to the satisfaction of STATE within the ten (10) day period, then STATE may pursue action in accordance with Section III: Arbitration.

26) **Federal Certifications and Assurances for FTA Assistance Programs:** Pursuant to 49 U.S.C. 5323(n), the FTA consolidated the certifications and assurances required by Federal law or regulations for its programs with an effective date of October 1, 2010. The applicant for any project financed under the authority of 49 U.S.C. Chapter 53, Title 23, United States Code or any other Federal statue was required to submit new Federal Certifications and Assurances to FTA for any funding received through FTA annually. The Arizona Department of Transportation (ADOT) is considered the Applicant for allocated and obligated federal monies used in various projects including but not limited to the 5310, 5311, 5316, 5317 grant programs, research projects, study projects, planning projects, regardless of whether the funds are expended by ADOT, reimbursed to grant applicants / recipients / sub-recipients / contractors, or passed through to grant applicants / recipients / sub-recipients / contractors and is required to submit annual Certifications and Assurances to FTA. Attorney affirmation of authority to certify and assure is also required.

    Annual Certifications and Assurances to FTA generally remain in effect for either the duration of the Grant or Cooperative Agreement supporting the Project until the Project is closed out or for the duration of the Project or Project property when a useful life or industry standard is in effect, whichever occurs later. If, however, the Applicant provides Certifications and Assurances to FTA in a later year that differ from the Certifications and Assurances previously provided, the later Certifications and Assurances will apply to the Grant, Cooperative Agreement, Project, or Project property unless an exception is granted by FTA in writing. The effect of this is that ADOT must sign new certifications and assurances annually since changes typically occur annually.

    As the applicant, ADOT is responsible for compliance with the provisions of the FTA Certifications and Assurances by each recipient or sub-recipient. Accordingly, each sub-recipient that will be implementing projects is required to affirm compliance by submitting an annual Certification and Assurances to ADOT.

    The FTA Certification and Assurances required of ADOT and its recipients / sub-recipients are found in Exhibit B. Throughout the document, the term "Applicant" referred to ADOT in the original certification to the FTA and now refers to ADOT's recipients / sub-recipients in this certification. Completion and Signing of this FTA Certification and Assurances document is a requirement and a condition to receive federal funding through ADOT and does not relieve the sub-recipient of any obligation of other certifications or assurances required in any application or contracting process, and should be treated as an addition to such certifications and assurances.

27) **Entire Agreement**. This Agreement may be amended, modified, or waived only by an instrument in writing signed by both Parties. Should the PROJECT awarded under this Agreement be completed at a lower cost than the amount awarded, or for any other reason should any of these funds not be expended, or expended in other than in strict accordance with the terms and conditions of this Agreement, a proportionate amount of the funds provided shall be reimbursed to the STATE. Except as identified in the PROJECT the RECIPIENT shall not assign any portion of the PROJECT or execute any agreement, contract, amendment, or change order thereto, or obligate itself in any manner with any third party with respect to its rights and responsibilities under this Agreement without the prior written concurrence of the STATE.

V. SECURITY AGREEMENT

1) In consideration of the STATE purchasing the PROJECT equipment identified in Exhibit A including any equipment added, and conveying title thereto, the RECIPIENT hereby grants ADOT a security interest in the PROJECT equipment in the amount of indicated in Exhibit A as the "Federal Portion" payable to the Department upon its demand, if and only if:
    a. The RECIPIENT by itself or any agent sells, transfers, offers or attempts to sell or transfer, in whole or in part, the PROJECT equipment, or,
    b. The PROJECT equipment is totally destroyed or is lost, stolen or otherwise disappears, or,
    c. This Agreement by and between the STATE and the RECIPIENT is terminated.

2) In the event of the occurrences described in Paragraphs 1 or 3 above, the RECIPIENT shall be liable for no more than the fair market value of the PROJECT equipment on the date of the occurrence of such event.

3) In the event the PROJECT is totally destroyed, lost, stolen, or disappears, the obligation herein may be extinguished by assigning to ADOT the proceeds of insurance covering such an event, provided the assignment and the ultimate payment is equal to the fair market value of the PROJECT equipment on the date of occurrence of such event.

4) Upon the occurrence of any other event described herein which would allow the STATE to demand payment under this agreement, the obligation assured herein may be extinguished by assigning the herein PROJECT equipment to ADOT in as good a condition as when received, normal wear and tear excepted, thereby no longer having any further obligation to reimburse the STATE should the STATE exercise its right to terminate the agreement under the terms of the agreement under paragraph (2) of Section III. ADOT may refuse to accept such assignment, if in its sole judgment the PROJECT equipment has been abused or is in such condition as to substantially impair its value.

5) During the useful, economical life of the PROJECT equipment, as defined in the applicable Program Handbook and Application for the grant year, the equipment may be returned to ADOT subject to its acceptance, and the obligation herein will be extinguished.

6) In the event of a vehicle transfer back to ADOT during useful life, the Secondary Manufacturer and Aftermarket Vehicle Components, in addition to the original equipment manufacturer (OEM) components (as supplied by the manufacturer or vendor to the STATE or ADOT) or their equivalent—must remain with the vehicle as delivered by ADOT to the RECIPIENT and are considered to be included in the lien.

7) **Secondary Manufacturer and Aftermarket Vehicle Components As Part of the Lien for Lift-Equipped Vehicles:** In addition to the Original Equipment Manufacturer (OEM—i.e., Ford, Dodge, Chevrolet, etc.) chassis, the Secondary Manufacturer adds to this chassis the following equipment, non-inclusive, which are considered part of the vehicle and therefore remain on lien with the vehicle, along with OEM components (Note: as a part of the vehicle modifications, the Secondary Manufacturer may also remove some OEM parts, replacing with after-market items):

    a. Fast idle system, after-market alternator (200A) replacing OEM unit, related wiring, accessory drive belts and pulleys (varies by vehicle type, alternator and A/C compressor configuration), inside vehicle-located electrical fuse, fuse block and breaker box with key(s),
    b. Under-hood or elsewhere on chassis, dual deep cycle marine batteries, in some vehicles combined with an isolator system,
    c. Adjacent to, behind and above the front windshield area, a separate or modified body which is manufactured and installed in the driver and passenger compartment area to accommodate the driver, his/her vehicle and accessory system controls, and passenger, mobility-device and safety equipment. This body construction or modification typically includes related after-market windows, passenger service entry door(s), emergency rear door(s), and emergency exit/access door (i.e., hatch, roof mounted). The degree to which OEM equipment and body parts (including doors, windows, etc.) are

removed permanently by the secondary manufacturer for the latter's vehicle modification purposes varies by whether the vehicle is a dual-rear wheel cutaway or single rear wheel raised roof lift van,

d. Passenger (and on some vehicles, driver's) seats and, where required, seat belts,
e. Passenger ingress, egress and other assist stanchions and handrails, modesty panels,
f. Wheelchair lift door, lift mechanism and related control apparatus at the lift and driver area, related transmission/brake interlock equipment preventing unwanted motion of the vehicle when door is ajar and/or lift is otherwise in operation,
g. Wheelchair position components, related restraint and securement belts and belt storage,
h. Added springs or other weight compensating devices to suspension,
i. Additional equipment related to dual battery installation (in some units),
j. Basic first aid kit and other emergency/safety items, typically including flares, reflector triangles and fire extinguisher, wide-view internal rearview mirror, and outside rearview "RV-style" mirrors, internal and external lighting for lift, access doors and interior of vehicle, reverse alarm (some vehicles),
k. Rear heater and related lines and under-body flow controls,
l. Air conditioning equipment for rear passenger area including added condenser(s) (street-side "skirt" mounted), rear compartment evaporator, related refrigerant lines, air outlets and controls, on some units added (second) compressor and related belts and pulleys.
m. If the recipient-agency returning the vehicle to ADOT is uncertain regarding any particular component, it may contact ADOT or the issuing vendor regarding that component(s). The RECIPIENT should otherwise assume that any component supplied on or with the vehicle at the time of delivery to the RECIPIENT should be returned to ADOT in its originally-removed state.
n. Other equipment purchased by ADOT (on behalf of the recipient-agency) is to remain with vehicle or otherwise be returned to ADOT.
o. After-market communication radios or other communication equipment supplied by ADOT, if ADOT agrees that the RECIPIENT should have further legitimate use of the equipment should be returned to ADOT.
p. This list includes only "major" items added by the after-market supplier and shall not be considered all-inclusive. The vendor and ADOT retain on file complete parts listings that will be reviewed by ADOT upon return of the vehicle to ADOT and/or prior to transfer of the vehicle to another recipient agency.

8) This security agreement and its terms shall not inure to the benefit of any assignee, purchaser for value, or any other person acquiring an interest herein, and this security interest herein created shall not be extinguished until and unless the STATE receives the fair market value of the PROJECT equipment on the date of assignment, purchase, or acquisition of other interest.

VI. COMPLIANCE WITH MANUFACTURER'S MAINTENANCE SCHEDULE

By signing this application/contract, the applicant for a grant under provisions of the Elderly Individuals and Individuals with Disabilities Program (49 U.S.C. § 5310, of the Federal Transit Act); and/or, Job Access Reverse Commute (§ 5316 JARC); and/or, New Freedoms (§5317); agrees to abide by the vehicle manufacturer's schedule of maintenance, at a minimum, during the period this vehicle is operated in conjunction with the Arizona Department of Transportation, or its successor agency.

VII. GENERAL ASSURANCES

1) The APPLICANT is a private non-profit organization incorporated in the State of Arizona, a Tribal government or related Tribal community, or that it is a public body which has been designated as an eligible Section 5310 recipient.

2) The APPLICANT has or will have the legal, financial, and technical capacity to carry out its proposed Section 5310 project described herein, including safety and security aspects of that program.

3) The APPLICANT will have satisfactory continuing control over the use of project equipment and facilities.

4) The APPLICANT has, or will have prior to delivery, sufficient funds to provide the local match for the equipment purchased under this contract and to operate the vehicles or equipment purchased under this project.

5) The APPLICANT assures affirmative compliance with Title VI of the Civil Rights Act of 1964 – Nondiscrimination in the Provision of Service (FTA C 4702.1; FTA C 9040.1E; and FTA C 9070.1E).

6) The transportation needs of elderly persons and persons with disabilities have or will be addressed by the APPLICANT, pursuant to the requirements of Section 504 of the Rehabilitation Act of 1973 (29 USC 794).

7) The APPLICANT has demonstrated and will continue to demonstrate efforts to achieve coordination with other transportation providers, including social service agencies capable of purchasing service. The APPLICANT has participated in the development of a local coordinated public transit human services transportation plan for the area(s) in which project vehicles will be used.

8) Private transit and paratransit operators and the public have been afforded a fair and timely opportunity to participate to the maximum extent feasible in the provision of the proposed transportation services by the APPLICANT.

9) The APPLICANT assures that it will comply with applicable provisions of the Americans with Disabilities Act (ADA), otherwise known as Public Law No. 101-336 and applicable provisions of 49 CFR Parts 27, 37 and 38: Transportation for Individuals with Disabilities; Final Rule.

10) The Applicant will comply with the applicable provisions of the guidelines relative to charter bus service (Title 49 CFR Part 604) and school bus operations (Title 49 CFR Part 605; Title 49 USC 5323(f)).

11) The Applicant assures that it will comply with all applicable Federal statutes and regulations in carrying out any project supported by an FTA grant or cooperative agreement. The Applicant agrees that it is under a continuing obligation to comply with the terms and conditions of the grant agreement or cooperative agreement issued for its project with FTA. The Applicant recognizes that Federal laws and regulations may be modified from time to time and those modifications may affect project implementation. The Applicant understands that Presidential executive orders and Federal directives, including Federal policies and program guidance may be issued concerning matters affecting the Applicant or its project. The Applicant agrees that the most recent Federal laws, regulations, and directives will apply to the project, unless FTA issues a written determination otherwise.

VIII. DRUG FREE WORKPLACE ACT CERTIFICATION

The RECIPIENT certifies that it will provide a drug-free workplace by:

1) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the applicant's workplace and specifying the actions that will be taken against employees for violation of such prohibition;

2) Establishing an ongoing drug-free awareness program to inform employees about:
    a. The dangers of drug abuse in the workplace;
    b. The applicant's policy of maintaining a drug-free workplace;
    c. Any available drug counseling, rehabilitation, and employee assistance programs; and
    d. The penalties that may be imposed upon employees for drug abuse violations in the workplace;

3) Making it a requirement that each employee to be engaged in the performance of the grant or cooperative agreement be given a copy of the statement required by paragraph (a);

4) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant or cooperative agreement, the employee will:

    a. Abide by the terms of the statement;
    b. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

5) Notifying the Federal agency in writing, within ten calendar days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every project officer or other designee on whose project activity the convicted employee as working, unless the Federal agency has designated a cartel point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant or cooperative agreement.

6) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who was convicted:
    a. Taking appropriate personnel action against such a employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
    b. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by Federal, State, or local health, law enforcement, or other appropriate agency.

7) The addresses of all workplaces maintained by the Applicant are provided on an accompanying list.

IX. CERTIFICATION ON RESTRICTIONS ON LOBBYING

The RECIPIENT (excluding Federally recognized Tribal governments, (Tribes, Nations, Communities) and its representative hereby certify to the Arizona Department of Transportation, that to the best of my knowledge and belief:

1) No Federal appropriated funds have been or will be paid by or on behalf of the Applicant to any person to influence or attempt to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress regarding the award of Federal assistance, or the extension, continuation, renewal, amendment, or modification of any Federal assistance agreement; and
    a. If any funds other than Federal appropriated funds have been or will be paid to any person to influence or attempt to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any application for Federal assistance, the Applicant assures that it will complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," including information required by the instructions accompanying the form, which form may be amended to omit such information as authorized by 31 U.S.C. 1352.
    b. The language of this certification shall be included in the award documents for all sub awards at all tiers (including subcontracts, sub grants, sub agreements, contracts under grants, loans, and cooperative agreements).

2) The Applicant understands that this certification is a material representation of fact upon which reliance is placed by the Federal Government and that submission of this certification is a prerequisite for providing Federal assistance for a transaction covered by 31 U.S.C. 1352. The Applicant also understands that any person who fails to file a required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

X. DEBARMENT, SUSPENSION, RESPONSIBILITY MATTERS FOR PRIMARY AND LOWER TIER COVERED TRANSACTIONS

In accordance with the provisions of U.S. Department of Transportation (U.S. DOT) regulations on Government wide Debarment and Suspension (Nonprocurement) at 49 CFR 25.510, the Applicant (Primary Participant) certifies to the best of its knowledge and belief, that it and its principals:

1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;

2) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state, or local) transaction or contract under a public transaction, violation of federal or state antitrust statutes; making false statements, or receiving stolen property;

3) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, state, or local) with commission of any of the offenses listed in paragraph 2 of this certification, and;

4) Have not within a three year period preceding this application had one or more public transactions (Federal, state or local) terminated for cause or default.

5) The Applicant (Primary Participant) certifies that if it becomes aware of any later information that contradicts the statements in paragraphs 1 through 4 above, it will promptly inform FTA. Should the Applicant (Primary Participant) be unable to certify to statements set forth in paragraphs 1 through 4 above, it shall so acknowledge with its signature and provide a written explanation to FTA.

XI. COMMUNICATION AND CONTACT INFORMATION

All notices or demands upon any party relating to this Agreement shall be in writing delivered in person or sent by mail addressed as follows:

STATE Agreement Contact:	
	Arizona Department of Transportation
Contact	Sally J. Palmer Contracts Administrator
Mailing Address	Multimodal Planning Division Mail Drop 310B 206 S. 17th Avenue Phoenix, AZ 85007
Phone	602-712-6732
Fax	602-712-3046
Email	spalmer@azdot.gov

STATE Program Contact	
	Arizona Department of Transportation
Contact	Dan Harrigan State Program Manager
Mailing Address	Multimodal Planning Division Mail Drop 310B 206 S. 17th Avenue Phoenix, AZ 85007
Phone	602-712-8232
Fax	602-712-3046
Email	dharrigan@azdot.gov

RECIPIENT Agreement Contact	
	Gila County G.E.S.T.,
Contact	David Caddell; David J.H. Fletcher
Mailing Address	5515 S. Apache Avenue, Suite 200 Globe, AZ 85501
Phone	(928) 402-8664 ~~(520) 297-6049~~
Fax	(928) 425-9468
Email	dcaddell@co.gila.az.us

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first above written.

RECIPIENT **Gila County G.E.S.T.**	**STATE OF ARIZONA** **Arizona Department of Transportation**
By	**By**
Gila County G.E.S.T.	Joseph S. Omer, Division Director Multimodal Planning Division
Date Signed	Date Signed

FEDERAL FISCAL YEAR 2012 CERTIFICATIONS AND ASSURANCES FOR FEDERAL TRANSIT ADMINISTRATION ASSISTANCE PROGRAMS

Name of Applicant	Gila County G.E.S.T.	
The Applicant / Recipient / Sub-Recipient agrees to comply with provisions of the Categories indicated herein applicable to the Award indicated in Exhibit A. Details of each category are further explained in Exhibit B. Even if every category is not applicable to RECIPIENTs current award you must indicate by initialing that should the category become applicable during the life of this agreement, that RECIPIENT will at that time comply. Initial every right-hand box on this form to indicate that the RECIPIENT agrees to comply.		
Category / Item	**Description**	**Initial Each Box**
1	**Assurances Required for Each Applicant**	
A	***Assurance of Authority of the Applicant and Its Representative***	
B	***Standard Assurances***	
C	***Intergovernmental Review Assurance***	
D	***Nondiscrimination Assurance***	
E	***Assurance of Nondiscrimination on the Basis of Disability***	
F	***Suspension and Debarment***	
G	**U.S. OMB Assurances**	
2	**Lobbying**	
3	**Procurement Compliance**	
4	**Protections for Private Transportation Providers**	
5	**Public Hearing**	
6	**Acquisition of Rolling Stock for Use in Revenue Service**	
7	**Acquisition of Capital Assets by Lease**	
8	**Bus Testing**	
9	**Charter Service Agreement**	
10	**School Transportation Agreement**	
11	**Demand Responsive Service**	
12	**Alcohol Misuse and Prohibited Drug Use**	
13	**Interest and Other Financing Costs**	
14	**Intelligent Transportation Systems**	
15	**Urbanized Area Formula Program**	
16	**Clean Fuels Grant Program**	
17	**Elderly Individuals and Individuals with Disabilities Formula Program and Pilot Program**	
18	**Non-Urbanized Area Formula Program for States**	
19	**Job Access and Reverse Commute Program**	
20	**New Freedom Program**	
21	**Paul S. Sarbanes Transit in Parks Program**	
22	**Tribal Transit Program**	
23	**TIFIA Projects**	
24	**Deposits of Federal Financial Assistance to a State Infrastructure Bank**	

FEDERAL FISCAL YEAR 2012 FTA CERTIFICATIONS AND ASSURANCES SIGNATURE PAGE

(Required of all Applicants for FTA funding and all FTA Grantees with an active capital or formula project)

AFFIRMATION OF APPLICANT

Name of Applicant: Gila County dba, Gila Employment and Special Training

Name and Relationship of Authorized Representative: Tommie C. Martin, Chairman

BY SIGNING BELOW, on behalf of the Applicant, I declare that the Applicant has duly authorized me to make these certifications and assurances and bind the Applicant's compliance. Thus, the Applicant agrees to comply with all Federal statutes and regulations, and follow applicable Federal directives, and comply with the certifications and assurances as indicated on the foregoing page applicable to each application it makes to the Federal Transit Administration (FTA) in Federal Fiscal Year 2012.

FTA intends that the certifications and assurances the Applicant selects on the other side of this document, as representative of the certifications and assurances, should apply, as provided, to each project for which the Applicant seeks now, or may later seek FTA funding during Federal Fiscal Year 2012.

The Applicant affirms the truthfulness and accuracy of the certifications and assurances it has made in the statements submitted with this document and any other submission made to FTA, and acknowledges that the Program Fraud Civil Remedies Act of 1986, 31 U.S.C. 3801 *et seq*., and implementing U.S. DOT regulations, "Program Fraud Civil Remedies," 49 CFR part 31 apply to any certification, assurance or submission made to FTA. The criminal provisions of 18 U.S.C. 1001 apply to any certification, assurance, or submission made in connection with a Federal public transportation program authorized in 49 U.S.C. chapter 53 or any other statute

In signing this document, I declare under penalties of perjury that the foregoing certifications and assurances, and any other statements made by me on behalf of the Applicant are true and accurate.

Signature_____ Date: _____

Name Tommie C. Martin, Chairman Gila Co. Board of Supervisors
Authorized Representative of Applicant

AFFIRMATION OF APPLICANT'S ATTORNEY

For (Name of Applicant): Gila County, dba Gila Employment and Special Training

As the undersigned Attorney for the above named Applicant, I hereby affirm to the Applicant that it has authority under State, local, or tribal government law, as applicable, to make and comply with the certifications and assurances as indicated on the foregoing pages. I further affirm that, in my opinion, the certifications and assurances have been legally made and constitute legal and binding obligations on the Applicant.

I further affirm to the Applicant that, to the best of my knowledge, there is no legislation or litigation pending or imminent that might adversely affect the validity of these certifications and assurances, or of the performance of the project.

Signature_____ Date: _____

Name Bryan Chambers, Gila County Attorney

Attorney for Applicant

Each Applicant for FTA funding and each FTA Grantee with an active capital or formula project must provide an Affirmation of Applicant's Attorney pertaining to the Applicant's legal capacity. The Application may enter its signature in lieu of the Attorney's signature, provided the Applicant has on file this Affirmation, signed by the attorney and dated this Federal fiscal year.

APPROVAL OF GILA COUNTY G.E.S.T.

I have reviewed the above referenced proposed grant agreement, BETWEEN the STATE OF ARIZONA, by and through its ARIZONA DEPARTMENT OF TRANSPORTATION, MULTIMODAL PLANNING DIVISION and GILA COUNTY G.E.S.T., and declare this agreement to be in proper form and within the powers and authority granted to the GILA COUNTY G.E.S.T. under the laws of the State of Arizona. No opinion is expressed as to the authority of the State to enter into this agreement.

DATED this _____ day of_____, 2012

_____

Attorney for the GILA COUNTY G.E.S.T.

Page to be replaced with
AG Determination Letter

EXHIBIT A
PROJECT

GRANT	PROGRAM	Rural / Urban	Award Description	Location	Project No	Federal Capital Cost	Local Capital Match 5310 = 90/10 5316/5317 = 80/20	Federal Operating Cost	Local Operating Match 5310 = 90/10 5316/5317 = 50/50	Federal Mobility Management Cost	Local Mobility Management Match 5310 = 90/10 5316/5317 = 80/20	Award Total (Fed + Local Match)
AZ-37-X019	5316	Rur	Operating	Gila	G1937QYT		$ -	$ 20,000.00	$ 20,000.00		$ -	$ 40,000.00
AZ-37-X019	5316	Rur	4X4 Quad Crew Cab	Gila	G1937RET	$ 22,400.00	$ 5,600.00		$ -		$ -	$ 28,000.00

Non Rolling Stock Match Must Be Reduced from Each Reimbursement Invoice Submitted. Total Non Rolling Stock Match:	**$20,000.00**
Total Local Match for Rolling Stock	**$ 5,600.00**
Rolling Stock Administration Fee	**$ 700.00**
Total Funds Due With Signed Agreement	**$ 6,300.00**

EXHIBIT B

FEDERAL FISCAL YEAR 2012 CERTIFICATIONS AND ASSURANCES FOR FEDERAL TRANSIT ADMINISTRATION ASSISTANCE PROGRAMS

GROUP 01. ASSURANCES REQUIRED FOR EACH APPLICANT

You must select the following assurances in Group 01.

A. *Assurance of Authority of the Applicant and Its Representative.* Both you and the Applicant's attorney who sign these certifications, assurances, and agreements, affirm that both the Applicant and you as its authorized representative may, under their State, local, or Indian tribal law and regulations, and the Applicant's bylaws or internal rules, undertake the following activities on behalf of the Applicant:

1. Execute and file its application for Federal funds,
2. Execute and file its certifications, assurances, and agreements binding its compliance, and
3. Execute Grant Agreements or Cooperative Agreements, or both, with FTA.

B. *Standard Assurances.* The Applicant assures that:

1. It has sufficient authority under its State, local, or Indian tribal law, regulations by-laws and internal rules to carry out each FTA funded project as required by Federal laws and regulations,
2. It will comply with all applicable Federal statutes and regulations to carry out any FTA funded project,
3. It is under a continuing obligation to comply with the terms and conditions of the FTA Grant Agreement or Cooperative Agreement for the project, including the FTA Master Agreement incorporated by reference and made part of the latest amendment to Grant Agreement or Cooperative Agreement,
4. It recognizes that Federal laws and regulations may be modified from time to time and those modifications may affect project implementation,
5. It understands that Presidential executive orders and Federal directives, including Federal policies and program guidance, may be issued concerning matters affecting the Applicant or its project, and
6. It agrees that the most recent Federal laws, regulations, and directives will apply to the project, unless FTA determines otherwise in writing.

C. *Intergovernmental Review Assurance. This assurance does not apply to Indian tribe or organization or a tribal organization that applies for funding under FTA's Tribal Transit Program, 49 U.S.C. 5311(c)(1).* The Applicant assures that it has or will submit each Federal funding application to the appropriate State and local agencies for intergovernmental review to facilitate compliance with U.S. Department of Transportation (U.S. DOT) regulations, ''Intergovernmental Review of Department of Transportation Programs and Activities,'' 49 CFR part 17.

D. *Nondiscrimination Assurance.*

1. The Applicant assures that it will comply with the following laws and United States will be denied the benefits of, or otherwise be subjected to discrimination in any U.S. DOT or FTA funded program or activity (particularly in the level and quality of transportation services and transportation-related benefits on the basis of race, color, national origin, creed, sex, or age:
    - a. Federal transit law, specifically 49 U.S.C. 5332 (prohibiting discrimination on the basis of race, color, creed, national origin, sex, or age, and in employment or business opportunity),
    - b. Title VI of the Civil Rights Act of 1964, as amended, 42 U.S.C. 2000d, and
    - c. U.S. DOT regulations, ''Nondiscrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act,'' 49 CFR part 21.
2. As required by 49 CFR 21.7, the Applicant assures that:
    - a. It will comply with 49 U.S.C. 5332, 42 U.S.C. 2000d, and 49 CFR part 21 in the manner:
        - (1) It conducts each project,
        - (2) It undertakes property acquisitions, and
        - (3) It operates the project facilities, including:
            - (a) Its entire facilities, and
            - (b) Its facilities operated in connection with its project,
    - b. This assurance applies to its entire project and entire facilities, including facilities operated in connection with its project,
    - c. It will promptly take the necessary actions to carry out this assurance, including:
        - (1) Notifying the public that discrimination complaints about transportation-related services or benefits may be filed with U.S. DOT or FTA, and
        - (2) Submitting information about its compliance with these provisions to U.S. DOT or FTA upon their request,

d. If it transfers FTA funded real property, structures, or improvements to another party, any deeds and instruments recording that transfer will contain a covenant running with the land assuring nondiscrimination:

(1) While the property is used for the purpose that the Federal funding is extended,

(2) While the property is used for another purpose involving the provision of similar services or benefits,

e. The United States has a right to seek judicial enforcement of any matter arising under:

(1) Title VI of the Civil Rights Act, 42 U.S.C. 2000d,

(2) U.S. DOT regulations, 49 CFR part 21, and

(3) This assurance,

f. It will make any changes in its Title VI implementing procedures as U.S. DOT or FTA may request to comply with:

(1) Title VI of the Civil Rights Act, 42 U.S.C. 2000d,

(2) U.S. DOT regulations, 49 CFR part 21, and

(3) Federal transit law, 49 U.S.C. 5332,

g. It will extend the requirements of 49 U.S.C. 5332, 42 U.S.C. 2000d, and 49 CFR part 21 to each third party participant, including:

(1) Any subrecipient,

(2) Any transferee,

(3) Any third party contractor or subcontractor at any tier,

(4) Any successor in interest,

(5) Any lessee, or

(6) Any other participant in the project,

h. It will include adequate provisions to extend the requirements of 49 U.S.C. 5332, 42 U.S.C. 2000d, and 49 CFR part 21 to each third party agreement, including:

(1) Each subagreement,

(2) Each property transfer agreement,

(3) Each third party contract or subcontract at any tier,

(4) Each lease, or

(5) Each participation agreement,

i. The assurances it has made will remain in effect for the longest of the following:

(1) As long as Federal funding is extended to the project,

(2) As long as the Project property is used for a purpose for which the Federal funding is extended,

(3) As long as the Project property is used for a purpose involving the provision of similar services or benefits, or

(4) As long as the Applicant retains ownership or possession of the project property.

E. *Assurance of Nondiscrimination on the Basis of Disability.*

1. The Applicant assures that it and its project implementation and operations will comply with all applicable requirements of:

a. The Rehabilitation Act of 1973, as amended, 29 U.S.C. 794, et seq.,

b. The Americans with Disabilities Act of 1990, as amended, 42 U.S.C. 12101 et seq., c. U.S. DOT regulations, specifically 49 CFR parts 27, 37, and 38, and

d. Any other applicable Federal laws that may be enacted or Federal regulations that may be promulgated,

2. As required by U.S. DOT regulations, ‘‘Nondiscrimination on the Basis of Handicap in Programs and Activities Receiving or Benefiting from Federal Financial Assistance,’’ 49 CFR part 27, specifically 49 CFR 27.9, the Applicant assures that:

a. The following prohibition against discrimination on the basis of disability is a condition to the approval or extension of any FTA funding awarded to:

(1) Construct any facility,

(2) Obtain any rolling stock or other equipment,

(3) Undertake studies,

(4) Conduct research, or

(5) Participate in or obtain any benefit from any FTA administered program,

b. In any program or activity receiving or benefiting from Federal funding FTA or any entity within U.S. DOT administers, no otherwise qualified people with a disability will, because of their disability, be:

(1) Excluded from participation,

(2) Denied benefits, or

(3) Otherwise subjected to discrimination.

F. *Suspension and Debarment.*

1. U.S. DOT regulations, ‘‘Nonprocurement Suspension and Debarment,’’ 2 CFR part 1200, which adopts and supplements the provisions of U.S. Office of Management and Budget (U.S. OMB) ‘‘Guidelines to Agencies on

Governmentwide Debarment and Suspension (Nonprocurement),'' 2 CFR part 180, permit certifications to assure the Applicant acknowledges that:

2. The Applicant certifies to the best of its knowledge and belief that, it, its principals, and first tier subrecipients:

a. Are eligible to participate in covered transactions of any Federal department or agency and are not presently:

(1) Debarred,
(2) Suspended,
(3) Proposed for debarment,
(4) Declared ineligible, or
(5) Voluntarily excluded, or
(6) Disqualified,

b. Have not within a three-year period preceding its latest application or proposal been convicted of or had a civil judgment rendered against any of them for:

(1) Commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction, or contract under a public transaction,
(2) Violation of any Federal or State antitrust statute, or
(3) Commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making any false statement, or receiving stolen property,

c. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses listed in the preceding Section 2.b of this certification,

d. Have not had one or more public transactions (Federal, State, or local) terminated for cause or default within a three-year period preceding this certification,

e. Will promptly provide any information to the FTA if at a later time any information contradicts the statements of subparagraphs (1) through (4) above, and

f. Will treat each lower tier contract or lower tier subcontract under the Project as a covered lower tier contract for purposes of 2 CFR part 1200 and 2 CFR part 180 if it:

(1) Equals or exceeds $25,000,
(2) Is for audit services, or
(3) Requires the consent of a Federal official,

g. Will require that each covered lower tier contractor and subcontractor:

(1) Comply with the Federal requirements of 2 CFR part 1200 and 2 CFR part 180, and
(2) Assure that each lower tier participant in the Project is not presently declared by any Federal department or agency to be:

(a) Debarred from participation in the federally funded project,
(b) Suspended from participation in the federally funded project,
(c) Proposed for debarment from participation in the federally funded project,
(d) Declared ineligible to participate in the federally funded project,
(e) Voluntarily excluded from participation in the federally funded project, or
(f) Disqualified from participation in the federally funded Project.

3. The Applicant will provide a written explanation indicated on its Signature Page or a page attached in FTA's TEAM if it or any of its principals, including any of its first tier subrecipients or lower tier participants, is unable to certify to the preceding statements in this certification.

G. U.S. OMB Assurances in SF–424B and SF–424D. (These assurances are consistent with U.S. OMB assurances required in SF– 424B and SF–424D.)

1. *Administrative Activities.* The Applicant assures that:

a. For every project described in any application it submits, it has adequate resources to properly plan, manage, and complete the project, including:

(1) The legal authority to apply for Federal funding, and
(2) The institutional capability,
(3) The managerial capability, and
(4) The financial capability (including funds sufficient to pay the non-Federal share of project cost).

b. It will give access and the right to examine project-related materials, including but not limited to:

(1) FTA,
(2) The Comptroller General of the United States, and,
(3) If appropriate, the State, through any authorized representative,

c. It will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.

d. It will establish safeguards to prohibit employees from using their positions for a purpose that:

(1) Results in a personal or organizational conflict of interest, or personal gain, or
(2) Presents the appearance of a personal or organizational conflict of interest or personal gain.

2. *Project Specifics.* The Applicant assures that:

a. Following receipt of FTA award, it will begin and complete Project work within the applicable time periods,

b. For FTA funded construction projects:

(1) It will comply with FTA provisions concerning the drafting, review, and approval of construction plans and specifications

(2) It will to the extent practicable provide and maintain competent and adequate engineering supervision at the construction site to assure that the completed work conforms with the approved plans and specifications,

(3) It will include a covenant in the title of federally funded real property acquired to assure nondiscrimination during the useful life of the project,

(4) To the extent FTA requires, it will record the Federal interest in the title to FTA assisted real property or interests in real property, and

(5) To the extent practicable, without permission and instructions from FTA, it will not alter the site of the FTA funded construction project or facilities by:

(a) Disposing of the underlying real property or other interest in the site and facilities,

(b) Modifying the use of the underlying real property or other interest in the site and facilities, or

(c) Changing the terms of the underlying real property title or other interest in the site and facilities.

c. It will furnish progress reports and other information as FTA or the State may require.

3. *Statutory and Regulatory requirements.* The Applicant assures that:

a. It will comply with all applicable Federal statutes relating to nondiscrimination including, but not limited to the:

(1) Prohibitions against discrimination on the basis of race, color, or national origin of Title VI of the Civil Rights Act, 42 U.S.C. 2000d,

(2) Prohibitions against discrimination on the basis of sex of:

(a) Title IX of the Education Amendments of 1972, as amended, 20 U.S.C. 1681–1683, and 1685–1687, and

(b) U.S. DOT regulations, ‘‘Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance,’’ 49 CFR part 25,

(3) Prohibitions against discrimination on the basis of age in federally assisted programs of the Age Discrimination Act of 1975, as amended, 42 U.S.C. 6101–6107,

(4) Section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. 794, which prohibits discrimination on the basis of disability,

(5) Prohibitions against discrimination on the basis of disability of Section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. 794,

(6) Nondiscrimination requirements relating to the sale, rental, or financing of housing of Title VIII of the Civil Rights Act, 42 U.S.C. 3601 *et seq.,*

(7) Prohibitions against discrimination on the basis of drug abuse of the Drug Abuse Office and Treatment Act of 1972, as amended, 21 U.S.C. 1101 et seq.,

(8) Prohibitions against discrimination on the basis of alcohol abuse of the Comprehensive Alcohol Abuse and Alcoholism Prevention Act of 1970, as amended, 42 U.S.C. 4541 *et seq.,*

(9) Confidentiality requirements for the records of alcohol and drug abuse patients of the Public Health Service Act, as amended, 42 U.S.C. 290dd– 290dd–2, and

(10) Nondiscrimination provisions of any other statute(s) that may apply to the project,

b. Regardless of whether Federal funding has been provided for any of the real property acquired for Project purposes, it will provide for fair and equitable treatment of displaced persons or persons whose property is acquired as a result of federally assisted programs, and:

(1) It has the necessary legal authority under State and local law to comply with:

(a) The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (Uniform Relocation Act) 42 U.S.C. 4601 et seq., as specified by sections 210 and 305 of that Act, 42 U.S.C. 4630 and 4655, respectively, and

(b) U.S. DOT regulations, ‘‘Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally Assisted Programs,’’ 49 CFR part 24, specifically 49 CFR 24.4.

(2) It has complied with or will comply with the Uniform Relocation Act and implementing U.S. DOT regulations including but not limited to doing the following:

(a) It will adequately inform each affected person of the benefits, policies, and procedures provided for in 49 CFR part 24,

(b) As required by 42 U.S.C. 4622, 4623, and 4624, and 49 CFR part 24, it will provide fair and reasonable relocation payments and assistance for displacement, resulting from any FTA funded project, of:

1 Families and individuals,

2 Partnerships, corporations, or associations,

(c) As provided by 42 U.S.C. 4625 and 49 CFR part 24, it will provide relocation assistance programs offering the services described in to the U.S. DOT regulations to such displaced:

1 Families and individuals,

2 Partnerships, corporations, or associations,

(d) As required by 42 U.S.C. 4625(c)(3), within a reasonable time before displacement it will make available comparable replacement dwellings to families and individuals,

(e) It will:

1 Carry out the relocation process to provide displaced persons with uniform and consistent services, and

2 Make available replacement housing in the same range of choices with respect to such housing to all displaced persons regardless of race, color, religion, or national origin,

(f) It will be guided to the greatest extent practicable under State law, by the real property acquisition policies of 42 U.S.C. 4651 and 4652,

(g) It will pay or reimburse property owners for their necessary expenses as specified in 42 U.S.C. 4653 and 4654, understanding that FTA will provide Federal funding for its eligible costs of providing payments for those expenses, as required by 42 U.S.C. 4631,

(h) It will execute the necessary implementing amendments to third party contracts and subagreements financed with FTA funding, and

(i) It will execute, furnish, and be bound by such additional documents as FTA may determine necessary to effectuate or implement these assurances, and

(j) It will incorporate these assurances by reference into and make them a part of any third party contract or subagreement, or any amendments thereto, relating to any FTA funded project involving relocation or land acquisition, and

(k) It will provide in any affected document that these relocation and land acquisition provisions must supersede any conflicting provisions,

c. To the extent practicable, it will comply with the Lead-Based Paint Poisoning Prevention Act, 42 U.S.C. 4831(b), which prohibits the use of leadbased paint in the construction or rehabilitation of residence structures,

d. It will, to the extent practicable, comply with the protections for human subjects involved in research, development, and related activities supported by Federal funding of:

(1) The National Research Act, Pub. L. 93–348, July 12, 1974, as amended, 42 U.S.C. 289 et seq., and (2) U.S. DOT regulations, ''Protection of Human Subjects,'' 49 CFR part 11,

e. It will, to the extent practicable, comply with the labor standards and protections for federally funded projects of:

(1) The Davis-Bacon Act, as amended, 40 U.S.C. 3141 et seq.,

(2) Sections 1 and 2 of the Copeland ''Anti-Kickback'' Act, as amended, 18 U.S.C. 874, and 40 U.S.C. 3145, respectively,

(3) The Contract Work Hours and Safety Standards Act, as amended, 40 U.S.C. 3701 *et seq.,*

f. It will, to the extent practicable, comply with any applicable environmental standards that may be prescribed to implement the following Federal laws and executive orders, including but not limited to the following:

(l) It will comply with the institution of environmental quality control measures under the National Environmental Policy Act of 1969, as amended, 42 U.S.C. 4321–4335 and Executive Order No. 11514, as amended, 42 U.S.C. 4321 note,

(2) It will comply with notification of violating facilities pursuant to Executive Order No. 11738, 42 U.S.C. 7606 note,

(3) It will comply with protection of wetlands pursuant to Executive Order No. 11990, 42 U.S.C. 4321 note,

(4) It will comply with evaluation of flood hazards in floodplains in accordance with Executive Order No. 11988, 42 U.S.C. 4321 note,

(5) It will comply with an assurance of project consistency with the approved State management program developed pursuant to the requirements of the Coastal Zone Management Act of 1972, as amended, 16 U.S.C. 1451–1465,

(6) It will comply with Conformity of Federal actions to State (Clean Air) Implementation Plans under section 176(c) of the Clean Air Act of 1955, as amended, 42 U.S.C. 7401–7671q,

(7) It will comply with protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended, 42 U.S.C. 300f–300j–6,

(8) It will comply with protection of endangered species under the Endangered Species Act of 1973, as amended, 16 U.S.C. 1531–1544, and

(9) It will comply with environmental protections for Federal transportation programs, including, but not limited to, protections for parks, recreation areas, or wildlife or waterfowl refuges of national, State, or local significance or any land from a historic site of national, State, or local significance to be used in a transportation project as required by 49 U.S.C. 303(b) and 303(c),

(10) It will comply with protection of the components of the national wild and scenic rivers systems, as required under the Wild and Scenic Rivers Act of 1968, as amended, 16 U.S.C. 1271–1287, and

(11) It will comply with and facilitate compliance with

(a) Section 106 of the National Historic Preservation Act of 1966, as amended, 16 U.S.C. 470f,

(b) The Archaeological and Historic Preservation Act of 1974, as amended, 16 U.S.C. 469–469c, and

(c) Executive Order No. 11593 (identification and protection of historic properties), 16 U.S.C. 470 note,

g. To the extent practicable, it will comply with Federal requirements for the care, handling, and treatment of warm blooded animals held or used for research, teaching, or other activities supported by Federal funding of:

(1) The Animal Welfare Act, as amended, 7 U.S.C. 2131 *et seq.,* and

(2) U.S. Department of Agriculture regulations, ''Animal Welfare,'' 9 CFR subchapter A, parts 1, 2, 3, and 4,

h. To the extent practicable, before accepting delivery of any FTA funded building it will obtain a certificate of compliance with the seismic design and construction requirements of U.S. DOT regulations, ''Seismic Safety,'' 49 CFR part 41, specifically 49 CFR 41.117(d),

i. To the extent practicable, it and its subrecipients located in special flood hazard areas will comply with section 102(a) of the Flood Disaster Protection Act of 1973, as amended, 42 U.S.C. 4012a(a), by:

(1) Participating in the Federal flood insurance program,

(2) Purchasing flood insurance if the total cost of insurable construction and acquisition is $10,000 or more,

j. To the extent practicable, it will comply with:

(1) The Hatch Act, 5 U.S.C. 1501– 1508, 7324–7326, which limits the political activities of State and local agencies and their officers and employees whose primary employment activities are financed in whole or part with Federal funds including a Federal loan, grant agreement, or cooperative agreement, and

(2) 49 U.S.C. 5307(k)(2) and 23 U.S.C. 142(g), which provide an exception from Hatch Act restrictions for a nonsupervisory employee of a public transportation system (or of any other agency or entity performing related functions) receiving FTA funding to whom the Hatch Act does not otherwise apply,

k. It will have performed the financial and compliance audits as required by:

(1) The Single Audit Act Amendments of 1996, 31 U.S.C. 7501 *et seq.,*

(2) U.S. OMB Circular A–133, ''Audits of States, Local Governments, and Non- Profit Organizations,'' Revised, and

(3) The most recent applicable U.S. OMB A–133 Compliance Supplement provisions for the U.S. DOT, and l. It will, to the extent practicable, comply with all applicable provisions of all other Federal laws or regulations, and follow Federal directives governing the project, except to the extent that FTA has expressly approved otherwise in writing.

GROUP 02. LOBBYING CERTIFICATION

You must select the following certifications in Group 02 because ADOT's cooperative agreement exceeds $100,000, or a loan (including a line of credit), loan guarantee, or loan insurance exceeding $150,000, except if you are applying on behalf of an Indian tribe, tribal organization, or other Indian organization.

As required by 31 U.S.C. 1352 and U.S. DOT regulations, ''New Restrictions on Lobbying,'' specifically 49 CFR 20.110, you and your Applicant understand that:

a. The lobbying restrictions of your certification apply to your Applicant's requests for:

(1) $100,000 or more in Federal funding for a grant or cooperative agreement, and

(2) $150,000 or more in Federal funding for a loan, line of credit, or loan guarantee,

b. Its certification covers the lobbying activities of:

(1) It,
(2) Its principals, and
(3) Its first tier subrecipients:

Therefore, on behalf of your Applicant, you certify to the best of your knowledge and belief, that:

1. No Federal appropriated funds have been or will be paid by or on its behalf to any person:
a. To influence or attempt to influence:
(1) An officer or employee of any Federal agency,
(2) A Member of Congress, an employee of a member of Congress, or an officer or employee of Congress,
b. Regarding the award of a:
(1) Federal grant or cooperative agreement, or
(2) Federal loan, line of credit, loan guarantee, or loan insurance

2. It will submit a complete OMB Standard Form-LLL, ''Disclosure of Lobbying Activities (Rev. 7–97),'' in accordance with its instructions, if any funds other than Federal appropriated funds have been or will be paid to any person:
a. To influence or attempt to influence:
(1) An officer or employee of any Federal agency,
(2) A Member of Congress, an employee of a Member of Congress, or an officer or employee of Congress, or
b. Regarding any application for a:
(1) Federal grant or cooperative agreement,
(2) Federal loan, line of credit, loan guarantee, or loan insurance, and

3. It will include the language of this certification in the award documents for all subawards at all tiers including, but not limited to:
a. Subcontracts,
b. Subgrants,
c. Subagreements, and
d. Third party contracts under a:
(1) Federal grant or cooperative agreement, or
(2) Federal loan, line of credit, loan guarantee, or loan insurance, and

4. It understands that:
a. This certification is a material representation of fact that the Federal Government relies on, and b. It must submit this certification before the Federal Government may award funding for a transaction covered by 31 U.S.C. 1352, including a:
(1) Federal grant or cooperative agreement, or
(2) Federal loan, line of credit, loan guarantee, or loan insurance, and

5. It also understands that any person who does not file a required certification will be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

GROUP 03. PROCUREMENT COMPLIANCE

You must select Group 03, especially if your Applicant is a State, local, or Indian tribal government with a certified procurement system, as provided in 49 CFR 18.36(g)(3)(ii).

The Applicant certifies that its procurements and procurement system will comply with all applicable Federal laws and regulations in accordance with applicable Federal directives, except to the extent FTA has approved otherwise in writing.

GROUP 04. PROTECTIONS FOR PRIVATE TRANSPORTATION PROVIDERS

Applies to awards for 49 U.S.C. chapter 53 funding to:
- *Acquire property of a private transit operator, or*
- *Operate public transit in competition with or in addition to a private transit provider*

As required by 49 U.S.C. 5323(a)(1), the Applicant certifies that:

1. Before it:
a. Acquires the property or an interest in the property of a private provider of public transportation, or
b. Operates public transportation equipment or facilities:
(1) In competition with transportation service provided by an existing public transportation company, or

(2) In addition to transportation service provided by an existing public transportation company,

2. It has or will have:
a. Determined that the funding is essential to carrying out a program of projects as required by 49 U.S.C. 5303, 5304, and 5306,
b. Provided for the participation of private companies engaged in public transportation to the maximum extent feasible, and
c. Paid just compensation under State or local law to the company for any franchise or property acquired.

GROUP 05. PUBLIC HEARING

Applies to awards for 49 U.S.C. chapter 53 funding for a capital project that will substantially affect a community or its transit service.

As required by 49 U.S.C. 5323(b), the Applicant certifies that:

1. Before submitting an application for a capital project that:
a. Will substantially affect:
(1) A community, or
(2) The public transportation service of a community, and
b. Also will affect:
(1) Significant economic interests,
(2) Significant social interests, or
(3) Significant environmental interests, It will:
(1) Provide an adequate opportunity for public review and comment on the project, after giving notice that:
(a) Includes a concise description of the proposed project; and
(b) Has been published in a newspaper of general circulation in the geographic area the project.
(2) Hold a public hearing on the project if the project affects:
(a) Significant economic interests,
(b) Significant social interests, or
(c) Significant environmental interests,

2. It will have considered the economic, social, and environmental effects of the project, and

3. It will have determined that the project is consistent with official plans for developing the community.

GROUP 06. ACQUISITION OF ROLLING STOCK FOR USE IN REVENUE SERVICE

Applies to awards for 49 U.S.C. chapter 53 funding to acquire any rolling stock for use in revenue service.

The Applicant certifies that in procuring revenue service rolling stock, it will comply with:

1. Federal transit law, specifically 49 U.S.C. 5323(m),

2. FTA regulations, ‘‘Pre-Award and Post-Delivery Audits of Rolling Stock Purchases,’’ 49 CFR part 663, specifically 49 CFR 663.7, as modified by amendments authorized by section 3023(k) of SAFETEA–LU, including the requirements to:
a. Conduct or cause to be conducted the required preaward and post delivery reviews, and
b. Maintain on file the certifications required by 49 CFR part 663, subparts B, C, and D.

GROUP 07. ACQUISITION OF CAPITAL ASSETS BY LEASE

Applies to awards for 49 U.S.C. chapter 53 funding to acquire capital assets by lease.

As required by FTA regulations, ‘‘Capital Leases,’’ 49 CFR part 639, specifically 639.15(b)(1) and 639.21, if the Applicant acquires any capital asset by lease financed with Federal funding authorized under 49 U.S.C. chapter 53, the Applicant certifies as follows:

1. It will not use Federal funding authorized under 49 U.S.C. chapter 53 to finance the cost of leasing any capital asset until:
a. It performs calculations demonstrating that leasing the capital asset would be more cost-effective than purchasing or constructing a similar asset, and

b. It completes these calculations before the later of:
(1) Entering into the lease, or
(2) Receiving a capital grant for the asset, and

2. It will not enter into a capital lease for which FTA can provide only incremental Federal funding unless it has adequate financial resources to meet its future lease obligations if Federal funding is not available.

GROUP 08. BUS TESTING

Applies to awards for 49 U.S.C. chapter 53 funding to acquire any new or newly configured bus or a bus with new major components.

The Applicant certifies that:

1. It will comply with Federal transit law, specifically 49 U.S.C. 5318,

2. FTA regulations, ''Bus Testing,'' 49 CFR part 665, specifically 49 CFR 665.7, requires that
a. Before:
(1) Spending any Federal funds to acquire:
(a) The first bus of any new bus model,
(b) The first bus with a new major change in configuration or components, or
(2) Authorizing final acceptance of a new bus model or a bus model with a major change in components or configuration:
b. It will:
(1) Ensure that the bus model has been tested at FTA's bus testing facility, and
(2) Have received a copy of the test report prepared on the bus model.

GROUP 09. CHARTER SERVICE AGREEMENT

Applicable to any awards for funding to acquire or operate transit facilities and equipment, unless Applicant qualifies for an exception under Federal law and regulations.

As required by 49 U.S.C. 5323(d) and (g) and FTA regulations, ''Charter Service,'' 49 CFR part 604, specifically 49 CFR 604.4, the Applicant understands and agrees that:

1. Except in certain circumstances described in its regulations, FTA's ''Charter Service'' regulations restrict transportation by charter service using facilities and equipment acquired by FTA for transportation projects with Federal funding derived from:
(1) Federal transit laws, 49 U.S.C. chapter 53, or
(2) 23 U.S.C. §§ 133 or 142,

2. FTA's charter service restrictions extend to:
a. The Applicant when it becomes a recipient of Federal funding under:
(1) Federal transit laws, 49 U.S.C. chapter 53, or
(2) 23 U.S.C. §§ 133 or 142,
b. Any third party participant that receives Federal funding derived from:
(1) Federal transit laws, 49 U.S.C. chapter 53, or (2) 23 U.S.C. §§ 133 or 142,
c. A third party participant includes a:
(1) Subrecipient at any tier,
(2) Lessee,
(3) Third party contractor or subcontractor at any tier, and
(4) Other participant in the project,

3. Neither the Applicant nor any third party participant involved in its Project will engage in charter service operations, except as permitted under:
a. Federal transit laws, specifically 49 U.S.C. 5323(d) and (g),
b. FTA regulations, ''Charter Service,'' 49 C.F.R. Part 604,
c. Any other Federal Charter Service regulations, or
d. Federal directives, except as FTA determines otherwise in writing.

4. The Applicant agrees that the latest Charter Service Agreement it has selected in its latest annual Certifications and Assurances is incorporated by reference in and made part of the underlying Agreement accompanying an award of FTA funding.

5. The Applicant agrees that:

a. FTA may require corrective measures or impose remedies on it or any subrecipient that has engaged in a pattern of violations of FTA's Charter Service regulations by:

(1) Conducting charter operations prohibited by Federal transit laws and FTA's Charter Service regulations, or

(2) Otherwise violating the Applicant's Charter Service Agreement it has elected in its latest annual Certifications and Assurances.

b. These corrective measures and remedies may include:

(1) Barring it or any third party participant operating public transportation under the Project that has provided prohibited charter service from receiving FTA funds, or

(2) Withholding an amount of Federal funds as provided by Appendix D to FTA's Charter Service regulations.

GROUP 10. SCHOOL TRANSPORTATION AGREEMENT

Applies to awards for funding to acquire or operate transit facilities and equipment, unless Applicant qualifies for an exception under Federal law and regulations.

As required by 49 U.S.C. 5323(f) and (g) and FTA regulations, ''School Bus Operations,'' 49 CFR part 605, to the extent consistent with 49 U.S.C. 5323(f) and (g), the Applicant understands and agrees that:

1. FTA's ''School Bus Operations'' regulations restrict school bus service as defined in the FTA regulations using facilities and equipment acquired with Federal funding derived from:

(1) Federal transit laws, 49 U.S.C. chapter 53, or

(2) 23 U.S.C. §§ 133 or 142,

2. FTA's school bus operations restrictions extend to:

a. The Applicant when it becomes a recipient of Federal funding under:

(1) Federal transit laws, 49 U.S.C. chapter 53, or

(2) 23 U.S.C. §§ 133 or 142,

b. Any third party participant that receives Federal funding derived from:

(1) Federal transit laws, 49 U.S.C. chapter 53, or

(2) 23 U.S.C. §§ 133 or 142,

c. A third party participant includes a:

(1) Subrecipient at any tier,

(2) Lessee,

(3) Third party contractor or subcontractor at any tier, and

(4) Other participant in the project,

3. Neither the Applicant nor any third party participant involved in its Project will engage in school transportation operations in competition with private operators of school transportation, except as permitted under:

a. Federal transit laws, specifically 49 U.S.C. § 5323(f) and (g),

b. FTA regulations, ''School Bus Operations,'' 49 C.F.R. Part 605, to the extent consistent with 49 U.S.C. § 5323(f) and (g),

c. Any other Federal School Transportation regulations, or

d. Federal directives, except as FTA determines otherwise in writing.

4. The Applicant agrees that the latest School Transportation Agreement it has selected in its latest annual Certifications and Assurances is incorporated by reference in and made part of the underlying Agreement accompanying an award of FTA funding.

5. The Applicant agrees that FTA will bar the Applicant or any third party participant that has violated this School Transportation Agreement from receiving Federal transit funding in an amount FTA considers appropriate.

GROUP 11. DEMAND RESPONSIVE SERVICE

Applies to awards for demand responsive service and to awards for 49 U.S.C. chapter 53 funding to acquire non rail transit vehicles.

As required by U.S. DOT regulations, ''Transportation Services for Individuals with Disabilities (ADA),'' 49 CFR part 37, specifically 49 CFR 37.77(d), the Applicant certifies that:

1. The following public transportation services it offers are equivalent in level and quality of service:

a. Its demand responsive service offered to individuals with disabilities, including individuals who use wheelchairs,
b. Its service offered to individuals without disabilities,

2. Viewed in its entirety, the Applicant's service for individuals with disabilities is:
a. Provided in the most integrated setting feasible, and
b. Equivalent to the service it offers individuals without disabilities with respect to:
(1) Response time,
(2) Fares,
(3) Geographic service area,
(4) Hours and days of service,
(5) Restrictions on trip purpose,
(6) Availability of information and reservation capability, and
(7) Constraints on capacity or service availability.

GROUP 12. ALCOHOL MISUSE AND PROHIBITED DRUG USE

You must select the following certification if FTA regulations, ''Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations,'' 49 CFR part 655, require Applicant to provide a certification concerning its activities to prevent alcohol misuse and prohibited drug use in its public transportation operations.

As required by FTA regulations, ''Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations,'' specifically 49 CFR part 655, subpart I, the Applicant certifies that it:

1. Has established and implemented:
a. An alcohol misuse program and
b. An anti-drug program, and
2. Has complied with or will comply with all applicable requirements of this part.

GROUP 13. INTEREST AND OTHER FINANCING COSTS

Applies to awards to reimburse interest or other financing costs with Urbanized Area Formula Program, Capital Investment Program, or Paul S. Sarbanes Transit in Parks Program funding

The Applicant certifies that:

1. It will not seek reimbursement for interest or other financing costs:
a. Unless it is eligible to receive Federal funding for those costs,
b. Its records demonstrate that it has used reasonable diligence in seeking the most favorable financing terms underlying those costs, to the extent FTA may require, and

2. It will comply with:
a. Urbanized Area Formula Program interest provisions of 49 U.S.C. 5307(g)(3),
b. Capital Investment Program provisions of 49 U.S.C. 5309(g)(2)(B)(iii),
c. Capital Investment Program provisions of 49 U.S.C. 5309(g)(3)(B)(iii),
d. Capital Investment Program provisions of 49 U.S.C. 5309(i)(2)(C), and
e. Paul S. Sarbanes Transit in Parks Program provisions of 49 U.S.C. 5320(h)(2)(C).

GROUP 14. INTELLIGENT TRANSPORTATION SYSTEMS

Applies to awards for an Intelligent Transportation Systems (ITS) project or a project in support of an ITS project. An Applicant for ITS project funding that fails to provide this assurance, without providing other documentation assuring its commitment to comply with applicable Federal ITS standards and protocols, may be ineligible for award of Federal funding for that ITS project.

As used in this assurance, the term Intelligent Transportation Systems (ITS) project is defined to include any project that in whole or in part finances the acquisition of technologies or systems of technologies that provide or significantly contribute to the provision of one or more ITS user services as defined in the ''National ITS Architecture.'' The Applicant assures that:

1. As provided in subsection 5307(c) of SAFETEA–LU, 23 U.S.C. 512 note:
a. ''Intelligent transportation system projects carried out using funds made available from the Highway Trust Fund, including funds made available under this subtitle to deploy intelligent transportation system technologies, [will] conform to the national architecture, applicable standards or provisional standards, and protocols developed under subsection (a) [of section 5307 of SAFETEA–LU].''

b. ITS standards will not apply if it obtains an exception to subsection 5307(c) of SAFETEA–LU, 23 U.S.C. 512 note.

2. It will use its best efforts to assure that any ITS project it undertakes will not preclude interface with other intelligent transportation systems in the Region, if supported with Federal funding not derived from:

a. Title 49, United States Code, or

b. Title 23, United States Code.

3. To facilitate compliance with subsection 5307(c) of 23 U.S.C. 512 note, except as the Federal Government determines otherwise in writing, the Applicant assures that it will comply with:

a. FTA Notice, ''FTA National ITS Architecture Policy on Transit Projects,'' 66 FR 1455, January 8, 2001, specifically:

(1) Applicable provisions of Section V (Regional ITS Architecture, and

(2) Section VI (Project Implementation), and

b. Other FTA policies that may be issued in connection with any ITS project it undertakes financed with funds authorized under Title 49 or Title 23, United States Code,

GROUP 15. URBANIZED AREA FORMULA PROGRAM

Applies to awards for Urbanized Area Formula Program funding, 49 U.S.C. 5307. Applicant is ultimately responsible for compliance with its certifications and assurances even though a subrecipient, lessee, third party contractor, or other participant may participate in that project, unless FTA determines otherwise in writing. Consequently, we strongly encourage Applicant to take the appropriate measures including, but not limited to, obtaining sufficient documentation from each subrecipient, to assure the validity of all certifications and assurances it has made. Each Applicant is required by 49 U.S.C. 5307(d)(1)(J) to spend at least one (1) percent of its Urbanized Area Formula Program funding for public transportation security projects, unless it has certified that such expenses are not necessary. Information about its intentions must be recorded in the ''Security'' tab page of the TEAM–Web ''Project Information'' window when it submits its Urbanized Area Formula Program application in TEAM–Web.

We may not award Urbanized Area Formula Program funding to any Applicant that is required by 49 U.S.C. 5307(d)(1)(K) to spend one (1) percent of its Urbanized Area Formula Program funding for eligible transit enhancements unless its quarterly report for the fourth quarter of the preceding Federal fiscal year has been submitted to FTA and includes the required list or sufficient information to demonstrate that the Designated Recipients in its area together have spent one (1) percent of the amount of Urbanized Area Program funding made available to them for transit enhancement projects or have included the same information in a separate report attached in TEAM–Web.

The following certifications apply to each Applicant for funding under the Urbanized Area Formula Program authorized under 49 U.S.C. 5307. The Applicant certifies that:

1. As required by 49 U.S.C. 5307(d)(1)(A), it has or will have the:

a. Legal capacity to carry out its proposed projects,

b. Financial capacity to carry out its proposed projects,

c. Technical capacity to carry out its proposed projects,

d. Safety aspects of its proposed projects, and

e. Security aspects of its proposed projects,

2. As required by 49 U.S.C. 5307(d)(1)(B), it has or will have satisfactory continuing control over the use of project equipment and facilities,

3. As required by 49 U.S.C. 5307(d)(1)(C), it will maintain the project equipment and facilities adequately,

4. As required by 49 U.S.C. 5307(d)(1)(D), it will ensure that the following individuals will be charged not more than fifty (50) percent of the peak hour fare for transportation during non-peak hours using or involving project facilities or equipment supported under 49 U.S.C. 5307:

a. Elderly individuals,

b. Individuals with disabilities, or

c. Individuals presenting a Medicare card issued to himself or herself pursuant to title II or title XVIII of the Social Security Act (42 U.S.C. 401 *et seq*. or 42 U.S.C. 1395 et seq.),

5. As required by 49 U.S.C. 5307(d)(1)(E), when carrying out a procurement under 49 U.S.C. 5307, it will:

a. Use competitive procurement (as defined or approved by FTA),

b. Not use exclusionary or discriminatory specifications in its procurements,

c. Comply with applicable Buy America laws, and

d. Comply with the:

(1) General provisions for FTA programs of 49 U.S.C. 5323, and

(2) Third party procurement requirements of 49 U.S.C. 5325,

6. As required by 49 U.S.C. 5307(d)(1)(F), it has complied with or will comply with 49 U.S.C. 5307(c) because it:

a. Has informed or will inform the public of the amounts of its Urbanized Area Formula Program funds available under 49 U.S.C. 5307, and the projects it proposes to undertake,

b. Has developed or will develop, in consultation with interested parties including private transportation providers, the projects proposed to be funded,

c. Has published or will publish a list of its projects in a way that affected citizens, private transportation providers, and local elected officials will have an opportunity to examine and submit comments on the proposed projects and its performance,

d. Has provided or will provide an opportunity for a public hearing to obtain the views of citizens on the proposed projects,

e. Has assured or will assure that the proposed projects provide for coordination of transportation services assisted under 49 U.S.C. 5336 with federally assisted transportation services supported by a Federal Government source other than U.S. DOT,

f. Has considered or will consider the comments and views received, especially those of private transportation providers, in preparing its final list of projects, and

g. Has made or will make the final list of projects available to the public,

7. As required by 49 U.S.C. 5307(d)(1)(G), it:

a. Has or will have the amount of funds required for the local share,

b. Will provide the local share funds from approved non-Federal sources except as permitted by Federal law, and

c. Will provide the local share funds when needed,

8. As required by 49 U.S.C. 5307(d)(1)(H), it will comply with:

a. The requirements of 49 U.S.C. 5301(a) for public transportation systems that:

(1) Maximize the safe, secure, and efficient mobility of people,

(2) Minimize environmental impacts, and,

(3) Minimize transportation-related fuel consumption and reliance on foreign oil,

b. The requirements of 49 U.S.C. 5301(d) for special efforts to:

(1) Design public transportation for elderly individuals and individuals with disabilities, and

(2) Provide public transportation for elderly individuals and individuals with disabilities, and

c. The requirements of 49 U.S.C. 5303—5306 for:

(1) Metropolitan and State Planning, and

(2) Private enterprise participation,

9. As required by 49 U.S.C. 5307(d)(1)(I), it has a locally developed process to solicit and consider public comment before:

a. Raising a fare, or

b. Implementing a major reduction of public transportation,

10. As required by 49 U.S.C. 5307(d)(1)(J), if it serves an urbanized area with a population of at least 200,000:

a. Each fiscal year, it will spend at least one (1) percent of its 49 U.S.C. 5307 funding for public transportation security projects (limited to capital projects in the case of an Applicant serving an urbanized area with a population of 200,000 or more), or

b. That fiscal year, it will certify that such expenses for transportation security projects are not necessary,

c. Public transportation security projects include:

(1) Increased lighting in or adjacent to a public transportation system (including bus stops, subway stations, parking lots, and garages),

(2) Increased camera surveillance of an area in or adjacent to that system,

(3) Emergency telephone line or lines to contact law enforcement or security personnel in an area in or adjacent to that system, and

(4) Any other project intended to increase the security and safety of an existing or planned public transportation, and

11. As required by 49 U.S.C. 5307(d)(1)(K), if it serves an urbanized area with a population of at least 200,000:

a. Each fiscal year, it or all the Recipients of 49 U.S.C. 5307 funding in its urbanized area will spend at least one (1) percent of that funding for transit enhancements, as defined in 49 U.S.C. 5302(a),

b. It will include in its quarterly report for the fourth quarter of the preceding Federal fiscal year a list of the projects during that Federal fiscal year using those 49 U.S.C. 5307 funds, and

c. The report of its transit enhancement projects is or will be incorporated by reference and made part of its certifications and assurances.

GROUP 16. CLEAN FUELS GRANT PROGRAM

Applies to awards for Clean Fuels Grant Program funding, 49 U.S.C. 5308. Applicant itself is ultimately responsible for compliance with its certifications and assurances even though a subrecipient, lessee, third party contractor, or other participant may participate in that project, unless FTA determines otherwise in writing. Consequently, we strongly encourage Applicant to take the appropriate measures including, but not limited to, obtaining sufficient documentation from each subrecipient, to assure the validity of all certifications and assurances it has made.

The following certifications apply to each Applicant for funding under the Clean Fuels Grant Program authorized under 49 U.S.C. 5308:

1. As required by FTA regulations, ''Clean Fuels Grant Program, 49 CFR part 624, specifically 49 CFR 624.7, the Applicant certifies it will operate vehicles purchased with Federal funding provided under the Clean Fuels Grant Program, 49 U.S.C. 5308 only with clean fuels.

2. Under 49 U.S.C. 5308(d)(1), the requirements of 49 U.S.C. 5307 apply to the Clean Fuels Grant Program. To comply with those requirements, as specified under 49 U.S.C. 5307(d)(1), the Applicant certifies that:

a. As required by 49 U.S.C. 5307(d)(1)(A), it has or will have the:

(1) Legal capacity to carry out its proposed projects,
(2) Financial capacity to carry out its proposed projects,
(3) Technical capacity to carry out its proposed projects,
(4) Safety aspects of its proposed projects, and
(5) Security aspects of its proposed projects,

b. As required by 49 U.S.C. 5307(d)(1)(B), it has or will have satisfactory continuing control over the use of project equipment and facilities,

c. As required by 49 U.S.C. 5307(d)(1)(C), it will maintain the project equipment and facilities adequately,

d. As required by 49 U.S.C. 5307(d)(1)(D), it will ensure that the following individuals will be charged not more than fifty (50) percent of the peak hour fare for transportation during non-peak hours using or involving project facilities or equipment supported under 49 U.S.C. 5308:

(1) Elderly individuals,
(2) Individuals with disabilities, or
(3) Individuals presenting a Medicare card issued to himself or herself pursuant to title II or title XVIII of the Social Security Act (42 U.S.C. 401 et seq. or 42 U.S.C. 1395 et seq.),

e. As required by 49 U.S.C. 5307(d)(1)(E), when carrying out a procurement under 49 U.S.C. 5308, it will:

(1) Use competitive procurement (as defined or approved by FTA),
(2) Not use exclusionary or discriminatory specifications in its procurements,
(3) Comply with applicable Buy America laws, and
(4) Comply with the general provisions for FTA programs of 49 U.S.C. 5323, and
(5) Comply with the third party procurement requirements of 49 U.S.C. 5325,

f. As required by 49 U.S.C. 5307(d)(1)(F), it has complied with or will comply with 49 U.S.C. 5307(c) because it:

(1) Has informed or will inform the public of the amounts of its Clean Fuels Grant Program funds available under 49 U.S.C. 5308, and the projects it proposes to undertake,
(2) Has developed or will develop, in consultation with interested parties including private transportation providers, the projects proposed to be funded,
(3) Has published or will publish a list of its projects in a way that affected citizens, private transportation providers, and local elected officials will have an opportunity to examine and submit comments on the proposed projects and its performance,
(4) Has provided or will provide an opportunity for a public hearing to obtain the views of citizens on the proposed projects,
(5) Has assured or will assure that the proposed projects provide for coordination of transportation services assisted under 49 U.S.C. 5336 with federally assisted transportation services supported by a Federal government source other than U.S. DOT,
(6) Has considered or will consider the comments and views received, especially those of private transportation providers, in preparing its final list of projects, and
(7) Has made or will make the final list of projects available to the public,

g. As required by 49 U.S.C. 5307(d)(1)(G), it:

(1) Has or will have the amount of funds required for the local share,
(2) Will provide the local share funds from approved non-Federal sources except as permitted by Federal law, and

(3) Will provide the local share funds when needed,

h. As required by 49 U.S.C. 5307(d)(1)(H), it will comply with:

(1) The requirements of 49 U.S.C. 5301(a) for public transportation systems that:

(a) Maximize the safe, secure, and efficient mobility of people,

(b) Minimize environmental impacts, and

(c) Minimize transportation-related fuel consumption and reliance on foreign oil,

(2) The requirements of 49 U.S.C. 5301(d) for special efforts to:

(a) Design public transportation for elderly individuals and individuals with disabilities, and

(b) Provide public transportation for elderly individuals and individuals with disabilities, and

(3) The requirements of 49 U.S.C. 5303—5306 for:

(a) Metropolitan and State Planning, and

(b) Private enterprise participation, and

i. As required by 49 U.S.C. 5307(d)(1)(I), it has a locally developed process to solicit and consider public comment before:

(1) Raising a fare, or

(2) Implementing a major reduction of public transportation.

GROUP 17. ELDERLY INDIVIDUALS AND INDIVIDUALS WITH DISABILITIES FORMULA GRANT PROGRAM AND PILOT PROGRAM

Applies to awards as the direct Applicant for Elderly Individuals and Individuals with Disabilities Formula Grant Program funding 49 U.S.C. 5310, and, if qualified, for Elderly Individuals and Individuals with Disabilities Pilot Program funding, subsection 3012(b) of SAFETEA–LU. Only a State or a State organization acting as the Recipient on behalf of a State may be a direct recipient of this funding. Your State or State organization Applicant is ultimately responsible for compliance with its certifications and assurances even though a subrecipient, lessee, third party contractor, or other participant may participate in that project, unless FTA determines otherwise in writing. Consequently, we strongly encourage your State or State organization Applicant to take the appropriate measures including, but not limited to, obtaining sufficient documentation from each subrecipient, to assure the validity of all certifications and assurances it has made.

The following certifications and assurances apply to each State or State organization serving as Applicant for funding and each subrecipient of funding under the Elderly Individuals and Individuals with Disabilities Formula Grant Program authorized under 49 U.S.C. 5310, and the Elderly Individuals and Individuals with Disabilities Pilot Program authorized under subsection 3012(b) of SAFETEA– LU.

1. The State or State organization Applicant assures that:

a. Each subrecipient is:

(1) Recognized under State law as a private nonprofit organization with the legal capability to contract with the State to carry out the proposed project, or

(2) A public body that has met the statutory requirements to receive Federal funding authorized for 49 U.S.C. 5310,

b. The State or State organization Applicant can conclude from information in a private nonprofit subrecipient's application for 49 U.S.C. 5310 funding that:

(1) The transit service provided or offered to be provided by existing public or private transit operators cannot meet the special needs of elderly individuals and individuals with disabilities, because it is:

(a) Unavailable,

(b) Insufficient, or

(c) Inappropriate,

c. As required by 49 U.S.C. 5310(d)(2)(A) and subsection 3012(b)(2) of SAFETEA–LU, the State certifies that, before it transfers funds to a project funded under 49 U.S.C. 5336, the project has been or will have been coordinated with private nonprofit providers of services under 49 U.S.C. 5310,

d. As required by 49 U.S.C. 5310(d)(2)(C), the Applicant certifies that allocations to subrecipients 49 U.S.C. 5310 funding or subsection 3012(b) funding will be distributed on a fair and equitable basis, and

e. As required by 49 U.S.C. 5310(d)(2)(B) and subsection 3012(b)(2) of SAFETEA–LU, the Applicant certifies that:

(1) The projects it has selected or will select for funding under that program were derived from a public transit human services transportation plan that has been:

(a) Locally developed, and

(b) Coordinated, and

(2) That locally developed, coordinated plan was produced through a process that included:

(a) Representatives of public, private, and nonprofit transportation providers,

(b) Representatives of public, private, and nonprofit human services providers, and

(c) Participation by the public.

2. As permitted by 49 U.S.C. 5310(d), the Federal Transit Administrator has selected certain requirements of 49 U.S.C. 5307 to be appropriate for the Elderly Individuals and Individuals with Disabilities Formula Grant Program authorized by 49 U.S.C. 5310, and the Elderly Individuals and Individuals with Disabilities Pilot Program authorized by subsection 3012(b) of SAFETEA–LU, 49 U.S.C. 5310 note, of which some require certifications. Therefore, as specified under 49 U.S.C. 5307(d)(1), the State or State organization Applicant certifies that:

a. As required by 49 U.S.C. 5307(d)(1)(A), it and each subrecipient has or will have the:

(1) Legal capacity to carry out its proposed projects,
(2) Financial capacity to carry out its proposed projects,
(3) Technical capacity to carry out its proposed projects,
(4) Safety aspects of its proposed projects, and
(5) Security aspects of its proposed projects,

b. As required by 49 U.S.C. 5307(d)(1)(B), it and each subrecipient has or will have satisfactory continuing control over the use of project equipment and facilities,

c. As required by 49 U.S.C. 5307(d)(1)(C), it and each subrecipient will maintain the project equipment and facilities adequately,

d. As required by 49 U.S.C. 5307(d)(1)(E), when carrying out a procurement under the Elderly Individuals and Individuals with Disabilities Formula Grant Program authorized by 49 U.S.C. 5310, or the Elderly Individuals and Individuals with Disabilities Pilot Program authorized by subsection 3012(b) of SAFETEA–LU, 49 U.S.C. 5310 note, it and each subrecipient will:

(1) Use competitive procurement (as defined or approved by FTA),
(2) Not use exclusionary or discriminatory specifications in its procurements,
(3) Comply with applicable Buy America laws, and
(4) Comply with the general provisions for FTA programs of 49 U.S.C. 5323, and
(5) Comply with the third party procurement requirements of 49 U.S.C. 5325,

e. As required by 49 U.S.C. 5307(d)(1)(G), it and each subrecipient:

(1) Has or will have the amount of funds required for the local share,
(a) As required by 49 U.S.C. 5310(c), and
(b) Subsections 3012(b)(3) and (4) of SAFETEA–LU, if applicable,
(2) Will provide the local share funds from approved non-Federal sources except as permitted by Federal law, and
(3) Will provide the local share funds when needed, and

f. As required by 49 U.S.C. 5307(d)(1)(H), it and each subrecipient will comply with:

(1) The requirements of 49 U.S.C. 5301(a) for public transportation systems that:
(a) Maximize the safe, secure, and efficient mobility of people,
(b) Minimize environmental impacts, and
(c) Minimize transportation-related fuel consumption and reliance on foreign oil,
(2) The requirements of 49 U.S.C. 5301(d) for special efforts to:
(a) Design public transportation for elderly individuals and individuals with disabilities, and (b) Provide public transportation for elderly individuals and individuals with disabilities, and
(3) The requirements of 49 U.S.C. 5303—5306 for:
(a) Metropolitan and State Planning, and
(b) Private enterprise participation.

GROUP 18. NONURBANIZED AREA FORMULA PROGRAM FOR STATES

Applies to awards for Nonurbanized Area Formula Program funding, 49 U.S.C. 5311(b). Applicant itself is ultimately responsible for compliance with its certifications and assurances even though a subrecipient, lessee, third party contractor, or other participant may participate in that project, unless FTA determines otherwise in writing. Consequently, we strongly encourage Applicant to take the appropriate measures including, but not limited to, obtaining sufficient documentation from each subrecipient, to assure the validity of all certifications and assurances it has made.

Only a State or a State organization acting as the Recipient on behalf of a State (State) may be a direct recipient of this Nonurbanized Area Formula Program funding. Separate certifications and assurances have been established in Group 22 for an Indian tribe that is an Applicant for Tribal Transit Program funding, 49 U.S.C. 5311(c)(1). The following certifications and assurances apply to each State or State organization serving as the Applicant for funding under the Nonurbanized Area Formula Program authorized under 49 U.S.C. 5311.

The Applicant assures that:

1. It has or will have the necessary legal, financial, and managerial capability to:

a Apply, receive and disburse 49 U.S.C. 5311(c)(1) funding, and
b. Carry out each project, including the:

(1) Safety aspects of its proposed projects, and
(2) Security aspects of its proposed projects,

2. It has or will have satisfactory continuing control over the use of project equipment and facilities,

3. The project equipment and facilities will be adequately maintained,

4. As required by 49 U.S.C. 5311(b)(2)(C)(i), its program has provided for a fair distribution of Federal funding authorized for 49 U.S.C. 5311 within the State, including Indian reservations within the State,

5. As required by 49 U.S.C. 5311(b)(2)(C)(ii), its program provides or will provide the maximum feasible coordination of public transportation service to receive funding under 49 U.S.C. 5311 with transportation service assisted by other Federal sources,

6. The projects in its Nonurbanized Area Formula Program are included in:
a. The Statewide Transportation Improvement Program, and
b. To the extent applicable, a metropolitan Transportation Improvement Program,

7. It has or will have the amount of funds required for the local share, as required by 49 U.S.C. 5311(g), and
(2) Will provide the local share funds from approved non-Federal sources except as permitted by Federal law, and
(3) Will provide the local share funds when needed, and

8. As required by 49 U.S.C. 5311(f), each fiscal year:
a. It will spend at least fifteen (15) percent of its 49 U.S.C. 5311 funding available that fiscal year to develop and support intercity bus transportation within the State, with eligible activities including:
(1) Planning and marketing for intercity bus transportation,
(2) Capital grants for intercity bus shelters,
(3) Joint-use stops and depots,
(4) Operating grants through purchase-of-service agreements, userside subsidies, and demonstration projects, and
(5) Coordinating rural connections between small public transportation operations and intercity bus carriers, or
b. It will provide to the Federal Transit Administrator a certification of the State's chief executive officer that:
(1) After consulting with the affected intercity bus service providers about the intercity bus needs of the State,
(2) The State's intercity bus service needs are being met adequately.

GROUP 19. JOB ACCESS AND REVERSE COMMUTE (JARC) FORMULA GRANT PROGRAM

Applies to awards for Job Access and Reverse Commute (JARC) Formula Grant funding, 49 U.S.C. 5316, Applicant is ultimately responsible for compliance with its certifications and assurances even though a subrecipient, lessee, third party contractor, or other participant may participate in that project, unless FTA determines otherwise in writing. Consequently, we strongly encourage Applicant to take the appropriate measures including, but not limited to, obtaining sufficient documentation from each subrecipient, to assure the validity of all certifications and assurances it has made.

The following certifications and assurances apply to each Applicant for and subrecipient of funding under the Job Access and Reverse Commute (JARC) Formula Grant funding authorized under 49 U.S.C. 5316.

1. The Applicant certifies that:
a. As required by 49 U.S.C. 5316(d)(4), it will make awards of JARC funding on a competitive basis following:
(1) An area wide solicitation in cooperation with the appropriate metropolitan planning organization for applications for funding under 5316(c)(1)(A) (see 49 U.S.C. 5316(d)(1)), and
(2) A statewide solicitation for applications for JARC funding under 49 U.S.C. 5316(c)(1)(B) or 49 U.S.C. 5316(c)(1)(C), (see 49 U.S.C. 5316(d)(2)) and
b. As required by 49 U.S.C. 5316(f)(2), any allocations to subrecipients of funding authorized under 49 U.S.C. 5316 will be distributed on a fair and equitable basis,
c. As required by 49 U.S.C. 5316(g)(3):
(1) The projects it has selected or will select for funding under that program were derived from a public transit human services transportation plan that has been:
(a) Locally developed, and
(b) Coordinated,
(2) That locally developed, coordinated plan was produced through a process that included:
(a) Representatives of public, private, and nonprofit transportation providers,
(b) Representatives of public, private, and nonprofit human services providers, and

(c) Participation by the public, and

d. As required by 49 U.S.C. 5316(g)(2), before it transfers funds to a project funded under 49 U.S.C. 5336, that project has been or will have been coordinated with private nonprofit providers of services, and

e. As required by 49 U.S.C. 5316(c)(3), before using funds apportioned for projects serving an area other than that for which funding was apportioned under 49 U.S.C. 5316(c)(1)(B) or (C):

(1) The State's chief executive officer, or his or her designee, will have certified that all the JARC program objectives of 49 U.S.C. 5316 are being met in the area from which the funding would be derived,

(2) If the State has a statewide program for meeting the JARC program objectives of 49 U.S.C. 5316, the funds can be used for projects anywhere in the State.

2. Under 49 U.S.C. 5316(f)(1), the requirements of 49 U.S.C. 5307 apply to the JARC Program, authorized under 49 U.S.C. 5316. Therefore, as specified under 49 U.S.C. 5307(d)(1), the Applicant certifies that

a. As required by 49 U.S.C. 5307(d)(1)(A), it and each subrecipient has or will have the:

(1) Legal capacity to carry out its proposed projects,

(2) Financial capacity to carry out its proposed projects,

(3) Technical capacity to carry out its proposed projects,

(4) Safety aspects of its proposed projects, and

(5) Security aspects of its proposed projects,

b. As required by 49 U.S.C. 5307(d)(1)(B), it and each subrecipient has or will have satisfactory continuing control over the use of project equipment and facilities,

c. As required by 49 U.S.C. 5307(d)(1)(C), it and each subrecipient will maintain the project equipment and facilities adequately,

d. As required by 49 U.S.C. 5307(d)(1)(D), it and each subrecipient will ensure that the following individuals will be charged not more than fifty (50) percent of the peak hour fare for transportation during non-peak hours using or involving project facilities or equipment supported under 49 U.S.C. 5316:

(1) Elderly individuals,

(2) Individuals with disabilities, or

(3) Individuals presenting a Medicare card issued to himself or herself pursuant to title II or title XVIII of the Social Security Act (42 U.S.C. 401 et seq. or 42 U.S.C. 1395 et seq.),

e. As required by 49 U.S.C. 5307(d)(1)(E), when carrying out a procurement under the JARC Program, 49 U.S.C. 5316, it will:

(1) Use competitive procurement (as defined or approved by FTA),

(2) Not use exclusionary or discriminatory specifications in its procurements,

(3) Comply with applicable Buy America laws,

(4) Comply with the general provisions for FTA programs of 49 U.S.C. 5323, and

(5) Comply with the third party procurement requirements of 49 U.S.C. 5325,

f. As required by 49 U.S.C. 5307(d)(1)(F), it and each subrecipient has complied with or will comply with 49 U.S.C. 5307(c) because it:

(1) Has informed or will inform the public of the amount of its JARC Program funds available under 49 U.S.C. 5316, and the projects it proposes to undertake,

(2) Has developed or will develop, in consultation with interested parties including private transportation providers, the projects proposed to be funded,

(3) Has published or will publish a list of its projects in a way that affected citizens, private transportation providers, and local elected officials will have an opportunity to examine and submit comments on the proposed projects and its performance,

(4) Has provided or will provide an opportunity for a public hearing to obtain the views of citizens on the proposed projects,

(5) Has assured or will assure that the proposed projects provide for coordination of transportation services assisted under 49 U.S.C. 5336 with federally assisted transportation services supported by a Federal government source other than U.S. DOT,

(6) Has considered or will consider the comments and views received, especially those of private transportation providers, in preparing its final list of projects, and

(7) Has made or will make the final list of projects available to the public,

g. As required by 49 U.S.C. 5307(d)(1)(G), it and each subrecipient:

(1) Has or will have the amount of funds required for the local share,

(2) Will provide the local share funds from approved non-Federal sources except as permitted by Federal law, and

(3) Will provide the local share funds when needed,

h. As required by 49 U.S.C. 5307(d)(1)(H), it and each subrecipient will comply with:

(1) The requirements of 49 U.S.C. 5301(a) for public transportation systems that:

(a) Maximize the safe, secure, and efficient mobility of people,

(b) Minimize environmental impacts, and

(c) Minimize transportation-related fuel consumption and reliance on foreign oil,

(2) The requirements of 49 U.S.C. 5301(d) for special efforts to:

(a) Design public transportation for elderly individuals and individuals with disabilities, and

(b) Provide public transportation for elderly individuals and individuals with disabilities, and

(3) The requirements of 49 U.S.C. 5303—5306 for:

(a) Metropolitan and State Planning, and

(b) Private enterprise participation, and

i. As required by 49 U.S.C. 5307(d)(1)(I), it and each subrecipient has a locally developed process to solicit and consider public comment before:

(1) Raising a fare, or

(2) Implementing a major reduction of public transportation.

GROUP 20. NEW FREEDOM PROGRAM

Applies to awards for New Freedom Program funding, 49 U.S.C. 5317. Applicant is ultimately responsible for compliance with its certifications and assurances even though a subrecipient, lessee, third party contractor, or other participant may participate in that project, unless FTA determines otherwise in writing. Consequently, we strongly encourage Applicant to take the appropriate measures including, but not limited to, obtaining sufficient documentation from each subrecipient, to assure the validity of all certifications and assurances it has made.

1. The Applicant certifies that:

a. As required by 49 U.S.C. 5317(d)(4), it will make awards of New Freedom funding on a competitive basis following:

(1) An areawide solicitation in cooperation with the appropriate metropolitan planning organization for applications for funding under 5317(c)(1)(A) (see 49 U.S.C. 5317(d)(1)), and

(2) A statewide solicitation for applications for JARC funding under 49 U.S.C. 5317(c)(1)(B) or 49 U.S.C. 5317(c)(1)(C), (see 49 U.S.C. 5317(d)(2)),

b. As required by 49 U.S.C. 5317(e)(2), any allocations to subrecipients of funding authorized under 49 U.S.C. 5317 will be distributed on a fair and equitable basis,

c. As required by 49 U.S.C. 5317(f)(3):

(1) The projects it has selected or will select for funding under that program were derived from a public transit human services transportation plan that has been:

(a) Locally developed, and

(b) Coordinated,

(2) That locally developed, coordinated plan was produced through a process that included:

(a) Representatives of public, private, and nonprofit transportation providers,

(b) Representatives of human services public, private, and nonprofit providers, and

(c) Participation by the public, and

d. As required by 49 U.S.C. 5316(f)(2), before it transfers funds to a project funded under 49 U.S.C. 5336, that project has been or will have been coordinated with private nonprofit providers of services.

2. As permitted by 49 U.S.C. 5317(e)(1), the Federal Transit Administrator has selected certain requirements of 49 U.S.C. 5310 and 49 U.S.C. 5307 to be appropriate for the New Freedom Program, of which some require certifications. Therefore, as specified under 49 U.S.C. 5307(d)(1), the Applicant certifies that:

a. As required by 49 U.S.C. 5307(d)(1)(A), it and each subrecipient has or will have the:

(1) Legal capacity to carry out its proposed projects,

(2) Financial capacity to carry out its proposed projects,

(3) Technical capacity to carry out its proposed projects,

(4) Safety aspects of its proposed projects, and

(5) Security aspects of its proposed projects,

b. As required by 49 U.S.C. 5307(d)(1)(B), it and each subrecipient has or will have satisfactory continuing control over the use of project equipment and facilities,

c. As required by 49 U.S.C. 5307(d)(1)(C), it and each subrecipient will maintain the project equipment and facilities adequately,

d. As required by 49 U.S.C. 5307(d)(1)(E), when carrying out a procurement under the New Freedom Program authorized by 49 U.S.C. 5317, it and each subrecipient will:

(1) Use competitive procurement (as defined or approved by FTA),

(2) Not use exclusionary or discriminatory specifications in its procurements,

(3) Comply with applicable Buy America laws, and

(4) Comply with the general provisions for FTA programs of 49 U.S.C. 5323, and

(5) Comply with the third party procurement requirements of 49 U.S.C. 5325,

e. As required by 49 U.S.C. 5307(d)(1)(G), it and each subrecipient:

(1) Has or will have the amount of funds required for the local share,

(2) Will provide the local share funds from approved non-Federal sources except as permitted by Federal law, and

(3) Will provide the local share funds when needed, and

f. As required by 49 U.S.C. 5307(d)(1)(H), it will comply with:

(1) The requirements of 49 U.S.C. 5301(a) for public transportation systems that:

(a) Maximize the safe, secure, and efficient mobility of people,

(b) Minimize environmental impacts, and

(c) Minimize transportation-related fuel consumption and reliance on foreign oil,

(2) The requirements of 49 U.S.C. 5301(d) for special efforts to:

(a) Design public transportation for elderly individuals and individuals with disabilities, and (b) Provide public transportation for elderly individuals and individuals with disabilities, and

(3) The requirements of 49 U.S.C. 5303—5306 for:

(a) Metropolitan and State Planning, and

(b) Private enterprise participation.

GROUP 21. PAUL S. SARBANES TRANSIT IN PARKS PROGRAM

Applies to awards for Paul S. Sarbanes Transit in Parks Program (Parks Program) funding, 49 U.S.C. 5320.

The following certifications apply to each Applicant for funding under the Paul S. Sarbanes Transit in Parks Program (Parks Program) authorized under 49 U.S.C. 5320:

1. As required by 49 U.S.C. 5320(e)(D), the Applicant assures that it will consult with the appropriate Federal land management agency during the planning process.

2. As permitted by 49 U.S.C. 5320(i), the Federal Transit Administrator has selected certain requirements of 49 U.S.C. 5307 to be appropriate for the Parks Program, of which some require certifications. Therefore as specified under 49 U.S.C. 5307(d)(1), the Applicant certifies that:

a. As required by 49 U.S.C. 5307(d)(1)(A), it has or will have the:

(1) Legal capacity to carry out its proposed projects,

(2) Financial capacity to carry out its proposed projects,

(3) Technical capacity to carry out its proposed projects,

(4) Safety aspects of its proposed projects, and

(5) Security aspects of its proposed projects,

b. As required by 49 U.S.C. 5307(d)(1)(B), it has or will have satisfactory continuing control over the use of project equipment and facilities,

c. As required by 49 U.S.C. 5307(d)(1)(C), it will maintain the project equipment and facilities adequately,

d. As required by 49 U.S.C. 5307(d)(1)(E), when carrying out a procurement under the Parks Program, 49 U.S.C. 5320, it will:

(1) Use competitive procurement (as defined or approved by FTA),

(2) Not use exclusionary or discriminatory specifications in its procurements,

(3) Comply with applicable Buy America laws, and

(4) Comply with the general provisions for FTA programs of 49 U.S.C. 5323, and

(5) Comply with the third party procurement requirements of 49 U.S.C. 5325,

e. As required by 49 U.S.C. 5307(d)(1)(F) and 49 U.S.C. 5320(e)(2)(C), it has complied with or will comply with the requirements of 49 U.S.C. 5307(c). Specifically, it:

(1) Has made available, or will make available, to the public information on the amounts available for the Parks Program, 49 U.S.C. 5320, and the projects it proposes to undertake,

(2) Has developed or will develop, in consultation with interested parties including private transportation providers, projects to be financed,

(3) Has published or will publish a list of proposed projects in a way that affected citizens, private transportation providers, and local elected officials have the opportunity to examine the proposed projects and submit comments on the proposed projects and the performance of the Applicant,

(4) Has provided or will provide an opportunity for a public hearing to obtain the views of citizens on the proposed projects,

(5) Has considered or will consider the comments and views received, especially those of private transportation providers, in preparing its final list of projects, and

(6) Has made or will make the final list of projects available to the public,

f. As required by 49 U.S.C. 5307(d)(1)(G), it:

(1) Has or will have the amount of funds required for the local share,

(2) Will provide the local share funds from approved non-Federal sources except as permitted by Federal law, and

(3) Will provide the local share funds when needed,

g. As required by 49 U.S.C. 5307(d)(1)(H), it will comply with:

(1) The requirements of 49 U.S.C. 5301(a) for public transportation systems that:

(a) Maximize the safe, secure, and efficient mobility of people,

(b) Minimize environmental impacts, and

(c) Minimize transportation-related fuel consumption and reliance on foreign oil,

(2) The requirements of 49 U.S.C. 5301(d) for special efforts to:

(a) Design public transportation for elderly individuals and individuals with disabilities, and

(b) Provide public transportation for elderly individuals with disabilities, and

(3) The requirements of 49 U.S.C. 5303—5306 for:

(a) Metropolitan and State Planning, and

(b) Private enterprise participation, and

h. As required by 49 U.S.C. 5307(d)(1)(I), it has a locally developed process to solicit and consider public comment before:

(1) Raising a fare, or

(2) Implementing a major reduction of public transportation.

GROUP 22. TRIBAL TRANSIT PROGRAM

Applies to awards for Tribal Transit Program funds, 49 U.S.C. 5311(c)(1).

As permitted by 49 U.S.C. 5311(c)(1) the Federal Transit Administrator has established terms and conditions for direct grants funded under FTA's Tribal Transit Program authorized under 49 U.S.C. 5311(c)(1) for Indian tribal governments. To ensure compliance with those requirements, the Indian tribal government serving as the Applicant certifies and assures that:

1. It has or will have the necessary legal, financial, and managerial capability to:

a. Apply, receive and disburse 49 U.S.C. 5311(c)(1) funding, and

b. Carry out each project, including the:

(1) Safety aspects of its proposed projects, and

(2) Security aspects of its proposed projects,

2. It has or will have satisfactory continuing control over the use of project equipment and facilities,

3. The project equipment and facilities will be adequately maintained,

4. Its project will achieve maximum feasible coordination with transportation service assisted by other Federal sources,

5. It will:

a. Have a procurement system that complies with U.S. DOT regulations, ''Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments,'' 49 C.F.R. part 18, specifically 49 CFR 18.36, or

b. Inform FTA promptly that its procurement system does not comply with those U.S. DOT regulations, and

6. It will comply with the certifications, assurances, and agreements in:

a. Group 08 (Bus Testing),

b. Group 09 (Charter Bus Agreement),

c. Group 10 (School Transportation Agreement),

d. Group 11 (Demand Responsive Service),

e. Group 12 (Alcohol Misuse and Prohibited Drug Use), and

f. Group 14 (National Intelligent Transportation Systems Architecture and Standards).

GROUP 23. TIFIA PROJECTS

Applies to awards for Transportation Infrastructure Finance and Innovation Act (TIFIA) credit assistance authorized under 23 U.S.C. chapter 6.

The following certifications apply to each Applicant for funding under the Transportation Infrastructure Finance and Innovation Act (TIFIA) Program authorized under 23 U.S.C. chapter 6:

1. Federal transit law, specifically 49 U.S.C. 5323(o) requires an Applicant for TIFIA credit assistance funded under 23 U.S.C. chapter 6 and its project to comply with 49 U.S.C. 5307. As required by 49 U.S.C. 5307(d)(1), the Applicant certifies that:

a. As required by 49 U.S.C. 5307(d)(1)(A), it has or will have the:

(1) Legal capacity to carry out its proposed projects,
(2) Financial capacity to carry out its proposed projects,
(3) Technical capacity to carry out its projects,
(4) Safety aspects of its proposed projects, and
(5) Security aspects of its proposed projects,

b. As required by 49 U.S.C. 5307(d)(1)(B), it has or will have satisfactory continuing control over the use of project equipment and facilities,

c. As required by 49 U.S.C. 5307(d)(1)(C), it will maintain the project equipment and facilities adequately,

d. As required by 49 U.S.C. 5307(d)(1)(D), it will ensure that the following individuals will be charged not more than fifty (50) percent of the peak hour fare for transportation during non-peak hours using or involving project facilities or equipment supported under 23 U.S.C. chapter 6:

(1) Elderly individuals,
(2) Individuals with disabilities, or
(3) Individuals presenting a Medicare card issued to himself or herself pursuant to title II or title XVIII of the Social Security Act (42 U.S.C. 401 et seq. or 42 U.S.C. 1395 et seq.),

e. As required by 49 U.S.C. 5307(d)(1)(E), when carrying out a procurement supported with TIFIA funding under 23 U.S.C. chapter 6, it will:

(1) Use competitive procurement (as defined or approved by FTA),
(2) Not use exclusionary or discriminatory specifications in its procurements,
(3) Comply with applicable Buy America laws, and
(4) Comply with the general provisions for FTA programs of 49 U.S.C. 5323, and
(5) Comply with the third party procurement requirements of 49 U.S.C. 5325,

f. As required by 49 U.S.C. 5307(d)(1)(F), it has complied or will comply with 49 U.S.C. 5307(c) because it:

(1) Has informed or will inform the public of the amounts of its TIFIA credit assistance available under 23 U.S.C. chapter 6, and the projects it proposes to undertake,
(2) Has developed or will develop, in consultation with interested parties including private transportation providers, the projects it proposes to fund,
(3) Has published or will publish a list of its projects in a way that affected citizens, private transportation providers, and local elected officials will have an opportunity to examine and submit comments on the proposed projects and its performance,
(4) Has provided or will provide an opportunity for a public hearing to obtain the views of citizens on the proposed projects,
(5) Has assured or will assure that the proposed projects provide for coordination of transportation services assisted under 49 U.S.C. 5336 with federally assisted transportation services supported by a Federal government source other than U.S. DOT,
(6) Has considered or will consider the comments and views received, especially those of private transportation providers, in preparing its final list of projects, and
(7) Has made or will make the final list of projects available to the public,

g. As required by 49 U.S.C. 5307(d)(1)(G), it:

(1) Has or will have the amount of funds required for the local share,
(2) Will provide the local share funds from approved non-Federal sources except as permitted by Federal law, and
(3) Will provide the local share funds when needed,

h. As required by 49 U.S.C. 5307(d)(1)(H), the Applicant will comply with:

(1) The requirements of 49 U.S.C. 5301(a) for public transportation systems that:
    (a) Maximize the safe, secure, and efficient mobility of people,
    (b) Minimize environmental impacts, and
    (c) Minimize transportation-related fuel consumption and reliance on foreign oil,
(2) The requirements of 49 U.S.C. 5301(d) for special efforts to:
    (a) Design public transportation for elderly individuals and individuals with disabilities, and
    (b) Provide public transportation for elderly individuals and individuals with disabilities, and
(3) The requirements of 49 U.S.C. 5303–5306
    (a) Metropolitan and State Planning, and
    (b) Private enterprise participation,

i. As required by 49 U.S.C. 5307(d)(1)(I), it has a locally developed process to solicit and consider public comment before:

(1) Raising a fare, or
(2) Implementing a major reduction of public transportation,

j. As required by 49 U.S.C. 5307(d)(1)(J), if it serves an urbanized area with a population of at least 200,000:

(1) Each fiscal year it will spend at least one (1) percent of its funding attributed to 49 U.S.C. 5307 for public transportation security projects, or
(2) That fiscal year, it will certify that such expenses for transportation security projects are not necessary,

(3) Public transportation security projects include:

(a) Increased lighting in or adjacent to a public transportation system (including bus stops, subway stations, parking lots, and garages),

(b) Increased camera surveillance of an area in or adjacent to that system,

(c) Emergency telephone line or lines to contact law enforcement or security personnel in an area in or adjacent to that system, and

(d) Any other project intended to increase the security and safety of an existing or planned public transportation, and

k. As required by 49 U.S.C. 5307(d)(1)(K), if it serves an urbanized area with a population of at least 200,000:

(1) Each fiscal year, it or all the Recipients of 49 U.S.C. 5307 funding in its urbanized area will spend at least one (1) percent of that funding for transit enhancements, as defined at 49 U.S.C. 5302(a),

(2) It will include in its quarterly report for the fourth quarter of the preceding Federal fiscal year a list of the projects during that Federal fiscal year using those 49 U.S.C. 5307 funds, and

(3) The report of its transit enhancement projects is or will be incorporated by reference and made part of its certifications and assurances.

2. Federal transit law at 49 U.S.C. 5323(o) requires an Applicant for TIFIA credit assistance funded under 23 U.S.C. chapter 6 and its project to comply with 49 U.S.C. 5309. As required by 49 U.S.C. 5309(g)(2)(B)(iii), 5309(g)(3)(B)(iii), and 5309(i)(2)(C), the Applicant certifies that it will not seek reimbursement for interest and other financing costs incurred in connection with the Project unless:

a. It is eligible to receive Federal funding for those expenses, and

b. Its records demonstrate that it has used reasonable diligence in seeking the most favorable financing terms underlying those costs, to the extent FTA may require.

GROUP 24. DEPOSITS OF FEDERAL FINANCIAL FUNDING TO STATE INFRASTRUCTURE BANKS

Applies to awards for 49 U.S.C. chapter 53 funding on behalf of a State Applicant that intends to deposit the funding in a State Infrastructure Bank (SIB). Unless we determine otherwise in writing, the State Applicant itself is ultimately responsible for compliance with its certifications and assurances even though the SIB and a subrecipient may participate in a project financed with our funds deposited in the SIB. Consequently, we encourage the Applicant to take appropriate measures to obtaining sufficient documents from the SIB and each subrecipient, to assure the validity of all certifications and assurances the State Applicant has made.

The following certifications apply to each Applicant for funding under the State Infrastructure Bank Program authorized under 23 U.S.C. 610. The State organization, serving as the Applicant for funding for its State Infrastructure Bank (SIB) Program, assures the agreement of both its SIB and each recipient of SIB funding (subrecipient) that each public transportation project financed with SIB funds will be administered in accordance with:

1. The applicable Federal laws establishing the various SIB programs since 1995:

a. Section 1602 of SAFETEA–LU, now codified in 23 U.S.C. 610, or

b Section 1511 of TEA–21, 23 U.S.C. 181 note, or

c. Section 350 of the National Highway System Designation Act of 1995, as amended, 23 U.S.C. 181,

2. The Cooperative Agreement establishing the State's SIB program between:

a. The State Applicant and Federal parties (FHWA, FRA, and FTA), or

b. The State Applicant and Federal parties (FHWA and FTA),

3. The Grant Agreement with the State Applicant that provides FTA funding for the SIB, except that any provision of the FTA Master Agreement incorporated by reference into that Grant Agreement will not apply if it conflicts with any provision of:

a. Section 1602 of SAFETEA–LU, now codified in 23 U.S.C. 610,

b. Section 1511 of TEA–21, 23 U.S.C. 181 note, or section 350 of the National Highway System Designation Act of 1995, as amended, 23 U.S.C. 181 note, or

c. Federal guidance pertaining to the SIB Program,

d. The Cooperative Agreement establishing the State's SIB Program, or

e. The FTA Grant Agreement,

4. As required by 49 U.S.C. 5323(o), Federal transit laws, specifically 49 U.S.C. 5307 and 49 U.S.C. 5309, apply to any project under 49 U.S.C. chapter 53 that receives SIB support or financing under 23 U.S.C. 610 (or any support from 23 U.S.C. 601–608.). Therefore:

a. To comply with 49 U.S.C. 5307, specifically 49 U.S.C. 5307(d)(1), the Applicant certifies that:

(1) As required by 49 U.S.C. 5307(d)(1)(A), it has or will have the:

(a) Legal capacity to carry out its proposed projects,

(b) Financial capacity to carry out its proposed projects,
(c) Technical capacity to carry out its proposed projects,
(d) Safety aspects of its proposed projects, and
(e) Security aspects of its proposed projects,

(2) As required by 49 U.S.C. 5307(d)(1)(B), it has or will have satisfactory continuing control over the use of project equipment and facilities,

(3) As required by 49 U.S.C. 5307(d)(1)(C), it will maintain the project equipment and facilities adequately,

(4) As required by 49 U.S.C. 5307(d)(1)(D), it will ensure that the following individuals will be charged not more than fifty (50) percent of the peak hour fare for transportation during non-peak hours using or involving project facilities or equipment supported under 23 U.S.C. chapter 6:

(a) Elderly individuals,
(b) Individuals with disabilities, or
(c) Individuals presenting a Medicare card issued to himself or herself pursuant to title II or title XVIII of the Social Security Act (42 U.S.C. 401 et seq. or 42 U.S.C. 1395 et seq.),

(5) As required by 49 U.S.C. 5307(d)(1)(E), when carrying out a procurement supported by the SIB program, 23 U.S.C. 610, it will:

(a) Use competitive procurement (as defined or approved by FTA),
(b) Not use exclusionary or discriminatory specifications in its procurements,
(c) Comply with applicable Buy America laws, and
(d) Comply with the general provisions for FTA programs of 49 U.S.C. 5323, and
(e) Comply with the third party procurement requirements of 49 U.S.C. 5325,

(6) As required by 49 U.S.C. 5307(d)(1)(F), it has complied with or will comply 49 U.S.C. 5307(c) because it:

(a) Has informed or will inform the public of the amounts of its SIB funding under 23 U.S.C. 610, and the projects it proposes to undertake,
(b) Has developed or will develop, in consultation with interested parties including private transportation providers, the projects proposed to be funded,
(c) Has published or will publish a list of its projects in a way that affected citizens, private transportation providers, and local elected officials will have an opportunity to examine and submit comments on the proposed projects and its performance,
(d) Has provided or will provide an opportunity for a public hearing to obtain the views of citizens on the proposed projects,
(e) Has assured or will assure that the proposed projects provide for coordination of transportation services assisted under 49 U.S.C. 5336 with federally assisted transportation services supported by a Federal government source other than U.S. DOT,
(f) Has considered or will consider the comments and views received, especially those of private transportation providers, in preparing its final list of projects, and
(g) Has made or will make the final list of projects available to the public,

(7) As required by 49 U.S.C. 5307(d)(1)(G), it:

(a) Has or will have the amount of funds required for the local share,
(b) Will provide the local share funds from approved non-Federal sources except as permitted by Federal law, and
(c) Will provide the local share funds when needed,

(8) As required by 49 U.S.C. 5307(d)(1)(H), the Applicant will comply with:

(a) The requirements of 49 U.S.C. 5301(a) for public transportation systems that:
1 Maximize the safe, secure, and efficient mobility of people,
2 Minimize environmental impacts, and
3 Minimize transportation-related fuel consumption and reliance on foreign oil,
(b) The requirements of 49 U.S.C. 5301(d) for special efforts to:
1 Design public transportation for elderly individuals and individuals with disabilities, and
2 Provide public transportation for elderly individuals and individuals with disabilities, and
(c) The requirements of 49 U.S.C. 5303–5306 for:
1 Metropolitan and State Planning, and
2 Private enterprise participation,

(9) As required by 49 U.S.C. 5307(d)(1)(I), it has a locally developed process to solicit and consider public comment before:

(a) Raising a fare, or
(b) Implementing a major reduction of public transportation,

(10) As required by 49 U.S.C. 5307(d)(1)(J), if it will be using 49 U.S.C. 5307 funds and it serves an urbanized area with a population of at least 200,000:

(a) Each fiscal year, it will spend at least one (1) percent of its 49 U.S.C. 5307 funding for public transportation security projects, or

(b) That fiscal year, it will certify that such expenses for transportation security projects are not necessary,

(c) Public transportation security projects include:

1 Increased lighting in or adjacent to a public transportation system (including bus stops, subway stations, parking lots, and garages),

2 Increased camera surveillance of an area in or adjacent to that system,

3 Emergency telephone line or lines to contact law enforcement or security personnel in an area in or adjacent to that system, and

4 Any other project intended to increase the security and safety of an existing or planned public transportation project, and

(11) As required by 49 U.S.C. 5307(d)(1)(K), if it will be using 49 U.S.C. 5307 funds and it serves an urbanized area with a population of at least 200,000:

(a) Each fiscal year, it or all the Recipients of 49 U.S.C. 5307 funding in its urbanized area will spend at least one (1) percent of that funding for transit enhancements, as defined in 49 U.S.C. 5302(a),

(b) It will include in its quarterly report for the fourth quarter of the preceding Federal fiscal year a list of the projects during that Federal fiscal year using those 49 U.S.C. 5307 funds, and

(c) The report of its transit enhancement projects is or will be incorporated by reference and made part of its certifications and assurances.

b. To comply with 49 U.S.C. 5309, specifically 49 U.S.C. 5309(g)(2)(B)(iii), 5309(g)(3)(B)(iii), and 5309(i)(2)(C), the Applicant certifies that it will not seek reimbursement for interest and other financing costs incurred in connection with the Project unless:

(1) It is eligible to receive Federal funding for those expenses, and

(2) Its records demonstrate that it has used reasonable diligence in seeking the most favorable financing terms underlying those costs, to the extent FTA may require.

3. Federal guidance that may be issued and amendments thereto, unless FTA has provided written approval of an alternative procedure or course of action.

APPENDIX A

Title VI Agreement / Contract Requirements

During the performance of this contract, the contractor, for itself, its assignees and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

(1) Compliance with Regulations: The contractor shall comply with the Regulation relative to nondiscrimination in federally-assisted programs of the Department of Transportation (hereinafter, "DOT") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time, (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.

(2) Nondiscrimination: The contractor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, national origin, or sex in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.

(3) Solicitations for Subcontractors, Including Procurements of Materials and Equipment: In all solicitations either by competitive bidding or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the contractor of the contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, national origin, or sex.

(4) Information and Reports: The contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Arizona Department of Transportation or the Federal Highway Administration to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information the contractor shall so certify to the Arizona Department of Transportation, or the Federal Highway Administration as appropriate, and shall set forth what efforts it has made to obtain the information.

(5) Sanctions for Noncompliance: In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, the Arizona Department of Transportation shall impose such contract sanctions as it or the Federal Highway Administration may determine to be appropriate, including, but not limited to:

a) withholding of payments to the contractor under the contract until the contractor complies, and/or
b) cancellation, termination or suspension of the contract, in whole or in part.

(6) Incorporation of Provisions: The contractor shall include the provisions of paragraphs (1) through (6) in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations, or directives issued pursuant thereto.

The contractor shall take such action with respect to any subcontract. or procurement as the Arizona Department of Transportation or the Federal Highway Administration may direct as a means of enforcing such provisions including sanctions for non-compliance: Provided, however, that, in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the contractor may request the Arizona Department of Transportation to enter into such litigation to protect the interests of the Arizona Department of Transportation, and, in addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

APPENDIX B

Title VI Agreement / Contract Requirements

The following clauses shall he included in any and all deeds effecting or recording the transfer of real property, structures or improvements thereon, or interest therein from the United States.

(GRANTING CLAUSE)

NOW, THEREFORE, the Department of Transportation, as authorized by law, and upon the condition that the Arizona Department of Transportation will accept title to the lands and maintain the project constructed thereon, in accordance with Title 23, United States Code the Regulations for the Administration of Federal Aid for Highways and the policies and procedures prescribed by Federal Highway Administration of the Department of Transportation and, also in accordance with and in compliance with all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation (hereinafter referred to as the Regulations) pertaining to and effectuating the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252; 42 U.S.C. .2000d to 2000d-4), and the Civil Rights Restoration Act of 1987 (Public Law 100.259) does hereby remise, release, quitclaim and convey unto the Arizona Department of Transportation all the right, title and interest of the Department of Transportation in and to said lands described in Exhibit "A" attached hereto and made a part hereof.

(HABENDUM CLAUSE)

TO HAVE AND TO HOLD said lands and interests therein unto Arizona Department of Transportation and its successors forever, subject, however, to the covenants, conditions, restrictions and reservations herein contained as follows, which will remain in effect for the period during which the real property or structures are used for a purpose for which Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits and shall be binding on the Arizona Department of Transportation, its successors and assigns.

The Arizona Department of Transportation, in consideration or the conveyance of said lands and interests in lands, does hereby covenant and agree as a covenant running with the land for itself, its successors and assigns, that (1) no person shall on the grounds of race, color, national origin, or sex he excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination with regard to any facility located wholly or in part on over or under such lands hereby conveyed [and)* (2) that the Arizona Department of Transportation shall use the lands and interests in lands and interests in lands so conveyed, in compliance with all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of -the Secretary, Part 21, Nondiscrimination in federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and the Civil Rights Restoration Act of 1987 (Public Law 100.259) and as said Regulations may be amended and (3) that in the event of breach of any of the above-mentioned nondiscrimination conditions, the Department shall have a right to re-enter said lands and facilities on said land, and the above described land and facilities shall thereon revert to and vest in and become the absolute property of the Department of Transportation and its assigns as such interest existed prior to this instruction.*

***Reverter clause and related language to be used only when it is determined that such a clause is necessary in order to effectuate the purposes of Title VI of the Civil Rights Act of 1964.**

APPENDIX C

Title VI Agreement / Contract Requirements

The following clauses shall be included in all deeds, licenses, leases, permits, or similar instruments entered into by the Arizona Department of Transportation pursuant to the provisions of Assurance 7(a).

The (grantee, licensee, lessee, permitee, etc., as appropriate) for himself, his heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree [in the case of deeds and leases add "as a covenant running with the land"] that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this (deed, license, lease, permit, etc.) for a purpose for which a Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, the (grantee, licensee, lessee, permitee, etc.) shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation Effectuation of Title VI of the Civil Rights Act of 1964, the Civil Rights Restoration Act of 1987 (Public Law 100.259) and as said Regulations may be amended.

[Include in licenses, leases, permits, etc.]*

That in the event of breach of any of the above nondiscrimination covenants, Arizona Department of Transportation shall have the right to terminate the [license, lease, permit, etc.] and to re-enter and repossess said land and the facilities thereon, and hold the same as if said [licenses, lease, permit, etc.] had never been made or issued.

[Include in deeds]*

That in the event of breach of any of the above nondiscrimination covenants, Arizona Department of Transportation shall have the right to re-enter said lands and facilities thereon, and the above described lands and facilities shall thereupon revert to and vest in and become the absolute property of Arizona Department of Transportation and its assigns.

The following shall be included in all deeds, licenses, leases, permits, or similar agreements entered into by Arizona Department of Transportation pursuant to the provisions of Assurance 7(b).

The (grantee, licensee, lessee, permitee, etc. as appropriate) for himself, his personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds, and leases add "as a covenant running with the land") that (1) no person on the ground of race, color, national origin, or sex shall be excluded from participation in, denied the benefits of, or he otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over or under such land and the furnishing of services thereon, no person on the ground of, race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the (grantee, licensee, lessee, permitee, etc.) shall use the premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations. Department of Transportation, Subtitle A, Office of the Secretary. Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964), and the Civil Rights Restoration Act of 1987 (Public Law 100.259) and as said Regulations may be amended.

[Include in licenses, leases, permits, etc.]*

That in the event of breach of any of the above nondiscrimination covenants, Arizona Department of Transportation shall have the right to terminate the [license, lease, permit, etc.] and to re-enter and repossess said land and the facilities thereon, and hold the same as if said [license, lease, permit, etc.] had never been made or issued.

[Include in deeds]*

That in the event of breach of any of the above nondiscrimination covenants, Arizona Department of Transportation shall have the right to re-enter said land and facilities thereon, and the above described lands and facilities shall thereupon revert to and vest in and become the absolute property of Arizona Department of Transportation and its assigns.

***Reverter clause and related language to be used only when it is determined that such a clause is necessary in order to effectuate the purposes of Title VI of the Civil Rights Act of 1964.**

CENTRAL
ARIZONA
ASSOCIATION OF
GOVERNMENTS

ADMINISTRATIVE OFFICE

1075 S. IDAHO ROAD
SUITE 300
APACHE JUNCTION, ARIZONA 85119

Serving Gila & Pinal Counties since 1970!

2011 ADOT Section 5316 / 5317 Grant Award Notifications

November 15, 2011:

Gila County GEST
5515 South Apache Ave. Suite 200
Globe, AZ 85501

Dear Mr. David B. Caddell

This letter is to officially notify your agency that your grant request for 2011 has been awarded.

Grant Program	Award	Project Description	Federal Amount	Local Match Amount
Gila County GEST	A List	Operating- Job Access Reverse Commute	20,000	20,000
Gila County GEST	A List	4X4 Quad Crew Cab	22,400	5,600
Gila County GEST	B List	Cutaway With Lift	55,800	6,200
Gila County GEST	B List	Minivan No Ramp	23,400	2,600

'A' List award(s) have been funded. 'B' List award(s) will be funded if and when funding becomes available. Final award amounts are based on available funding.

Within the next few months your agency will receive official notification(s) from ADOT for the submittal of your agency's matching funds for capital awards. Local matching funds will be requested by ADOT during the first quarter of 2011 (January, February, and March).

You will be required to sign a contract (Grant Agreement) that will include your application as a part of the contract, in terms of scope, and intended use of your award. This contract is non-negotiable and MUST be signed **when you submit your match money and prior to picking up your vehicle.**

Procurement of your vehicle will be provided through ADOT, so please contact Loretta Crimi for information regarding updates on your vehicle(s). (lcrimi@azdot.gov)

If you are receiving operating funds, your contract (Grant Agreement) will be e-mailed to your agency for signature, and promptly returned to ADOT. Your application will be part of this contract, and is non-negotiable. It MUST be fully executed prior to submitting invoices, or being reimbursed.

Please acknowledge receipt of this notification via email. If you have any questions, please feel free to give me a call anytime.

Sincerely,

Martin Lucero
CAAG Transportation Planner II

ARF-1180 **Regular Agenda Item 3- F**

Regular BOS Meeting

Meeting Date: 04/03/2012

Submitted For:	Bryan Chambers, Chief Deputy County Attorney	Submitted By:	Bryan Chambers, Chief Deputy County Attorney, County Attorney
Department:	County Attorney		
Fiscal Year:	2012	Budgeted?:	No
Contract Dates Begin & End:	NA	Grant?:	No
Matching Requirement?:	No	Fund?:	New
Presenter's Name:	Bryan Chambers		

Information

Request/Subject

Request for Board of Supervisors authorization for County Attorney's Office to sign on behalf of the Board a Stipulated Judgment to resolve the Town of Star Valley v. Payson Water Co., CV 2011-00438 condemnation lawsuit (eminent domain).

Background Information

The Town of Star Valley has brought a condemnation action to use its power of eminent domain to acquire the Payson Water Company. (Town of Star Valley v. Payson Water Co., CV 2011-00438.) The Town and the Payson Water Company have reached an agreement regarding the compensation and other terms for the transfer of the water company to the Town. Because the water company is a private business that must pay property taxes, the County has an interest in seeing that all property taxes are paid on the property at the time the property is acquired by the Town. The proposed Judgment would prorate the estimated 2012 taxes so that the prorated taxes would be paid to the County at the time of the transfer.

Evaluation

The County’s sole interest in the lawsuit is in ensuring that the appropriate amount of property taxes is paid on the property before it transfers to the Town of Star Valley. The County does not have standing to either support or oppose the transfer of the property to the Town.

Conclusion

Authorizing the County Attorney's Office to sign the Stipulated Judgment on behalf of the County would ensure that the County receives all property taxes owed by the property to the County at the time of the transfer of the property to the Town of Star Valley. If, for whatever reason, the Court rejected the Stipulated Judgment, the Stipulated Judgment would not take effect and the Payson Water Company's property tax liability would continues as it is now.

Recommendation

The Gila County Attorney's Office recommends that the Board of Supervisors authorize the County Attorney's Office to sign the Stipulated Judgment on behalf of the County.

Suggested Motion

Information/Discussion/Action to authorize the Gila County Attorney's Office to sign on behalf of the County the Stipulated Judgment in Town of Star Valley v. Payson Water Co., CV 2011-00438. Pursuant to A.R.S. § 38-431.03(A)(3) the Board may vote to go into executive session to receive legal advice from its attorney. Pursuant to A.R.S. § 38-431.03(A)(4) the Board may vote to go into executive session in order to consider its position and instruct its attorneys regarding the Board's position in settlement discussion to resolve the lawsuit.
(Bryan Chambers)

Attachments

Stipulated Judgment
Exhibit A
Water Company Map
Settlement Memo
Stipulated Final Order

Michael W. Patten (No. 009796)
Timothy J. Sabo (No. 021309)
ROSHKA DEWULF & PATTEN, PLC
One Arizona Center
400 East Van Buren Street, Suite 800
Phoenix, AZ 85004
Telephone: (602) 256-6100
mpatten@rdp-law.com
tsabo@rdp-law.com

Timothy W. Grier (No. 020472)
Town Attorney
Town of Star Valley
3675 East Highway 260
Star Valley, Arizona 85541
Telephone: (928) 472-7752
townmanager@ci.star-valley.az.us

Attorneys for Plaintiff Town of Star Valley

IN THE SUPERIOR COURT OF THE STATE OF ARIZONA

IN AND FOR THE COUNTY OF GILA

TOWN OF STAR VALLEY, a municipal corporation of the State of Arizona, Plaintiff, v. PAYSON WATER CO., INC., an Arizona corporation; COUNTY OF GILA, a political subdivision of the State of Arizona; JOHN DOES 1 through 10; and BLACK AND WHITE PARTNERSHIPS 1 through 10, Defendants.	No. CV 2011-00438 **STIPULATED FINAL JUDGMENT IN CONDEMNATION** (Hon. Peter J. Cahill)

This matter came before the Court pursuant to the complaint to condemn a portion of the system of Payson Water Co., Inc., an Arizona corporation ("PWC"), by Plaintiff, the Town of Star Valley, a municipal corporation (the "Town"). After considering the complaint, the Court noting the consent of the parties to entry of this judgment, it

appearing that other than Gila County, there are no persons other than PWC having any right, title, claim or interest in and to the property and/or title, claim, or interest in and to the property and/or assets which are the subject of this condemnation proceeding and this Stipulated Final Judgment in Condemnation, and good cause appearing, hereby finds and concludes as follows:

NOW, THEREFORE, IT IS ORDERED, ADJUDGED, AND DECREED that judgment be, and the same is, hereby entered as follows:

1. That the Town have judgment condemning for its sole use, possession, and ownership all of the plant, system, and business of PWC, including, but not limited to, all fee and/or leaseholds in real property legally described in **Exhibit A** attached hereto, all easements, water wells, pumps, water plants, substations, water distribution systems, customer accounts, books and records used and useful in providing water utility services, and all tangible, intangible, personal, or real property rights or interests in any way related to PWC (the "Town System"). The Town System also includes that portion of the PWC Certificate of Convenience and Necessity as shown the "Star/Quail Valley" system on the map attached hereto as **Exhibit B**. PWC shall, upon satisfaction of this Stipulated Final Judgment in Condemnation, be forever barred from asserting any right, title, or interest contrary to the sole and exclusive ownership and possessory interest vested in the Town in said property;

2. That the Town shall pay by wire transfer into escrow the total sum of $775,000.00 to be released to PWC on May 1, 2012 at 9:00 a.m., in accordance with the Escrow Instructions attached hereto as **Exhibit C**;

3. That Gila County will receive from escrow the sum of $2,494.53 for any property taxes due and unpaid relating to the Town System for the period ending May 1, 2012. This sum will be applied to parcel 941-01-005 (which consists of parcels 302-57-

036, 302-60-004E, 302-60-052A, and 302-80-138). Other than as set forth in this Paragraph, all claims to property tax by Gila County for the Town System (parcels 302-57-036, 302-60-004E, 302-60-052A, and 302-80-138) are extinguished.

4. That said payment shall constitute full, fair, and final just compensation to PWC for the condemnation of its property in its "as is, where is, with all faults" condition, and no further payments of any kind by the Town to PWC for the Town System shall be required. Provided, however, that the foregoing is limited by the representations and warranties of PWC set forth in Paragraph 6 of the Settlement Memorandum entered into on or about December 29, 2011 (attached as **Exhibit D**) by and between PWC and the Town, and that the provisions of the said Paragraph 6 are incorporated herein by reference.

5. That each party shall bear its own attorneys' fees, costs, and expenses in connection with this action;

6. That PWC shall, upon payment from escrow of the sum specified in Paragraph 2 (less any taxes claimed by Gila County), promptly execute a Satisfaction of Judgment with regard to the Stipulated Final Judgment in Condemnation and deliver same to the Town, which Satisfaction of Judgment shall be promptly filed with this Court;

7. That the Court shall, upon the filing of the Satisfaction of Judgment, enter the Stipulated Final Order of Condemnation in the form attached hereto as **Exhibit E**, vesting in the Town sole use, possession, and ownership to all of the property and property rights described in Paragraph 1, free and clear of any and all claims by, through, or on behalf of PWC and without the necessity of any other consents, orders, or approvals by any governmental entities;

8. That this Stipulated Final Judgment in Condemnation constitutes a final and conclusive determination as to all issues raised in the Town's complaint, and all matters pertaining to just compensation due for the taking of the PWC property and property

rights, including, without limitation, any claims for damages of any kind or other relief resulting from this proceeding, and shall constitute the final judgment in this proceeding in all respects. To the extent necessary, PWC specifically waives any right it may otherwise possess, in law or in equity, to appeal this Stipulated Final Judgment in Condemnation;

9. That PWC shall execute such documents and take such further action as may be reasonably required and necessary to fully implement the intent of the parties and as may be reasonably required and necessary to fully effectuate the provisions set forth in this Stipulated Final Judgment in Condemnation.

10. That PWC shall surrender possession of the Town System to the Town on May 1, 2012 at 9:00 AM, and that the Town shall be authorized to take possession of the Town System on the same time and date.

11. That as of May 1, 2012, at 9:00 AM, that portion of PWC's Certificate of Convenience and Necessity for the Town System (as shown the "Star/Quail Valley" system on the map attached hereto as **Exhibit B)** be forever terminated and extinguished.

DONE IN OPEN COURT this ____ day of _____, 2012.

_____
Hon. Peter J. Cahill
Judge of the Superior Court

APPROVED AS TO FORM AND CONTENT:

TOWN OF STAR VALLEY

By:_____

Timothy W. Grier
Town Attorney
Town of Star Valley
3675 East Highway 260
Star Valley, Arizona 85541
Telephone: (928) 472-7752
townmanager@ci.star-valley.az.us

and

Michael W. Patten (No. 009796)
Timothy J. Sabo (No. 021309)
ROSHKA DEWULF & PATTEN, PLC
One Arizona Center
400 East Van Buren Street, Suite 800
Phoenix, AZ 85004
Telephone: (602) 256-6100
mpatten@rdp-law.com
tsabo@rdp-law.com

Attorneys for Plaintiff Town of Star Valley

FENNEMORE CRAIG, P.C.

_____

Jay L. Shapiro
Attorneys for Defendant Payson Water Co., Inc.

GILA COUNTY, ARIZONA
Daisy Flores, County Attorney

By:_____

Bryan B. Chambers
Chief Deputy County Attorney

ORIGINAL of the foregoing filed
this ___ day of_____, 2012 with:

Clerk of the Court
Gila County Superior Court
1400 E. Ash Street
Globe, Arizona 85501

COPY of the foregoing hand-delivered
this ___ day of_____, 2012 with:

Hon. Peter J. Cahill
Judge of the Superior Court
Gila County Superior Court
1400 E. Ash Street
Globe, Arizona 85501

COPY of the foregoing mailed
this _____ day of _____, 2012, to:

Jay Shapiro, Esq.
Fennemore Craig, P.C.
3003 North Central Avenue, Suite 2600
Phoenix, Arizona 85012

Attorneys for Defendant Payson Water Co., Inc.

Bryan B. Chambers, Esq.
Gila County Attorney's Office
1400 E. Ash Street
Globe, Arizona 85501

Attorneys for Defendant Gila County, Arizona

_____

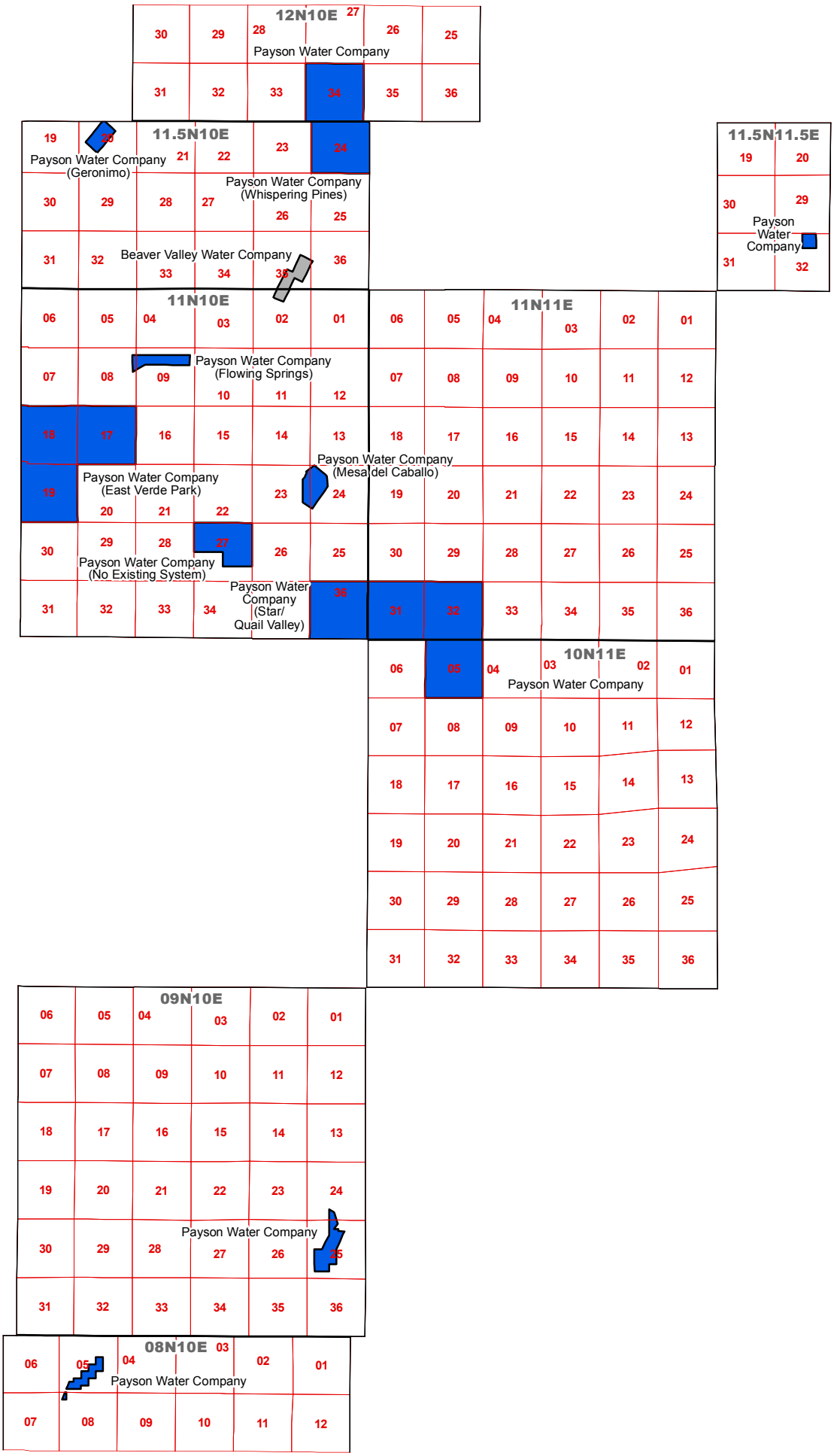
<u>Exhibit A</u>

“Described Area” as defined in the Complaint in Condemnation:

Township 11 North, Range 10 East, Section 36
Township 11 North, Range 11 East, Sections 31 and 32
Township 10 North, Range 11 East, Section 05

All of the foregoing in Gila County, Arizona

Payson Water Company, Inc.



SETTLEMENT MEMORANDUM

THIS SETTLEMENT MEMORANDUM (the "Memorandum") is made and entered into as of the 29th day of December 2011 by and between **PAYSON WATER COMPANY, INC.**, an Arizona corporation (the "Water Company") and the **TOWN OF STAR VALLEY**, a municipal corporation and a political subdivision of the State of Arizona (the "Town") (individually, a "Party" and collectively, "Parties").

RECITALS

A. Water Company is a public service corporation, and holds a Certificate of Convenience and Necessity ("CC&N") granted by the Arizona Corporation Commission ("Commission"), together with other required permits and governmental approvals authorizing it to serve the public with water utility service in certain parts of Gila County, Arizona.

B. Water Company owns two water systems serving the Town of Star Valley, which system's location and make up are generally described on **Exhibit A** attached hereto and incorporated herein by this reference (the "Town System"). The Town System is Public Water System No. 04-037 as registered with the Arizona Department of Environmental Quality ("ADEQ"). There are approximately 403 residential and 6 commercial meter connections serving 361 customers on the Town System as of the date first set forth above.

C. Town intends to acquire the Town System from Water Company through the exercise of its power of eminent domain as set forth in A.R.S. § 12-1111 *et seq.* However, rather than engage in contested proceedings that will require the unnecessary expenditure of the Parties' resources, the Town and Water Company have reached an agreement to resolve the condemnation proceedings in an uncontested manner.

D. Upon the entry of final judgment of condemnation in the Gila County Superior Court and payment by the Town into escrow of the sum of SEVEN HUNDRED SEVENTY-FIVE THOUSAND and NO DOLLARS ($775,000.00), beginning on May 1, 2012 at 9:00 AM, the Town will be the sole owner of the Town System and solely responsible for the provision of water utility service to the customers on the Town System, and Water Company will only be responsible for completion of any remaining Post-Condemnation Administration contemplated herein, which will require the parties to cooperate to accomplish various administrative matters related to the Town's acquisition of the Town System as addressed herein.

AGREEMENT

NOW, THEREFORE, in consideration of the promises and the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged Water Company and Town, intending to be legally bound, agree as follows:

1. Incorporation of Recitals. By this reference, the parties hereby agree to incorporate the recitals above as part of the terms and conditions of this Memorandum as if fully set forth herein.

2. Eminent Domain Proceedings. As soon a practicable but in no event later than December 30, 2011, the Town will initiate an action in Eminent Domain pursuant to A.R.S. § 12-1111 *et seq.* in Gila County Superior Court to condemn the Town System (the "Proceeding"). In connection with the Proceeding, the Parties further agree as follows:

A. To cooperate and prepare all documents, pleadings and other things necessary for the Proceeding to commence, be litigated and conclude with entry of a final judgment of condemnation to be followed by a final order of condemnation. The final judgment of condemnation shall also require the Town to pay into escrow the just compensation contemplated herein within 3 days of entry of judgment.

B. Water Company waives any claim that the Town has failed to comply with A.R.S. § 12-1116.A which requires the Town to first provide Water Company with an appraisal of the assets subject to the condemnation.

C. Town shall not seek immediate possession of the Town System, rather, the final judgment of condemnation will authorize the Town to take possession of the Town System on May 1, 2012 at 9:00 AM.

D. The Town System has a fair market value of no less than SEVEN HUNDRED SEVENTY-FIVE THOUSAND and NO DOLLARS ($775,000.00) and that a condemnation award ("Compensation") to Water Company in that amount is just compensation for the taking of Water Company's Town System.

3. Payment of the Compensation. Within 3 days of entry of a final judgment of condemnation authorizing Town to take possession of the Town System, Town shall pay the Compensation into Escrow as contemplated herein. Water Company shall be entitled to receive payment of the Compensation from Escrow on May 1, 2012 at 9:00 a.m. Town further acknowledges and agrees that the consideration for Water Company's agreement not to contest the Proceeding specifically includes Town's agreement to pay the Compensation. Once the Compensation has been placed in Escrow, the Escrow Instructions agreed to herein shall govern its distribution.

4. Post-Condemnation Administration. Water Company and Town also agree that certain additional actions will need to be taken following entry the final judgment of condemnation. The Parties agree to fully and reasonably cooperate in all matters necessary to

complete the transfer of the Town System to the Town. In connection therewith, the Parties agree as follows:

a. Commission Notice. Following payment of the Compensation into Escrow, Water Company will notify the Commission of the final judgment of condemnation and ask that the Town System be administratively deleted from its CC&N or file any other necessary or appropriate information to allow the Commission to delete the Town System from Water Company's CC&N. In such notice, Water Company will indicate the treatment of meter deposits and line extension agreements applicable to the Town System. This provision does not constitute an admission by Water Company that Commission approval to transfer the Town System or cancel the CC&N is necessary under applicable law and regulation.

b. Customer Meter Deposits. Town is entitled to a credit for the value of meter deposits received by Water Company from customers within the Town System as May 1, 2012, and not applied to delinquent accounts by Water Company. Town acknowledges and agrees that as a result of the condemnation that, post-condemnation, Town shall assume all obligations for refunding the existing customer meter deposits.

c. Customer Receivables. In addition to and separate from the Compensation, Water Company shall be entitled to receive payment for the value of services rendered to customers in the Town System but not billed and services billed but not received as of the date of entry of the final judgment in the Proceedings (the "Customer Receivables"). Within thirty (30) days following May 1, 2012, Town and Water Company shall reach an accounting of Customer Receivables.

d. Water Well Documentation. Water Company and Town acknowledge that part of the Town System are water wells registered with the Arizona Department of Water Resources as Well Registration Numbers 55-501381, 55-605247, 55-519703, 55-538696, 55-548773 (the "Water Company Wells"). Water Company presently has on file documents with the Arizona Department of Water Resources relating to the Water Company Wells and agrees that it will cooperate with Town to accomplish the transfer or assignment of any such documentation following Water Company's lodging of a satisfaction of judgment.

5. Escrow Instructions. The Parties have agreed to the Escrow Instructions attached hereto as **Exhibit B**, which instructions authorize the Escrow Office to, among other things, release the Compensation to Water Company on May 1, 2012 at 9:00 a.m. Following payment of the Compensation from Escrow, Water Company shall promptly file evidence of satisfaction of judgment.

6. No Interference; Representations Regarding Condition; Waiver and Indemnity.

a. Other Systems. Town acknowledges that Water Company has other systems and customers and agrees that neither the Proceeding nor any aspect of the transition shall inhibit Water Company's operations in any manner.

b. "As is" condition. Town further acknowledges and agrees that it is taking title to a public water system in its existing condition subject only to the representations made herein.

c. Representations by the Water Company. The Water Company represents and warrants to the Town as follows:

i. *No known defects.* The Water Company is not aware of any material defects in the Town System;

ii. *Plans and specifications.* To the Water Company's knowledge, all plans and specifications of the Town System accurately reflect the system, and copies of all such plans and specifications will be provided to the Town on or before the entry of final judgment of condemnation.

iii. *Environmental liabilities.* The Water Company is not aware of any actual, probable or threatened environmental liabilities pertaining to the Town System;

iv. *Title.* The Water Company has good and marketable title to the Town System, and all the assets thereof including all easements used or necessary to operate the Town System.

v. *Valid corporate existence and powers.* The Water Company has been duly incorporated and validly exists under the laws of the State of Arizona. The Water Company has all requisite corporate power and authority to own its property and to carry on its business as now being conducted in the Town System.

vi. *Power to execute Memorandum.* The Water Company has all requisite corporate power and authority to execute and deliver this Memorandum, to perform its obligations hereunder and to consummate the transactions contemplated hereby. The execution and delivery of this Memorandum and the consummation of the transactions contemplated hereby have been duly and validly authorized by all necessary corporate action on the part of the Water Company. This Memorandum has been duly and validly executed and delivered by Water Company and constitutes a valid and binding agreement of Water Company, enforceable against the Water Company in accordance with its terms.

vii. *No violation from execution and consummation of Memorandum.* The execution and delivery of this Memorandum by the Water Company and the consummation of the transactions contemplated hereby will not result in the violation of: (A) the Articles of Incorporation or Bylaws of the Water Company, (B) any material contract of the Water Company or (C) any statute, law, ordinance, rule or regulation (the "Law") or any order or judgment of any court or other governmental agency applicable to it or the transactions contemplated hereby.

viii. *No regulatory approvals needed.* No regulatory approval or consent of any other third party is required to be obtained by Water Company with respect to the execution and delivery of this Memorandum or the consummation of the transactions contemplated hereby.

ix. *No violations.* The Water Company is not in violation of, nor, to the knowledge of the Water Company, under investigation with respect to, any violation of, any

laws or any orders of the Commission, the ADWR, ADEQ, the USEPA or any other governmental agency with respect to the Town System.

x. *Receipt of authorizations.* The Water Company is duly authorized by the Commission to conduct the business of a water utility in the area served by the Town System and has all permits, licenses, franchises and other governmental authorizations, consents and approvals necessary to conduct its business therein.

xi. *Articles and Bylaws.* The Water Company is not in violation of any provision of its Articles of Incorporation or Bylaws.

xii. *Violation of other contracts.* The Water Company is not in violation of any contract applicable to the Water Company or its properties or assets, except for violations which would not, individually or in the aggregate, reasonably be expected to have a material adverse effect with respect to the Town System.

xiii. *Regulatory filings.* All filings required to be made by Water Company since December 31, 2010, under any applicable Laws or orders of the Commission, the ADWR, the USEPA, the ADEQ or other applicable governmental agency, have been filed and all such filings complied, as of their respective dates, in all material respects with all applicable requirements of such laws or orders, except for such filings or such failures to comply that would not, individually or in the aggregate, reasonably be expected have a material adverse effect with respect to the Town System.

xiv. *Environmental Matters.* Neither the Water Company nor any of its property or operations is subject to any outstanding order, decree or agreement with any person relating to any environmental law. To Water Company's knowledge, there have been no conditions or occurrences (including the release of hazardous materials in, on, under or migrating from any of the Water Company's property or any failure by the Water Company to use store, transport or dispose of hazardous materials in compliance with Environmental Laws) which is reasonably expected to form the basis of a claim arising under any environmental law against the Water Company with respect to the Town System. The Town has been provided access to all environmental reports concerning any property of Water Company in its Town System (04-037) in the possession of the Water Company or its affiliates.

xv. *Water Quality.* The quality of water supplied by Water Company to its customers meets or exceeds all standards for quality and safety of water in all material respects in accordance with applicable laws and orders of any applicable governmental agency with respect to the Town System.

xvi. *Upgrades or improvements.* The Water Company has provided the Town with a Capital Expenditures Budget that represents its reasonably expected improvements, upgrades, and modifications in the Town System.

D. Knowledge. For the purposes of this paragraph, the words "knowledge" and "aware" refer to the actual knowledge of the officers, directors, managers, or employees of the Water Company or its affiliate Brooke Utilities, Inc.

E. Waiver and Indemnity Regarding CC&N. Water Company, for itself, and its successors, beneficiaries, heirs, assigns, partners, limited partners, constituent entities, affiliates, officers, directors, stockholders, members, managers, principals, servants, employees, agents, insurers and representatives, and each of them, fully and forever waives any and all rights under its CC&N for the Town System. This waiver shall take effect upon the Town's payment of the Compensation into escrow in accordance with Section 3. In addition, Water Company agrees to indemnify, defend and hold harmless the Town from any and all claims made by any other person, entity or governmental agency making a claim due to the ACC's failure to reflect the deletion of the Town System from Water Company's CC&N. The indemnity contemplated herein shall expire on November 1, 2012.

F. Incorporation. The provisions of this Paragraph 6 shall be incorporated into the proposed final order of condemnation to be submitted to the Court in the Proceeding. The provisions of this Paragraph 6 shall remain in effect following the Courts approval of the final order of condemnation.

7. Term. The terms of this Memorandum shall continue in full force and effect until the parties have completed all of the necessary Post-Condemnation Administrative Proceedings contemplated herein, and in no event shall it terminate before Water Company has received full payment of the Compensation and notice from the Commission that the Town System has been removed from Water Company's CC&N and nothing further is required of the Water Company from the Commission or any other agency with applicable authority with respect to the Town System.

8. Ordinary Couse of Business. For the period of time after the execution of this Memorandum and before the Town takes possession of the Town System on May 1, 2012, the Water Company shall operate the Town System in accordance with its ordinary course of business. Any deviations from the ordinary course of business shall not take place without prior notice to the Town and opportunity for comment by the Town, unless exigent circumstances prevent such notice.

9. Mutual release.

a. Release by the Water Company. Except as otherwise set forth herein and except as limited by the terms of this Memorandum, the Water Company, for itself, and its successors, beneficiaries, heirs, assigns, partners, limited partners, constituent entities, affiliates, officers, directors, stockholders, members, managers, principals, servants, employees, agents, insurers and representatives, and each of them, fully and forever release, relieve, waive, absolve and acquit the Town, including without limitation, the Town's successors, beneficiaries, heirs, assigns, partners, constituent entities, affiliates, officers, directors, stockholders, members, managers, principals, servants, employees, agents, insurers and representatives, and each of them, from and of any and all claims including, without limitation, all demands, promises, causes of action, actions, suits, debts, liabilities, obligations, costs, expenses, sums of money, controversies, damages, accounts, reckonings, and liens of every kind or nature whatsoever, whether mature, contingent, past, present, future, direct, derivative, subrogated, personal, assigned, discovered, undiscovered, suspected, unsuspected, legal or equitable, which it has or

may have or have had, owned, or held at any time by reason of any matter, cause or thing, involving or reasonably related to the Town System or the Proceeding.

b. Release by the Town. Except as otherwise set forth herein and except as limited by the terms of this Memorandum, the Town, for itself, and its successors, beneficiaries, heirs, assigns, partners, partners, constituent entities, affiliates, officers, directors, stockholders, members, managers, principals, servants, employees, agents, insurers and representatives, and each of them, fully and forever release, relieve, waive, absolve and acquit the Water Company, including without limitation, its successors, beneficiaries, heirs, assigns, spouses, partners, limited partners, constituent entities, affiliates, officers, directors, stockholders, members, managers, principals, servants, employees, agents, insurers and representatives, and each of them, from and of any and all claims including, without limitation, all demands, promises, causes of action, actions, suits, debts, liabilities, obligations, costs, expenses, sums of money, controversies, damages, accounts, reckonings, and liens of every kind or nature whatsoever, whether mature, contingent, past, present, future, direct, derivative, subrogated, personal, assigned, discovered, undiscovered, suspected, unsuspected, legal or equitable, which they have or may have or have had, owned, or held at any time by reason of any matter, cause or thing, involving or reasonably related to the Town System or the Proceeding.

10. Deadlines. The Town and the Water Company shall use best efforts to meet the deadlines specified in this Memorandum, including the December 23, 2011 date for filing the Proceeding. However, no monetary claim shall arise against any party for the failure to meet any such deadlines.

11. Binding Effect. This Memorandum shall be binding upon the parties and their respective successors and assigns.

12. Severability. If any portion of this Memorandum is found to be invalid, such finding will not affect the validity of the remainder of this Memorandum and to this end the provisions of this Memorandum are severable.

13. No Waiver. No waiver of any provision of this Memorandum shall be deemed or constitute a waiver of any other provision, nor shall it be deemed to be a continuing waiver unless expressly provided for by a written amendment to this Memorandum signed by the parties; nor will the waiver of any default under this Memorandum be deemed a waiver of any subsequent default of the same type. The Town's failure to exercise any right under this Memorandum will not constitute the approval of any wrongful act by the Water Company.

14. Notices. All notices, requests and other communications hereunder shall be given in writing and either (i) personally served on the party to whom it is given, or (ii) mailed by registered or certified mail, postage prepaid, return receipt requested, (iii) sent by a nationally recognized overnight courier service, or (iv) sent by facsimile transmission, addressed to the party at the address provided below:

Water Company: Payson Water Company, Inc.
3101 State Rd.
Bakersfield, CA 93308

Attn: Robert T. Hardcastle
Email: RTH@brookeutilities.com
FAX: (661) 633-7551

With a copy to: Jay L. Shapiro
Fennemore Craig
3003 North Central Avenue
Suite 2600
Phoenix, AZ 85012-2913
FAX: (602) 916-5566

Town: Town of Star Valley
Attention: Town Manager
3675 East Highway 260
Star Valley, Arizona 85541

With a copy to: Timothy J. Sabo
Roshka DeWulf & Patten, PLC
One Arizona Center
400 East Van Buren, Suite 800
Phoenix, Arizona 85004

All notices shall be deemed delivered and received upon the earliest of (a) actual receipt, (b) the third (3rd) day after the day of mailing, (c) the next business day after the date of deposit with a nationally recognized overnight courier service, or (d) upon confirmation of error-free facsimile transmission. Any notices received on a Saturday, Sunday or on an Arizona State or federal holiday, or after 5:00 p.m., Arizona time, on a business day shall be deemed received on the next succeeding business day. Any party may change its address for the receipt of notices at any time by giving written notice thereof to the other parties in accordance with the terms of this paragraph. The inability to deliver notice because of a changed address of which no notice was given, or the rejection or other refusal to accept any notice, shall be deemed to be the effective receipt of the notice as of the date of such inability to deliver or rejection or refusal to accept.

15. Effective Date of Memorandum. This Memorandum shall become effective upon execution.

16. Controlling Law. This Memorandum and the rights of the Parties hereto shall be governed by and construed in accordance with the internal laws of the State of Arizona without regard to conflicts of laws principles.

17. Authority. The Parties acknowledge and warrant that each of them is fully authorized and empowered to execute this Memorandum by and through the individual(s) executing hereinafter.

18. Further Documents. The Parties shall execute and deliver any and all such documents and perform any and all such acts as reasonably necessary or required to carry out the matters contemplated by this Memorandum, including, without limitation, all documents

necessary for Town to initiate and prosecute an action for condemnation of the Town System in Gila County Superior Court and all documents necessary to seek confirmation of the deletion of the Town System from Water Company's CC&N.

19. Representations. Each of the Parties acknowledges and warrants that it has been, or has had an opportunity to be represented by independent counsel. This Memorandum is the result of negotiation between the Parties and their respective attorneys, and the terms, conditions and provisions of this Memorandum shall be construed in a fair and even manner regardless of the Party who drafted this Memorandum or any provision or portion thereof.

20. Counterparts. This Memorandum may be executed in one or more counterparts. Each executed counterpart shall for all purposes be deemed an original, but all of which together shall constitute in the aggregate but one and the same instrument. The signature pages from one or more counterparts may be removed there from and attached to one or more duplicate agreements containing all original signatures.

21. Date of Performance. If this Memorandum provides that any time period expires or date for performance specified in this Memorandum falls on a non-business day (a Saturday, Sunday or legal holiday recognized by the Town), such time period or performance deadline shall be extended to the Town's next business day. Except as may otherwise be set forth herein, any performance shall be timely made and completed no later than 5:00 p.m. (Arizona time) on the date the performance is due.

22. Complete Agreement. This Memorandum and additional written agreements described herein, if any, contain and set forth the entire and exclusive Memorandum and understanding between the Parties hereto pertaining to the subject matter of this Memorandum and reflect the reasonable expectations of the Parties hereto. This Memorandum may not be amended or modified in any way whatsoever without the prior written consent of all Parties to this Memorandum. Notwithstanding anything to the contrary contained in this Memorandum, this Memorandum is not intended to modify, amend, replace, abridge, abrogate or otherwise affect any other rights or obligations of Water Company.

23. Dispute Resolution. Any dispute, controversy, claim, or cause of action arising out of or related to this Memorandum shall be governed by Arizona law and may, but in no event need, be settled by submission with the consent of all parties to binding arbitration in accordance with the rules of the American Arbitration Association and the Arizona Uniform Arbitration Act, A.R.S. § 12-1501, *et seq.*, and judgment upon any award rendered by the arbitrator(s) may be entered in the Superior Court of Maricopa County, or any such dispute, controversy, claim or cause of action may be litigated in a court. The venue for any such dispute shall be Maricopa County, Arizona.

24. Conflict of Interest. This Memorandum is subject to the provisions of A.R.S. § 38-511 and Town represents, to the best of its knowledge that no such conflict exists.

25. No Other Party Benefit. This Memorandum inures to the benefit of the Parties and is not executed for the benefit of other parties, such as, but not limited to, material men, laborers, or others providing work, services or materials in furtherance of the Water Company.

THE REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK

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

WATER COMPANY:

Payson Water Company

By: _____
Name: Robert T. Hardcastle
Title: President

TOWN:

Town of Star Valley, a municipal corporation

By: _____
Name: Timothy Grier
Title: Town Manager

ATTEST:

_____
Town Clerk

APPROVED AS TO FORM:

_____
Town Attorney

Exhibit "A"

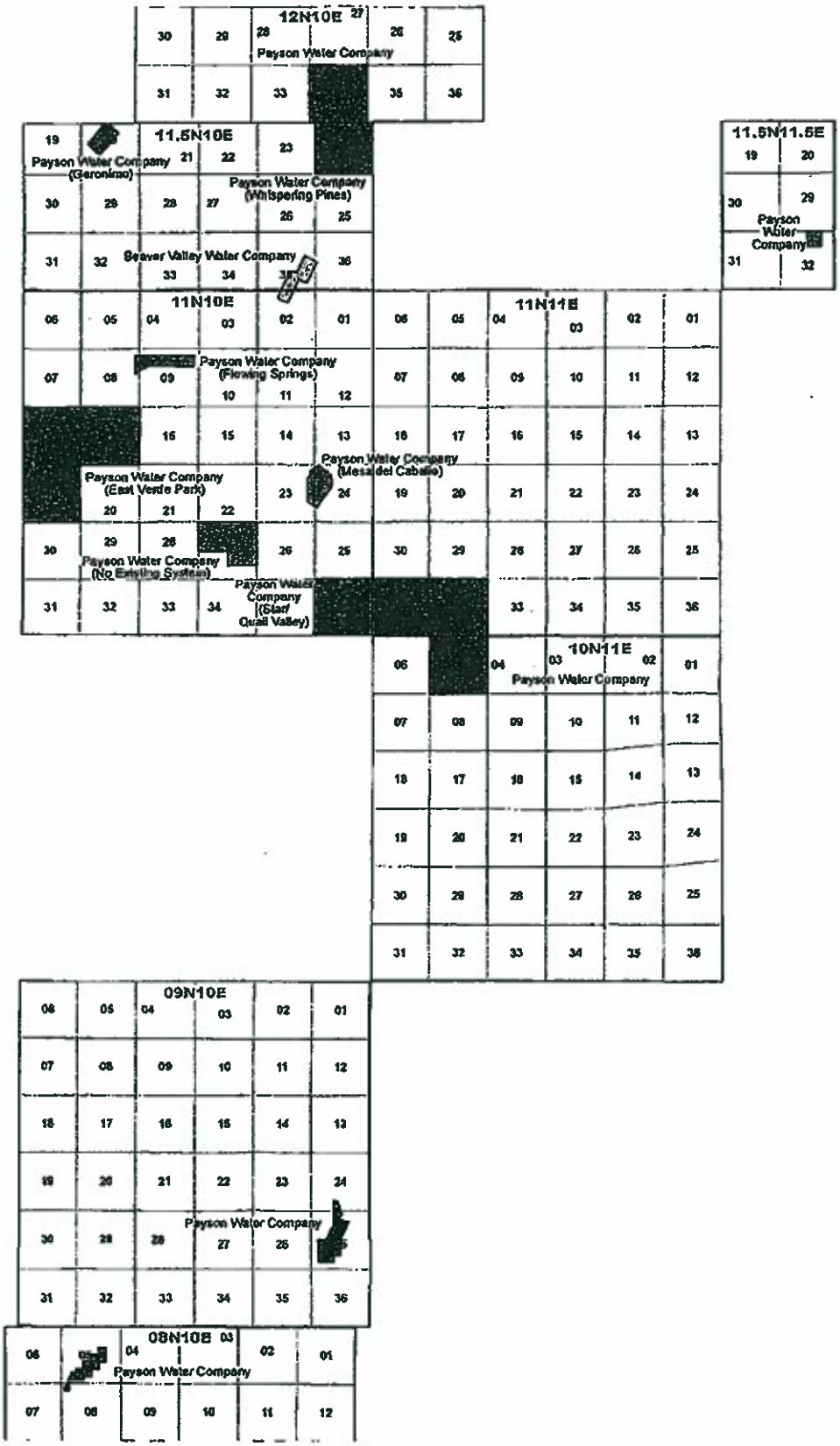
Description of Town System

Exhibit "B"

Escrow Instructions

EXHIBIT A

Payson Water Company, Inc.



Star Valley/Quail Valley Water System Components

2" PVC pipe (installed)
2" GI pipe (installed)
4" AC pipe (installed)
6" AC pipe (installed)
4" C900 pipe (installed)
6" C900 pipe installed
8" C900 pipe installed
SV well #1
SV well #2
QV well #1
TK well #1
TK well #2
2 hp booster pump
3 hp booster pump
5 hp booster pump
7.5 hp booster pump
15 hp well pump
7.5 hp well pump
25 hp booster pump
15,000 gallon steel storage tank
20,000 gallon steel storage tank
60,000 gallon storage tank
160,000 gallon storage tank
1,000 gallon pneumatic tank
2,000 gallon pneumatic tank
Air compressors and release valves (complete)
Well chlorinator
5/8 X 3/4 service meters
1" well meters
3" well meters
Real property (land)
Buildings & Structures
6" Fire hydrants
8" Fire hydrants
Communication equipment
4" water main valves
6" water main valves
8" water main valves
1,000 GPM Peerless Fire pump (complete)
490 ft. chain link fence, gates, locks
630 sq. ft. Well building structures (complete)
2" pressure reducing valves

BEFORE THE ARIZONA CORPORATION COMMISSION

MILTON J. HUSKY
Chairman
DICK HERBERT
Commissioner
E. T. "EDDIE" WILLIAMS, JR.
Commissioner

IN THE MATTER OF THE APPLICATION FOR TRANSFER OF CERTIFICATE OF CONVENIENCE AND NECESSITY FOR FURNISHING WATER IN THE CERTIFICATED AREA IN GILA COUNTY, ARIZONA FROM RAYMOND M. CLINE, DBA PAYSON WATER COMPANY, TO UNITED UTILITIES, AN ARIZONA CORPORATION.

DOCKET NO. U-1386
U-1993

DECISION NO. 38614

OPINION AND ORDER

BY THE COMMISSION:

The above entitled matter came on for hearing before the Commission sitting at Phoenix, Arizona on May 13, 1966

Applicant appeared by Glen L. Randall, attorney, and no appearance was entered in opposition to the granting of the approval sought.

Evidence was adduced upon the application, and from that evidence it is found as follows:

1. That applicant desires to acquire and Payson Water Company desires to transfer the physical assets and operating rights of Payson Water Company.

2. That such transfer is in the public interest.

WHEREFORE, IT IS ORDERED approving the sale of the physical assets of Payson Water Company to United Utilities, a corporation, in accord with that certain written agreement between the transferor and the transferee herein, dated December 31, 1965, and entered in evidence on the application herein.

IT IS FURTHER ORDERED that United Utilities, a corporation, shall succeed to the rights and duties of Payson Water Company under those certificates of convenience and necessity issued in Docket No. U-1386 of this Commission, and being Decisions 27729, 28947, 31492, 31603, 31921 and 33016 therein, and that this order shall constitute a certificate of convenience and necessity for the operation by United

Utilities, a corporation, of a public utility water system in the area described as follows:

TOWNSHIP 10 NORTH, RANGE 10 EAST:

Section 3; Section 4; Section 5; the North Half of Section 8; the North Half of Section 9; and the North Half os Section 10.

TOWNSHIP 10 NORTH, RANGE 11 EAST:

Section 5, except such portions as may have been within Tonto National Forest and under authority of the United States Forest Service, on June 3, 1959.

TOWNSHIP 11 NORTH, RANGE 10 EAST:

Section 27; Section 33; and Section 34; except that part of each of those sections that may have been unpatented on May 24, 1955, and
Section 17; Section 18; and Section 19; except such portions of each of those sections as may have been within Tonto National Forest, and under authority of the United States Forest Service, on April 27, 1959, and
Section 36; except such portions as may have been within Tonto National Forest, and under authority of the United States Forest Service, on June 3, 1959, and
The whole of "Homestead Entry Survey No. 123," a parcel of land more particularly described as follows: beginning at the common corners of Sections 33 and 34, Township 11 North, Range 10 East, and of Sections 3 and 4, Township 10 North, Range 10 East, thence North 0° 38' East for a distance of 83.97 chains (5542.02') to the true point of beginning, thence North 64° 22' West for a distance of 70.69 chains (4665.54'), thence North 10° 18' East, for a distance of 15.11 chains (797.26'), thence South 64° 36' East for a distance of 26.30 chains (1735.8'), thence North 76° 37' East for a distance of 20.17 chains (1331.22'), thence South 40° 45' East for a distance of 48.92 chains (3228.72'), thence South 82° 51' West for a distance of 14.47 chains (955.02') to the true point of beginning, and

the whole of "Homestead Entry Survey No. 577," a parcel of land more particularly described as follows: beginning at the northeast corner of Section 24, Township 11 North, Range 10 East, thence South 74° 44' West for a distance of 61.39 chains (4051.74') to the true point of beginning, thence South 2° 42' East for a distance of 13.6 chains (897.6'), thence South 33° 45' West for a distance of 37.28 chains (2460.48'), thence North 55° 48' West for a distance of 15.28 chains (1008.48'), thence North 1° 49' East for a distance of 30.57 chains (2017.62'), thence North 18° 32' East for a distance of 13.38 chains (883.08'), thence North 46° 45' East for a distance of 12.77 chains (842.82'), thence South 48° 31' East for a distance of 24.28 chains (1602.48') to the true point of beginning.

U-1986
DOCKET NO. U-1993 DECISION NO. 38614

TOWNSHIP 11 NORTH, RANGE 11 EAST:

Section 31; and Section 32; except such portions of each of those sections as may have been within Tonto National Forest, and under authority of the United States Forest Service, on June 3, 1959.

AND IT IS FURTHER ORDERED that the rates and charges of the transferee shall be as heretofore authorized for Payson Water Company within the areas above described.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

IN WITNESS WHEREOF, I, GEORGE S. LIVERMORE, Executive Secretary of the Arizona Corporation Commission, have hereunto set my hand and caused the official seal of this Commission to be affixed, at the Capitol in the City of Phoenix, this 8th day of August, 1966.

GEORGE S. LIVERMORE
EXECUTIVE SECRETARY

EXHIBIT B

Exhibit B

Escrow Instructions

December ____, 2011

First American Title Insurance Company
2425 East Camelback Road, Suite 300
Phoenix, Arizona 85016
Attention: Neil Moffett

Dear Neil:

First American Title Insurance Company, a California corporation, has been selected to act as the escrow office (the "**First American**") in connection with that certain *Settlement Memorandum* (the "**Memorandum**"), dated December ____, 2011, between Payson Water Company, Inc., an Arizona corporation (the "**Water Company**"), and the Town of Star Valley, a municipal corporation and a political subdivision of the State of Arizona (the "**Town**"). Except as otherwise defined herein, all capitalized terms used herein shall have the meanings ascribed thereto in the Memorandum.

As set forth in the Memorandum, on or before December 30, 2011, the Town will initiate an action in Eminent Domain in Gila County Superior Court (the "**Court**") pursuant to ARS § 12-1111 *et seq.* to condemn the Town System (the "**Proceeding**"). As part of the Proceeding, the Town has agreed to pay to Water Company the sum of Seven Hundred Seventy-five Thousand and 00/100 Dollars ($775,000.00) as compensation (the "**Compensation**"). The Compensation shall be escrowed and disbursed as set forth below.

First American is hereby directed to hold, deal with, and dispose of the Compensation in accordance with the following terms and conditions:

1. Within 3 days of entry of a final judgment of condemnation by the Court authorizing the Town to take possession of the Town System, the Town shall deposit with First American the Compensation. The Compensation shall be wired to First American in accordance with the account and wiring information you have provided and which is enclosed herein.

2. First American is instructed to invest the Compensation in an interest-bearing savings or money market account or short term U.S. Treasury Bills or similar cash equivalent securities, as Water Company may direct. Any interest earned on the Compensation, after deduction of First American's customary investment charges, shall become and be deemed to be a part of the Compensation. Any escrow fee to be charged by First American is to be borne by the Town.

3. On May 1, 2012, at 9:00 a.m., Mountain Standard Time, First American shall release the Compensation to Water Company pursuant to the wiring instructions to be provided by Water Company.

All notices, requests, demands or other communications required or permitted under these Escrow Instructions shall be in writing and delivered personally, by certified mail, return receipt requested, postage prepaid, by overnight courier (such as Federal Express), or by facsimile

transmission with confirmation of error-free transmission (with a copy to follow by certified mail, return receipt requested, postage paid or by overnight courier), addressed as follows:

If to Water Company:

Payson Water Company, Inc.
3101 State Road
Bakersfield, California 93308
Attn: Robert T. Hardcastle
Email: RTH@brookeutilities.com
Facsimile: (661) 633-7551

With a copy to:

Jay L. Shapiro
Fennemore Craig
3003 North Central Avenue
Suite 2600
Phoenix, Arizona 85012-2913
Facsimile: (602) 916-5566

If to Town:

Town of Star Valley
_____
_____
Facsimile: (___) _____
Attention: _____

With a copy to:

Timothy J. Sabo
Roshka DeWulf & Patten, PLC
One Arizona Center
400 East Van Buren, Suite 800
Phoenix, Arizona 85004

If to First American:

First American Title Insurance Company
2425 East Camelback Road, Suite 300
Phoenix, Arizona
Attention: Neil Moffett
Facsimile: (602) 567-8101

All notices given in accordance with the terms hereof shall be deemed received on the earliest of the next business day if sent by overnight courier, on the same day if sent by facsimile transmission before 5:00 p.m. (Mountain Standard Time) on a business day or on the following business day if sent on a non-business day or after 5:00 p.m. (Mountain Standard Time), on the third (3rd) business day following deposit with the United States Mail as a registered or certified matter with postage prepaid, or when delivered personally or otherwise received. Any party

hereto may change the address for receiving notices, requests, demands or other communication by notice sent in accordance with the terms of this paragraph.

These Escrow Instructions are being entered into to implement the Memorandum and shall not (nor be deemed to) amend, modify or supersede the Memorandum or act as a waiver of any rights, obligations or remedies set forth therein; provided, however, that First American may rely solely upon these Escrow Instructions.

Agreed and Acknowledged this 29th day of December, 2011.

WATER COMPANY:

Payson Water Company, an Arizona corporation

By: _____
Name: Robert H. Hardcastle
Title: President

TOWN:

Town of Star Valley, a municipal corporation and a political subdivision of the State of Arizona

By: _____
Name: Timothy Gaion
Title: Town Manager

ATTEST:

_____
Town Clerk

APPROVED AS TO FORM:

_____
Town Attorney

Agreed and Acknowledged this _____ day of December, 2011.

FIRST AMERICAN:

First American Title Insurance Company,
a California corporation

By: _____
Name: _____
Title: _____

6537646.1/073283.0003

Michael W. Patten (No. 009796)
Timothy J. Sabo (No. 021309)
ROSHKA DEWULF & PATTEN, PLC
One Arizona Center
400 East Van Buren Street, Suite 800
Phoenix, AZ 85004
Telephone: (602) 256-6100
mpatten@rdp-law.com
tsabo@rdp-law.com

Timothy W. Grier (No. 020472)
Town Attorney
Town of Star Valley
3675 East Highway 260
Star Valley, Arizona 85541
Telephone: (928) 472-7752
townmanager@ci.star-valley.az.us

Attorneys for Plaintiff Town of Star Valley

IN THE SUPERIOR COURT OF THE STATE OF ARIZONA

IN AND FOR THE COUNTY OF GILA

TOWN OF STAR VALLEY, a municipal corporation of the State of Arizona, Plaintiff, v. PAYSON WATER CO., INC., an Arizona corporation; COUNTY OF GILA, a political subdivision of the State of Arizona; JOHN DOES 1 through 10; and BLACK AND WHITE PARTNERSHIPS 1 through 10, Defendants.	No. **STIPULATED FINAL ORDER OF CONDEMNATION** (Hon. XXXXXX)

It appearing to the Court that the Stipulated Final Judgment in Condemnation heretofore in the above-entitled action has been fully paid and satisfied; and

It further appearing to the Court that, pursuant to the provisions of Paragraph 6 of the Stipulated Final Judgment in Condemnation, this Court shall now enter the Stipulated

Final Order of Condemnation.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED:

1. that sole use, possession, and ownership of all the plant, system, and business of Payson Water Co., Inc. ("PWC"), including, but not limited to, all fee and/or leasehold interests in real property described in **Exhibit A** attached hereto, all easements, water wells, pumps, water plants, substations, water distribution systems, customer accounts, books and records used and useful in providing water utility services, the PWC Certificate of Convenience and Necessity as shown the Star/Quail Valley system on the map attached hereto as **Exhibit B**, and/or business, and all tangible, intangible, personal or real property rights or interests in any way related thereto (collectively, the "Town System") be, and the same are, hereby condemned for the use and benefit of the Town, and that the ownership of the same be, and is, hereby vested in the Town, a municipal corporation of the State of Arizona,

2. that the Town System is transferred in its "as is, where is, with all faults" condition, and without the necessity of any other consents, orders, or approvals by any governmental entities, free and clear of any and all claims by, through, or on behalf of PWC. Provided, however, that the foregoing is limited by the representations and warranties of PWC set forth in Paragraph 6 of the Settlement Memorandum entered into on or about December 29, 2011 (attached as **Exhibit A**) by and between PWC and the Town, and that the provisions of the said Paragraph 6 are incorporated herein by reference.

3. That the portion of PWC's Certificate of Convenience and Necessity for the Town System (as shown the "Star/Quail Valley" system on the map attached hereto as **Exhibit B)** be forever terminated and extinguished.

DONE IN OPEN COURT this ____ day of _____, 2012.

_____
Hon. XXXXX
Judge of the Superior Court

APPROVED AS TO FORM AND CONTENT:

TOWN OF STAR VALLEY

By:_____

Timothy W. Grier
Town Attorney
Town of Star Valley
3675 East Highway 260
Star Valley, Arizona 85541
Telephone: (928) 472-7752
townmanager@ci.star-valley.az.us

and

Michael W. Patten (No. 009796)
Timothy J. Sabo (No. 021309)
ROSHKA DEWULF & PATTEN, PLC
One Arizona Center
400 East Van Buren Street, Suite 800
Phoenix, AZ 85004
Telephone: (602) 256-6100
mpatten@rdp-law.com
tsabo@rdp-law.com

Attorneys for Plaintiff Town of Star Valley

FENNEMORE CRAIG, P.C.

_____

Jay L. Shapiro
Attorneys for Defendant Payson Water Co., Inc.

ORIGINAL of the foregoing hand-delivered
this ___ day of_____, 2011 with:

Hon. XXXXX
Judge of the Superior Court
Address

COPY of the foregoing mailed
this _____ day of _____, 2011, to:

Jay Shapiro
Fennemore Craig, P.C.
3003 North Central Avenue, Suite 2600
Phoenix, Arizona 85012
Attorneys for Defendant Payson Water Co., Inc.

_____

ARF-1148 **Consent Agenda Item 4- A**

Regular BOS Meeting

Meeting Date: 04/03/2012

Submitted For:	Barbara Valencia, WIA Department Program Manager	Submitted By:	Barbara Valencia, WIA Department Program Manager, Community Services Division
Department:	Community Services Division	Division:	WIA Department
Fiscal Year:	Program Year 2011	Budgeted?:	Yes
Contract Dates Begin & End:	October 1, 2010 - June 30, 2012	Grant?:	Yes
Matching Requirement?:	No	Fund?:	Replacement
Presenter's Name:			

Information

Request/Subject

Amendment No. 6 to Contract No. DE111006001 between Arizona Department of Economic Security and Gila County Board of Supervisors.

Background Information

Under Title 1 of the Workforce Investment Act (WIA) the Workforce Investment System provides the framework for the delivery of workforce investment activities to individuals who need those services, including job seekers, dislocated workers, youth, incumbent workers, veterans, persons with disabilities, and employers. Each State in accordance with WIA shall designate a local workforce investment area to oversee the One-Stop Service Delivery System.

On September 21, 2010, the Board of Supervisor approved the original Contract DE111006001.

On January 18, 2011, the Board of Supervisors approved Amendment No. 1 which adds Section 48.0 Background Checks for Employment through the Central Registry.

On February 1, 2011, the Board of Supervisors approved Amendment No. 2 which amended Section 6.2 Compensation which adds $356,626 to the Dislocated Worker Program.

On February 1, 2011, the Board of Supervisors approved Amendment No. 3 which amended 6.1 Compensation which adds PY10 set-a-side dollars for contract performance in the amount of $37, 809.

On August 2, 2011, the Board of Supervisors approved Amendment No. 4 which amended Section 3.1, Section 6.2, Section 6.3, Section 7.0, Section 7.7, Section 8, Section 12.4 and Section 48.

On November 1, 2011, the Board of Supervisors approved Amendment No. 5 which was amended to include additional paragraphs - Section 34.2, Section 35.2.

Evaluation

Section 48.1.9 Attachment is replaced with attached Attachment H, Revised 2/13/2012. Fiscal 2011 (October 1, 2010 - June 30, 2012) Dislocated Worker funds are reduced from $979,412 to $964,412. Contract total of $5,862,242 is decreased by $15,000; therefore the new total contract amount is $5,847,242.

Conclusion

Amendment No. 6 has decreased the contract of $5,862,242 to $5,847,242 by the amount of $15,000.

Recommendation

It is recommended that the Board of Supervisors approve Amendment No. 6 to the Intergovernmental Agreement between Arizona Department of Economic Security and Gila County Board of Supervisors which decreases Contract DE111006001 by $15,000.

Suggested Motion

Approval of Amendment No. 6 to an Intergovernmental Agreement (Contract No. DE111006001) between the Arizona Department of Economic Security and Gila County Board of Supervisors decreasing the contract amount from $5,862,242 to $5,847,242, a total decrease of $15,000.

Attachments

Original Contract DE111006001

Amendment No. 1

Amendment No. 2

Amendment No. 3

Amendment No. 4

Amendment No. 5

Amendment No. 6

Legal Explanation

DEPARTMENT OF ECONOMIC SECURITY

Your Partner For A Stronger Arizona

INTERGOVERNMENTAL AGREEMENT (IGA)
BETWEEN
THE ARIZONA DEPARTMENT OF ECONOMIC SECURITY
AND
GILA COUNTY BOARD OF SUPERVISORS

Contract is between the Arizona Department of Economic Security ("ADES") and the Gila County Board of Supervisors (Contractor).

WHEREAS the Department is duly authorized to execute and administer contracts under A.R.S §41-1954 and,

WHEREAS the Contractor is duly authorized to execute and administer contracts under A.R.S. §11-952 and,

WHEREAS the Department and Contractor are authorized by A.R.S. §11-952 et seq. to enter into agreements for joint or cooperative action to contract for the services specified in this contract

THEREFORE, the Department and Contractor agree to abide by all the terms and conditions set forth in this Contract.

By signing this form on behalf of the contractor, the signatory certifies he/she has the authority to bind the contractor to this contract.

FOR AND ON BEHALF OF THE ARIZONA DEPARTMENT OF ECONOMIC SECURITY

Procurement Officer Signature

CATHIE G. ROSEMAN

~~Elizabeth G. Csaki, CPPB~~

Printed Name

Professional Services Unit Manager

Title

11-30-10

Date

FOR AND ON BEHALF OF THE GILA COUNTY BOARD OF SUPERVISORS

Signature

Michael A. Pastor

Printed Name

Chairman of the Board of Supervisors

Title

9/21/10

Date

ADES Contract DE111006001

IN ACCORDANCE WITH A.R.S. §11-952 THIS CONTRACT HAS BEEN REVIEWED BY THE UNDERSIGNED WHO HAVE DETERMINED THAT THIS CONTRACT IS IN APPROPRIATE FORM AND WITHIN THE POWERS AND AUTHORITY GRANTED TO EACH RESPECTIVE PUBLIC BODY.

ARIZONA ATTORNEY GENERAL'S OFFICE

By: Barbara M. Behum
Assistant Attorney General

Date: 11/23/10

By:
Public Agency Legal Counsel

Date: 9-21-2010

1.0 ADES VISION AND MISSION STATEMENTS

1.1 ADES Vision: Every child, adult, and family in the State of Arizona will be safe and economically secure.

1.2 ADES Mission: The Arizona Department of Economic Security (ADES) promotes the safety, well being, and self-sufficiency of children, adults, and families.

2.0 PARTIES

2.1 This Intergovernmental Agreement (IGA) is between the Arizona Department of Economic Security (ADES), hereinafter called "ADES", and the Gila County Board of Supervisors hereinafter called the "Contractor".

3.0 TERM OF AGREEMENT

3.1 **Term**

The term of this Agreement shall have an effective date of April 1, 2010 and shall end on June 30, 2013, unless otherwise agreed upon by both parties in writing.

3.2. **Extension**

This agreement may be extended through a written amendment by mutual agreement of the parties.

3.3. **Termination**

3.3.1 This agreement may be terminated by mutual agreement of the parties at any time during the term of this agreement.

3.3.2 Each party shall have the right to terminate this agreement by hand-delivering to the other party written notice of termination at least thirty (30) days prior to the effective date of said termination.

3.3.2.1 It is mutually agreed however that, prior to the termination of this Agreement, reasonable efforts shall be made to discuss options for preserving this Agreement, including amendments if necessary. The ADES reserves the right to terminate the Contract in whole or in part at any time, when in the best interests of the ADES without penalty or recourse. Upon receipt of the written notice, the Contractor shall stop all work, as directed in the notice, notify all subcontractors of the effective date of the termination and minimize all further costs to the ADES. In the event of termination under this paragraph, all documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the ADES upon demand. The Contractor shall be entitled to receive just, equitable compensation for work in progress, work completed, and materials accepted before the effective date of the termination. The cost principles and procedures provided in A.A.C. R2-7-701 shall apply.

4.0 PURPOSE OF AGREEMENT

4.1 The purpose of this agreement is to provide Workforce Investment Act (WIA) Title 1B services to eligible Youth, Adults, and Dislocated Workers throughout the designated Local Workforce Investment Area (LWIA). These services will be provided in accordance with Federal and State regulations and the most current local area plan

5.0 DEFINITIONS

5.1 **"Department"** means the Arizona Department of Economic Security (ADES), unless otherwise indicated.

5.2 **"DW"** means Dislocated Worker

6.0 MANNER OF FINANCING

6.1 **Compensation**

6.2 The contract reimbursement maximum for all services provided during the term of the contract and /or for the term specified above shall be $ 2,631,208.

The contract reimbursement maximum per program and funding period is as follows;

PY10 ADMIN	**$ (Youth $ 59,564, Adult $ 11,146, DW $ 33,086)**
FY11 ADMIN	**$ (Adult $ 53,061, DW $ 87,888)**
PY10 YOUTH	**$ 536,075**
PY10 ADULT	**$ 100,318**
FY11 ADULT	**$ 477,551**
PY10 Dislocated Worker	**$ 297,781**
FY11 Dislocated Worker	**$ 790,999**

PY10 Rapid Response	**$ 50,253**
FY11 Rapid Response	**$ 133,486**

6.3 **Period of Availability for Expenditure of WIA Funds**

The Contractor agrees that Pursuant to 20 CFR 667.107 Funds allocated by a State to a local area under subpart- A sections 128(b) and 133(b), for any Program year are available for expenditure only during that program year and the succeeding program year. Funds which are not expended by a local area in the two-year period, described in paragraph (b) (1) of section 128 (b) and 133(b) of the Federal Register shall be returned to the State. Funds so returned are available for expenditure by State and local recipients and sub recipients only during the third program year of availability. These funds may be used for statewide projects, or distributed to other local areas, which had fully expended their allocation of funds for the same program year within the two-year period.

All final expenditure reports and cash draw requests for the Local Area Formula Funds must be submitted by August 15, 2012. No extensions shall be granted to the requirement to submit the final expenditure and cash draw requests.

Any Set-Aside funds allocated under this agreement shall be available from the date of the amendment allocating such funds through April 30, 2013. All funds must be fully expended by April 30, 2013. No extension shall be granted to this date. Any funds remaining unencumbered or unexpended on April 30, 2013 shall revert to the State. All final expenditure reports and cash draw requests for any Set-Aside funds received under this agreement must be submitted by May 29, 2013. No extension shall be granted to the requirement to submit the final expenditure and cash draw requests.

6.4 Notwithstanding the contract reimbursement maximum established in paragraph 6.2 above the level of Compensation under this Contract shall not, at any time, exceed the current obligation authority of the Contractor.

6.5 Upon receipt of obligation authority by ADES from the U.S. Department of Labor/Employment and Training Administration (DOL/ETA), ADES shall issue a notice of Obligation Authority to the Contractor.

6.6 **Availability of Funds for the Current State Fiscal Year**

6.6.1 Should the State Legislature enter back into session and reduce the appropriations or for any reason and these goods or services are not funded, the ADES may take any of the following actions:

a) Reduce payments or units authorized;
b) Accept a decrease in price offered by the contractor;
c) Cancel the Contract;
d) Cancel the contract and re-write the requirements.

6.6.2 The Director of ADES shall have the sole and unfettered discretion in determining the availability of funds. The ADES and the Contractor may mutually agree to reduce reimbursement to the Contractor when the payment type is Fixed Price with Price Adjustment by executing a contract amendment

6.7 **Availability of Funds for the Next Fiscal Year**

Funds may not presently be available for performance under this Contract beyond the current state fiscal year. If funds are not allocated and available for the continuance of this Contract, this Contract may be terminated by the ADES at the end of the period for which funds are available

6.7.1 No liability shall accrue to the ADES in the event this provision is exercised, and the ADES shall not be obligated or liable for any future payments of for any damages as a result of termination under this paragraph.

6.8 **Rescission of Funds**

Should the Federal Funding Source inform the State that it is rescinding funding from the State and where the State must in turn rescind from a Contractor(s) who may hold one or more Contracts for services funded under the specified Federal Funding Source, the State may take action in the following sequence;

1. Rescind the required amount of funds from unexpended funds from the designated previous period(s) of time.
2. Rescind the required amount of funds from unexpended funds from the designated current period(s) of time.
3. Decrease the required amount of funds from funds from a designated future period(s) of time.

7.0 SERVICE DESCRIPTION

Program eligibility will be conducted on each applicant prior to the provision of services. Eligibility will include determination of family size, family income for the previous six-month period, educational status, and identification of any barriers or issues that impact attaining and/or retaining employment.

Services provided to adults and dislocated workers, as appropriate to meet the individual's needs, may include any of the following:

7.1 **Core Services**

7.2 The determination of WIA eligibility; outreach, intake and orientation to the One-Stop system. The initial assessment of skill levels aptitudes, abilities, and support service needs for individuals and job search and placement assistance. The utilization of the provision of employment and labor market information including job vacancy listings and the provision of performance information and program costs on eligible providers of training services. The information on local performance and information on availability of supportive services in the local area and referrals as appropriate. Information on filing claims for unemployment insurance compensation; and assistance in establishing eligibility for programs of financial aid assistance for training and education programs; and follow-up services for individuals who have received WIA services who are placed in unsubsidized employment for not less than 12 months after the first day of employment.

7.3 **Intensive Services** comprehensive and specialized assessments of skill levels and service needs; development of an individual employment plan identifying employment goals, appropriate objectives and combination of services to achieve employment goals; group counseling; individual counseling and career planning; case management for participants seeking training services; and short term prevocational services to prepare individuals for unsubsidized employment or training.

7.4 **Training Services** occupational skills training; on-the-job training; programs combining workplace training with related instruction; training programs operated by the private sector; skill upgrading and retraining; entrepreneurial training; job readiness training; adult education and literacy activities; and customized training conducted by an employer or group of employers.

7.5 **Rapid Response Activities** provided to Dislocated Workers upon notification of a pending layoff or plant closure to inform them of available WIA Title 1B services and other services available in the community to assist them in transitioning from the layoff employer to other employment or training opportunities.

7.6 **Youth Services** will be provided to WIA Title 1B eligible youth, ages 14-21 that are either in school or out-of-school. Services will be identified on an individual basis to meet the needs of each youth, and may include: tutoring; study skills training and instruction leading to completion of secondary school; including dropout prevention strategies; alternative secondary school services; summer employment opportunities that are directly linked to academic and occupational learning; paid and unpaid work experiences, including internships and job shadowing; occupational skill training; leadership development opportunities; supportive services; adult mentoring; follow-up services for not less than 12 months after the completion of participation; and comprehensive guidance and counseling, which may include drug and alcohol abuse counseling and referral.

7.7 **The expenditures for all programs will comply with** Office of Management and Budget (OMB) Circular A-087 for governmental entities; Public Law, 105-220 of the 105th Congress described as the Workforce Investment Act of 1998 and Federal and State regulations and guidelines under the WIA Title, 1-B Federal grant.

8.0 RESPONSIBILITIES

8.1 **The ADES and the Contractor agree as follows:**

8.2 **The Contractor shall:** provide Workforce Investment Act (WIA) Title 1B services to eligible Youth, Adults, and Dislocated Workers throughout the designated Local Workforce Investment Area (LWIA). These services will be provided in accordance with Federal and State regulations and the most current local area plan.

8.2.1 The Contractor shall meet all negotiated performance levels for all performance measures contained in the Contractor's Local Area Plan. Failure to meet any of the performance measures contained in the Local Area Plan will result in the Department issuing a Demand for Assurance which will require a written corrective action plan from the Contractor

8.2.2 Failure to complete the requirements stated in the Demand for Assurance, including the corrective action plan, by the timeframe prescribed by the Department shall result in the immediate suspension of the Contractor's authority to request payment under this contract. Such authority shall not be reinstated until the Contractor

submits, and the Department approves, a revised corrective action p or submits documentation to show that the issues identified in the Demand for Assurance have been addressed.

8.2.3 If the Contractor does not comply with the approved Demand for Assurance response, the Department will proceed with remedies outlined in Section 19.0 up to and including sanctions.

8.2.4 If the Contractor fails the same performance measure in two consecutive years, the Department may impose sanctions up to and including withholding of WIA Title I B funding as outlined in Section 19.0.

8.3 **Confidentiality**

The Contractor shall observe and abide by all applicable State and Federal statues, rules, and regulations regarding the use or disclosure of information including, but not limited to, information concerning applicants for and recipients of contract services. To the extent permitted by law, the Contractor shall release information to ADES and the Attorney General's Office as required by the terms of this contract, by law or upon their request.

8.4 **Monitoring**

The Department will monitor the Contractor and /or subcontractor(s) and they shall cooperate in the monitoring of services delivered; facilities; records maintained and fiscal practice. The Contractor must conduct regular oversight and monitoring of its WIA activities and those of its sub recipients in accordance with Federal Regulation 667.410 subpart D and in accordance with the uniform administrative requirements at 29 CFR parts 95 and 97.

9.0 REPORTING REQUIREMENTS

9.1 Unless otherwise provided in this contract, reporting shall adhere to the following schedule: No later than the 30th day following each month during the contract term, the Contractor shall submit financial reports to ADES in the form set forth within the contract.

9.2 Failure to submit accurate and complete reports by the 30th day following the end of a month may result, at the option of ADES, in retention of payment. Failure to provide such report within 30 days following the end of a month may result, at the option of ADES, in a forfeiture of such payment. The "ONLY" acceptable form to report all programs accrued expenditures is the "Contractor Accrued Expenditure and Cash Reimbursement Report."

9.3 No later than the 30th calendar day following the termination date of the Contract, Contractor shall submit to ADES a financial closeout packet. No later than the 30th calendar day after receipt of the Quality Assurance Report, the Contractor shall submit a response, which fully addresses each finding and recommendation. Concurrence or reason for nonoccurrence must be fully stated in the response.

9.4 **The Contractor shall provide to ADES the following reports:**

a. **ATTACHMENT C: MONTHLY- ACCRUED EXPENDITURE REPORT & CASH REIMBURSEMENT REPORT** (Official Excel document is available from contact information located in Section 9.5)

9.5 Reports shall be sent to:
AZ Department of Economic Security
ATTN: WIA Fiscal Compliance Unit
Site Code 920Z
1789 W. Jefferson Street
Phoenix, AZ 85007

10.0 PAYMENT REQUIREMENTS

10.1 Contractor Request for Funds & Disbursement Reports (request for reimbursement) shall be submitted by the 15th day of the month following the month services were provided.

10.2 Contractor Request for Funds & Disbursement Reports shall be submitted to:
AZ Department of Economic Security
ATTN: WIA Fiscal Compliance Unit
Site Code: 920Z
1789 W. Jefferson Street
Phoenix, AZ 85007

11.0 NOTICES

11.1 All notices to the Contractor regarding this agreement shall be sent to the following address:
The Gila County Board of Supervisors
ATTN: Barbara Valencia, Program Manager
Community Services Division
5515 South Apache Avenue

Suite 200,
Globe, AZ 85501

11.2 **All notices to ADES regarding this agreement shall be sent to the following address:**
AZ Department of Economic Security
ATTN: WIA Fiscal Compliance Unit
Site Code: 920Z
1789 W. Jefferson Street
Phoenix, AZ 85007

11.3 **All notices shall reference the contract number.** The Contractor shall give written notice to ADES of any changes to the following, and a written Amendment to the contract shall not be necessary:

a. Change of telephone number.
b. Change in authorized signatory or his/her designee.
c. Change in the name and /or address of the person to whom notices are to be sent.

12.0 DISPOSITION OF PROPERTY

12.1 Transfer/Surplus of Equipment with a Property Value under $5,000

For expendable tangible property with a purchase value of less than $5,000, Contractor and/or service providers may retain, sell or dispose of the property. If property is deemed worthless, documentation must be provided to establish this fact. Property may not be donated to another agency unless it is worthless. An appraiser may establish value. The Equipment Transfer/Surplus Request (J-320) disposition record must be kept for any transaction in accordance with EA/WIA Section record retention requirements and WIA Inventory Equipment Database or other internal inventory system annotated accordingly. The Contractor and/or service provider may sell the property and retain the proceeds for use in WIA programs or divided in accordance with terms of local agency cost sharing agreement.

12.2 Calculation of "Fair Market" Value

The selling price of an item that is sold through auction, advertisement, or a dealer is the fair market value of the item regardless of any prior estimates. An item that is not sold but retained by the Contractor and/or service provider has a fair market value based on similar items that are offered for sale, using the selling price if known.

12.3 Property Records Retention

All property records must be maintained from date of acquisition, through final disposition. The Contractor and/or service providers must also retain these records for a period of three years from the date of their last expenditure report. If any litigation, claim, negotiation or audit is started before the expiration of the three-year period, all records must be retained until all findings have been resolved and final action taken or until the end of the regular three-year period, whichever is later.

12.4 Inventory Records

The Contractor and/or service providers must maintain accurate inventory records of expendable leased/purchased (value $500 to $4,999.99), and non-expendable leased/ purchased equipment over $5,000 with WIA funds. Property records must include:

a. Asset Number
b. Item Description
c. Manufacturer
d. Serial Number
e. Acquisition Date
f. Physical Location
g. Total Item Cost
h. WIA Contract Cost
i. Inventory Date

The Contractor and/or service providers are required to submit an inventory report for all property leased/purchased with WIA funds costing more than $500 to the EA/WIA Section, Fiscal Manager by August 1 of each year.

12.5 Prior Approval Equipment with a Property Value over $5,000

Before allocating WIA funds for any non-expendable tangible property purchase (including software purchases) with a per unit cost of $5,000 or more, or total purchase cost exceeds $10,000, the Contractor and/or service provider must complete a "WIA Pre-Approval of Equipment & Vehicles Over $5,000 Questionnaire" form that must be signed by the Contractor Director or Designee.

a.) The signed form must be forwarded to the EA/WIA Section Fiscal Manager for review, approval or disapproval action.
b.) When an approval decision is rendered, the EA/WIA Section Fiscal Manager will return the signed questionnaire to the Contractor Director or Designee. Upon receipt of the signed and approved questionnaire, the Contractor can proceed to purchase the equipment or property.
c.) When a decline decision is rendered, the EA/WIA Section, Fiscal Manager will specify the reason for disapproval and return the signed questionnaire to the LWIA Director. The LWIA may appeal this decision to the EA/WIA Section Manager.

13.0 PERSONAL USE OF CONTRACTS PROHIBITED

This Contract shall only be made available to ADES, its agencies and members of its purchasing cooperative. Private individuals, government employees and public officials shall not purchase materials or services for their own personal or business use from contracts entered into by the state unless authorized in writing by the director. The determination shall state how the purchase will further the interests of the state.

14.0 THIRD-PARTY ANTITRUST VIOLATIONS

The Contractor assigns to ADES any claim for overcharges resulting from antitrust violations, to the extent that those violations concern materials or services supplied by third parties to the Contractor, toward fulfillment of this Contract.

15.0 FINGERPRINTING

"Vulnerable adult" means an individual who is eighteen years of age or older who is unable to protect himself from abuse, neglect or exploitation by others because of a physical or mental impairment.

15.1. The provisions of A.R.S. § 46-141 (as may be amended) are hereby incorporated in their entirety as provisions of this contract. For reference, these provisions include, but are not limited to, the following:

15.2. Personnel who are employed by the Contractor, whether paid or not, and who are required or allowed to provide services directly to juveniles or vulnerable adults. Shall submit a full set of fingerprints to ADES for the purpose of obtaining a state and federal criminal records check pursuant to section 41-1750 and Public Law 92-544 or shall apply for fingerprint clearance card within seven working days of employment.

15.3. The contractor shall assume the costs of fingerprint checks and may charge these costs to its fingerprinted personnel. The department may allow all or part of the costs of fingerprint checks to be included as an allowable cost in a contract.

15.4. Except as provided in A.R.S. § 46-141, this contract may be cancelled or terminated immediately. If a person employed by the Contractor and who has contact with juveniles certifies pursuant to the provisions of A.R.S. § 46-141 (as may be amended) that the person is awaiting trial or has been convicted of any of the offenses listed therein in this State, or of acts committed in another state that would be offenses in this State; or if the person does not possess or is denied issuance of a valid fingerprint clearance card.

15.5. Personnel who are employed by any Contractor, whether paid or not, and who are required or allowed to provide services directly to juveniles shall certify on forms provided by the Department of Economic Security and notarized whether they are awaiting trial on or have ever been convicted of any of the offenses described in A.R.S. § 46-141 (F) (as may be amended).

15.6 Personnel who are employed by any Contractor, whether paid or not, and who are required or allowed to provide services directly to juveniles shall certify on forms provided by the Department of Economic Security and notarized whether they have ever committed any act of sexual abuse of a child, including sexual exploitation and commercial sexual exploitation, or any act of child abuse.

15.7. Federally recognized Indian tribes or military bases may submit and the Department of Economic Security shall accept certifications that state that no personnel who are employed or who will be employed during the contract term have been convicted of, have admitted committing or are awaiting trial on any offense as described in A.R.S. § 46-141 (H) (as may be amended).

16.0 COPYRIGHTS AND OWNERSHIP OF INTELLECTUAL PROPERTY

Any and all intellectual property, including but not limited to copyright, invention, trademark, trade name, service mark, and/or trade secrets created or conceived pursuant to or as a result of this contract and any related subcontract ("Intellectual Property"), shall be work made for hire and the State shall be considered the creator of such Intellectual Property. The agency, department, division, board or commission of the State of Arizona requesting the issuance of this contract shall own (for and on behalf of the State) the entire right, title and interest

to the Intellectual Property throughout the world. Contractor shall y ADES, within thirty (30) days, of the creation of any Intellectual Property by it or its subcontractor(s). Contractor, on behalf of itself and any subcontractor(s), agrees to execute any and all document(s) necessary to assure ownership of the Intellectual Property vests in the State and shall take no affirmative action that might have the effect of vesting all or part of the Intellectual Property in any entity other than the Department. The Contractor or its subcontractors are not to dispose or distribute any Intellectual Property without the express written authorization of the Department, division, board or commission of the State of Arizona requesting the issuance of this contract shall not disclose the Intellectual Property.

17.0 SUSPENSION OR DEBARMENT

The Department may, by written notice to the Contractor, immediately terminate this Contract if ADES determines that the Contractor has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a subcontractor of any public procurement unit or other governmental body. If the Contractor becomes suspended or debarred, the Contractor shall immediately notify ADES. Contractors must not make any award or permit any award (sub recipient or vendor) at any tier to any party which is debarred or suspended or is otherwise excluded from or ineligible for participation in Federal assistance programs under Executive Order 12549.

The Contractor certifies to the best of its knowledge and belief, that it and its sub-recipients:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency;

(b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

(d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

18.0 CERTIFICATION REGARDING LOBBYING

The Contractor certifies, to the best of their knowledge and belief, that:

18.1 No Federal appropriated funds have been paid or will be paid, by or on behalf of the Contractor, to any person for influencing or attempting to influence an officer or employee of any agency. This applies to a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant. Including the making of any Federal, loan the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

18.2 If any funds other than Federal appropriated funds, have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

18.3 The Contractor shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contract under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

18.4 This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is prerequisite for making or entering into this transaction imposed by section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000.00 and not more than $100,000.00 for each such failure.

19.0 SANCTIONS AND CORRECTIVE ACTIONS

19.1 The Department may issue Demand for Assurance notices to the Contractor for failure to comply with any of the conditions, requirements or clauses contained in this agreement. This Demand for Assurance shall include the citation from the agreement which the Department requires the Contractor to remedy, the required time frame for a response from the Contractor, what required documents shall be sent with the response and to whom the

response shall be sent. Failure to comply with the requirements set in the Demand for Assurance, and any corrective action agreed to by the Department, may result in the actions outlined in Section 19.2

19.2 Pursuant to 20 CFR Part 667, Subpart G, §667.700, the Department may impose sanctions and corrective actions on recipients and sub recipients of WIA grant funds as follows:

1. Except for actions under WIA section 188(a) or 29 CFR part 37, the Department uses the initial and final determination procedures outlined in §667.510 to impose a sanction or corrective action. To impose a sanction or corrective action for a violation of WIA section 188(a) or 29 CFR part 37, ADES will use the procedures set forth in that regulatory part.

2. The Department may impose sanctions or corrective action for noncompliance with the uniform administrative requirements set forth under section 184(b) (1) and §667.710(c). Sanctions or corrective action will be applied for substantial violations of WIA statutory and regulatory requirements, if the Governor fails to promptly take the actions specified in WIA sections 184(b)(1), the Grant Officer may impose such actions directly against the local area. The Grant Officer may also impose a sanction directly against a sub recipient, as authorized in section 184(d) (3) of the Act.

19.3 Pursuant to 20 CFR Part 667, Subpart G, the Department may impose fiscal sanctions if a local area fails the same performance measure(s) in two or more consecutive years. The sanction shall be applied to the area of funding (i.e. Adult, Youth Dislocated Worker or Rapid Response) in which the failed performance measure(s) applies. Sanctions shall follow the Sanction Schedule (Attachment A) and shall be applied after final performance is reported in October of each contract year.

Sanctions collected shall be held by the Department and the Contract may receive the sanctioned funds if the performance for the failed measure(s) is rectified and the local area passes the performance measure in the next reporting cycle (i.e. October of the following year). If the local area does not rectify performance in the next reporting cycle, the funds shall revert to the Department.

20.0 CLEAN AIR ACT & CLEAN WATER ACT

As the Contractor you must be in compliance with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h), section 508 of the Clean Water Act (33 U.S.C. 1368) Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15).

21.0 ENERGY POLICY AND CONSERVATION ACT

As the Contractor, you must adhere to the standards and policies relating to energy efficiency; which are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat.871).

22.0 COPELAND "ANTI-KICKBACK" ACT

As the Contractor to this agreement, you are expected to comply with the Copeland "Anti-Kickback" Act (18 U.S.C.874) as supplemented in the Department of Labor regulations (29 CFR part 3). In as such this regulation applies to all contracts and sub grants for construction or repair.

23.0 DAVIS-BACON ACT

As the Contractor to this agreement, you must comply with the Davis-Bacon Act (40 U.S.C. 276a to 276a-7) as supplemented by Department of Labor regulations (29 CFR Part 5) when required by Federal grant program legislation.

24.0 DEBT COLLECTION & AUDIT RESOLUTION

As the Contractor to this agreement, you must comply with P.L. 105-220 Sections 128, 133, and 184; 20 CFR Part 652, Subpart D,E and G; 20 CFR Part 667 Subparts D – H; 29 CFR Parts 95, 96, 97, and 99; OMB Circular A-21. As the Contractor to this agreement, you must comply with OMB Circular A-87, OMB Circular A-122, and OMB Circular A-133. As the Contractor to this agreement, you are required to adhere to Federal Acquisition Regulation 97-03 Part 31; ADES Policies 1-47-01 and 1-47-08; and Workforce Investment Act Guidance Letters #04-06, #09-06 and #18-06.

24.1 Among the required controls specified in Title 20 CFR Section 667.500(a) (2) is the process for collecting debts. Title 20 CFR 667.410(a) states it is the responsibility of the Contractor, sub-grantee, sub-recipient and/or service provider to conduct regular oversight and monitoring of its WIA activities to determine whether expenditures made against the cost categories and within the cost limitations specified in WIA laws and regulations. Title 20 CFR 667.705 states:

(a) The Contractor is responsible for all funds under its grant(s):

(b) The political jurisdiction(s) of the chief elected officia . in a local workforce investment area is liable for any misuse of the WIA grant funds allocated to the local area under WIA sections 128 and 133, unless the chief elected official(s) reaches an agreement with the Governor to bear such liability. The Department of Economic Security (ADES) holds all direct recipients (Contractors) liable for all expenditures of funds.

25.0 RIGHT TO ASSURANCE

If the Department in good faith has reason to believe that the Contractor does not intend to, or is unable to perform or continue performing under this contract, the Procurement Officer may demand in writing that the Contractor give a written assurance of intent to perform. Failure by the Contractor to provide written assurance within the number of "Days" specified in the demand may, at the Department's option be the basis for terminating the contract under the rights and remedies available by law or provided by this contract.

26.0 FIXED PRICE WITH PRICE ADJUSTMENT

The Department shall make payment in accordance with the following:

- Operating budget(s) shall be developed and maintained current, on at least a monthly basis, by the Contractor
- To receive funds, the Contractor shall adhere to the following procedures:
  a) Request for funds shall be made by fax to:
  ADES WIA ADMINISTRATION (602) 542-2452 FAX
  b) The fax "request shall be confirmed by simultaneous submittal of original and correctly completed" Contractor Request for Funds Disbursement Report.
  c) Funds shall be requested on a scheduled basis to meet payroll and other expenses and maintain a minimum amount of cash on hand. At no time shall cash on hand exceed immediate cash needs for a seventy-two (72) hour period.

27.0 REVIEW

This Agreement shall be reviewed at any time at the written request of either party.

28.0 NON-AVAILABILITY OF FUNDS

28.1 Every payment obligation of the ADES under the Contract is conditioned upon the availability of funds appropriated or allocated for payment of such obligation. If funds are not allocated and available for the continuance of this Contract, this Contract may be terminated by the ADES at the end of the period for which funds are available. No liability shall accrue to the ADES in the event this provision is exercised, and the ADES shall not be obligated or liable for any future payments of for any damages as a result of termination under this paragraph.

29.0 ARBITRATION

29.1 The parties to this Contract agree to resolve all disputes arising out of or relating to this Contract through arbitration, after exhausting applicable administrative review, to the extent required by A.R.S.§12-1518 except as may be required by other applicable statutes.

30.0 NON-DISCRIMINATION

30.1 In accordance with A.R.S. §41-1461 et seq. and Executive Order 2009-09, the Contractor shall provide equal employment opportunities for all persons, regardless of race, color, religion, creed, religion, sex, age, national origin, disability or political affiliation. The Contractor shall comply with the Americans with Disabilities Act.

31.0 FEDERAL IMMIGRATION AND NATIONALITY ACT

31.1 By entering into the Contract, the Contractor warrants compliance with the Federal Immigration and Nationality Act (FINA) and all other Federal immigration laws and regulations related to the immigration status of its employees. The Contractor shall obtain statements from its subcontractors certifying compliance and shall furnish the statements to the Procurement Officer upon request. These warranties shall remain in effect through the term of the Contract. The Contractor and its subcontractors shall also maintain Employment Eligibility Verification forms (I-9) as required by the U.S. Department of Labor's Immigration and Control Act, for all employees performing work under the Contract. I-9 forms are available for download at USCIS.GOV.

31.2 The State may request verification of compliance for any Contractor or subcontractor performing work under the Contract. Should the State suspect or find that the Contractor or any of its subcontractors are not in compliance, the State may pursue any and all remedies allowed by law, including, but not limited to: suspension of work, termination of the Contract for default, and suspension and/or debarment of the Contractor. All costs necessary to verify compliance are the responsibility of the Contractor.

32.0 CONFLICT OF INTEREST

32.1 In accordance with A.R.S. §38-511, the State may within three years after execution cancel the Agreement, without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the Agreement on behalf of the State, at any time while the Agreement is in effect, becomes an employee or agent of any other party to the Agreement in any capacity or a consultant to any other party to the Agreement with respect to the matter of the Agreement.

33.0 AMENDMENTS OR MODIFICATIONS

33.1 This agreement may be amended or modified at any time by mutual agreement. No agent, employee or other representative of either party is empowered to alter any of the terms of the agreement, unless done in writing and signed by the authorized representative of the respective parties.

33.2 **Exceptions**

Either party shall give written notice to the other party of any non-material alteration that affects the provisions of this Agreement. Non-material alterations that do not require a written amendment are as follows:

1. Change of telephone number.
2. Change in authorized signatory.
3. Change in the name and/or address of the person to whom notices are to be sent.

34.0 AUDIT

34.1 In accordance with A.R.S. §35-214, the Contractor shall retain and shall contractually require each subcontractor to retain all data, books and other records ("records") relating to this Agreement for a period of five (5) years after the completion of the Agreement. All records shall be subject to inspection and audit by the State at reasonable times. Upon request, Contractor shall produce the original of any or all such records.

35.0 APPLICABLE LAW

35.1 This Contract shall be governed and interpreted by the laws of the State of Arizona. The materials and services supplied under this Contract shall comply with all applicable Federal, State and local laws, and the Contractor shall maintain all applicable license and permit requirements.

36.0 THIRD-PARTY ANTITRUST VIOLATIONS

36.1 The Contractor assigns to the Department any claim for overcharges resulting from antitrust violations concern materials or services supplied by third parties to the Contractor, toward fulfillment of this Contract.

37.0 IT 508 COMPLIANCE

37.1 Unless specifically authorized in the Contract, any electronic or information technology offered to the State of Arizona under this agreement shall comply with A.R.S. §41-2531 and 2532 and Section 508 of the Rehabilitation Act of 1973, which requires that employees and members of the public shall have access to and use of information technology that is comparable to the access and use by employees and members of the public who are not individuals with disabilities.

38.0 INDEMNIFICATION AND INSURANCE

38.1 **Indemnification**

38.2 Each party (as "Indemnitor") agrees to indemnify, defend, and hold harmless the other party (as "Indemnitee") from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as "Claims") arising out of bodily injury of any person (including death) or property damage, but only to the extent that such Claims which result in vicarious/derivative liability to the Indemnitee are caused by the act, omission, negligence, misconduct, or other fault of the Indemnitor, its officers, officials, agents, employees, or volunteers.

39.0 INDEMNIFICATION FOR SUBCONTRACTOR

39.1 In addition, the Gila County Board of Supervisors shall cause its contractor(s) and subcontractors, if any, to indemnify, defend, save and hold harmless the State of Arizona, any jurisdiction or agency issuing any permits for any work arising out of this Agreement, and their respective directors, officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of the Gila County Board of Supervisors or any of the directors, officers, agents, or employees or subcontractors of such contractor. This indemnity includes any claim or amount

arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by such contractor from and against any and all claims. It is agreed that such contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable.

40.0 INSURANCE REQUIREMENTS

40.1 INSURANCE REQUIREMENTS FOR GOVERNMENTAL PARTIES TO AN IGA:

40.1.1 None.

41.0 INSURANCE REQUIREMENTS FOR GOVERNMENTAL PARTIES TO AN IGA:

41.1 Insurance Requirements for Any Contractors Used by a Party to the Intergovernmental Agreement:

(Note: this applies only to Contractors used by a governmental entity, not to the governmental entity itself.) The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the governmental entity or Contractor from liabilities that might arise out of the performance of the work under this Contract by the Contractor, his agents, representatives, employees or subcontractors, and Contractor and the governmental entity are free to purchase additional insurance.

A. Minimum Scope and Limits of Insurance: Contractor shall provide coverage with limits of liability not less than those stated below.

1. Commercial General Liability – Occurrence Form

   Policy shall include bodily injury, property damage, personal injury and broad form contractual liability.

   - General Aggregate $2,000,000
   - Products – Completed Operations Aggregate $1,000,000
   - Personal and Advertising Injury $1,000,000
   - Blanket Contractual Liability – Written and Oral $1,000,000
   - Fire Legal Liability $ 50,000
   - Each Occurrence $1,000,000

   a. The policy shall be endorsed to include coverage for sexual abuse and molestation.

   b. The policy shall be endorsed to include the following additional insured language: "The State of Arizona and the Department of Economic Security shall be named as additionally insured with respect to liability arising out of the activities performed by or on behalf of the Contractor".
   (Note that the other governmental entity (ies) is/are also required to be additional insured(s) and they should supply the Contractor with their own list of persons to be insured.)

   c. Policy shall contain a waiver of subrogation against the State of Arizona, Its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

2. **Automobile Liability**

   Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of this Contract.

   - Combined Single Limit (CSL) $1,000,000

   a. The policy shall be endorsed to include the following additional insured language: "The State of Arizona and the Department of Economic Security shall be named as additionally insured with respect to liability arising out of the activities performed by or on behalf of the Contractor, involving automobiles owned, leased, hired or borrowed by the Contractor".

   b. Policy shall contain a waiver of subrogation against the State of Arizona, it's departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor
   (Note that the other governmental entity (ies) is/are also required to be additional insured(s) and they should supply the Contractor with their own list of persons to be insured.)

3. **Worker's Compensation and Employers' Liability**

• Workers' Compensation	Statutory
• Employers' Liability	
• Each Accident	$ 500,000
• Disease – Each Employee	$ 500,000
• Disease – Policy Limit	$1,000,000

a. Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

b. This requirement shall not apply to: Separately, EACH contractor or subcontractor exempt under A.R.S. 23-901, AND when such contractor or subcontractor executes the appropriate waiver (Sole Proprietor/Independent Contractor) form.

B. **Additional Insurance Requirements:** The policies shall contain, or be endorsed to contain, the following provisions:

1. The State of Arizona and the Department of Economic Security, wherever Additional insured status is required such additional insured shall be covered to the full limits of liability purchased by the Contractor, even if those limits of liability are in excess of those required by this Contract.
2. The Contractor's insurance coverage shall be primary insurance with respect to all other available sources.
3. Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of this Contract.

C. **Notice of Cancellation:** Each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be suspended, voided, canceled, or reduced in coverage or in limits except after thirty (30) days prior written notice has been given to the State of Arizona. Such notice shall be sent directly to the Department of Economic Security, Office of Procurement, 1789 W. Jefferson St. Site Code 805Z, Phoenix, AZ 85007 and shall be sent by certified mail, return receipt requested.

D. **Acceptability of Insurers:** Insurance is to be placed with duly licensed or approved non-admitted insurers in the state of Arizona with an "A.M. Best" rating of not less than A- VII. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

E. **Verification of Coverage:** Contractor shall furnish the State of Arizona with certificates of insurance (ACORD form or equivalent approved by the State of Arizona) as required by this Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

All certificates and endorsements are to be received and approved by the State of Arizona before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

All certificates required by this Contract shall be sent directly to Department of Economic Security, Office of Procurement, 1789 W. Jefferson St., Site Code 805Z Phoenix, AZ 85007 **UNLESS THE SCOPE OF WORK REPORTING REQUIREMENTS SPECIFIES OTHERWISE**. The State of Arizona contract number and contract description shall be noted or referenced on the certificate of insurance. The State of Arizona reserves the right to require complete, certified copies of all insurance policies required by this Contract at any time. Do not send certificates of Insurance to the State of Arizona's Risk Management Section.

F. **Subcontractors:** Contractors' certificate(s) shall include all subcontractors as insured under its policies or Contractor shall furnish to the State of Arizona separate certificates and endorsements for each

subcontractor. All coverages for subcontractors shall be subj to the minimum requirements identified above.

G. **Approval:** Any modification or variation from the insurance requirements in this Contract shall be made by the Department of Administration, Risk Management Section, whose decision shall be final. Such action will not require a formal Contract amendment, but may be made by administrative action.

H. **Exceptions:** In the event the Contractor or sub-contractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a Certificate of Self-Insurance. If the contractor or sub-contractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

42.0 E-VERIFY

42.1 In accordance with A.R.S. §41-4401, Contractor warrants compliance with all Federal immigration laws and regulations relating to employees and warrants its compliance with A.R.S. § 23-214, Subsection A.

43.0 RIGHT OF OFFSET

43.1 The Department shall be entitled to offset against any sums due the Contractor, any expenses or costs incurred by the Department, or damages assessed by the Department concerning the Contractor's non-conforming performance or failure to perform the Contract, or any part thereof.

44.0 OFFSHORE PERFORMANCE OF WORK PROHIBITED

44.1 Due to security and identity protection concerns, direct services under this contract shall be performed within the borders of the United States. Any services that are described in the specifications or scope of work that directly serve the State of Arizona or its clients and may involve access to secure or sensitive data or personal client data or development or modification of software for the State shall be performed within the borders of the United States. Unless specifically stated otherwise in the specifications, this definition does not apply to indirect or 'overhead' services, redundant back-up services or services that are incidental to the performance of the contract. This provision applies to work performed by subcontractors at all tiers.

45.0 SCRUTINIZED BUSINESS

45.1 In accordance with A.R.S. §35-391.06 and A.R.S. §35-393.06, the Contractor certifies that the Contractor does not have scrutinized business operations in Sudan or Iran.

46.0 DATA SHARING AGREEMENT

46.1 When determined by the Department that sharing of confidential data will occur with the Contractor, the Contractor shall complete the ADES Data Sharing Request Agreement and submit the completed Agreement to the ADES Program Designated Staff prior to any work commencing or data shared. A separate Data Sharing Request Agreement shall be required between the Contractor and each ADES Program sharing confidential data.

47.0 CULTURALLY RELEVANT AND LINGUISTICALLY APPROPRIATE

47.1 The Contractor shall ensure that all services provided are culturally relevant and linguistically appropriate to the population to be served.

48.0 ATTACHMENTS

48.1 The following list of attachments constitutes an integral part of subject agreement.

48.1.1 Attachment A – Sanction Schedule
48.1.2 Attachment B – Local Adult Report
48.1.3 Attachment C – Instructions for Adult Monthly Expenditure and Cash Draw Reports
48.1.4 Attachment D – Local Youth Report
48.1.5 Attachment E – Instructions for Youth Monthly Expenditure and Cash Draw Reports
48.1.6 Attachment F – Local DW Report
48.1.7 Attachment G – Instructions for DW Monthly Expenditure and Cash Draw Reports

Attachment A - Sanction Schedule for Failed Performance

Number of Years Performance Measure Failed	Sanction for 1 Performance Measure	Sanction for 2 Performance Measures	Sanction for 3 Performance measures	Sanction for 4 Performance Measures
2	1% of PY/FY Allocation	2% of PY/FY Allocation	3% of PY/FY Allocation	4% of PY/FY Allocation
3	5% of PY/FY Allocation	6% of PY/FY Allocation	7% of PY/FY Allocation	8% of PY/FY Allocation
4	10% of PY/FY Allocation	11% of PY/FY Allocation	12% of PY/FY Allocation	13% of PY/FY Allocation
5	20% of PY/FY Allocation	21% of PY/FY Allocation	22% of PY/FY Allocation	23% of PY/FY Allocation

Workforce Investment Act - Local Adult

Arizona Department of Economic Security Accrued Expenditure and Cash Report for WIA

(Follow attached instructions)

1. Contractor Name:	2. PY/FY:	2a. American Recovery and Reinvestment Act ☐Yes ☐No

3. Program Funds or Set-Aside Funds - If Set-Aside Funds, Designate Which Set-Aside

☐ **Program Funds** ☐ **Set-Aside Funds**

4. Contract Number	5. Final Report ☐Yes ☐No			

6. Reporting Period From: (Month, Day, Year)	To: (Month, Day, Year)	7. Date Submitted (Month, Day, Year)

8. **Transactions**	Cumulative
A. Cash - Administration :	
a. Cash Receipts to Date	
b. Cash Disbursements to Date	
c. Cash on Hand (line a minus b)	0
Expenditures and Unobligated Balance - Administration:	
d. Total Federal funds authorized	
e. Federal share of expenditures	
f. Federal share of unliquidated obligations	
g. Total Federal obligations (line e plus f)	0
h. Unobligated balance of Federal funds (line d minus g)	0
B. Cash - Adult Program:	
a. Cash Receipts to Date	
b. Cash Disbursements to Date	
c. Cash on Hand (line a minus b)	0
Expenditures and Unobligated Balance - Adult Program:	
d. Total Federal funds authorized	
e. Federal share of expenditures	
f. Federal share of unliquidated obligations	
g. Total Federal obligations (line e plus f)	0
h. Unobligated balance of Federal funds (line d minus g)	0
C. Program Income:	
a. Total Federal program income earned	
b. Program income expended in accordance with the addition method	
c. Unexpended program income (line a minus line b)	0
9. Additional Expenditure Data Required	
a. Other Federal funds expended	
b. Real property proceeds expended	
c. Expenditure of Adult Funds transferred to Dislocated Worker Program	

10. Remarks:

11. Certification: I certify to the best of my knowledge and belief that this report is correct and complete and that all expenditures and unliquidated obligations are for the purposes set forth in the award documents.

12. Contractor Authorized Signature(s) and Date

Revision 3 - 8/12/09

Attachment C

Arizona Department of Economic Security

Adult Program

Accrued Expenditure and Cash Draw Report

Instructions

Report Submission:

1) The Department of Economic Security require all contractors to submit the Accrued Expenditure and Cash Draw Report electronically via E-Mail in the exact format as received by the Local Area with no changes to cell formulas, headings, etc.
2) Report submittals must be accurate and by submitting electronically, the contractor certifies that the information contained therein is accurate to the best of their knowledge.
3) A separate report form is due for each Program and Fiscal Year, each grant fund (i.e. Adult, Youth and Dislocated Worker), and each Set-Aside funded project (i.e. incentive funds, technical assistance, business outreach, etc.).

Reporting Requirements:

1) The report is due 30 days after the end of each calendar month. Any exceptions to this timeframe must be received in writing from the Department. Failure to comply with this requirement may result in delays in receipt of cash draws or suspension of cash draws until reports are brought up to date.
2) A final closeout report for each grant fund (i.e. Adult, Youth and Dislocated Worker) and set-aside project (i.e. incentive funds, technical assistance, business outreach, etc.) is due no later than 30 days after the funding availability period or within 30 days of the final expenditure which reaches the contract ceiling for that fund or project, whichever occurs first.
3) All expenditure data is required to be reported on an accrual basis.
4) All financial reporting is to be cumulative from the contract inception or specified start date for the funds provided.

Attachment C

Line Item Instructions for the Accrued Expenditure and Cash Draw Report

Form Line Number	Reporting Item	Instructions
1	Contractor Name	Fill in the name of the Local Area or Agency who receives the funds.
2	PY/FY	Fill in the Program Year or Fiscal Year for the fund source the report is being completed for (i.e. PY08 or FY09).
2(a)	American Recovery and Reinvestment Act Funds (Y/N)	Check whether the funds being reported on are part of the ARRA Stimulus funding.
3	Program Funds or Set-Aside Funds	Indicate whether the report is for the 85% local area funding or whether it is for set-aside funds. If the report is for set-aside funds, a separate report for each set-aside project must be completed (i.e. a separate report is required for incentive funds and youth funds as an example).
4	Contract Number	Fill in the complete contract number as it appears in the contract for which the funds were received under (example: DE0911198000).
5	Final Report Y/N	Check the appropriate box for whether the report is the final report for the funds or not.
6	Reporting Period	Fill in the report period start date and end date. The start date should be the date the funds were made available per the contract.
7	Date Submitted	Fill in the date the report was e-mailed or mailed to the Department.
8	Transactions	Enter cumulative amounts in the cumulative column for each line item requiring data entry, as of the reporting period end date. NOTE: If any line item does NOT

		require data entry for the reporting period, a ZERO (0) must be entered.
8A(a)	Cash – Administration – Cash Receipts to Date	Enter the amount of cash received as of the reporting period end date for Administration.
8A(b)	Cash – Administration – Cash Disbursements to Date	Enter the amount of cash disbursed as of the reporting period end date for Administration.
8A(c)	Cash – Administration – Cash On Hand (Line a minus Line b)	This is a formula cell and MUST NOT BE CHANGED. If the formula for the cell is altered, the form will be returned and cash receipts may be delayed.
8A(d)	Expenditures and Unobligated Balances – Administration – Total Federal Funds Authorized	Enter the total amount available as received in the contract for Administration.
8A(e)	Expenditures and Unobligated Balance – Administration – Federal Share of Expenditures	Enter the amount of expenditures (including accrued expenses) incurred through the report period end date for Administration.
8A(f)	Expenditures and Unobligated Balances – Administration – Federal Share of Unliquidated Obligations	Enter the amount of Unliquidated Obligations (legally binding commitments to expend subject grant funds authorized) for which an accrued expenditure has not yet been incurred, as of the last day of the reporting period for Administration. Unliquidated obligations should include amounts which will become due to sub recipients and subcontractors. Do not include any amount on line 8A(f) that was included in line 8A(e).
8A(g)	Expenditures and Unobligated Balances – Administration – Total Federal Obligations	Formula Cell that adds line 8A(e) and 8A(f). This cell MUST NOT BE CHANGED. If the formula for this cell is altered, the form will be returned and cash receipts may be delayed.
8A(h)	Expenditures and Unobligated Balances – Administration – Unobligated Balance of Federal Funds	Formula Call that Subtracts line 8A(g) from Line 8A(d). This cell

		MUST NOT BE CHANGED. If the formula for this cell is altered, the form will be returned and cash receipts may be delayed.
8B(a)	Cash – Adult Program – Cash Receipts to Date	Enter the amount of cash received as of the reporting period end date for Program related costs (excludes Administration).
8B(b)	Cash – Adult Program – Cash Disbursements to Date	Enter the amount of cash disbursed as of the reporting period end date for Program related costs (excludes Administration).
8B(c)	Cash – Adult Program – Cash On Hand	This is a formula cell and MUST NOT BE CHANGED. If the formula for the cell is altered, the form will be returned and cash receipts may be delayed.
8B(d)	Expenditures and Unobligated Balances – Adult Program – Total Federal Funds Authorized	Enter the total amount available as received in the contract for Program related costs (excludes Administration). Note: The allocation amount MUST include any funds which the local area has identified as being transferred to the DISLOCATED WORKER PROGRAM. DO NOT REPORT ANY DISLOCATED WORKER FUNDS TRANSFERRED TO ADULT IN THIS LINE.
8B(e)	Expenditures and Unobligated Balances – Adult Program – Federal Share of Expenditures	Enter the amount of expenditures (including accrued expenses) incurred through the report period end date for Program related costs (excludes Administration). Note: Expenditure of Adult Funds transferred to the Dislocated Worker Program MUST BE REPORTED on this line. DO NOT REPORT ANY DISLOCATED WORKER FUNDS TRANSFERRED TO ADULT PROGRAM IN THIS LINE.
8B(f)	Expenditures and Unobligated Balances – Adult Program – Federal Share of Unliquidated Obligations	Enter the amount of Unliquidated Obligations (legally

		binding commitments to expend subject grant funds authorized) for which an accrued expenditure has not yet been incurred, as of the last day of the reporting period for Program related costs. Unliquidated obligations should include amounts which will become due to sub recipients and subcontractors. Do not include any amount on line 8B(f) that was included in line 8B(e). Note: Unliquidated Obligations of Dislocated Worker Funds transferred to the Adult Program MUST BE REPORTED on this line. DO NOT REPORT ANY DISLOCATED WORKER UNLIQUIDATED OBLIGATIONS TRANSFERRED TO ADULT PROGRAM IN THIS LINE.
8B(g)	Expenditures and Unobligated Balances – Adult Program – Total Federal Obligations	Formula Cell that adds line 8B(e) and 8B(f). This cell MUST NOT BE CHANGED. If the formula for this cell is altered, the form will be returned and cash receipts may be delayed.
8B(h)	Expenditures and Unobligated Balances – Adult Program – Unobligated Balance of Federal Funds	Formula Call that Subtracts line 8B(g) from Line 8B(d). This cell MUST NOT BE CHANGED. If the formula for this cell is altered, the form will be returned and cash receipts may be delayed.
8C(a)	Program Income – Total Federal Program Income Earned	Enter the total amount of program income earned during the reporting period as the result of allowable grant activity. The addition method of recording and reporting program income is required for all ETA programs/grants. For additional reference, program income is defined in the applicable program regulations and in 29CFR95.24 and 29CFR97.25. The Net program income (i.e. after the expense of generating

		the income is subtracted from the income earned) is preferred. If no program income is earned a ZERO (0) MUST BE ENTERED.
8C(b)	Program Income – Program Income Expended in Accordance with the Addition Method	Enter the amount of program income reported on line 8D(a) that was expended during the reporting period.
8C(c)	Program Income – Unexpended Program Income	This is a formula cell and MUST NOT BE CHANGED. If the cell is altered, the form will be returned for correction and cash receipts may be delayed. This cell will subtract line 8D(b) from Line 8D(a). If the resulting calculation results in a negative number, the local areas must explain in the remarks section (Section 12) why there was negative program income. If the calculation results in a positive number, the local area must explain in the remarks section of the form (Section 10) what the planned use of the program income is, and when it is expected to be expended.
8D(a)	Total Recipient Share Required	Enter match requirement if applicable. If there is no match requirement, a ZERO must be entered.
8D(b)	Recipient Share of Expenditures	Enter any non-Federal funds expended, by recipient organization, for the purposes of the WIA Grant. Expenditures identified on this line item must be allowable costs which could otherwise have been paid for out of the WIA grant funds. These expenditures should include other non-Federal leveraged resources. The value of allowable non-federal in-kind contributions should also be included. Note: Non-Federal funds expended for the purposes or

		activities of WIA Grant, which are allowable under all OMB Circulars, but which are not completely allowable under WIA Grant (due to a program specific restriction), should NOT be reported on this line item.
8D(c)	Recipient Share of Unliquidated Obligations	Enter any obligations (legal commitments to expend non-Federal funds) for which an accrued expenditure has not yet been incurred, as of the reporting period end date. *Do not include any amount on line 8D(c) that has been reporting on line 8D(b). Don not include any amount on line 8D(c) for a future commitment of funds (e.g., entire lease, budgeted salary costs) for which an obligation has not yet been incurred.*
8D(d)	Total Recipient Share (sum of line 8D(a) and 8D(b)	This is a formula cell and MUST NOT BE CHANGED. If the formula for the cell is altered, the form will be returned and cash receipts may be delayed.
8D(e)	Remaining Recipient Share to be Provided (line 8D(a) minus line 8D(d)	This is a formula cell and MUST NOT BE CHANGED. If the formula for the cell is altered, the form will be returned and cash receipts may be delayed.
9(a)	Additional Expenditure Data Required – Other Federal Funds Expended	If no other Federal funds were expended a ZERO (0) MUST BE ENTERED.
9(b)	Additional Expenditure Data Required – Real Property Proceeds Expended	If no real property proceed were expended a ZERO (0) MUST BE ENTERED.
9(c)	Additional Expenditure Data Required – Expenditure of Adult Funds Transferred to Dislocated Worker Program	Report any Adult Program Funds expended on the Dislocated Worker Program in this field for the reporting period. In addition, expenditures reported in this line MUST BE REPORTED AS PART OF LINE 8B(e).
10	Remarks	Enter any remarks related to the

		information reported on the form. In addition, if any program income and expenditures are reported, please see line 8C(c) for specific instructions on what must be entered in this field.
11	Certification **Statement**	This field MUST NOT BE CHANGED. If any change is made to this field, the report will be returned for correction, and the cash receipts may be delayed.
12	Contractor **Authorized Signature and Date**	Enter the Local Area Authorized Signature persons Name and the date of signature.

Workforce Investment Act - Local Youth

Arizona Department of Economic Security Accrued Expenditure and Cash Report for WIA

(Follow attached instructions)

1. Contractor Name:	2. PY/FY:	2a. American Recovery and Reinvestment Act ☐ Yes ☐ No

3. Program Funds or Set-Aside Funds - If Set-Aside Funds, Designate Which Set-Aside

☐ Program Funds ☐ Set-Aside Funds

4. Contract Number	5. Final Report ☐ Yes ☐ No			

6. Reporting Period From: (Month, Day, Year)	To: (Month, Day, Year)	7. Date Submitted (Month, Day, Year)

8. Transactions	Cumulative
A. Cash - Administration :	
a. Cash Receipts to Date	
b. Cash Disbursements to Date	
c. Cash on Hand (line a minus b)	0
Expenditures and Unobligated Balance - Administration:	
d. Total Federal funds authorized	
e. Federal share of expenditures	
f. Federal share of unliquidated obligations	
g. Total Federal obligations (line e plus f)	0
h. Unobligated balance of Federal funds (line d minus g)	0
B. Cash - Youth Program:	
a. Cash Receipts to Date	
b. Cash Disbursements to Date	
c. Cash on Hand (line a minus b)	0
Expenditures and Unobligated Balance - Youth Program:	
d. Total Federal funds authorized	
e. Federal share of expenditures	
f. Federal share of unliquidated obligations	
g. Total Federal obligations (line e plus f)	0
h. Unobligated balance of Federal funds (line d minus g)	0
C. Program Income:	
a. Total Federal program income earned	
b. Program income expended in accordance with the addition method	
c. Unexpended program income (line a minus line b)	0
9. Additional Expenditure Data Required	
a. Other Federal funds expended	
b. Real property proceeds expended	
c. Out of school youth expenditures	
d. In school youth expenditures (this line should be) 0	
e. Summer employment opportunities expenditures	
f. Total out of school and in school expenditures (Total MUST match line 8B(e)) 0	0

10. Remarks:

11. Certification: I certify to the best of my knowledge and belief that this report is correct and complete and that all expenditures and unliquidated obligations are for the purposes set forth in the award documents.

12. Contractor Authorized Signature(s) and Date

Attachment E

Arizona Department of Economic Security

Youth Program

Accrued Expenditure and Cash Draw Report

Instructions

Report Submission:

1) The Department of Economic Security require all contractors to submit the Accrued Expenditure and Cash Draw Report electronically via E-Mail in the exact format as received by the Local Area with no changes to cell formulas, headings, etc.
2) Report submittals must be accurate and by submitting electronically, the contractor certifies that the information contained therein is accurate to the best of their knowledge.
3) A separate report form is due for each Program and Fiscal Year, each grant fund (i.e. Adult, Youth and Dislocated Worker), and each Set-Aside funded project (i.e. incentive funds, technical assistance, business outreach, etc.).

Reporting Requirements:

1) The report is due 30 days after the end of each calendar month. Any exceptions to this timeframe must be received in writing from the Department. Failure to comply with this requirement may result in delays in receipt of cash draws or suspension of cash draws until reports are brought up to date.
2) A final closeout report for each grant fund (i.e. Adult, Youth and Dislocated Worker) and set-aside project (i.e. incentive funds, technical assistance, business outreach, etc.) is due no later than 30 days after the funding availability period or within 30 days of the final expenditure which reaches the contract ceiling for that fund or project, whichever occurs first.
3) All expenditure data is required to be reported on an accrual basis.
4) All financial reporting is to be cumulative from the contract inception or specified start date for the funds provided.

Attachment E

Line Item Instructions for the Accrued Expenditure and Cash Draw Report

Form Line Number	Reporting Item	Instructions
1	Contractor Name	Fill in the name of the Local Area or Agency who receives the funds.
2	PY/FY	Fill in the Program Year or Fiscal Year for the fund source the report is being completed for (i.e. PY08 or FY09).
2(a)	American Recovery and Reinvestment Act Funds (Y/N)	Check whether the funds being reported on are part of the ARRA Stimulus funding.
3	Program Funds or Set-Aside Funds	Indicate whether the report is for the 85% local area funding or whether it is for set-aside funds. If the report is for set-aside funds, a separate report for each set-aside project must be completed (i.e. a separate report is required for incentive funds and youth funds as an example).
4	Contract Number	Fill in the complete contract number as it appears in the contract for which the funds were received under (example: DE0911198000).
5	Final Report Y/N	Check the appropriate box for whether the report is the final report for the funds or not.
6	Reporting Period	Fill in the report period start date and end date. The start date should be the date the funds were made available per the contract.
7	Date Submitted	Fill in the date the report was e-mailed or mailed to the Department.
8	Transactions	Enter cumulative amounts in the cumulative column for each line item requiring data entry, as of the reporting period end date. NOTE: If any line item does NOT

		require data entry for the reporting period, a ZERO (0) must be entered.
8A(a)	Cash – Administration – Cash Receipts to Date	Enter the amount of cash received as of the reporting period end date for Administration.
8A(b)	Cash – Administration – Cash Disbursements to Date	Enter the amount of cash disbursed as of the reporting period end date for Administration.
8A(c)	Cash – Administration – Cash On Hand (Line a minus Line b)	This is a formula cell and MUST NOT BE CHANGED. If the formula for the cell is altered, the form will be returned and cash receipts may be delayed.
8A(d)	Expenditures and Unobligated Balances – Administration – Total Federal Funds Authorized	Enter the total amount available as received in the contract for Administration.
8A(e)	Expenditures and Unobligated Balance – Administration – Federal Share of Expenditures	Enter the amount of expenditures (including accrued expenses) incurred through the report period end date for Administration.
8A(f)	Expenditures and Unobligated Balances – Administration – Federal Share of Unliquidated Obligations	Enter the amount of Unliquidated Obligations (legally binding commitments to expend subject grant funds authorized) for which an accrued expenditure has not yet been incurred, as of the last day of the reporting period for Administration. Unliquidated obligations should include amounts which will become due to sub recipients and subcontractors. Do not include any amount on line 8A(f) that was included in line 8A(e).
8A(g)	Expenditures and Unobligated Balances – Administration – Total Federal Obligations	Formula Cell that adds line 8A(e) and 8A(f). This cell MUST NOT BE CHANGED. If the formula for this cell is altered, the form will be returned and cash receipts may be delayed.
8A(h)	Expenditures and Unobligated Balances – Administration – Unobligated Balance of Federal Funds	Formula Call that Subtracts line 8A(g) from Line 8A(d). This cell

Attachment E

		MUST NOT BE CHANGED. If the formula for this cell is altered, the form will be returned and cash receipts may be delayed.
8B(a)	Cash – Youth Program – Cash Receipts to Date	Enter the amount of cash received as of the reporting period end date for Program related costs (excludes Administration).
8B(b)	Cash – Youth Program – Cash Disbursements to Date	Enter the amount of cash disbursed as of the reporting period end date for Program related costs (excludes Administration).
8B(c)	Cash – Youth Program – Cash On Hand	This is a formula cell and MUST NOT BE CHANGED. If the formula for the cell is altered, the form will be returned and cash receipts may be delayed.
8B(d)	Expenditures and Unobligated Balances – Youth Program – Total Federal Funds Authorized	Enter the total amount available as received in the contract for Program related costs (excludes Administration).
8B(e)	Expenditures and Unobligated Balances – Youth Program – Federal Share of Expenditures	Enter the amount of expenditures (including accrued expenses) incurred through the report period end date for Program related costs (excludes Administration).
8B(f)	Expenditures and Unobligated Balances – Youth Program – Federal Share of Unliquidated Obligations	Enter the amount of Unliquidated Obligations (legally binding commitments to expend subject grant funds authorized) for which an accrued expenditure has not yet been incurred, as of the last day of the reporting period for Program related costs. Unliquidated obligations should include amounts which will become due to sub recipients and subcontractors. Do not include any amount on line 8B(f) that was included in line 8B(e).
8B(g)	Expenditures and Unobligated Balances – Youth Program – Total Federal Obligations	Formula Cell that adds line 8B(e) and 8B(f). This cell MUST NOT BE CHANGED. If the formula for

		this cell is altered, the form will be returned and cash receipts may be delayed.
8B(h)	Expenditures and Unobligated Balances – Youth Program – Unobligated Balance of Federal Funds	Formula Call that Subtracts line 8B(g) from Line 8B(d). This cell MUST NOT BE CHANGED. If the formula for this cell is altered, the form will be returned and cash receipts may be delayed.
8C(a)	Program Income – Total Federal Program Income Earned	Enter the total amount of program income earned during the reporting period as the result of allowable grant activity. The addition method of recording and reporting program income is required for all ETA programs/grants. For additional reference, program income is defined in the applicable program regulations and in 29CFR95.24 and 29CFR97.25. The Net program income (i.e. after the expense of generating the income is subtracted from the income earned) is preferred. If no program income is earned a ZERO (0) MUST BE ENTERED.
8C(b)	Program Income – Program Income Expended in Accordance with the Addition Method	Enter the amount of program income reported on line 8D(a) that was expended during the reporting period.
8C(c)	Program Income – Unexpended Program Income	This is a formula cell and MUST NOT BE CHANGED. If the cell is altered, the form will be returned for correction and cash receipts may be delayed. This cell will subtract line 8D(b) from Line 8D(a). If the resulting calculation results in a negative number, the local areas must explain in the remarks section (Section 12) why there was negative program income. If the calculation results in a positive number, the local area must explain in the remarks section of the form (Section 10) what the planned use of the program

		income is, and when it is expected to be expended.
8D(a)	Total Recipient Share Required	Enter match requirement if applicable. If there is no match requirement, a ZERO must be entered.
8D(b)	Recipient Share of Expenditures	Enter any non-Federal funds expended, by recipient organization, for the purposes of the WIA Grant. Expenditures identified on this line item must be allowable costs which could otherwise have been paid for out of the WIA grant funds. These expenditures should include other non-Federal leveraged resources. The value of allowable non-federal in-kind contributions should also be included. Note: Non-Federal funds expended for the purposes or activities of WIA Grant, which are allowable under all OMB Circulars, but which are not completely allowable under WIA Grant (due to a program specific restriction), should NOT be reported on this line item.
8D(c)	Recipient Share of Unliquidated Obligations	Enter any obligations (legal commitments to expend non-Federal funds) for which an accrued expenditure has not yet been incurred, as of the reporting period end date. *Do not include any amount on line 8D(c) that has been reporting on line 8D(b). Don not include any amount on line 8D(c) for a future commitment of funds (e.g., entire lease, budgeted salary costs) for which an obligation has not yet been incurred.*
8D(d)	Total Recipient Share (sum of line 8D(a) and 8D(b)	This is a formula cell and MUST NOT BE CHANGED. If the

		formula for the cell is altered, the form will be returned and cash receipts may be delayed.
8D(e)	Remaining Recipient Share to be Provided (line 8D(a) minus line 8D(d)	This is a formula cell and MUST NOT BE CHANGED. If the formula for the cell is altered, the form will be returned and cash receipts may be delayed.
9(a)	Additional Expenditure Data Required – Other Federal Funds Expended	If no other Federal funds were expended a ZERO (0) MUST BE ENTERED.
9(b)	Additional Expenditure Data Required – Real Property Proceeds Expended	If no real property proceed were expended a ZERO (0) MUST BE ENTERED.
9(c)	Additional Expenditure Data Required – Out of School Youth Expenditures	Enter the amount of expenditures reported on line 8B(e) that were spent on out of school youth.
9(d)	Additional Expenditure Data Required – In School Youth Expenditures	Enter the amount of expenditures reported on line 8B(e) that were spent on in school youth.
9(e)	Additional Expenditure Data Required – Summer Employment Opportunities Expenditures	Enter the amount of expenditures that were for summer employment opportunities. This is a stand alone line item, and is a subpart of Line 8B(e) and amounts entered on 9(c) and 9(d).
10	Remarks	Enter any remarks related to the information reported on the form. In addition, if any program income and expenditures are reported, please see line 8C(c) for specific instructions on what must be entered in this field.
11	Certification Statement	This field MUST NOT BE CHANGED. If any change is made to this field, the report will be returned for correction, and the cash receipts may be delayed.
12	Contractor Authorized Signature and Date	Enter the Local Area Authorized Signature persons Name and the date of signature.

Arizona Department of Economic Security Accrued Expenditure and Cash Report for WIA

(Follow attached instructions)

1. Contractor Name:	2. PY/FY:	2a. American Recovery and Reinvestment Act ☐ Yes ☐ No

3. Program Funds or Set-Aside Funds - If Set-Aside Funds, Designate Which Set-Aside

☐ **Program Funds** ☐ **Set-Aside Funds**

4. Contract Number	5. Final Report ☐ Yes ☐ No			

6. Reporting Period From: (Month, Day, Year)	To: (Month, Day, Year)	7. Date Submitted (Month, Day, Year)

8. **Transactions**	Cumulative
A. Cash - Administration :	
a. Cash Receipts to Date	
b. Cash Disbursements to Date	
c. Cash on Hand (line a minus b)	0
Expenditures and Unobligated Balance - Administration:	
d. Total Federal funds authorized	
e. Federal share of expenditures	
f. Federal share of unliquidated obligations	
g. Total Federal obligations (line e plus f)	0
h. Unobligated balance of Federal funds (line d minus g)	0
B. Cash - Dislocated Worker Program:	
a. Cash Receipts to Date	
b. Cash Disbursements to Date	
c. Cash on Hand (line a minus b)	0
Expenditures and Unobligated Balance - Dislocated Worker Program:	
d. Total Federal funds authorized	
e. Federal share of expenditures	
f. Federal share of unliquidated obligations	
g. Total Federal obligations (line e plus f)	0
h. Unobligated balance of Federal funds (line d minus g)	0
B2. Cash - Rapid Response Program:	
a. Cash Receipts to Date	
b. Cash Disbursements to Date	
c. Cash on Hand (line a minus b)	0
Expenditures and Unobligated Balance - Rapid Response Program:	
d. Total Federal funds authorized	
e. Federal share of expenditures	
f. Federal share of unliquidated obligations	
g. Total Federal obligations (line e plus f)	0
h. Unobligated balance of Federal funds (line d minus g)	0
C. Program Income:	
a. Total Federal program income earned	
b. Program income expended in accordance with the addition method	
c. Unexpended program income (line a minus line b)	0
D. Recipient Share:	
a. Total recipient share required	
b. Recipient share of expenditures	
c. Recipient share of unliquadated obligations	
d. Total recipient obligations (sum of lines b and c)	0
e. Remaining recipient share to be provided (line a minus line d)	0

9. **Additional Expenditure Data Required**	
a. Other Federal funds expended	
b. Real property proceeds expended	
c. Expenditure of DW Funds transferred to Adult Program	

10. Remarks:

11. Certification: I certify to the best of my knowledge and belief that this report is correct and complete and that all expenditures and unliquidated obligations are for the purposes set forth in the award documents.

12. Contractor Authorized Signature(s) and Date

ATTACHMENT G

Arizona Department of Economic Security

Dislocated Worker Program

Accrued Expenditure and Cash Draw Report

Instructions

Report Submission:

1) The Department of Economic Security require all contractors to submit the Accrued Expenditure and Cash Draw Report electronically via E-Mail in the exact format as received by the Local Area with no changes to cell formulas, headings, etc.
2) Report submittals must be accurate and by submitting electronically, the contractor certifies that the information contained therein is accurate to the best of their knowledge.
3) A separate report form is due for each Program and Fiscal Year, each grant fund (i.e. Adult, Youth and Dislocated Worker), and each Set-Aside funded project (i.e. incentive funds, technical assistance, business outreach, etc.).

Reporting Requirements:

1) The report is due 30 days after the end of each calendar month. Any exceptions to this timeframe must be received in writing from the Department. Failure to comply with this requirement may result in delays in receipt of cash draws or suspension of cash draws until reports are brought up to date.
2) A final closeout report for each grant fund (i.e. Adult, Youth and Dislocated Worker) and set-aside project (i.e. incentive funds, technical assistance, business outreach, etc.) is due no later than 30 days after the funding availability period or within 30 days of the final expenditure which reaches the contract ceiling for that fund or project, whichever occurs first.
3) All expenditure data is required to be reported on an accrual basis.
4) All financial reporting is to be cumulative from the contract inception or specified start date for the funds provided.

ATTACHMENT G

Line Item Instructions for the Accrued Expenditure and Cash Draw Report

Form Line Number	Reporting Item	Instructions
1	Contractor Name	Fill in the name of the Local Area or Agency who receives the funds.
2	PY/FY	Fill in the Program Year or Fiscal Year for the fund source the report is being completed for (i.e. PY08 or FY09).
2(a)	American Recovery and Reinvestment Act Funds (Y/N)	Check whether the funds being reported on are part of the ARRA Stimulus funding.
3	Program Funds or Set-Aside Funds	Indicate whether the report is for the 85% local area funding or whether it is for set-aside funds. If the report is for set-aside funds, a separate report for each set-aside project must be completed (i.e. a separate report is required for incentive funds and youth funds as an example).
4	Contract Number	Fill in the complete contract number as it appears in the contract for which the funds were received under (example: DE0911198000).
5	Final Report Y/N	Check the appropriate box for whether the report is the final report for the funds or not.
6	Reporting Period	Fill in the report period start date and end date. The start date should be the date the funds were made available per the contract.
7	Date Submitted	Fill in the date the report was e-mailed or mailed to the Department.
8	Transactions	Enter cumulative amounts in the cumulative column for each line item requiring data entry, as of the reporting period end date. NOTE: If any line item does NOT

		require data entry for the reporting period, a ZERO (0) must be entered.
8A(a)	Cash – Administration – Cash Receipts to Date	Enter the amount of cash received as of the reporting period end date for Administration.
8A(b)	Cash – Administration – Cash Disbursements to Date	Enter the amount of cash disbursed as of the reporting period end date for Administration.
8A(c)	Cash – Administration – Cash On Hand (Line a minus Line b)	This is a formula cell and MUST NOT BE CHANGED. If the formula for the cell is altered, the form will be returned and cash receipts may be delayed.
8A(d)	Expenditures and Unobligated Balances – Administration – Total Federal Funds Authorized	Enter the total amount available as received in the contract for Administration.
8A(e)	Expenditures and Unobligated Balance – Administration – Federal Share of Expenditures	Enter the amount of expenditures (including accrued expenses) incurred through the report period end date for Administration.
8A(f)	Expenditures and Unobligated Balances – Administration – Federal Share of Unliquidated Obligations	Enter the amount of Unliquidated Obligations (legally binding commitments to expend subject grant funds authorized) for which an accrued expenditure has not yet been incurred, as of the last day of the reporting period for Administration. Unliquidated obligations should include amounts which will become due to sub recipients and subcontractors. Do not include any amount on line 8A(f) that was included in line 8A(e).
8A(g)	Expenditures and Unobligated Balances – Administration – Total Federal Obligations	Formula Cell that adds line 8A(e) and 8A(f). This cell MUST NOT BE CHANGED. If the formula for this cell is altered, the form will be returned and cash receipts may be delayed.
8A(h)	Expenditures and Unobligated Balances – Administration – Unobligated Balance of Federal Funds	Formula Call that Subtracts line 8A(g) from Line 8A(d). This cell

		MUST NOT BE CHANGED. If the formula for this cell is altered, the form will be returned and cash receipts may be delayed.
8B(a)	Cash – Dislocated Worker Program – Cash Receipts to Date	Enter the amount of cash received as of the reporting period end date for Program related costs (excludes Administration).
8B(b)	Cash – Dislocated Worker Program – Cash Disbursements to Date	Enter the amount of cash disbursed as of the reporting period end date for Program related costs (excludes Administration).
8B(c)	Cash – Dislocated Worker Program – Cash On Hand	This is a formula cell and MUST NOT BE CHANGED. If the formula for the cell is altered, the form will be returned and cash receipts may be delayed.
8B(d)	Expenditures and Unobligated Balances – Dislocated Worker Program – Total Federal Funds Authorized	Enter the total amount available as received in the contract for Program related costs (excludes Administration). Note: The allocation amount MUST include any funds which the local area has identified as being transferred to the Adult Program. DO NOT REPORT ANY ADULT FUNDS TRANSFERRED TO DISLOCATED WORKER IN THIS LINE.
8B(e)	Expenditures and Unobligated Balances – Dislocated Worker Program – Federal Share of Expenditures	Enter the amount of expenditures (including accrued expenses) incurred through the report period end date for Program related costs (excludes Administration). Note: Expenditure of Dislocated Worker Funds transferred to the Adult Program MUST BE REPORTED on this line. DO NOT REPORT ANY ADULT FUNDS TRANSFERRED TO DISLOCATED WORKER PROGRAM IN THIS LINE.
8B(f)	Expenditures and Unobligated Balances – Dislocated Worker Program – Federal Share of Unliquidated	Enter the amount of Unliquidated Obligations (legally

	Obligations	binding commitments to expend subject grant funds authorized) for which an accrued expenditure has not yet been incurred, as of the last day of the reporting period for Program related costs. Unliquidated obligations should include amounts which will become due to sub recipients and subcontractors. Do not include any amount on line 8B(f) that was included in line 8B(e). Note: Unliquidated Obligations of Dislocated Worker Funds transferred to the Adult Program MUST BE REPORTED on this line. DO NOT REPORT ANY ADULT UNLIQUIDATED OBLIGATIONS TRANSFERRED TO DISLOCATED WORKER PROGRAM IN THIS LINE.
8B(g)	Expenditures and Unobligated Balances – Dislocated Worker Program – Total Federal Obligations	Formula Cell that adds line 8B(e) and 8B(f). This cell MUST NOT BE CHANGED. If the formula for this cell is altered, the form will be returned and cash receipts may be delayed.
8B(h)	Expenditures and Unobligated Balances – Dislocated Worker Program – Unobligated Balance of Federal Funds	Formula Call that Subtracts line 8B(g) from Line 8B(d). This cell MUST NOT BE CHANGED. If the formula for this cell is altered, the form will be returned and cash receipts may be delayed.
8B2(a)	Cash – Rapid Response Program – Cash Receipts to Date	Enter the amount of cash received as of the reporting period end date for Program related costs (excludes Administration and Dislocated Worker Program).
8B2(b)	Cash – Rapid Response Program – Cash Disbursements to Date	Enter the amount of cash disbursed as of the reporting period end date for Program related costs (excludes Administration and Dislocated Worker Program).
8B2(c)	Cash – Rapid Response Program – Cash On Hand	This is a formula cell and MUST

		NOT BE CHANGED. If the formula for the cell is altered, the form will be returned and cash receipts may be delayed.
8B2(d)	Expenditures and Unobligated Balances – Rapid Response Program – Total Federal Funds Authorized	Enter the total amount available as received in the contract for Program related costs (excludes Administration and Dislocated Worker Program).
8B2(e)	Expenditures and Unobligated Balances – Rapid Response Program – Federal Share of Expenditures	Enter the amount of expenditures (including accrued expenses) incurred through the report period end date for Program related costs (excludes Administration and Dislocated Worker Program).
8B2(f)	Expenditures and Unobligated Balances – Rapid Response Program – Federal Share of Unliquidated Obligations	Enter the amount of Unliquidated Obligations (legally binding commitments to expend subject grant funds authorized) for which an accrued expenditure has not yet been incurred, as of the last day of the reporting period for Program related costs. Unliquidated obligations should include amounts which will become due to sub recipients and subcontractors. Do not include any amount on line 8B2(f) that was included in line 8B2(e).
8B2(g)	Expenditures and Unobligated Balances – Rapid Response Program – Total Federal Obligations	Formula Cell that adds line 8B2(e) and 8B2(f). This cell MUST NOT BE CHANGED. If the formula for this cell is altered, the form will be returned and cash receipts may be delayed.
8B2(h)	Expenditures and Unobligated Balances – Rapid Response Program – Unobligated Balance of Federal Funds	Formula Call that Subtracts line 8B2(g) from Line 8B2(d). This cell MUST NOT BE CHANGED. If the formula for this cell is altered, the form will be returned and cash receipts may be delayed.
8C(a)	Program Income – Total Federal Program Income Earned	Enter the total amount of program income earned during the reporting period as the result

		of allowable grant activity. The addition method of recording and reporting program income is required for all ETA programs/grants. For additional reference, program income is defined in the applicable program regulations and in 29CFR95.24 and 29CFR97.25. The Net program income (i.e. after the expense of generating the income is subtracted from the income earned) is preferred. If no program income is earned a ZERO (0) MUST BE ENTERED.
8C(b)	Program Income – Program Income Expended in Accordance with the Addition Method	Enter the amount of program income reported on line 8C(a) that was expended during the reporting period.
8C(c)	Program Income – Unexpended Program Income	This is a formula cell and MUST NOT BE CHANGED. If the cell is altered, the form will be returned for correction and cash receipts may be delayed. This cell will subtract line 8C(b) from Line 8C(a). If the resulting calculation results in a negative number, the local areas must explain in the remarks section (Section 12) why there was negative program income. If the calculation results in a positive number, the local area must explain in the remarks section of the form (Section 10) what the planned use of the program income is, and when it is expected to be expended.
8D(a)	Total Recipient Share Required	Enter match requirement if applicable. If there is no match requirement, a ZERO must be entered.
8D(b)	Recipient Share of Expenditures	Enter any non-Federal funds expended, by recipient organization, for the purposes of the WIA Grant. Expenditures identified on this line item must be allowable costs which could

		otherwise have been paid for out of the WIA grant funds. These expenditures should include other non-Federal leveraged resources. The value of allowable non-federal in-kind contributions should also be included. Note: Non-Federal funds expended for the purposes or activities of WIA Grant, which are allowable under all OMB Circulars, but which are not completely allowable under WIA Grant (due to a program specific restriction), should NOT be reported on this line item.
8D(c)	Recipient Share of Unliquidated Obligations	Enter any obligations (legal commitments to expend non-Federal funds) for which an accrued expenditure has not yet been incurred, as of the reporting period end date. *Do not include any amount on line 8D(c) that has been reporting on line 8D(b). Don not include any amount on line 8D(c) for a future commitment of funds (e.g., entire lease, budgeted salary costs) for which an obligation has not yet been incurred.*
8D(d)	Total Recipient Share (sum of line 8D(a) and 8D(b)	This is a formula cell and MUST NOT BE CHANGED. If the formula for the cell is altered, the form will be returned and cash receipts may be delayed.
8D(e)	Remaining Recipient Share to be Provided (line 8D(a) minus line 8D(d)	This is a formula cell and MUST NOT BE CHANGED. If the formula for the cell is altered, the form will be returned and cash receipts may be delayed.
9(a)	Additional Expenditure Data Required – Other Federal Funds Expended	If no other Federal funds were expended a ZERO (0) MUST BE ENTERED.

ATTACHMENT G

9(b)	Additional Expenditure Data Required – Real Property Proceeds Expended	If no real property proceed were expended a ZERO (0) MUST BE ENTERED.
9(c)	Additional Expenditure Data Required – Expenditure of DW Funds Transferred to Adult Program	Report any Dislocated Worker Program Funds expended on the Adult Program in this field for the reporting period. In addition, expenditures reported in this line MUST BE REPORTED AS PART OF LINE 8B(e).
10	Remarks	Enter any remarks related to the information reported on the form. In addition, if any program income and expenditures are reported, please see line 8D(c) for specific instructions on what must be entered in this field.
11	Certification Statement	This field MUST NOT BE CHANGED. If any change is made to this field, the report will be returned for correction, and the cash receipts may be delayed.
12	Contractor Authorized Signature and Date	Enter the Local Area Authorized Signature persons Name and the date of signature.

DEPARTMENT OF ECONOMIC SECURITY
Your Partner For A Stronger Arizona

Intergovernmental Agreement

CONTRACT AMENDMENT

1. CONTRACTOR *(Name and address)*	2. CONTRACT ID NUMBER
Gila County Board of Supervisors 5515 S Apache Globe, AZ 85501	DE111006001
	3. AMENDMENT NUMBER 01

4. THE PARTIES AGREE TO THE FOLLOWING AMENDMENT

ADD:

48.0 BACKGROUND CHECKS FOR EMPLOYMENT THROUGH THE CENTRAL REGISTRY
If providing direct services to children or vulnerable adults, the following shall apply;

48.1 The provisions of A.R.S. § 8-804 (as may be amended) are hereby incorporated in its entirety as provisions of this Contract.

48.2 Background checks through the Central Registry shall be conducted for each Contractor employee including subcontractors that provide direct services to children or vulnerable adults. Individuals shall not provide direct services to ADES clients until the results of the Central Registry background check are complete and the results indicate the individual has no disqualifying acts that would prohibit him/her from providing services to ADES clients. If the Central Registry background check specifies any disqualifying act, the individual shall be prohibited from providing direct services to ADES clients.

48.3 Within thirty (30) days of contract award, the Contractor shall submit the "Request for Search of Central Registry for Employment" for each employee and subcontract employee providing direct services to children or vulnerable adults.

48.4 At least sixty (60) days prior to the Contract End Date, the Contractor shall submit the "Request for Search of Central Registry for Employment" for each employee and subcontract employee providing direct services to children or vulnerable adults.

48.5 The Contractor shall maintain the Central Registry Background Check results in a confidential file for five (5) years after termination of the Contract.

REVISE

The Numbering of the Attachments Section to:

49.0 ATTACHMENTS

49.1 The following list of attachments constitutes an integral part of subject agreement.

49.1.1 Attachment A - Sanction Schedule

49.1.2 Attachment B - Local Adult Report

49.1.3 Attachment C - Instructions for Adult Monthly Expenditure and Cash Draw Report

49.1.4 Attachment D - Local youth Report

49.1.5 Attachment E - Instructions for Youth Monthly Expenditure and Cash Draw Report

49.1.6 Attachment F - Local DW Report

49.1.7 Attachment G -Instructions for DW Monthly Expenditure and Cash Draw Report

5. EXCEPT AS PROVIDED HEREIN, ALL TERMS AND CONDITIONS OF THE ORIGINAL CONTRACT AS HERETOFORE CHANGED AND/OR AMENDED REMAIN UNCHANGED AND IN FULL FORCE AND EFFECT. THE AMENDMENT SHALL BECOME EFFECTIVE ON THE DATE OF LAST SIGNATURE UNLESS OTHERWISE SPECIFIED HEREIN. BY SIGNING THIS FORM ON BEHALF OF THE CONTRACTOR, THE SIGNATORY CERTIFIES HE/SHE HAS THE AUTHORITY TO BIND THE CONTRACTOR TO THIS CONTRACT.

6. **ARIZONA DEPARTMENT OF ECONOMIC SECURITY**	7. NAME OF CONTRACTOR Gila County Board of Supervisors
SIGNATURE OF AUTHORIZED INDIVIDUAL	SIGNATURE OF AUTHORIZED INDIVIDUAL
TYPED NAME CATHIE G. ROSIMANO	TYPED NAME Michael A. Pastor
TITLE Procurement Manager	TITLE Chairman, Gila County Board of Supervisors
DATE 2-10-11	DATE 1-18-11

IN ACCORDANCE WITH ARS §11-952 THIS CONTRACT AMENDMENT HAS BEEN REVIEWED BY THE UNDERSIGNED WHO HAVE DETERMINED THAT THIS CONTRACT AMENDMENT IS IN APPROPRIATE FORM AND WITHIN THE POWERS AND AUTHORITY GRANTED TO EACH RESPECTIVE PUBLIC BODY.

ARIZONA ATTORNEY GENERAL'S OFFICE

By: Barbara M. Behm
Assistant Attorney General

Date: 2/4/11

By: Bryan Chambers
Public Agency Legal Counsel
Bryan Chambers, Chief Deputy County Attorney

Date: 1-18-2011

DEPARTMENT OF ECONOMIC SECURITY

Your Partner For A Stronger Arizona

Intergovernmental Agreement

CONTRACT AMENDMENT

1. CONTRACTOR *(Name and address)*	2. CONTRACT ID NUMBER
Gila County Board of Supervisors 5515 S Apache Blvd Globe, AZ 85501	DE111006001
	3. AMENDMENT NUMBER 02

4. THE PARTIES AGREE TO THE FOLLOWING AMENDMENT

Pursuant to Section 6.1 Compensation, the following changes are being made:

	FROM	TO
PY10 DW Admin	$ 33,086	$ 40,967
FY11 DW Admin	$ 87,888	$ 108,823
PY10 Dislocated Worker	$ 297,781	$ 368,711
FY11 Dislocated Worker	$ 790,999	$ 979,412
PY10 Rapid Response	$ 50,253	$ 69,145
FY11 Rapid Response	$ 133,486	$ 183,061

The Contract total of $2,631,208.00 is increased by $356,626.00 to a new total of $2,987,834.00

5. EXCEPT AS PROVIDED HEREIN, ALL TERMS AND CONDITIONS OF THE ORIGINAL CONTRACT AS HERETOFORE CHANGED AND/OR AMENDED REMAIN UNCHANGED AND IN FULL FORCE AND EFFECT. THE AMENDMENT SHALL BECOME EFFECTIVE ON THE DATE OF LAST SIGNATURE UNLESS OTHERWISE SPECIFIED HEREIN. BY SIGNING THIS FORM ON BEHALF OF THE CONTRACTOR, THE SIGNATORY CERTIFIES HE/SHE HAS THE AUTHORITY TO BIND THE CONTRACTOR TO THIS CONTRACT.

6. **ARIZONA DEPARTMENT OF ECONOMIC SECURITY**	7. NAME OF CONTRACTOR Gila County Board of Supervisors
SIGNATURE OF AUTHORIZED INDIVIDUAL	SIGNATURE OF AUTHORIZED INDIVIDUAL
TYPED NAME CATHIE A. ROSSMAN	TYPED NAME Michael A. Pastor
TITLE Procurement Manager	TITLE Chairman of the Board of Supervisors
DATE 3-1-11	DATE 2/1/11

IN ACCORDANCE WITH ARS §11-952 THIS CONTRACT AMENDMENT HAS BEEN REVIEWED BY THE UNDERSIGNED WHO HAVE DETERMINED THAT THIS CONTRACT AMENDMENT IS IN APPROPRIATE FORM AND WITHIN THE POWERS AND AUTHORITY GRANTED TO EACH RESPECTIVE PUBLIC BODY.

ARIZONA ATTORNEY GENERAL'S OFFICE

By: _____
Assistant Attorney General

Date: 2/25/11

By: _____
Public Agency Legal Counsel

Date: 2/1/2011

DEPARTMENT OF ECONOMIC SECURITY

Your Partner For A Stronger Arizona

Intergovernmental Agreement

CONTRACT AMENDMENT

1. CONTRACTOR *(Name and address)*	2. CONTRACT ID NUMBER
Gila County Board of Supervisors 5515 S Apache Blvd Globe, AZ 85501	DE111006001
	3. AMENDMENT NUMBER 03

4. THE PARTIES AGREE TO THE FOLLOWING AMENDMENT

Pursuant to Section 6.1 Compensation, the following changes are being made:

	FROM	TO
PY10 Set a Side	$ 0	$ 37,809 (CFDA# 17.259, Youth)

The above funds are Incentive Dollars awarded for PY09/FY10 contract performance. The funds have an effective date from July 1, 2010 through June 30, 2013.

These funds shall be reported separately from any other set-a-side dollars received.

The Contract total of $2,987,834.00 is increased by $37,809.00 to a new total of $3,025,643.00

5. EXCEPT AS PROVIDED HEREIN, ALL TERMS AND CONDITIONS OF THE ORIGINAL CONTRACT AS HERETOFORE CHANGED AND/OR AMENDED REMAIN UNCHANGED AND IN FULL FORCE AND EFFECT. THE AMENDMENT SHALL BECOME EFFECTIVE ON THE DATE OF LAST SIGNATURE UNLESS OTHERWISE SPECIFIED HEREIN. BY SIGNING THIS FORM ON BEHALF OF THE CONTRACTOR, THE SIGNATORY CERTIFIES HE/SHE HAS THE AUTHORITY TO BIND THE CONTRACTOR TO THIS CONTRACT.

6. **ARIZONA DEPARTMENT OF ECONOMIC SECURITY**	7. NAME OF CONTRACTOR Gila County Board of Supervisors
SIGNATURE OF AUTHORIZED INDIVIDUAL	SIGNATURE OF AUTHORIZED INDIVIDUAL
TYPED NAME **Cathie G. Rodman**	TYPED NAME Michael A. Pastor
TITLE **Procurement Manager**	TITLE Chairman of the Board of Supervisors
DATE	DATE

IN ACCORDANCE WITH ARS §11-952 THIS CONTRACT AMENDMENT HAS BEEN REVIEWED BY THE UNDERSIGNED WHO HAVE DETERMINED THAT THIS CONTRACT AMENDMENT IS IN APPROPRIATE FORM AND WITHIN THE POWERS AND AUTHORITY GRANTED TO EACH RESPECTIVE PUBLIC BODY.

ARIZONA ATTORNEY GENERAL'S OFFICE

By: _____
Assistant Attorney General

Date: _____

By: _____
Public Agency Legal Counsel

Date: _____

DEPARTMENT OF ECONOMIC SECURITY

Your Partner For A Stronger Arizona

Intergovernmental Agreement

CONTRACT AMENDMENT

1. CONTRACTOR *(Name and address)*	2. CONTRACT ID NUMBER
Gila County Board of Supervisors 5515 S. Apache Blvd Globe AZ 885501	DE111006-001
	3. AMENDMENT NUMBER
	4

4. THE PARTIES AGREE TO THE FOLLOWING AMENDMENT

Section 3.1 is amended to read:
The term of this Agreement shall have an effective date of April 1, 2010 and shall end on August 31, 2015, unless otherwise agreed upon by both parties in writing.

Section 6.2 is amended to read:
See Attachment H - Allocation by Program & Fiscal Year for the available funds under this contract.

Section 6.3 is amended to read:
The Contractor agrees that Pursuant to 20 CFR 667.107 Funds allocated by a State to a local area under subpart-A sections 128(b) and 133(b), for any Program year are available for expenditure only during that program year and the succeeding program year. Funds which are not expended by a local area in the two-year period, described in paragraph (b)(1) of section 128 (b) and 133(b) of the Federal Register shall be returned to the State. Funds so returned are avaiable for expenditure by State and local recipients and sub-recipients only during the third program year of availability. These funds may be used for statewide projects, or distributed to other local areas, which had fully expended their allocation of funds for the same program year with the two-year period.

See Attachment H - Allocation by Program & Fiscal Year for the period of availability by Program & Fiscal Year for funds allocated under this contract.

Section 7.0 is amended to read:
Program eligibility will be conducted on each applicant prior to the provision of services. Eligibility will include determination of family size, family income for the previous six-month period, educational status, and identification of any barriers or issues that impact attaining and/or retaining employment. Services shall comply with the Workforce Investment Act of 1998 as amended and applicable federal and state regulations.

Services provided to adults and dislocated workers, as appropriate to meet the individual's needs, may include any of the folowing:

Section 7.7 is amended to read:
The expenditures for all programs will comply with Office of Management and Budget (OMB) Circular A-87 for governmental entities: Public Law, 105-220 of the 105th Congress described as the Workforce Investment Act of 1998 and Federal and State regulations and guidelines under the WIA Title, 1-B Federal grant.

Section 8 is amended to add Section 8.2.5 as follows:
8.2.5 If the Contractor chooses to "transfer" funds between the Adult and Dislocated Worker funding streams, the Contractor shall send written notice to the contact in section 9.5 detailing the amount of funds which will be transferred and from which funding source the transfer will occur.

Section 12.4 is amended to read:
The Contractor and/or service providers must maintain accurate inventory records of expendable leased/purchased (value $2,000.00 to $4,999.99), and non-expendable leased/purchased equipment over $5,000.00 with WIA funds. Property records must include:

a. Asset Number
b. Item Description
c. Manufacturer
d. Serial Number
e. Acquistion Date
f. Physical Location

g. Total Item Cost
h. WIA Contract Cost
i. Inventory Date

The Contractor and/or service providers are required to submit an inventory report for all property leased/purchased with WIA funds costing more than $2,000.00 to the EA/WIA Section, Fiscal Manager by August 1 of each year.

Section 48 is amended to add Section 48.1.8 as follows:
48.1.8 Attachment H - Allocation by Program and Fiscal Year.

5. In accordance with A.R.S. § 35-393.06, the Contractor certifies that the Contractor does not have scrutinized business operations in Iran.

   In accordance with A.R.S. § 35-391.06, the Contractor certifies that the Contractor does not have scrutinized business operations in Sudan.

6. EXCEPT AS PROVIDED HEREIN, ALL TERMS AND CONDITIONS OF THE ORIGINAL CONTRACT AS HERETOFORE CHANGED AND/OR AMENDED REMAIN UNCHANGED AND IN FULL FORCE AND EFFECT. THE AMENDMENT SHALL BECOME EFFECTIVE ON THE DATE OF LAST SIGNATURE UNLESS OTHERWISE SPECIFIED HEREIN. BY SIGNING THIS FORM ON BEHALF OF THE CONTRACTOR, THE SIGNATORY CERTIFIES HE/SHE HAS THE AUTHORITY TO BIND THE CONTRACTOR TO THIS CONTRACT.

7. **ARIZONA DEPARTMENT OF ECONOMIC SECURITY**	8. NAME OF CONTRACTOR **Gila County Board of Supervisors**
SIGNATURE OF AUTHORIZED INDIVIDUAL	SIGNATURE OF AUTHORIZED INDIVIDUAL
TYPED NAME **Elizabeth G. Csaki,CPPB**	TYPED NAME Michael A. Pastor
TITLE **Procurement Manager, Contract Administration**	TITLE Chairman of the Board of Supervisors
DATE	DATE

IN ACCORDANCE WITH ARS §11-952 THIS CONTRACT AMENDMENT HAS BEEN REVIEWED BY THE UNDERSIGNED WHO HAVE DETERMINED THAT THIS CONTRACT AMENDMENT IS IN APPROPRIATE FORM AND WITHIN THE POWERS AND AUTHORITY GRANTED TO EACH RESPECTIVE PUBLIC BODY.

ARIZONA ATTORNEY GENERAL'S OFFICE

BY:	BY:
ASSISTANT ATTORNEY GENERAL	PUBLIC AGENCY LEGAL COUNSEL
DATE:	DATE:

Attachment H - Allocation by Program and Fiscal Year

GILA COUNTY
DE111006-001

PY/FY	Year	Program	Amount	Start Date	End Date	Final Report Submission Deadline
PY	2010	ADMIN	$ 111,677.00	4/1/2010	6/30/2012	8/15/2012
FY	2011	ADMIN	$ 161,884.00	10/1/2010	6/30/2012	8/15/2012
PY	2010	YOUTH	$ 536,075.00	4/1/2010	6/30/2012	8/15/2012
PY	2010	ADULT	$ 100,318.00	7/1/2010	6/30/2012	8/15/2012
FY	2011	ADULT	$ 477,551.00	10/1/2010	6/30/2012	8/15/2012
PY	2010	DW	$ 368,711.00	7/1/2010	6/30/2012	8/15/2012
FY	2011	DW	$ 979,412.00	10/1/2010	6/30/2012	8/15/2012
PY	2010	RR	$ 69,145.00	7/1/2010	6/30/2012	8/15/2012
FY	2011	RR	$ 183,061.00	10/1/2010	6/30/2012	8/15/2012
PY	2010	SAS	$ 37,809.00	7/1/2010	6/30/2013	8/15/2013
PY	2011	AD ADMIN	$ 5,289.00	7/1/2011	6/30/2013	8/15/2013
PY	2011	YT ADMIN	$ 63,600.00	4/1/2011	6/30/2013	8/15/2013
PY	2011	DW ADMIN	$ 25,600.00	7/1/2011	6/30/2013	8/15/2013
FY	2012	AD ADMIN	$ 64,301.00	10/1/2011	6/30/2013	8/15/2013
FY	2012	DW ADMIN	$ 108,430.00	10/1/2011	6/30/2013	8/15/2013
PY	2011	YOUTH	$ 572,396.00	4/1/2011	6/30/2013	8/15/2013
PY	2011	ADULT	$ 47,599.00	7/1/2011	6/30/2013	8/15/2013
FY	2012	ADULT	$ 578,705.00	10/1/2011	6/30/2013	8/15/2013
PY	2011	DW	$ 230,396.00	7/1/2011	6/30/2013	8/15/2013
FY	2012	DW	$ 975,869.00	10/1/2011	6/30/2013	8/15/2013
PY	2011	RR	$ 31,403.00	7/1/2011	6/30/2013	8/15/2013
FY	2012	RR	$ 133,011.00	10/1/2011	6/30/2013	8/15/2013

DEPARTMENT OF ECONOMIC SECURITY

Your Partner For A Stronger Arizona

Intergovernmental Agreement

CONTRACT AMENDMENT

1. CONTRACTOR *(Name and address)*	2. CONTRACT ID NUMBER
Gila County 5515 S Apache Blvd Globe AZ 85501	DE1110006-001
	3. AMENDMENT NUMBER 5

4. THE PARTIES AGREE TO THE FOLLOWING AMENDMENT

The purpose of this amendment is to include additional paragraphs as required by the U.S. Department of Labor. Therefore:

1.) Section 34.0. AUDIT is amended to add Section 34.2

Section 34.2. The Contractor shall retain data, books and other records ("records") relating to this Agreement in accordance with 29 CFR 97.42.

2.) Section 35.0 APPLICABLE LAW is amended to add Section 35.2

Section 35.2. The Contractor shall, in response to the U.S. Department of Labor, Employment and Training Administration, Training and Employment Guidance Letter No. 11-10, report sub-award information and executive compensation information, including the total compensation and names of the top five executives of the prime recipient and of the first tier sub-recipients in the FSRS database. Exisiting grants that are funded by the American Recovery and Reinvesment Act are not subject to this requirement.

5. In accordance with A.R.S. § 35-393.06, the Contractor certifies that the Contractor does not have scrutinized business operations in Iran.

In accordance with A.R.S. § 35-391.06, the Contractor certifies that the Contractor does not have scrutinized business operations in Sudan.

6. EXCEPT AS PROVIDED HEREIN, ALL TERMS AND CONDITIONS OF THE ORIGINAL CONTRACT AS HERETOFORE CHANGED AND/OR AMENDED REMAIN UNCHANGED AND IN FULL FORCE AND EFFECT. THE AMENDMENT SHALL BECOME EFFECTIVE ON THE DATE OF LAST SIGNATURE UNLESS OTHERWISE SPECIFIED HEREIN. BY SIGNING THIS FORM ON BEHALF OF THE CONTRACTOR, THE SIGNATORY CERTIFIES HE/SHE HAS THE AUTHORITY TO BIND THE CONTRACTOR TO THIS CONTRACT.

7. **ARIZONA DEPARTMENT OF ECONOMIC SECURITY**	8. NAME OF CONTRACTOR **Gila County Board of Supervisors**
SIGNATURE OF AUTHORIZED INDIVIDUAL	SIGNATURE OF AUTHORIZED INDIVIDUAL
TYPED NAME **Elizabeth Csaki** Csaki	TYPED NAME Tommie C. Martin Tommie Martin
TITLE **Procurement Manager**	TITLE Chairman of the Board of Supervisors
DATE 11/29/2011	DATE 11/1/11

IN ACCORDANCE WITH ARS §11-952 THIS CONTRACT AMENDMENT HAS BEEN REVIEWED BY THE UNDERSIGNED WHO HAVE DETERMINED THAT THIS CONTRACT AMENDMENT IS IN APPROPRIATE FORM AND WITHIN THE POWERS AND AUTHORITY GRANTED TO EACH RESPECTIVE PUBLIC BODY.

ARIZONA ATTORNEY GENERAL'S OFFICE

BY: Kevin R. Sill	BY:
ASSISTANT ATTORNEY GENERAL	PUBLIC AGENCY LEGAL COUNSEL
DATE: 11-23-11	DATE: 11 1 11

DEPARTMENT OF ECONOMIC SECURITY

Your Partner For A Stronger Arizona

Intergovernmental Agreement

CONTRACT AMENDMENT

1. CONTRACTOR *(Name and address)*	2. CONTRACT ID NUMBER
Gila County Board of Supervisors 5515 S Apache Blvd Globe, AZ 85501	DE111006001
	3. AMENDMENT NUMBER 06

4. THE PARTIES AGREE TO THE FOLLOWING AMENDMENT

Pursuant to Section 33.0 Amendments or Modifications:

Section 48.1.8 Attachment H is replaced with attached Attachment H, revised 2/13/2012.:

FY11 Dislocated Worker funds are reduced from $ 979,412.00 to $ 964,412.00

The funds have an effective date from October 1, 2010 through June 30, 2012.

The Contract total of $5,862,242.00 is decreased by $15,000.00. Therefore the new total contract amount is $5,847,242.00

5. EXCEPT AS PROVIDED HEREIN, ALL TERMS AND CONDITIONS OF THE ORIGINAL CONTRACT AS HERETOFORE CHANGED AND/OR AMENDED REMAIN UNCHANGED AND IN FULL FORCE AND EFFECT. THE AMENDMENT SHALL BECOME EFFECTIVE ON THE DATE OF LAST SIGNATURE UNLESS OTHERWISE SPECIFIED HEREIN. BY SIGNING THIS FORM ON BEHALF OF THE CONTRACTOR, THE SIGNATORY CERTIFIES HE/SHE HAS THE AUTHORITY TO BIND THE CONTRACTOR TO THIS CONTRACT.

6. **ARIZONA DEPARTMENT OF ECONOMIC SECURITY**	7. NAME OF CONTRACTOR Gila County Board of Supervisors
SIGNATURE OF AUTHORIZED INDIVIDUAL	SIGNATURE OF AUTHORIZED INDIVIDUAL
TYPED NAME **Elizabeth Csaki**	TYPED NAME Tommie C. Martin
TITLE **Procurement Manager**	TITLE Chairman of the Board of Supervisors
DATE	DATE

IN ACCORDANCE WITH ARS §11-952 THIS CONTRACT AMENDMENT HAS BEEN REVIEWED BY THE UNDERSIGNED WHO HAVE DETERMINED THAT THIS CONTRACT AMENDMENT IS IN APPROPRIATE FORM AND WITHIN THE POWERS AND AUTHORITY GRANTED TO EACH RESPECTIVE PUBLIC BODY.

ARIZONA ATTORNEY GENERAL'S OFFICE

By: _____
Assistant Attorney General

Date: _____

By: _____
Gila County Attorney

Date: _____

GILA COUNTY ATTORNEY
Daisy Flores

Re: County Attorney's Office approval of IGA pursuant to A.R.S. § 11-952(D).

To whom it may concern:

The County Attorney's Office has reviewed the Intergovernmental Agreement attached to this agenda item and has determined that it is in its "proper form" and "is within the powers and authority granted under the laws of this state to such public agency or public procurement unit" pursuant to A.R.S. § A.R.S. § 11-952(D).

Explanation of the Gila County Attorney's Office Intergovernmental Agreement (IGA) Review

A.R.S. § 11-952(D) requires that

> every agreement or contract involving any public agency or public procurement unit of this state . . . before its execution, shall be submitted to the attorney for each such public agency or public procurement unit, who shall determine whether the agreement is in proper form and is within the powers and authority granted under the laws of this state to such public agency or public procurement unit.

In performing this review, the County Attorney's Office reviews IGAs to see that they are in "proper form" prior to their execution. "Proper form" means that the contract conforms to fundamental contract law, conforms to specific legislative requirements, and is within the powers and authority granted to the public agency. It does not mean that the County Attorney's Office approves of or supports the policy objectives contained in the IGA. That approval is solely the province of the public agency through its elected body.

Likewise, this approval is not a certification that the IGA has been properly executed. Proper execution can only be determined after all the entities entering into the IGA have taken legal action to approve the IGA. There is no statutory requirement for the County Attorney's Office to certify that IGAs are properly executed.

Nonetheless, it is imperative for each public agency to ensure that each IGA is properly executed because A.R.S. § 11-952(F) requires that "[a]ppropriate action … applicable to the governing bodies of the participating agencies approving or extending the duration of the … contract shall be necessary before any such agreement, contract or extension may be filed or become effective." This can be done by ensuring that the governing body gives the public proper notice of the meeting wherein action will be taken to approve the IGA, that the item is adequately described in the agenda accompanying the notice, and that the governing body takes such action. Any questions regarding whether the IGA has been properly executed may be directed to the County Attorney's Office.

Proper execution of IGAs is important because A.R.S. § 11-952(H) provides that "[p]ayment for services under this section shall not be made unless pursuant to a fully approved written contract." Additionally, A.R.S. § 11-952(I) provides that "[a] person who authorizes payment of any monies in violation of this section is liable for the monies paid plus twenty per cent of such amount and legal interest from the date of payment."

The public agency or department submitting the IGA for review has the responsibility to read and understand the IGA in order to completely understand its obligations under the IGA if it is ultimately approved by the public entity's board. This is because while the County Attorney's Office can approve the IGA as to form, the office may not have any idea whether the public agency has the capacity to actually comply with its contractual obligations. Also, the County Attorney's Office does not monitor IGA compliance. Hence the public entity or submitting department will need to be prepared to monitor their own compliance. A thorough knowledge of the provisions of the IGA will be necessary to monitor compliance.

Before determining whether an IGA contract "is in proper form," the County Attorney's Office will answer any questions or concerns the public agency has about the contract. It is the responsibility of the public agency or department submitting the IGA for review to ask any specific questions or address any concerns it has about the IGA to the County Attorney's Office at the same time they submit the IGA for review. Making such an inquiry also helps improve the County Attorney's Office review of the IGA because it will help focus the review on specific issues that are of greatest concern to the public agency. Failing to make such an inquiry when the agency does have issues or concerns will decrease the ability of the County Attorney's Office to meaningfully review the IGA.

ARF-1157 **Consent Agenda Item 4- B**

Regular BOS Meeting

Meeting Date: 04/03/2012

Submitted For:	Barbara Valencia, WIA Department Program Manager	Submitted By:	Barbara Valencia, WIA Department Program Manager, Community Services Division
Department:	Community Services Division	Division:	WIA Department
Presenter's Name:			

Information

Request/Subject

Administrative Modification to the Gila/Pinal Workforce Investment Plan.

Background Information

Under the Workforce Investment Act of 1998, each local Workforce Investment Board (LWIB) submitted to the Governor a comprehensive Two-Year Local Plan in partnership with the appropriate chief elected officials. Additional directives in the WIA Final Rules call for procedures to be established which the local areas shall follow when making an administrative modification to the Plan.

Evaluation

Administrative Modification to Section VI, Page 40, of the Gila/Pinal Two-Year Plan shall include the following:

Equal Opportunity and Affirmative Action

2. Provide contact information for the Equal Opportunity (EO) Office in the local area.

Change from Barbara Valencia
Gila/Pinal EO Officer
5515 S. Apache Avenue, Suite 200
Globe, Arizona 85501

Change to Christina Throop
Gila/Pinal EO Officer
5515 S. Apache Avenue, Suite 200
Globe, AZ 85501

Conclusion

Gila/Pinal EO Officer has changed from Barbara Valencia to Christina Throop.

Recommendation

It is recommended that the Board of Supervisors approve the change of Gila/Pinal Workforce Investment Area EO Officer from Barbara Valencia to Christina Throop.

Suggested Motion

Approval to accept the change of Gila/Pinal Workforce Investment Area Equal Opportunity Officer from Barbara Valencia to Christina Throop.

Attachments

Gila-Pinal Two Year Plan

Signature Page

GILA/PINAL WORKFORCE INVESTMENT AREA

TWO-YEAR WORKFORCE INVESTMENT PLAN

PROGRAM YEARS 2008/2009 and 2010/2012

TABLE OF CONTENTS

SECTION I…… 1

SECTION II…….. 2

SECTION III……. 4

SECTION IV……. 8

SECTION V……. 11

SECTION VI……. 35

SECTION VII…… 42

APPENDIX A

APPENDIX B

APPENDIX C

APPENDIX D

APPENDIX E

APPENDIX F

APPENDIX G

APPENDIX H

APPENDIX I

APPENDIX J

SECTION I

PLAN DEVELOPMENT

1. **Describe the involvement of the Chief Local Elected Official (CLEO), the Local Workforce Investment Board (LWIB) and stakeholders in the development of the Plan**.

   The planning process began through a series of meetings held with the Gila/Pinal Workforce Investment Board and all stakeholders and other interested parties to provide an opportunity to comment and review on the two-year plan. The planning process was reviewed with the full WIB in October 2007. The plan was sent out to all WIB members and One-Stop Committee to review and comment. The Gila/Pinal Board of Supervisors approved the plan in March 18, 2008.

2. **Describe the process used to make the Plan available to the public, as well as key stakeholders, and the outcome resulting from review of public comments. Describe measures taken to include or address all comments received within the review period. [A copy of the published notice should be included as Appendix A. (For internet publication, a screen print is acceptable.) Also include a copy of any distribution list used for notification of key stakeholders] Any comments related to the Plan should be included as Appendix B.**

   The Gila/Pinal Workforce Investment 2008-2009 Plan public comment period was February 13, 2008 through March 17, 2008. Notice of public comment was printed in various local newspapers (Appendix A). The WIB will review comments, where appropriate and address them in the plan.

   Copies of the plan were made available at the Gila/Pinal Workforce Investment Area's One-Stop locations, as well as the Gila County Division of Health and Community Services, 5515 S. Apache Avenue, Suite 200, Globe, Arizona.

   Appendix B – no comments.

SECTION II

GOVERNANCE STRUCTURE

1. **Describe the role of the Chief Local Elected Official (CLEO) in the governance and implementation of WIA in the local area. In local areas consisting of more than one unit of government, indicate the decision making process between the local elected officials**.

   The Gila/Pinal Workforce Investment Board forwards its recommendations for appointment of members to the Gila and Pinal County Board of Supervisors for review, approval and appointment of individuals from within their respective jurisdictions.

   Gila County, as fiscal agent and grant recipient, approves and signs all contracts for the Workforce Investment Act. Gila and Pinal Board of Supervisors verbally agreed that Gila County would act as Fiscal Agent for the local area. A resolution to designate Gila and Pinal Counties as a Consortium is included in Appendix C. Gila County Board of Supervisors also reviews and approves the Gila/Pinal Workforce Investment Area Two Year Plan.

2. **Identify the entity responsible for the administrative functions in the delivery of WIA services. Provide contact information for the administrative entity and a copy of the agreement between the CLEO and administrative entity reflecting the designation and responsibilities. Administrative entity contact information and copies of the agreement should be included as Appendix C.**

   In 2000 Gila County was designated the entity responsible for the administrative functions in the delivery of WIA services. The Gila County Board of Supervisors has given the authority of administering the funds to the Gila County Division of Health and Community Services by approving the Gila/Pinal Workforce Investment Plan in April 2000 (Appendix C). Contact information for the administrative entity is in Appendix C.

3. **Identify the entity responsible for the disbursal of grant funds, as determined by the CLEO. Provide contact information for this fiscal entity, as well as a copy of the agreement between the CLEO and the entity, which reflects the fiscal agent designation. Fiscal agent contact information and copies of the agreement should be included as Appendix D.**

   In 2000 Gila County was designated as the entity responsible for the disbursal of grant funds. The Gila County Board of Supervisors has given the Gila County Division of Health and Community Services the responsibility of the disbursal of grant funds by approving the Gila/Pinal Workforce Investment Plan in April 2000 (Appendix D). Contact information for the administrative entity is in Appendix D.

4. **Identify the One-Stop Operator. The Local Workforce Investment Board (LWIB) has two choices for establishing a One-Stop Operator. The One-Stop Operator can be selected through a competitive process or an agreement can be reached between the local WIB and a consortium of three or more One-Stop partners [WIA §117 (d)(2)(A) and §121 (d)(2)(A)]. Describe the process for selection and the relationship of the One-Stop Operator to the LWIB (i.e.: when and how the One-Stop Operator was selected.) As Appendix E provide one of the following:**

   - **If the One-Stop Operator was selected through a competitive process, provide a copy of the One-Stop Operator agreement (i.e.: contract), or**
   - **If the One-Stop Operator is a consortium of three or more One-Stop partners provide a copy of the most recent consortium agreement and/or a copy of the official LWIB meeting minutes in which the consortium was approved.**

   The One-Stop Operators in Gila and Pinal counties are selected and voted on during the approval of the Two Year Plan. The One-Stop Operators are listed in the Plan and voted on by the Gila/Pinal Workforce Investment Board. The minutes for the approval of the Two Year Plan 2005-2007 designating the One-Stop Operators are included in Appendix E. Also included in Appendix E is the signature page of the approval of the Plan. Also, this plan includes the approval of the designated One-Stop Operators by the Gila/Pinal WIB.

5. **Provide an organizational chart (Appendix F) that delineates the relationship between the agencies involved in the workforce development system, including the CLEO, administrative entity, fiscal entity, One-Stop Operator and the required/optional One-Stop partner programs and lines of authority**.

   The attached chart (Appendix F) describes the relationship between the agencies and partners involved in the workforce development system for the Gila/Pinal Workforce Investment Area.

SECTION III

ECONOMIC INDICATORS

Provide a detailed analysis of the local economy, the labor pool, and labor market. The LWIB should use LMI resources such as the Training and Education Research Model (TERM), County Indicators for Arizona, etc.) The analysis must include:

1. **The current makeup of the local economic base by industry.**

   The Gila/Pinal Workforce Investment Area consists of two vastly different areas of local economic bases. Pinal County encompasses 5,371 square miles. In both economy and geography, Pinal County has two distinct regions. The communities of Mammoth, Oracle, San Manuel, and Kearny have traditionally been active in copper mining, smelting, milling and refining. Arizona City, Eloy, Maricopa, Picacho, Red Rock and Stanfield have agriculture based-economies. Apache Junction, Arizona City, Coolidge Eloy and particularly Casa Grande have diversified their economic base to include manufacturing, trade, and services. This expansion and diversification has been facilitated by their location in the major growth corridor between Phoenix and Tucson, except for Apache Junction which is to the east of Mesa. The southern ¾ of Pinal County and a small area in Apache Junction are designated as Enterprise Zones.

   Much of the local economic growth is generated from healthy population growth. The services and retail trade industries are responsible for much of the current strength in the local economy. Average unemployment rate in Pinal County in 2007 was 4.8%. Population of Pinal County in 2006 is 299,875 compared to 116,379 in 1990 and 179,727 in 2000. Strong migration from metropolitan counties like Maricopa and Pima has accounted for much of the growth. Housing affordability in Pinal County is considerably better than in Maricopa or Pima. In response to this increased migration into the county, there has been a flux of housing development projects in Pinal which has been a boom to local construction companies.

   The non-farm, private-sector economy in Pinal County is driven by certain manufacturing industries, tourism, and private prisons. Several correctional facilities are located in Pinal County. Some are privately run (the facilities support services industry), some are run by the state, and some are federal facilities. The state-funded facilities can be considered to be largely basic to the county economy. The federal facilities are basic to the county economies.

The following chart shows Non-Farm Employment by Sector in Pinal County in December 2007.

NON-FARM EMPLOYMENT BY SECTOR	
Services and Miscellaneous	42,325
Government	18,400
Trade, Transportation & Utilities	9,075
Education and Health Services	4,275
Leisure and Hospitality	4,000
Mining and Construction	3,500
Manufacturing	3,575
Professional & Business Services	3,350
Financial Activities	1,175
Information	300

Source: Arizona Workforce Informer

Gila County covers 4,796 square miles and is one of Arizona's most rural counties, where the principal economic activities are mining and tourism. Because of the tourism, the trade and service industries play an important and growing role in the county's economy. Payson is the largest and most rapidly growing town in the County and Globe is next largest. Gila County's population in 2006 is 56,800 compared to 40,216 in 1990. The average unemployment rate in 2007 is 4.5%.

The economic base is comprised of mining, tourism, government, mining and some forestry. The southern part of the County has identified tourism as its economic driver and has combined the local chamber of commerce with the local economic development organization to make better use of their resources. The northern part of the County has based its strategy on upper scale housing and recreation as a basis to attract new technology business. Portions of Gila County including parts of Payson, Hayden, and Winkelman have been designated as an Enterprise Zone. Another obstacle in attracting new businesses is that Gila County has a very small percentage of land in private ownership, which limits the options for development.

Mining remains the dominant driving force in Gila County economy. Mining was dominated by the high paying and export copper mining industry. Tourism, especially related to casinos, also helped drive the economy.

The following chart shows Non-Farm Employment by Sector in Gila County in December 2007.

NON-FARM EMPLOYMENT BY SECTOR	
Private Service Providing	4,925
Other Private Services	4,725
Goods Producing	2,950
Trade, Transportation & Utilities	2,425

Source: Arizona Workforce Informer

2. **Industries and occupations most critical to the Local Workforce Investment Area (LWIA) and which occupations are expected to grow or decline in the short term and over the next decade.**

The following charts indicate the industries/jobs to grow and decline in Gila and Pinal counties.

Gila County Growing Industries	2004-2007 Job Growth
Government	439
Building material and supplies dealers	131
Other specialty trade contractors	99
Building equipment contractors	94
Private households	60
Consumer goods rental	29
Remediation and other waste services	20
Other motor vehicle dealers	15
Gila County Declining Industries	**2004-2007 Job Growth**
Elementary and secondary schools	-148
Professional and similar organizations	-41
Accounting and bookkeeping services	-38
Employment services	-28
Civic and social organizations	-11
Cable and other program distribution	-10
Electronic equipment repair and maintenance	-5

Pinal County Growing Industries	2004-2007 Job Growth
Government	4,118
Limited-service eating places	792
Residential building construction	541
Employment services	322
Building finishing contractors	209
Clothing stores	176
Plastics product manufacturing	174
General freight trucking	167
Accounting and bookkeeping services	132
Consumer goods rental	94
Business support services	76
General rental centers	51
Lumber and construction supply merchant wholesalers	45
Commercial machinery repair and maintenance	32
Activities related to credit intermediation	27
Pinal County Declining Industries	**2004-2007 Job Growth**
Specialized freight trucking	-85
Machinery and supply merchant wholesalers	-80
Nursing care facilities	-66
Land subdivision	-35
Printing and related support activities	-29

Source: Arizona Workforce Informer

A TERM Report is not available for Gila and Pinal Counties. The Arizona Balance of State is being utilized.

OCCUPATIONAL PROJECTION				
SOC	**2008 Projected**	**2 Year Change**	**2014 Projected**	**10 Year Change**
Management	4,373	3.9%	24,632	34.2%
Business & Financial	1,851	4.3%	14,490	30.5%
Computer & Math	626	5.6%	5,695	39.7%
Architecture & Engineering	416	5.6%	5,307	28.5%
Life, Physical & Social Science	360	5.3%	4270	17.9%
Community & Social Service	1679	3.6%	6,925	49.3%
Legal Occupations	258	3.6%	2,258	43.6%
Education, Training, and, Library	599	3.8%	37,009	58.3%
Arts, Design, Entertainment	711	4.1%	6,038	27.6%
Healthcare Practitioners	3,689	7.8%	25,635	46.8%
Healthcare Support	1,839	9.2%	13,577	52.3%
Protective Service	2,969	2.7%	19,329	38.3%
Food Preparation	8,040	5.5%	52,175	41.9%
Building and Grounds Cleaning	3,658	5.3%	23,631	45.2%
Personal Care	4,665	5.6%	15,865	48.5%
Sales and Related	6,393	3.6%	47,474	20.0%
Office and Adm. Support	9,500	2.9%	69.421	23.1%
Farming, Fishing, and Forestry	6,214	6.3%	10,954	6.7%
Construction	6,214	6.2%	43,477	30.3%
Installation, Maint.	3,286	3.9%	21,270	29.6%
Production	2,138	4.6%	18,885	25.7%
Transportation	4,777	5.9%	27,462	26.0%

Source: Arizona Workforce Informer

SECTION IV

PLANNING AND EVALUATIONS

Note: Presently LWIBs self-define and self-declare comprehensive One-Stop sites; however the GCWP is in the process of developing Arizona's chartering process that will require modifications to local plans upon implementation.

1. **Describe the Arizona Workforce Connection system in your LWIA. Provide strategic information about the availability and coordination of Arizona Workforce Connection services, including:**
   a) **Number, type of sites (i.e.: comprehensive, affiliate, electronic access), and site locations.**
   b) **Factors used to assess the effectiveness of such configuration. Include factors for determining a location's business hours and the types of services offered.**

The primary goal of the Gila/Pinal Workforce Investment Area One-Stop Delivery System is to effectively respond to the needs of the employers, job seekers, and the community. The One-Stop Centers provides services to customers and employers that are unified in its approach and, also, serve to produce quality outcomes. The Gila/Pinal One-Stop System shall provide all customers access to workforce and labor market information in order to make informed decisions, utilize self-help and customer assisted services, and provide access to partner services and resources.

Services to customers shall be unified throughout all One-Stop locations, be tailored to the needs of each individual customer, allows customer choice, and meet the standards required to enter or grow in the local workforce demand occupation areas; and to build employer confidence in the One-Stop System. The Gila/Pinal Workforce Investment Area provides a "Menu of Services" that includes all services to be provided at the local one-stops.

Design and management of the centers and delivery of services will be specific to the needs of customers, and customer satisfaction will be a key measure of accountability and effectiveness. The One-Stop Partners agree to support each other in their respective provision of services and to facilitate joint provision of services consistent with the needs of their respective customers, the program goals of the partner organizations, and laws and regulations governing the programs they operate.

Overview of services includes the following:

- Core services will be available universally and will not require an eligibility determination. All customers, including those with special needs and barrier to employment, will have access to a core set of services at each access point in the One-Stop System. The One-Stop Centers are designed to provide information to make career and labor market decisions. Core services include: eligibility determination; outreach; intake, assessment; job search and placement; labor market information; and follow-up services.

- Individuals unable to obtain employment through core services and employed individuals who need services to obtain or retain employment that leads to self-sufficiency are eligible for intensive services. The individuals must receive at least one core service. Intensive services include: individual counseling; group counseling; assessment; development of individual employment plan; adult education; pre-vocational services; internships; work experience; work readiness; case management; and supportive services.

- Occupational training services will be provided for adults and dislocated worker who have met eligibility requirements. Occupational training services must provide maximum customer choice in the selection of the training provider. To build a demand-driven system that provides more access to training, the Gila/Pinal Workforce Investment Area will partner with employers and businesses to design specific training programs that address specified skill shortages within the local area.

The one-stop centers will provide: one-stop reception area; flexible hours of operation; Arizona Workforce Connection signage; ADA compliance; and resource room with computer with Internet access, access to copy, fax and printer.

Comprehensive Center
Arizona Workforce Connection
1015 E. Florence Blvd.
Casa Grande, AZ 85222
Hours of Operation: M-F, 8:00 a.m. – 5:00 p.m.

Satellite Centers
Gila County Division of Health and Community Services
5515 S. Apache Avenue, Suite 200
Globe, Arizona 85501
Hours of Operation: M-F, 8:00 a.m. – 5:00 p.m.

Arizona Department of Economic Security
605 South 7th Street
Globe, Arizona 85501
Hours of Operation: M-F, 8:00 a.m. – 5:00 p.m.

Arizona Department of Economic Security
1155 N. Arizona Blvd.
Coolidge, Arizona 85222
Hours of Operation: M-F, 8:00 a.m. – 5:00 p.m.

Arizona Department of Economic Security
112 E. Highway 260
Payson, AZ 85541
Hours of Operation: M-F, 8:00 a.m. – 5:00 p.m.

Central Arizona Association of Governments (CAAG)
1720 East Ash Street
Globe, Arizona 85501
Hours of Operation: M-F, 8:00 a.m. – 5:00 p.m.

Central Arizona Association of Governments (CAAG)
414 B N. Marshall Street
Casa Grande, Arizona 85222
Hours of Operation: M-F, 8:00 a.m. – 5:00 p.m.

2. **Describe any regional workforce development partnerships. Describe the purpose of these partnerships, the roles, goals and objectives along with the activities (such as regional planning, information sharing and/or coordination activities) that will help improve performance.**

   The Gila/Pinal Workforce Investment Board, Central Arizona College and the local One-Stop Partners are committed to building a Comprehensive One-Stop Site in Pinal County. Central Arizona College has committed to renovate a 1200 square foot building to serve as the Comprehensive One-Stop Center and establish a skills center on site in conjunction with CAC's GED/ABE/ESL programming. This One-Stop Center is scheduled to open in July 2008 at 1015 E. Florence Blvd., Casa Grande.

   Arizona Shared Vision for Youth expanded their project in Gila and Pinal counties. This project targeted foster youth to provide employment and job training opportunities. Youth Service Provider has form a partnership with the Independent Living Program, a program contracting with the State to provide services to this target group.

   A partnership with Eastern Arizona College/Gila Community College to provide a Work Readiness Academy for youth in the summer months has been accomplished. All youth will receive pre and post tests for Work Readiness Skills, as wells as a certificate of completion and college credits.

   Central Arizona College is working closely with WIA to provide a "Ready-Set-Go, program to provide life skills classes to all WIA participants to include certificate of completion and college credits.

   A partnership with the Arizona Youth Partnerships, a non-profit agency, has developed a Youth Leadership Academy. The mission of this academy is to keep youth in school, keep you off o drugs and alcohol, reduce teen pregnancies, teen births, sexually transmitted diseases, and create safe, a drug-free community, and healthy environment for children, youth, and families in rural communities and Native American Reservations in Arizona.

SECTION V

SERVICE DELIVERY

Delivery System

1. **Provide a description of the service delivery network; include the services provided by each partner agency.**

   The Gila/Pinal Workforce Investment Area through the One-Stop System shall provide a full range of services through designated one-stop partners. Services to customers and employers shall be unified in its approach and, also, serve to produce quality outcomes to both groups in the workforce development experience. The One-Stop Centers shall provide all customers' access to workforce and labor market information in order to make informed decisions, utilize self-help and customer assisted services and provide access to partner services and resources.

   The One-Stop System provides direct access to core services by different partners and linkages to intensive and training services. Customers can access local labor market information—making informed choices as they prepare for a first job, change careers or transition into new areas.

   Core, Intensive and Training services are provided through Comprehensive One Stop Centers or through other affiliated sites or specialized centers. Core services can be a self-service or staff assisted service, intensive services are provided to individuals unable to find work through core services, and training services are available to employed and unemployed adult and dislocated workers who have met the eligibility criteria for intensive services, who have received one intensive service and who are unable to obtain or retain employment through those services.

   Services to employers shall offer unified general services throughout out all One-Stop locations; meet the individual employer needs; provide assistance from knowledgeable staff, provide labor market information; and provide access to partner services and resources.

   The services provided by one-stop partners include:

   - WIB Title 1B: services for adults, youth, dislocated workers, rapid response and services to businesses. Services include orientation, workshops, assessment, job search, recruitment assistance, job fairs, training, and labor market information.
   - DES Employment Services, TAA, Unemployment Insurance, Migrant and Seasonal Farm Worker: Access to unemployment insurance, job referrals, labor market information, job search workshops, job matching, applicant recruitment, job fairs.
   - DES Veterans Services – Career counseling, job placement, assessment, labor market information.

- DES Vocational Rehabilitation – assessment, occupational skills training, counseling, support groups, and coordinating resources for the individuals.
- Title V Senior Community Service Employment Program –Title V program, authorized under the Older Americans Act, provides subsidized, part-time community service training opportunities to eligible low-income persons age 55 and over.
- Post Secondary – participants are referred to local community colleges for post secondary education.
- Manpower – Provides temporary and contract employment
- Native American Programs – Information and referrals to appropriate agencies.
- Adult Education – Individuals are referred to local literacy programs.
- Community Action Programs – Provides emergency utility assistance and eviction prevention assistance.
- Section 8 Housing Assistance – Provides Section 8 Housing Assistance to voucher holders.
- Job Corp – Individuals are referred to Job Corp as appropriate.

Dislocated Worker services are administered by the Gila County Reemployment and Pre-layoff Assistance Center (REPAC) Consortium. Adult and Youth services are administered by Central Arizona Association of Governments (CAAG). Core, intensive and training services are provided through Comprehensive One Stop Centers or through affiliated sites within the consortium geographic areas. Services are available to all dislocated workers, adult, youth, and include coordination with other WIA partner agencies.

2. Describe overarching service delivery strategies, including the following:

a) The strategy for seamless service delivery including: transition between core, intensive and training services and referral to partner services for both businesses and individual customers.

The Gila/Pinal Workforce Investment Area's strategy for a seamless delivery system begins with effective partnerships and communications with WIA and Non-WIA partners. Job seekers through a Comprehensive One Stop Center may access self-assisted services; all job seekers are required to complete a VOS Registration. Job seekers may self-register or receive staff assistance with the registration process. They may begin to utilize resources immediately or sign up for group orientation and workshops. Job seekers are provided a menu of services available through accessing the Comprehensive One-Stop Center.

Job seekers at time of registration may be referred to a WIA or non-WIA partner. All job seekers accessing services funded by WIA Title IB monies will be assigned to a Career and Employment Specialist (CES)/Case Manager (CM) to begin the enrollment process by enrolling in a core service. The CES/CM will administer an initial assessment to determine if individual would benefit from WIA programs. Once this determination is made, the CES/CM will schedule the individual for the

initial intake and eligibility. Intensive services are available to eligible adult and dislocated workers who have completed at least one core service and are unable to obtain employment through core services and determined in need of additional services to obtain or retain employment leading to self-sufficiency.

Customers who meet the eligibility requirements and are in need of training must complete other activities that help assess areas of interest and selection of a training program and provider. Once a decision has been made as to the training program, a request for training is submitted with required documentation for approval to WIA Program Manager. If training is approved, an Individual Training Account (ITA) is completed and forwarded to the eligible training provider authorizing individual to begin training. Long-term and short-term training is offered to individuals and is determined on a case by case basis.

Employers can access a menu of services through accessing the Comprehensive One Stop Center. Services may include posting of job openings, labor market information, and recruitment of prospective employees by searching through resumes posted in VOS or can request staff initiated job candidate referrals. Workshops and assistance with applicant recruitment and screening are available at no cost to the employer.

Customers will have choices in the mechanisms through which to access services and in the services themselves, based on their individual needs and preferences. Customers will have access to a multitude of career, skill, employment and training information to obtain the services and skills they need to enhance their employment opportunities.

Services to employers shall offer unified general services throughout out all One-Stop locations; meet the individual employer needs; meet the needs of the community; provide knowledgeable staff, provide labor market information; and to provide access to partner services and resources.

b) The type and availability of training and employment activities and supportive services available in the Local area. Include a description of how these were assessed/determined.

The Gila/Pinal Workforce Investment Area utilizes labor market information obtained from the DES Research and Administration to ensure that education and training opportunities meet the demands of businesses and their needs. The Gila/Pinal Workforce Investment Area has identified specific high growth and high demand jobs to target for skills training and employment to Healthcare, Construction, Mining, Government, Retail Services and Correctional Officers.

The Gila/Pinal WIA will partner with employers and businesses to design specific training programs that identify specified skill shortages within the local area. The local area will establish methods to collaborate and entice new businesses and

existing businesses to provide On-The-Job Training (OJT) or Customized Training through the One Stop System. Due to the rapid growth in Pinal County, the LWIB is continuously working to partner with high growth industries.

Training services, except On-the-Job Training and Customized, must be provided through certified eligible providers utilizing the ITA System to maximize customer choice. The mode of delivering training services must provide maximum customer choice in the selection of the training provider. Training must be linked to demand occupations.

To better assess skill gaps, the Gila/Pinal Workforce Investment Area will conduct workforce needs assessments and skills gap analysis to better target the skill gaps. Once the assessments are complete, staff will form working groups with post-secondary education and businesses to identify those skill gaps and provide customer access to quality education and training tailored to their individual learning and workplace needs.

All WIA participants will be provided supportive services as needed and shall be documented during assessment on the Individual Service Strategy or Individual Employment Plan. Supportive services will be provided depending on availability of funds. Supportive services include but are not limited to: transportation, daycare, work related tools, clothing, utilities, shelter, and rental assistance.

c) **Describe the coordination of Arizona Workforce Connection partner services Include a copy of the Memorandum of Understanding (Appendix G) between the LWIB and each partner in the local workforce investment system, as required in WIA Section 118(b)(2)(B).**

The Gila/Pinal Workforce Investment Board One-Stop Committee meets monthly to coordinate activities between the one-stop partners and to ensure all core services are available in the One-Stops. The One-Stop Committee is composed of one-stop partners and interested WIB members. This committee's duties include the oversight of all the One-Stops in the Gila/Pinal Workforce Investment Area.

Adults and Dislocated Workers

Describe any plans for transferring of funds between the Adult and Dislocated Worker programs. If planned, include the circumstances applicable to a transfer request, the measures to assure no loss of service to the original program population, and the expected impact on program performance.

At this time, the Gila/Pinal Workforce Investment Board does not have plans to transfer funds between the Adult and Dislocated Worker programs.

Core Services

Describe how the LWIB ensures adults and dislocated workers have universal access to the minimum required core services. Describe how partner services are integrated to avoid duplication of core services.

The One-Stop System provides an integrated approach to the provision of services. Through the enhanced coordination and linkages between One-Stop Partners, information on adult and dislocated worker program services is made accessible to customers in Gila and Pinal Counties One-Stop.

The One-Stop System principles are universal access, empowering individuals, streamlining services, State and local flexibility, increased accountability, strong role for LWIB and private sector, and improved youth programs. The One-Stop System can provide a map to services available, coordinate services to develop skills of job seekers, enable employer needs to be voiced and communicated.

Core services will be available universally and will not require an eligibility determination. The core services applicable to any One-Stop Partner program include the following:

- Eligibility determination for available funding sources;
- outreach, intake (which may include worker profiling), and orientation to the information and other services available through the One-Stop System;
- initial assessment of skill levels, aptitudes, abilities, and supportive needs;
- job search and placement assistance, and where appropriate, career counseling;
- information on employment statistics and job information;
- performance information on eligible providers of training services;
- information on local area performance;
- information to assist in filing UI claims;
- assistance in establishing eligibility of financial assistance for training and education programs; and,
- follow-up services, including counseling, for individuals placed into unsubsidized employment for at least 12 months following placement.

All customers, including those with special needs and barriers to employment, will have access to a core set of services at each access point in the One-Stop System, designed to provide information to make career and labor market decisions. Core and intensive services will be made available at multiple locations. Training and support services will be accessed through initiating transactions at these access points

Intensive Services

1. **Describe measures taken to ensure intensive services are provided to adults and dislocated workers who meet the criteria in WIA Section 134(d)(3)(A).**

   Individuals unable to obtain employment through core services and employed individuals who need services to obtain or retain employment which leads to self-sufficiency are

eligible for WIA Intensive Services. The individuals must receive at least one core service.

Intensive services will be provided to those WIA adults and dislocated workers who have been determined by staff to be in need of more intensive services, in order to obtain and retain employment that leads to self-sufficiency.

WIA Intensive services include:

- individual counseling;
- group counseling;
- comprehensive assessment;
- development of individual employment plan
- adult education;
- pre-vocational services;
- internships;
- work experience;
- work readiness;
- case management; and
- supportive services.

Intensive services for adults and dislocated workers will be delivered in Gila and Pinal through the designated One-Stop Operators.

2. Describe your local co-enrollment process between WIA dislocated worker program and TAA.

Collaboration efforts between the REPAC Consortium Dislocated Worker Program and the Trade Adjustment Act (TAA) will be made to foster program communications, increase awareness and integrate service delivery for our mutual participants.

Guidelines were developed jointly by REPAC and TAA to ensure the availability of services to individuals affected by a layoff due to foreign competition. REPAC determines eligibility in the WIA Dislocated Worker Program and TAA eligibility by information received from the participant or by accessing the website **www.doleta.gov/tradeact/** to verify employer has filed a petition and company has been certified. WIA dollars will be utilized first for participant, unless otherwise agreed to by both partners. REPAC C&E Specialist will contact TAA career counselors to discuss participant's employment plan. Services will be coordinated between WIA and TAA to avoid duplication of service from both funding streams.

Communication between REPAC C&E Specialist and TAA career counselors will be ongoing to leverage services. Upon successful completion of program, a Status at Exit form will be completed by REPAC C&E Specialist and copy mailed to TAA career counselor.

3. **Describe local policies regarding self-sufficiency, including the process for establishing, monitoring compliance with and updating policy. Identify the local self-sufficiency standards approved by the LWIB for employed adults and dislocated workers as a percentage of the Lower Living Standard Income Level (LLSIL). Describe how your LWIB ensures the self-sufficiency level in your area is reflective of the current labor market information available.**

   The Gila/Pinal Workforce Investment Board policy for determining self-sufficiency can be defined as 125% of poverty level for adults and 150% of poverty level for dislocated worker programs. The Gila/Pinal Workforce Investment Board staff reviews and analyzes data with respect to the self-sufficiency levels and recommendations are then forwarded to the WIB. Self-sufficiency is reviewed for compliance through the eligibility process.

Training Services – Adult and Dislocated Worker

1. **Describe local Individual Training Account (ITA) policy, including the current threshold for each ITA. Include procedures to ensure that exceptions to the use of ITAs, if any, are justified. Describe measures to leverage resource to provide increased access to training opportunities.**

   WIA funding for training is limited to participants who:
   - are unable to obtain grant assistance from other sources to pay the cost of the training; or
   - require assistance beyond what is available under grant assistance from other sources to pay the costs of such training.

   Service Providers must coordinate training funds available and must consider the availability of Pell Grants and other sources of grants to pay for training costs, so that WIA funds supplement other sources of training grants.

   The One-Stop System is the basic delivery system for adult and dislocated worker services. Through the One-Stop Systems, adults and dislocated workers in need of training will be provided an Individual Training Account and access to lists of eligible providers of training. The mode of delivering training services must provide maximum customer choice in the selection of the training provider.

   Individual Training Accounts allow customers to choose the provider of training service based on the specific information listed by the provider. Each One-Stop office must make available to customers the State List of Eligible Providers through the ArizonaHeat.

   The amount of the Individual Training Account shall not exceed $4,300. Funding depends on the needs of the participants; however, funding, also, depends on the amount allocated for each participant. Length of training will be determined by WIA staff on a case by case basis. Upon receipt of funding allocations, the LWIB may establish limits on ITA's such as limitations on the dollar amount and/or durations. Training services

shall be directly linked to occupations that are in-demand in the local area, or in another area to which an adult or dislocated worker receiving such services is willing to relocate.

2. **Describe how the Eligible Training Provider System is used to provide improvement of education and training opportunities in response to the needs of business and industry. Include the policies and procedures to determine eligibility of training providers, and processes to update or revise system information.**

   The Gila/Pinal Workforce Investment Area follows the statewide process to identify and approve eligible training providers utilizing the Department of Education website ArizonaHeat. The types of training providers eligible for this list include, but are not exclusive to Post-Secondary Educational Institutions, Vocational Education Institutions, and Community-based Organizations who provide occupational training and Apprenticeship Programs through an application and approval process.

   To be eligible to receive training funds, all training providers must submit applications online to the local boards in which they wish to provide services. The application must describe each program of training services to be offered.

   The local board takes into consideration:
   - The specific economic, geographic and demographic factors in the local area; and
   - The characteristics of the population served by programs seeking eligibility, including the demonstrated difficulties in serving these populations;
   - The ability of the training provider to provide training services;
   - Cost effectiveness, and
   - Gila/Pinal Demand Occupation List.

   If provider application is approved by the LWIB, the application is submitted electronically to Department of Education. The LWIB shall determine, during the subsequent eligibility determination process, whether a provider's programs meet performance levels. If the program fails to meet levels, the program must be removed from the list.

Service to Specific Populations
Describe the local strategies to ensure availability of services and training to meet the needs of the following:

Dislocated Workers	Displaced Homemakers	Low-Income Individuals	Migrant Workers	Women and Minorities
Individual training for non-traditional employment	Veterans	Public Assistance Recipients	Individuals with multiple barriers	Older Individuals
Persons w/limited English Proficiency	Persons with Disabilities	Ex-Offenders	TAA	Dropouts, High School Graduates with low functional levels

All One-Stop customers which include all of the above will receive universal access to core services without targeting anyone group. They will have access through a three-tiered service delivery system. A full array of information, including job applicant services, workforce information, employer services, and tax credit and other information, will be provided. Universal access to core services is available to all job seekers regardless of their employment status, income, education, or skill levels thus ensuring universal access.

- Dislocated Workers - Dislocated Worker program will be provided REPAC in Gila and Pinal Counties. Staff is located at the One-Stop Centers in both counties. Services to be provided to dislocated workers are core, intensive, and training. Training services must provide maximum customer choice. Also, the Rapid Response Team coordinates with the One-Stop Centers, Employment Services, Unemployment Insurance, TAA, and other partners to provide on-site presentation to the affected works to provide information on available services.
- Displaced Homemakers – Coordination between the One-Stop Operators, ADES Employment Services, ADES Family Assistance Administration, TANF Program, and local community based organizations will ensure qualified and appropriate referrals of the most-in-need clients.
- Low-Income Individuals – Low-income individual is identified by the local area as a "Local Priority of Service". Priority will be given to these individuals in providing intensive services. Low income is calculated by using the Lower Living Standard Income Level (LLSIL). The services may include the development of an employment plan, referral for supportive services, counseling, job referral and employment placement.
- Migrant Workers – Migrant Workers services are provided by ADES Employment Services in the One-Stop Centers.
- Women and Minorities – Women and minorities will be treated as stated in the Gila/Pinal EEO Policy. Core, intensive, and training shall be provided in the One-Stop Centers to and all individuals who qualified under WIA.
- Individual training for non-traditional employment – All training shall be provided through certified training providers utilizing the ITAs to maximum customer choice. The One-Stop staff shall support individuals in whatever employment they wish to enter.
- Veterans – The One-Stop Operators shall coordinate with the local ADES Employment Services to provide services to all veterans qualified in the Job for Veterans Act and provide training to staff on veteran services. Services will be provided to veterans and covered spouses. Staff will ensure veterans are provided "priority of service" which is defined as giving priority over non-veterans for the receipt of employment, training, and placement services.
- Public Assistance Recipients – One-Stop staff will coordinate with local agencies to determine the "most-in-need" and who can benefit from the program. Public Assistance Recipients is identified by the local area as a "Local Priority of Service". The One-Stop staff will serves low-income, public assistance and other individuals for whom WIA services who are the "most-in-need".
- Individuals with multiple barriers – One-Stop staff are properly trained to provide referrals to one-stop partners and other agencies to provide the services required helping individuals with multiple barriers. Individuals with multiple barriers will have access to

core services which orientation which explains partner services, community programs, and the appropriate eligibility criteria to make informed referrals.

- Older Individuals – One-Stop staff will provide referrals to the Senior Community Service Employment Program (SCSEP). The SCSEP provides unemployed low-income older adults (55+) employment opportunities with varies agencies and employers. SCSEP staff will be available at the One-Stop Centers to provide services.
- Persons w/limited English proficiency – The One-Stop Centers provide individual referrals to other agencies that can meet the needs of the individual. Individuals can also access software and programs in the One-Stop Resource Room.
- Persons with disabilities – A One-Stop Navigator will provide technical assistance and consultation regarding community resources and programs to assist individuals with disabilities who are seeking employment. One-Stop Partners will provide referrals to the Navigator for those in need of the services.
- Ex-Offenders - Each One-Stop Site has received the Inmate Employment Information Packet that Department of Commerce has published. This packet will guide the One-Stop staff in providing information to eligible inmates for employment and training related services under WIA. WIA can provide the skills, knowledge and training necessary to gain long-term employment.
- TAA – One-Stop Operators will work closely with ADES Employment Services to co-enroll participants who are eligible for the TAA Program.
- Dropouts – One-Stop sites coordinates with local educational agencies in order to work with youth before they drop out of school. Staff is trained in all resources that are available to these individuals. GED training is also provided on-line in the One-Stop Resource Room.
- High School graduates with low-functional levels – Each youth prior to enrolling completes an assessment in basic skills to determine if the youth is basic skills deficient. If basic skills deficient, it is mandatory to be enrolled in a basic skills class. High School graduates who come into the One-Stop can use the One-Stop Centers to access programs to increase their functional levels or to find resources necessary to assist the individual.

Staff shall be cross-trained to identify and provide core services to all customers. Individuals unable to obtain employment through core services are referred to intensive services and training services.

The LWIB established a process that gives priority for services to the recipients of public assistance, other low income individuals and those who meet the eligibility requirements of a dislocated worker or displaced homemaker. This will ensure a comprehensive approach to meeting the customers' employment and support needs.

Priority of Service

1. **Describe criteria to determine whether funds allocated for employment and training activities are limited and the process by which the Arizona Workforce Connection Operator will apply priority of service.**

The Gila/Pinal WIB established a process that gives priority of services to the recipient of public assistance, low-income individuals and who meet the eligibility requirements of WIA. In order to identify those individuals who are eligible for and in need of intensive and training services, outreach and recruitment will be conducted at the One-Stop Centers.

A determination of 'Priority of Service" recipient is an automatically moved into intensive services. Low income is calculated by using the Lower Living Standard Income Level (LLSIL) 70% 2007 figures. Public Assistance information is provided to the One-Stop staff by ADES FAA Administration for eligibility under the "Priority of Service".

The main factor of the availability of WIA funds are for direct and training services for those customers who require and are determined in need of such services to achieve employment goals. The customers who are determined to be the "most-in-need" and who can benefit from the program will be selected for services. Availability of funds determines the amount of training dollars an individual may receive.

Since funds are limited, these individuals have priority for intensive and training services and referral can made to other partner programs or other community organizations.

2. **Describe the LWIB's policies and procedures for priority of services for Arizona Workforce Connection Operators. Identify the priority groups established for Title 1B adult and dislocated worker services within you local area.**

The LWIB established a process that gives priority for services to the recipients of public assistance, other low income individuals and those who meet the eligibility requirements of a dislocated worker or displaced homemaker. In order to identify those individuals who are eligible for and in need of intensive and training services, outreach and recruitment will be conducted by staff at the local One-Stop Center.

Special coordination will be required between the One-Stop Operators and ADES Job Service, ADES Family Assistance Administration, ADES Rehabilitation Services Administration, and local community based organizations to ensure an adequate flow of qualified and appropriate referrals of the most-in-need client. Utilizing the inter-agency communications system established through the local "network" agencies, providers will coordinate the referral of eligible participants to the local One-Stop Centers.

For adult services, the most-in-need include public assistance recipients, high school dropouts, single parents, and homeless.

For dislocated worker program, occupational and On-the-Job Training funds will be expended for customers in the following priority: high school dropout; high school graduate and above, excluding college graduates.

3. **Describe local strategies to ensure Jobs for Veterans Priority Compliance.**

The One-Stop Operators shall coordinate with the local DES Job Services to provide services to all veterans and spouses who qualify in the Job for Veterans Act and to train staff on policies.

The One-Stop Operators must provide the following to Veterans under the priority of service to veterans under the Jobs for Veteran Act:

- provide information and priority of service to Veterans (and covered spouses) regarding benefits and services that may be obtained through service providers or other organizations;
- ensure that each veteran (and covered spouse) who applies to or who is assisted by the program is informed of the employment-related rights and benefits to which veterans are entitled to under this act: and
- coordinate employment, training, and placement services for veterans and covered spouse with services provided under WIA and Wagner-Peyser Act.

Rapid Response (RR)

1. **Identify the local area's Rapid Response team and their roles and functions. Identify your local Rapid Response policies, including the minimum threshold number of affected workers your LWIB has approved for Rapid Response services to be provided to a company experiencing a layoff, reduction in force or closures.**

   It REPAC Consortium Policy to provide Rapid Response Services to assist employers, employees and communities that are facing a plant closure, mass layoff, or a substantial layoff due to business curtailment created by foreign competition or economic slowdown.

   REPAC is the lead agency for Rapid Response services and makes initial contact with the employer to initiate the process. An affected company is contacted within 48 hours of receipt of notification of a layoff or plant closure.

   REPAC Consortium provides Rapid Response for the six rural counties and the Nineteen Tribal Nations. At a minimum, REPAC Consortium Rapid Response Team consists of REPAC, DES Employment Services, and Unemployment Insurance. Dependent upon the nature of the layoff and requests from the employer, others may participate. Rapid Response activities may include a representative from the Veteran's Administration, DES Trade Adjustment Act, One-Stop Career Center, Union or other social service agencies.

   Rapid Response services will be conducted when there is notice of an impending plant closure, or a substantial layoff. A substantial layoff must affect more than 10% of the workforce with a minimum of 10 employees.

2. **Provide a general project description of services to those affected by a mass lay off; include any overarching strategies and funding.**

When a plant closure or mass layoff cannot be averted, the Rapid Response team can help plan an effective and efficient layoff to help minimize lost productivity. The Team will contact the company representative in order to explain Rapid Response services that are available.

The REPAC Rapid Response Team is notified of a reduction in force by the Worker Adjustment and Retraining Notification (WARN) submitted by the employer to the state, news media, employer contact, or word-of-mouth. The affected company is contacted within 48 hours of receipts of notification.

After initial contact, the employer will determine the Rapid Response services that are necessary. The Rapid Response Team secures and coordinates all the request services to be delivered. Generally, services are offered on-site but can also be arranged off-site.

REPAC Consortium will respond to employers confirmed to be in need of assistance and provide them with informational services, define the employer's role and obligations prior to provision of services, identify services required and the number to be served.

The Rapid Response Team coordinates with the local One-Stop Career Center, DES Employment Services, Unemployment Insurance, and other WIA Partners as determined. The Rapid Response team will recognize participating agencies and their roles in the pre-layoff activity, establish an agenda, identify the dates(s) for the activity and confirm with the affected employer.

REPAC Rapid Response Team will meet with local "network" agencies to inform them of the scope of layoff or closure and discuss the services to be provided. The team will identify local organizations that can provide assistance in a pre-layoff situation. The team will identify agencies that will participate in the pre-layoff activity, identify their role, establish an agenda, identify the date(s) for the activity and confirm with the affected employer.

The on-site presentation to the affected workers includes information from the recognized WIA partners and services available through the Dislocated Worker Program. Additional services offered can include: workshops on job search, techniques, interviewing, resume writing, and career and job fairs.

Follow-up with the Employer will be provided to assure that services provided were successful.

Youth

1. **Describe the strategy to ensure eligible youth have the opportunity to develop and achieve career goals through education and workforce training. Include discussion regarding youth most in need, such as: out-of-school youth, homeless youth, youth in and aging out of foster care, youth offenders, children of incarcerated parents, migrant and seasonal farm worker youth, and other at-risk youth.**

The Gila/Pinal Workforce Investment Board is committed to helping economically disadvantaged youth ages 14 through 21 achieve and complete high school, access jobs and higher education opportunities and gain the skills needed to progress in well-paying careers. The WIB is also dedicated to providing youth development services for older youth who have graduated from high school who are skills deficient, unemployed or underemployed. The WIB seeks partnerships with organizations and agencies that can demonstrate a measurable impact on youth by building a network that helps Gila/Pinal youth succeed in school, at work, and as members and leaders of their communities.

Youth development principles are woven throughout the Workforce Investment Act and guide the WIB's approach to administering WIA youth programs. Youth Providers shall incorporate youth development strategies and principles into programs that support high school completion, skill acquisition, gainful employment and productive citizenship for young people.

Youth Providers shall identify effective approaches to providing comprehensive services that include collaborations and partnerships among youth services agencies and relevant partners. Effective partnerships and collaborations include strategies that link community colleges and other vocational training programs to businesses and industry partners to prepare and place youth in career path programs.

Since all youth served with WIA funds have barriers, they will have special needs. Joint collaboration with other youth providers in the community is imperative. This, in conjunction with adequate funds for supportive services/special needs of participants, and quality case management, should result in successful outcomes.

Stronger partnership is needed to engage and retain "hard-to-serve-youth. Partnerships with all youth agencies need to be cultivated to provide all youth the potential to become self-sufficient.

The following barriers need to be addressed:

- Individuals who are school dropouts;
- individuals who are basic skills deficient;
- individuals with education attainment that is one or more grade levels below the grade level appropriate to the age of the individuals;
- individuals who are pregnant or parenting;
- individuals with disabilities, including learning disabilities;
- individuals who are homeless or runaway youth; and
- individuals who are offenders.

Youth Providers shall provide comprehensive services which:

- Improve academic achievement for youth, including youth who are basic skills deficient.
- Prepare youth for success in employment (work-readiness).

- Expose youth to careers in identified industry clusters and foster awareness of career pathway opportunities (e.g. workshops, guest speakers, job shadowing, tours, vocational training and referrals, and other related activities).
- Provide youth with relevant work experience/internship opportunities.
- Provide youth with skills necessary to job search and assistance with job placement; and
- Ensure necessary supportive services for youth to achieve successful outcomes.

2. **Describe local efforts to promote collaboration between the public workforce system, education, human services, juvenile justice, and others to better serve youth that are most in need and have significant barriers to employment. Additionally, describe local efforts to successfully connect youth to the education and training opportunities that lead to successful employment.**

   The Gila/Pinal Workforce Investment Area will emphasize coordination and communication with local educational agencies, juvenile justice, human services, and other youth agencies. Partnering with local agencies will develop productive working relationships to achieve shared objectives. These partnerships must continue to strengthen relationships to serve youth in both counties.

   The following strategies are intended to guide the Gila/Pinal Workforce Investment Board activities in providing youth services:
   - The LWIB ensures that WIA services provide youth participants with appropriate tools to become economically and personally self-sufficient.
   - The LWIB ensures to direct resources to areas where existing resources are inadequate to meet the needs, and to prioritize critical services and areas where the gaps between existing resources and service needs are greatest.
   - The LWIB has the responsibility to ensure that the LWIA meets the performance standards required for youth under the law and defined by the State.
   - The LWIB recognizes the need for workforce development services throughout Gila and Pinal Counties.
   - The LWIB intends that WIA services be linked with economic development initiatives and plans developed by local business, governments, and educational entities, as well as directed towards the needs of the youth participants.
   - Services provided by WIA funds will be linked with current youth programs. The LWIB does not intend to duplicate services that are already available within the community and intends to encourage collaboration among youth service providers.

3. **Describe the strategy to provide initial intake, objective assessment, case management, individual service strategies and eligibility assessment for youth.**

   Applicants must meet specific eligibility criteria to be registered and receive services from a WIA Youth Program. Before the start of the eligibility screening, it must be determined that the applicant is a citizen or resident alien with a right to work status, and males, 18 to 21 years of age, must be registered with Selective Service. The applicant's

status (age, barrier, school status) does not change throughout his/her participation. The applicant is considered a WIA youth participant at the first WIA funded activity, which is always Objective Assessment. Eligibility is tracked and verified utilizing the Virtual One-Stop (VOS) System and participant's case file.

Orientation to the program will be conducted individually or in groups and will consist of an overview of the enrollment process, assessments, training programs, attendance requirements while in training, and information regarding financial aid and support services. Not everyone is enrolled in the program; however, alternatives will be explored with each orientation attendee. If the youth is not enrolled at this time, a referral will be made for youth we are not going to serve.

After eligibility is determined, enrollment into the youth program is accomplished by creating an activity in the Virtual One-Stop System. The youth provider must begin the first activity (objective assessment) within 45 days of the eligibility date. The official participation date is the date of the first WIA funded activity/service.

Active participant engagement leads to positive outcomes. In addition, specific program elements have direct impacts on WIA outcome measures. Thorough assessment of each individual's needs will increase successful program outcomes. Tracking youth participation will help manage the process of keeping participant on track for completion of short-term skill attainment goals and preparation to move into long-term employment, education, or training.

Objective Assessment – a comprehensive assessment of skill levels and activity/service needs including diagnostic testing or other assessment tools, and in-depth interviewing and evaluation to identify employment barriers and appropriate employment goals

The youth provider and the participant are to develop an Individual Service Strategy which identifies employment goals, appropriate achievement objectives, and appropriate combination of services for the participant to reach the goals. The ISS should be based on the objective assessment and should reflect the expressed interests and needs of the participant. The goals identified must be mutually agreed upon between the youth provider and the participant to ensure positive performance.

Individual Service Strategies should be developed to include career, educational, and developmental goals, both short-term and long-term. ISS goals and strategies should be updated as short-term goals are achieved or the youth's needs change. Career goals for younger youth are age appropriate and may identify a career interest that can be developed into a career goal. Goals may change as a youth ages and interests broaden as a result of participation in workforce development activities, and must be reflected in ISS revision and documented in VOS case notes.

Skill attainment goals should be established for all younger in-school and out-of-school youth needing basic skills, work readiness skills and/or occupational skills training, which is determined by objective assessment, presumptive need and TABE.

The ISS is the basis for the entire case management strategy. The ISS shall be developed in partnership (mutually agreed) with the participant and reflect the needs indicated by the objective assessment and the expressed interests and desires of the participant. The ISS is the framework for justifying decisions concerning the appropriate service mix and sequence of services.

The Workforce Investment Act adheres to a case management approach to service delivery. Integral to this approach is the maintenance of comprehensive services for each program participant. Case notes are one of the comprehensive tools that document the participant's journey throughout the duration of the program.

Case notes are used as a tool to help youth program service providers organize and analyze the information gathered on participants and to plan case management strategies. Recording case notes is critical because it weaves each service element into a comprehensive service plan. Youth providers shall utilize case notes to document the decisions and service strategies that determine the assessment, planning resources, support services, and follow up that are designed to move participants to self-sufficiency.

4. **Describe the design framework for youth programs that includes the following components.**

- **Preparing youth for post-secondary education:**
  Post-secondary education will be provided to eligible and may be referred to certified training providers to provide post-secondary education to overcome barriers to employment. Post-secondary training may be for a specific occupation related to the local labor market demand or according to the needs identified by local employers. Training leads to a credential in the field of study (certificate or degree). High demand and industry cluster occupations must be reviewed and explored with participating youth. Career path programs will be utilize for all post-secondary training when appropriate.
- **Connecting academic and occupational learning;**
  Basic Education Skills is provided to youth to prepare for post-secondary education. Youth who are basic skills deficient are mandated to increase their basic skills prior to enrolling in occupation learning training. Connecting youth to academic and occupational learning clearly emphasizes the development of skills, knowledge, and competencies that lead to jobs and careers. Key strategies include linkages to apprenticeships, community colleges and employers; transition services; and how participants will gain academic credit and skill credentials.
- **Preparing youth for unsubsidized employment opportunities; and**
  All youth will be provided work readiness training to gain exposure to the world of work and its requirements. Youth providers shall develop work experiences that help youth acquire the personal attributes, knowledge, and skills needed to obtain a job and advance in employment. Work Experiences can provide the youth with opportunities for career exploration and skill development not

exclusively to benefit the employer and shall focus around high demand occupations and industry cluster.

- **Connecting youth to the business community through intermediary entities.** The Gila/Pinal WIB requires youth providers to provide collaboration/partnerships with a description of how the specific types of services will be provided to enhance the delivery of service to youth and how these services relate to the outcome of the service delivery. Involving the local community means developing formal and meaningful partnerships among educational institutions, employers, community-based organizations, private sector employers, and/or other organizations and members of the community interested in youth. Youth providers are encouraged to access resource from these partnerships and use them in the program to provide quality youth opportunities.

The Gila/Pinal Workforce Investment Area secures youth services through a competitive bidding process in accordance with applicable laws and regulations. Central Arizona Association of Governments provides youth services in Gila and Pinal counties for program years 2006-2007. The board is currently in the process of awarding a contract for youth services for program years 2008-2009.

Program design includes: objective assessment, individual service strategies, services that prepare youth for post secondary educational opportunities, link academic and occupational learning, prepare youth for employment, and provide connection to intermediary organizations linked to the job market and employers.

5. Describe strategies to incorporate the required youth program elements within the design framework. Elements to include are:

In the Youth Request for Proposals process, priority is given to those proposals that identify effective approaches to providing comprehensive services which include collaborations and partnerships among youth services agencies and relevant partners. Bidders can bid on one or a group of elements.

Organizations responding to the youth request for proposal must propose and be able to provide comprehensive services that include the following:

- Tutoring, study skills training, and instruction leading to secondary school completion, including dropout prevention strategies -- If the services needed are unavailable by current programs, new and expanded services may be expanded through the One-Stop Center.

- Alternative secondary school, as appropriate -- Out-of-school youth will be enrolled in existing literacy programs and also may be referred to a Charter School. Instruction may be provided in conjunction with occupational skills training, so that academic skills are taught in relation to hands-on activities.

- Summer employment opportunities directly linked to academic and occupational learning -- The summer youth element is not a stand-alone program. Other elements may be provided, as appropriate to serve the needs and goals of the participants. Youth who are enrolled in the summer youth component will continue with the program throughout the year.

- Paid and unpaid work experiences, including internships and job shadowing, as appropriate -- Work experiences are a planned, structured learning experience that may take place in the workplace for a limited time period.

- Occupational Skill Training -- Eligible youth may be referred to certified training providers to provide vocational training, basic education and post secondary education to overcome barriers to employment.

- Leadership Development Opportunities -- May include such activities as positive social behavior and soft skills, decision making, and team work.

- Supportive Service -- Supportive services will be provided to those in need of service. Case Managers will assist participants in obtaining services based on the ISS. Supportive services for youth as defined in WIA Section 101(46) may include the following: linkages to community services; assistance with transportation; assistance with child care and dependent care; assistance with housing; referrals to medical services; and assistance with uniforms or other appropriate work attire and work-related tools, including such items as eye glasses and protective eye gear. (WIA Section 129 (c) (2) (G).) (Provided to 14 – 21 years)

- Adult Mentoring -- Youth will be linked with other agencies with volunteers who act as mentors for youth.

- Follow-up services -- Follow-up services may include: leadership development and supportive services; regular contact with a youth participant's employer, including assistance in addressing work-related problems that arise; assistance in securing better paying jobs, career development and further education; work-related peer support groups; adult mentoring; and tracking the progress of youth in employment and training. All youth participants must receive some form of follow-up services for a minimum duration of 12 months. The types of services provided and the duration of services must be determined based on the needs of the individual.

- Comprehensive guidance and counseling, including drug and alcohol abuse counseling, as well as referrals to counseling, as appropriate to the needs of the individual youth -- Case Managers will interview eligible youth and refer to programs that will assist them for these services. Referrals will be based on need. (Provided to 14 – 21 years)

6. **Identify the additional 5% non-economically disadvantaged youth barrier, include the process and criteria used to determine "serious barriers to employment", and the local process to track enrollment of non-economically disadvantaged youth per Workforce Guidance Letter #04-05.**

   The Gila/Pinal Workforce Investment Board acknowledges "not more than 5% of participants" may be individuals who do not meet the minimum income criteria to be considered eligible. Tracking of the 5% enrollments are per Workforce Guidance Letter #04-0.

   The Gila/Pinal Workforce Investment Board has identified "Occupational Skills Deficient" (less than four months full-time, same employer, lack of transferable skills) as the 5% non-economically disadvantage youth barrier. Each youth provider will prepare a monthly youth participation list which identifies all youth under the 5% window of eligibility including carry-overs and exits. Each youth provider will maintain a youth participant list which will be made available during monitoring reviews.

   Since all youth served with WIA funds will have barriers and have special needs, joint collaboration with other youth providers in the community is imperative. This, in conjunction with adequate funds for supportive services/special needs of participants, and quality case management, should result in successful outcomes.

   Stronger partnership is needed to engage and retain "hard-to-serve-youth". Partnerships with all youth agencies need to be cultivated to provide all youth the opportunity to become self-sufficient.

   The following barriers need to be addressed:
   - Individuals who are school dropouts;
   - individuals who are basic skills deficient;
   - individuals with education attainment that is one or more grade levels below the grade level appropriate to the age of the individuals;
   - individuals who are pregnant or parenting;
   - individuals with disabilities, including learning disabilities;
   - individuals who are homeless or runaway youth; and
   - individuals who are offenders.

7. **Identify the local process that is used to track out-of-school youth enrollments and expenditures to meet the 30% out-of-school youth minimum expenditure requirement.**

   The Youth Providers track 30% out-of-school youth enrollments through monthly and quarterly reports submitted to the WIB. Youth enrolled are also tracked using the Virtual One-Stop System. Expenditures are submitted monthly by the youth provider in order to review monthly expenditures on out-of-school youth.

8. **Identify the 6% youth barrier(s) for "individuals (including youth with a disability) who require additional assistance to complete an educational program, or to secure and hold employment," as identified by the LWIB.**

   Eligibility criteria for youth served under WIA will be based on the following definitions:

   - Is not less than 14 and not more than age 21;
   - is a low-income individual; and
   - is an individual who is one or more of the following:
     1. deficient in basic literacy skills (English, reading, writing or math at or below 8.9 grade level);
     2. a school dropout;
     3. homeless, a runaway, or a foster child;
     4. pregnant or a parent; and
     5. offender.

   The LWIB identified the 6th Youth Eligibility Criteria:

     6. Occupational skills deficient (less than four months full-time, same employer, lack of transferable skills).

Business Services

1. **Describe the role and responsibilities of your Business Service Representative/Team in your local area. Include active local business partnerships and established collaborations with Employment Service staff, local economic development entities and the community colleges.**

   Within the scope of the overall mission of the Gila/Pinal One-Stop System, the Business Service Team is the employment and training information link, which provides workforce solutions that promote stability and growth for the local business community.

   The Business Service Team under the guidance of the Gila/Pinal Workforce Investment Board and the One-Stop Committee strives to exceed the goals set forth by the Board. Goals of the Business Service Team include:

   - A pre-determined number of business contacts (a contact is the face-to-face meeting with key staff at an area business).
   - A pre-determined number of quality business contacts (a quality contact is achieved when an employer agrees to utilize one or more of the services offered by the One-Stop which is then documented in a business service plan for the employer.
   - Employer satisfaction shall be measured by a survey administered by the Business Service Team.
   - The Business Service Team shall coordinated training services with the Arizona Job Training Program through Arizona Department of Commerce.

The Business Service Team members are comprised of DES Employment Services staff, local economic development entities, WIA adult, dislocated worker, youth programs, community college, TANF, and DES Vocational Rehabilitation.

The Business Service Team are brokers who listen, learn and assess business needs and match employers with appropriate One-Stop services designed to specifically address the employer's need. The Team will thoroughly research all inquires and design a plan for the employer that will incorporate a variety of options or suggestions.

Customer satisfaction is the only acceptable outcome and formal follow-up and personal contact will be completed within 30 days of the initial contact. The guaranteed response time to any employer service request will be within one business day.

The Team will actively recruit new businesses through an assertive outreach campaign. The Team will maintain a high level of community visibility by being involved in area Chamber of Commerce or other business organization events. Active participation in community and business events will create constant exposure of the One-Stop service. Contact will also be maintained with related business and fraternal organizations including government funded economic development groups.

2. **Describe what is being done to place job seekers in positions within Arizona's Industries of Opportunity and outline the specific goals established to increase the number of placements in targeted industries.**

The Business Service Team will market the Arizona Job Training Program and invest in workforce solutions in the Arizona Industries of Opportunity Clusters. The specific goals are as follows:

- Investment of workforce development resources and support for private and public sector partnerships to ensure the development of workers' skills in demand occupation based on industry needs.
- Increase integration of community and technical college efforts with business and the public workforce system activities to meet the skills training needs of high growth industries.
- Increased opportunities for employers to combine on-the-job training and academics, to ensure a pipeline of skilled workers.
- Provide worker with paths to career enhancing opportunities in the Arizona Industries of Opportunity.

The Gila/Pinal Workforce Investment Board is partnering with Eastern Arizona Health Education Center and Empowerment Systems, Inc. to coordinate and identify potential participants interested in pursuing education in the Governor's Industries of Opportunities clusters of health care field. These partnerships have been established with Allied Health to provide aid for participants in the health care training. Also partnership with Central Arizona College HB1 Grant has been established to provide training in the health care field. At the completion of training, participants are placed in positions

available in the community through the partnership with the health care industry. Healthcare has become one of the priorities for the Gila/Pinal Workforce Investment Area. Biotech and construction has been targeted to increase the awareness of educational programs being offered to participants. Participants will work with career guidance specialist to ensure awareness of the benefits and encourage individuals to look at these careers for future employment.

3. **Describe current and/or planned use of WIA Title 1B funds for apprenticeship training.**

   Due to funding decreases, there is no plan at this time to use WIA Title 1B funds for apprenticeship. Information will be available for individuals interested in apprenticeship opportunities in Arizona.

4. **Describe the approach for coordinating training services with the Arizona Job Training Program in your local area and what strategies are in place to connect with local businesses.**

   The Business Services Team plan is to create a communication mechanism to provide continual information about the Arizona Job Training Program and information about the workforce investment system and its services for One-Stop partners, affected and interested agencies, and the community as a whole. The plan includes the following strategies to connect with local businesses:

   - Create an ongoing forum with employers that include a comprehensive feedback system for the Board.
   - Create stronger linkages with Chambers of Commerce and other business groups, and gather information regularly regarding employer needs, wants, concerns, and customer satisfaction.
   - Provide information on training "credits" to new employers as incentives for them to locate in the area, whereby training would be available to upgrade new employees.
   - The Business Service Team will assist employers in providing information on the Arizona Job Training Program.

Faith-Based and Community Organizations

1. **Describe service coordination with faith-based and community organizations.**

   Coordination with faith-based and community organizations is an on-going process. The local service providers work with these organizations to provide supportive service to the WIA participants. The Gila/Pinal Workforce Investment Area will continue to coordinate with faith-based and community organizations for the betterment of our participants in WIA.

Involvement in the monthly meetings of the Interagency Network in both counties has provided communication with the Faith-Based organizations and Community Based organizations. These meetings provide information on programs on the different types of supportive services and training programs that are available in the community. Faith-based and community based organizations provide services which addresses barrier to employment, such as clothing, transportation, life skills training, which complements the services available though the One-Stop Centers. Faith-based and community organizations can benefit from referring their community members or clients to the One-Stop to receive help with skills assessment, career counseling or hard-skills training.

On-going partnerships with Salvation Army, St. Vincent DePaul's, Catholic Church and various community based organizations such as Community Action Program and Community has provided services to all participants in WIA.

2. **Describe activities designed to create and strengthen your local area's partnerships with faith-based and community-based organizations and their customers. Provide specifics on the organizations with whom you coordinate and/or partner.**

It is clearly advantageous for One-Stop staff to become familiar with the broad range of services available from these organizations so that they can refer their clients as appropriate. Outreach by the One-Stop Centers can help identify potential organizations who might want to collaborate with the One-Stop. Organizations are invited to speak at the WIB meeting on information of their programs. Also, the monthly network meetings provide the opportunity to introduce the workforce system to all members/contacts and use the meeting to survey organizations about what FBO/COB services are available.

The Adult, Youth, and Dislocated Worker Programs coordinate with the Salvation Army, Catholic Church, St. Vincent DePaul's, and local churches to provide supportive services to participants in the program. Community based organizations include CAHRA, Gila County Community Action Program, Gila and Pinal Counties Section 8 programs which include housing and weatherization programs. Supportive services include, but are not limited to: shelter, transportation, clothing, food baskets, and utilities.

SECTION VI

ADMINISTRATION

Program Administration

1. **Describe any local policies or guidelines implemented to support WIA Title 1B program operations that are not addressed elsewhere in the Plan. Include information regarding the purpose, development, implementation, and monitoring of such policies.**

   N/A

2. **Describe the local process and procedures that will be utilized to monitor sub-recipients (including OJT contractors) for program and EO compliance.**

   Monitoring and oversight shall be conducted semi-annually by staff to ensure compliance with all applicable laws and regulations. Monitoring reviews shall consist of fiscal and programmatic operations. The Gila/Pinal Workforce Investment Area Technical Guide, EEO Monitoring Guide, and Fiscal Guide are forwarded to service providers prior to monitoring. Exit interview will be conducted at the conclusion of the on-site visit with contractor and monitor to discuss findings and if a corrective action plan is applicable.

   On-the-Job monitoring occurs twice within the contract period. The OJT Monitor Review Form is completed by the employer and is reviewed by staff to discuss the progress of the OJT trainee's plan. At the end of the contract, staff will meet with the employer to complete paperwork and review all documents to see if all OJT goals are met. Employers will complete two On-the-Job Monitor Reports to review for compliance. First Monitor Report will be done when the OJT is halfway complete. The final monitor report will be filled out when the OJT is completed. Staff shall discuss the progress of the OJT and discussion at the end of the OJT to review goals for completed successful.

Fiscal Administration

1. **Describe the administration of WIA funds used by the LWIB. Include oversight responsibilities for WIA funds, Arizona Workforce Connection and other workforce development resources.**

   The WIA funds are administered by the Fiscal Department of Gila County Division of Health and Community Services. The Gila/Pinal Workforce Investment Board oversees all funding of WIA. Fiscal Department conducts semi-annual reviews of all providers. This ensures that all WIA compliance is met within the One-Stop System. Fiscal administration of WIA funds shall be in accordance with Gila County Fiscal Policies, applicable state and federal policies, regulations and guidance.

2. **Describe measures to eliminate duplicative administrative costs being used by the LWIB.**

   The Gila/Pinal Workforce Investment Board is under the Gila County administrative umbrella; therefore eliminating duplication of administrative costs. The LWIB uses the County payroll department and purchasing department to track and process employee payroll and purchases. By using the County's accounting system, it eliminates having to reconcile two separate accounting systems. In addition, the LWIB comes under the county's single audit as one of their major programs; thereby eliminating the need for separate audit costs. Also, all issues and questions on contracts are reviewed by the county attorney.

Procurement

1. **Describe the competitive and non-competitive process used to award grants and contracts for activities under Title 1B of WIA, including how potential bidders are made aware of the availability of grants and contracts. Include the process to procure training services that are made as exceptions to the ITA process.**

   The Gila/Pinal Workforce Investment Area will utilize the Request for Proposal process to select eligible service providers for youth. The process will be open and competitive utilizing approved procurement procedures. The RFP is approved by the local WIB and Gila County Board of Supervisors, and is released for Public Notice and Advertising.

   After the proposal review process, funding recommendations shall be based on the total score from individual ranking sheets. Once approved by the WIB, funding recommendations will then be forwarded to the Gila County Board of Supervisors for approval. Funding of any and all proposals is subject to funding availability and level of funding by the U.S. Department of Labor.

   The Gila/Pinal Workforce Investment Area reserves the right to:
   - Renew contract(s) for a second year without issuing an RFP for the second year.
   - Accept or reject any or all of the proposals received and to cancel in part or in its entirety this request if it is in the best interest of the counties to do.
   - Negotiate necessary adjustments in proposed funding levels and program activities.
   - Fund agencies outside the order of rating recommendations.
   - Direct sub-contractors to implement changes in accordance with State directives made to comply with the Workforce Investment Act and applicable regulations.

2. **Describe the criteria used for awarding grants for youth activities, including criteria used to identify effective or ineffective youth activities and providers of such activities.**

   Proposal evaluations will be ranked based on criteria in the Scope of Work. Criteria to be used in awarding youth providers shall include:

   - Executive Summary: Target Population; Service Site: Facility; Outreach/Marketing: Cost Effectiveness; Performance Standards
   - Needs/Community Assessment: Geographical Area; Statistics; Needs of the targeted area; Maps and tables to support the narrative
   - Design and Delivery: Activities/services for the different targeted areas and clear definitions of activities; Quality and innovative approaches; Outcomes meet or exceed performance; Partnerships; Retention of youth
   - Composition of the Collaborative/Partnership: Specific responsibilities of each partner; Written agreements; Partner services clearly stated
   - Experience: Past performance; Qualified staff; Organization chart; Staff Job Descriptions

   The Gila/Pinal Workforce Investment Area's last Youth Request for Proposal was issued in 2006.

Appeals Process

Describe the procedures established for providers of youth or training services to appeal a denial of eligibility, a termination of eligibility or other action by the LWIB or One-Stop Operator.

The Gila/Pinal Workforce Investment Area's process for dealing with grievances and complaints from participants, employees, and other interested parties affected by statewide Workforce Investment program includes:

Grievances, Complaints and Appeals

- A grievance or complaint is a written description of an alleged violation of the WIA, dated and signed by an interested party.
- An appeal is any written, dated and signed communication by an interested party expressing their intent to appeal any action or inaction with respect to a grievance or complaint to a higher level. Any action pursuant to the original decision is stayed until a final decision is made by the State.
- The freedom to file a complaint or appeal may not be limited or interfered with in any way.
- Representation of interested parties in connection with complaints or appeals may not be limited or interfered with in any way.
- The local area will make reasonable efforts to assure that the information will be understood by affected participants and other individuals, including youth and those who are limited-English speaking individuals. Such efforts will comply with the

language requirements specified in 29 CFR 37.35 regarding the provision of services and information in languages other than English.

Right to Grieve, Complain or Appeal

- Any interested person has a right to file a grievance or complaint.
- Any complaint relating to a term or condition of employment shall be filed under the employer's established grievance procedures.
- All other complaints shall be initiated at the recipient level.

Time Limitations

- Complaints under this section shall be filed within one year of the alleged occurrence.

Time Computation, Filing and Receipt

- For purposes of these procedures, any compliant, appeal, applications, request, notice, objection, petition, report or other information is considered received and filed timely:

  If transmitted via the United States Postal Service on the date it is mailed as shown by the postmark, or in the absence of a postmark the postage meter mark, on the envelope in which it is received; or

  If not postmarked or postage meter marked, or if the mark is illegible, on the date it is actually received.

  If transmitted by any means other than the United States Postal Service on the date it is actually received.

  If a delay in filing is due to an error or misinformation by the organizations or person with whom the complaint or appeal is filed, the time limitation shall be adjusted in a manner equitable to the complainant.

  Any reference to "days" is interpreted as calendar days. In computing any period of time, the date of the act, event or default is not included. The last day of the period computed is counted, unless it is a Saturday, a Sunday, or a legal holiday, in which case the period runs until the end of the next day which is not a Saturday, a Sunday, or a legal holiday.

Hearings

- An impartial Hearing Officer will hear complaints at the local level.

Before appeal process starts, informal resolution of the complaint will be attempted whenever possible. If the complaint is not resolved, the complainant will be given the opportunity to request a hearing before an impartial hearing officer. Such hearing shall be scheduled within thirty (30) days of the filing of the complaint.

A formal complaint log must be maintained to indicate date received, hearing date, summary of resolution and date resolved. Following the hearing and within sixty (60) days of the filing of the complaint, all parties of interest will receive a copy of the final decision which will include the reasons for the decisions.

If the complaint receives a decision or does not receive a decision with sixty (60) days which he or she finds unsatisfactory, the complainant may request a review of the complaint by the Arizona Department of Economic Security.

Any party who has filed a grievance or complaint below the State level has the opportunity for an appeal to the State when no decision is reached within 60 days or either party is dissatisfied with the local hearing decision. The appeal must be filed within ten days of the receipt of an adverse decision; or the appeal must be filed within ten days from the date a decision should have been issued; or any appeal filed after the tenth day following the decision is null and void.

The State of Arizona, consistent with the philosophy of WIA, encourages the resolution of grievance and complaints at the lowest level. In stances when a grievance or complaint is submitted directly to the State, but could be heard by the local area without compromising the opportunity for a fair hearing, the State may remand the matter to the local area for hearing under the local area's grievance process. Nothing shall preclude a complainant's right to appeal to the State later.

Equal Opportunity and Affirmative Action

1. **Describe the system to assure compliance with all applicable federal and state laws and regulations including those regarding debarment, tax liabilities or delinquent obligations, the Federal Lobbying Act, Minority and Women in Business, discrimination or harassment.**

   The Gila/Pinal Workforce Investment Area will not discriminate against any County employee, client, or any other individual in any way because of race, age, creed, color, religion, sex, disability or national origin. The local area agrees to comply with all applicable provisions of federal and state laws, as currently amended, and any regulations adopted pursuant to such laws concerning nondiscrimination, including, but not limited to:

   - Title VI of the Civil Rights Act of 1964, which prohibits the denial of benefits of or participation in federally assisted programs on the basis of race, color, or national origin;
   - Title VII of the Civil Rights Act of 1964, as amended, which prohibits employment discrimination on the basis or race, color, or national origin.
   - Age Discrimination in Employment Act of 1975, as amended, which prohibits discrimination on the basis of age;
   - Section 504 of the Rehabilitation Act of 1973, as amended, which prohibits discrimination in the employment or advancement in employment of qualified persons because of physical or mental handicap;
   - Fair Labor Standards Act of 1938, as amended, which prohibits wage discrimination on the basis of sex;
   - Title IX of the Education Amendments of 1972, which prohibits discrimination on the basis of sex;
   - The Arizona Civil Rights Act;

- The Americans with Disabilities Act of 1990, which prohibits discrimination against qualified individuals who have a physical or mental disability and requires reasonable accommodation to be made for such individuals; and
- Arizona Executive Order 75-5, as amended by Executive Order 99-4, which mandates that all persons, regardless of race, color, religion, sex, age, national origin or political affiliation, shall have equal access to employment opportunities.

As a condition to the award of the Workforce Investment Act funds, Gila County, as the grant recipient, assures that it will comply with the provisions in Appendix I.

2. **Provide contact information for the Equal Opportunity (EO) Office in the local area.**

   Christina Throop
   Gila/Pinal EO Officer
   5515 S. Apache Avenue, Suite 200
   Globe, Arizona 85501

3. **Describe how the identity of the EO Officer and appeal process are made available.**

   Upon being determined eligible, each participant is informed of the Complaint Procedures Policy. The Complaint Procedure Form will be signed by applicant and staff acknowledging that the case manager has reviewed the policy with the applicant. If applicant is under the age of 18, the parent or guardian must sign the Complaint Procedure Form. The applicant is given a copy of the Complaint Procedures Form and a hard copy is placed in the applicant's file. The identity of the EO Officer is listed on the Complaint Procedure Form.

   The Complaint Procedure Policy and Equal Opportunity Is the Law Poster is posted in all One-Stop Centers in Gila and Pinal counties with all contact information related to equal opportunity and appeals.

4. **Describe the appeal process for assuring that no individual shall be excluded from participation, denied benefit or employment, nor subjected to discrimination under or in connection with, any program or activity for any reasons, including but not limited to: race, color, religion, national origin or citizenship, age, disability, political affiliation or belief.**

   Complaints alleging discrimination on the basis of race, color, religion, sex, national origin, age, disability, political affiliation or belief may be filed either with the local workforce area, the state, or Director of Civil Rights (DCR). Such complaints must be in writing within 180 days of the alleged violation, unless an extension is granted by the Director of DCR. Non-criminal complaints must be filed within one year of the alleged violation.

When contacted, the EEO Officer will set up an appointment with the complainant to discuss the problem. At the time of the appointment, a complaint may be filed. All complaints must be in writing. Assistance in preparing the complaint will be provided if necessary.
Informal resolution of the complaint will be attempted whenever possible. If the complaint is not resolved, the complainant will be given the opportunity to request a hearing before an impartial hearing officer. Such hearing shall be scheduled within thirty (30) days of the filing of the complaint. Following the hearing, and within 60 days of the filing of the complaint, all parties of interest will receive a copy of the final decision which will include the reasons for the decisions.

If the complainant does not receive a decision within 60 days or receives a decision which he or she finds unsatisfactory, the complainant may request a review of the complaint by Arizona Department of Economic Security. Such request must be submitted in writing within ten (10) days of receipt of the final decision or of the expiration of the sixty (60) day period.

SECTION VII

PERFORMANCE

Performance Management

1. **Describe the monitoring process and oversight criteria and procedures utilized to move the workforce investment system toward LWIA goals.**

   Monitoring and oversight shall be conducted semi-annually by staff to ensure compliance with all applicable laws and regulations. Monitoring reviews shall consist of fiscal and programmatic operations. The Gila/Pinal Workforce Investment Board will evaluate the local providers of services by reviewing appropriate quarterly performance data from each specific program.

   Technical assistance will be available to those providers who are not achieving performance goals. Corrective action plans will be negotiated between the applicable provider and the WIB.

2. **Describe how the LWIA identifies area needing improvement and any processes in place to address deficiencies.**

   The Operational, Management and Planning Committee meets quarterly to evaluate the WIA programs and to discuss any deficiencies that might come up within the program. The WIB reviews all quarterly report in regards to the performance measures. Staff will meet with provided to discuss any concerns on performance measures to devise possible solutions to alleviate the problems. If needed technical assistance will be available to those providers not achieving performance goals. Corrective action plans will be negotiated between the applicable provider and the WIB.

Negotiated Performance

1. **Describe how levels of negotiated performance ensure and support the LWIA vision.**

   Operational, Management and Planning Committee meet every year to discuss the negotiated levels, as well as the programs, to ensure the WIB's vision of sound academic and workplace skills are being delivered to participants in the local area. Prior to negotiating performance levels, WIB will review significant changes in local, regional and statewide economic conditions, unemployment rates, demographics, and other resources to prevent non-performance and to maintain the LWIA vision.

   The LWIB recognized that workforce preparation is improved by an education system that focuses on achievement of sound academic and workplace skills, which continues throughout a person's lifetime. This vision anticipates life-long learning supported by a fully integrated workforce system.

In order to meet future industry demands, workers need to continue to further their education skill levels. Local programs will focus on providing the basic and advanced skills that will meet employer needs while providing future and current workers a career path and access to, as well as opportunities for success and advancement.

The LWIB recognizes the strong need for education and its impact on providing a highly-skilled workforce for businesses to compete in the global economy. Training priorities are better positioned with the demand-driven needs of business under the renewed local vision. Through comprehensive assessment, remediation, and training, supply is better aligned with business demand.

2. **Provide a listing of the PY2008 performance standards for the Adult, Dislocated Worker, and Youth Programs negotiated with the State WIA Section, as Appendix H, in the Plan.**

   See Appendix H.

APPENDIX A

>>Manual Search >>Smart Search

Public Notice

County: Gila
Printed In: Arizona Silver Belt (Globe-Miami)
Printed On: 2008/02/13

Return to Found List | New Search
Return To Current Search Criteria

Public Notice:

PUBLIC NOTICE
The Gila/Pinal Workforce Investment Area 2008-2009 Plan for Gila and Pinal Counties is now available for public review and comment.
Reference: P.L. 105-220, Sections 118 (b)(3) and 136(c)(1)(2)(3) of the Workforce Investment Act dated August 7, 1998; 20 CFR, Part 652 et.al, Section 661.350(a)(4) and Subpart C, Sections 666.300 and 666.310 of Workforce Investment Act Final Rules dated August 11, 2000.
The plan may be reviewed at the Gila County Division of Health and Community Service, located at 5515 S. Apache Avenue, Suite 2000, Globe, Arizona during the hours from 8:00 a.m. until 5:00 p.m, Monday through Friday. This facility is handicapped accessible.
Copies of the plan may be requested by contacting Denise Dickison in writing at 5515 South Apache Avenue, Suite 2000, Globe, Arizona 85501 or by tele-phone at (928) 425-7631, Ext. 8650.
Verbal and written comments will be received until March 17, 2008 at which time the comments and plan will be submitted to the Gila/Pinal Workforce Investment Board (March 20, 2008) and Gila County Board of Supervisors (March 25, 2008).
Published in the Arizona Silver Belt on 2-13-2008, and 2-20-2008, No. 6543
Belt

Public Notice ID: 6948140.HTM

Return to Found List | New Search
Return To Current Search Criteria

© 2000 Arizona Newspapers Association All Rights Reserved.

APPENDIX B

NO COMMENTS ON GILA/PINAL TWO YEAR PLAN 2008-2009

APPENDIX C

GILA/PINAL WORKFORCE INVESTMENT AREA
ADMINISTRATIVE ENTITY CONTACT

Barbara Valencia
Gila/Pinal Workforce Program Manager
Gila County Division of Health and Community Service
5515 S. Apache Avenue, Suite 200
Globe, AZ 85501
(928) 425-7631
FAX: (928) 425-9468

APPENDIX D

GILA/PINAL WORKFORCE INVESTMENT AREA
FISCAL AGENT CONTACT

Bree York
Division Fiscal Manager
Gila County Division of Health and Community Service
5515 S. Apache Avenue, Suite 200
Globe, AZ 85501
(928) 425-7631
FAX: (928) 425-9468

INTERGOVERNMENTAL AGREEMENT BETWEEN GILA COUNTY AND PINAL COUNTY REGARDING THE ADMINISTRATION OF THE GILA/PINAL WORKFORCE INVESTMENT AREA

This Intergovernmental Agreement ("Agreement"), hereinafter, referred to as, "Agreement", is entered into between Gila County, a body politic and corporate of the State of Arizona ("Gila") and Pinal County, a body politic and corporate of the State of Arizona ("Pinal") to establish the fiscal and administrative responsibilities for the Gila/Pinal Local Workforce Investment Area.

WHEREAS, the Workforce Investment Act (WIA) of 1998, hereinafter referred to as the Act of Public Law 105-220, 20 USC 9201, and federal rules and regulations (20CFR Part 652) was developed to implement the WIA, and authorize the expenditure of federal funds for job training programs in locally determined Workforce Investment Areas; and

WHEREAS, Gila and Pinal Counties Boards of Supervisors, respectively, established Gila and Pinal Counties as the Gila/Pinal Local Workforce Investment Area Consortium for the purpose of Section 116 of Workforce Investment Act (Public Law 105-220), hereinafter referred to as, "WIA" enacted on August 7, 1998;

THEREFORE, in consideration of the agreement of the parties hereinafter set forth, the Counties agree to the following:

SECTION ONE: Grant Recipient, Fiscal Agent, and Administrative Entity

1. Gila and Pinal Counties, through their boards of supervisors, respectively approve the designation of Gila County as Grant Recipient, Fiscal Agent, and Administrative Entity of the Gila/Pinal Workforce Investment Area with liability for said funds, pursuant to Section 117 (d)(3)(B)(I)(II) and (III) Workforce Investment Act (WIA).
2. The Gila County Board of Supervisors and the Pinal County Board of Supervisors shall appoint the board members of the Gila/Pinal Local Workforce Investment Area within their respective jurisdictions as required by the Workforce Investment Act.
3. Gila County, as Grant Recipient shall, under the authority of the Gila County Board of Supervisors and the Gila/Pinal Local Workforce Investment Board, develop program and grant budgets within the constraints of WIA and implement the same through contracts and subcontracts as is appropriate and necessary. Gila County provides services to Gila and Pinal Counties through the Gila County Division of Health and Community Services.
4. Gila County as Grant Recipient shall establish fiscal control and fund accounting procedures as may be necessary to assure the proper disbursal of, and accounting for, Federal funds allocated to all programs, and said procedures shall ensure that all financial transactions carried out are conducted and records maintained in accordance with generally accepted accounting principles. Gila County, as Grant Recipient, shall comply with all applicable uniform cost principles and administrative requirements for grants and agreements included in the appropriate circulars and rules as promulgated by the federal

Office of Management and Budget, United States Department of Labor and the State of Arizona, Department of Economic Security (ADES), as applicable.

5. Gila County, as Grant Recipient shall provide services in Gila and Pinal Counties to ensure effective programs which provide the most beneficial mix of services to eligible residents and private employers within the Gila/Pinal Local Workforce Investment Area, pursuant to Section 117 (d)(3)(B)(I)(II) and (III) Workforce Investment Act (WIA).

SECTION TWO: Modification and Termination

Gila County has been the Grant Recipient, Fiscal Agent and Administrative Entity since July 1, 2000, and shall remain in Grant Recipient for an indefinite period until either party to the Agreement, with the other's concurrence, desires to modify the Agreement.

Either party may terminate the Agreement with 90 days notice to the other party. In the event that the existing Gila/Pinal Workforce Investment Area shall cease to exist or shall be terminated, this Agreement shall also be terminated as of the effective date of the termination of the Consortium between the Counties.

SECTION THREE: Governing Law

All matters governed by the Agreement shall be subject to the conflict of interest provisions of A.R.S. 38-501 through A.R.S. 38-511, as well as, such other relevant provisions in A.R.S. that are applicable to the planning, implementation and delivery of WIA services in the Gila/Pinal Workforce Investment Area and contained in the Strategic Two Year Local Workforce Investment Plan.

IN WITNESS WHEREOF, the parties hereto have affixed their signatures to this Agreement on the dates below.

GILA COUNTY
BOARD OF SUPERVISORS

José M. Sanchez, Chairman 6/24/08

ATTEST:

Steven L. Besich, Clerk

APPROVED AS TO FORM:

Bryan Chambers, Deputy County Attorney

PINAL COUNTY
BOARD OF SUPERVISORS

David Snider, Chairman 6/18/08

ATTEST:

Sheri Cluff, Clerk

THE SEAL OF PINAL COUNTY ARIZONA 1875

APPROVED AS TO FORM:

Joe Albo, Deputy County Attorney

APPENDIX E

One-Stop Operator Agreement
Gila/Pinal Workforce Investment Area

WHEREAS, the Gila/Pinal Workforce Investment Board ("WIB") has been appointed by the Gila County Board of Supervisors, which is the Local Elected Official ("LEO") for the Gila and Pinal Counties Workforce Area for purposes of the Workforce Investment Act of 1998 ("WIA"); and

WHEREAS, in accordance with Section 121 (ii) of the WIA and Section 662.400(c) of the WIA Rules and Regulations, the undersigned agree to form a consortium of partners to act as the One-Stop Center Operator; and

WHEREAS, a consortium of partners consisting of the Arizona Department of Economic Security, Employment Administration, Central Arizona Association of Governments, Gila County Division of Health and Community Services and have been designated by the WIB and the LEO as Operator of the One-Stop System; and

WHEREAS, all parties have agreed that the purpose of this agreement is to define the respective roles and responsibilities of each party with respect to the operation of the One-Stop System,

NOW, THEREFORE, THE PARTNERS AGREE AS FOLLOWS:

1. **DURATION OF AGREEMENT**
   This agreement shall commence on July 1, 2008 for an initial term of one year and shall renew each succeeding July 1 unless the Partners terminate this agreement by mutual consent and with at least 30 days notice to the WIB and LEO.

2. **ONE-STOP SYSTEM OVERVIEW**
   As key stakeholders in the ultimate design of the Gila/Pinal Workforce Investment System, all parties having been designated by the WIB as the One-Stop Operator agree that the vision of the One-Stop System and the One-Stop Career Centers is to provide labor market information, business service, career development opportunities and education services for its customers – the job seeker and the employer community. That as the designated One-Stop Operator, all parties hereto ensure that their customers will benefit from an integrated network of partnership services that strive to understand and respond to the needs of its customers to improve and enhance the economic prosperity of Gila and Pinal Counties.

3. **ONE-STOP OPERATOR SERVICES**
   As a consortium, the One-Stop Operator agrees to provide and make accessible to its customers the following programs, as required or suggested under WIA:

   a. Programs offered under WIA Title IB for Adult, Youth and Dislocated Workers

b. Programs offered under WIA Title II; Adult and Family Literacy and Postsecondary Vocational Education Activities for the Carl D. Perkins Career and Technical Education Improvement Act of 2006.

c. Programs offered under WIA Title III; Wagner –Peyser, Unemployment Insurance, Veterans Employment and Training Programs and the Trade Adjustment Act.

d. Programs offered under WIA Title IV

e. Programs offered under Senior Community Service Employment Program of the Older Americans Act of 1965

f. Programs offered under WIA Title ID, Sec. 166 Native American Programs

g. Programs offered under WIA Title IC, Job Corps

To ensure full integration of all programs' services stated above, the Operator further agrees to coordinate the following program services of the system for its customers at One-Stop Centers:

Job Seeker Services including, but not limited to:

- Access to the One-Stop Career Center's Resource Room for initial assessment, career planning and job seeking activities
- Labor market information, listings of job vacancies and skills necessary for in-demand occupations and employment trends
- Self-directed and minimal staff assistance for job search and placement assistance
- Information on the full array of occupational and vocational training programs available locally and Statewide
- Assistance in filing claims for unemployment benefits, and financial aid
- Information and referral for child care, transportation, and other needed supportive services

Employer Services including, but not limited to:

- Posting of current job openings for access by local, state or national job seekers
- Employee recruitment assistance
- Employee skills assessment and job tasks analysis
- Local, state and national labor market information, economic development opportunities and worker training grants
- Employer tax credits, on-the-job training, upgrade training, and customized training programs
- Local and state training providers information

4. CUSTOMER SERVICE STANDARDS

The One-Stop Operator assures that:

- Customers will have easy access to programs provided at the One-Stop Centers and affiliate sites locations
- Customers will be provided assistance in accessing the services offered by the local Workforce Investment System
- Customers will be given accurate information and clear expectations about all system programs and services

- Customers will only be referred to programs and services where they might be eligible and where resources exist

5. **REFERRAL ARRANGEMENTS**

The systematic referral process available at the One-Stop Centers will connect the customer (both Job Seeker and Employer) to the existing workforce investment system of services through a cross referral arrangement between the system Partners and the Operator using a confidential "One-Stop Customer Referral Form".

The Operator agrees to participate with the system Partners in an ongoing cross referral workgroup to:

- Provide feedback on the success of cross referral arrangements
- Further develop agency cross training activities with the system Partners and respective staff for the purpose of promoting customer access to a 'no wrong door' system
- Ensure cross training for respective staff
- Consider co-enrollment options and practices
- Consider the effect of cross-referrals on mutual performance standards and outcomes and
- Continuously improve the joint delivery of services for all customers

6. **INFORMATION SHARING**

The WIB and the Operator agree to utilize a common data base system, i.e. Arizona Virtual One-Stop, or a subsequent approved system, as its primary case management / labor management information system and to ensure the confidentiality of all sensitive personal information through appropriate data security and sharing agreements.

7. **CONTINUOUS IMPROVEMENT**

The Operator will develop data collection methods for the purpose of determining the number of customers being served by the system and for the purpose of collecting customer feedback information on improving system services.

8. **REPORTING REQUIREMENTS**

The Operator agrees to provide the following reports to the WIB on a quarterly basis;

- Report on training activities that have taken place between and among center partners and system stakeholders
- Report on the number of people using the One-Stop Centers and the number of Job Orders placed, as well as the number of job-seekers referred for employment
- Report progress in meeting performance standards among all center partners and system stakeholders

9. **MODIFICATION**

This Agreement may be modified, altered or amended by the parties hereto, at any time, in whole or in part, by mutual written consent of all parties, by the issuance of a written amendment, signed and dated by all parties.

Amendments shall take affect 30 days after notice is given in writing to the WIB and LEO.

10. SEVERABILITY

If any part of the Agreement is found to be null and void, or is otherwise stricken, the rest of the Agreement shall remain in full force and effect.

11. APPLICABLE LAW

This Agreement shall be governed by, construed and enforced in accordance with the applicable Federal laws and regulations governing the Workforce Investment Act of 1998, and other appropriate Federal and Arizona laws and statutes.

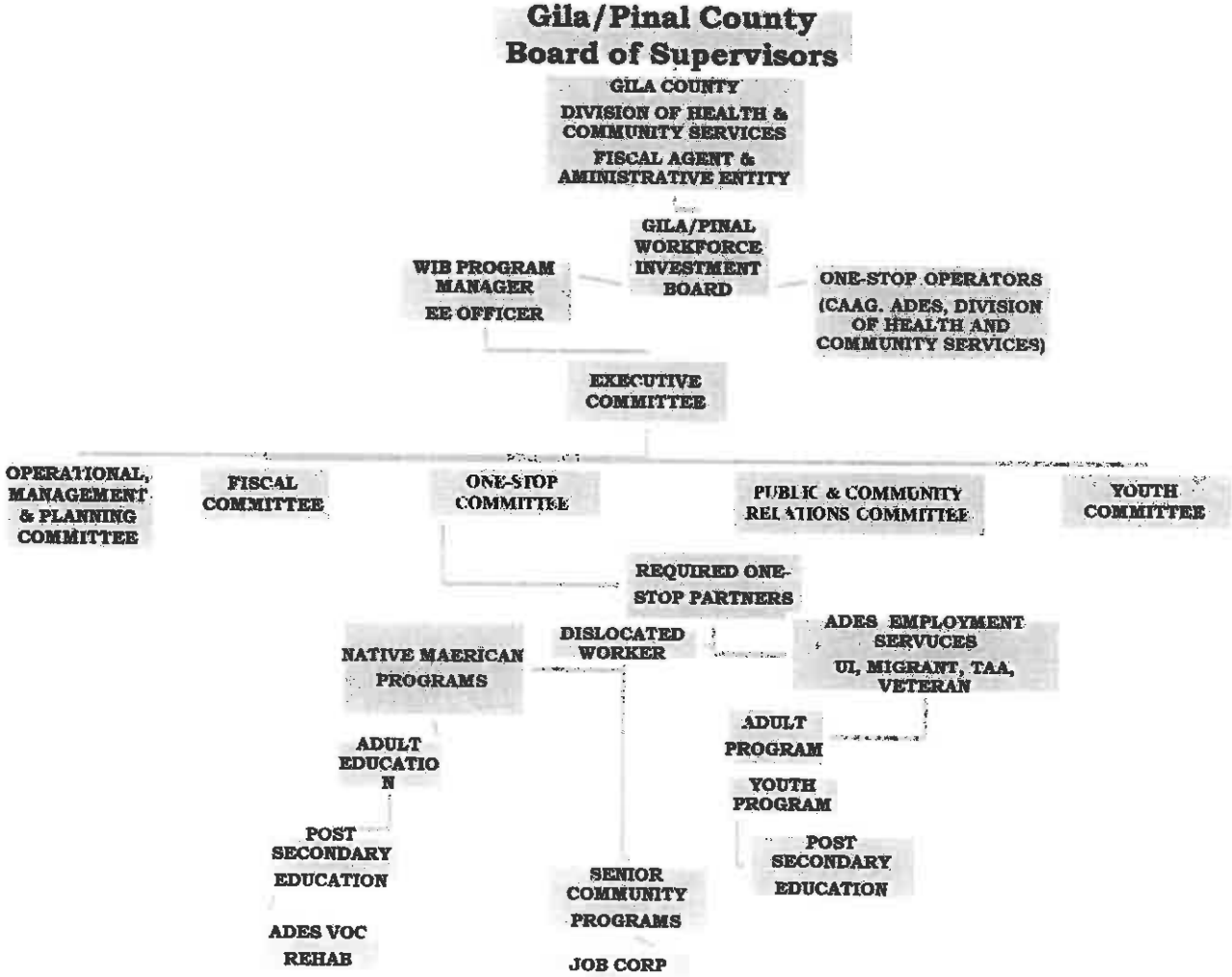
12. AUTHORITY AND SIGNATURES

The individuals signing below have the authority to commit the party they represent to the terms of this Agreement, and do so by affixing their signatures:

Gila County Attorney As to Form — Date 5-7-08	Gila County Attorney
Chairman — Date 05-13-08	Gila County Board of Supervisors
Rochelle L. Webb Employment Administrator — Date 4/24/08	Wagner-Peyser, Unemployment Administration, Veterans Employment and Training Programs, and Trade Adjustment Act Programs Arizona DES, Employment Administration
Maxine Leather Executive Director — Date 5/2/08	Central Arizona Association of Governments
Dave Fletcher — Date 5/7/08	Gila County Division of Health and Community Services

APPENDIX F

GILA/PINAL WORKFORCE INVESTMENT BOARD



APPENDIX G

Workforce Investment Act One Stop Partner
Memorandum of Understanding with the
Gila/Pinal Workforce Investment Board

I. Introduction

This Memorandum of Understanding (hereinafter "MOU") establishes the terms and conditions among the undersigned partners within the **Gila/Pinal Workforce Investment Area** One-Stop Career Center System, (hereinafter "Partner (s)") in their efforts to establish a cooperative working relationship between the parties and to define roles and responsibilities of all interested parties with respect to implementation of a One-Stop Career Center Project.

II. Purpose of the Agreement

The purpose of this Memorandum of Understanding (MOU) is to provide a framework for the delivery of comprehensive workforce development services to job seekers and employers of the region. Further, the purpose of this agreement is to establish an agreement between the above mentioned regarding their respective roles and responsibilities for implementation of the provisions of Section 1219(c) (2) of Title I of the Workforce Investment Act of 1998. The local Workforce Investment system has been designed to promote collaborative employment & training strategies reflecting the particular needs of the area's local and regional economies. The system is built upon a framework of service delivery through comprehensive and affiliate One-Stop Career Centers and a collaborative network of Partner Organizations.

To ensure these services are of the highest quality and meet the expressed needs of Workforce customers, the Gila/Pinal Workforce Investment Area has established the following mission, goals and responsibilities for Workforce Development services:

The Gila/Pinal Local Workforce Investment Board (LWIB) vision of the WIA statewide workforce investment system will help the local area attain its strategic goals and to use the WIA as a catalyst for change.

The Board's vision is that all state-funded and federally funded programs serving similar clients, not just those encompassed by the WIA, would be coordinated through the WIB. This will be accomplished through the reduction of duplicative organizational structures, governing bodies, redundant and conflicting reporting and management information system, and integration of service delivery at the local area level.

One-Stop Career Centers will be utilized as a catalyst for the local level One Stop delivery system. One Stop customers will have access through a three-tiered service delivery system. A full array of information, including job applicant services, workforce information, employer services, and other information will be provided.

Individual Training Accounts (ITAs) are a component of the One Stop Service Delivery System. ITA's allow adult customers to "purchase" the training they determine to be best for them. Training can be obtained through this market-driven system to enable customers to acquire the skills and credentials needed to succeed in their local labor market. Training can be utilized to learn new skills or upgrade existing skills. Adult

education and literacy programs are also available.

Locally designed, customer focused, market-driven service delivery will enable customers to acquire the skills and credentials they need to succeed in their local labor market utilizing apprenticeship programs and on the job training in conjunction with classroom training.

Another component of the customer service delivery system is local Youth Councils. Encompassing a broad-based membership, local Youth Councils will play a significant role in developing programs and services for youth. The LWIB relies on the Youth Council's expertise and guidance in the development of youth employment and training policy and practice including the development of a complete system of educational opportunities for youth.

The ultimate responsibility for the overall philosophy and oversight for the Gila/Pinal One-Stop Career Center System organizational processes, services and accomplishments will rest with the Gila/Pinal Workforce Investment Board.

The effective implementation, service delivery processes and the success of the One-Stop Career Center reside with the One-Stop Operator and the various System Partners. The effective operation of the One-Stop Center shall be the responsibility of the One-Stop Operator and shall not be in conflict with Partner agency policies and/or regulations. The Gila/Pinal Workforce Investment Board shall be responsible for the following:

- to develop and establish the One-Stop Center philosophy;
- to develop and establish One-Stop Center policies; and
- to ensure the effective oversight of the One-Stop System.

The **Gila/Pinal County Workforce Investment Board** enters into this agreement to ensure that the following principles of the Workforce Investment Act of 1998 are implemented.

- **Universal Access**: All customers, including those with special needs and barriers to employment, will have access to a core set of services at each access point in the One-Stop Career Center System, designed to provide information to make career and labor market decisions. Core and intensive services will be made available at multiple locations. Training and support services will be accessed through initiating transactions at these access points.

- **Integrated Services**: Delivery of services will be enhanced through the integration of planning processes, the coordination of activities and services, and the sharing of information and participant data.

- **Individual Choice:** Customers will have choices in the mechanisms through which to access services and in the services themselves, based on their individual needs and preferences. Customers will have access to a multitude of career, skill, employment and training information to obtain the services and skills they need to enhance their employment opportunities.

- **Program Quality/Accountability**: Design and management of the centers and delivery of services will be responsive to the needs of customers, and customer satisfaction will be a key measure of accountability. The partners agree to support each other in their respective provision of services and to facilitate joint provision of services consistent with the needs of their respective customers, the program goals of the partner organizations, and laws and regulations governing the programs they operate.

  The establishment of a system of one-stop career centers and access points is designed to accomplish the following:

  - To facilitate the coordination of resources so as to eliminate unwarranted duplication of services, reduce administrative costs, and enhance participation and performance of customers served through the system.

  - To establish guidelines for creating and maintaining a cooperative working relationship, to facilitate joint planning and evaluation of services, and to develop more efficient management of limited financial and human resources.

III. Geographic Area Covered by the Agreement

The areas of Gila and Pinal counties shall be served, exclusive of the Indian Reservations.

IV. One-Stop Center Locations and Operational Infrastructure

Please include information regarding the following:

Locations of comprehensive and affiliate centers and hours of operation

Comprehensive Center
Arizona Workforce Connection
1015 E. Florence Blvd.
Casa Grande, AZ 85222
Hours of Operation: 8:00 a.m. – 5:00 p.m.

Affiliate Centers
Gila County Division of Health and Community Services
5515 S. Apache Avenue, Suite 200
Globe, Arizona 85501
Hours of Operation: 8:00 a.m. – 5:00 p.m.

Arizona Department of Economic Security
605 South 7th Street
Globe, Arizona 85501
Hours of Operations: 8:00 a.m. – 5:00 p.m.

Arizona Department of Economic Security
1155 N. Arizona Blvd.
Coolidge, Arizona 85222
Hours of Operations: 8:00 a.m. – 5:00 p.m.

Arizona Department of Economic Security
112 E. Highway 260
Payson, AZ 85541
Hours of Operations: 8:00 a.m. – 5:00 p.m.

Central Arizona Association of Governments (CAAG)
1720 East Ash Street
Globe, Arizona 85501
Hours of Operations: 8:00 a.m. – 5:00 p.m.

Central Arizona Association of Governments (CAAG)
414 B N. Marshall Street
Casa Grande, Arizona 85222
Hours of Operations: 8:00 a.m. – 5:00 p.m.

- **Site Management and Supervision Parameters**
  Each site has staff that will provide site management for the One-Stop Centers. Specific program supervision will be handled by the respective partner.

- **One Stop Management Team**
  The Gila/Pinal Workforce Investment Board has a One-Stop Committee comprised of One-Stop Partners representative co-located in each of the respective Centers. This One-Stop Committee will oversee One-Stop logistics and activities and make recommendations to the Workforce Investment Board staff on policies and procedures. The One-Stop Committee will be chaired by a partner appointed by the Chair of the Local Workforce Investment Board.

- **Information Sharing Provisions**
  One-Stop partners will continue to provide information for the enhancement and integration to benefit our common clients. The One-Stop Committee will explore opportunities for joint tracking to assist in the attainment of partner goals.

V. Cost Sharing

The contribution must be "proportionate" to the use of the system by individuals attributable to "the partner's program (20 CFR §662.270). The individual resource sharing and referral agreement is attached and is referenced as attachment A.

a. Identification of Operating Budget for One-Stop Delivery System

The One-Stop Administrator will meet individually with each partner to discuss One-Stop Operation costs and propose a cost allocation method for the shared costs. The methodology will be based on the cost allocation considerations discussed below.

b. Cost Allocation and Resource Sharing Methodology

The partners will comply with the Federal Cost Principles set forth in the applicable Office of Management and Budget (OMB) Circulars. The following lists the circulars and corresponding entities:

- OMB Circular A-21 – Cost Principles for Educational Institutions.

- OMB Circular A-87 – Cost Principles for State, Local and Indian Tribal Govts.
- OMB Circular A-122 – Cost Principles for Nonprofit Organizations.

The allocation methodologies used will be based on a measure of relative benefit received that will produce an equitable allocation of costs to the programs.

Measuring benefit received is the critical requirement and central task to be performed in allocating costs. Established cost allocation principles dictate that costs are allocable to a particular cost objective based on benefits received by that cost objective. The cost allocation process that is adopted will be fully documented. The structure and capabilities of the partners' accounting systems will be considered in designing an operable cost allocation process. Each partner must contribute a fair share of the operating costs based on the use of the one-stop delivery system by individuals attributable to the partner's program. There are many basis for allocation to choose from, and the best base is one that allocates costs equitably to all of the partners. There may be multiple allocation bases used within a center and for system costs.

Service delivery will be the prime factor driving operational planning - not cost accounting. However, cost accounting considerations will be part of the planning process. Federal funding sources and good management practices require costs to be accumulated in an organizational structure to control budgets, measure the efficiency of operations and report financial information. The LWIB will negotiate each partner's share of the costs in a way that promotes the principles of proportionate cost sharing. To accomplish this, the LWIB will support the fairness of the negotiated amounts through the use of cost allocation methods or bases.

The LWIB has some latitude for discretion in determining how to share costs, as long as the basis used for cost sharing is compatible with the governing provisions of WIA, other partners' legislation, and the applicable OMB Circulars. Current federal regulations do not provide for "range of tolerance" flexibility. Each partner is accountable for paying costs based on its share of benefit derived. Monthly monitoring of operating reports will allow the partners to see when actual benefits derived and/or actual expenditures vary from their projections. Financial and/or service plans will be adjusted accordingly. As actual expenditures are made, offset plans will be monitored and adjusted so that partners do not owe money at the conclusion of the partnership agreement. Adjustment requests will be reviewed no less than quarterly, more frequently if the variances are large.

Payment System and timeline

The payment system for those shared costs to operate the One-Stop Center is to be paid within thirty days from the first of the month due date to the One-Stop administration.

Alteration provisions
Should the partner want to alter the cost sharing arrangement based on benefits derived, as indicated above there will be a minimum quarterly opportunity for re-negotiation.

Audit Responsibilities
Each partner will have its program audited as required by its own legislative mandates and regulations. If a comprehensive audit is agreed to by the partners, each partner agrees to bear a proportionate share of the audit responsibilities based on their respective dollars contributed; otherwise, the partners with the record keeping responsibility shall bear the cost of the audit.

VI. Supportive Services

The partners agree to coordinate supportive services for the individual and their families within the boundaries of their respective capacities. This will be tracked and accounted for in the case management process.

VII. Business services

The local One-Stop agrees to provide the listed services below to all employers within the One-Stop jurisdiction.

- Recruitment, orientation and referral of qualified job seekers to job vacancies
- Employment service employment information
- Labor market information
- Information regarding the Arizona Job Training Program
- Connection to economic development resources
- Rapid response and plant closure assistance
- Resource referral

VIII. Customer Satisfaction

The accountability system should measure the success of the One-Stop Delivery system in ensuring employers and workforce development participants are highly satisfied with workforce development services. This will be done with surveys within an agreed upon two week period every quarter and the results will be shared and posted within the One-Stop Center in addition the actions taken as a result will also be posted.

IX. Continuous Improvement

All partners will participate on the Continuing Improvement Committee (CIC) by designating a representative to serve on this committee. This designee will attend the bi-monthly meetings in an effort to help improve our services through evaluation and customer feedback. Partners will actively participate in any staff meetings conducted for the purpose of operation of the One Stop System or specific One Stop Career Centers.

X. Performance Accountability

All partners agree to **meet quarterly to exchange information** about performance goals and the attainment of those goals by the partners. Partners will develop strategic plans on how to assist each other in meeting those performance goals whenever possible. The shared data collection system will be the primary source of shared program performance

data once all partners implement it. Partner agencies will be held accountable for performance as specified within their scope of work.

All partners in the One-Stop Delivery system will:

- Adhere to prescribed reporting schedules
- Provide required performance data in a compatible format to the Local Workforce Investment Board on a quarterly basis
- Agree to work toward the development of common performance goals and measures that will be in alignment with the stated goals of the Local Workforce Investment Board (LWIB) system.

XI. Referral Process/Methods Between Organizations

The partners agree to provide value-added referrals for customers for additional services with other partner agencies when those customers are deemed in need of such additional services. It is agreed the One-Stop Delivery system partners of this signed MOU will conduct referral for services in the following manner. All customers referred for services will:

1. Receive a written referral or electronic form with the date, time, and place of the appointment.
2. All appointments will be scheduled within three working days.
3. The individual making the appointment will follow-up with the customer within three working days of the scheduled appointment date.

Referral Point of Contact for each organization

The partners agree to provide a referral point of contact including name, title, and associated phone number, e-mail address and fax number for the referral point. The partner organizations agree to provide this information within two weeks of the official signing of this MOU. The partners further agree to keep this information current should changes be necessitated.

Co-enrollment

The partners agree to co-enroll participants in multiple partner programs whenever appropriate and as eligibility and other program regulations allow. The objective of such co-enrollment is to broaden the service options for participants and to respond to unmet training, supportive service, and placement support needs. Furthermore, co-enrollment allows the partners to share credit for outcomes. All partners agree to:

- Review and revise enrollment procedures to facilitate co-enrollment whenever possible and appropriate.
- Cross-train partner staff in enrollment procedures and requirements to facilitate co-enrollment as needed; and allowable under each program's regulations and policies.
- With the informed consent of the affected participant share participant information (including eligibility and assessment information) to minimize participants' needs to have to provide similar or identical information to more than one of the partners.

Appointment Scheduling

The partners agree to coordinate appointment scheduling activities to facilitate customer flow and service among the partners.

XII. Capacity Building

Partners to the MOU agree to a high level of professional standards related to One-Stop staff competencies and protocols, as well as a professional environment for customers of the affiliate site(s). In order for the "universal" customer to receive seamless services in a true One-Stop environment it is imperative that all partners in the system understand each partner organization, their services and their goals. Each partner agrees to provide training to the other partners in the system. Where feasible and appropriate, each partner also agrees to attend training given by other organizations within the One Stop System.

It is understood all organizations participating need to achieve specific program goals and that by supporting each other through training and team work, the One Stop System will result in increased goal achievement by all of the partners. As with all aspects of joint planning, capacity building efforts shall be examined in the context of adaptability to needed change, customer service and continuous improvement. The partners agree to work continuously to ensure collaboration with State and regional efforts to provide service delivery in response to identified capacity building needs.

XIII. Marketing and Outreach

The partners to the MOU agree to collaborative marketing strategy informing job seekers, employed individuals, employers, and the community at large about the services available through the local One-Stop system. The cost for the development, production and distribution will be a part of the cost allocation plan based on benefit received.

The following resources are or may become available to enhance joint marketing efforts:

- Web site development
- Public education/information
- One Stop brochures/flyers
- Television or radio
- Newspapers

DES/Employment Administration will contribute by providing marketing information for the programs it administers. DES/Employment Administration will not contribute funds to secure advertising and marketing unless those costs are specifically approved and allowed by the Department of Labor.

XIV. Duration of the Agreement

This MOU will commence on July 1, 2008 and shall remain in effect through June 30, 2010 with an amendment clause of 30 days. It will have an automatic two-year renewal unless the local Workforce Board extends, amends, or terminates it.

XV. Confidentiality

The partners agree to share customer information only for the benefit and with the expressed and informed consent of the participant and- if applicable-the participant's parent or guardian. Informed consent will be documented on the "Release of Information" form attached to this agreement.

XVI. Dispute Resolution Process

It is expected one-stop partners will function by consensus. In instances where consensus cannot be reached at the lowest level and the functioning of the one-stop system is impaired, those one-stop partners who are parties to the dispute shall submit to the following dispute resolution (complaint) procedures if state or federal law and regulations allow it:

- If the partners are unable to resolve a dispute to the satisfaction of the members who are parties to the dispute, the complaint shall be submitted in writing to the local One-Stop Committee within 15 days of the initial dispute.

- The local One-Stop Committee shall evaluate the merits of the dispute and may attempt to resolve the dispute through mediation. However, in all cases, the One-Stop Committee shall prepare a response to the complaint within 30 days.

- If any party to the dispute is not satisfied with the decision of the local One-Stop Committee, the dispute shall be referred to a five person hearing panel, chosen by the parties to the dispute, for resolution. The panel shall be requested to make a determination within 30 days. The decision of the panel shall be final and binding on all parties to the dispute.

When state and federal laws and regulations are applicable, the grieving parties agree to the decision of the state or federal agency with jurisdiction over the dispute.

XVII. Indemnification/Hold Harmless

Each party hereby agrees to indemnify, defend and hold harmless all other parties identified in section 7 above of this MOU from and against all claims, demands, damages and costs arising out of or resulting from any acts or omissions which arise from the performance of the obligations by such indemnifying party pursuant to this MOU. It is understood and agreed that all indemnity provided herein shall survive the termination of this MOU.

XVIII. Non-participation by a required partner

If a required partner elects not to participate, that partner may not be represented on the local WDB. All efforts must be made to meet and confer and to come to agreement on the issue(s) involved. Alternative representative(s) must be sought which represent the required partner or funding stream.

XIX. Severability Clause

If any part of this MOU is found to be null and void, or is otherwise stricken, the rest of this MOU shall remain in full force and effect. This Agreement shall be binding upon and

inure to the benefit of the parties hereto and respective successors and assigns where permitted by this Agreement.

XX. Insurance

All parties agree to maintain in full force and effect during the term of this MOU and any extension thereof, commercial general liability insurance, or self-insurance, with limits of not less than $1,000,000 single limit coverage per occurrence for bodily injury, personal injury and property damage. Upon request from any other party, a party shall provide an appropriate certificate evidencing such insurance, or self-insurance, to the requesting party.

XXI. Assurance and Non-Discrimination Clause

The WIB and the identified partners herein described as parties to this MOU accept the assurances and certifications identified in this section. Through the signing of this MOU, the parties agree to the provision contained in each of the documents identified below and incorporated by reference into this agreement.

A. Assurances - Non-Construction Programs
B. Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Transaction
C. Certifications Regarding Lobbying, Debarment, Suspension, Drug-Free Workplace
D. Certification of Release of Information
E. Nondiscrimination of Equal Opportunity Requirements of WIA

Specifically during the performance of this MOU, the parties shall not discriminate against any person because of race, color, religion, sex, national origin, ancestry, physical or mental disability, medical condition, marital status or sexual orientation. The parties also agree to abide by the provisions of Executive Order 11246 on nondiscrimination and, accordingly, will take affirmative action to ensure that applicants are employed without regard to their race, color, religion, sex, disability or national origin.

Nothing herein shall be construed as obligating the parties to expend funds or be construed as involving the parties in any contract or other obligation for the future payment of money in excess of appropriations authorized by law and administratively allocated for these purposes. This MOU in no way restricts any of the parties from participating in similar activities or arrangements with other public or private agencies, organizations, or individuals.

XXII. Whole Document

There are no other agreements or understandings, written or oral, between the undersigned other than as set forth herein. This MOU shall not be modified or amended except by a written document executed by both parties to this MOU pursuant to the terms for amending the document set forth herein above.

XXIII. Disabilities Services

Pursuant to 29 CFR Part 37.7 through 37.10, the parties to this agreement will assure that the following is provided, to the extent possible, in the One-Stop delivery system.

a. One-Stop center facilities that are programmatically and architecturally accessible;
b. Program access for individuals with disabilities
c. Reasonable accommodations for individuals with disabilities

XXIV. Data Access

Records of common clients who receive services funded through Wagner-Peyser, Title 1B or other USDOL-funded employment programs, who also receive services from a Partner program, will be maintained in a workforce case management and reporting system provided by the Department of Economic Security.

Partners who wish to obtain access to workforce case management and reporting system may do so under the terms and conditions of this Memorandum of Understanding if the following conditions are met:

1. The Partner is responsible for all costs associated with data access (e.g. hardware and software, phone lines, monthly connection charges, fees for usage).
2. The Partner agrees to adhere to state and local policies governing confidentiality, data usage, and standards for data entry.
3. Each Partner staff member who requires access will follow the security access procedures established by the Department of Economic Security and sign the appropriate data access forms prior to receiving access.

XXV. Signatures

Partner is an entity which receives a grant or administers a program for job seeker or employer participants of the Workforce Investment system, whether at a One-Stop Center or at another location. Required Partners are entities designated by Section 121 of the Workforce Investment Act of 1998 and by CFR§662.200. Additional Partners to this Agreement may be so designated by the local Workforce Investment Board.

Signature of Partner Organization:	Representing:
DES/Employment Administration Rochelle L. Webb, Administrator	o Employment Service (Wagner Peyser Act Programs) o Unemployment Insurance o WIA Title I, Section 167 Migrant & Seasonal Farm worker programs o Trade Adjustment Assistance o WIA Section 121(b)(1)(B)(i) Veterans Workforce Programs
DES/Employment Administration Non-Mandated Programs Rochelle L. Webb, Administrator	o Jobs Program o Food Stamp Employment Program o Alien Employment Certification Programs (H-2A/H-2B) o Grant Diversion Program o Work Opportunity Tax Credit Program o Shared Work Program o Federal Bonding Program

Signature of Partner Organizations:	Representing:
Diana A. Russell	Programs authorized under WIA Title I serving Dislocated Workers

Signature of Partner Organization:	Representing:
Ref Critchfield	Senior Community Service Employment Program of Title V of the Older Americans Act of 1965

Signature of Partner Organization:	Representing:
	WIA Title II Adult Education & Literacy Programs
	Postsecondary Vocational Ed. Activities of the Carl D. Perkins Career and Technical Education Improvement Act of 2006

Signature of Partner Organizations:	Representing:
Mary J. Leitten	Programs authorized under WIA Title I serving Adults and Youth Programs

Signature of Partner Organizations:	Representing:
	Job Corps Programs

Signature of Partner Organizations:	Representing:
Mary J. Leitton	Programs authorized under WIA Title I serving Adults and Youth Programs

Title IB Operator

Barbara Valencia
Signature

Date 3-7-08

Barbara Valencia
Gila/Pinal WIB Program Manager
Gila County Division of Health
and Community Services
5515 S. Apache Avenue, Suite 200
Globe, Arizona 85501
(928) 425-7631
(928) 425-9468
bvalencia@co.gila.az.us

Chair Local Workforce Investment Board

Clifford L Potts
Signature

Date 3-7-08

Cliff Potts, Branch Manager
Prudential Arizona Properties
609 South Beeline Hwy.
Payson, Arizona 85541
(928) 474-2337, Cell (928) 978-2960
cliff.potts@pruaz.com

APPENDIX H

GILA/PINAL PERFORMANCE LEVELS FOR PY07 AND PY08

PERFORMANCE MEASURES	PY2007 GILA/PINAL NEG. LEVELS		PY2008 GILA/PINAL NEG. LEVELS
Adult Entered Employment Rate	78.0%		78.5%
Adult Retention - Common Measure	86.0%		86.5%
Adult Earnings Gain	$11,100		$11,200
Adult Employment and Credential	64.0%		64.5%
Older Youth Entered Employment	73.0%		73.0%
Older Youth Retention	83.0%		84.0%
Older Youth Earnings Gain	$4,000		$4,100
Older Youth Credential	52.0%		53.0%
Younger Youth Goal Attainment	84.0%		85.0%
Younger Youth Diploma/Equiv.Attain	61.0%		62.0%
Younger Youth Retention	64.0%		65.0%
DW Entered Employment	85.0%		86.0%
DW Retention - Common Measure	79.0%		88.5%
DW Avergage Earnings	$12,000		$13,000
DW Employment and Credential	64.0%		72.0%

APPENDIX I

GILA/PINAL WORKFORCE INVESTMENT AREA
ASSURANCES

1. That it will establish, in accordance with Section 184 of the Workforce Investment Act (WIA), fiscal control and fund accounting procedures necessary to ensure the proper disbursement of, and accounting for funds paid to the local area through the allotments made under Section 128 and 133.
2. That veterans will be afforded employment and training activities authorized in Section 134 of the Workforce Investment Act, to the extent practicable. (112)(b)(17)(B).
3. That it will comply with the confidentiality requirements of Section 136(f)(3).
4. That no funds received under the Workforce Investment Act will be used to assist, promote, or deter union organizing (Section 181(b)(7).)
5. That it will comply with the nondiscrimination provisions of Section 188, including an assurance that a Methods of Administration has been developed and implemented (Section 188.)
6. That it will collect and maintain data necessary to show compliance with the nondiscrimination provisions of Section 188 (Section 185).
7. That it will comply with the grant procedures prescribed by the Secretary (pursuant to the authority at Section 189© of the Act which are necessary to enter into grant agreements for the allocation and payment of funds under the Act. The procedures and agreements will specify the required terms and conditions and assurances and certification, including, but not limited to the following:
   - General Administrative Requirements;
     29 CFR part 97 – Uniform Administrative Requirements for State and Local Governments (as amended by the Act)
     29 CFR part 96 (as amended by OMB Circular A-133) – Single Audit Act
     OMB Circular A-87 – Cost Principles (as amended by the Act)
   - Assurances and Certifications: SF 424 B – Assurances for Non-construction Programs; 29 CFT part 31, 32 – Nondiscrimination and Equal Opportunity Assurance (and regulation)
     CFR part 93 – Certification Regarding Lobbying (and regulation)
     29CFR part 98 – Drug Free Workplace and Debarment and Suspension Certifications (and regulations)
   - Special Clauses/Provisions:
     Other special assurance or provisions as may be required under Federal law or policy, including specific appropriations legislation, the Workforce Investment Act, or subsequent Executive or Congressional mandates.
8. That the Wagner-Peyser Act Plan, which is part of this document, has been certified by the State Employment Security Administrator.

9. That it developed, and will continue to develop this Plan in consultation with local elected officials, the local workforce board, the business community, labor organizations and other partners.
10. That it will meet the regulatory requirement to procure youth services by a competitive process as outlined in the WIA Regulations and State Youth Procurement Guidelines.
11. That the LWIB will meet a minimum of four times per year, or once each quarter.
12. That all LWIB business will be conducted in accordance with the Arizona Open Meeting Law.
13. That it will comply with the nondiscrimination and equal opportunity provisions of the following laws:
    - Section 188 of the Workforce Investment Act of 1998 (WIA), which prohibits discrimination against all individuals in the United States on the basis of race, color, religion, sex, national origin, age, disability, political affiliation or belief, and against beneficiaries on the basis of either citizenship/status as a lawfully admitted immigrant authorized to work in the United States or participation in any WIA Title 1 financially assisted program or activity:
    - Title VI of the Civil Rights Act of 1964, as amended, which prohibits discrimination on the basis of race, color, and national origin.
    - Section 504 of the Rehabilitation Act of 1973, as amended, which prohibits discrimination against qualified individuals with disabilities;
    - The Age Discrimination Act of 1975, as amended, which prohibits discrimination on the basis of age; and
    - Title IX of the Education Amendments of 1972, as amended, which prohibits discrimination on the basis of sex in educational programs. The grant recipient also assures that it will comply with 29 CFR part 37 and all other regulations implementing the laws listed above. This assurance applies to the grant recipient's operation of the WIA Title 1-financially assisted program or activity, and to all agreements the grant recipient makes to carry out the WIA Title 1-financially assisted program or activity. The grant recipient understands that the United States has the right to seek judicial enforcement of this assurance.

- That program services will be provided and funds will be spent in accordance with the Workforce Investment Act and Wagner-Peyser Act legislation, regulations, written Department of Labor and State of Arizona guidance, and all other applicable Federal and State laws. Local plan contents cannot override the legislative and regulatory requirements of the Workforce Investment Act/or the Wagner-Peyser Act.

APPENDIX J

LOCAL PLAN SIGNATURE PAGE
PROGRAM YEAR 2008 THROUGH PROGRAM YEAR 2009
WIA TITLE 1B

We, the undersigned, do hereby approve and submit this Local Plan for the Workforce Investment Act (WIA) Title 1B Programs for the:

GILA/PINAL WORKFORCE INVESTMENT AREA

Submitted on behalf of the Gila/Pinal Workforce Investment Board (LWIB) and Chief Local Elected Official(s) for this Local Workforce Investment Area

As to Form – Gila County Attorney — 2/27/08 Date

Joe Sanchez – Gila County Board of Supervisor Chairman — 03-18-08 Date

Cliff Potts – Gila/Pinal Workforce Investment Board Chairman — 3-6-08 Date

Approved on behalf of the State of Arizona:

Chair –Governor's Council on Workforce Policy — 9.10.08 Date

WORKFORCE INVESTMENT ACT
LOCAL PLAN SIGNATURE PAGE
WIA TITLE 1B
MODIFICATION

We, the undersigned, do hereby approve and submit this Modification of the Local Plan for the Workforce Investment Act (WIA) Title 1B Programs for the:

GILA/PINAL WORKFORCE INVESTMENT AREA

Submitted on behalf of the Gila/Pinal Workforce Investment Board (LWIB) and Chief Local Elected Official(s).

_____ _____

Tommie Martin – Gila County Board of Supervisor Chairman — Date

Tim Rango PHR — 3-12-12

Tim Rango – Gila/Pinal Workforce Investment Board Chairman — Date

_____ _____

As to Form – Gila County Attorney — Date

Approved on behalf of the State of Arizona:

_____ _____

Date

ARF-1152 **Consent Agenda Item 4- C**

Regular BOS Meeting

Meeting Date: 04/03/2012

Submitted For:	David Caddell, GEST Program Manager	Submitted By:	David Caddell, GEST Program Manager, Community Services Division
Department:	Community Services Division	Division:	GEST Department
Presenter's Name:	David B. Caddell		

Information

Request/Subject

Data Sharing Agreement between Arizona Department of Economic Security, Rehabilitation Services Administration and Gila County d/b/a Gila Employment and Special Training

Background Information

This Data Sharing Agreement is part of the Disability Related Employment Service Contract No. DE126000-001, Section 14.0 under the Special Terms and Conditions which states: (When determined by the Department that sharing of confidential data will occur with Contractor, the Contractor shall complete the ADES Data Sharing Request Agreement and submit the completed Agreement to the DES Program Designated Staff prior to any work commencing or data shared. A separate Data Sharing Request Agreement shall be required between the Contractor and each DES Program sharing confidently data), between Arizona Department of Economic Security, Rehabilitation Services and Gila County, dba Gila Employment and Special Training that was approved by the Gila County Board of Supervisors on April 19, 2011.

Evaluation

This Data Sharing Agreement will allow the Gila Employment and Special Training Program to receive and retrieve encrypted email, faxed documents, letters of authorization for client services from Arizona Department of Economic Security, Rehabilitation Services.

Conclusion

This Data Sharing Agreement is part of the Disability Related Employment Service Contract No. DE126000-001 between Arizona Department of Economic Security, Rehabilitation Services and Gila County, d/b/a Gila Employment and Special Training that was approved by the Gila County Board of Supervisors on April 19, 2011, and will allow the Gila Employment and Special Training Program to receive and retrieve encrypted email, faxed documents, letters of authorization for client services from Arizona Department of Economic Security, Rehabilitation Services.

Recommendation

The Gila Employment and Special Training Program Manager recommends that the Gila County Board of Supervisors approve the Chairman's signature on the Data Sharing Agreement between the Arizona Department of Economic Security, Rehabilitation Services and Gila County, d/b/a Gila Employment and Special Training for Contract No. DE126000-001 (Disability Related Employment Services).

Suggested Motion

Approval of a Data Sharing Agreement between the Arizona Department of Economic Security, Rehabilitation Services and Gila County, d/b/a Gila Employment and Special Training for Contract No. DE126000-001 (Disability Related Employment Services) which will expire June 30, 2014.

Attachments

Data Sharing Agreement Letter

Data Sharing Agreement

Contract DE126000-001 Santized

Legal Explanation

DEPARTMENT OF ECONOMIC SECURITY

Your Partner For A Stronger Arizona

Janice K. Brewer
Governor

Clarence H. Carter
Director

March 5, 2012

David Caddell, Divisional Pgm Mgr, Ofc of Community Svcs
GILA COUNTY dba Gila Employment and Special Training
5515 S Apache St, Ste 200
Globe, AZ 85501

March 5, 2012

RE: Contract DE126000-001

Dear Mr. Caddell,

The contract noted above, for VR - Disability-Related Employment Services, requires that you receive access to RSA client data for the purposes of performing these services.

Enclosed is a Data Sharing Agreement. Please fill out this form in Section I 1b (contact information), I 7 (authorized contact) and Section V ("For the Requesting Entity" section), have it signed and dated, and mailed to us within five (5) business days after receipt of this letter, to the following address

ADES/RSA Contracts Unit Manager
P O Box 6123 Site Code 930A
Phoenix, AZ 85005-6123

Vanja Pasalic
RSA Contracts Unit Manager
Rehabilitation Services Administration

Enclosure
cc: contract file

PO Box 6123 Site Code 930A
Telephone (602) 542-3332 • FAX (602) 542-3705

J119 DSA (10/2008)

ARIZONA DEPARTMENT OF ECONOMIC SECURITY
Information Security Administration
1720 W. Madison St, Site 820Z
Phoenix, AZ 85007
Phone: (602) 771-2670 • Fax: (602) 542-4014

DATA-SHARING REQUEST/AGREEMENT

BETWEEN

REQUESTING ENTITY:

GILA COUNTY dba Gila Employment and Special Training

(DES Division/Administration/Program//Office Name or External Organization Name)

AND

DATA MANAGER: ARIZONA DEPARTMENT OF ECONOMIC SECURITY

Rehabilitation Services Administration

(Division/Administration/Program/Office name)

Effective Date: _____	**Agreement No.:** _____

Equal Opportunity Employer/Program
This document available in alternative formats by contacting: (602) 771-2670

SECTION 1. REQUEST *(Completed by Requesting Entity)*
Use attachment if necessary

1a. PURPOSE OF THIS REQUEST (What information is being requested and why? How will it be used? Give details/specifics.)

In order to enable the Contractor to provide VR - Disability-Related Employment Services as stipulated in Contract DE126000-001, the Contractor must view client confidential data provided by RSA counselors via:

Mail, phone, e-mail, or fax

Contract Begin Date: June 03, 2011
Contract End Date: June 30, 2014
Maximum End Date: June 30, 2016

No Annual Extensions for the first 3 years with the possibility to extend for 2 more years

1b. INFORMATION TECHNOLOGY AND CONNECTIVITY

The minimum recommended Email Client is Outlook 2003, to receive and retrieve secure encrypted email from RSA. Anti-virus software must be maintained up to date

The requester enters all information required for successful communication between the requesting entity and the DES IT Staff.

Contact Name (1): David B. Caddell	Phone: (928) 402-8664
Contact Name (2):	Phone:
Contact Address: 5515 South Apache Ave. Suite 200 Globe, AZ 85501	
Contact (1) E-Mail Address: dcaddell@gilacountyaz.gov	Contact (2) E-Mail Address:
Contact Fax No: (928) 425-9468	

SECTION I. (cont.) REQUEST *(Completed by Requesting Entity)*
Use attachment if necessary

2. CITE LAW, REGULATION, DIRECTIVE, OR OTHER BASIS FOR THIS REQUEST

This request is pursuant to the Scope of Work for Contract DE126000-001.

3. WILL OTHER ENTITIES INTERFACE WITH YOUR AGENCY?
☐ Yes ☒ No If Yes, identify entity and reason(s):

4. WILL INFORMATION BE DISCLOSED/SHARED WITH ANOTHER ENTITY?
☐ Yes ☒ No If Yes, identify entity and reason(s) for disclosure:

5. WILL DES DATA BE REPACKAGED/INCLUDED IN OTHER DATA BASES, FILES, TAPES, ETC.?
☐ Yes ☒ No If Yes, identify entity and reason(s):

6. DESIRED OUTPUT (Printout, tape, terminal access/display, etc.)

Email, FAXed documents, Letters of Authorization for client purchases; no system access required

7. DESCRIBE SAFEGUARDS IN PLACE TO GUARD AGAINST UNAUTHORIZED ACCESS/DISCLOSURE OF THE INFORMATION

All email containing confidential client information is to be secured. Access to all documents to be restricted to authorized personnel on a need-to-know basis. Automated equipment, computers and FAXes are to be maintained in a physically secure environment. All paper documents will be maintained in a secured environment, such as a locked file or office.

The Contractor shall restrict access to DES confidential data to only those with a "need to know" as part of this contract arrangement and will use NIST Policy SP800-53, AC-6 Least Privilege, as a guide.

The Contractor shall retain DES confidential data only as needed for this contract arrangement and will dispose and sanitize the DES confidential data when no longer needed. NIST Policy SP800-88 shall be used as a guide for disposal and sanitization on DES confidential data.

PRINT NAME AND TITLE OF AUTHORIZED CONTACT	PHONE NO.		DATE
David B. Caddell, Program Manager Gila Employment and Special Training	(928) 402-8664 FAX (928) 425-9468 E-MAIL dcaddell@gilacountyaz.gov		
MAILING ADDRESS/SITE CODE	CITY	STATE	ZIP CODE
5515 South Apache Ave. Suite 200	Globe	AZ	85501

SECTION II. STIPULATIONS REGARDING THE USE OF INFORMATION

STIPULATIONS APPLICABLE TO THE REQUESTING ENTITY:

1. Disclosure of the data provided to the Requesting Entity is not permitted unless specifically authorized.
2. Repackaging or redistribution of data or screens, or creation of separate files will not be permitted unless specifically authorized.
3. The data shall be used only to assist in valid administrative needs as stated in Section I, item 1 of this Agreement.
4. All data shall be stored in a physically secure facility.
5. All data in electronic format shall be stored or processed so that unauthorized persons cannot retrieve the information by means of a computer. remote access, or other means.
6. Only authorized staff will be given access needed to accomplish the purpose(s) specified in Section I, item 1 of this Agreement.
7. All staff shall attend an authorized data security awareness training class, where they will be instructed on confidentiality, privacy laws and penalties imposed when compliance is breached. All staff with access to DES systems and/or applications must complete an annual recertification security awareness training class as scheduled by DES.
8. A Request for Terminal Access and Other Activity (J-125) shall be used to request specific access for each authorized staff member and must be signed by the staff supervisor or designee.
9. All authorized staff is required to sign a User Affirmation Statement (J-129), as a condition for using requested data. This affirmation statement must be resigned at three (3) year intervals as scheduled by DES.
10. Any personnel changes requiring change or removal of access as described in Section I, item 1 of this Agreement, shall be reported promptly to the respective data security analyst.
11. Federal and state audit and data security personnel may have access to offices and records of the requesting entity to monitor or verify compliance with this agreement.
12. This Data-Sharing Agreement will remain in effect for 2 years from the effective date unless otherwise stipulated.

STIPULATIONS APPLICABLE TO PROVIDER:

1. DES will use the Requesting Entity employee identifying information solely for the purpose of establishing on-line access.
2. Only authorized DES employees will have access to requesting agency employee data.
3. In accordance with applicable federal, state, and/or local privacy regulations, DES will protect all information collected from the Requesting Entity.

STIPULATIONS APPLICABLE TO HIPAA - HEALTH INSURANCE PORTABILITY & ACCOUNTABILITY ACT:

1. All staff shall attend an authorized HIPAA awareness training class, where they will be instructed on confidentiality, privacy, information safeguards and penalties imposed when compliance is breached.
2. If applicable, there is a -Business Associate Contract" [45 CFR 164.502(e), 154.504(e), 164.532(d) & (e)] on file and will be attached to this data sharing agreement as an addendum.

SECTION III. ADDITIONAL INFORMATION

Print Name David B. Caddell Signature David B. Caddell	PHONE NO. (928) 425-7631	DATE 3/12/12

SECTION IV (A). RECOMMENDATIONS *(Completed by the data managing program)*

☐ Recommend **APPROVAL**

☐ Request is not recommended for approval.

Print Name Signature	SITE CODE	PHONE NO. ( ) -	DATE

SECTION IV (B). HIPAA RECOMMENDATIONS *(Completed by the HIPAA DIVISION PRIVACY OFFICER)*

☐ Recommend **APPROVAL**

☐ Request is not recommended for approval.

Print Name Signature	SITE CODE	PHONE NO. ( ) -	DATE

SECTION V. APPROVAL (Completed *by* the requesting entity and the data *managing* program)

I attest to the correctness of the information provided in Section I and agree to the stipulations and costs listed in Section II and III. I agree to comply with all provisions of the DES Data Security Policy. Should any violations of the DES Data Security Policy occur, this Agreement may be terminated. I further understand that DES will periodically review the terms of the Agreement to ensure it conforms with DES Policies and Procedures. In the event changes in either federal or state law or regulations occur that conflict with the terms of the Agreement or render the terms of the Agreement void, impracticable, or otherwise impossible, this Agreement will terminate immediately. A new Agreement or an amendment to the existing Agreement will be initiated to provide for any changes, which cannot be accommodated within the provisions of the existing Agreement. The Requesting Entity shall hold harmless and indemnify the State of Arizona and its Department of Economic Security for any liability resulting from acts or omissions attributable to the Requesting Entity.

IN WITNESS HERETO the PARTIES have executed this Agreement by signature of their duly authorized officials:

For the Requesting Entity:

Entity Name: **GILA COUNTY dba Gila Employment and Special Training**

Print Signatory Name: Tommie C. Martin

Title: Chairman, Gila County Board of Supervisors

Signature: _____

Date: _____

For the Department of Economic Security:

Entity Name: **Rehabilitation Services Administration**

Print Signatory Name: **Katharine Levandowsky**

Title: **Program Administrator**

Signature: _____

Date: _____

SECTION VI. APPROVAL (*Completed by the Information Security Administration*)

This signed Agreement meets all requirements necessary to permit the controlled sharing of the DES data while simultaneously providing for the protection of the data. I certify that:

☐ **THIS AGREEMENT CONFORMS to DES Information Security Policy.**

☐ **THIS AGREEMENT DOES NOT CONFORM to the DES Information Security Policy. Implementation of this Agreement cannot proceed until the following action is taken:**

_____	**DES Chief Information Security Officer**	_____
(Signature)	(Title)	(DATE)

Caddell, Dave

From: Pasalic, Vanja [VPasalic@azdes.gov]
Sent: Thursday, June 09, 2011 2:38 PM
To: 'janey.durham@marccenter.com'; 'mjdmarc@aol.com'; 'randy.gray@marccenter.com' ; 'info@hozhonl.com'; 'sheri@deinstitute.com'; 'encourageaz@yahoo.com' ; 'workingsolutions1@cox.net' ; 'KHand@autismcenter.org' ; 'jkendle@autismcenter.org' ; 'Sharon Gaters'; 'Jim Salmon'; 'gcrc@qwestoffice.net' ; 'rtravis@cgarc.org'; 'Darlene.Westerberg@goodwillaz.org'; 'hernandezcarlosj@yahoo.com'; 'opclubhouse@earthlink.com'; 'opcqb@earthlink.net'; 'Almolique@ccc-az.org' ; 'jbaier@valleylifeaz.org' ; 'cthiebeau@valleylifeaz.org' ; 'kchatfield@lafrontera.org' ; 'wshaw@aires.org'; 'MOrtega@copecommunityservices.org'; 'Tdonovan@copecommunityservices.org'; 'eespl@citlink.net'; 'empowerlms2@aol.com' ; 'Lydia L'Esperance'; 'wayne@trbh.org'; 'dbacon@cacdd.org'; 'krissmith@gsconsultinggroup.com'; 'gilsmith@gsconsultinggroup.com'; susan Appenzeller; 'Dee Dee'; 'Marina Galhouse'; 'annel@copdaz.org' ; 'Cindyw@vcdaz.org'; 'mgordon@saavi.us'; 'ctiller@theBeaconGroup.org' ; 'SKING@thebeacongroup.org' ; 'ltoone@newhorizonsllc.org' ; 'SharonS@vvgclinic.org' ; 'robertc@vvgclinic.org'; 'Karen Gardner'; 'njfisk@azafh.com' ; 'lruiz@ccahbisbee.org'; 'Larribaconsult@aol.com'; 'Jordan.Hoffman@goodwillna.org'; 'david.hirsch@goodwillna.org'; 'jeanette_simons@seabhssolutions.org' ; 'Jim_Rubio@seabhssolutions.org' ; 'mjacoby@gomperscenter.org' ; 'yesthearc@yesthearc.com' ; Bob Tungland; 'belinda appenzeller'; 'MLGreenhow@cpes.com' ; 'rdeshaies@cpes.com'; 'dkret@dkajobs.com'; 'martdepue@aol.com' ; 'Melissa Setren'; 'Michele.Axlund@cbhs-az.org'; 'p.pierce@wygc.org'; 'l.green@wygc.org' ; 'Jody Gaskill'; 'jkomar6415@aol.com'; 'VKorte@starsaz.org' ; 'Lila Hernandez'; 'nmudd@horizonhumanservices.org'; 'dgillette@blakefoundation.org'; 'jmillen@blakefoundation.org'; 'douglasarc@theriver.com'; Caddell, Dave
Cc: *RSA Contracts Unit
Subject: Disability Related Employment Services Reporting Forms
Attachments: 05 Attachment 1 RSA Fee Schedule Application 3-16-11vp.doc; Exhibit J Contractor Invoice Form fillable 3-23-11 vp.doc; Exhibit E Monthly Service Report 3-23-11 vp.doc; Exhibit F Job Placement Report 3-23-11 vp.doc; Exhibit G Successful Employment Retention Report 3-23-11 vp.doc; Exhibit H Service Closure Report 3-23-11 vp.doc; Exhibit I Quarterly Report 3-23-11 vp.xls; Exhibit I Quarterly Report rev 6-10-11 vp.xls; 01 SOW 3-23-11 vp.doc; RSA Fee Schedule Libera Set Up.doc

Hello,

Congratulations on your recent contract award for Disability Related Employment Services (DRES)!!!

The purpose of this email is to provide you with some additional information that you may need prior to service commencement.

Please note that RSA contracts for Job Development and Placement, Supported Employment and Performance Based Contracts (Pilot PBC) expire on 6/30/11 and they will be replaced with this new contract for Disability Related Employment Services. In order to ensure a smooth transition from the current contracts to the new contract, RSA conducted training to RSA Counselors and Purchasing Technicians and instructed them to start the required transition activities. This includes revisions of client IPEs and issuing new authorizations for Disability Related Employment Services. Please coordinate and communicate the transition activities with RSA Counselors.

Attached you will find all reporting forms required under this contract. We also included the RSA Fee Schedule Application form that contains a Facility Location Chart (can be duplicated to report more than one location) which you will use for any address or personnel changes. Please start using these forms starting July 1, 2011 and ensure that they are attached to your invoices per the Scope of Work.

We also attached a summary of the service set up in our database. This may help you better understand the different types of authorizations that will be issued under this contract.

Please note that Quarterly Reports are due to the RSA Contracts Unit Manager within fifteen (15) days following the end of each calendar quarter along with a copy of Service Closure Report (Exhibit H) for each client. The Quarterly Report is in an Excel spreadsheet format and all data must be entered directly by the Contractor. Completed Quarterly Reports **shall be submitted by email.**
Service Closure Reports can be submitted by mail if you do not have the ability to scan those documents and send them by email.

Please email Quarterly Reports to RSAContractsUnit@azdes.gov

Service Closure Reports can be submitted by email or by mail. Mailing address is:
RSA Contracts Unit Manager
PO BOX PO BOX 6123 Site Code 930A, Phoenix, AZ 85005

Please contact me if you have any questions regarding your contract or this email.

Sincerely
Vanja Pasalic
RSA Contracts Unit Manager
602.542.6296

It is important to remember that Quarterly Reports are due

NOTICE: This e-mail (and any attachments) may contain PRIVILEGED OR CONFIDENTIAL information and is intended only for the use of the specific individual(s) to whom it is addressed. It may contain information that is privileged and confidential under state and federal law. This information may be used or disclosed only in accordance with law, and you may be subject to penalties under law for improper use or further disclosure of the information in this e-mail and its attachments. If you have received this e-mail in error, please immediately notify the person named above by reply e-mail, and then delete the original e-mail. Thank you.

DEPARTMENT OF ECONOMIC SECURITY

Your Partner For A Stronger Arizona

Janice K. Brewer
Governor

Clarence H. Carter
Director

David Caddell, Divisional Pgm Mgr, Ofc of Community Svcs
GILA COUNTY dba Gila Employment and Special Training
5515 S Apache St, Ste 200
Globe, AZ 85501

June 17, 2011

RE: Contract DE126000-001

Dear Mr. Caddell,

Enclosed is your fully-executed copy of your contract DE126000-001 with the Department of Economic Security, Rehabilitation Services Administration. If there are any questions regarding this contract, please contact Sue-Ann Tan at (602) 542-6277.

Sincerely,

Vanja Pasalic
RSA Contracts Unit Manager
Rehabilitation Services Administration

Service Summary: Disability-Related Employment Services
Enclosure
cc: Contract File

1789 West Jefferson Street, 2nd Fl NW, SC 930A, Phoenix, AZ 85007-3202
(602) 542-3332 • FAX (602) 542-3705

DEPARTMENT OF ECONOMIC SECURITY

Your Partner For A Stronger Arizona

Contract between the Department of Economic Security (the "Department") and Gila County dba Gila Employment & Special Training **(the "Contractor").**

WHEREAS the Contractor is:

[ ] a Non-profit Organization as defined in Office of Management and Budget (OMB) Circular A-122;
[ ] a For-profit Organization; and

WHEREAS the Department is duly authorized to execute and administer contracts under A.R.S. §41-1954;

THEREFORE the Department and Contractor agree to abide by all the terms and conditions set forth in this Contract.

Contract Term: This contract shall be effective on the date of last signature, and shall end on June 30, 2014, unless extended in accordance with DES Special Terms and Conditions.

BY SIGNING THIS FORM ON BEHALF OF THE CONTRACTOR, THE SIGNATORY CERTIFIES HE/SHE HAS THE AUTHORITY TO BIND THE CONTRACTOR TO THIS CONTRACT.

FOR AND ON BEHALF OF THE ARIZONA DEPARTMENT OF ECONOMIC SECURITY:

Procurement Manager Signature

Cathie G. Rodman
Typed Name

Manager, Solicitation Unit
Title

6-3-11
Date

DES Contract I.D. No.: DE126000-001

FOR AND ON BEHALF OF THE CONTRACTOR:

Signature of Authorized Individual

Michael A. Pastor
Typed Name

Chairman, Gila County Board of Supervisors
Title

4/19/11
Date

Contractor FEI Number: 86-6000444
Contractor Mailing Address:
5515 South Apache Ave. Suite 200
Globe, AZ 85501

Contact Name: David B. Caddell
Title: Program Manager
Phone Number: 928 425-7631
Fax Number: 928 425-9468
E-Mail Address: dcaddell@co.gila.az.us

Approved as to form:

Signature

Bryan B. Chambers
Typed Name

Chief Deputy County Attorney
Title

4 / 19 / 2011
Date

DEPARTMENT OF ECONOMIC SECURITY

Your Partner For A Stronger Arizona

Janice K. Brewer
Governor

Clarence H. Carter
Director

NOTICE OF INTENT

The Arizona Department of Economic Security (DES), Rehabilitation Services Administration (RSA) is seeking to contract with qualified providers for the provision of **Disability Related Employment Services.** These services were previously contracted as Job Development and Placement, Supported Employment and Performance Based Employment Services.

The new contract, based on the RSA Fee Schedule, will replace the contracts for Job Development and Placement, Supported Employment and Performance Based Employment Services.

In order for ADES/RSA to consider contracting with you, the following minimum requirements must be submitted:

1. RSA Fee Schedule Application;
2. For each employee/subcontractor who will provide direct client services, current copies of their license/certification and their current resumes as evidence that you/your staff meet qualification requirement stated in section 5.0 of the Scope of Work;
3. Contract Signature Page;
4. Arizona Substitute W-9 form;
5. Certificate of Debarment;
6. Certificate of Lobbying;
7. Sole Proprietor Waiver (if applicable); and
8. Request for Search of Central Registry Background Check for each employee/subcontractor who will provide direct client services. Mail your completed central registry request to:

   DCYF Contracts Unit Attention: Central Registry Request
   Arizona Department of Economic Security
   1789 W. Jefferson, SITE CODE 940A Phoenix, AZ 85007

   or Fax to Central Registry Request 602-542-3330 or Email (encrypted) to DCYFCentralRegistryCheck@azdes.gov

After ADES/RSA reviews your completed application documents and if all requirements are met, ADES/RSA may send you the signed contract. The contract is not awarded until it is signed by both Parties.

The following documents entail the contract with ADES/RSA. You are strongly encouraged to read these documents prior to submitting your application:

1. Contract Signature Page
2. Uniform Terms and Conditions
3. DES Special Terms and Conditions (please review the minimum insurance requirements for these services).
4. Scope of Work
5. RSA Fee Schedule. This Fee Schedule has been established by RSA and indicates the maximum payment rate for a specific service that will be used for payment.
7. Attachments and Exhibits

Data Sharing Agreement will be sent to you for signature upon contract award.

The Department makes no guarantee to purchase specific quantities of services and does not guarantee a minimum number of clients referred to any Contractor for any service. ADES/RSA will provide a listing of Contractors for this service to the RSA Clients who will be involved in selection of contracted providers who will provide their service. Mail the required documents by **April 15, 2011** to the following address:

Arizona Department of Economic Security, Rehabilitation Services Administration
ATTN: RSA Contracts Unit Manager
P.O Box 6123 Site Code 930A, Phoenix, Arizona 85005-6123

RSA Contracts Unit Manager
Vanja Pasalic
(602)542-6296

UNIFORM TERMS AND CONDITIONS
Version 8

1. Definition of Terms

As used in this Solicitation and any resulting Contract, the terms listed below are defined as follows:

1.1. *"Attachment"* means any item the Solicitation requires the Offeror to submit as part of the Offer.

1.2. *"Contract"* means the combination of the Solicitation, including the Uniform and Special Instructions to Offerors, the Uniform and Special Terms and Conditions, and the Specifications and Statement or Scope of Work; the Offer and any Best and Final Offers; and any Solicitation Amendments or Contract Amendments.

1.3. *"Contract Amendment"* means a written document signed by the Procurement Officer that is issued for the purpose of making changes in the Contract.

1.4. *"Contractor"* means any person who has a Contract with the State.

1.5. *"Days"* means calendar days unless otherwise specified.

1.6. *"Exhibit"* means any item labeled as an Exhibit in the Solicitation or placed in the Exhibits section of the Solicitation.

1.7. *"Gratuity"* means a payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value is received.

1.8. *"Materials"* means all property, including equipment, supplies, printing, insurance and leases of property but does not include land, a permanent interest in land or real property or leasing space.

1.9. *"Procurement Officer"* means the person, or his or her designee, duly authorized by the State to enter into and administer Contracts and make written determinations with respect to the Contract.

1.10. *"Services"* means the furnishing of labor, time or effort by a contractor or subcontractor which does not involve the delivery of a specific end product other than required reports and performance, but does not include employment agreements or collective bargaining agreements.

1.11. *"Subcontract"* means any Contract, express or implied, between the Contractor and another party or between a subcontractor and another party delegating or assigning, in whole or in part, the making or furnishing of any material or any service required for the performance of the Contract.

1.12. *"State"* means the State of Arizona and Department or Agency of the State that executes the Contract.

1.13. *"State Fiscal Year"* means the period beginning with July 1 and ending June 30.

2. Contract Interpretation

2.1. Arizona Law. The Arizona law applies to this Contract including, where applicable, the Uniform Commercial Code as adopted by the State of Arizona and the Arizona Procurement Code, Arizona Revised Statutes (A.R.S.) Title 41, Chapter 23, and its implementing rules, Arizona Administrative Code (A.A.C.) Title 2, Chapter 7.

2.2. Implied Contract Terms. Each provision of law and any terms required by law to be in this Contract are a part of this Contract as if fully stated in it.

2.3. Contract Order of Precedence. In the event of a conflict in the provisions of the Contract, as accepted by the State and as they may be amended, the following shall prevail in the order set forth below:

2.3.1. Special Terms and Conditions;

2.3.2. Uniform Terms and Conditions;

2.3.3. Statement or Scope of Work;

2.3.4. Specifications;

2.3.5. Attachments;

2.3.6. Exhibits;

2.3.7. Documents referenced or included in the Solicitation.

2.4. Relationship of Parties. The Contractor under this Contract is an independent Contractor. Neither party to this Contract shall be deemed to be the employee or agent of the other party to the Contract.

2.5. Severability. The provisions of this Contract are severable. Any term or condition deemed illegal or invalid shall not affect any other term or condition of the Contract.

2.6. No Parole Evidence. This Contract is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this document and no other understanding either oral or in writing shall be binding.

2.7. No Waiver. Either party's failure to insist on strict performance of any term or condition of the Contract shall not be deemed a waiver of that term or condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.

3. Contract Administration and Operation

3.1. Records. Under A.R.S. § 35-214 and § 35-215, the Contractor shall retain and shall contractually require each subcontractor to retain all data and other "records" relating to the acquisition and performance of the Contract for a period of five years after the completion of the Contract. All records shall be subject to inspection and audit by the State at reasonable times. Upon request, the Contractor shall produce a legible copy of any or all such records.

3.2. Non-Discrimination. The Contractor shall comply with State Executive Order No. 2009-09 and all other applicable Federal and State laws, rules and regulations, including the Americans with Disabilities Act.

3.3. Audit. Pursuant to ARS § 35-214, at any time during the term of this Contract and five (5) years thereafter, the Contractor's or any subcontractor's books and records shall be subject to audit by the State and, where applicable, the Federal Government, to the extent that the books and records relate to the performance of the Contract or Subcontract.

3.4. Facilities Inspection and Materials Testing. The Contractor agrees to permit access to its facilities, subcontractor facilities and the Contractor's processes or services, at reasonable times for inspection of the facilities or materials covered under this Contract.

The State shall also have the right to test, at its own cost, the materials to be supplied under this Contract. Neither inspection of the Contractor's facilities nor materials testing shall constitute final acceptance of the materials or services. If the State determines non-compliance of the materials, the Contractor shall be responsible for the payment of all costs incurred by the State for testing and inspection.

3.5. Notices. Notices to the Contractor required by this Contract shall be made by the State to the person indicated on the Offer and Acceptance form submitted by the Contractor unless otherwise stated in the Contract. Notices to the State required by the Contract shall be made by the Contractor to the Solicitation Contact Person indicated on the Solicitation cover sheet, unless otherwise stated in the Contract. An authorized Procurement Officer and an authorized Contractor representative may change their respective person to whom notice shall be given by written notice to the other and an amendment to the Contract shall not be necessary.

3.6. Advertising, Publishing and Promotion of Contract. The Contractor shall not use, advertise or promote information for commercial benefit concerning this Contract without the prior written approval of the Procurement Officer.

3.7. Property of the State. Any materials, including reports, computer programs and other deliverables, created under this Contract are the sole property of the State. The Contractor is not entitled to a patent or copyright on those materials and may not transfer the patent or copyright to anyone else. The Contractor shall not use or release these materials without the prior written consent of the State.

3.8. Ownership of Intellectual Property. Any and all intellectual property, including but not limited to copyright, invention, trademark, trade name, service mark, and/or trade secrets created or conceived pursuant to or as a result of this contract and any related subcontract ("Intellectual Property"), shall be work made for hire and the State shall be considered the creator of such Intellectual Property. The agency, department, division, board or commission of the State of Arizona requesting the issuance of this contract shall own (for and on behalf of the State) the entire right, title and interest to the Intellectual Property throughout the world. Contractor shall notify the State, within thirty (30) days, of the creation of any Intellectual Property by it or its subcontractor(s). Contractor, on behalf of itself and any subcontractor(s), agrees to execute any and all document(s) necessary to assure ownership of the Intellectual Property vests in the State and shall take no affirmative actions that might have the effect of vesting all or part of the Intellectual Property in any entity other than the State. The Intellectual Property shall not be disclosed by contractor or its subcontractor(s) to any entity not the State without the express written authorization of the agency, department, division, board or commission of the State of Arizona requesting the issuance of this contract.

3.9. Federal Immigration and Nationality Act. The contractor shall comply with all federal, state and local immigration laws and regulations relating to the immigration status of their employees during the term of the contract. Further, the contractor shall flow down this requirement to all subcontractors utilized during the term of the contract. The State shall retain the right to perform random audits of contractor and subcontractor records or to inspect papers of any employee thereof to ensure compliance. Should the State determine that the contractor and/or any subcontractors be found noncompliant, the State may pursue all remedies allowed by law, including, but not limited to; suspension of work, termination of the contract for default and suspension and/or debarment of the contractor.

3.10 E-Verify Requirements. In accordance with A.R.S. § 41-4401, Contractor warrants compliance with all Federal immigration laws and regulations relating to employees and warrants its compliance with Section A.R.S. § 23-214, Subsection A.

3.11 Scrutinized Businesses. In accordance with A.R.S. § 35-391 and A.R.S. § 35-393, Contractor certifies that the Contractor does not have scrutinized business operations in Sudan or Iran.

3.12 Offshore Performance of Work Prohibited.
Any services that are described in the specifications or scope of work that directly serve the State of Arizona or its clients and involve access to secure or sensitive data or personal client data shall be performed within the defined territories of the United States. Unless specifically stated otherwise in the specifications, this paragraph does not apply to indirect or 'overhead' services, redundant back-up services or services that are incidental to the performance of the contract. This provision applies to work performed by subcontractors at all tiers.

4. Costs and Payments

4.1. Payments. Payments shall comply with the requirements of A.R.S. Titles 35 and 41, Net 30 days. Upon receipt and acceptance of goods or services, the Contractor shall submit a complete and accurate invoice for payment from the State within thirty (30) days.

4.2. Delivery. Unless stated otherwise in the Contract, all prices shall be F.O.B. Destination and shall include all freight delivery and unloading at the destination.

4.3. Applicable Taxes.

4.3.1. Payment of Taxes. The Contractor shall be responsible for paying all applicable taxes.

4.3.2. State and Local Transaction Privilege Taxes. The State of Arizona is subject to all applicable state and local transaction privilege taxes. Transaction privilege taxes apply to the sale and are the responsibility of the seller to remit. Failure to collect such taxes from the buyer does not relieve the seller from its obligation to remit taxes.

4.3.3. Tax Indemnification. Contractor and all subcontractors shall pay all Federal, state and local taxes applicable to its operation and any persons employed by the Contractor. Contractor shall, and require all subcontractors to hold the State harmless from any responsibility for taxes, damages and interest, if applicable, contributions required under Federal, and/or state and local laws and regulations and any other costs including transaction privilege taxes, unemployment compensation insurance, Social Security and Worker's Compensation.

4.3.4. IRS W9 Form. In order to receive payment the Contractor shall have a current I.R.S. W9 Form on file with the State of Arizona, unless not required by law.

4.4. Availability of Funds for the Next State fiscal year. Funds may not presently be available for performance under this Contract beyond the current state fiscal year. No legal liability on the part of the State for any payment may arise under this Contract beyond the current state fiscal year until funds are made available for performance of this Contract.

4.5. Availability of Funds for the current State fiscal year. Should the State Legislature enter back into session and reduce the appropriations or for any reason and these goods or services are not funded, the State may take any of the following actions:

4.5.1. Accept a decrease in price offered by the contractor;

4.5.2. Cancel the Contract; or

4.5.3. Cancel the contract and re-solicit the requirements.

5. Contract Changes

5.1. Amendments. This Contract is issued under the authority of the Procurement Officer who signed this Contract. The Contract may be modified only through a Contract Amendment

within the scope of the Contract. 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 the procurement officer 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.

5.2. Subcontracts. The Contractor shall not enter into any Subcontract under this Contract for the performance of this contract without the advance written approval of the Procurement Officer. The Contractor shall clearly list any proposed subcontractors and the subcontractor's proposed responsibilities. The Subcontract shall incorporate by reference the terms and conditions of this Contract.

5.3. Assignment and Delegation. The Contractor shall not assign any right nor delegate any duty under this Contract without the prior written approval of the Procurement Officer. The State shall not unreasonably withhold approval.

6. Risk and Liability

6.1. Risk of Loss: The Contractor shall bear all loss of conforming material covered under this Contract until received by authorized personnel at the location designated in the purchase order or Contract. Mere receipt does not constitute final acceptance. The risk of loss for nonconforming materials shall remain with the Contractor regardless of receipt.

6.2. Indemnification

6.2.1. Contractor/Vendor Indemnification (Not Public Agency) The parties to this contract agree that the State of Arizona, its departments, agencies, boards and commissions shall be indemnified and held harmless by the contractor for the vicarious liability of the State as a result of entering into this contract. However, the parties further agree that the State of Arizona, its departments, agencies, boards and commissions shall be responsible for its own negligence. Each party to this contract is responsible for its own negligence.

6.2.2. Public Agency Language Only Each party (as 'indemnitor') agrees to indemnify, defend, and hold harmless the other party (as 'indemnitee') from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as 'claims') arising out of bodily injury of any person (including death) or property damage but only to the extent that such claims which result in vicarious/derivative liability to the indemnitee, are caused by the act, omission, negligence, misconduct, or other fault of the indemnitor, its officers, officials, agents, employees, or volunteers."

6.3. Indemnification - Patent and Copyright. The Contractor shall indemnify and hold harmless the State against any liability, including costs and expenses, for infringement of any patent, trademark or copyright arising out of Contract performance or use by the State of materials furnished or work performed under this Contract. The State shall reasonably notify the Contractor of any claim for which it may be liable under this paragraph. If the contractor is insured pursuant to A.R.S. § 41-621 and § 35-154, this section shall not apply.

6.4. Force Majeure.

6.4.1 Except for payment of sums due, neither party shall be liable to the other nor deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of force majeure. The term *"force majeure"* means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing,

force majeure includes acts of God; acts of the public enemy; war; riots; strikes; mobilization; labor disputes; civil disorders; fire; flood; lockouts; injunctions-intervention-acts; or failures or refusals to act by government authority; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence.

6.4.2. Force Majeure shall not include the following occurrences:

6.4.2.1. Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, or an oversold condition of the market;

6.4.2.2. Late performance by a subcontractor unless the delay arises out of a force majeure occurrence in accordance with this force majeure term and condition; or

6.4.2.3. Inability of either the Contractor or any subcontractor to acquire or maintain any required insurance, bonds, licenses or permits.

6.4.3. If either party is delayed at any time in the progress of the work by force majeure, the delayed party shall notify the other party in writing of such delay, as soon as is practicable and no later than the following working day, of the commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be delivered or mailed certified-return receipt and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The time of completion shall be extended by Contract Amendment for a period of time equal to the time that results or effects of such delay prevent the delayed party from performing in accordance with this Contract.

6.4.4. Any delay or failure in performance by either party hereto shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and to the extent that such delay or failure is caused by force majeure.

6.5. Third Party Antitrust Violations. The Contractor assigns to the State any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to the Contractor, toward fulfillment of this Contract.

7. Warranties

7.1. Liens. The Contractor warrants that the materials supplied under this Contract are free of liens and shall remain free of liens.

7.2. Quality. Unless otherwise modified elsewhere in these terms and conditions, the Contractor warrants that, for one year after acceptance by the State of the materials, they shall be:

7.2.1. Of a quality to pass without objection in the trade under the Contract description;

7.2.2. Fit for the intended purposes for which the materials are used;

7.2.3. Within the variations permitted by the Contract and are of even kind, quantity, and quality within each unit and among all units;

7.2.4. Adequately contained, packaged and marked as the Contract may require; and

7.2.5. Conform to the written promises or affirmations of fact made by the Contractor.

7.3. Fitness. The Contractor warrants that any material supplied to the State shall fully conform to all requirements of the Contract and all representations of the Contractor, and shall be fit for all purposes and uses required by the Contract.

7.4. Inspection/Testing. The warranties set forth in subparagraphs 7.1 through 7.3 of this paragraph are not affected by inspection or testing of or payment for the materials by the State.

7.5. Compliance With Applicable Laws. The materials and services supplied under this Contract shall comply with all applicable Federal, state and local laws, and the Contractor shall maintain all applicable license and permit requirements.

7.6. Survival of Rights and Obligations after Contract Expiration or Termination.

7.6.1. Contractor's Representations and Warranties. All representations and warranties made by the Contractor under this Contract shall survive the expiration or termination hereof. In addition, the parties hereto acknowledge that pursuant to A.R.S. § 12-510, except as provided in A.R.S. § 12-529, the State is not subject to or barred by any limitations of actions prescribed in A.R.S., Title 12, Chapter 5.

7.6.2. Purchase Orders. The Contractor shall, in accordance with all terms and conditions of the Contract, fully perform and shall be obligated to comply with all purchase orders received by the Contractor prior to the expiration or termination hereof, unless otherwise directed in writing by the Procurement Officer, including, without limitation, all purchase orders received prior to but not fully performed and satisfied at the expiration or termination of this Contract.

8. State's Contractual Remedies

8.1. Right to Assurance. If the State in good faith has reason to believe that the Contractor does not intend to, or is unable to perform or continue performing under this Contract, the Procurement Officer may demand in writing that the Contractor give a written assurance of intent to perform. Failure by the Contractor to provide written assurance within the number of Days specified in the demand may, at the State's option, be the basis for terminating the Contract under the Uniform Terms and Conditions or other rights and remedies available by law or provided by the contract.

8.2. Stop Work Order.

8.2.1. The State may, at any time, by written order to the Contractor, require the Contractor to stop all or any part, of the work called for by this Contract for period(s) of days indicated by the State after the order is delivered to the Contractor. The order shall be specifically identified as a stop work order issued under this clause. Upon receipt of the order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage.

8.2.2. If a stop work order issued under this clause is canceled or the period of the order or any extension expires, the Contractor shall resume work. The Procurement Officer shall make an equitable adjustment in the delivery schedule or Contract price, or both, and the Contract shall be amended in writing accordingly.

8.3. Non-exclusive Remedies. The rights and the remedies of the State under this Contract are not exclusive.

8.4. Nonconforming Tender. Materials or services supplied under this Contract shall fully comply with the Contract. The delivery of materials or services or a portion of the materials or services that do not fully comply constitutes a breach of contract. On delivery of nonconforming materials or services, the State may terminate the Contract for default

under applicable termination clauses in the Contract, exercise any of its rights and remedies under the Uniform Commercial Code, or pursue any other right or remedy available to it.

8.5. Right of Offset. The State shall be entitled to offset against any sums due the Contractor, any expenses or costs incurred by the State, or damages assessed by the State concerning the Contractor's non-conforming performance or failure to perform the Contract, including expenses, costs and damages described in the Uniform Terms and Conditions.

9. Contract Termination

9.1. Cancellation for Conflict of Interest. Pursuant to A.R.S. § 38-511, the State may cancel this Contract within three (3) years after Contract execution without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the Contract on behalf of the State is or becomes at any time while the Contract or an extension of the Contract is in effect an employee of or a consultant to any other party to this Contract with respect to the subject matter of the Contract. The cancellation shall be effective when the Contractor receives written notice of the cancellation unless the notice specifies a later time. If the Contractor is a political subdivision of the State, it may also cancel this Contract as provided in A.R.S. § 38-511.

9.2. Gratuities. The State may, by written notice, terminate this Contract, in whole or in part, if the State determines that employment or a Gratuity was offered or made by the Contractor or a representative of the Contractor to any officer or employee of the State for the purpose of influencing the outcome of the procurement or securing the Contract, an amendment to the Contract, or favorable treatment concerning the Contract, including the making of any determination or decision about contract performance. The State, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three times the value of the Gratuity offered by the Contractor.

9.3. Suspension or Debarment. The State may, by written notice to the Contractor, immediately terminate this Contract if the State determines that the Contractor has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a subcontractor of any public procurement unit or other governmental body. Submittal of an offer or execution of a contract shall attest that the contractor is not currently suspended or debarred. If the contractor becomes suspended or debarred, the contractor shall immediately notify the State.

9.4. Termination for Convenience. The State reserves the right to terminate the Contract, in whole or in part at any time when in the best interest of the State, without penalty or recourse. Upon receipt of the written notice, the Contractor shall stop all work, as directed in the notice, notify all subcontractors of the effective date of the termination and minimize all further costs to the State. In the event of termination under this paragraph, all documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State upon demand. The Contractor shall be entitled to receive just and equitable compensation for work in progress, work completed and materials accepted before the effective date of the termination. The cost principles and procedures provided in A.A.C. R2-7-701 shall apply.

9.5. Termination for Default.

9.5.1. In addition to the rights reserved in the contract, the State may terminate the Contract in whole or in part due to the failure of the Contractor to comply with any term or condition of the Contract, to acquire and maintain all required insurance policies, bonds, licenses and permits, or to make satisfactory progress in performing the Contract. The Procurement Officer shall provide written notice of the termination and the reasons for it to the Contractor.

9.5.2. Upon termination under this paragraph, all goods, materials, documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State on demand.

9.5.3. The State may, upon termination of this Contract, procure, on terms and in the manner that it deems appropriate, materials or services to replace those under this Contract. The Contractor shall be liable to the State for any excess costs incurred by the State in procuring materials or services in substitution for those due from the Contractor.

9.6. Continuation of Performance Through Termination. The Contractor shall continue to perform, in accordance with the requirements of the Contract, up to the date of termination, as directed in the termination notice.

10. Contract Claims

All contract claims or controversies under this Contract shall be resolved according to A.R.S. Title 41, Chapter 23, Article 9, and rules adopted thereunder.

11. Arbitration

The parties to this Contract agree to resolve all disputes arising out of or relating to this contract through arbitration, after exhausting applicable administrative review, to the extent required by A.R.S. § 12-1518, except as may be required by other applicable statutes (Title 41).

12. Comments Welcome

The State Procurement Office periodically reviews the Uniform Terms and Conditions and welcomes any comments you may have. Please submit your comments to: State Procurement Administrator, State Procurement Office, 100 North 15th Avenue, Suite 201, Phoenix, Arizona, 85007.

ARIZONA DEPARTMENT OF ECONOMIC SECURITY
SPECIAL TERMS AND CONDITIONS
Professional Services/Auto /Children-Vulnerable Adult – RSA Fee Schedule
Three Year with Option

1.0 **Definition of Terms.** In addition to the terms and conditions defined in section 1 of the Uniform Terms and Conditions, the following shall apply:

1.1 **"Department"** means the Arizona Department of Economic Security (ADES), unless otherwise indicated.

1.2 **"Equipment"** means all vehicles, furniture, machinery, electronic data processing (EDP) equipment, software and all other equipment costing $1,000.00 or more, including all normal and necessary expenses incurred to make the equipment ready for its intended use (e.g., taxes, freight, installation, assembly and testing charges, etc.), and with a useful life of greater than one year. Equipment as used herein does not include real property (e.g., land, buildings, structures, or facilities' improvements).

1.3 **"May"** indicates something that is not mandatory but permissible.

1.4 **"Shall, Must"** indicates a mandatory requirement. Failure to meet these mandatory requirements may result in the rejection of a proposal as non-responsive.

1.5 **"Should"** indicates something that is recommended but not mandatory. If the Contractor fails to provide recommended information, the State may, at its sole option, ask the Contractor to provide the information.

1.6 **"Vulnerable adult"** means an individual who is eighteen years of age or older who is unable to protect himself from abuse, neglect or exploitation by others because of a physical or mental impairment

2.0 **Advertising, Publishing and Promotion of Contract.** In addition to the terms and conditions in Section 3.6 of the Uniform Terms and Conditions, the following shall apply:

2.1 The Contractor shall provide to the Department for review and approval all reports or publications (written, visual or sound) which are funded or partially funded under this contract, a minimum of fifteen (15) calendar days prior to public release. All reports and publications whether written, visual or verbal shall contain the following statement:

2.2 "This program was funded through a contract with the Arizona Department of Economic Security. Points of view are those of the author and do not necessarily represent the official position or policies of the Department."

3.0 **Audit.** In addition to the terms and conditions in section 3.3 of the Uniform Terms and Conditions, the following shall apply:

3.1 In compliance with the Federal Single Audit Act (31 U.S.C. Sections 7501-7507 as may be amended), Contractors designated as subrecipients, as described in the Office of Management and Budget (OMB) Circular A-133, expending Federal funds from all sources totaling $500,000 or more, shall have a yearly audit conducted in accordance with the audit and reporting standards as prescribed in OMB Circular A-133 (A-133) as may be amended. As outlined in A-133 the audit Reporting Package shall include:

1. Financial statements and a Schedule of Expenditures of Federal Awards (SEFA)
2. Summary schedule of prior audit findings
3. Auditor's Reports (detailed in the A-133)
4. Corrective Action Plan.

3.2 The Department's contract numbers and award amounts shall be included on the SEFA. A copy of the Single Audit Reporting Package and Management Letter, if issued, shall be submitted to the Department's Office of Audit and Management Services within thirty (30) days after completion of the audit or nine (9) months after the audited period and to the Department's person designated to receive notices as specified in the Reports Section in the Scope of Work.

3.3 All Contractors are subject to the programmatic and fiscal monitoring requirements of each Department program to ensure accountability of the delivery of all goods and services, as required under the Federal Single Audit Act. A minimum fiscal requirement for all Contractors designated as vendors is an annual

financial audit which includes Department contract numbers and award amounts. The Audit Report, Management Letter, if issued, and Auditor's Opinion shall be submitted within thirty (30) days after completion of the audit to the Department's person designated to receive notices as specified in the Reports Section in the Scope of Work.

3.4 As prescribed in OMB Circular A-133, for-profit subrecipients are subject to compliance requirements established by the Department. Methods to ensure compliance for Federal awards made to for-profit subrecipients may include pre-award audits, Department monitoring during the contract, and post-award audits.

3.5 Audits of non-profit corporations receiving Federal or State monies required pursuant to Federal or State law shall be conducted as provided in 31 U.S.C. Section 7501 et seq. and A.R.S. Section 35-181.03 as may be amended and any other applicable statutes, rules, regulations and standards.

4.0 Availability of Funds.

4.1 The Department may reduce payments or terminate this contract without further recourse, obligation or penalty in the event that insufficient funds are appropriated or allocated. The Director of the Department shall have the sole and unfettered discretion in determining the availability of funds. The Department and the Contractor may mutually agree to reduce reimbursement to the Contractor when the payment type is Fixed Price with Price Adjustment by executing a contract amendment.

5.0 Background Checks for Employment through the Central Registry. If providing direct services to children or vulnerable adults, the following shall apply:

5.1 The provisions of A.R.S. § 8-804 (as may be amended) are hereby incorporated in its entirety as provisions of this Contract.

5.2 Background checks through the Central Registry shall be conducted for each Contract employee including subcontractors that provide direct services to children or vulnerable adults. Individuals shall not provide direct services to ADES clients until the results of the Central Registry background check are complete and the results indicate the individual has no disqualifying acts that would prohibit him/her from providing services to ADES clients. If the Central Registry background check specifies any disqualifying act, the individual shall be prohibited from providing direct services to ADES clients.

5.3 Within thirty (30) days of contract award, the Contractor shall submit the *"Request for Search of Central Registry for Employment"* for each employee and subcontract employee providing direct services to children or vulnerable adults.

5.4 At least sixty (60) days prior to the Contract End Date, the Contractor shall submit the *"Request for Search of Central Registry for Employment"* for each employee and subcontract employee providing direct services to children or vulnerable adults.

5.5 The Contractor shall maintain the Central Registry Background Check results in a confidential file for five (5) years after termination of the Contract.

6.0 Certification of Cost or Pricing Data.

6.1 By submittal of the offer, the Contractor is certifying that, to the best of the Contractor's knowledge and belief, any cost or pricing data submitted is accurate, complete and current as of the date submitted or other mutually agreed upon date. Furthermore, the price to the State shall be adjusted to exclude any significant amounts by which the State finds the price was increased because the Contractor-furnished cost or pricing data was inaccurate, incomplete or not current as of the date of certification. Such adjustment by the State may include overhead, profit or fees. The certifying of cost or pricing data does not apply when contract rates are set by law or regulation.

7.0 Certification Regarding Lobbying.

7.1 The Contractor agrees by submittal of the Certification Regarding Lobbying form, compliance with 49 CFR part 20. (Attachment)

8.0 Code of Conduct.

8.1 The Contractor shall avoid any action that might create or result in the appearance of having:

1. Inappropriate use or divulging of information gathered or discovered pursuant to the performance of its duties under the contract;
2. Acted on behalf of the State without appropriate authorization;
3. Provided favorable or unfavorable treatment to anyone;
4. Made a decision on behalf of the State that exceeded its authority, could result in partiality, or have a political consequence for the State;
5. Misrepresent or otherwise impeded the efficiency, authority, actions, policies, or adversely affect the confidence of the public or integrity of the State; or,
6. Loss of impartiality when advising the State

9.0 Competitive Bidding.

9.1 The Contractor is authorized to purchase the supplies and equipment itemized in the contract for utilization in the delivery of contract services. Contractor shall procure all such supplies and equipment at the lowest practicable cost and shall purchase all non-expendable items having a useful life of more than one year and an acquisition cost of $1,000 or more, through generally accepted and reasonable competitive bidding processes. Any procurement in violation of this provision shall be considered a financial audit exception.

10.0 Compliance with Applicable Laws. In addition to the terms and conditions in section 7.6 of the Uniform Terms and Conditions, the following shall apply:

10.1. In accordance with A.R.S. §36-557 as may be amended (Purchase of community developmental disabilities services; application; contracts; limitation), as applicable, all recipients of contract services shall have all of the same specified rights as they would have if enrolled in a service program operated directly by the State.

10.2 Nothing in this contract shall be construed as a waiver of an Indian tribe's sovereign immunity; nothing shall be construed as an Indian tribe's consent to be sued or as consent by an Indian tribe to the jurisdiction of any State Court.

10.3 The Contractor shall comply with the requirements related to reporting to a peace officer or child protective services incidents of crimes against children as specified in A.R.S. §13-3620 as may be amended .

10.4 The Contractor shall comply with P.L. 101-121, Section 319 (31 U.S.C. section 1352)as may be amended and 29 C.F.R. Part 93 as may be amended which prohibit the use of federal funds for lobbying and which state, in part: Except with the express authorization of Congress, the Contractor, its employees or agents, shall not utilize any federal funds under the terms of this contract to solicit or influence, or to attempt to solicit or influence, directly or indirectly, any member of Congress regarding pending or prospective legislation. Indian tribes, tribal organizations and any other Indian organizations are exempt from these lobbying restrictions with respect to expenditures that are specifically permitted by other federal law.

10.5 The Contractor shall comply with all applicable state and federal statutes and regulations. This shall include A.R.S. § 23-722.01 as may be amended relating to new hire reporting, A.R.S. § 23-722.02 as may be amended relating to wage assignment orders to provide child support, and A.R.S. § 25-535 as may be amended relating to administrative or court-ordered health insurance coverage for children.

11.0 Confidentiality.

11.1 The Contractor shall observe and abide by all applicable State and federal statutes, rules and regulations regarding the use or disclosure of information including, but not limited to, information concerning applicants for and recipients of contract services. To the extent permitted by law, the Contractor shall release information to the Department and to the Attorney General's Office as required by the terms of this contract, by law or upon their request.

12.0 Contract Term and Option to Extend.

12.1 The term of the resultant contract shall commence upon award and shall remain in effect to the date specified on the Signature Page unless terminated, cancelled, or extended as otherwise provided herein.

12.2 The State has no obligation to extend or renew this contract. However, this contract may be extended or renewed for multiple periods in its entirety or in part at the sole option of the State.

12.3 The State shall have the unilateral right to extend the contract period for two (2) additional one-year periods or portions thereof, for a total contract term of the RSA Fee Schedule Service not to exceed five (5) years. The terms and conditions of any such contract extension shall remain the same as the original contract.

12.4 Any extension or renewal must be made prior to the end of the contract period specified in this contract.

12.5 The Contractor shall not provide services prior to contract term commencing or after the end date of the contract. (No billable activity outside of the effective dates).

13.0 Cooperation.

13.1 The Department may undertake or award other contracts for additional work related to the work performed by the Contractor, and the Contractor shall fully cooperate with such other Contractors and State employees, and carefully fit its own work to such other Contractors' work. The Contractor shall not commit or permit any act which will interfere with the performance of work by any other Contractor or by State employees. The Contractor shall cooperate as the State deems necessary, with the transfer of work, services, case records and files performed or prepared by the Contractor to other Contractor(s).

14.0 Data Sharing Agreement.

14.1 When determined by the Department that sharing of confidential data will occur with the Contractor, the Contractor shall complete the ADES Data Sharing Request Agreement and submit the completed Agreement to the DES Program Designated Staff prior to any work commencing or data shared. A separate Data Sharing Request Agreement shall be required between the Contractor and each DES Program sharing confidential data.

15.0 Equipment.

15.1 If the Contractor is authorized to purchase Equipment, it shall be itemized in the contract for utilization in the delivery of contract services. If Equipment is purchased as authorized by this contract, the Contractor shall maintain complete and up-to-date inventory records for all Equipment purchased hereunder. Equipment specifically designated within this contract, to be purchased in whole or part with the Department funds, shall be reported in accordance with Department inventory policies and procedures. The Contractor shall report Equipment purchased with contract funds to the Department within thirty (30) days of purchase, perform an annual inventory of all Equipment purchased with Department funds and submit the Equipment inventory form to the Department person designated to receive notices.

15.2 The Department shall retain an equitable interest equal to the purchase price paid, or a fair estimate or appraisal of current market value, whichever is greater, in all Equipment purchased under this contract. The Department shall be included as a co-insured on any insurance policy which covers Equipment purchased under this contract.

15.3 The Contractor shall not dispose of any Equipment purchased under this contract without the prior written consent of the Department during and after the contract term. Such consent, if given, may include direction as to the means of disposition and the utilization of proceeds, including any necessary adjustments to the contract.

15.4 Upon termination of this contract, any Equipment purchased under this contract shall be disposed of as directed by the Department and, if sold, the Department shall be compensated in the amount of its equitable interest.

15.5 Under a fixed price contract, Section 15.1 through 15.4 do not apply unless specifically required by federal or state law.

16.0 Reserved.

17.0 Evaluation.

17.1 The Department may evaluate, and the Contractor shall cooperate in the evaluation of, contract services. Evaluation may assess the quality and impact of contract services, either in isolation or in comparison with

other similar services, and assess the Contractor's progress and/or success in achieving the goals, objectives and deliverables set forth in this contract.

17.2 As requested by the Department, the Contractor shall participate in third party evaluations relative to contract impact in support of Department goals.

18.0 **E-Verify.**

18.1 In addition to the terms and conditions in Section 3.10 of the Uniform Terms and Conditions, the following shall apply :

18.2 The Contractor warrants compliance with all Federal immigration laws and regulations relating to employees and warrants its compliance with Section A.R.S. § 23-214, subsection A as may be amended. (That subsection reads: "After December 31, 2007, every employer, after hiring an employee, shall verify the employment eligibility of the employee through the E-Verify program.")

18.3 A breach of a warrant regarding compliance with Immigration laws and regulations shall be deemed a material breach of the contract and the Contractor may be subject to penalties up to and including termination of the contract.

18.4 Failure to comply with a State audit process to randomly verify the employment records of contractors and subcontractors shall be deemed a material breach of the contract and the Contractor may be subject to penalties up to and including termination of the contract.

18.5 The Department retains the legal right to inspect the papers of any employee who works on the contract to ensure that the Contractor or subcontractor is complying with the warranty under paragraph 18.2.

19.0 **Fair Hearings and Service Recipients' Grievances.**

19.1 The Contractor shall advise all applicants for and recipients of contract services of their right, at any time and for any reason, to present to the Contractor and to the Department any grievances arising from the delivery of contract services, including, but not limited to, ineligibility determination, reduction of services, suspension or termination of services, or quality of services. The Department may assert its jurisdiction to hear the grievance or refer the matter to the appropriate authority.

19.2 The Contractor, whenever authorized by law, shall maintain a formal system acceptable to and approved by the Department for reviewing and adjudicating grievances by service recipients or subcontractors arising from this contract.

20.0 **Federal Immigration and Nationality Act.**

20.1 In addition to the terms and conditions in Section 3.9 of the Uniform Terms and Conditions, the following shall apply:

20.2 By entering into the Contract, the Contractor warrants compliance with the Federal Immigration and Nationality Act (FINA) and all other Federal immigration laws and regulations related to the Immigration status of its employees. The Contractor shall obtain statements from its subcontractors certifying compliance and shall furnish the statements to the Procurement Officer upon request. These warranties shall remain in effect through the term of the Contract. The Contractor and its subcontractors shall also maintain Employment Eligibility Verification forms (I-9) as required by the U.S. Department of Labor's Immigration and Control Act, for all employees performing work under the Contract. I-9 forms are available for download at USCIS.GOV.

20.3 The State may request verification of compliance for any Contractor or subcontractor performing work under the Contract.

21.0 **Fees and Program Income.**

21.1 Unless specifically authorized in the contract, the Contractor shall impose no fees or charges of any kind upon recipients for contract services.

22.0 **Fingerprinting.**

22.1 Contractor shall comply with, and shall ensure that all of Contractor's employees, independent contractors, subcontractors, volunteers and other agents comply with, all applicable (current and future) legal requirements

relating to fingerprinting, fingerprint clearance cards, certifications regarding pending or past criminal matters, and criminal records checks that relate to contract performance.

22.2 Applicable legal requirements relating to fingerprinting, certification, and criminal background checks" may include, but are not limited, to the following: A.R.S. §§ 36-594.01, 36-3008, 41-1964, and 46-141. All applicable legal requirements relating to fingerprinting, fingerprint clearance cards, certifications regarding pending or past criminal matters, and criminal records checks are hereby incorporated in their entirety as provisions of this contract. The Contractor is responsible for knowing which legal requirements relating to fingerprinting, fingerprint clearance cards, certifications regarding pending or past criminal matters, and criminal records checks relate to contract performance.

22.3 To the extent A.R.S. § 46-141 is applicable to contract performance or the services provided under this contract, the following provisions apply:

22.3.1 Personnel who are employed by the Contractor, whether paid or not, and who are required or allowed to provide services directly to juveniles or vulnerable adults shall submit a full set of fingerprints to the Department for the purposes of obtaining a state and federal criminal records check pursuant to section 41-1750 and Public Law 92-544 or shall apply for a fingerprint clearance card within seven working days of employment.

22.3.2 Except as provided in A.R.S. § 46-141, this contract may be cancelled or terminated immediately if a person employed by the Contractor and who has contact with juveniles certifies pursuant to the provisions of A.R.S. § 46-141 (as may be amended) that the person is awaiting trial or has been convicted of any of the offenses listed therein in this State, or of acts committed in another state that would be offenses in this State, or if the person does not possess or is denied issuance of a valid fingerprint clearance card.

23.0 <u>Inclusive Contractor.</u>

23.1 Contractor is encouraged to make every effort to utilize subcontractors that are small, women-owned and/or minority owned business enterprises. This could include subcontractors for a percentage of the administrative or direct service being proposed. Contractor who is committing a portion of its work to such subcontractors shall do so by identifying the type of service and work to be performed by providing detail concerning the Contractor's utilization of small, women-owned and/or minority business enterprises. Emphasis should be placed on specific areas that are subcontracted and percentage of contract utilization and how this effort will be administered and managed, including reporting requirements.

24.0 <u>Indemnification and Insurance.</u>

24.1 Indemnification Clause:

24.1 1. The parties to this contract agree that the State of Arizona and the Department of Economic Security shall be indemnified and held harmless by Contractor for the vicarious liability of the State as a result of entering into this contract. However, the parties further agree that the State of Arizona and the Department of Economic Security shall be responsible for their own negligence. Each party to this contract is responsible for its own negligence.

This indemnity shall not apply if the contractor or sub-contractor(s) is/are an agency, board, commission or university of the State of Arizona.

24.2 Insurance Requirements:

24.2.1 Contractor and subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Contract, are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors.

24.2.2 The *insurance requirements* herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under this contract by the Contractor, its agents, representatives, employees or subcontractors, and Contractor is free to purchase additional insurance.

A. **<u>Minimum Scope And Limits Of Insurance:</u>** Contractor shall provide coverage with limits of liability not less than those stated below.

1. **Commercial General Liability – Occurrence Form**
   Policy shall include bodily injury, property damage, personal injury and broad form contractual liability.
   - General Aggregate $2,000,000

- Products – Completed Operations Aggregate $1,000,000
- Personal and Advertising Injury $1,000,000
- Blanket Contractual Liability – Written and Oral $1,000,000
- Fire Legal Liability $ 50,000
- Each Occurrence $1,000,000

a. The policy shall be endorsed to **include coverage for sexual abuse and molestation.**

b. The policy shall be endorsed to include the following additional insured language: ***"The State of Arizona and the Department of Economic Security shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor".***

c. Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

This requirement may be satisfied with a policy combining General and Professional Liability, provided that the General Liability section of the policy is written on an occurrence basis, and includes coverage for contractual liability.

2. **Business Automobile Liability**
Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of this Contract.

Combined Single Limit (CSL) $1,000,000

a. The policy shall be endorsed to include the following additional insured language: ***"The State of Arizona and the Arizona Department of Economic Security shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor, involving automobiles owned, leased, hired or borrowed by the Contractor".***

b. Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

3. **Worker's Compensation and Employers' Liability**
- Workers' Compensation Statutory
- Employers' Liability
  - Each Accident $ 500,000
  - Disease – Each Employee $ 500,000
  - Disease – Policy Limit $1,000,000

a. Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

b. This requirement shall not apply to: Separately, EACH contractor or subcontractor exempt under A.R.S. 23-901, AND when such contractor or subcontractor executes the appropriate waiver (Sole Proprietor/Independent Contractor) form.

4. **Professional Liability (Errors and Omissions Liability)**
Each Claim $1,000,000
Annual Aggregate $2,000,000

a. In the event that the professional liability insurance required by this Contract is written on a claims-made basis, Contractor warrants that any

retroactive date under the policy shall precede the effective date of this Contract; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Contract is completed.

b. The policy shall cover professional misconduct or lack of ordinary skill for those positions defined in the Scope of Work of this contract.

B. **Additional Insurance Requirements:** The policies shall include, or be endorsed to include, the following provisions: The State of Arizona and the Arizona Department of Economic Security, wherever additional insured status is required such additional insured shall be covered to the full limits of liability purchased by the Contractor, even if those limits of liability are in excess of those required by this Contract.

1. The Contractor's insurance coverage shall be primary insurance with respect to all other available sources.

2. Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of this Contract.

C. **Notice Of Cancellation:** Each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be suspended, voided, canceled, or reduced in coverage or in limits except after thirty (30) days prior written notice has been given to the State of Arizona. Such notice shall be sent directly to the **Arizona Department of Economic Security, Office of Procurement, 1789 W. Jefferson St. Site Code 805Z, Phoenix, AZ 85007 unless the Scope of Work Reporting Requirements specifies otherwise** and shall be sent by certified mail, return receipt requested.

D. **Acceptability Of Insurers:** Insurance is to be placed with duly licensed or approved non-admitted insurers in the state of Arizona with an "A.M. Best" rating of not less than A- VII. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

If the social services program utilizes the Social Service Contractors Indemnity Pool (SSCIP) or other approved insurance pool for insurance coverage, SSCIP or the other approved insurance pool is exempt from the A.M. Best's rating requirements listed in this contract. If the contractor or subcontractor chooses to use SSCIP or another approved insurance pool as its insurance provider, the contract/subcontract would be considered in full compliance with insurance requirements relating to the A.M. Best rating requirements.

E. **Verification Of Coverage:** Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract. The Contractor shall retain all certificates and endorsements at its office which shall be available to the Department for review upon request.

F. **Subcontractors:** Contractors' certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall furnish to the State of Arizona separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements identified above.

G. **Approval:** Any modification or variation from the *insurance requirements* in this Contract shall be made by the Department of Administration, Risk Management Section, whose decision shall be final. Such action will not require a formal Contract amendment, but may be made by administrative action.

H. **Exceptions:** In the event the Contractor or sub-contractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a Certificate of Self-Insurance. If the contractor or sub-contractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

In the event that Contractor determines that it may not be able to comply fully with the insurance requirements set forth above in Section 24.0 of the Arizona Department of Economic Security Special

Terms and Conditions, the Contractor may request that the insurance requirements be modified pursuant to paragraph 24.2.2(G), provided that such request be delivered in writing to ADES at least ten days prior to the solicitation due date or, if not a solicitation, prior to contract execution. Contractor shall include with such request Contractor's justification for the modification with supporting documentation.

As provided in paragraph 24.2.2(G), the Department of Administration, Risk Management Section, shall decide whether such modification may be permitted. If the Department of Administration, Risk Management, decides to grant permission, the ADES Chief Procurement Officer shall then decide whether to approve the modification.

Modifications that are approved will be done so on a case-by-case basis and shall not affect the insurance requirements of other Contractors for whom modifications have not been approved. If a Contractor's request has not been approved or a Contractor fails to deliver its request prior to the applicable deadline, then the Contractor shall be required to comply fully with the insurance requirements set forth in paragraph 24.0 above.

25.0 IT 508 Compliance.

25.1 Unless specifically authorized in the Contract, any electronic or information technology offered to the State of Arizona under this contract shall comply with A.R.S. 41-3531 and 3532 as may be amended and Section 508 of the Rehabilitation Act of 1973, which requires that employees and members of the public shall have access to and use of information technology that is comparable to the access and use by employees and members of the public who are not individuals with disabilities.

26.0 Levels of Service.

26.1 If the Contractor determines service recipient eligibility, the Contractor shall maintain and regulate the units or services set forth in this contract to ensure continuity and availability of services to eligible persons during the term of this contract and during any transition to a subsequent Contractor.

26.2 The Department makes no guarantee to purchase specific quantities of goods or services, or to refer eligible persons as may be identified or specified herein. Further, it is understood and agreed that this contract is for the sole convenience of the Department and that the Department reserves the right to obtain like goods or services from other sources when such need is determined necessary by the Department.

26.3 Any administration within the Department may obtain services under this contract.

26.4 Contract services may be moved or expanded to other site locations within the geographic area awarded only by a written contract amendment.

26.5 The Department makes no guarantee to purchase all of the service units authorized or to provide any number of referrals. If quantities of units are specified, they are estimates only and the Department may decrease and/or increase them by providing written notice to the Contractor.

26.6 When the method of compensation for the service is Fixed Price with Price Adjustment, the contract may be amended, by mutual agreement, to purchase additional services by increasing the contract service budget and/or budget summary.

27.0 Monitoring.

27.1 The Department may monitor the Contractor and/or subcontractor and they shall cooperate in the monitoring of services delivered, facilities and records maintained and fiscal practices.

28.0 Non-Discrimination. In addition to the terms and conditions in section 3.2 of the Uniform Terms and Conditions, the following shall apply:

28.1 Unless exempt under Federal law the Contractor shall comply with Title VII of the Civil Rights Act of 1964 as amended. Contractor shall comply with the Age Discrimination in Employment Act. The Contractor shall comply with the Rehabilitation Act of 1973, as amended, which prohibits discrimination in the employment or advancement in employment of qualified persons because of physical or mental handicap. The Contractor shall comply with the requirements of the Fair Labor Standards Act of 1938, as amended.

28.2. If Contractor is an Indian Tribal Government, Contractor shall comply with the Indian Civil Rights Act of 1968. It shall be permissible for an Indian Tribal Contractor to engage in Indian preference in hiring.

28.3 The Contractor shall comply with Title VI of the Civil Rights Act of 1964, which prohibits the denial of benefits of or participation in contract services on the basis of race, color, or national origin. The Contractor shall comply with the requirements of Section 504 of the Rehabilitation Act of 1973, as amended, which prohibits discrimination on the basis of handicap, in delivering contract services; and with Title II of the Americans with Disabilities Act, and the Arizona Disability Act, which prohibit discrimination on the basis of physical or mental disabilities in the provision of contract programs, services and activities.

28.4 The following shall be included in all publications, forms, flyers, etc. that are distributed to recipients of contract services:

> "Under Titles VI and VII of the Civil Rights Act of 1964 (Title VI and VII) and the Americans with Disabilities Act of 1990 (ADA) Section 504 of the Rehabilitation Act of 1973 and the Age Discrimination Act of 1975, *insert Contractor name here*) prohibits discrimination in admissions, programs, services, activities or employment based on race, color, religion, sex, national origin, age, and disability. The (*insert Contractor name here*) must make a reasonable accommodation to allow a person with a disability to take part in a program, service, or activity. Auxiliary aids and services are available upon request to individuals with disabilities. For example, this means that if necessary, the (*insert Contractor name here*) must provide sign language interpreters for people who are deaf, a wheelchair accessible location, or enlarged print materials. It also means that the (*insert Contractor name here*) will take any other reasonable action that allows you to take part in and understand a program or activity, including making reasonable changes to an activity. If you believe that you will not be able to understand or take part in a program or activity because of your disability, please let us know of your disability needs in advance if at all possible. To request this document in alternative format or for further information about this policy please contact: (*insert Contractor contact person and phone number here*)" Para obtener este documento en otro formato u obtener información adicional sobre esta política, *(insert Contractor contact person and phone number here)*"

29.0 **Notices.** In addition to the terms and conditions in section 3.5 of the Uniform Terms and Conditions, the following shall apply:

29.1 All notices shall reference the contract number.

29.2 The Contractor shall give written notice to the Department of changes to the following, and a written amendment to the contract shall not be necessary:

1. Change of telephone number;
2. Changes in the name and/or address of the person to whom notices are to be sent;
3. Changes in contract-related personnel positions of the Contractor which do not affect staffing ratios, staff qualifications or specific individuals required under this contract; or
4. In a fixed price with price adjustment contract, whenever there is less than a 10% increase in any budget category; any such increase must be offset by an equal value decrease in another budget category or categories.

30.0 **Offshore Performance of Work Prohibited.**

30.1 Any services that are described in the specifications or scope of work that directly serve the State of Arizona or its clients and involve assess to secure or sensitive data or personal client data shall be performed within the defined territories of the United States. Unless specifically stated otherwise in the specifications, this paragraph does not apply to indirect or 'overhead services, redundant back-up services or services that are incidental to the performance of the contract. This provision applies to work performed by subcontractors at all tiers.

31.0 **Order of Precedence.**

31.1 In addition to the terms and conditions in section 2.3 Contract Order of Precedence of the Uniform Terms and Conditions, the following shall apply:

1. In the event of a conflict in the provisions of the Contract, as accepted by the State and as they may be amended, the following shall prevail in the order set forth below:
   1. Division/Administration Special Terms and Conditions;

2. ADES Special Terms and Conditions;
3. Uniform Terms and Conditions;
4. Scope of Work or Specification;
5. Attachments;
6. Exhibits;
7. Documents referenced or included in the Solicitation.

32.0 Pandemic Contractual Performance.

32.1 The State shall require a written plan that illustrates how the contractor shall perform up to contractual standards in the event of a pandemic. The state may require a copy of the plan at anytime prior or post award of a contract. At a minimum, the pandemic performance plan shall include:

1. Key succession and performance planning if there is a sudden significant decrease in contractor's workforce.
2. Alternative methods to ensure there are services or products in the supply chain.
3. An up to date list of company contacts and organizational chart.

32.2 In the event of a pandemic, as declared by the Governor of Arizona, U.S. Government or the World Health Organization, which makes performance of any term under this contract impossible or impracticable, the State shall have the following rights:

1. After the official declaration of a pandemic, the State may temporally void the contract(s) in whole or specific sections if the contractor cannot perform to the standards agreed upon in the initial terms.
2. The State shall not incur any liability if a pandemic is declared and emergency procurements are authorized by the Director of the Arizona Department of Administration per A.R.S. § 41-2537 as may be amended of the Arizona Procurement Code.
3. Once the pandemic is officially declared over and/or the contractor can demonstrate the ability to perform, the State, at its sole discretion may reinstate the temporarily voided contract(s).

33.0 Payments. In addition to the terms and conditions in section 4.1 of the Uniform Terms and Conditions, the following shall apply:

33.1 Payments shall be made according to the type of payment defined as follows:

1. Rate (or) Fixed Price- The Contractor is paid a specified amount for each unit of service or deliverable as designated in the contract, not to exceed the maximum number of authorized units if indicated by the Department for each contract service/deliverable. The Department may authorize units throughout the term of the contract by amending the contract or through the process of issuing release orders. A Release Order is a separate document and may be increased or decreased throughout the term of the contract without amending the contract. A client specific referral is considered a form of release order as well as a Purchase Authorization or other similar named document.

33.2 The Contractor shall report to the Department in the manner prescribed by the "Reporting Requirements" section of these terms and conditions. Upon receipt of applicable, accurate and complete reports, the Department will authorize payment or reimbursement in accordance with the type of payment indicated by this contract.

33.3 If the Contractor is in any manner in default in the performance of any obligation under this contract, or if audit exceptions are identified, the Department may, at its option and in addition to other available remedies, either adjust the amount of payment or withhold payment until satisfactory resolution of the default or exception.

33.4 Under no circumstances shall the Department make payment to the Contractor that exceeds the:

1. The units authorized as stated in section 33.1; or
2. The service reimbursement ceiling;
3. Under no circumstances shall the Department make payment to the Contractor for services performed prior to or after the term of the contract without timely extension or renewal of the contract.

33.5 The Contractor may offer a price reduction adjustment at any time during the term of the contract. Any price reduction shall be executed by a contract amendment.

34.0 Payment Recoupment.

34.1 The Contractor shall reimburse the Department upon demand or the Department may deduct from future payments the following:

1. Any amounts received by the Contractor from the Department for contract services which have been inaccurately reported or are found to be unsubstantiated;
2. Any amounts paid by the Contractor to a subcontractor not authorized in writing by the Department;
3. Any amount or benefit paid directly or indirectly to an individual or organization not in accordance with the "Substantial Interest" section of these terms and conditions;
4. Any amounts paid by the Department for services which duplicate services covered or reimbursed by other specific grants, contracts, or payments;
5. Any amounts expended for items or purposes determined unallowable by the Department when this contract provides for the reimbursement of costs, see the "Unallowable Costs" section of these terms and conditions;
6. Any amounts paid by the Department for which the Contractor's books, records, and other documents are not sufficient to clearly substantiate that those amounts were used by the Contractor to perform contract services;
7. Any amounts received by the Contractor from the Department which are identified as a financial audit exception;
8. Any amounts paid or reimbursed in excess of the contract or service reimbursement ceiling;
9. Any amounts paid to the Contractor which are subsequently determined to be defective pursuant to the "Certification of Cost or Pricing Data" section of these terms and conditions.
10. Any payments made for services rendered before the contract begin date or after the contract termination date.

35.0 Personnel.

35.1 The Contractor's personnel shall satisfy all qualifications, carry out all duties, and work the hours as set forth in this contract.

36.0 Predecessor and Successor Contracts.

36.1 The execution or termination of this contract shall not be considered a waiver by the Department of any rights it may have for damages suffered through a breach of this or a prior contract with the Contractor.

37.0 Professional Standards.

37.1 The Contractor shall deliver contract services in a humane and respectful manner and in accordance with any and all applicable professional accreditation standards. Levels of staff qualifications, professionalism, numbers of staff and individuals identified by name must be maintained as presented in the contract.

38.0 Rate Increase.

38.1 The Contractor may submit a request for a rate increase a minimum of 45 days prior to the contract extension date. The request shall be in writing and include supportive justification for the proposed increase. The rate increase shall only be considered at time of contract extension. The State will review the request and shall determine if the increase shall be granted or if an alterative option is in the best interests of the State. The rate increase adjustment, if approved, will be effective and executed via a contract amendment.

38.2 Any approved rate increase shall be applied to the specific rate(s) in effect prior to the contract extension period.

39.0. Records. In addition to the terms and conditions in section 3.1 of the Uniform Terms and Conditions, the following shall apply:

39.1 Contract service records will be maintained in accordance with this contract. Records shall, as applicable, meet the following standards:

1. Adequately identify the service provided and each service recipient's application for contract and subcontract activities;
2. Include personnel records which contain applications for employment, job titles and descriptions, hire and termination dates, a copy of the fingerprint clearance card, wage rates, and effective dates of personnel actions affecting any of these items;
3. Include time and attendance records for individual employees to support all salaries and wages paid;
4. Include records of the source of all receipts and the deposit of all funds received by the Contractor;

5. Include original copies of invoices, statements, sales tickets, billings for services, deposit slips, etc., and a cash disbursement journal and cancelled checks to reflect all disbursements applicable to the contract;
6. Include a complete general ledger with accounts for the collection of all costs and/or fees applicable to the contract; and,
7. Include copies of lease/rental agreements, mortgages and/or any other agreements which in any way may affect contract expenditures.

39.2 Any such records not maintained shall mandate an audit exception in the amount of the inadequately documented expenditures.

39.3 Contractor shall preserve and make available all records for a period of five (5) years from the date of final payment under this contract except as provided in Section 41.0 of the DES Special Terms and Conditions or if subject to Health Insurance Portability & Accountability Act which is six (6) years from the date of final payment:

1. If this contract is completely or partially terminated, the records relating to the work terminated shall be preserved and made available for a period of five years from the date of any such termination.
2. Records which related to disputes, litigation or the settlement of claims arising out of the performance of this contract, or costs and expenses of this contract to which exception has been taken by the state, shall be retained by the Contractor until such disputes, litigations, claims or exceptions have been disposed of.

40.0 Relationship of Parties.

40.1 In addition to the terms and conditions in Section 2.4 of the Uniform Terms and Conditions, the following shall apply:

1. In the event that the Contractor or its personnel is sued or prosecuted for conduct arising from this contract, the Contractor or their personnel will not be represented by the Department of the Attorney General.
2. Taxes or Social Security payments will not be withheld from a State payment issued hereunder and the Contractor shall make arrangements to directly pay such expenses, if any.

41.0 Reporting Requirements.

41.1 Unless otherwise provided in this contract, reporting shall adhere to the following schedule: with the exception of the last month of the contract term, the Contractor shall submit programmatic and financial reports to the Department in the form set forth in the contract no later than the 15th day following the end of each month during the contract term. Failure to submit accurate and complete reports by the 15th day following the end of each month may result, at the option of the Department, in retention of payment. Failure to provide such report within 45 days following the end of a month may result, at the option of the Department, in a forfeiture of such payment.

41.2 Following the end of each contract term, the Contractor shall submit programmatic and financial reports to the Department in the form set forth in the contract no later than the 45th day following the end of the each contract term. The final fiscal report for the contract term shall include all adjustment to prior financial reports submitted for the contract term.

41.3 No later than the 45th day following the termination of this contract, Contractor shall submit to the Department a final program and fiscal report. Failure to submit the final program and fiscal report within the above time period may result, at the option of the Department, in forfeiture of final payment.

41.4 All reports shall reference the contract number and be submitted to the person designated by the Department.

42.0 Responsibility for Payments Indemnification.

42.1 The Contractor shall be responsible for issuing payment for services performed by the Contractor's employees, subcontractors, suppliers, or any other third party incurred in the furtherance of the performance or the arising out of the contract and will indemnify and save the Department harmless for all claims whatsoever out of the lawful demands of such parties. The Contractor shall, at the Department's request, furnish satisfactory evidence that all obligations of the nature hereinabove designated have been paid, discharged or waived.

43.0 **Reserved.**

44.0 **Subcontracts.** In addition to the terms and conditions in section 5.2 of the Uniform Terms and Conditions, the following shall apply:

44.1 The Contractor shall provide copies of each contract with a subcontractor relating to the provision of contract services to the Department upon five (5) calendar days of the request.

45.0 **Substantial Interest Disclosure.**

45.1 Contractor shall not make any payments, either directly or indirectly, to any person, partnership, corporation, trust, or any other organization which has a substantial interest in Contractor's organization or with which Contractor (or one of its directors, officers, owners, trust certificate holders or a relative thereof) has a substantial interest, unless Contractor has made a full written disclosure of the proposed payments, including amounts, to the Department.

45.2 Leases or rental agreements or purchase of real property which would be covered by Section 44.1 shall be in writing and accompanied by an independent commercial appraisal of fair market rental, lease, or purchase value, as appropriate.

45.3 For the purpose of this Section, "relative" shall have the same meaning as in A.R.S. §38-502 as may be amended.

46.0 **Supporting Documents and Information.**

46.1 In addition to any documents, reports or information required by any other section of this contract, Contractor shall furnish the Department with any further documents and information deemed necessary by the Department. Upon receipt of a request for information from ADES, the Contractor shall provide complete and accurate information no later than fifteen (15) days after the receipt of the request.

47.0 **Suspension or Debarment.**

47.1 In addition to the terms and conditions in section 9.3 of the Uniform Terms and Conditions, the Contractor shall submit the Certification Regarding Debarment, Suspension and Voluntary Exclusion Lower Tier Covered Transactions form (Attachment).

48.0 **Technical Assistance.**

48.1 The Department may, but shall not be obligated to, provide technical assistance to the Contractor in the administration of contract services, or relating to the terms and conditions, policies and procedures governing this contract. Notwithstanding the foregoing, the Contractor shall not be relieved of full responsibility and accountability for the provision of contract services in accordance with the terms and conditions set forth herein.

49.0 **Termination for Any Reason.**

49.1 In the event the contract is terminated, with or without cause, or expires, the Contractor, whenever determined appropriate by the Department, shall assist the Department in the transition of services or eligible persons to other Contractors. Such assistance and coordination shall include, but not be limited to, the forwarding of program and other records as may be necessary to assure the smoothest possible transition and continuity of services. The cost of reproducing and forwarding such records and other materials shall be borne by the Contractor. The Contractor must make provisions for continuing all management/administrative services until the transition of services or eligible persons is complete and all other requirements of this contract are satisfied.

49.2 In the event of termination or suspension of the contract by the Department, such termination or suspension shall not affect the obligation of the Contractor to indemnify the Department and the State for any claim by any other party against the State or Department arising from the Contractor's performance of this contract and for which the Contractor would otherwise be liable under this contract. To the extent such indemnification is excluded by A.R.S. §41-621 et seq.as may be amended or an obligation is unauthorized under A.R.S. §35-154 as may be amended the provisions of this paragraph shall not apply.

49.3 In the event of early termination for any reason, any funds advanced to the Contractor shall be returned to the Department within ten (10) days after the date of termination or upon receipt of notice of termination of the contract, whichever is earlier.

50.0 **Termination for Default.** In addition to the terms and conditions in section 9.5 of the Uniform Terms and Conditions, the following shall apply:

50.1 The Department may immediately terminate this contract if the Department determines that the health or welfare or safety of service recipients is endangered.

51.0. **Transfer of Knowledge.**

51.1 The Contractor shall, whenever feasible, share strategies and techniques with Department staff to transfer the skills and knowledge acquired in the delivery of the contracted service.

52.0 **Transition of Activities.**

52.1 In the event that a contract is awarded to a new contractor for services similar to those being performed by Contractor under this contract, there shall be a transition of services period. During this period, the contractor under this contract shall work closely with the new contractor's personnel and/or Department staff to ensure a smooth and complete transfer of duties and responsibilities. The Department's authorized representative will coordinate all transition activities. A transition plan will be developed in conjunction with the existing contractor to assist the new contractor and/or Department staff to implement the transfer of duties. The Department reserves the right to determine which projects/service delivery nearing completion will remain with the current Contractor of record.

53.0 **Unallowable Costs.**

53.1 The cost principles set forth in the Code of Federal Regulations, 48 CFR, Chapter 1, Subchapter e, Part 31, (October 1, 1991), including later amendments and editions, on file with the Arizona Secretary of State and incorporated by this reference, shall be used to determine the allow ability of incurred costs for the purpose of reimbursing costs under contract provisions that provide for the reimbursement of costs. Those costs which are specifically defined as unallowable therein will not be submitted for reimbursement by the Contractor and may not be reimbursed with Department funds.

53.2 In addition, the Contractor shall comply with the following publications (including subsequent revisions), as applicable:

1. OMB Circular A-87 for State, local and Indian Tribal Governments.
2. OMB Circular A-122 for private non-profit organizations other than institutions of higher education, hospitals or others specified in A-122.
3. OMB Circular A-21 for educational institutions.
4. OMB Circular A-133 for audits of institutions of higher education and other non-profit institutions.

54.0 **Visitation, Inspection and Copying.**

54.1 Contractor's and/or subcontractor's facilities, services and individuals served, books and records pertaining to the contract shall be available for visitation, inspection and copying by the Department and any other appropriate agent of the State or Federal Government. At the discretion of the Department, visitation, inspection and copying may be at any time during regular business hours, announced or unannounced. If the Department deems it to be an emergency situation, it may at any time visit and inspect the Contractor's or subcontractor's facilities, services and individuals served, as well as inspect and copy their contract-related books and records.

55.0 **Warranty of Services.**

55.1 The Contractor warrants that all services provided under this contract shall conform to the requirements stated herein and any amendments hereto. The Department's acceptance of services provided by the Contractor shall not relieve the Contractor from its obligations under this warranty. In addition to its other remedies, the Department Procurement Officer may, at the Contractor's expense, require prompt correction of any services failing to meet the Contractor's warranty herein. Services corrected by the Contractor shall be subject to all of the provisions of this contract in the manner and to the same extent as the services originally furnished.

56.0 **Limited English Proficiency**

56.1 The Contractor shall ensure that all services provided are culturally relevant and linguistically appropriate to the population to be served following the ADES Policy, Limited English Proficiency, DES 1-01-34 (Exhibit 1).

DES 1-01-34
Limited English Proficiency

POLICY STATEMENT	DES 1-01-34.I
AUTHORITY	DES 1-01-34.II
OVERVIEW	DES 1-01-34.III
SCOPE	DES 1-01-34.IV
DEFINITIONS	DES 1-01-34.V
STANDARDS	DES 1-01-34.VI

DES 1-01-34
Limited English Proficiency

I. POLICY STATEMENT

The policy of the Department of Economic Security (the Department) is to provide quality and timely language assistance services to customers with limited English proficiency (LEP) to ensure meaningful access to programs, services, and activities. Each affected work unit of the Department shall:

1. Develop and adhere to specific written procedures;
2. Perform a needs and capacity assessment;
3. Arrange for oral language assistance, as appropriate;
4. Determine which of the Department documents meet the definition of a vital document;
5. Translate vital documents into languages other than English;
6. Provide notification to customers of the availability of language assistance services;
7. Evaluate current Department Web sites for LEP compliance;
8. Develop and implement standards to ensure LEP compliance on all future Web pages;
9. Train all staff who are likely to have contact with Department customers and the management staff who support them;
10. Develop and incorporate an accessible issue resolution process; and
11. Monitor customer access to language assistance.

II. AUTHORITY

Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000d et seq.
Arizona Constitution, Article 28

Section 601 of Title VI of the Civil Rights Act of 1964, 42 U.S.C. Section 2000d *et seq.* states, "No person in the United States shall on the ground of race, color or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance."

Regulations implementing Title VI provide in part at 45 C.F.R. Section 80.3 (b):

"(1) A recipient [the Department is a 'recipient' under this law] under any program to which this part applies [generally any program that receives federal funds] may not, directly or through contractual or other arrangements, on ground of race, or color, or national origin:

(i) Deny an individual any service, financial aid, or other benefit provided under the program;

(ii) Provide any service, financial aid, or other benefit to an individual which is different, or is provided in a different manner, from that provided to others in the program;

(2) A recipient, in determining the types of services, financial aid, or other benefits, or facilities which will be provided under any such program or the class of individuals to whom, or the situations in which such services, financial aid or other benefits, or facilities will be provided ... *may not directly, or through contractual or other arrangements, utilize criteria or methods of administration which have the effect of subjecting individuals to discrimination, because of their race, color or national origin, or have the effect of defeating or substantially impairing accomplishments of the objectives of the program with respect to individuals of a particular race, color, or national origin.*" (emphasis added)

III. OVERVIEW

Title VI of the Civil Rights Act of 1964, as amended, requires that agencies take reasonable steps to ensure meaningful access to their programs and activities for persons with limited English proficiency. For the purposes of this Policy, individuals with limited English proficiency (LEP) are defined as individuals who do not speak English as their primary language and who have a limited ability to read, write, speak, or understand English.

The Department's LEP Policy ensures that the Department, and all Department services regardless of funding source, comply with the requirements of Title VI of the Civil Rights Act of 1964 by setting out standards for its work units to follow. Title VI of the Civil Rights Act of 1964 prohibits discrimination based on race, color, or national origin by any entity receiving federal financial assistance. The Department prohibits administrative methods or procedures that have the effect of subjecting individuals to discrimination or defeating the objectives of these regulations.

In order to avoid discrimination on the grounds of national origin, all programs or activities administered by the Department shall take adequate steps to ensure that their procedures do not deny, or have the effect of denying, individuals with LEP equal access to benefits and services for which such persons qualify. This Policy defines Departmental responsibilities to ensure that individuals with LEP can communicate effectively.

IV. SCOPE

This LEP Policy, in its entirety, applies to all Department entities and contractors who provide direct Department services to Department customers. The Department and all work units who provide services, information, or assistance to Department customers shall be responsible for development of procedures to ensure compliance with the Department LEP Policy. Areas that do not provide services, information, or assistance to Department customers are not responsible for developing procedures but, at a minimum shall designate an LEP contact to ensure compliance.

The DES Director's Office of Equal Opportunity (DOEO) and the DES Policy and Planning Administration's (PPA) Policy Unit are responsible for review and approval of work unit LEP procedures. This review will be limited to ensuring the work unit LEP procedure is consistent and in compliance with the Department LEP Policy.

V. DEFINITIONS

Customer: Any applicant, claimant, or recipient of Department services, including LEP customers.

Executive Leader: The Director, Deputy Director, or Assistant Director or their designee with authority over a programmatic or administrative work unit.

Interpret: Providing a verbal translation between two or more persons in a language other than English. This may be done by on-site trained Department staff, contractors, or through commercially available resources, including but not limited to telephonic interpretation services.

Language Used Significantly: A language, other than English, that is used by five percent or 1,000 persons (whichever is smaller) who are eligible for a Department service or are likely to be directly affected by a Department program or activity in a specific geographic area.

Limited English Proficiency (LEP) Contact: The person within a work unit who is responsible for ensuring their program or administrative work unit is LEP compliant.

Limited English Proficient (LEP) Customer: Any prospective, potential, or actual recipient of benefits or services from the Department who cannot speak, read, write, or understand the English language at a level that permits effective interaction with the Department. This includes LEP parents or guardians of minor children who are customers or LEP customers.

Non-Vital Documents: Documents that are not critical to access Department benefits and services.

Translate: Providing a written document in a language other than English.

Vital Document: A document that conveys information that affects the ability of the customer to make decisions about his or her participation in the program. The decision of whether a document is vital may depend upon the importance of the program information, encounter, or service involved, and the consequence to the LEP person if the information is not provided accurately or in a timely manner.

Work Unit: A program or administrative area within the Department. Work unit includes all Department work units as well as its contractors that provide direct service to Department customers.

VI. STANDARDS

1. All Department staff shall provide services to Department customers in a manner that ensures the customer has meaningful access to their programs and activities for all persons, including those persons who have limited English proficiency.

2. **Compliance and Enforcement:** It is the responsibility of each Executive Leader overseeing a Department work unit, program, or administrative area to ensure that activities within the Executive Leader's work unit are conducted consistent with both the Department LEP Policy and the specific work unit LEP procedure.

3. **Work unit Procedures:** Each work unit identified as warranting language assistance services shall develop specific written procedures related to language assistance services applicable to its program activities. These procedures must be consistent with the standards listed in the Department LEP policy. Written procedures shall address the following areas:

   a. Provision of language services generally;

   b. Identification and assessment of language needs;

   c. Oral language assistance services;

   d. Written translations;

   e. Oral and written notification of the availability of language services;

   f. Issue resolution rights;

g. Staff training on language service provision; and

h. Monitoring access to language assistance.

4. **Needs and capacity assessment:** The Department shall employ a four-step process to determine the need and capacity for LEP services. Specifically, each work unit shall determine and indicate in writing if it has direct contact with Department customers. If work unit determines that it does, then:

- Determine the number or proportion of LEP customers served;
- Determine the frequency of contact between LEP customers and the program;
- Assess the nature and importance of the program; and
- Assess available resources.

a. ***Each work unit shall identify the steps in their service delivery process and identify the anticipated number of customer interactions that occur at each of these steps.*** These steps could include points of contact with Department staff where customers get information or staff take an action that affects a customer's ability to meaningfully participate in a Department program or activity. These points of contact include Department offices, telephone numbers regularly used by the public, outreach activities, informational and operational Web sites, and written notices. These contacts may be face-to-face, telephonic, written, or electronic.

b. ***The Department shall identify the languages used by the populations it serves. Both the Department and each work unit shall use this information to determine the incidences in which the Department and work unit expect to interact with customers in various languages other than English.*** The Department shall use the most recent census data to determine overall language trends in Arizona. Other demographic data sources include information from other state agencies, commercial marketing data, school systems, community organizations, national ethnic organizations, the Internet, and internally gathered Department data. These trends will be used to determine the LEP population's alternative language needs. The Department will update this information with the issuance of new census data.

c. ***Each work unit shall annually assess the language assistance needs of its LEP customers and the capacity of its programs to meet these needs.*** Work unit procedures shall include the methods used to conduct this assessment, including areas where it intends to use Departmentally-produced data, and the frequency with which it will complete the assessment.

d. ***Each work unit shall implement a process for gathering and recording LEP customer language preferences:***

i. The work unit procedures shall include sufficient detail to identify how the work unit gathers language preference information, where it stores the information, and how it will make the information readily available for future contact with LEP customers and for statistics-gathering purposes;

ii. Each work unit procedure shall include the use of language preference posters in each local office. These posters are designed to provide an opportunity for LEP persons to self-declare their language preference during local office contacts. The Department shall prominently display posters in all its offices in which customer interaction is anticipated. These posters are developed, transmitted, and maintained as a Departmental function.

5. **Oral language assistance:**

a. ***Each component, program, or administrative work unit of the Department shall arrange for oral language assistance to LEP customers in face-to-face and telephone contact:*** Work unit procedures shall identify the processes for providing oral language assistance and the method for obtaining these services. The oral language assistance portion of the work unit procedures for identifying individuals with LEP shall be consistent with those outlined in this policy. LEP services shall be provided free of charge upon the request of the customer. Work units may identify approaches specific to their work unit, but all procedures shall include the minimum Department standard of ensuring that the provision of bilingual/interpretive services is prompt and without undue delays. Necessary timeframes may vary based upon the nature and importance of the service. For example, timeframes for emergency services may be different from those timeframes for non-emergency services. In most circumstances, this requires language services to be available within reasonable timeframes during all operating hours by:

i. Establishing interpreter service contracts. The Department maintains contracts with multiple vendors to provide verbal interpretation. The Office of Procurement shall provide direction to all work units on how to access and use contracts for interpreter services. Work units shall, in their procedures, identify how they shall request and coordinate these services. In addition, services through commercially available telephonic interpretation services shall be available when needed;

ii. Implementing a means to compensate bilingual staff. Subject to the availability of funds, the Department has a bilingual stipend program in place that operates under DES 1-26-26, *Bilingual Stipend for Certified Employees*. This program compensates bilingual staff who meet required standards for performing verbal interpretation services. Work unit procedures shall identify the offices in which a need for bilingual staff has been established and which languages are needed;

iii. Orally translating vital documents into languages other than English for LEP customers.

b. ***Location and Accessibility of LEP Services:*** Work units shall ensure that their procedures include provisions that respond to the language needs of the populations in each area in which the work unit provides services. Each work unit shall determine the most efficient and effective means to meet these needs. Accommodations such as translations of commonly requested documents, bilingual staff, and telephone interpreter services should be made available at locations that are readily accessible to the public, such as information desks, security checkpoints, and public information telephone lines.

c. ***Use of Bilingual Staff: The Department will make reasonable efforts to recruit and have bilingual staff*** employed in programs and activities where the number or percentage of LEP customers or potential LEP customers is statistically significant, or where the frequency of contact with such persons makes the employment of bilingual staff a more cost effective, efficient, and effective mode for communication:

i. Each work unit shall make a decision to employ bilingual staff after a needs assessment, with due consideration given to the budgetary, personnel, and other constraints of the work unit;

ii. Bilingual staff or contractors must be assessed for bilingual proficiency. Work units should ensure that individuals providing interpretative services possess a level of fluency and comprehension appropriate to the specific nature, type, and purpose of information at issue.

d. ***Unacceptable Practices:*** Work units should only use family members or friends to interpret for LEP customers if the LEP customer insists on using the friend or family member after Department-provided language services have been offered. Minor children should never be used to interpret, except in emergencies. If additional services are required, any information obtained utilizing a minor child as the interpreter shall be verified through an approved interpreter after the emergency situation has closed.

6. **Translation of written materials:** Each work unit must identify its vital documents. Vital documents include, but are not limited to, the following for any service, benefit, program, or administrative work unit provided by or contracted with the Department:

- Applications;
- Recertification or renewal applications;
- Documents that require a response;
- Letters or other written documents that contain information regarding participation in a program;
- Notices of eligibility criteria, authorization or denial, applicant or participant rights, benefit or service changes, hearings, and actions affecting parental custody or child support;
- Consent and complaint forms;
- Appeal rights and grievance procedures;
- Written tests that do not assess English language competency but test competency for a particular license, job, or skill for which knowing English is not required; and
- Notices advising LEP persons of free language assistance.
- Any other document that the work unit deems vital due to the importance of the program, information, encounter, or service involved and the consequence to the LEP person if the information in question is not provided accurately or in a timely manner.

a. ***Each work unit shall translate its vital documents into languages used significantly by its LEP customers.*** The Department maintains two approved processes for having written material, including required posters and signs, translated to languages other than English: The Department Office of Graphics and Design or a state-approved translation contract. Using one of these two processes ensures the quality of the translation activity. Department documents for official public use may not be translated using any other method. Work unit procedures shall identify which method for translation will be used within the work unit. The work unit procedure shall also include a listing of the documents that meet the definition of a vital document.

b. ***Each work unit shall respond to written communications from LEP customers in a manner that is consistent with the Department policy.*** Work unit procedures shall address a process to ensure that LEP customer case records are noted as LEP when work unit staff receive information from a customer in a language other than English. Work unit staff shall interact with the individual in a manner consistent with the Department LEP policy unless the customer indicates otherwise.

c. ***Each work unit should be sensitive to the literacy levels of the LEP public.*** There are situations in which the use of translated written material may not meet the needs of some Department LEP customers. Some languages are historically unwritten or some LEP customers may be illiterate in their native language. Work unit procedures must ensure that staff use the most effective means to communicate with LEP individuals. This may include either verbal or written communication.

7. **Institutional Considerations for Translation:**

a. ***Each work unit shall ensure that the public is aware of available interpretation and translation assistance.*** Each work unit shall include on all documents that are not translated into a language other than English a statement in each significantly used language indicating that all persons have the right to free language assistance and how the assistance can be obtained. This notification shall be included on all documents that are routinely disseminated to the public, including electronic text. This language shall be placed near the front of the document in a format that brings attention to it.

b. ***Each work unit shall ensure that its electronic sources for providing vital information are LEP compliant.*** The Department and each work unit shall ensure that its Web sites and other electronic sources for vital information or documents provide this information in significantly used languages other than English. Web sites shall prominently display access to non-English versions of this information on any page that may be used as the initial point of contact for LEP individuals. Web sites shall also identify methods to access language assistance free of charge.

c. ***The Department shall produce and each work unit shall readily make available to its customers, an LEP Rights pamphlet in English and all other significantly used languages.*** The pamphlet shall explain that LEP services are available from the Department free of charge and shall explain procedures for accessing these services.

d. ***Each work unit may translate non-vital documents into languages other than English, except to the extent prohibited by the Arizona Constitution, Article 28, English as the Official Language.***

8. **Training:** Training shall include a consistent message explaining why it is important for the Department to ensure that LEP customers are served in a manner consistent with the Department policy. Persons with specific knowledge of Title VI of the Civil Rights Act and the requirements contained therein shall develop this training. Training shall include, but not be limited to:

a. ***General training*** for all staff on the importance of providing services for individuals with LEP;

b. ***Work unit-specific training*** to ensure that work unit staff that deal with or are likely to have contact with Department customers are trained on the LEP policies and procedures. This includes, but is not limited to, specific training for staff who have LEP customer contact to work effectively with in-person and telephone interpreters;

c. ***Technical assistance training*** for LEP contact staff;

d. ***Management level training*** for supervisors and administrative staff assisting staff with direct customer contact.

9. **Providing notice to LEP Customers of the availability of language assistance services and outreach:** Work unit procedures shall identify how to inform LEP customers of the availability of free language assistance services. The work unit shall make the notification at the first point of contact. Notification includes signs in intake areas or other customer entry points, outreach documents such as brochures or booklets, LEP posters and pamphlets, and telephone menus in significantly used languages:

   a. The work unit shall provide the notification of free language assistance in the language of the LEP customer. LEP persons should also be advised that they may use an interpreter of their own choosing at their own expense;

   b. Consistent with its commitment to partnership and outreach, the Department engages in comprehensive outreach to ensure awareness by LEP persons of its programs and activities. Outreach includes the use of ethnic media such as radio, television, newspapers, magazines, Web sites, faith-based organizations, community-based organizations at local levels that provide social services, healthcare, and classes. Work unit procedures shall acknowledge its commitment to support Department outreach efforts in relation to the programs it administers and the services it provides;

   c. Work unit procedures shall include provisions to ensure that Web pages accessible to members of the general public include information on the availability of language assistance;

   d. The Department shall maintain copies of written documents such as flyers or pamphlets intended to be used to notify persons of language assistance. Pamphlets shall be maintained in locations in which direct service to Department customers is provided and shall be readily available to customers without the need of Department staff intervention.

10. **Monitor access to language assistance:**

   a. ***Each work unit shall institute procedures to monitor the accessibility and quality of language assistance activities for LEP customers.*** Work unit procedures shall include specific time frames and methods to reassess language assistance activities to ensure that the services provided by the work unit address the actual needs of the LEP customers based on actual experiences of the work unit. Work unit procedures shall ensure that such monitoring is completed no less than every 12 months. Work unit procedures should include a process for obtaining community and customer feedback in this activity through surveys, questionnaires, or other means. Data collection and record keeping are key to an effective monitoring and compliance system. In order to determine the validity of any language assistance complaints, it may be necessary to analyze and review data that reflect how the work unit provides services to LEP customers. Data collection also allows the work unit to obtain an overview of how their services are provided. The work unit procedure shall include data collection and record keeping requirements to ensure that these assessments are fact-based and reflect actual current activity. The work unit shall assess the effectiveness of its LEP policies based on:

      i. Current LEP populations in service areas or population or specific populations encountered;

      ii. Frequency of encounters with LEP customers;

      iii. Nature and importance of activities to LEP customers;

      iv. Availability of resources, including technological advances, additional resources, and the costs imposed;

v. Whether existing assistance is meeting the needs of the LEP customers;

vi. Whether staff know and understand the LEP procedures; and

vii. Whether identified sources for assistance are still available and viable.

Work units shall utilize the Departmental monitoring survey instrument. This tool identifies all mandatory points of review for each work unit. Work units shall forward this information and the completed survey to the DOEO and the Department's Office of Policy no less than annually for review. The DOEO will report the results to the Director.

b. ***Each work unit shall develop and maintain a data collection system that ensures the availability of data that includes the race and ethnicity of, customers served in its programs, the frequency of contact, and the primary language of those persons.*** Work unit procedures shall require the collection of data on which the work unit has based language needs assessment; the number of LEP customers, by language group, who received language services; names and classifications of staff receiving training and dates of training. Work unit procedures shall include activities that are designed to ensure that the work unit:

i. Has up-to-date information on language needs in the communities it serves;

ii. Has an adequate number of oral translators to ensure timely compliance with LEP needs;

iii. Translates vital written documents into the languages needed by the communities being served;

iv. Has adequate supplies of translated materials;

v. Trains those staff required to be trained in LEP activities; and

vi. Keeps notification material up-to-date.

Work unit procedures shall also reflect those activities that it must perform in order to comply with overall Department monitoring practices.

11. **Provision of Technical Assistance:** ***Each work unit shall identify an LEP contact for work unit staff. Work unit procedures shall include a process to ensure that LEP-related questions that arise are addressed in a timely and efficient manner.*** The LEP contact shall be available to coordinate efforts towards compliance with the Department's LEP Policy and the work unit's LEP Procedures. Work unit procedures shall, at a minimum, include a process for direct service staff to elevate LEP questions to their LEP contact. The work unit procedure shall also include timeframes for the LEP contact to respond or to elevate the question to the Director's Office of Equal Opportunity (DOEO). The DOEO shall provide technical assistance to the LEP contact or solicit additional assistance from the Director's Office or the Office of the Attorney General.

12. **Issue Resolution**

a. ***Work unit Level Process:*** Work units shall create a procedure outlining an LEP issue-resolution process that shall be used to resolve a concern or dispute arising from any action or inaction taken by Department staff in administering programs or providing services. The work unit process shall be the Level I Resolution Process.

i. The Level I procedure shall require that Department customers are advised in writing of the appropriate procedure to raise an LEP-related concern. This notification also advises the customer of their right to file a complaint at any point in time with the federal agency responsible for the program for which they are applying;

ii. Work units shall ensure that any forms needed to request review of LEP-related decisions are available at any location in which work unit customers may receive services;

iii. The work unit shall conduct the Level I procedure in a language that is understandable by the person raising the concern. The work unit shall make appropriate use of interpreter services, contracted provider services, or other resources needed to facilitate the dispute resolution process.

iv. The Level I process shall include the following:

The manager in charge at the site where an LEP related concern is filed or his or her designee will review the complaint with the assistance of the work unit LEP contact. Staff shall reduce oral complaints to writing and shall place them in the appropriate case record. At any point in the process, the manager is empowered to resolve the complaint using methods and practices outlined in the Department LEP Policy and the work unit LEP Procedures. It is the intention of the Department and the work unit that most LEP issues will be resolved at this level. The Level I resolution process shall be completed no later than three days following the day of receipt of the complaint unless the LEP customer requests a delay in the process. The manager shall ensure that all reasonable measures are pursued to immediately verbally notify the LEP customer of the outcome of the issue resolution. The Department shall provide a written confirmation of the decision within five business days.

b. ***Department Level Process:*** The Department process is initiated whenever a LEP customer expresses in writing to the Department that the work unit attempt to resolve the issue at the Level I process has not met their need. This LEP issue escalation process ensures the rights of LEP customers to have concerns resolved in their preferred language. Inherent in this process is the availability of the Department Office of Equal Opportunity to assist either the Department or the LEP customer in resolving a concern. This process conforms to other issue resolution/grievance processes in regard to required timeframes, based upon the program(s) from which the LEP customer is seeking service.

i. **Level II:** If no resolution can be reached at Level I, the notification to the LEP customer shall include the right to pursue the grievance, the timeframes, and the process request verbally or in writing an Executive Leader (EL) review and decision. The EL may request assistance from the Director's Office of Equal Opportunity (DOEO) with the cooperation of the work unit LEP contact. Level II action shall occur within five working days of receipt of the request for review of the Level I decision from the LEP customer. The Executive Leader shall ensure that the LEP customer receives written notice of the outcome of the Level II review and advise the LEP customer of the method and time frame to obtain a Level III review.

ii. **Level III:** In the rare instances where no resolution can be accomplished at the Level II review, the LEP customer may request a final decision from DOEO. If the LEP customer is not satisfied with the DOEO-proposed resolution, the DOEO will again inform the LEP customer of their rights to file with the appropriate federal agency. This process will be completed within five working days of receipt of the request for review of the Level II decision from the LEP customer.

SCOPE OF WORK
DISABILITY RELATED EMPLOYMENT SERVICES

1.0 MISSION AND VISION STATEMENTS

1.1 ADES Mission: The Arizona Department of Economic Security (ADES) promotes the safety, well being, and self sufficiency of children, adults, and families.

1.2 ADES Vision: Every child, adult, and family in the State of Arizona will be safe and economically secure.

1.3 Arizona Rehabilitation Services Administration (RSA) Mission for Vocational Rehabilitation (VR) Program: To assist individuals with disabilities to achieve economic self-sufficiency through meaningful and sustained employment.

2.0 PURPOSE

2.1 The purpose of this contract is to purchase Disability Related Employment Services that will assist RSA clients in preparing for, obtaining, and maintaining competitive employment in integrated work environments consistent with the client's selected vocational goal, abilities, capabilities, interests, and informed choice. These services were previously contracted as Job Development and Placement, Supported Employment and Performance Based Employment Services.

2.2 Legal Authority. A.R.S. § 41-1954. A.6 provides ADES the authority to contract and incur obligations within the general scope of its activities and operations. RSA is authorized to provide these services under the Rehabilitation Act of 1973, as amended, and its implementing regulations (34 CFR 361.48 Scope of Vocational Rehabilitation Services for Individuals with Disabilities), and A.R.S. § 23-503 Duties and Powers of Vocational Rehabilitation Division (i.e. Administration). RSA is authorized to purchase this service based on the RSA Fee Schedule in accordance with Arizona Revised Statute 41-1954 G. 6.

2.3 Projected Utilization. These services are provided on an as needed basis. There is no guarantee of the number of referrals to be issued by RSA.

3.0 SERVICE DESCRIPTION

3.1 Arizona Taxonomy. Employment Services provide activities and assistance in support of finding, entering or retaining a job for individuals or groups.

3.2 Definitions (Exhibit A)

3.3 Disability Related Employment Services include the following:

1. **Client Service Planning** service includes development of a Client Service Plan that identifies the service objectives with regards to outcome achievement.

2. **Track A: Job Development and Placement and Job Retention (Non-Supported Employment)** services are intended for clients who require a full range of job readiness, job development, job placement and job retention services with minimal job coaching. Depending upon the specific needs of the client, services may include job seeking skills training, assistance with self-directed job search techniques, employer expectations, resume writing, interview skills/mock interviews, job site development specific to the chosen career goal, activities to discover and develop employment opportunities for clients, selective job placement through job analysis, work site analysis for needed accommodations, direct job placement, job coaching and other follow up services with the client (on-site and/or off-site support) to ensure the client's successful employment retention.

3. **Track B: Job Development and Placement and Job Retention (Supported Employment)** services are intended for clients who are eligible for Extended Supported Employment services following the vocational rehabilitation program. Track B services include a full range of job readiness, job development, job placement and job coaching and job retention support. Depending upon the specific needs of the client, services may include job seeking skills training, assistance with self-directed job search techniques, employer expectations, resume writing, interview skills/mock interviews, job site development specific to the chosen career goal, activities to discover and develop employment opportunities for clients, selective job placement through job analysis, work site analysis for needed accommodations, direct job placement, job

coaching and other follow up services with the client (on-site and/or off-site support) to ensure the client's successful employment retention. Post placement job coaching support is provided on an individual basis.

4. **Track C: Enclave Employment Support and Retention** services are intended for clients who are eligible for Extended Supported Employment services following the vocational rehabilitation program and who require more intensive support than is provided by individual placement approaches. Services involve direct work supervision in a group work setting that includes two or more individuals and any support needed to sustain employment stability.

5. **Post Employment** services are intended for clients whose cases have previously been successfully closed by RSA, but have returned for short-term job replacement or job coaching assistance. Depending upon the specific needs of the client, services may include: job replacement, job coaching and follow ups with the client.

3.4 The Contractor shall provide services under one or all Tracks as indicated by the Contractor on the RSA Fee Schedule Application (Attachment 1).

3.5 Disability Related Employment Services are **not** intended to:
1. Assess the client's vocational skills or conduct a situational assessment;
2. Teach specific vocational skills;
3. Provide therapeutic or other counseling interventions to address significant behavioral or psychological issues;
4. Provide extended supported employment services.

3.6 Service Eligibility. Eligibility for these services is determined by RSA Counselors (hereafter referred to as Counselor). RSA purchases Disability Related Employment Services only when RSA Counselors or other public resources (such as the Arizona Job Services and Workforce Investment, Comprehensive One Stop Centers, etc.) are unable to meet the needs of those individuals. Referral for Disability Related Employment Services is made only if the client and the Counselor agree that:
1. The client has selected a vocational goal and is ready for employment;
2. Additional Disability Related Employment Services are needed, and
3. The Departmental resources are not adequate to meet the client's needs.

3.7 Background Information. The Rehabilitation Services Administration is the administration within ADES that provides Vocational Rehabilitation (VR) services to individuals with physical, mental, or emotional disabilities to assist them in achieving permanent, integrated, and competitive employment consistent with their strengths, resources, priorities, concerns, abilities, capabilities, interests and informed choice.

4.0 SERVICE REQUIREMENTS

The Contractor shall:

4.1 Ensure that all services provided are culturally relevant and linguistically appropriate to the population to be served.

4.2 Schedule a **service planning** meeting within ten (10) business days upon receipt of a written RSA Purchase Authorization and a referral for services packet from a Counselor. This face to face meeting is required and includes the client, the Counselor and the Contractor. The purposes of the service planning meeting are to determine and document:
1. The extent of the client's job readiness skills and his/her ability to meet the varied requirements of the occupation that is chosen by the client in his/her Individualized Plan for Employment (IPE) ;
2. Whether the client and the Contractor choose to work together as a team;
3. Potential client specific job site accommodations needed;
4. The results of Social Security benefit counseling if any;
5. The Client Service Plan (Exhibit B).

4.3 Initiate **service provision** for services listed in the Client Service Plan within ten (10) business days after receipt of a written RSA Purchase Authorization. RSA Purchase Authorizations will be issued for each service and/or outcome. Verbal authorizations are not permitted.

4.4 Utilize modified equipment, fixtures, material or any other aids deemed necessary in order to meet the physical, mental or sensory needs of the client and in respect to cultural, gender, and lifestyle differences.

4.5 Notify the referring RSA staff verbally within one business day if the client is encountering serious difficulties and problems that interfere with successful completion of the agreed upon objective(s).

5.0 QUALIFICATION REQUIREMENTS

The Contractor shall ensure that its personnel meet the following requirements:

5.1 Personnel who supervise the services provided under this contract and prepare progress reports shall meet the following criteria:

1. A Master's Degree in a related field (e.g., Rehabilitation Counseling, Psychology, Sociology, Education, etc.) and documentation of one (1) year of full time employment working with individuals with disabilities; or
2. A Bachelor's degree in a related field (e.g. Rehabilitation Counseling, Psychology, Sociology, Education, etc.) and documentation of three (3) years full time employment in working with individuals with disabilities; or
3. A high school diploma or GED and documentation of seven (7) years full time employment in working with individuals with disabilities.

5.2 Personnel who provide direct client services which are considered less technical in nature shall meet the following criteria:

1. Have a high school diploma or G.E.D., and
2. Have one (1) year of documented experience, preferably working with individuals with disabilities and involved in the provision of vocational rehabilitation services including job development and/or coaching, and
3. Have knowledge and competency by evidence of documented training and/or work experience, gained within one year of their hiring date, in the following areas:
   a. Work Behavior-Support Training
   b. Development and use of "Natural Supports" in the workplace
   c. Job Analysis, Job Development and Marketing to employers of RSA clients' abilities
   d. Ethics and Boundaries
   e. Disability awareness
4. Be under the direction and supervision of personnel who meet the criteria in 5.1 above.

5.3 Meet a variety of needs of RSA clients, including clients with intensive behavioral, physical, and medical challenges.

5.4 Communicate, either directly or through the assistance of professional services, in the native language of clients who have limited speaking ability or English is not their primary language and use all other appropriate and effective modes of communications used by clients (e.g., Spanish language, American Sign Language, etc.).

1. Arrange for and purchase, if applicable, qualified professional interpreting services. The only exception to this is that RSA will purchase and arrange for qualified professional interpreting services for the service planning meetings and client job interviews.

6.0 ADMINISTRATIVE REQUIREMENTS

The Contractor shall:

6.1 Ensure that client case records include the RSA Referral for Services, RSA Purchase Authorization, Client Service Plan, other applicable reports, records of services provision, date(s) of follow-up meetings(s) with the RSA staff, notes from meetings, personnel time log of service provision, client's attendance logs, and client's satisfaction surveys.

6.2 Ensure that its personnel records include:

1. Copies of all current licenses and/or certifications,
2. A current organizational chart that outlines the functional structure of the organization, including all program areas and staff positions, and
3. Current written job descriptions, which include minimum qualifications for training and experience, for each position that shall be utilized in the provision of a service under the contract, and current résumés/applications for each person who will provide direct client services.

6.3 Maintain a quality management plan in order to continuously monitor the delivery of services and to ensure that the service provision meets the client's objectives.

1. Have the management plan on file and make the plan available to ADES upon request. The management plan shall contain elements that address the following:
    1. Incident management, corrective action and preventions;
    2. Complaints and grievances;
    3. Monitoring and evaluation of the service provision (i.e., measurement of outcomes as it relates to the client's objectives) and the improvement of the quality of services;
    4. Routine monitoring of its personnel and subcontractors to ensure the effectiveness of the relationship between the client and direct service personnel; and
    5. Soliciting input from clients to evaluate the effectiveness of the service provision by providing each client with a client satisfaction survey. The survey shall measure client satisfaction with services provided, goals obtained, and staff interaction, and their role in decision making process.

6.4 Adhere to the Contractor Code of Conduct (Exhibit C).

6.5 Adhere to the requirements of the Rehabilitation Act and its implementing regulations 34 CFR 361.51 Standards for facilities and providers of services.
http://www.access.gpo.gov/nara/cfr/waisidx_02/34cfr361_02.html

6.6 Adhere to Client Transportation Requirements (Exhibit D) if a client is being transported by the Contractor during the service provision.

7.0 SERVICE OUTCOMES

7.1 **Client Service Planning.** The outcome for this service includes a signed Client Service Plan that identifies the service objectives and agreements with regards to outcome achievement. The Client Service Plan is negotiated and developed during the initial face-to-face service planning meeting and is signed by the client, the Counselor and the Contractor.

7.2 **Track A: Job Development, Placement and Retention (Non-Supported Employment)**

1. The required outcomes for Track A are:
    1. Job Placement which meets the following criteria:
        1. The client is competitively employed in a job, for minimum of three (3) days , that is consistent with his/her vocational goal as specified in the client's current Individualized Plan for Employment (IPE); and
    2. Successful Employment Retention which meets the following criteria:
        1. The client is working successfully at a job that is consistent with his/her vocational goal as specified in the client's current IPE and maintains the agreed-upon minimum work hours without supplemental job coaching supports, and;
        2. The client is determined to be stable, as evidenced by maintaining successful employment consistent with the vocational goal as specified in the client's current IPE for a period of at least 90 days after job placement outcome has been achieved, and;
        3. The client, the Counselor, and the Contractor consider the employment outcome to be satisfactory and agree that the client is performing well on the job.

2. If a client is referred for Employment Retention ONLY (already has a job) then the required outcome for Track A is:
    1. Successful Employment Retention which meets the following criteria:
        1. The client is working successfully at a job that is consistent with his/her vocational goal as specified in the client's current IPE and maintains the agreed-upon minimum work hours without supplemental job coaching supports, and;
        2. The client is determined to be stable, as evidenced by maintaining successful employment consistent with the vocational goal as specified in the client's current IPE for a period of at least 90 days after job placement, and;
        3. The client, the Counselor, and the Contractor consider the employment outcome to be satisfactory and agree that the client is performing well on the job.

7.3 **Track B: Job Development, Placement and Retention (Supported Employment)**

1. The required outcomes for Track B are:

1. Job Placement which meets the following criteria:
   1. The client is competitively employed in a job, for minimum of three (3) days, that is consistent with his/her vocational goal as specified in the client's current Individualized Plan for Employment (IPE); and
2. Successful Employment Retention which meets the following criteria:
   1. The client has successfully transitioned to extended supported employment services as agreed by the VR Counselor, the client, the extended supported employment services funder, and the Contractor, and;
   2. The client has maintained successful employment consistent with the vocational goal as specified in the client's current IPE for a period of at least 90 days after the job placement outcome has been achieved, and;
   3. The client, the Counselor, and the Contractor consider the employment outcome to be satisfactory and agree that the client is performing well on the job.

2. If a client is referred for Employment Retention ONLY (already has a job) then the required outcome for Track B is:
   1. Successful Employment Retention which meets the following criteria:
      1. The client has successfully transitioned to extended supported employment services as agreed by the VR Counselor, the client, the extended supported employment services funder, and the Contractor, and;
      2. The client has maintained successful employment consistent with the vocational goal as specified in the client's current IPE for a period of at least 90 days after the job placement outcome has been achieved, and;
      3. The client, the Counselor, and the Contractor consider the employment outcome to be satisfactory and agree that the client is performing well on the job.

7.4 **Track C: Enclave Employment Support and Retention**

The outcomes for Track C include:

1. Successful Employment Retention which meets the following criteria:
   1. The client successfully transitioned to extended supported employment services, and;
   2. The client has maintained successful employment consistent with the vocational goal as specified in the client's current IPE for a period of at least 90 days after placement in the group setting.
   3. The client, the Counselor, and the Contractor consider the employment outcome to be satisfactory and agree that the client is performing well on the job.

7.5 **Post Employment Services**

The outcomes for this service include:

1. The client is successfully employed; and
2. The client, the Contractor and the Counselor agree that the client is stable at work and that the outcomes stated in the Client Services Plan have been achieved.

8.0 **CONTRACTOR PERFORMANCE EVALUATION**

8.1 ADES will monitor and evaluate the Contractor's performance in achieving the service outcomes and compliance with the terms and conditions of this contract through on-site visits and through data gathered from the Contractor's claims for payment and required forms documenting achievement of outcomes and provision of service.

8.2 The Contractor shall meet the following minimum acceptable performance standards during a contract year:

1. **Performance Standard #1**: Acceptance Rate: At a minimum, 80% of referrals for service (as measured by the issuance of an RSA authorization to the Contractor for a Client Service Plan which is included in the client referral packet) will result in a signed Client Service Plan.
2. **Performance Standard # 2**: Successful Employment Retention: At a minimum, 60% of clients whose cases have closed to the Contractor will have achieved the Successful Employment Retention Outcome with that contractor.

8.3 Clients served under Post Employment (refer to Section 7.5), will not be included when calculating the performance standards.

8.4 If the Contractor becomes the employer of record for the client:

1. The service provision stops at job placement and no further payment will be issued to the Contractor beyond Job Placement Outcome but these clients will be included when calculating the performance standards.
2. This requirement does not apply to Track C – Enclave Support and Retention (refer to Section 7.4).

9.0 PAYMENT

9.1 Payment for Disability Related Employment Services will be made in accordance with the RSA Fee Schedule . The fees indicate the maximum payment rates.

9.2 Payment rates are all inclusive, which means they include the Contractor's staff time, administrative cost, research, report preparation, travel time and mileage, time lost due to client missed appointment ("no shows") and other cost associated with the service provision. RSA will not pay for these costs separately.

9.3 Payment rates available under this contract include:

9.3.1 **Outcome Rates**

1. Outcome rates are available for the following services:
   1. Client Service Plan (Track A, Track, B, Track C and Post Employment Services);
   2. Job Placement Outcome (Track A, Track B);
   3. Successful Employment Retention Outcome (Track A, Track B and Track C).
2. Payment for an outcome will be made as follows:
   1. After the client achieves each authorized outcome and the required documentation (as stated in Section 10. Reporting Requirements) has been submitted following outcome completion and accepted by the Counselor.
   2. Payment for the Job Placement and Successful Employment Retention Outcomes will be made only once to the Contractor per client case.
   3. Payment for the Client Service Plan Outcome may be made more than once.

9.3.2 **Hourly Rate**

1. Hourly rates are available for the following services:
   1. Job Development and Placement and Job Retention Services–Individual Setting (Track A and Track B)
   2. Job Development and Placement Services–Group Setting (Track A and Track B)
   3. Post Employment services.
2. Hourly Rate means One (1) Hour or sixty (60) minutes of time or increment thereof spent in providing services to one client. The Contractor may round the total time spent with the client to the nearest quarter of an hour (15 minutes). Example: 22 hours and 15 minutes = 22.25 hours; 22 hours and 30 minutes = 22.5 hours; 22 hours and 45 minutes = 22.75 hours
3. Individual setting means that Job Development and Placement and Job Retention services are provided to one RSA client and this includes:
   1. Direct contacts with clients, employers and/or Counselors, either face to face or using other communication methods (e.g. phones calls) provided that service provision lasted longer than fifteen (15) minutes.
   2. Routine follow up calls lasting less than fifteen (15) minutes. are not billable.
   3. Client Service Planning meetings are not billable on an hourly basis.
4. Group setting means that Job Development and Placement service are provided to one RSA client who may be in a group of two (2) or more clients simultaneously receiving same service (e.g. classes for resume and interview skills development, etc.) These services do not include Track C Supported Employment- Group Placement setting (see Section 9.3.3)
5. For authorized hourly compensated services, invoices shall be submitted on a monthly calendar basis for services provided and reports attached as per Section 10. Reporting Requirements.

9.3.3 **Daily Rate**

1. Daily rate is available for Enclave Support services (Track C).
2. Daily rate means that one RSA client receives more than 3 consecutive hours of support services in a work setting with two or more individuals that are part of the same cluster/enclave. The Contractor shall bill for half day increments (0.5 units) when a client is in attendance in a group setting for three hours or less on a given calendar day. The daily rate is the same for whole or half days. At the end of the reporting period, the Contractor shall add up all WHOLE days and HALF days of the client's attendance. The days shall not be rounded.
3. For authorized daily compensated services, invoices shall be submitted on a monthly calendar basis for services provided and reports attached as per Section 10. Reporting Requirements.

10.0 REPORTING REQUIREMENTS

10.1 The Contractor shall submit the following program reports along with a Contractor Invoice Form (Exhibit J) to RSA Payment and Billing Unit; PO BOX 6877 Phoenix AZ 85005 within fifteen (15) calendar days after an outcome is achieved or within fifteen (15) calendar days following the month in which authorized services were provided:

1. Client Service Planning
   1. *Client Service Plan* (Exhibit B).

2. Track A: Job Development, Placement and Retention (Non-Supported Employment)
   1. For Job Development, Placement or Retention hours provided (either Individual or Group): *Monthly Service Report* (Exhibit E).
   2. For Job Placement Outcome: *Job Placement Report* (Exhibit F). The Contractor shall also submit a copy of the completed report to the Counselor within five (5) calendar days following job placement.
   3. For Successful Employment Retention Outcome: *Successful Employment Retention Report* (Exhibit G).

3. Track B: Job Development, Placement and Retention (Supported Employment)
   1. For Job Development, Placement or Retention hours provided (either individual or group): *Monthly Service Report* (Exhibit E).
   2. For Job Placement Outcome: *Job Placement Report* (Exhibit F). The Contractor shall also submit a copy of the completed report to the Counselor within five (5) calendar days following job placement.
   3. For Successful Employment Retention Outcome: *Successful Employment Retention Report* (Exhibit G).

4. Track C: Enclave Employment Support and Retention
   1. For Enclave Support days provided: *Monthly Service Report* (Exhibit E).
   2. For Successful Employment Retention Outcome: *Successful Employment Retention Report* (Exhibit G).

5. Post Employment
   1. For Post Employment hours provided: *Monthly Service Report* (Exhibit E).
   2. For Job Placement Outcome: *Job Placement Report* (Exhibit F). The Contractor shall also submit a copy of the completed report to the Counselor within five (5) calendar days following job placement.

6. Service Closure (Client no longer being served by the Contractor)
   1. *Service Closure Report* (Exhibit H) within five (5) calendar days of the client's case closure including the reasons for closure after services are terminated for any reason. Contractor service closure may occur at any point after the Client Services Plan is signed and it can be initiated by Contractor, Client or Counselor.

7. Counselor Communication
   Provide updates of client progress either verbally or in writing as requested by the Counselor.

8. Unusual Incidents
   1. Report unusual incidents verbally within one (1) business day of the occurrence and a written report of the unusual incident shall be submitted within three (3) business days to the referring Counselor. Unusual incidents include, but are not limited to:
      a. Death of a client;
      b. Alleged neglect, abuse, mistreatment or exploitation of a client (by anyone);
      c. When the Contractors suspects that a client may be missing;
      d. Suicide attempts by the client;
      e. Client might pose a threat to the physical or emotional well-being of an individual or Contractor's staff.

10.2 The Contractor shall submit *Quarterly Reports* (Exhibit I) to the RSA Contracts Unit Manager within fifteen (15) days following the end of each calendar quarter along with a copy of *Service Closure Report* (Exhibit H) for each client. The *Quarterly Report* is in an Excel spreadsheet format and all data must be entered directly by the Contractor. Completed *Quarterly Reports* shall be submitted by email.

10.3 Other Reports

1. RSA reserves the right to request the Contractor to submit additional or revised reports related to the service provision and contract performance.
2. Reporting Requirements may change during the contract term. The Contractor will be notified about any change in reporting forms by mail.
3. The Contractor shall submit current certificates of insurance as required in the ADES Special Terms and Conditions to:
   Arizona Department of Economic Security
   RSA Contracts Unit Manager
   PO BOX 6123 Site Code 930A, Phoenix, AZ 85005

10.4 Any form referenced in this contract may be revised by RSA.

11.0 RSA Fee Schedule

11.1 RSA Fee Schedule
For Years 1 and 2 Effective July 1, 2011 and Ending June 30, 2013

Track A: Job Development, Placement and Retention (Non-Supported Employment)

Service/Outcome	Payment Unit	Rate	Reporting Requirements
Client Service Plan	One Client Service Plan	$100	Client Service Plan
Job Development and Placement Services – Individual Setting	One Hour	$30	Monthly Services Report
Job Retention Services – Individual Setting	One Hour	$30	Monthly Services Report
Job Development and Placement Services – Group Setting	One Hour	$10	Monthly Services Report
Job Placement Outcome	One Job Placement	$750	Job Placement Report
Successful Employment Retention Outcome	One Successful Employment Retention	$1,000	Successful Employment Retention Report

Track B: Job Development, Placement and Retention (Supported Employment)

Service	Payment Unit	Rate	Reporting Requirements
Client Service Planning	One Client Service Plan	$100	Client Service Plan
Job Development and Placement Services – Individual Setting	One Hour	$30	Monthly Services Report
Job Retention Services – Individual Setting	One Hour	$30	Monthly Services Report
Job Development and Placement Services – Group Setting	One Hour	$10	Monthly Services Report
Job Placement Outcome	One Job Placement	$1,100	Job Placement Report
Successful Employment Retention Outcome	One Successful Employment Retention	$1,350	Successful Employment Retention Report

Track C: Enclave Employment Support and Retention

Service	Payment Unit	Rate	Reporting Requirements
Client Service Planning	One Client Service Plan	$100	Client Service Plan
Enclave Employment Support and Retention	One Day	$25	Monthly Services Report
Successful Employment Retention Outcome	One Successful Employment Retention	$1,200	Successful Employment Retention Report

Post Employment Services

Service	Payment Unit	Rate	Reporting Requirements
Client Service Planning	One Client Service Plan	$100	Client Service Plan
Job Replacement	One Hour	$50	Post Employment Report

11.2 RSA Fee Schedule
For Year 3 Effective July 1, 2013 and Ending June 30, 2014

Track A: Job Development, Placement and Retention (Non-Supported Employment)

Service/Outcome	Payment Unit	Rate	Reporting Requirements
Client Service Plan	One Client Service Plan	$100	Client Service Plan
Job Development and Placement Services – Individual Setting	One Hour	$20	Monthly Services Report
Job Retention Services – Individual Setting	One Hour	$20	Monthly Services Report
Job Development and Placement Services – Group Setting	One Hour	$10	Monthly Services Report
Job Placement Outcome	One Job Placement	$1250	Job Placement Report
Successful Employment Retention Outcome	One Successful Employment Retention	$1,500	Successful Employment Retention Report

Track B: Job Development, Placement and Retention (Supported Employment)

Service	Payment Unit	Rate	Reporting Requirements
Client Service Planning	One Client Service Plan	$100	Client Service Plan
Job Development and Placement Services – Individual Setting	One Hour	$20	Monthly Services Report
Job Retention Services – Individual Setting	One Hour	$20	Monthly Services Report
Job Development and Placement Services – Group Setting	One Hour	$10	Monthly Services Report
Job Placement Outcome	One Job Placement	$1,600	Job Placement Report
Successful Employment Retention Outcome	One Successful Employment Retention	$1,850	Successful Employment Retention Report

Track C: Enclave Employment Support and Retention

Service	Payment Unit	Rate	Reporting Requirements
Client Service Planning	One Client Service Plan	$100	Client Service Plan
Enclave Employment Support and Retention	One Day	$25	Monthly Services Report
Successful Employment Retention Outcome	One Successful Employment Retention	$1,200	Successful Employment Retention Report

Post Employment Services

Service	Payment Unit	Rate	Reporting Requirements
Client Service Planning	One Client Service Plan	$100	Client Service Plan
Job Replacement	One Hour	$50	Post Employment Report

Exhibit A

Disability Related Employment Services
DEFINITIONS

1. *Competitive Employment*: Work in the competitive labor market that is performed on a full-time or part-time basis in an integrated setting and for which an individual is compensated at or above the minimum wage, but not less than the customary wage and level of benefits paid by the employer for the same or similar work performed by individuals who are not disabled. Wages are paid by the employer, not the Contractor.

2. *Extended Supported Employment:* Ongoing services needed to support and maintain an individual with a disability in employment after the VR program terminates employment support services.

3. *Individualized Plan for Employment (IPE):* An individualized plan is developed and implemented with each eligible client to whom the RSA is able to provide services. Services are provided in accordance with the provisions of the IPE. The IPE is designed to achieve a specific employment outcome that is selected by the client consistent with the individual's unique strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice.

4. *Informed Choice* as defined by the Rehabilitation Act of 1973, as amended, and it's implementing regulations (34CFR 361.52). See link below:

   http://www.access.gpo.gov/nara/cfr/waisidx_02/34cfr361_02.html

5. *Integrated Employment*: Employment in which individuals with disabilities interact with non-disabled individuals (other than support staff) to the same extent that non-disabled individuals in comparable positions interact with other persons.

6. *Integrated Setting:*
   (i) With respect to the provision of services, means a setting typically found in the community in which applicants or eligible individuals interact with non-disabled individuals other than non-disabled individuals who are providing services to those applicants or eligible individuals;
   (ii) With respect to an employment outcome, means a setting typically found in the community in which applicants or eligible individuals interact with non-disabled individuals, other than non-disabled individuals who are providing services to those applicants or eligible individuals, to the same extent that non-disabled individuals in comparable positions interact with other persons. (34 CFR 361.5(b)(33))

7. *Successful Employment*: A client is considered to be successfully employed when they have entered or retained full-time or, if appropriate, part-time competitive employment in the integrated labor market, in supported employment, or any other type of employment, including self-employment, telecommuting, or business ownership, that is consistent with an individual's strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice.
   1. When a client, who is in *competitive employment,* has been placed on the employer's payroll:
      1. The employment shall be consistent with the client's abilities, capabilities, interests, and informed choice;
      2. The employment shall be in the most integrated setting possible, consistent with the client's informed choice;

Disability Related Employment Services
DEFINITIONS

3. The client is no longer dependent on Vocational Rehabilitation for payment of supported employment services.

2. *Successful Employment* does NOT include: employment of an inmate within a correctional facility; employment in a non-integrated or sheltered setting; work under an On the Job Training (OJT) contract; involvement in a Work Experience Program or volunteer program; involvement in Job Corps; work for a Temporary Employment Agency unless this type of employment setting is the pre-identified client's goal.

8. *Successful Employment Retention* means:
   1. The client maintains successful employment for a period of at least 90 days after placement in successful employment.
   2. The client and the VR counselor consider the employment outcome to be satisfactory and agree that the client is performing well on the job.
   3. When a client's employment is different from what was planned on the Individualized Plan for Employment, the counselor must agree that all closure criteria have been met.

Exhibit B

Disability Related Employment Services
CLIENT SERVICE PLAN

Section I: Basic Information

Date of Service Plan Meeting:
Client Name: Last: First:
Client's Guardian/Representative Name (if applicable):
Contractor's Name:
Contract Number: RSA Purchase Authorization Number
Contractor's Representative Present at Service Plan Meeting:
Counselor Present at Service Plan Meeting:

Section II: Assessment Summary

Client's vocational goal(s):
Is client seeking full or part-time employment? ☐ Full-time ☐ Part-time If part-time work is the goal, provide explanation? Work schedule preference (i.e. weekdays, weeknights, weekends, etc) :
Will the client require special accommodations or supports on the job? ☐ Yes ☐ No *If "Yes", please describe*:
Are there significant barriers that need to be addressed to ensure successful employment? ☐ Yes ☐ No *If "Yes", please describe:*
Client has received benefits counseling, if applicable: ☐ Yes ☐ No If "No", when will this be done and by whom?

Section III: Planned Services

Check applicable service type to be provided to the client:

- ☐ Track A: Job Development, Placement and Retention (Non-Supported Employment)
- ☐ Track B: Job Development, Placement and Retention (Supported Employment)
- ☐ Track C: Enclave Employment Support and retention
- ☐ Post Employment

Anticipated start date of service:

Exhibit B

Disability Related Employment Services
CLIENT SERVICE PLAN

Track A and B Outcome/Service	**Activities**	**Anticipated Number of Hours**	**Expected Completion Date**
Job Development and Placement	☐ Job market and wage analysis ☐ Job search skill development ☐ Identification of employers and job sites ☐ Negotiate position modifications (carve-out) with employer in order to accommodate client's needs ☐ Assistive technology and worksite modifications analysis and plan development ☐ Other (Specify):		
Successful Employment Retention	☐ Maintain on-going contact with client and employer to ensure job satisfaction and to assist in issue resolution as needed to achieve employment stability ☐ Other (Specify):		

Track C Outcome/Service	**Activities**	**Anticipated Number of Days**	**Expected Completion Date**
Enclave Support	☐ Support in a group setting with 2 or more clients supervised by contractor staff. ☐ Training and coaching support to achieve employment stability ☐ Other (Specify):		

Post Employment Outcome/Service	**Activities**	**Anticipated Number of Hours**	**Expected Completion Date**
Post Employment Services	☐ Job Replacement ☐ Job Retention Support ☐ Other (Specify):		

Section IV: Signatures

By signing this form:

- The Client and/or their guardian/representative, the Contractor and the Counselor, agree to work together as a team to achieve the client's successful employment specified in this document
- The Client and/or their guardian/representative, confirm that they fully understand the following :
  1. The Client's needs to be actively involved and working toward successful employment.
  2. The possible impact of employment on their SSI/SSDI benefits, and that it is their responsibility to report their earnings to the Social Security Administration (SSA) each month.

Client Signature (If not available, explain):	Date:
Client's Guardian/Representative Signature (If applicable):	Date:
Counselor Signature:	Date:
Contractor Representative Signature:	Date:

Exhibit C

CODE OF CONDUCT

The Contractor, its personnel, subcontractors and any other individuals on the Contractor's premises shall adhere to the following:

1. Represent himself/herself accurately to RSA clients and shall not mislead the clients regarding the Contractor's relationship with ADES/RSA, or mislead the clients regarding the Contractor's skills, capabilities or credentials.
2. Collaborate with RSA staff and other service providers (if applicable) in the best interest of the clients and, to the extent possible, avoid disagreements that might have adverse effects on the clients. When collaborating with other community agencies that serve the same client(s), abide by the decisions that were agreed upon by all of the involved parties and assist in implementing such decisions which are consistent with applicable laws, regulations, rules and policies.
3. Ensure at all times that client information is used only for the purpose of fulfilling contractual responsibility and is not released to any other individual, agency, or organization. Confidential information and reports obtained, purchased, and paid for under this contract shall never be shared without the expressed permission from the RSA client and the RSA staff assigned to the client's case.
4. Develop and maintain confidentiality policy statement and establish procedures that restrict access to confidential client records and information. This provision shall not be construed to limit the right of RSA staff or other authorized representative(s) to access client case records and information pertinent to the provision of the contracted service.
5. Ensure that RSA clients are safeguarded and supervised by the Contractors' personnel assigned to provide the contracted service at all times when on the Contractor's premises.
6. Always act in a professional manner, honor commitments, treat RSA clients with respect, dignity, and courtesy, and project a positive attitude.
7. NEVER:
   i. Engage in any form of intimate and sexual activity with an RSA client.
   ii. Enter into any business partnership with an RSA client.
   iii. Employ authority or influence with RSA clients for the benefit of third parties, including the client's family or friends.
   iv. Exploit the client's trust in the Contractor or its personnel for any purpose.
   v. Accept any commission, rebates, or any other form of remuneration when serving RSA clients, except payment for service provided from RSA.

Exhibit D

CLIENT TRANSPORTATION REQUIREMENTS

1.1 The Contractor may provide transportation for the client, dependent(s) and/or care-givers for the purpose of the client's participation in service provision;

1.2 Transposition cost is the responsibility of the Contractor.

1.3 If the Contractor and/or its personnel provides its own vehicular transportation of clients, their dependents and/or care-givers, or uses a private provider or volunteer-driven vehicles to transport clients, their dependents and/or care-givers, in addition to the requirements specified in A.C.C. R9-20-212 and 213, and all applicable Federal, State and local laws, rules and regulations, the following shall apply:

1. No client, dependent and/or care-giver shall be transported in portions of the vehicles not constructed for the purpose of transporting people, such as truck beds, campers, or any trailered attachment to a motor vehicle;
2. Assist the client, dependent(s) and/or care-giver(s) to enter and exit the vehicle as is necessary;
3. Ensure that all individuals are properly seated and seat belts are securely fastened by means of age- and weight-appropriate restraints when the vehicle is in operation;
4. Child safety restraint seats shall be used in accordance with ARS § 28-907.
5. Ensure that client, dependent(s) and/or care-giver(s) do not stand or sit on the floor while the vehicle is in motion; Vehicle doors shall remain locked at all times when the vehicle is in motion;
6. Povide a safe vehicle loading and unloading area, away from moving traffic and hazardous obstructions;
7. Provide adapted vehicles for clients and/or care-givers with special mobility;
8. Escort all persons, under the age of 18 and without an adult in accompaniment, to their final destination and not leave them unattended.
9. Report any traffic accident involving any client, dependent and/or care-giver being transported by the Contractor, its transport contractor or contractor personnel, volunteers, or interns utilizing personal vehicles; The accident shall be verbally reported the same day of the occurrence to the referring ADES staff. A legible, written report of the accident shall be submitted within three (3) business days.

1.4 All vehicles used for this service shall:

1. Have valid registration and license plates.
2. Have at least the minimum level of insurance required by the State of Arizona.
3. Be constructed for the safe transportation of persons. All seats shall be securely fastened to the body of the vehicle.

1.5 Vehicles used to transport clients in wheelchairs shall be equipped with floor-mounted seat belts and wheelchair lock-downs for each wheelchair that it transports.

1.6 Ensure the following:

1. Individuals providing transportation shall be a minimum of eighteen (18) years of age and possess a valid Operator's License or Chauffeur's License.
2. Verification of the driving record for any individual who will be providing transportation services to assure no revocation or suspension of his or her license within the last three (3) to five (5) years.
3. Provide an Identification Card to all persons providing transportation, whether paid or volunteer;

1.7 Contractor may utilize public transportation services for transporting the client alone, depending upon the age and developmental ability of the client to utilize this service on his/her own.

1. Payment for the public transportation service is the responsibility of the Contractor. The referring ADES staff must be in agreement with the use of public transportation prior to this occurring.

Exhibit E

Disability Related Employment Services
MONTHLY SERVICE REPORT

SECTION I: BASIC INFORMATION

Report Date:	**Report Date:** Month Year

Client Name: Last:	First:
Contractor Name:	
Contract Number:	RSA Purchase Authorization Number:
Counselor Name:	

Check applicable service: Track A Track B Track C Post Employment Services (PES)

Job Development and Retention (Track A & B or PES) – Individual hours	# of hours authorized
Job Development and Placement (Track A & B) – Group hours	# of hours authorized
Enclave Employment Support and Retention (Track C)	# of days authorized

SECTION II: CLIENT PROGRESS UPDATE

Describe client progress in achieving Service Plan objectives. Include specific examples of progress:

Identify any issues that client is encountering or any concerns and/or recommendations:

Section II: Signatures

Client Signature (If not available, explain):	Date:
Client's Guardian/Representative Signature (If applicable):	Date:
Contractor's Signature:	Date:

1-26-11 vp

Exhibit E

Disability Related Employment Services
MONTHLY SERVICE REPORT

SECTION III: SERVICE PROVISION

Date	Activities /Services Provided	Number of units
Job Development and Placement Services – Individual Hourly		
	Total	
Job Development and Placement Services – Group Hourly		
	Total	
Job Retention Services – Individual Hourly		
	Total	
Enclave Employment Support and Retention - Day		
	Total	
Post Employment – Individual Hourly		
	Total	

1-26-11 vp

Exhibit F

Disability Related Employment Services
JOB PLACEMENT REPORT

SECTION I: BASIC INFORMATION

Report Date:

Client Name: Last:	First:
Contractor Name:	
Contract Number:	RSA Purchase Authorization Number:
Counselor Name:	

SECTION II: EMPLOYMENT INFORMATION

Check applicable box: ☐ Individual Placement	☐ Group Placement
Check applicable box: ☐ Original Placement	☐ Change in Placement
Employment Start Date:	Date Job Placement Outcome Achieved (3rd day on job):
Job Title:	
Employer Name:	
Employer Contact Name and Title:	
Employer Address: Employer Phone:	
Hours worked per week:	Hourly Rate of Pay:
Benefits Available: ☐ Yes ☐ No If yes, please indicate: ☐ Health Insurance ☐ Sick Leave ☐ Vacation ☐ Retirement/Pension Plan	Are the wages and level of benefits the same or more than that paid by the employer for same or similar work performed by non-disabled individuals? ☐ Yes ☐ No Specify verification source:
Job Duties:	
Job modifications? ☐ Yes ☐ No ☐ Not Applicable If yes, please describe:	

SECTION III: SIGNATURES

Client Signature (If not available, please explain):	Date:
Client's Guardian/Representative Signature (If applicable):	Date:
Contractor's Signature:	Date:

1-26-11 vp

Exhibit G

Disability Related Employment Services
SUCCESSFUL EMPLOYMENT RETENTION REPORT

Section I: Basic Information

Report Date:

Client Name: Last:	First:
Contractor Name:	
Contract Number:	RSA Authorization Number
Counselor Name:	

Section II: Employment Information

Employment Start Date:	Date Successful Employment Retention Outcome Achieved:
Job Title:	
Employer Name:	
Employer Contact Name and Title:	
Employer Address: Employer Phone:	
Hours worked per week:	Hourly Rate of Pay:
Benefits Available: ☐ Yes ☐ No If yes, please indicate: ☐ Health Insurance ☐ Sick Leave ☐ Vacation ☐ Retirement/Pension Plan	Are the wages and level of benefits the same or more than that paid by the employer for same or similar work performed by non-disabled individuals? ☐ Yes ☐ No Specify verification source:
Job Duties:	
Job modifications? ☐ Yes ☐ No ☐ Not Applicable If yes, please describe:	

Client is receiving ongoing Extended Supported Employment Services: ☐Yes ☐ No If "yes", please indicate : Date services started Provider Name

Client confirms that he/she has been successfully working in a job consistent with his/her selected vocational goal, abilities, capabilities, interests, and informed choice, for at least 90 days, that their employment goal has been reached, and that they are satisfied with their job/career. ☐Yes ☐ No

Section III: Signatures

Client Signature (If not available, explain):	Date:
Client's Guardian/Representative Signature (If applicable):	Date:
Contractor's Signature:	Date:

1-26-11 vp

Exhibit H

Disability Related Employment Services

SERVICE CLOSURE REPORT

SECTION I: BASIC INFORMATION

Client Name: Last:	First:
Contractor Name:	
Contract Number:	RSA Purchase Authorization Number:
Counselor Name:	
Client Received Services Under (check one): Track A: ☐ Track B: ☐ Track C: ☐ Post Employment: ☐	

SECTION II: REASON FOR SERVICE CLOSURE

Date Case Closed to Contractor:

Reason services are ending and case is closing to contractor:

Services were successful:

☐ Client achieved successful employment retention

Services were unsuccessful or not completed:

☐ Client was not satisfied with the service provision and requested another contractor

☐ Client moved out of service area

☐ Client dropped out of services due to health issues

☐ Client was incarcerated

☐ Contractor lost contact with client

☐ Client circumstances have changed and they no longer wish to pursue employment services

☐ Contractor can no longer serve client due to organization or business changes

☐ Contractor no longer willing to work with client

☐ RSA determined services no longer appropriate

☐ Other reason for closure (specify):

Comments:

SECTION III: SIGNATURES

Client Signature (If not available, please explain):	Date:
Client's Guardian/Representative Signature (If applicable):	Date:
Contractor Representative Signature:	Date:

1-26-11 vp

Exhibit I

Disability Related Employment Services
QUARTERLY REPORT

Date Report Submitted	
Reporting Calendar Quarter	From To
Contractor Name	
Contract Number	

Client's First Name	Client's Last Name	Last 4 Digits of SSN#	Track A, B, C or *PES	**Date Referral Received	Total Hours of Pre-placement Services Provided	Date of Job Placement Outcome	Total Hours of Preplacement Services Provided	Date of Successful Employment Retention Outcome

* PES=Post Employment Services

** Required field =enter past dates for clients transferred from previous contract (s)

1-26-11 vp

Exhibit J

CONTRACTOR INVOICE FORM

Date:

Calendar month covered in this billing: to

If billing for an outcome, indicate specific date outcome achieved:

Contractor's name and address:	
Contractor's Phone Number:	Contractor's Fax Number:
Contract Number:	
Contractor's FEI or SSN Number:	
RSA client's name:	

RSA Authorization Number:

Service *	Service Unit	Number of Service Units	RSA Fee per Service Unit $	Total Billing Amount

* Attach all required reports

"This invoice is a true and accurate account of the services listed on this statement for the time period specified; this invoice constitutes the full and complete charge for the services described above; that no further invoices for payment of these services will be made; these services have been provided without discrimination based on age, race, color, creed, gender, religion or national origin and that this statement is subject to federal and state audit review." The invoice shall be signed and dated by the person authorized to submit invoices for the Contractor.

Name, title, phone number and address of the Contractor has designated person who prepared this form:

Name:_____ Title: _____

Phone Number:

Signature: _____

Attachment 1

Arizona Department of Economic Security
Rehabilitation Services Administration

RSA FEE SCHEDULE APPLICATION

PROVIDER INFORMATION

Legal Business Name Gila County		
Doing Business As Gila Employment and Special Training		Tax Identification Number 86-6000444
Mailing Address(City State Zip Code) 5515 South Apache Ave. Suite 200 Globe, AZ 85501		
Remit To/ Billing Address (City State Zip Code), if different than mailing address		
Contact Name and Title **David B. Caddell, Program Manager**		
Phone Number (928) 402-8664	Fax Number (928) 425-9468	E-mail dcaddell@co.gila.az.us
Video Phone	Website http://www.gilacountyaz.gov/index.html	TTY Number 7-1-1
Name and Title of Authorized Signatory: Michael A. Pastor, Chairman, Gila County Board of Supervisors		

SERVICE INFORMATION

Check service type you propose to provide:

☒ Track A: Job Development, Placement and Retention (Non-Supported Employment)
- ☒ Job Development, Placement and Retention-Individual
- ☒ Job Development, Placement-Group

☒ Track B: Job Development, Placement and Retention (Supported Employment)
- ☒ Job Development, Placement and Retention-Individual
- ☒ Job Development, Placement-Group

☐ Track C: Enclave Support and Retention

☒ Post Employment Services

Attachment 1

Arizona Department of Economic Security
Rehabilitation Services Administration

RSA FEE SCHEDULE APPLICATION

FACILITY LOCATION AND STAFFING CHART

Indicate geographic areas in which you provide services. The service shall be provided in the entire county you selected.

☐ Statewide	☐ Apache	☐ Cochise	☐ Coconino	☒ Gila	☐ Graham	☐ Greenlee	☐ La Paz
☐ Navajo	☐ Maricopa	☐ Mohave	☐ Pima	☐ Pinal	☐ Santa Cruz	☐ Yavapai	☐ Yuma

Service Location is a physical location where client intake and other employment services are conducted. This does not incude enclave/work sites. If you provide services in one or more service locations, please complete a Facility Location and Staffing Chart for each location

Service Location Address (City State Zip Code County) 5515 South Apache AVe. Suite 200 Globe, AZ 85501		
Telephone Number (928) 402-8664	Fax Number (928) 425-9468	Email address dcaddell@co.gila.az.us
Contact Person's Name David B. Caddell		
Days And Hours Of OperationMonday to Friday 8 AM to 5 PM, except Holidays.		

Does this Facility Location meet minimum accessibility requirements as required by the American with Disability Act of 1990 (ADA) and the Architectural Barriers Act of 1968 (ABA). Yes ☒ No ☐

List the Staff and/or Subcontractors who provide direct client services at this location:

First and Last name	Employee Subcontractor	Years of experience	License /certificate Number
David Caddell	S☐ E☒	17	
Phillis Weaver	S☐ E☒	17	
Doris Root	S☐ E☒	5	
Helene Lopez	S☐ E☒	20	
Carol Tanner	S☐ E☒	2	
Yvette Warden	S☐ E☒	11	
	S☐ E☐		
	S☐ E☐		
	S☐ E☐		
	S☐ E☐		
	S☐ E☐		
	S☐ E☐		
	S☐ E☐		

Attachment 1

Arizona Department of Economic Security
Rehabilitation Services Administration

RSA FEE SCHEDULE APPLICATION

PROVIDER INFORMATION

Legal Business Name Gila County		
Doing Business As Gila Employment and Special Training		Tax Identification Number 86-6000444
Mailing Address(City State Zip Code) 5515 South Ave. Suite 200 Globe, AZ 85501		
Remit To/ Billing Address (City State Zip Code), if different than mailing address		
Contact Name and Title **David B. Caddell, Program Manager**		
Phone Number (928) 402-8664	Fax Number (928) 425-9468	E-mail dcaddell@co.gila.az.us
Video Phone	Website http://www.gilacountyaz.gov/index.html	TTY Number 7-1-1
Name and Title of Authorized Signatory: Michael A. Pastor, Chairman, Gila County Board of Supervisors		

SERVICE INFORMATION

Check service type you propose to provide:

☒ Track A: Job Development, Placement and Retention (Non-Supported Employment)
- ☒ Job Development, Placement and Retention-Individual
- ☒ Job Development, Placement-Group

☒ Track B: Job Development, Placement and Retention (Supported Employment)
- ☒ Job Development, Placement and Retention-Individual
- ☒ Job Development, Placement-Group

☐ Track C: Enclave Support and Retention

☒ Post Employment Services

Attachment 1

Arizona Department of Economic Security
Rehabilitation Services Administration

RSA FEE SCHEDULE APPLICATION

FACILITY LOCATION AND STAFFING CHART

Indicate geographic areas in which you provide services. The service shall be provided in the entire county you selected.

☐ Statewide	☐ Apache	☐ Cochise	☐ Coconino	☒ Gila	☐ Graham	☐ Greenlee	☐ La Paz
☐ Navajo	☐ Maricopa	☐ Mohave	☐ Pima	☐ Pinal	☐ Santa Cruz	☐ Yavapai	☐ Yuma

Service Location is a physical location where client intake and other employment services are conducted. This does not incude enclave/work sites. If you provide services in one or more service locations, please complete a Facility Location and Staffing Chart for each location

Service Location Address (City State Zip Code County) 107 West Frontier St. Suite C Payson, AZ 85541		
Telephone Number (928) 402-8664	Fax Number (928) 425-9468	Email address dcaddell@co.gila.az.us
Contact Person's Name David B. Caddell		
Days And Hours Of Operation Monday to Friday 8 AM to 5 PM, except legal Holidays.		

Does this Facility Location meet minimum accessibility requirements as required by the American with Disability Act of 1990 (ADA) and the Architectural Barriers Act of 1968 (ABA). Yes ☒ No ☐

List the Staff and/or Subcontractors who provide direct client services at this location:

First and Last name	Employee Subcontractor	Years of experience	License /certificate Number
Leona Bowman	S☐ E☒	17	
	S☐ E☐		
	S☐ E☐		
	S☐ E☐		
	S☐ E☐		
	S☐ E☐		
	S☐ E☐		
	S☐ E☐		
	S☐ E☐		
	S☐ E☐		
	S☐ E☐		
	S☐ E☐		
	S☐ E☐		

Attachment 1

Arizona Department of Economic Security
Rehabilitation Services Administration

RSA FEE SCHEDULE APPLICATION

INSTRUCTIONS

Legal Business Name: This is the name and address that is reported to the Internal Revenue Service (IRS) for tax reporting purposes.

Contact Person. The name, title, telephone number and e-mail address of the authorized person(s) who should be contacted to answer questions regarding this Application.

Doing Business As. The "doing business as" (DBA) name may be different from the legal business name reported above. The "doing business as" name is the name the supplier is generally known by to the public.

Tax Identification Number. The Tax Identification Number issued by the IRS for the provider completing this form. This is the number issued by the IRS and used to report tax information to the IRS. If a sole proprietor, Social Security Number may be used.

Qualifications Information. The name(s) of all licenses that you have that allows you to operate the business or provide services for which you applied. List organizations that have accredited your company, or from which you have applied for accreditation; Indicate specific area (s) in which you are accredited. A copy of all licenses, certifications or accreditations shall be submitted along with the Application.

Sanctions - Disclose information about any current or past (within last five years) legal actions, sanctions, or debarments for which you were involved. Sanctions would include, but are not limited to, debarment from any Federal program or state programs. This includes any actions taken against any member of the board of directors, chief corporate officers, high-level employees, affiliated companies, network members or subcontractors. Provide additional information regarding any previous or current sanctions.

Facility Location and Staffing Chart
Indicate all physical addresses where you provide this service. Post office boxes and drop boxes are not acceptable for physical addresses. The physical address(s) must be the actual address(s) where you conduct business with customers. Address(s) must be the address(s) where customers can contact you directly. Please use only postal abbreviations. Zip code and telephone number (with area code) must be included. Providers with multiple locations: Facility Location Chart must be completed for each location.

Certification Regarding:

Debarment, Suspension, Ineligibility and Voluntary Exclusion

Lower Tier Covered Transactions

This certification is required by the regulations implementing Executive Order 12549-Debarment and Suspension, 29 CFR Part 98, Section 98.510, Participant's responsibilities. The regulations were published as Part VII of the May 26, 1988 Federal Register (pages 19160-19211).

(BEFORE COMPLETING CERTIFICATION, READ ATTACHED INSTRUCTIONS WHICH ARE AN INTEGRAL PART OF THE CERTIFICATION)

(1) The prospective recipient of federal assistance funds certifies, by submission of this proposal, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by a federal department or agency.

(2) Where the prospective recipient of federal assistance funds is unable to certify any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Gila County DBA Gila Employment Special Training
Name of Agency /Organization

Michael A. Pastor, Chairman, Gila County Board of Supervisors
Name and Title of Authorized Representative

Michael A Pastor
Signature

4/19/11
Date

ATTACHMENTS TO DES SPECIAL TERMS AND CONDITIONS

CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Statement for Loan Guarantees and Loan Insurance

The undersigned states, to the best of his or her knowledge and belief, that:

If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

APPLICANT'S ORGANIZATION	
* PRINTED NAME AND TITLE OF AUTHORIZED REPRESENTATIVE Prefix: Mr. * First Name: Michael Middle Name: A. * Last Name: Pastor Suffix: * Title: Chairman, Gila County Board of Supervisors	
* SIGNATURE: Michael A Pastor	* DATE: 4/19/11

State of Arizona Substitute W-9 & Vendor Authorization Form

Purpose: Establish or update a vendor account with the State of Arizona. This form meets the Federal requirements to request a taxpayer identification number (TIN), request certain certifications and claims for exemption, as well as the State of Arizona requirements for vendor establishment.

Instructions: Complete form if
1. You are a U.S. person (including a resident alien);
2. You are a vendor that provides goods or services to an Arizona state agency; AND
3. You will receive payment from the State of Arizona.

Return completed form to the state agency with whom you do business, for review and authorization.
See instructions below or refer to the IRS instructions at www.irs.gov for details on completing this form.

Type of Request (Must select at least ONE)

- (●) New Request
- ( ) New Location (Additional Mail Code)
- ( ) Change (Select the type(s) of change from the following: ☐ Tax ID ☐ Legal Name ☐ Entity Type ☐ Minority Business Indicator ☐ Main Address ☐ Remittance Address ☐ Contact Information

Taxpayer Identification Number (TIN) (Provide ONE Only)

Social Security Number (SSN) ___ - ___ - ___ OR Federal Employer Identification Number (FEIN) 86 - 6000444

Entity Name Must Provide Legal Name (*Must match SSN or FEIN given. If Individual or Sole Proprietorship enter First, Middle, Last Name.)

Legal Name* Gila County

Entity Type Must Select One of the Following (Coding (X#) is for Internal Purposes Only)

- ( ) Individual/Sole Proprietor or Sole Proprietor organized as LLC, PLLC (6I)
- ( ) Corporation NOT providing health care, medical or legal services (5A)
- ( ) Corporation providing health care, medical or legal services (5M)
- ( ) Partnership, LLP or Partnership organized as LLC or PLLC (5C)
- ( ) An International organization or any of its agencies/instrumentalities (5U)
- ( ) The US or any or its political subdivisions or instrumentalities (2G)
- ( ) State of Arizona employee (1E) STATE HRIS EIN
- ( ) LLC, PLLC organized as corporation NOT providing health care, medical or legal services (5A)
- ( ) LLC, PLLC organized as corporation providing health care, medical or legal services (5M)
- ( ) A state, a possession of the US, or any of their political subdivisions or instrumentalities (4G)
- (●) Other: Tax Reportable Entity (5P)
- ( ) Other: Tax Exempt Entity (5H)

Description: County Goverment

Minority Business Indicator Must select one of the following (Coding (X#) is for internal purposes only)

- ( ) Small Business (01)
- ( ) Small Business- African American (23)
- ( ) Small Business- Asian (24)
- ( ) Small Business - Hispanic (25)
- ( ) Small Business- Native American (27)
- ( ) Small Business- Other Minority (05)
- ( ) Small, Woman Owned Business (06)
- ( ) Small, Woman Owned Business- African American (29)
- ( ) Small, Woman Owned Business- Asian (30)
- ( ) Small, Woman Owned Business- Hispanic (31)
- ( ) Small, Woman Owned Business- Native American (33)
- ( ) Small, Woman Owned Business- Other Minority (11)
- ( ) Woman Owned Business (03)
- ( ) Woman Owned Business- African American (17)
- ( ) Woman Owned Business- Asian (18)
- ( ) Woman Owned Business- Hispanic (19)
- ( ) Woman Owned Business- Native American (21)
- ( ) Woman Owned Business- Other Minority (08)
- ( ) Minority Owned Business- African American (04)
- ( ) Minority Owned Business- Asian (32)
- ( ) Minority Owned Business- Hispanic (74)
- ( ) Minority Owned Business- Native American (15)
- ( ) Minority Owned Business- Other Minority (02)
- ( ) Non-Profit, IRC §501(c) (88)
- (●) Non-Small, Non-Minority or Non-Woman Owned Business (00)
- ( ) Individual, Non-Business (00)

Main Address Where tax information and general correspondence is to be mailed

DBA\Branch\Location: Gila Employment and Special Training
Address: 5515 South Apache Ave. Suite 200
City: Globe State: AZ-ARIZONA Zip code: 85501

Remittance Address Where payment is to be mailed ☒ Same as Main

DBA\Branch\Location:
Address:
City: State: Zip code:

Vendor Contact Information

Name: David B. Caddell Title: Program Manager
Phone #: (928) 402-8664 Ext. Fax: (928) 425-9468 Email: dcaddell@co.gila.az.us

Certification ☐ Exempt from backup withholding

Under Penalties of perjury, I certify that:
1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me) AND
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding AND
3. I am a U.S. person (including U.S. resident alien).

Certification Instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN.

The Internal Revenue Service does not require your consent to any provision of this document other than the certification required to avoid backup withholding.

Signature: Title: Chairman, Gila County BOS Date: 4/19/11

STATE OF ARIZONA AGENCY USE ONLY - AGENCY AUTHORIZATION — VENDOR: DO NOT WRITE BELOW THIS LINE

State HRIS EIN: Print Name: Signature: Michael A. Pasta
AGY: Title: Phone #: Email: Date:

STATE OF ARIZONA GAO USE ONLY — VENDOR & STATE AGENCY: DO NOT WRITE BELOW THIS LINE

☐ IRS TIN Matching ☐ Corporation Commission ☐ HRIS ☐ GAO-03 ☐ Other

Vendor Number: Processed by: Date Processed:

Caddell, Dave

From: Voight, Christina, A [CVoight@azdes.gov]
Sent: Thursday, April 21, 2011 2:26 PM
To: Caddell, Dave
Subject: Background Check

April 21, 2011

Gila Employment & Special Training
Attn: David B. Caddell
Date of Request: 4-10-11

Dear David,

As required in the Arizona Department of Economic Security, Special Terms and Conditions, Contractors and Offerors are required to submit the "Request for Search of Central Registry for Background Check" form for each employee of the Contractor or Offeror who provides direct service to children or vulnerable adults.

After conducting a search in the Child Protective Services (CPS) Central Registry, it has been determined that there are no substantiated findings of disqualifying acts of child abuse and/or neglect with CPS.

Sincerely,

Division of Children, Youth and Families
Financial and Business Operations Administration
Contracts Unit

NOTICE: This e-mail (and any attachments) may contain PRIVILEGED OR CONFIDENTIAL information and is intended only for the use of the specific individual(s) to whom it is addressed. It may contain information that is privileged and confidential under state and federal law. This information may be used or disclosed only in accordance with law, and you may be subject to penalties under law for improper use or further disclosure of the information in this e-mail and its attachments. If you have received this e-mail in error, please immediately notify the person named above by reply e-mail, and then delete the original e-mail. Thank you.

TX Result Report

P 1
04/21/2011 13:20
Serial No. A0P0011002930
TC: 206742

Addressee	Start Time	Time	Prints	Result	Note
916025423330	04-21 12:48	00:32:25	004/004	OK	

Note TMR: Timer TX, POL: Polling, ORG: Original Size Setting, FME: Frame Erase TX, MIX: Mixed Original TX, CALL: Manual TX, CSRC: CSRC, FWD: Forward, PC: PC-Fax, BND: Double-Sided Binding Direction, SP: Special Original, FCODE: F-Code, RTX: Re-TX, RLY: Relay, MBX: Confidential, BUL: Bulletin, SIP: SIP Fax, IPADR: IP Address Fax, I-FAX: Internet Fax

Result OK: Communication OK, S-OK: Stop Communication, PW-OFF: Power Switch OFF, TEL: RX from TEL, NG: Other Error, Cont: Continue, No Ans: No Answer, Refuse: Receipt Refused, Busy: Busy, M-Full:Memory Full, LOVR:Receiving length Over, POVR:Receiving page Over, FIL:File Error, DC:Decode Error, MDN:MDN Response Error, DSN:DSN Response Error.

GILA EMPLOYMENT AND SPECIAL TRAINING (G E S T)
5515 South Apache Ave. Suite 200
Globe, AZ 85501
(928) 425-7631 EXT: 8664
FAX (928) 425-9468
E MAIL dcaddell@co.gila.az.us

FAX SHEET

DATE: April 21, 2011

TO: DCYF Contracts Unit Arizona Department of Economic Security

ATTENTION: Christina Voight, Central Registry Specialist

FAX NUMBER: 602-542-3330

FROM: David B. Caddell PHONE: (928) 425-7631 EXT: 8664

RE: Request for Search of Central Registry for Background Check for ADES RSA Fee Schedule, Contract Number: ADES Disability Related Employment Services.

Pages including fax cover sheet: 4

FOR YOUR REVIEW X PLEASE REPLY X

REMARKS:

If you have any questions, please contact me at the above phone number.
Thank You, David B. Caddell

For Active Contracts: DES Designated Staff (Program):

Attachment
REQUEST FOR SEARCH OF
CENTRAL REGISTRY FOR BACKGROUND CHECK

This document and any files transmitted with it are confidential and intended solely for the use of the individual or entity to which they are addressed. If you have received this information in error, please notify the sender and destroy the information.
The information contained in the Central Registry for Background Check and any attached files shall be used as **one factor** to determine qualifications for persons applying for contracts with this state, including employees of the potential contractor, for positions that provide direct service to children or vulnerable adults. The information contained in the Central Registry for Background Check and any attached files is confidential and shall not be further disseminated or shared.

PLEASE FILL OUT THE INFORMATION BELOW:

Offeror or Contractor Name (Print): Gila County dba Gila Employment and Special Training	**Rehabilitation Instructional Services (Various Disabilities)**
Solicitation Number: ADES	Contract Number: **DE 106003-008**
Phone Number: 928-402-8664	
Mailing Address: 5515 South Apache Ave. Suite 200 Globe, AZ 85501	
Email Address: dacddell@co.gila.az.us	
Name of Person Authorized to Submit Request (Print): David B. Caddell	
Signature of Requester:	
Date of Request: 6/6/11	

NOTE for OFFEROR/CONTRACTOR:
Mail your completed central registry request to:
DCYF Contracts Unit
Attention: CENTRAL REGISTRY REQUEST
Arizona Department of Economic Security
1789 W. Jefferson, SITE CODE 940A
Phoenix, AZ 85007

or **Fax** to CENTRAL REGISTRY REQUEST 602-542-3330

or **Email** (encrypted) to DCYFCentralRegistryCheck@azdes.gov

FYI, results of this check will be either
1. EMAILED to email address above if all names are cleared; or
2. MAILED to the requester with information on employees who are found to have substantiated reports.

Internal Use Only;
For Solicitations Only: DES Designated Staff (Office of Procurement):

GILA COUNTY ATTORNEY
Daisy Flores

Re: County Attorney's Office approval of IGA pursuant to A.R.S. § 11-952(D).

To whom it may concern:

The County Attorney's Office has reviewed the Intergovernmental Agreement attached to this agenda item and has determined that it is in its "proper form" and "is within the powers and authority granted under the laws of this state to such public agency or public procurement unit" pursuant to A.R.S. § A.R.S. § 11-952(D).

Explanation of the Gila County Attorney's Office Intergovernmental Agreement (IGA) Review

A.R.S. § 11-952(D) requires that

> every agreement or contract involving any public agency or public procurement unit of this state . . . before its execution, shall be submitted to the attorney for each such public agency or public procurement unit, who shall determine whether the agreement is in proper form and is within the powers and authority granted under the laws of this state to such public agency or public procurement unit.

In performing this review, the County Attorney's Office reviews IGAs to see that they are in "proper form" prior to their execution. "Proper form" means that the contract conforms to fundamental contract law, conforms to specific legislative requirements, and is within the powers and authority granted to the public agency. It does not mean that the County Attorney's Office approves of or supports the policy objectives contained in the IGA. That approval is solely the province of the public agency through its elected body.

Likewise, this approval is not a certification that the IGA has been properly executed. Proper execution can only be determined after all the entities entering into the IGA have taken legal action to approve the IGA. There is no statutory requirement for the County Attorney's Office to certify that IGAs are properly executed.

Nonetheless, it is imperative for each public agency to ensure that each IGA is properly executed because A.R.S. § 11-952(F) requires that "[a]ppropriate action … applicable to the governing bodies of the participating agencies approving or extending the duration of the … contract shall be necessary before any such agreement, contract or extension may be filed or become effective." This can be done by ensuring that the governing body gives the public proper notice of the meeting wherein action will be taken to approve the IGA, that the item is adequately described in the agenda accompanying the notice, and that the governing body takes such action. Any questions regarding whether the IGA has been properly executed may be directed to the County Attorney's Office.

Proper execution of IGAs is important because A.R.S. § 11-952(H) provides that "[p]ayment for services under this section shall not be made unless pursuant to a fully approved written contract." Additionally, A.R.S. § 11-952(I) provides that "[a] person who authorizes payment of any monies in violation of this section is liable for the monies paid plus twenty per cent of such amount and legal interest from the date of payment."

The public agency or department submitting the IGA for review has the responsibility to read and understand the IGA in order to completely understand its obligations under the IGA if it is ultimately approved by the public entity's board. This is because while the County Attorney's Office can approve the IGA as to form, the office may not have any idea whether the public agency has the capacity to actually comply with its contractual obligations. Also, the County Attorney's Office does not monitor IGA compliance. Hence the public entity or submitting department will need to be prepared to monitor their own compliance. A thorough knowledge of the provisions of the IGA will be necessary to monitor compliance.

Before determining whether an IGA contract "is in proper form," the County Attorney's Office will answer any questions or concerns the public agency has about the contract. It is the responsibility of the public agency or department submitting the IGA for review to ask any specific questions or address any concerns it has about the IGA to the County Attorney's Office at the same time they submit the IGA for review. Making such an inquiry also helps improve the County Attorney's Office review of the IGA because it will help focus the review on specific issues that are of greatest concern to the public agency. Failing to make such an inquiry when the agency does have issues or concerns will decrease the ability of the County Attorney's Office to meaningfully review the IGA.

ARF-1163 **Consent Agenda Item 4- D**

Regular BOS Meeting

Meeting Date: 04/03/2012

Submitted For:	David Caddell, GEST Program Manager	Submitted By:	David Caddell, GEST Program Manager, Community Services Division
Department:	Community Services Division	Division:	GEST Department
Presenter's Name:			

Information

Request/Subject

Data Sharing Agreement between Arizona Department of Economic Security, Rehabilitation Services Administration and Gila County d/b/a Gila Employment and Special Training

Background Information

This Data Sharing Agreement is part of the Extended Supported Employment Contract No. DE126007-015, Section 14.0 under the Special Terms and Conditions which states: (When determined by the Department that sharing of confidential data will occur with Contractor, the Contractor shall complete the ADES Data Sharing Request Agreement and submit the completed Agreement to the DES Program Designated Staff prior to any work commencing or data shared. A separate Data Sharing Request Agreement shall be required between the Contractor and each DES Program sharing confidently data), between Arizona Department of Economic Security, Rehabilitation Services and Gila County, dba Gila Employment and Special Training that was approved by the Gila County Board of Supervisors on April 19, 2011.

Evaluation

This Data Sharing Agreement will allow the Gila Employment and Special Training Program to receive and retrieve encrypted email, faxed documents, letters of authorization for client services from Arizona Department of Economic Security, Rehabilitation Services.

Conclusion

This Data Sharing Agreement is part of the Extended Supported Employment Contract No. DE126007-015 between Arizona Department of Economic Security, Rehabilitation Services and Gila County, d/b/a Gila Employment and Special Training that was approved by the Gila County Board of Supervisors on April 19, 2011, and will allow the Gila Employment and Special Training Program to receive and retrieve encrypted email, faxed documents, letters of authorization for client services from Arizona Department of Economic Security, Rehabilitation Services.

Recommendation

The Gila Employment and Special Training Program Manager recommends that the Gila County Board of Supervisors approve the Chairman's signature on the Data Sharing Agreement between the Arizona Department of Economic Security, Rehabilitation Services and Gila County, d/b/a Gila Employment and Special Training for Extended Supported Employment Contract No. DE126007-015.

Suggested Motion

Approval of a Data Sharing Agreement between the Arizona Department of Economic Security, Rehabilitation Services and Gila County, d/b/a Gila Employment and Special Training for Extended Supported Employment Contract No. DE126007-015, which expires June 30, 2016.

Attachments

ESE Contract No DE126007-015 Data Sharing Agreement Letter

Data Sharing Request-Agreement

ESE Contract No DE126007-015

Legal Explanation

Caddell, Dave

From: Harris, Richard, M [RHarris@azdes.gov]
Sent: Wednesday, March 14, 2012 9:40 AM
To: Caddell, Dave
Subject: Data Sharing Agreement for ESE with Gila County DE126007-015
Attachments: GILA COUNTY - DSA.docx

David,
Attached is the Data Sharing Agreement for the Extended Supported Employment. Can you tell me approximately when the next board meeting is? Just need to let management know roughly when it will be sign and back to us.
Thanks,

Richard M. Harris
Contracts Management Specialist III
DES/Rehabilitation Services Administration
1789 W. Jefferson St. 2nd FLR, Site Code 930A
Phoenix, AZ 85007-3202

602-542-6419 Voice
602-542-3705 Fax
RHarris@azdes.gov

NOTICE: This e-mail (and any attachments) may contain PRIVILEGED OR CONFIDENTIAL information and is intended only for the use of the specific individual(s) to whom it is addressed. It may contain information that is privileged and confidential under state and federal law. This information may be used or disclosed only in accordance with law, and you may be subject to penalties under law for improper use or further disclosure of the information in this e-mail and its attachments. If you have received this e-mail in error, please immediately notify the person named above by reply e-mail, and then delete the original e-mail. Thank you.

J119 DSA (10/2008)

ARIZONA DEPARTMENT OF ECONOMIC SECURITY
Information Security Administration
1720 W. Madison St, Site 820Z
Phoenix, AZ 85007
Phone: (602) 771-2670 • Fax: (602) 542-4014

DATA-SHARING REQUEST/AGREEMENT

BETWEEN

REQUESTING ENTITY:

GILA COUNTY dba Gila Employment and Special Training

(DES Division/Administration/Program//Office Name or External Organization Name)

AND

DATA MANAGER: ARIZONA DEPARTMENT OF ECONOMIC SECURITY

Rehabilitation Services Administration

(Division/Administration/Program/Office name)

Effective Date: _____	**Agreement No.:** _____

Equal Opportunity Employer/Program
This document available in alternative formats by contacting: (602) 771-2670

SECTION I. REQUEST ***(Completed by Requesting Entity)***
Use attachment if necessary

1a. PURPOSE OF THIS REQUEST (What information is being requested and why? How will it be used? Give details/specifics.)

In order to enable the Contractor to provide SSBG - Extended Supported Employment as stipulated in Contract DE126007-015, the Contractor must view client confidential data provided by RSA counselors via:

Mail, phone, e-mail, or fax

Contract Begin Date: October 01, 2011
Contract End Date: June 30, 2016
Maximum End Date: September 30, 2016

No Annual Extensions for the first 5 years with the possibility to extend for 0 more years

1b. INFORMATION TECHNOLOGY AND CONNECTIVITY

The minimum recommended Email Client is Outlook 2003, to receive and retrieve secure encrypted email from RSA. Anti-virus software must be maintained up to date

The requester enters all information required for successful communication between the requesting entity and the DES IT Staff.

Contact Name (1): David B. Caddell	Phone: (928) 402-8664
Contact Name (2): David JH Fletcher	Phone: (928) 425-7631
Contact Address: 5515 South Apache Ave. Suite 200 Globe, AZ 85501	
Contact (1) E-Mail Address: dcaddell@gilacountyaz.gov	Contact (2) E-Mail Address:
Contact Fax No: (928) 425-9468	

SECTION I. (cont.) REQUEST ***(Completed by Requesting Entity)***
Use attachment if necessary

2. CITE LAW, REGULATION, DIRECTIVE, OR OTHER BASIS FOR THIS REQUEST

This request is pursuant to the Scope of Work for Contract DE126007-015.

3. WILL OTHER ENTITIES INTERFACE WITH YOUR AGENCY?

☐ Yes ☒ No If Yes, identify entity and reason(s):

4. WILL INFORMATION BE DISCLOSED/SHARED WITH ANOTHER ENTITY?

☐ Yes ☒ No If Yes, identify entity and reason(s) for disclosure:

5. WILL DES DATA BE REPACKAGED/INCLUDED IN OTHER DATA BASES, FILES, TAPES, ETC.?

☐ Yes ☒ No If Yes, identify entity and reason(s):

6. DESIRED OUTPUT (Printout, tape, terminal access/display, etc.)

Email, FAXed documents, Letters of Authorization for client purchases; no system access required

7. DESCRIBE SAFEGUARDS IN PLACE TO GUARD AGAINST UNAUTHORIZED ACCESS/DISCLOSURE OF THE INFORMATION

All email containing confidential client information is to be secured. Access to all documents to be restricted to authorized personnel on a need-to-know basis. Automated equipment, computers and FAXes are to be maintained in a physically secure environment. All paper documents will be maintained in a secured environment, such as a locked file or office.

The Contractor shall restrict access to DES confidential data to only those with a "need to know" as part of this contract arrangement and will use NIST Policy SP800-53, AC-6 Least Privilege, as a guide.

The Contractor shall retain DES confidential data only as needed for this contract arrangement and will dispose and sanitize the DES confidential data when no longer needed. NIST Policy SP800-88 shall be used as a guide for disposal and sanitization on DES confidential data.

PRINT NAME AND TITLE OF AUTHORIZED CONTACT	PHONE NO. (928) 402-8664 FAX (928) 425-9468 E-MAIL dcaddell@gilacountyaz.gov		DATE
David B. Caddell, Program Manager Gila Employment and Special Training (G.E.S.T.)			3/16/12
MAILING ADDRESS/SITE CODE	CITY	STATE	ZIP CODE
5515 South Apache Ave. Suite 200	Globe	AZ	85501

SECTION II. STIPULATIONS REGARDING THE USE OF INFORMATION

STIPULATIONS APPLICABLE TO THE REQUESTING ENTITY:

1. Disclosure of the data provided to the Requesting Entity is not permitted unless specifically authorized.
2. Repackaging or redistribution of data or screens, or creation of separate files will not be permitted unless specifically authorized.
3. The data shall be used only to assist in valid administrative needs as stated in Section I, item 1 of this Agreement.
4. All data shall be stored in a physically secure facility.
5. All data in electronic format shall be stored or processed so that unauthorized persons cannot retrieve the information by means of a computer. remote access, or other means.
6. Only authorized staff will be given access needed to accomplish the purpose(s) specified in Section I, item 1 of this Agreement.
7. All staff shall attend an authorized data security awareness training class, where they will be instructed on confidentiality, privacy laws and penalties imposed when compliance is breached. All staff with access to DES systems and/or applications must complete an annual recertification security awareness training class as scheduled by DES.
8. A Request for Terminal Access and Other Activity (J-125) shall be used to request specific access for each authorized staff member and must be signed by the staff supervisor or designee.
9. All authorized staff is required to sign a User Affirmation Statement (J-129), as a condition for using requested data. This affirmation statement must be resigned at three (3) year intervals as scheduled by DES.
10. Any personnel changes requiring change or removal of access as described in Section I, item 1 of this Agreement, shall be reported promptly to the respective data security analyst.
11. Federal and state audit and data security personnel may have access to offices and records of the requesting entity to monitor or verify compliance with this agreement.
12. This Data-Sharing Agreement will remain in effect for 2 years from the effective date unless otherwise stipulated.

STIPULATIONS APPLICABLE TO PROVIDER:

1. DES will use the Requesting Entity employee identifying information solely for the purpose of establishing on-line access.
2. Only authorized DES employees will have access to requesting agency employee data.
3. In accordance with applicable federal, state, and/or local privacy regulations, DES will protect all information collected from the Requesting Entity.

STIPULATIONS APPLICABLE TO HIPAA - HEALTH INSURANCE PORTABILITY & ACCOUNTABILITY ACT:

1. All staff shall attend an authorized HIPAA awareness training class, where they will be instructed on confidentiality, privacy, information safeguards and penalties imposed when compliance is breached.
2. If applicable, there is a -Business Associate Contract" [45 CFR 164.502(e), 154.504(e), 164.532(d) & (e)] on file and will be attached to this data sharing agreement as an addendum.

SECTION III. ADDITIONAL INFORMATION

Print Name David B. Caddell Signature _____	PHONE NO. **(928) 425-7631, ext 8664**	DATE 3/16/12

SECTION IV (A). RECOMMENDATIONS *(Completed by the data managing program)*

☐ Recommend **APPROVAL**

☐ Request is not recommended for approval.

Print Name Signature _____	SITE CODE	PHONE NO. ( ) -	DATE

SECTION IV (B). HIPAA RECOMMENDATIONS *(Completed by the HIPAA DIVISION PRIVACY OFFICER*)

☐ Recommend **APPROVAL**

☐ Request is not recommended for approval.

Print Name Signature _____	SITE CODE	PHONE NO. ( ) -	DATE

SECTION V. APPROVAL (Completed *by* the requesting entity and the data *managing* program)

I attest to the correctness of the information provided in Section I and agree to the stipulations and costs listed in Section II and III. I agree to comply with all provisions of the DES Data Security Policy. Should any violations of the DES Data Security Policy occur, this Agreement may be terminated. I further understand that DES will periodically review the terms of the Agreement to ensure it conforms with DES Policies and Procedures. In the event changes in either federal or state law or regulations occur that conflict with the terms of the Agreement or render the terms of the Agreement void, impracticable, or otherwise impossible, this Agreement will terminate immediately. A new Agreement or an amendment to the existing Agreement will be initiated to provide for any changes, which cannot be accommodated within the provisions of the existing Agreement. The Requesting Entity shall hold harmless and indemnify the State of Arizona and its Department of Economic Security for any liability resulting from acts or omissions attributable to the Requesting Entity.

IN WITNESS HERETO the PARTIES have executed this Agreement by signature of their duly authorized officials:

For the Requesting Entity:

Entity Name **GILA COUNTY dba Gila Employment and Special Training**

Print Signatory Name Tommie C. Martin

Title Chairman, Gila County Board of Supervisors

Signature _____

Date _____

For the Department of Economic Security:

Entity Name **Rehabilitation Services Administration**

Print Signatory Name **Katharine Levandowsky**

Title **Program Administrator**

Signature _____

Date _____

SECTION VI. APPROVAL (*Completed by the Information Security Administration)*

This signed Agreement meets all requirements necessary to permit the controlled sharing of the DES data while simultaneously providing for the protection of the data. I certify that: '

☐ **THIS AGREEMENT CONFORMS to DES Information Security Policy.**

☐ **THIS AGREEMENT DOES NOT CONFORM to the DES Information Security Policy. Implementation of this Agreement cannot proceed until the following action is taken:**

_____	**DES Chief Information Security Officer**	_____
(Signature)	(Title)	(DATE)

DEPARTMENT OF ECONOMIC SECURITY

Your Partner For A Stronger Arizona

Janice K. Brewer
Governor

Clarence H. Carter
Director

David Caddell, Divisional Pgm Mgr, Ofc of Community Svcs
GILA COUNTY dba Gila Employment and Special Training
5515 S Apache St, Ste 200
Globe, AZ 85501

October 07, 2011

RE: Contract DE126007-015

Dear Mr. Caddell,

Enclosed is your fully-executed copy of your contract DE126007-015 with the Department of Economic Security, Rehabilitation Services Administration. If there are any questions regarding this amendment or its underlying contract, please contact Richard Harris at (602) 542-6419.

Sincerely,

Bill W for VP

Vanja Pasalic
RSA Contracts Unit Manager
Rehabilitation Services Administration

Service Summary: Extended Supported Employment
Enclosure
cc: Contract File

1789 West Jefferson Street, 2nd Fl NW, SC 930A, Phoenix, AZ 85007-3202
(602) 542-3332 • FAX (602) 542-3705

DEPARTMENT OF ECONOMIC SECURITY

Your Partner For A Stronger Arizona

Contract between the Department of Economic Security (the "Department") and Gila County dba Gila Employment and Special Training (GEST)

(the "Contractor").

WHEREAS the Contractor is:

[X] a Non-profit Organization as defined in Office of Management and Budget (OMB) Circular A-122;
[ ] a For-profit Organization; and

WHEREAS the Department is duly authorized to execute and administer contracts under A.R.S. §41-1954;

THEREFORE the Department and Contractor agree to abide by all the terms and conditions set forth in this Contract.

Contract Term: This contract shall be effective on October 1, 2011 or on the date of last signature, whichever is later, and shall end on June 30, 2016.

BY SIGNING THIS FORM ON BEHALF OF THE CONTRACTOR, THE SIGNATORY CERTIFIES HE/SHE HAS THE AUTHORITY TO BIND THE CONTRACTOR TO THIS CONTRACT.

FOR AND ON BEHALF OF THE ARIZONA DEPARTMENT OF ECONOMIC SECURITY:

Procurement Manager Signature

Cathie G. Rodman
Typed Name

Manager, Solicitation Unit
Title

9-28-11
Date

DES Contract I.D. No.: DE126007-015

FOR AND ON BEHALF OF THE CONTRACTOR:

Signature of Authorized Individual

Tommie C. Martin
Typed Name

Chairman, Gila County Board of Supervisors
Title

9/20/11
Date

Contractor FEI Number: 86-6000444

Contractor Mailing Address:

5515 S. Apache Ave. Suite 200

Globe, AZ 85501

Contact Name: David B. Caddell
Title: G.E.S.T. Program Manager
Phone Number: (928) 402-8664
Fax Number: (928) 425-9468
E-Mail Address: dcaddell@co.gila.az.us

UNIFORM TERMS AND CONDITIONS
Version 8

1. Definition of Terms

As used in this Solicitation and any resulting Contract, the terms listed below are defined as follows:

1.1. *"Attachment"* means any item the Solicitation requires the Offeror to submit as part of the Offer.

1.2. *"Contract"* means the combination of the Solicitation, including the Uniform and Special Instructions to Offerors, the Uniform and Special Terms and Conditions, and the Specifications and Statement or Scope of Work; the Offer and any Best and Final Offers; and any Solicitation Amendments or Contract Amendments.

1.3. *"Contract Amendment"* means a written document signed by the Procurement Officer that is issued for the purpose of making changes in the Contract.

1.4. *"Contractor"* means any person who has a Contract with the State.

1.5. *"Days"* means calendar days unless otherwise specified.

1.6. *"Exhibit"* means any item labeled as an Exhibit in the Solicitation or placed in the Exhibits section of the Solicitation.

1.7. *"Gratuity"* means a payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value is received.

1.8. *"Materials"* means all property, including equipment, supplies, printing, insurance and leases of property but does not include land, a permanent interest in land or real property or leasing space.

1.9. *"Procurement Officer"* means the person, or his or her designee, duly authorized by the State to enter into and administer Contracts and make written determinations with respect to the Contract.

1.10. *"Services"* means the furnishing of labor, time or effort by a contractor or subcontractor which does not involve the delivery of a specific end product other than required reports and performance, but does not include employment agreements or collective bargaining agreements.

1.11. *"Subcontract"* means any Contract, express or implied, between the Contractor and another party or between a subcontractor and another party delegating or assigning, in whole or in part, the making or furnishing of any material or any service required for the performance of the Contract.

1.12. *"State"* means the State of Arizona and Department or Agency of the State that executes the Contract.

1.13. *"State Fiscal Year"* means the period beginning with July 1 and ending June 30.

2. Contract Interpretation

2.1. Arizona Law. The Arizona law applies to this Contract including, where applicable, the Uniform Commercial Code as adopted by the State of Arizona and the Arizona Procurement Code, Arizona Revised Statutes (A.R.S.) Title 41, Chapter 23, and its implementing rules, Arizona Administrative Code (A.A.C.) Title 2, Chapter 7.

2.2. Implied Contract Terms. Each provision of law and any terms required by law to be in this Contract are a part of this Contract as if fully stated in it.

2.3. Contract Order of Precedence. In the event of a conflict in the provisions of the Contract, as accepted by the State and as they may be amended, the following shall prevail in the order set forth below:

2.3.1. Special Terms and Conditions;

2.3.2. Uniform Terms and Conditions;

2.3.3. Statement or Scope of Work;

2.3.4. Specifications;

2.3.5. Attachments;

2.3.6. Exhibits;

2.3.7. Documents referenced or included in the Solicitation.

2.4. Relationship of Parties. The Contractor under this Contract is an independent Contractor. Neither party to this Contract shall be deemed to be the employee or agent of the other party to the Contract.

2.5. Severability. The provisions of this Contract are severable. Any term or condition deemed illegal or invalid shall not affect any other term or condition of the Contract.

2.6. No Parole Evidence. This Contract is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this document and no other understanding either oral or in writing shall be binding.

2.7. No Waiver. Either party's failure to insist on strict performance of any term or condition of the Contract shall not be deemed a waiver of that term or condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.

3. Contract Administration and Operation

3.1. Records. Under A.R.S. § 35-214 and § 35-215, the Contractor shall retain and shall contractually require each subcontractor to retain all data and other "records" relating to the acquisition and performance of the Contract for a period of five years after the completion of the Contract. All records shall be subject to inspection and audit by the State at reasonable times. Upon request, the Contractor shall produce a legible copy of any or all such records.

3.2. Non-Discrimination. The Contractor shall comply with State Executive Order No. 2009-09 and all other applicable Federal and State laws, rules and regulations, including the Americans with Disabilities Act.

3.3. Audit. Pursuant to ARS § 35-214, at any time during the term of this Contract and five (5) years thereafter, the Contractor's or any subcontractor's books and records shall be subject to audit by the State and, where applicable, the Federal Government, to the extent that the books and records relate to the performance of the Contract or Subcontract.

3.4. Facilities Inspection and Materials Testing. The Contractor agrees to permit access to its facilities, subcontractor facilities and the Contractor's processes or services, at reasonable times for inspection of the facilities or materials covered under this Contract.

The State shall also have the right to test, at its own cost, the materials to be supplied under this Contract. Neither inspection of the Contractor's facilities nor materials testing shall constitute final acceptance of the materials or services. If the State determines non-compliance of the materials, the Contractor shall be responsible for the payment of all costs incurred by the State for testing and inspection.

3.5. Notices. Notices to the Contractor required by this Contract shall be made by the State to the person indicated on the Offer and Acceptance form submitted by the Contractor unless otherwise stated in the Contract. Notices to the State required by the Contract shall be made by the Contractor to the Solicitation Contact Person indicated on the Solicitation cover sheet, unless otherwise stated in the Contract. An authorized Procurement Officer and an authorized Contractor representative may change their respective person to whom notice shall be given by written notice to the other and an amendment to the Contract shall not be necessary.

3.6. Advertising, Publishing and Promotion of Contract. The Contractor shall not use, advertise or promote information for commercial benefit concerning this Contract without the prior written approval of the Procurement Officer.

3.7. Property of the State. Any materials, including reports, computer programs and other deliverables, created under this Contract are the sole property of the State. The Contractor is not entitled to a patent or copyright on those materials and may not transfer the patent or copyright to anyone else. The Contractor shall not use or release these materials without the prior written consent of the State.

3.8. Ownership of Intellectual Property. Any and all intellectual property, including but not limited to copyright, invention, trademark, trade name, service mark, and/or trade secrets created or conceived pursuant to or as a result of this contract and any related subcontract ("Intellectual Property"), shall be work made for hire and the State shall be considered the creator of such Intellectual Property. The agency, department, division, board or commission of the State of Arizona requesting the issuance of this contract shall own (for and on behalf of the State) the entire right, title and interest to the Intellectual Property throughout the world. Contractor shall notify the State, within thirty (30) days, of the creation of any Intellectual Property by it or its subcontractor(s). Contractor, on behalf of itself and any subcontractor(s), agrees to execute any and all document(s) necessary to assure ownership of the Intellectual Property vests in the State and shall take no affirmative actions that might have the effect of vesting all or part of the Intellectual Property in any entity other than the State. The Intellectual Property shall not be disclosed by contractor or its subcontractor(s) to any entity not the State without the express written authorization of the agency, department, division, board or commission of the State of Arizona requesting the issuance of this contract.

3.9. Federal Immigration and Nationality Act. The contractor shall comply with all federal, state and local immigration laws and regulations relating to the immigration status of their employees during the term of the contract. Further, the contractor shall flow down this requirement to all subcontractors utilized during the term of the contract. The State shall retain the right to perform random audits of contractor and subcontractor records or to inspect papers of any employee thereof to ensure compliance. Should the State determine that the contractor and/or any subcontractors be found noncompliant, the State may pursue all remedies allowed by law, including, but not limited to; suspension of work, termination of the contract for default and suspension and/or debarment of the contractor.

3.10 E-Verify Requirements. In accordance with A.R.S. § 41-4401, Contractor warrants compliance with all Federal immigration laws and regulations relating to employees and warrants its compliance with Section A.R.S. § 23-214, Subsection A.

3.11 Scrutinized Businesses. In accordance with A.R.S. § 35-391 and A.R.S. § 35-393, Contractor certifies that the Contractor does not have scrutinized business operations in Sudan or Iran.

3.12 Offshore Performance of Work Prohibited.
Any services that are described in the specifications or scope of work that directly serve the State of Arizona or its clients and involve access to secure or sensitive data or personal client data shall be performed within the defined territories of the United States. Unless specifically stated otherwise in the specifications, this paragraph does not apply to indirect or 'overhead' services, redundant back-up services or services that are incidental to the performance of the contract. This provision applies to work performed by subcontractors at all tiers.

4. Costs and Payments

4.1. Payments. Payments shall comply with the requirements of A.R.S. Titles 35 and 41, Net 30 days. Upon receipt and acceptance of goods or services, the Contractor shall submit a complete and accurate invoice for payment from the State within thirty (30) days.

4.2. Delivery. Unless stated otherwise in the Contract, all prices shall be F.O.B. Destination and shall include all freight delivery and unloading at the destination.

4.3. Applicable Taxes.

4.3.1. Payment of Taxes. The Contractor shall be responsible for paying all applicable taxes.

4.3.2. State and Local Transaction Privilege Taxes. The State of Arizona is subject to all applicable state and local transaction privilege taxes. Transaction privilege taxes apply to the sale and are the responsibility of the seller to remit. Failure to collect such taxes from the buyer does not relieve the seller from its obligation to remit taxes.

4.3.3. Tax Indemnification. Contractor and all subcontractors shall pay all Federal, state and local taxes applicable to its operation and any persons employed by the Contractor. Contractor shall, and require all subcontractors to hold the State harmless from any responsibility for taxes, damages and interest, if applicable, contributions required under Federal, and/or state and local laws and regulations and any other costs including transaction privilege taxes, unemployment compensation insurance, Social Security and Worker's Compensation.

4.3.4. IRS W9 Form. In order to receive payment the Contractor shall have a current I.R.S. W9 Form on file with the State of Arizona, unless not required by law.

4.4. Availability of Funds for the Next State fiscal year. Funds may not presently be available for performance under this Contract beyond the current state fiscal year. No legal liability on the part of the State for any payment may arise under this Contract beyond the current state fiscal year until funds are made available for performance of this Contract.

4.5. Availability of Funds for the current State fiscal year. Should the State Legislature enter back into session and reduce the appropriations or for any reason and these goods or services are not funded, the State may take any of the following actions:

4.5.1. Accept a decrease in price offered by the contractor;

4.5.2. Cancel the Contract; or

4.5.3. Cancel the contract and re-solicit the requirements.

5. Contract Changes

5.1. Amendments. This Contract is issued under the authority of the Procurement Officer who signed this Contract. The Contract may be modified only through a Contract Amendment

within the scope of the Contract. 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 the procurement officer 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.

5.2. Subcontracts. The Contractor shall not enter into any Subcontract under this Contract for the performance of this contract without the advance written approval of the Procurement Officer. The Contractor shall clearly list any proposed subcontractors and the subcontractor's proposed responsibilities. The Subcontract shall incorporate by reference the terms and conditions of this Contract.

5.3. Assignment and Delegation. The Contractor shall not assign any right nor delegate any duty under this Contract without the prior written approval of the Procurement Officer. The State shall not unreasonably withhold approval.

6. Risk and Liability

6.1. Risk of Loss: The Contractor shall bear all loss of conforming material covered under this Contract until received by authorized personnel at the location designated in the purchase order or Contract. Mere receipt does not constitute final acceptance. The risk of loss for nonconforming materials shall remain with the Contractor regardless of receipt.

6.2. Indemnification

6.2.1. Contractor/Vendor Indemnification (Not Public Agency) The parties to this contract agree that the State of Arizona, its departments, agencies, boards and commissions shall be indemnified and held harmless by the contractor for the vicarious liability of the State as a result of entering into this contract. However, the parties further agree that the State of Arizona, its departments, agencies, boards and commissions shall be responsible for its own negligence. Each party to this contract is responsible for its own negligence.

6.2.2. Public Agency Language Only Each party (as 'indemnitor') agrees to indemnify, defend, and hold harmless the other party (as 'indemnitee') from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as 'claims') arising out of bodily injury of any person (including death) or property damage but only to the extent that such claims which result in vicarious/derivative liability to the indemnitee, are caused by the act, omission, negligence, misconduct, or other fault of the indemnitor, its officers, officials, agents, employees, or volunteers."

6.3. Indemnification - Patent and Copyright. The Contractor shall indemnify and hold harmless the State against any liability, including costs and expenses, for infringement of any patent, trademark or copyright arising out of Contract performance or use by the State of materials furnished or work performed under this Contract. The State shall reasonably notify the Contractor of any claim for which it may be liable under this paragraph. If the contractor is insured pursuant to A.R.S. § 41-621 and § 35-154, this section shall not apply.

6.4. Force Majeure.

6.4.1 Except for payment of sums due, neither party shall be liable to the other nor deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of force majeure. The term *"force majeure"* means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing,

force majeure includes acts of God; acts of the public enemy; war; riots; strikes; mobilization; labor disputes; civil disorders; fire; flood; lockouts; injunctions-intervention-acts; or failures or refusals to act by government authority; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence.

6.4.2. Force Majeure shall not include the following occurrences:

6.4.2.1. Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, or an oversold condition of the market;

6.4.2.2. Late performance by a subcontractor unless the delay arises out of a force majeure occurrence in accordance with this force majeure term and condition; or

6.4.2.3. Inability of either the Contractor or any subcontractor to acquire or maintain any required insurance, bonds, licenses or permits.

6.4.3. If either party is delayed at any time in the progress of the work by force majeure, the delayed party shall notify the other party in writing of such delay, as soon as is practicable and no later than the following working day, of the commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be delivered or mailed certified-return receipt and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The time of completion shall be extended by Contract Amendment for a period of time equal to the time that results or effects of such delay prevent the delayed party from performing in accordance with this Contract.

6.4.4. Any delay or failure in performance by either party hereto shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and to the extent that such delay or failure is caused by force majeure.

6.5. Third Party Antitrust Violations. The Contractor assigns to the State any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to the Contractor, toward fulfillment of this Contract.

7. Warranties

7.1. Liens. The Contractor warrants that the materials supplied under this Contract are free of liens and shall remain free of liens.

7.2. Quality. Unless otherwise modified elsewhere in these terms and conditions, the Contractor warrants that, for one year after acceptance by the State of the materials, they shall be:

7.2.1. Of a quality to pass without objection in the trade under the Contract description;

7.2.2. Fit for the intended purposes for which the materials are used;

7.2.3. Within the variations permitted by the Contract and are of even kind, quantity, and quality within each unit and among all units;

7.2.4. Adequately contained, packaged and marked as the Contract may require; and

7.2.5. Conform to the written promises or affirmations of fact made by the Contractor.

7.3. Fitness. The Contractor warrants that any material supplied to the State shall fully conform to all requirements of the Contract and all representations of the Contractor, and shall be fit for all purposes and uses required by the Contract.

7.4. Inspection/Testing. The warranties set forth in subparagraphs 7.1 through 7.3 of this paragraph are not affected by inspection or testing of or payment for the materials by the State.

7.5. Compliance With Applicable Laws. The materials and services supplied under this Contract shall comply with all applicable Federal, state and local laws, and the Contractor shall maintain all applicable license and permit requirements.

7.6. Survival of Rights and Obligations after Contract Expiration or Termination.

7.6.1. Contractor's Representations and Warranties. All representations and warranties made by the Contractor under this Contract shall survive the expiration or termination hereof. In addition, the parties hereto acknowledge that pursuant to A.R.S. § 12-510, except as provided in A.R.S. § 12-529, the State is not subject to or barred by any limitations of actions prescribed in A.R.S., Title 12, Chapter 5.

7.6.2. Purchase Orders. The Contractor shall, in accordance with all terms and conditions of the Contract, fully perform and shall be obligated to comply with all purchase orders received by the Contractor prior to the expiration or termination hereof, unless otherwise directed in writing by the Procurement Officer, including, without limitation, all purchase orders received prior to but not fully performed and satisfied at the expiration or termination of this Contract.

8. State's Contractual Remedies

8.1. Right to Assurance. If the State in good faith has reason to believe that the Contractor does not intend to, or is unable to perform or continue performing under this Contract, the Procurement Officer may demand in writing that the Contractor give a written assurance of intent to perform. Failure by the Contractor to provide written assurance within the number of Days specified in the demand may, at the State's option, be the basis for terminating the Contract under the Uniform Terms and Conditions or other rights and remedies available by law or provided by the contract.

8.2. Stop Work Order.

8.2.1. The State may, at any time, by written order to the Contractor, require the Contractor to stop all or any part, of the work called for by this Contract for period(s) of days indicated by the State after the order is delivered to the Contractor. The order shall be specifically identified as a stop work order issued under this clause. Upon receipt of the order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage.

8.2.2. If a stop work order issued under this clause is canceled or the period of the order or any extension expires, the Contractor shall resume work. The Procurement Officer shall make an equitable adjustment in the delivery schedule or Contract price, or both, and the Contract shall be amended in writing accordingly.

8.3. Non-exclusive Remedies. The rights and the remedies of the State under this Contract are not exclusive.

8.4. Nonconforming Tender. Materials or services supplied under this Contract shall fully comply with the Contract. The delivery of materials or services or a portion of the materials or services that do not fully comply constitutes a breach of contract. On delivery of nonconforming materials or services, the State may terminate the Contract for default

under applicable termination clauses in the Contract, exercise any of its rights and remedies under the Uniform Commercial Code, or pursue any other right or remedy available to it.

8.5. Right of Offset. The State shall be entitled to offset against any sums due the Contractor, any expenses or costs incurred by the State, or damages assessed by the State concerning the Contractor's non-conforming performance or failure to perform the Contract, including expenses, costs and damages described in the Uniform Terms and Conditions.

9. Contract Termination

9.1. Cancellation for Conflict of Interest. Pursuant to A.R.S. § 38-511, the State may cancel this Contract within three (3) years after Contract execution without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the Contract on behalf of the State is or becomes at any time while the Contract or an extension of the Contract is in effect an employee of or a consultant to any other party to this Contract with respect to the subject matter of the Contract. The cancellation shall be effective when the Contractor receives written notice of the cancellation unless the notice specifies a later time. If the Contractor is a political subdivision of the State, it may also cancel this Contract as provided in A.R.S. § 38-511.

9.2. Gratuities. The State may, by written notice, terminate this Contract, in whole or in part, if the State determines that employment or a Gratuity was offered or made by the Contractor or a representative of the Contractor to any officer or employee of the State for the purpose of influencing the outcome of the procurement or securing the Contract, an amendment to the Contract, or favorable treatment concerning the Contract, including the making of any determination or decision about contract performance. The State, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three times the value of the Gratuity offered by the Contractor.

9.3. Suspension or Debarment. The State may, by written notice to the Contractor, immediately terminate this Contract if the State determines that the Contractor has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a subcontractor of any public procurement unit or other governmental body. Submittal of an offer or execution of a contract shall attest that the contractor is not currently suspended or debarred. If the contractor becomes suspended or debarred, the contractor shall immediately notify the State.

9.4. Termination for Convenience. The State reserves the right to terminate the Contract, in whole or in part at any time when in the best interest of the State, without penalty or recourse. Upon receipt of the written notice, the Contractor shall stop all work, as directed in the notice, notify all subcontractors of the effective date of the termination and minimize all further costs to the State. In the event of termination under this paragraph, all documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State upon demand. The Contractor shall be entitled to receive just and equitable compensation for work in progress, work completed and materials accepted before the effective date of the termination. The cost principles and procedures provided in A.A.C. R2-7-701 shall apply.

9.5. Termination for Default.

9.5.1. In addition to the rights reserved in the contract, the State may terminate the Contract in whole or in part due to the failure of the Contractor to comply with any term or condition of the Contract, to acquire and maintain all required insurance policies, bonds, licenses and permits, or to make satisfactory progress in performing the Contract. The Procurement Officer shall provide written notice of the termination and the reasons for it to the Contractor.

9.5.2. Upon termination under this paragraph, all goods, materials, documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State on demand.

9.5.3. The State may, upon termination of this Contract, procure, on terms and in the manner that it deems appropriate, materials or services to replace those under this Contract. The Contractor shall be liable to the State for any excess costs incurred by the State in procuring materials or services in substitution for those due from the Contractor.

9.6. Continuation of Performance Through Termination. The Contractor shall continue to perform, in accordance with the requirements of the Contract, up to the date of termination, as directed in the termination notice.

10. Contract Claims

All contract claims or controversies under this Contract shall be resolved according to A.R.S. Title 41, Chapter 23, Article 9, and rules adopted thereunder.

11. Arbitration

The parties to this Contract agree to resolve all disputes arising out of or relating to this contract through arbitration, after exhausting applicable administrative review, to the extent required by A.R.S. § 12-1518, except as may be required by other applicable statutes (Title 41).

12. Comments Welcome

The State Procurement Office periodically reviews the Uniform Terms and Conditions and welcomes any comments you may have. Please submit your comments to: State Procurement Administrator, State Procurement Office, 100 North 15th Avenue, Suite 201, Phoenix, Arizona, 85007.

ARIZONA DEPARTMENT OF ECONOMIC SECURITY
SPECIAL TERMS AND CONDITIONS
Professional Services/Auto Optional /Children-Vulnerable Adult
5 Year Term

1.0 **Definition of Terms.** In addition to the terms and conditions defined in section 1 of the Uniform Terms and Conditions, the following shall apply:

1.1 **"Award Date"** means the date the contract is executed by the Department. This may or may not be the same date at the "Effective Date" which is the date specified on the Offer and Award or Signature page.

1.2 **"Department"** means the Arizona Department of Economic Security (ADES), unless otherwise indicated.

1.3 **"Effective Date"** means the date the Contractor is to start delivering services. The Effective Date is specified on the Offer and Award or Signature page.

1.4 **"Equipment"** means all vehicles, furniture, machinery, electronic data processing (EDP) equipment, software and all other equipment costing $5,000.00 or more, including all normal and necessary expenses incurred to make the equipment ready for its intended use (e.g., taxes, freight, installation, assembly and testing charges, etc.), and with a useful life of greater than one year. Equipment as used herein does not include real property (e.g., land, buildings, structures, or facilities' improvements).

1.5 **"May"** indicates something that is not mandatory but permissible.

1.6 **"Shall, Must"** indicates a mandatory requirement. Failure to meet these mandatory requirements may result in the rejection of a proposal as non-responsive.

1.7 **"Should"** indicates something that is recommended but not mandatory. If the Contractor fails to provide recommended information, the State may, at its sole option, ask the Contractor to provide the information.

1.8 **"Vulnerable adult"** means an individual who is eighteen years of age or older who is unable to protect himself from abuse, neglect or exploitation by others because of a physical or mental impairment

2.0 **Advertising, Publishing and Promotion of Contract..** In addition to the terms and conditions in Section 3.6 of the Uniform Terms and Conditions, the following shall apply:

2.1 The Contractor shall provide to the Department for review and approval all reports or publications (written, visual or sound) which are funded or partially funded under this contract, a minimum of fifteen (15) calendar days prior to public release. All reports and publications whether written, visual or verbal shall contain the following statement:

2.2 "This program was funded through a contract with the Arizona Department of Economic Security. Points of view are those of the author and do not necessarily represent the official position or policies of the Department."

3.0 **Audit.** In addition to the terms and conditions in section 3.3 of the Uniform Terms and Conditions, the following shall apply:

3.1 In compliance with the Federal Single Audit Act (31 U.S.C. Sections 7501-7507 as may be amended), Contractors designated as subrecipients, as described in the Office of Management and Budget (OMB) Circular A-133, expending Federal funds from all sources totaling $500,000 or more, shall have a yearly audit conducted in accordance with the audit and reporting standards as prescribed in OMB Circular A-133 (A-133) as may be amended. As outlined in A-133 the audit Reporting Package shall include:

1. Financial statements and a Schedule of Expenditures of Federal Awards (SEFA)
2. Summary schedule of prior audit findings
3. Auditor's Reports (detailed in the A-133)
4. Corrective Action Plan.

3.2 The Department's contract numbers and award amounts shall be included on the SEFA. A copy of the Single Audit Reporting Package and Management Letter, if issued, shall be submitted to the Department's Office of Audit and Management Services within thirty (30) days after completion of the audit or nine (9) months after the audited period and to the Department's person designated to receive notices as specified in the Reports

Section in the Scope of Work.

3.3 All Contractors are subject to the programmatic and fiscal monitoring requirements of each Department program to ensure accountability of the delivery of all goods and services, as required under the Federal Single Audit Act. A minimum fiscal requirement for all Contractors designated as vendors is an annual financial audit which includes Department contract numbers and award amounts. The Audit Report, Management Letter, if issued, and Auditor's Opinion shall be submitted within thirty (30) days after completion of the audit to the Department's person designated to receive notices as specified in the Reports Section in the Scope of Work.

3.4 As prescribed in OMB Circular A-133, for-profit subrecipients are subject to compliance requirements established by the Department. Methods to ensure compliance for Federal awards made to for-profit subrecipients may include pre-award audits, Department monitoring during the contract, and post-award audits.

3.5 Audits of non-profit corporations receiving Federal or State monies required pursuant to Federal or State law shall be conducted as provided in 31 U.S.C. Section 7501 et seq. and A.R.S. Section 35-181.03 as may be amended and any other applicable statutes, rules, regulations and standards.

4.0 Availability of Funds.

4.1 The Department may reduce payments or terminate this contract without further recourse, obligation or penalty in the event that insufficient funds are appropriated or allocated. The Director of the Department shall have the sole and unfettered discretion in determining the availability of funds. The Department and the Contractor may mutually agree to reduce reimbursement to the Contractor when the payment type is Fixed Price with Price Adjustment by executing a contract amendment.

5.0 Background Checks for Employment through the Central Registry. If providing direct services to children or vulnerable adults, the following shall apply:

5.1 The provisions of A.R.S. § 8-804 (as may be amended) are hereby incorporated in its entirety as provisions of this Contract.

5.2 Background checks through the Central Registry shall be conducted for each Contract employee including subcontractors that provide direct services to children or vulnerable adults. Individuals shall not provide direct services to ADES clients until the results of the Central Registry background check are complete and the results indicate the individual has no disqualifying acts that would prohibit him/her from providing services to ADES clients. If the Central Registry background check specifies any disqualifying act, the individual shall be prohibited from providing direct services to ADES clients.

5.3 Within thirty (30) days of contract award, the Contractor shall submit the *"Request for Search of Central Registry for Employment"* for each employee and subcontract employee providing direct services to children or vulnerable adults.

5.4 At least sixty (60) days prior to the Contract End Date, the Contractor shall submit the *"Request for Search of Central Registry for Employment"* for each employee and subcontract employee providing direct services to children or vulnerable adults.

5.5 The Contractor shall maintain the Central Registry Background Check results in a confidential file for five (5) years after termination of the Contract.

6.0 Certification of Cost or Pricing Data.

6.1 By submittal of the offer, the Contractor is certifying that, to the best of the Contractor's knowledge and belief, any cost or pricing data submitted is accurate, complete and current as of the date submitted or other mutually agreed upon date. Furthermore, the price to the State shall be adjusted to exclude any significant amounts by which the State finds the price was increased because the Contractor-furnished cost or pricing data was inaccurate, incomplete or not current as of the date of certification. Such adjustment by the State may include overhead, profit or fees. The certifying of cost or pricing data does not apply when contract rates are set by law or regulation.

7.0 Certification Regarding Lobbying.

7.1 The Contractor agrees by submittal of the Certification Regarding Lobbying form, compliance with

49 CFR part 20. (Attachment)

8.0 Code of Conduct.

8.1 The Contractor shall avoid any action that might create or result in the appearance of having:

1. Inappropriate use or divulging of information gathered or discovered pursuant to the performance of its duties under the contract;
2. Acted on behalf of the State without appropriate authorization;
3. Provided favorable or unfavorable treatment to anyone;
4. Made a decision on behalf of the State that exceeded its authority, could result in partiality, or have a political consequence for the State;
5. Misrepresent or otherwise impeded the efficiency, authority, actions, policies, or adversely affect the confidence of the public or integrity of the State; or,
6. Loss of impartiality when advising the State

9.0 Competitive Bidding.

9.1 The Contractor is authorized to purchase the supplies and equipment itemized in the contract for utilization in the delivery of contract services. Contractor shall procure all such supplies and equipment at the lowest practicable cost and shall purchase all non-expendable items having a useful life of more than one year and an acquisition cost of $1,000 or more, through generally accepted and reasonable competitive bidding processes. Any procurement in violation of this provision shall be considered a financial audit exception.

10.0 Compliance with Applicable Laws. In addition to the terms and conditions in section 7.6 of the Uniform Terms and Conditions, the following shall apply:

10.1. In accordance with A.R.S. §36-557 as may be amended (Purchase of community developmental disabilities services; application; contracts; limitation), as applicable, all recipients of contract services shall have all of the same specified rights as they would have if enrolled in a service program operated directly by the State.

10.2 Nothing in this contract shall be construed as a waiver of an Indian tribe's sovereign immunity; nothing shall be construed as an Indian tribe's consent to be sued or as consent by an Indian tribe to the jurisdiction of any State Court.

10.3 The Contractor shall comply with the requirements related to reporting to a peace officer or child protective services incidents of crimes against children as specified in A.R.S. §13-3620 as may be amended .

10.4 The Contractor shall comply with P.L. 101-121, Section 319 (31 U.S.C. section 1352)as may be amended and 29 C.F.R. Part 93 as may be amended which prohibit the use of federal funds for lobbying and which state, in part: Except with the express authorization of Congress, the Contractor, its employees or agents, shall not utilize any federal funds under the terms of this contract to solicit or influence, or to attempt to solicit or influence, directly or indirectly, any member of Congress regarding pending or prospective legislation. Indian tribes, tribal organizations and any other Indian organizations are exempt from these lobbying restrictions with respect to expenditures that are specifically permitted by other federal law.

10.5 The Contractor shall comply with all applicable state and federal statutes and regulations. This shall include A.R.S. § 23-722.01 as may be amended relating to new hire reporting, A.R.S. § 23-722.02 as may be amended relating to wage assignment orders to provide child support, and A.R.S. § 25-535 as may be amended relating to administrative or court-ordered health insurance coverage for children.

11.0 Confidentiality.

11.1 The Contractor shall observe and abide by all applicable State and federal statutes, rules and regulations regarding the use or disclosure of information including, but not limited to, information concerning applicants for and recipients of contract services. To the extent permitted by law, the Contractor shall release information to the Department and to the Attorney General's Office as required by the terms of this contract, by law or upon their request.

12.0 Contract Term and Option to Extend.

12.1 The term of the resultant contract shall be effective the date specified on the Signature page and shall remain in effect for five (5) yeas or otherwise specified date, unless terminated or cancelled.

12.2 The Contractor shall not provide services prior to contract term commencing or after the end date of the contract. (No billable activity outside of the effective dates).

13.0 Cooperation.

13.1 The Department may undertake or award other contracts for additional work related to the work performed by the Contractor, and the Contractor shall fully cooperate with such other Contractors and State employees, and carefully fit its own work to such other Contractors' work. The Contractor shall not commit or permit any act which will interfere with the performance of work by any other Contractor or by State employees. The Contractor shall cooperate as the State deems necessary, with the transfer of work, services, case records and files performed or prepared by the Contractor to other Contractor(s).

14.0 Data Sharing Agreement.

14.1 When determined by the Department that sharing of confidential data will occur with the Contractor, the Contractor shall complete the ADES Data Sharing Request Agreement and submit the completed Agreement to the DES Program Designated Staff prior to any work commencing or data shared. A separate Data Sharing Request Agreement shall be required between the Contractor and each DES Program sharing confidential data.

15.0 Equipment.

15.1 If the Contractor is authorized to purchase Equipment, it shall be itemized in the contract for utilization in the delivery of contract services. If Equipment is purchased as authorized by this contract, the Contractor shall maintain complete and up-to-date inventory records for all Equipment purchased hereunder. Equipment specifically designated within this contract, to be purchased in whole or part with the Department funds, shall be reported in accordance with Department inventory policies and procedures. The Contractor shall report Equipment purchased with contract funds to the Department within thirty (30) days of purchase, perform an annual inventory of all Equipment purchased with Department funds and submit the Equipment inventory form to the Department person designated to receive notices.

15.2 The Department shall retain an equitable interest equal to the purchase price paid, or a fair estimate or appraisal of current market value, whichever is greater, in all Equipment purchased under this contract. The Department shall be included as a co-insured on any insurance policy which covers Equipment purchased under this contract.

15.3 The Contractor shall not dispose of any Equipment purchased under this contract without the prior written consent of the Department during and after the contract term. Such consent, if given, may include direction as to the means of disposition and the utilization of proceeds, including any necessary adjustments to the contract.

15.4 Upon termination of this contract, any Equipment purchased under this contract shall be disposed of as directed by the Department and, if sold, the Department shall be compensated in the amount of its equitable interest.

15.5 Under a fixed price contract, Section 15.1 through 15.4 do not apply unless specifically required by federal or state law.

16.0 Reserved.

17.0 Evaluation.

17.1 The Department may evaluate, and the Contractor shall cooperate in the evaluation of, contract services. Evaluation may assess the quality and impact of contract services, either in isolation or in comparison with other similar services, and assess the Contractor's progress and/or success in achieving the goals, objectives and deliverables set forth in this contract.

17.2 As requested by the Department, the Contractor shall participate in third party evaluations relative to contract impact in support of Department goals.

18.0 E-Verify.

18.1 In addition to the terms and conditions in Section 3.10 of the Uniform Terms and Conditions, the following shall apply :

18.2 The Contractor warrants compliance with all Federal immigration laws and regulations relating to employees and warrants its compliance with Section A.R.S. § 23-214, subsection A as may be amended. (That subsection reads: "After December 31, 2007, every employer, after hiring an employee, shall verify the employment eligibility of the employee through the E-Verify program.")

18.3 A breach of a warrant regarding compliance with immigration laws and regulations shall be deemed a material breach of the contract and the Contractor may be subject to penalties up to and including termination of the contract.

18.4 Failure to comply with a State audit process to randomly verify the employment records of contractors and subcontractors shall be deemed a material breach of the contract and the Contractor may be subject to penalties up to and including termination of the contract.

18.5 The Department retains the legal right to inspect the papers of any employee who works on the contract to ensure that the Contractor or subcontractor is complying with the warranty under paragraph 18.2.

19.0 Fair Hearings and Service Recipients' Grievances.

19.1 The Contractor shall advise all applicants for and recipients of contract services of their right, at any time and for any reason, to present to the Contractor and to the Department any grievances arising from the delivery of contract services, including, but not limited to, ineligibility determination, reduction of services, suspension or termination of services, or quality of services. The Department may assert its jurisdiction to hear the grievance or refer the matter to the appropriate authority.

19.2 The Contractor, whenever authorized by law, shall maintain a formal system acceptable to and approved by the Department for reviewing and adjudicating grievances by service recipients or subcontractors arising from this contract.

20.0 Federal Immigration and Nationality Act.

20.1 In addition to the terms and conditions in Section 3.9 of the Uniform Terms and Conditions, the following shall apply:

20.2 By entering into the Contract, the Contractor warrants compliance with the Federal Immigration and Nationality Act (FINA) and all other Federal immigration laws and regulations related to the immigration status of its employees. The Contractor shall obtain statements from its subcontractors certifying compliance and shall furnish the statements to the Procurement Officer upon request. These warranties shall remain in effect through the term of the Contract. The Contractor and its subcontractors shall also maintain Employment Eligibility Verification forms (I-9) as required by the U.S. Department of Labor's Immigration and Control Act, for all employees performing work under the Contract. I-9 forms are available for download at USCIS.GOV.

20.3 The State may request verification of compliance for any Contractor or subcontractor performing work under the Contract.

21.0 Fees and Program Income.

21.1 Unless specifically authorized in the contract, the Contractor shall impose no fees or charges of any kind upon recipients for contract services.

22.0 Fingerprinting.

22.1 Contractor shall comply with, and shall ensure that all of Contractor's employees, independent contractors, subcontractors, volunteers and other agents comply with, all applicable (current and future) legal requirements relating to fingerprinting, fingerprint clearance cards, certifications regarding pending or past criminal matters, and criminal records checks that relate to contract performance.

22.2 Applicable legal requirements relating to fingerprinting, certification, and criminal background checks" may include, but are not limited, to the following: A.R.S. §§ 36-594.01, 36-3008, 41-1964, and 46-141. All applicable legal requirements relating to fingerprinting, fingerprint clearance cards, certifications regarding pending or past criminal matters, and criminal records checks are hereby incorporated in their entirety as provisions of this contract. The Contractor is responsible for knowing which legal requirements relating to fingerprinting, fingerprint clearance cards, certifications regarding pending or past criminal matters, and

criminal records checks relate to contract performance.

22.3 To the extent A.R.S. § 46-141 is applicable to contract performance or the services provided under this contract, the following provisions apply:

22.3.1 Personnel who are employed by the Contractor, whether paid or not, and who are required or allowed to provide services directly to juveniles or vulnerable adults shall submit a full set of fingerprints to the Department for the purposes of obtaining a state and federal criminal records check pursuant to section 41-1750 and Public Law 92-544 or shall apply for a fingerprint clearance card within seven working days of employment.

22.3.2 Except as provided in A.R.S. § 46-141, this contract may be cancelled or terminated immediately if a person employed by the Contractor and who has contact with juveniles certifies pursuant to the provisions of A.R.S. § 46-141 (as may be amended) that the person is awaiting trial or has been convicted of any of the offenses listed therein in this State, or of acts committed in another state that would be offenses in this State, or if the person does not possess or is denied issuance of a valid fingerprint clearance card.

23.0 Inclusive Contractor.

23.1 Contractor is encouraged to make every effort to utilize subcontractors that are small, women-owned and/or minority owned business enterprises. This could include subcontractors for a percentage of the administrative or direct service being proposed. Contractor who is committing a portion of its work to such subcontractors shall do so by identifying the type of service and work to be performed by providing detail concerning the Contractor's utilization of small, women-owned and/or minority business enterprises. Emphasis should be placed on specific areas that are subcontracted and percentage of contract utilization and how this effort will be administered and managed, including reporting requirements.

24.0 Indemnification and Insurance.

24.1 Indemnification Clause:

24.1 1. The parties to this contract agree that the State of Arizona and the Department of Economic Security shall be indemnified and held harmless by Contractor for the vicarious liability of the State as a result of entering into this contract. However, the parties further agree that the State of Arizona and the Department of Economic Security shall be responsible for their own negligence. Each party to this contract is responsible for its own negligence.

This indemnity shall not apply if the contractor or sub-contractor(s) is/are an agency, board, commission or university of the State of Arizona.

24.2 Insurance Requirements:

24.2.1 Contractor and subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Contract, are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors.

24.2.2 The *insurance requirements* herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under this contract by the Contractor, its agents, representatives, employees or subcontractors, and Contractor is free to purchase additional insurance.

A. **Minimum Scope And Limits Of Insurance:** Contractor shall provide coverage with limits of liability not less than those stated below.

1. **Commercial General Liability – Occurrence Form**
Policy shall include bodily injury, property damage, personal injury and broad form contractual liability.

• General Aggregate	$2,000,000
• Products – Completed Operations Aggregate	$1,000,000
• Personal and Advertising Injury	$1,000,000
• Blanket Contractual Liability – Written and Oral	$1,000,000
• Fire Legal Liability	$ 50,000
• Each Occurrence	$1,000,000

a. The policy shall be endorsed to **include coverage for sexual abuse and molestation**.

b. The policy shall be endorsed to include the following additional insured

language: ***"The State of Arizona and the Department of Economic Security shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor".***

c. Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

This requirement may be satisfied with a policy combining General and Professional Liability, provided that the General Liability section of the policy is written on an occurrence basis, and includes coverage for contractual liability.

2. **Business Automobile Liability**
Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of this Contract.

Combined Single Limit (CSL)	$1,000,000

a. The policy shall be endorsed to include the following additional insured language: ***"The State of Arizona and the Arizona Department of Economic Security shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor, involving automobiles owned, leased, hired or borrowed by the Contractor".***

b. Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

3. **Worker's Compensation and Employers' Liability**

• Workers' Compensation	Statutory
• Employers' Liability	
• Each Accident	$ 500,000
• Disease – Each Employee	$ 500,000
• Disease – Policy Limit	$1,000,000

a. Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

b. This requirement shall not apply to: Separately, EACH contractor or subcontractor exempt under A.R.S. 23-901, AND when such contractor or subcontractor executes the appropriate waiver (Sole Proprietor/Independent Contractor) form.

4. **Professional Liability (Errors and Omissions Liability)**

Each Claim	$1,000,000
Annual Aggregate	$2,000,000

a. In the event that the professional liability insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Contract is completed.

b. The policy shall cover professional misconduct or lack of ordinary skill for those positions defined in the Scope of Work of this contract.

B. **Additional Insurance Requirements:** The policies shall include, or be endorsed to include, the following provisions: The State of Arizona and the Arizona Department of Economic Security, wherever additional insured status is required such additional

insured shall be covered to the full limits of liability purchased by the Contractor, even if those limits of liability are in excess of those required by this Contract.

1. The Contractor's insurance coverage shall be primary insurance with respect to all other available sources.
2. Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of this Contract.

C. **Notice Of Cancellation:** Each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be suspended, voided, canceled, or reduced in coverage or in limits except after thirty (30) days prior written notice has been given to the State of Arizona. Such notice shall be sent directly to the **Arizona Department of Economic Security, Office of Procurement, 1789 W. Jefferson St. Site Code 805Z, Phoenix, AZ 85007 unless the Scope of Work Reporting Requirements specifies otherwise** and shall be sent by certified mail, return receipt requested.

D. **Acceptability Of Insurers:** Insurance is to be placed with duly licensed or approved non-admitted insurers in the state of Arizona with an "A.M. Best" rating of not less than A- VII. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

If the social services program utilizes the Social Service Contractors Indemnity Pool (SSCIP) or other approved insurance pool for insurance coverage, SSCIP or the other approved insurance pool is exempt from the A.M. Best's rating requirements listed in this contract. If the contractor or subcontractor chooses to use SSCIP or another approved insurance pool as its insurance provider, the contract/subcontract would be considered in full compliance with insurance requirements relating to the A.M. Best rating requirements.

E. **Verification Of Coverage:** Contractor shall furnish the State of Arizona with certificates of insurance (ACORD form or equivalent approved by the State of Arizona) as required by this Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

All certificates and endorsements are to be received and approved by the State of Arizona before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

All certificates required by this Contract shall be sent directly to **Arizona Department of Economic Security, Office of Procurement, 1789 W. Jefferson St. Site Code 805Z, Phoenix, AZ 85007 unless the Scope of Work Reporting Requirements specifies otherwise**. The State of Arizona **contract number and contract description shall be noted or referenced on the certificate of insurance**. The State of Arizona reserves the right to require complete, certified copies of all insurance policies required by this Contract at any time. **DO NOT SEND CERTIFICATES OF INSURANCE TO THE STATE OF ARIZONA'S RISK MANAGEMENT SECTION.**

F. **Subcontractors:** Contractors' certificate(s) shall include all subcontractors as insureds under its policies **or** Contractor shall furnish to the State of Arizona separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements identified above.

G. **Approval:** Any modification or variation from the *insurance requirements* in this Contract shall be made by the Department of Administration, Risk Management Section, whose decision shall be final. Such action will not require a formal Contract amendment, but may be made by administrative action.

H. **Exceptions:** In the event the Contractor or sub-contractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a Certificate of Self-Insurance. If the contractor or sub-contractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

In the event that Contractor determines that it may not be able to comply fully with the insurance requirements set forth above in Section 24.0 of the Arizona Department of Economic Security Special Terms and Conditions, the Contractor may request that the insurance requirements be modified pursuant to paragraph 24.2.2(G), provided that such request be delivered in writing to ADES at least ten days prior to the solicitation due date or, if not a solicitation, prior to contract execution. Contractor shall include with such request Contractor's justification for the modification with supporting documentation.

As provided in paragraph 24.2.2(G), the Department of Administration, Risk Management Section, shall decide whether such modification may be permitted. If the Department of Administration, Risk Management, decides to grant permission, the ADES Chief Procurement Officer shall then decide whether to approve the modification.

Modifications that are approved will be done so on a case-by-case basis and shall not affect the insurance requirements of other Contractors for whom modifications have not been approved. If a Contractor's request has not been approved or a Contractor fails to deliver its request prior to the applicable deadline, then the Contractor shall be required to comply fully with the insurance requirements set forth in paragraph 24.0 above.

25.0 IT 508 Compliance.

25.1 Unless specifically authorized in the Contract, any electronic or information technology offered to the State of Arizona under this contract shall comply with A.R.S. 41-3531 and 3532 as may be amended and Section 508 of the Rehabilitation Act of 1973, which requires that employees and members of the public shall have access to and use of information technology that is comparable to the access and use by employees and members of the public who are not individuals with disabilities.

26.0 Levels of Service.

26.1 If the Contractor determines service recipient eligibility, the Contractor shall maintain and regulate the units or services set forth in this contract to ensure continuity and availability of services to eligible persons during the term of this contract and during any transition to a subsequent Contractor.

26.2 The Department makes no guarantee to purchase specific quantities of goods or services, or to refer eligible persons as may be identified or specified herein. Further, it is understood and agreed that this contract is for the sole convenience of the Department and that the Department reserves the right to obtain like goods or services from other sources when such need is determined necessary by the Department.

26.3 Any administration within the Department may obtain services under this contract.

26.4 Contract services may be moved or expanded to other site locations within the geographic area awarded only by a written contract amendment.

26.5 The Department makes no guarantee to purchase all of the service units authorized or to provide any number of referrals. If quantities of units are specified, they are estimates only and the Department may decrease and/or increase them by providing written notice to the Contractor.

26.6 When the method of compensation for the service is Fixed Price with Price Adjustment, the contract may be amended, by mutual agreement, to purchase additional services by increasing the contract service budget and/or budget summary.

27.0 Monitoring.

27.1 The Department may monitor the Contractor and/or subcontractor and they shall cooperate in the monitoring of services delivered, facilities and records maintained and fiscal practices.

28.0 Non-Discrimination. In addition to the terms and conditions in section 3.2 of the Uniform Terms and Conditions, the following shall apply:

28.1 Unless exempt under Federal law the Contractor shall comply with Title VII of the Civil Rights Act of 1964 as amended. Contractor shall comply with the Age Discrimination in Employment Act. The Contractor shall comply with the Rehabilitation Act of 1973, as amended, which prohibits discrimination in the employment or

advancement in employment of qualified persons because of physical or mental handicap. The Contractor shall comply with the requirements of the Fair Labor Standards Act of 1938, as amended.

28.2. If Contractor is an Indian Tribal Government, Contractor shall comply with the Indian Civil Rights Act of 1968. It shall be permissible for an Indian Tribal Contractor to engage in Indian preference in hiring.

28.3 The Contractor shall comply with Title VI of the Civil Rights Act of 1964, which prohibits the denial of benefits of or participation in contract services on the basis of race, color, or national origin. The Contractor shall comply with the requirements of Section 504 of the Rehabilitation Act of 1973, as amended, which prohibits discrimination on the basis of handicap, in delivering contract services; and with Title II of the Americans with Disabilities Act, and the Arizona Disability Act, which prohibit discrimination on the basis of physical or mental disabilities in the provision of contract programs, services and activities.

28.4 The following shall be included in all publications, forms, flyers, etc. that are distributed to recipients of contract services:

> "Under Titles VI and VII of the Civil Rights Act of 1964 (Title VI and VII) and the Americans with Disabilities Act of 1990 (ADA) Section 504 of the Rehabilitation Act of 1973 and the Age Discrimination Act of 1975, *insert Contractor name here*) prohibits discrimination in admissions, programs, services, activities or employment based on race, color, religion, sex, national origin, age, and disability. The (*insert Contractor name here*) must make a reasonable accommodation to allow a person with a disability to take part in a program, service, or activity. Auxiliary aids and services are available upon request to individuals with disabilities. For example, this means that if necessary, the (*insert Contractor name here*) must provide sign language interpreters for people who are deaf, a wheelchair accessible location, or enlarged print materials. It also means that the (*insert Contractor name here*) will take any other reasonable action that allows you to take part in and understand a program or activity, including making reasonable changes to an activity. If you believe that you will not be able to understand or take part in a program or activity because of your disability, please let us know of your disability needs in advance if at all possible. To request this document in alternative format or for further information about this policy please contact: (*insert Contractor contact person and phone number here*)" Para obtener este documento en otro formato u obtener información adicional sobre esta política, *(insert Contractor contact person and phone number here)*"

29.0 **Notices.** In addition to the terms and conditions in section 3.5 of the Uniform Terms and Conditions, the following shall apply:

29.1 All notices shall reference the contract number.

29.2 The Contractor shall give written notice to the Department of changes to the following, and a written amendment to the contract shall not be necessary:

1. Change of telephone number;
2. Changes in the name and/or address of the person to whom notices are to be sent;
3. Changes in contract-related personnel positions of the Contractor which do not affect staffing ratios, staff qualifications or specific individuals required under this contract; or
4. In a fixed price with price adjustment contract, whenever there is less than a 10% increase in any budget category; any such increase must be offset by an equal value decrease in another budget category or categories.

30.0 **Reserved**

31.0 **Order of Precedence.**

31.1 In addition to the terms and conditions in section 2.3 Contract Order of Precedence of the Uniform Terms and Conditions, the following shall apply:

1. In the event of a conflict in the provisions of the Contract, as accepted by the State and as they may be amended, the following shall prevail in the order set forth below:
    1. Division/Administration Special Terms and Conditions;
    2. ADES Special Terms and Conditions;
    3. Uniform Terms and Conditions;
    4. Scope of Work or Specification;
    5. Attachments;
    6. Exhibits;

7. Documents referenced or included in the Solicitation.

32.0 Pandemic Contractual Performance.

32.1 The State shall require a written plan that illustrates how the contractor shall perform up to contractual standards in the event of a pandemic. The state may require a copy of the plan at anytime prior or post award of a contract. At a minimum, the pandemic performance plan shall include:

1. Key succession and performance planning if there is a sudden significant decrease in contractor's workforce.
2. Alternative methods to ensure there are services or products in the supply chain.
3. An up to date list of company contacts and organizational chart.

32.2 In the event of a pandemic, as declared by the Governor of Arizona, U.S. Government or the World Health Organization, which makes performance of any term under this contract impossible or impracticable, the State shall have the following rights:

1. After the official declaration of a pandemic, the State may temporally void the contract(s) in whole or specific sections if the contractor cannot perform to the standards agreed upon in the initial terms.
2. The State shall not incur any liability if a pandemic is declared and emergency procurements are authorized by the Director of the Arizona Department of Administration per A.R.S. § 41-2537 as may be amended of the Arizona Procurement Code.
3. Once the pandemic is officially declared over and/or the contractor can demonstrate the ability to perform, the State, at its sole discretion may reinstate the temporarily voided contract(s).

33.0 Payments. In addition to the terms and conditions in section 4.1 of the Uniform Terms and Conditions, the following shall apply:

33.1 Payments shall be made according to the type of payment defined as follows:

1. Rate (or) Fixed Price- The Contractor is paid a specified amount for each unit of service or deliverable as designated in the contract, not to exceed the maximum number of authorized units if indicated by the Department for each contract service/deliverable. The Department may authorize units throughout the term of the contract by amending the contract or through the process of issuing release orders. A Release Order is a separate document and may be increased or decreased throughout the term of the contract without amending the contract. A client specific referral is considered a form of release order as well as a Purchase Authorization or other similar named document.

33.2 The Contractor shall report to the Department in the manner prescribed by the "Reporting Requirements" section of these terms and conditions. Upon receipt of applicable, accurate and complete reports, the Department will authorize payment or reimbursement in accordance with the type of payment indicated by this contract.

33.3 If the Contractor is in any manner in default in the performance of any obligation under this contract, or if audit exceptions are identified, the Department may, at its option and in addition to other available remedies, either adjust the amount of payment or withhold payment until satisfactory resolution of the default or exception.

33.4 Under no circumstances shall the Department make payment to the Contractor that exceeds the:

1. The units authorized as stated in section 33.1; or
2. The service reimbursement ceiling;
3. Under no circumstances shall the Department make payment to the Contractor for services performed prior to or after the term of the contract without timely extension or renewal of the contract.

33.5 The Contractor may offer a price reduction adjustment at any time during the term of the contract. Any price reduction shall be executed by a contract amendment.

34.0 Payment Recoupment.

34.1 The Contractor shall reimburse the Department upon demand or the Department may deduct from future payments the following:

1. Any amounts received by the Contractor from the Department for contract services which have been inaccurately reported or are found to be unsubstantiated;
2. Any amounts paid by the Contractor to a subcontractor not authorized in writing by the Department;
3. Any amount or benefit paid directly or indirectly to an individual or organization not in accordance with the "Substantial Interest" section of these terms and conditions;

4. Any amounts paid by the Department for services which duplicate services covered or reimbursed by other specific grants, contracts, or payments;
5. Any amounts expended for items or purposes determined unallowable by the Department when this contract provides for the reimbursement of costs, see the "Unallowable Costs" section of these terms and conditions;
6. Any amounts paid by the Department for which the Contractor's books, records, and other documents are not sufficient to clearly substantiate that those amounts were used by the Contractor to perform contract services;
7. Any amounts received by the Contractor from the Department which are identified as a financial audit exception;
8. Any amounts paid or reimbursed in excess of the contract or service reimbursement ceiling;
9. Any amounts paid to the Contractor which are subsequently determined to be defective pursuant to the "Certification of Cost or Pricing Data" section of these terms and conditions.
10. Any payments made for services rendered before the contract begin date or after the contract termination date.

35.0 Personnel.

35.1 The Contractor's personnel shall satisfy all qualifications, carry out all duties, and work the hours as set forth in this contract.

36.0 Predecessor and Successor Contracts.

36.1 The execution or termination of this contract shall not be considered a waiver by the Department of any rights it may have for damages suffered through a breach of this or a prior contract with the Contractor.

37.0 Professional Standards.

37.1 The Contractor shall deliver contract services in a humane and respectful manner and in accordance with any and all applicable professional accreditation standards. Levels of staff qualifications, professionalism, numbers of staff and individuals identified by name must be maintained as presented in the contract.

38.0 Rate Increase.

38.1 The Contractor may submit a request for a rate increase a minimum of 45 days prior to the contract extension date. The request shall be in writing and include supportive justification for the proposed increase. The rate increase shall only be considered at time of contract extension. The State will review the request and shall determine if the increase shall be granted or if an alterative option is in the best interests of the State. The rate increase adjustment, if approved, will be effective and executed via a contract amendment.

38.2 Any approved rate increase shall be applied to the specific rate(s) in effect prior to the contract extension period.

39.0. Records. In addition to the terms and conditions in section 3.1 of the Uniform Terms and Conditions, the following shall apply:

39.1 Contract service records will be maintained in accordance with this contract. Records shall, as applicable, meet the following standards:

1. Adequately identify the service provided and each service recipient's application for contract and subcontract activities;
2 Include personnel records which contain applications for employment, job titles and descriptions, hire and termination dates, a copy of the fingerprint clearance card, wage rates, and effective dates of personnel actions affecting any of these items;
3. Include time and attendance records for individual employees to support all salaries and wages paid;
4. For Fix Price with Price Adjustment contracts, include:
    1. Records of the source of all receipts and the deposit of all funds received by the Contractor;
    2. Original copies of invoices, statements, sales tickets, billings for services, deposit slips, etc., and a cash disbursement journal and cancelled checks to reflect all disbursements applicable to the contract;
    3. A complete general ledger with accounts for the collection of all costs and/or fees applicable to the contract; and,
    4. Copies of lease/rental agreements, mortgages and/or any other agreements which in any way may affect contract expenditures

39.2 Any such records not maintained shall mandate an audit exception in the amount of the inadequately documented expenditures.

39.3 Contractor shall preserve and make available all records for a period of five (5) years from the date of final payment under this contract except as provided in Section 41.0 of the DES Special Terms and Conditions or if subject to Health Insurance Portability & Accountability Act which is six (6) years from the date of final payment:

1. If this contract is completely or partially terminated, the records relating to the work terminated shall be preserved and made available for a period of five years from the date of any such termination.
2. Records which related to disputes, litigation or the settlement of claims arising out of the performance of this contract, or costs and expenses of this contract to which exception has been taken by the state, shall be retained by the Contractor until such disputes, litigations, claims or exceptions have been disposed of.

40.0 Relationship of Parties.

40.1 In addition to the terms and conditions in Section 2.4 of the Uniform Terms and Conditions, the following shall apply:

1. In the event that the Contractor or its personnel is sued or prosecuted for conduct arising from this contract, the Contractor or their personnel will not be represented by the Department of the Attorney General.
2. Taxes or Social Security payments will not be withheld from a State payment issued hereunder and the Contractor shall make arrangements to directly pay such expenses, if any.

41.0 Reporting Requirements.

41.1 Unless otherwise provided in this contract, reporting shall adhere to the following schedule: with the exception of the last month of the contract term, the Contractor shall submit programmatic and financial reports to the Department in the form set forth in the contract no later than the 15th day following the end of each month during the contract term. Failure to submit accurate and complete reports by the 15th day following the end of each month may result, at the option of the Department, in retention of payment. Failure to provide such report within 45 days following the end of a month may result, at the option of the Department, in a forfeiture of such payment.

41.2 Following the end of each contract term, the Contractor shall submit programmatic and financial reports to the Department in the form set forth in the contract no later than the 45th day following the end of the each contract term. The final fiscal report for the contract term shall include all adjustment to prior financial reports submitted for the contract term.

41.3 No later than the 45th day following the termination of this contract, Contractor shall submit to the Department a final program and fiscal report. Failure to submit the final program and fiscal report within the above time period may result, at the option of the Department, in forfeiture of final payment.

41.4 All reports shall reference the contract number and be submitted to the person designated by the Department.

42.0 Responsibility for Payments Indemnification.

42.1 The Contractor shall be responsible for issuing payment for services performed by the Contractor's employees, subcontractors, suppliers, or any other third party incurred in the furtherance of the performance or the arising out of the contract and will indemnify and save the Department harmless for all claims whatsoever out of the lawful demands of such parties. The Contractor shall, at the Department's request, furnish satisfactory evidence that all obligations of the nature hereinabove designated have been paid, discharged or waived.

43.0 Reserved.

44.0 Subcontracts. In addition to the terms and conditions in section 5.2 of the Uniform Terms and Conditions, the following shall apply:

44.1 The Contractor shall provide copies of each contract with a subcontractor relating to the provision of contract services to the Department upon five (5) calendar days of the request.

45.0 Substantial Interest Disclosure.

45.1 Contractor shall not make any payments, either directly or indirectly, to any person, partnership, corporation, trust, or any other organization which has a substantial interest in Contractor's organization or with which Contractor (or one of its directors, officers, owners, trust certificate holders or a relative thereof) has a substantial interest, unless Contractor has made a full written disclosure of the proposed payments, including amounts, to the Department.

45.2 Leases or rental agreements or purchase of real property which would be covered by Section 44.1 shall be in writing and accompanied by an independent commercial appraisal of fair market rental, lease, or purchase value, as appropriate.

45.3 For the purpose of this Section, "relative" shall have the same meaning as in A.R.S. §38-502 as may be amended.

46.0 Supporting Documents and Information.

46.1 In addition to any documents, reports or information required by any other section of this contract, Contractor shall furnish the Department with any further documents and information deemed necessary by the Department. Upon receipt of a request for information from ADES, the Contractor shall provide complete and accurate information no later than fifteen (15) days after the receipt of the request.

47.0 Suspension or Debarment.

47.1 In addition to the terms and conditions in section 9.3 of the Uniform Terms and Conditions, the Contractor shall submit the Certification Regarding Debarment, Suspension and Voluntary Exclusion Lower Tier Covered Transactions form (Attachment).

48.0 Technical Assistance.

48.1 The Department may, but shall not be obligated to, provide technical assistance to the Contractor in the administration of contract services, or relating to the terms and conditions, policies and procedures governing this contract. Notwithstanding the foregoing, the Contractor shall not be relieved of full responsibility and accountability for the provision of contract services in accordance with the terms and conditions set forth herein.

49.0 Termination for Any Reason.

49.1 In the event the contract is terminated, with or without cause, or expires, the Contractor, whenever determined appropriate by the Department, shall assist the Department in the transition of services or eligible persons to other Contractors. Such assistance and coordination shall include, but not be limited to, the forwarding of program and other records as may be necessary to assure the smoothest possible transition and continuity of services. The cost of reproducing and forwarding such records and other materials shall be borne by the Contractor. The Contractor must make provisions for continuing all management/administrative services until the transition of services or eligible persons is complete and all other requirements of this contract are satisfied.

49.2 In the event of termination or suspension of the contract by the Department, such termination or suspension shall not affect the obligation of the Contractor to indemnify the Department and the State for any claim by any other party against the State or Department arising from the Contractor's performance of this contract and for which the Contractor would otherwise be liable under this contract. To the extent such indemnification is excluded by A.R.S. §41-621 et seq.as may be amended or an obligation is unauthorized under A.R.S. §35-154as may be amended the provisions of this paragraph shall not apply.

49.3 In the event of early termination for any reason, any funds advanced to the Contractor shall be returned to the Department within ten (10) days after the date of termination or upon receipt of notice of termination of the contract, whichever is earlier.

50.0 Termination for Default. In addition to the terms and conditions in section 9.5 of the Uniform Terms and Conditions, the following shall apply:

50.1 The Department may immediately terminate this contract if the Department determines that the health or welfare or safety of service recipients is endangered.

51.0. Transfer of Knowledge.

51.1 The Contractor shall, whenever feasible, share strategies and techniques with Department staff to transfer the skills and knowledge acquired in the delivery of the contracted service.

52.0 Transition of Activities.

52.1 In the event that a contract is awarded to a new contractor for services similar to those being performed by Contractor under this contract, there shall be a transition of services period. During this period, the contractor under this contract shall work closely with the new contractor's personnel and/or Department staff to ensure a smooth and complete transfer of duties and responsibilities. The Department's authorized representative will coordinate all transition activities. A transition plan will be developed in conjunction with the existing contractor to assist the new contractor and/or Department staff to implement the transfer of duties. The Department reserves the right to determine which projects/service delivery nearing completion will remain with the current Contractor of record.

53.0 Unallowable Costs.

53.1 The cost principles set forth in the Code of Federal Regulations, 48 CFR, Chapter 1, Subchapter e, Part 31, (October 1, 1991), including later amendments and editions, on file with the Arizona Secretary of State and incorporated by this reference, shall be used to determine the allow ability of incurred costs for the purpose of reimbursing costs under contract provisions that provide for the reimbursement of costs. Those costs which are specifically defined as unallowable therein will not be submitted for reimbursement by the Contractor and may not be reimbursed with Department funds.

53.2 In addition, the Contractor shall comply with the following publications (including subsequent revisions), as applicable:

1. OMB Circular A-87 for State, local and Indian Tribal Governments.
2. OMB Circular A-122 for private non-profit organizations other than institutions of higher education, hospitals or others specified in A-122.
3. OMB Circular A-21 for educational institutions.
4. OMB Circular A-133 for audits of institutions of higher education and other non-profit institutions.

54.0 Visitation, Inspection and Copying.

54.1 Contractor's and/or subcontractor's facilities, services and individuals served, books and records pertaining to the contract shall be available for visitation, inspection and copying by the Department and any other appropriate agent of the State or Federal Government. At the discretion of the Department, visitation, inspection and copying may be at any time during regular business hours, announced or unannounced. If the Department deems it to be an emergency situation, it may at any time visit and inspect the Contractor's or subcontractor's facilities, services and individuals served, as well as inspect and copy their contract-related books and records.

55.0 Warranty of Services.

55.1 The Contractor warrants that all services provided under this contract shall conform to the requirements stated herein and any amendments hereto. The Department's acceptance of services provided by the Contractor shall not relieve the Contractor from its obligations under this warranty. In addition to its other remedies, the Department Procurement Officer may, at the Contractor's expense, require prompt correction of any services failing to meet the Contractor's warranty herein. Services corrected by the Contractor shall be subject to all of the provisions of this contract in the manner and to the same extent as the services originally furnished

56.0 Limited English Proficiency

56.1 The Contractor shall ensure that all services provided are culturally relevant and linguistically appropriate to the population to be served following the ADES Policy, Limited English Proficiency, DES 1-01-34 (Exhibit 1).

CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Statement for Loan Guarantees and Loan Insurance

The undersigned states, to the best of his or her knowledge and belief, that:

If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

APPLICANT'S ORGANIZATION			
Gila County dba Gila Employment and Special Training			
* PRINTED NAME AND TITLE OF AUTHORIZED REPRESENTATIVE			
Prefix:			
* First Name: Tommie	Middle Name: C.	* Last Name: Martin	Suffix:
* Title: Chairman, Gila County Board of Supervisors			
Tommie Martin		9/20/11	
* SIGNATURE:		* DATE:	

Certification Regarding:

Debarment, Suspension, Ineligibility and Voluntary Exclusion

Lower Tier Covered Transactions

This certification is required by the regulations implementing Executive Order 12549-Debarment and Suspension, 29 CFR Part 98, Section 98.510, Participant's responsibilities. The regulations were published as Part VII of the May 26, 1988 Federal Register (pages 19160-19211).

(BEFORE COMPLETING CERTIFICATION, READ ATTACHED INSTRUCTIONS WHICH ARE AN INTEGRAL PART OF THE CERTIFICATION)

(1) The prospective recipient of federal assistance funds certifies, by submission of this proposal, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by a federal department or agency.

(2) Where the prospective recipient of federal assistance funds is unable to certify any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Gila County dba, Gila Employment and Special Training

Name of Agency /Organization

Tommie C. Martin Chairman, Gila County Board of Supervisors

Name and Title of Authorized Representative

Tommie Martin

Signature

9/20/11

Date

SCOPE OF WORK
SUPPORTED EMPLOYMENT-EXTENDED

1.0 ADES VISION AND MISSION STATEMENTS

1.1 ADES Vision: Every child, adult, and family in the State of Arizona will be safe and economically secure.

1.2 ADES Mission: The Arizona Department of Economic Security (ADES) promotes the safety, well being, and self sufficiency of children, adults, and families.

2.0 PURPOSE

2.1 The primary purpose of this contract is to provide continuation of extended supported employment services to individuals with disabilities (hereafter referred to as clients) in the community who are already employed to assist them in maintaining or improving their employment. These clients received Vocational Rehabilitation Services in the past from Rehabilitation Services Administration but now they need ongoing support to keep their employment. In addition, this service may be provided to new RSA referrals and/or self-referrals based on the availability of the funds.

2.2 Funding.

2.2.1 The funding source for this service is Social Service Block Grant (SSBG) funds which consist of:

1. Locally Planned SSBG funds allocated and assigned to ADES/RSA by the local Councils of Governments [COG). COGs identify regional priorities, the service, the service intent and the target group for every state fiscal year as stated in the annual State of Arizona Social Services Block Grant; and
2. State Planned SSBG funds allocated and assigned to DES/RSA by the local Councils of Governments [COG) to be used for various SSBG services at RSA discretion. RSA allocate a portion of the funds for Extended Supported Employment.

2.2.2 Service needs and program decisions may vary in eligibility, geographic and service availability, or the target group to which the service may be directed, which ultimately may affect funding availability under this contract.

2.3 Legal Authority. Arizona Revised Statute (A.R.S.) §41-1954(A)(6) provides ADES the authority to enter into contracts and incur obligations within the general scope of its activities and operations subject to the availability of funds.

2.4 Projected Award: ADES may make multiple awards to ensure the service coverage to the existing clients who are currently receiving this service. The contract is on an as needed basis. There is no guarantee of the number of units to be authorized.

3.0 SERVICE DESCRIPTION

3.1 Arizona Taxonomy: A service that provides long-term, on-going support services for an employed individual.

3.2 For the purpose of this contract , this service includes:

1. Assistance to clients in maintaining employment such as job coaching which requires regular contacts with the client, client's parents or guardians (if applicable), and/or the employer, job counseling and related support services; and job monitoring;
2. Assistance in assessment and identification of ongoing employment support needs, natural and peer support environments, and in accessing the resources necessary to meet those needs;
3. Assistance in locating a new job when necessary.

3.3 Service Eligibility Requirements/Target Population. Eligibility for these services is determined by RSA designated staff and/or the Contractor.

1. Individuals to be served under this contract are clients with the most significant disability which may include one or more of the following:

1. individuals who have severe physical or mental impairment that seriously limits three or more functional capacities, such as mobility, communication, self-care, self-direction, interpersonal skills, work tolerance, or work skills, in terms of an employment outcome; and whose vocational rehabilitation can be expected to require multiple vocational rehabilitation services over an extended period of time;
2. individuals for whom competitive employment has not traditionally occurred or for whom competitive employment has been interrupted or intermittent as a result of a significant disability;
3. individuals who, because of the nature and severity of their disabilities, need extended supported employment services after the Vocational Rehabilitation program terminates employment support services in order to maintain competitive employment in an integrated setting consistent with the strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice of the individual; and
4. individuals who did not qualify for extended supported employment services provided by any other State agency such as the ADES Division of Developmental Disabilities, the Arizona Department of Behavioral Health, or Arizona Long Term Care.

3.4 Background Information

The Rehabilitation Service Administration (RSA) is the administration within ADES which provides Vocational Rehabilitation (VR) and Independent Living (IL) services to individuals with disabilities. Through the provision of VR services, RSA assists individuals in achieving permanent, integrated, and competitive employment consistent with their strengths, resources, priorities, concerns, abilities, capabilities, interests and informed choice. Through the provision of IL services, RSA assists eligible individuals to increase their ability to function independently at home, at work and in the community.

4.0 SERVICE REQUIREMENTS.

The Contractor shall:

4.1 Ensure that all services provided are culturally relevant and linguistically appropriate to the population to be served.

1. Communicate, either directly or through the assistance of professional services, in the native language of clients who have limited speaking ability or English is not their primary language and use all other appropriate and effective modes of communications used by clients (e.g., Spanish language, American Sign Language, etc.).

4.2 Ensure that the appropriate new written authorization has been received from the designated RSA staff prior to making any changes in the level of service provided, including an increase or decrease in the number of units of service and/or a change in the setting.

4.3 **Eligibility Determination** for self-referrals (clients not referred by RSA).

1. Schedule a meeting with a client who seeks this services to determine the client's eligibility for the program and address issues that the client is encountering within seven (7) business day upon the client's self –referral.
2. Document how the client's eligibility was made.
3. Notify the client about the eligibility determination and about the date of the Service Planning Meeting.

4.4 **Service Planning Meeting**

1. Schedule a Service Planning Meeting with the client and/or the client's representative, if applicable, **within ten (10) business days**:
   1. From the date of the client's eligibility determination for clients not referred by RSA;
   2. From the date of contract award for existing RSA clients ;
   3. From the date of receipt of RSA Referral for Service form for new referrals from RSA.

2. The purposes of this meeting are to:
   1. Discuss the client's service needs and determine appropriate services to be provided, e.g. increases in pay, benefits, movement to a more integrated or non-supported setting, etc.
   2. Develop jointly with the client the *Client Service Plan* (Exhibit A) upon which the provision of services shall be based. The Plan shall include clear, measurable objectives and specific time frames for the client to achieve the objectives.
   3. Specify clearly roles and responsibilities for the client and the Contractor, estimated number of service hours or days per month, and cost and timelines for the achievement of the service objectives.

4.5 **Service Provision.** Initiate service provision within ten (10) business days after receipt of written authorization for services and provide services specified in the *Client Service Plan* as follows:

1. Ensure that the services are delivered utilizing tools, techniques and materials which are appropriate to the mental and physical capacity/needs of the individual served.
2. Utilize modified equipment, aides and devices in order to meet the client's physical/sensory needs of the clients.
3. Continually evaluate the progress of the client and movement toward competitive employment settings without supports and/or employment which is more integrated, as well as develop and implement strategies to increase the client's hours and/or wages. Evaluation shall be conducted at least annually and discussed with the referring RSA staff during the annual meeting as follows:
   1. Schedule and conduct annual meetings to discuss progress and rehabilitation needs within thirty (30) days of each client's annual anniversary from the Client Service Plan start date, and submit a written annual report to the referring RSA staff. During the annual meeting and evaluation, discuss at least the following:
      1. the average number of paid work hours in a month for each client;
      2. the average hourly wage of each client;
      3. the current level of supervision; and.
      4. strategies to improve each over a specified period of time.
4. Revise the Client Service Plan as needed to implement the strategies for improvement and when the client is ready, identify and place the client in a more integrated and/or higher-paying job and notify the referring RSA staff about the revision of the Plan.
5. Notify RSA within one (1) business day if the client is encountering serious difficulties and problems that interfere with successful completion of the agreed-upon objective(s) including frequent absences.
6. Complete and submit accurate Monthly Progress Reports (Exhibit B) to the referring RSA staff. The reports shall clearly describe the client's progress being made toward the achievement of the mutually agreed upon goals, including documentation of appointment dates and attendance record. The client's achievement of the stated objectives will be used as a basis for payment after the RSA staff approves the Contractor's monthly progress report.

5.0 QUALIFICATION REQUIREMENTS.

The Contractor shall ensure that:

5.1 Personnel who supervise the services provided under this contract and prepare progress reports meet the following criteria:

1. A Master's Degree in a related field (e.g., Rehabilitation Counseling, Psychology, Sociology, Education, etc.) and documentation of one (1) year of full time employment working with individuals with disabilities; <u>or</u>
2. A Bachelor's degree in a related field (e.g. Rehabilitation Counseling, Psychology, Sociology, Education, etc.) and documentation of three (3) years full time employment in working with individuals with disabilities; <u>or</u>
3. A high school diploma or GED and documentation of seven (7) years full time employment in working with individuals with disabilities.

5.2 Personnel who provide direct client services which are considered less technical in nature shall meet the following criteria:

1. Have a high school diploma or G.E.D., and
2. Have one (1) year of documented experience, preferably working with individuals with disabilities and involved in the provision of vocational rehabilitation services including job development and/or coaching, and
3. Be under the direction and supervision of personnel who meet the criteria in 5.1 above.

5.3 Its personnel meet a variety of needs of RSA clients, including clients with intensive behavioral, physical, and medical challenges.

6.0 ADMINISTRATIVE REQUIREMENTS.

The Contractor shall:

6.1 Ensure that client records include the RSA Purchase Authorization, the Client Service Plan, Monthly Progress Reports, annual evaluation report (s), records of services provision, date(s) of follow-up meeting(s) with the clients, notes from meetings, personnel time log of service provision, client's attendance logs, and client's satisfaction surveys.

6.2 Maintain a quality management plan in order to continuously monitor the delivery of services and to ensure that the service provision meets the client's objectives to include the following: management plan shall contain elements that address the following:

1. Incident management, corrective action and preventions;
2. Complaints and grievances;
3. Monitoring and evaluation the service provision, i.e., measurement of outcomes as it relates to the client's objectives, and the improvement of the quality of services;
4. Routine monitoring of its personnel and subcontractors to ensure the effectiveness of the relationship between the client and direct service personnel; and
5. Soliciting input from clients to evaluate the effectiveness of the service provision by providing a copy of the Client Satisfaction Survey (Exhibit C) for them to complete and sign. Survey shall be submitted annually with the last calendar quarter report.

6.3 Adhere to the Contractor Code of Conduct (Exhibit D).

6.4 Adhere to Client Transportation Requirements (Exhibit E), if a client is being transported by the Contractor during the service provision.

7.0 CONTRACTOR PERFORMANCE EVALUATION

7.1 The Contractor shall meet the following minimum acceptable performance standard during a contract year:

1. At a minimum, 90% of the clients who receive these services shall be meeting the goals stated in their Client Service Plans.

7.2 RSA will conduct ongoing evaluation of the Contractor's performance in achieving the minimum acceptable service standard through the Contractor's monthly and quarterly reports and RSA data available through the RSA Database.

8.0 PAYMENT

8.1 Payment will be made in accordance with the Price Sheet (Attachment 2) upon receipt of the reporting requirements stated below.

8.2 Payment rates are all inclusive, which means that they include all costs associated with the provision of the service including but not limited to: salaries, operating cost, travel time, preparation of billing and reports, routine follow-up phone calls, research, time for client no shows. RSA will not pay separately for these or any other costs except as noted herein.

8.3 Payment Units for this service include:

1. **One (1) Group Day.** Group daily rate is when the service is delivered in a group setting to two or more individuals for three (3) or more hours on any given calendar day.
2. **One (1) Individual Hour.** Individual hourly rate is sixty (60 minutes) of actual time spent providing services directly to the client or on behalf of the client.

9.0 REPORTING REQUIREMENTS.

9.1 Program Reports.

9.1.1 The Contractor shall submit the following reports along a Contractor Invoice form to RSA Payment and Billing Unit; PO BOX 6877 Phoenix AZ 85005:

1. Client Service Plan (Exhibit A) within seven (7) days after the Plan is established, or upon revision;
2. Monthly Progress Reports (Exhibit B) within fifteen (15) days following the month in which services were delivered.
3. Annual Progress Evaluation Report: a narrative report summarizing the results of the Annual Meeting, in particular describing the client's achievements over the previous year, challenges still to be met, and outlining proposed strategies for overcoming those challenges.
4. A written narrative report within ten (10) working days following completion of the individual's program or the individual's termination for any reason.

9.1.2 The Contractor shall report unusual incidents to the referring RSA staff. Any incidents shall be verbally reported the same day of the occurrence to the RSA staff and RSA Contracts Unit, Central Office. A legible, written report of the unusual incident shall be submitted within three (3) business days to the RSA staff. Incidents include, but are not limited to:

1. Death of a client;
2. Alleged neglect, abuse, mistreatment or exploitation of a client (by anyone);
3. Disappearance of a client. The Contractor shall report a missing client to law enforcement officials and RSA as soon as the Contractor suspects that the client may be missing;
4. Suicide attempts by the client;
5. Sexual abuse, including non-consensual sexual activity;
6. Inappropriate sexual behavior; or
7. A client who might pose a threat to the physical or emotional well-being of an individual or Contractor's staff member.
8. Loss of equipment or property.

9.1.3 The Contractor shall submit the following to the RSA Contracts Unit:

1. Quarterly Reports (Exhibit F) within fifteen (15) calendar days following the calendar quarter in which services were delivered. The Quarterly Report is in an Excel spreadsheet format and all data shall be entered directly by the Contractor. Completed Quarterly Reports shall be submitted by email to RSAContractsUnit@azdes.gov
2. Client Satisfaction Survey (Exhibit C) with the last calendar quarter of every contract year for all clients who received this service during the calendar year.

9.2 Financial Reports

9.2.1 The Contractor shall submit the following reports to RSA Payment and Billing Unit; PO BOX 6877 Phoenix AZ 85005:

1. A complete and accurate Contractor Invoice form (Exhibit G) within fifteen (15) calendar days following the month in which services were provided.

9.3 Billing. The Contractor shall compute service units as follows:

1. For Individual Hour:
   1. Bill individual rate for a client for whom actual time was spent providing services directly to the client or on behalf of the client.
   2. At the end of a reporting period, round the time spent with the client to the nearest quarter of an hour (15 minutes). Example: 22 hours and 15 minutes = 22.25 hours; 22 hours and

30 minutes = 22.5 hours; 22 hours and 45 minutes = 22.75 hours. Billable time includes time spent:

1. With the client face to face including client meetings to staff the case or using other communication methods (e.g. phone calls) provided that service provision lasted longer than 15 minutes.
2. With the face to face or by phone calls to resolve issues raised by the client or other party provided that service provision lasted (15) minutes or longer.
3. Routine follow up calls with the client or any other party are not billable.

2. For Group Day:
   1. Bill this rate for each client who is receiving services in a group.
   2. Bill for one whole day when the client is in attendance for three (3) or more hours on a given calendar day.
   3. Bill in one-half day increments (0.5 Unit) when a client is in attendance in a group setting less than three (3) hours on a given calendar day.

9.4 Other Reports. Reporting Requirements may change during the contract term. RSA reserves the right to request the Contractor to submit additional or revised reports related to the service provision. The Department will notify the Contractor about any change in reporting forms by mail.

9.5 The Contractor shall submit current certificates of insurance as required in the ADES Special Terms and Conditions to:
Arizona Department of Economic Security
RSA Contracts Unit Manager
PO BOX 6123 Site Code 930A, Phoenix, AZ 85005

DES 1-01-34
Limited English Proficiency

POLICY STATEMENT	DES 1-01-34.I
AUTHORITY	DES 1-01-34.II
OVERVIEW	DES 1-01-34.III
SCOPE	DES 1-01-34.IV
DEFINITIONS	DES 1-01-34.V
STANDARDS	DES 1-01-34.VI

DES 1-01-34
Limited English Proficiency

I. POLICY STATEMENT

The policy of the Department of Economic Security (the Department) is to provide quality and timely language assistance services to customers with limited English proficiency (LEP) to ensure meaningful access to programs, services, and activities. Each affected work unit of the Department shall:

1. Develop and adhere to specific written procedures;
2. Perform a needs and capacity assessment;
3. Arrange for oral language assistance, as appropriate;
4. Determine which of the Department documents meet the definition of a vital document;
5. Translate vital documents into languages other than English;
6. Provide notification to customers of the availability of language assistance services;
7. Evaluate current Department Web sites for LEP compliance;
8. Develop and implement standards to ensure LEP compliance on all future Web pages;
9. Train all staff who are likely to have contact with Department customers and the management staff who support them;
10. Develop and incorporate an accessible issue resolution process; and
11. Monitor customer access to language assistance.

II. AUTHORITY

Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000d et seq.
Arizona Constitution, Article 28

Section 601 of Title VI of the Civil Rights Act of 1964, 42 U.S.C. Section 2000d *et seq.* states, "No person in the United States shall on the ground of race, color or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance."

Regulations implementing Title VI provide in part at 45 C.F.R. Section 80.3 (b):

"(1) A recipient [the Department is a 'recipient' under this law] under any program to which this part applies [generally any program that receives federal funds] may not, directly or through contractual or other arrangements, on ground of race, or color, or national origin:

(i) Deny an individual any service, financial aid, or other benefit provided under the program;

(ii) Provide any service, financial aid, or other benefit to an individual which is different, or is provided in a different manner, from that provided to others in the program;

(2) A recipient, in determining the types of services, financial aid, or other benefits, or facilities which will be provided under any such program or the class of individuals to whom, or the situations in which such services, financial aid or other benefits, or facilities will be provided ... *may not directly, or through contractual or other arrangements, utilize criteria or methods of administration which have the effect of subjecting individuals to discrimination, because of their race, color or national origin, or have the effect of defeating or substantially impairing accomplishments of the objectives of the program with respect to individuals of a particular race, color, or national origin.*" (emphasis added)

III. OVERVIEW

Title VI of the Civil Rights Act of 1964, as amended, requires that agencies take reasonable steps to ensure meaningful access to their programs and activities for persons with limited English proficiency. For the purposes of this Policy, individuals with limited English proficiency (LEP) are defined as individuals who do not speak English as their primary language and who have a limited ability to read, write, speak, or understand English.

The Department's LEP Policy ensures that the Department, and all Department services regardless of funding source, comply with the requirements of Title VI of the Civil Rights Act of 1964 by setting out standards for its work units to follow. Title VI of the Civil Rights Act of 1964 prohibits discrimination based on race, color, or national origin by any entity receiving federal financial assistance. The Department prohibits administrative methods or procedures that have the effect of subjecting individuals to discrimination or defeating the objectives of these regulations.

In order to avoid discrimination on the grounds of national origin, all programs or activities administered by the Department shall take adequate steps to ensure that their procedures do not deny, or have the effect of denying, individuals with LEP equal access to benefits and services for which such persons qualify. This Policy defines Departmental responsibilities to ensure that individuals with LEP can communicate effectively.

IV. SCOPE

This LEP Policy, in its entirety, applies to all Department entities and contractors who provide direct Department services to Department customers. The Department and all work units who provide services, information, or assistance to Department customers shall be responsible for development of procedures to ensure compliance with the Department LEP Policy. Areas that do not provide services, information, or assistance to Department customers are not responsible for developing procedures but, at a minimum shall designate an LEP contact to ensure compliance.

The DES Director's Office of Equal Opportunity (DOEO) and the DES Policy and Planning Administration's (PPA) Policy Unit are responsible for review and approval of work unit LEP procedures. This review will be limited to ensuring the work unit LEP procedure is consistent and in compliance with the Department LEP Policy.

V. DEFINITIONS

Customer: Any applicant, claimant, or recipient of Department services, including LEP customers.

Executive Leader: The Director, Deputy Director, or Assistant Director or their designee with authority over a programmatic or administrative work unit.

Interpret: Providing a verbal translation between two or more persons in a language other than English. This may be done by on-site trained Department staff, contractors, or through commercially available resources, including but not limited to telephonic interpretation services.

Language Used Significantly: A language, other than English, that is used by five percent or 1,000 persons (whichever is smaller) who are eligible for a Department service or are likely to be directly affected by a Department program or activity in a specific geographic area.

Limited English Proficiency (LEP) Contact: The person within a work unit who is responsible for ensuring their program or administrative work unit is LEP compliant.

Limited English Proficient (LEP) Customer: Any prospective, potential, or actual recipient of benefits or services from the Department who cannot speak, read, write, or understand the English language at a level that permits effective interaction with the Department. This includes LEP parents or guardians of minor children who are customers or LEP customers.

Non-Vital Documents: Documents that are not critical to access Department benefits and services.

Translate: Providing a written document in a language other than English.

Vital Document: A document that conveys information that affects the ability of the customer to make decisions about his or her participation in the program. The decision of whether a document is vital may depend upon the importance of the program information, encounter, or service involved, and the consequence to the LEP person if the information is not provided accurately or in a timely manner.

Work Unit: A program or administrative area within the Department. Work unit includes all Department work units as well as its contractors that provide direct service to Department customers.

VI. STANDARDS

1. All Department staff shall provide services to Department customers in a manner that ensures the customer has meaningful access to their programs and activities for all persons, including those persons who have limited English proficiency.

2. **Compliance and Enforcement:** It is the responsibility of each Executive Leader overseeing a Department work unit, program, or administrative area to ensure that activities within the Executive Leader's work unit are conducted consistent with both the Department LEP Policy and the specific work unit LEP procedure.

3. **Work unit Procedures:** Each work unit identified as warranting language assistance services shall develop specific written procedures related to language assistance services applicable to its program activities. These procedures must be consistent with the standards listed in the Department LEP policy. Written procedures shall address the following areas:

   a. Provision of language services generally;

   b. Identification and assessment of language needs;

   c. Oral language assistance services;

   d. Written translations;

   e. Oral and written notification of the availability of language services;

   f. Issue resolution rights;

g. Staff training on language service provision; and

h. Monitoring access to language assistance.

4. **Needs and capacity assessment:** The Department shall employ a four-step process to determine the need and capacity for LEP services. Specifically, each work unit shall determine and indicate in writing if it has direct contact with Department customers. If work unit determines that it does, then:

- Determine the number or proportion of LEP customers served;
- Determine the frequency of contact between LEP customers and the program;
- Assess the nature and importance of the program; and
- Assess available resources.

a. ***Each work unit shall identify the steps in their service delivery process and identify the anticipated number of customer interactions that occur at each of these steps.*** These steps could include points of contact with Department staff where customers get information or staff take an action that affects a customer's ability to meaningfully participate in a Department program or activity. These points of contact include Department offices, telephone numbers regularly used by the public, outreach activities, informational and operational Web sites, and written notices. These contacts may be face-to-face, telephonic, written, or electronic.

b. ***The Department shall identify the languages used by the populations it serves. Both the Department and each work unit shall use this information to determine the incidences in which the Department and work unit expect to interact with customers in various languages other than English.*** The Department shall use the most recent census data to determine overall language trends in Arizona. Other demographic data sources include information from other state agencies, commercial marketing data, school systems, community organizations, national ethnic organizations, the Internet, and internally gathered Department data. These trends will be used to determine the LEP population's alternative language needs. The Department will update this information with the issuance of new census data.

c. ***Each work unit shall annually assess the language assistance needs of its LEP customers and the capacity of its programs to meet these needs.*** Work unit procedures shall include the methods used to conduct this assessment, including areas where it intends to use Departmentally-produced data, and the frequency with which it will complete the assessment.

d. ***Each work unit shall implement a process for gathering and recording LEP customer language preferences:***

i. The work unit procedures shall include sufficient detail to identify how the work unit gathers language preference information, where it stores the information, and how it will make the information readily available for future contact with LEP customers and for statistics-gathering purposes;

ii. Each work unit procedure shall include the use of language preference posters in each local office. These posters are designed to provide an opportunity for LEP persons to self-declare their language preference during local office contacts. The Department shall prominently display posters in all its offices in which customer interaction is anticipated. These posters are developed, transmitted, and maintained as a Departmental function.

5. **Oral language assistance:**

a. ***Each component, program, or administrative work unit of the Department shall arrange for oral language assistance to LEP customers in face-to-face and telephone contact:*** Work unit procedures shall identify the processes for providing oral language assistance and the method for obtaining these services. The oral language assistance portion of the work unit procedures for identifying individuals with LEP shall be consistent with those outlined in this policy. LEP services shall be provided free of charge upon the request of the customer. Work units may identify approaches specific to their work unit, but all procedures shall include the minimum Department standard of ensuring that the provision of bilingual/interpretive services is prompt and without undue delays. Necessary timeframes may vary based upon the nature and importance of the service. For example, timeframes for emergency services may be different from those timeframes for non-emergency services. In most circumstances, this requires language services to be available within reasonable timeframes during all operating hours by:

i. Establishing interpreter service contracts. The Department maintains contracts with multiple vendors to provide verbal interpretation. The Office of Procurement shall provide direction to all work units on how to access and use contracts for interpreter services. Work units shall, in their procedures, identify how they shall request and coordinate these services. In addition, services through commercially available telephonic interpretation services shall be available when needed;

ii. Implementing a means to compensate bilingual staff. Subject to the availability of funds, the Department has a bilingual stipend program in place that operates under DES 1-26-26, *Bilingual Stipend for Certified Employees*. This program compensates bilingual staff who meet required standards for performing verbal interpretation services. Work unit procedures shall identify the offices in which a need for bilingual staff has been established and which languages are needed;

iii. Orally translating vital documents into languages other than English for LEP customers.

b. ***Location and Accessibility of LEP Services***: Work units shall ensure that their procedures include provisions that respond to the language needs of the populations in each area in which the work unit provides services. Each work unit shall determine the most efficient and effective means to meet these needs. Accommodations such as translations of commonly requested documents, bilingual staff, and telephone interpreter services should be made available at locations that are readily accessible to the public, such as information desks, security checkpoints, and public information telephone lines.

c. ***Use of Bilingual Staff: The Department will make reasonable efforts to recruit and have bilingual staff*** employed in programs and activities where the number or percentage of LEP customers or potential LEP customers is statistically significant, or where the frequency of contact with such persons makes the employment of bilingual staff a more cost effective, efficient, and effective mode for communication:

i. Each work unit shall make a decision to employ bilingual staff after a needs assessment, with due consideration given to the budgetary, personnel, and other constraints of the work unit;

ii. Bilingual staff or contractors must be assessed for bilingual proficiency. Work units should ensure that individuals providing interpretative services possess a level of fluency and comprehension appropriate to the specific nature, type, and purpose of information at issue.

d. ***Unacceptable Practices:*** Work units should only use family members or friends to interpret for LEP customers if the LEP customer insists on using the friend or family member after Department-provided language services have been offered. Minor children should never be used to interpret, except in emergencies. If additional services are required, any information obtained utilizing a minor child as the interpreter shall be verified through an approved interpreter after the emergency situation has closed.

6. **Translation of written materials:** Each work unit must identify its vital documents. Vital documents include, but are not limited to, the following for any service, benefit, program, or administrative work unit provided by or contracted with the Department:

- Applications;
- Recertification or renewal applications;
- Documents that require a response;
- Letters or other written documents that contain information regarding participation in a program;
- Notices of eligibility criteria, authorization or denial, applicant or participant rights, benefit or service changes, hearings, and actions affecting parental custody or child support;
- Consent and complaint forms;
- Appeal rights and grievance procedures;
- Written tests that do not assess English language competency but test competency for a particular license, job, or skill for which knowing English is not required; and
- Notices advising LEP persons of free language assistance.
- Any other document that the work unit deems vital due to the importance of the program, information, encounter, or service involved and the consequence to the LEP person if the information in question is not provided accurately or in a timely manner.

a. ***Each work unit shall translate its vital documents into languages used significantly by its LEP customers.*** The Department maintains two approved processes for having written material, including required posters and signs, translated to languages other than English: The Department Office of Graphics and Design or a state-approved translation contract. Using one of these two processes ensures the quality of the translation activity. Department documents for official public use may not be translated using any other method. Work unit procedures shall identify which method for translation will be used within the work unit. The work unit procedure shall also include a listing of the documents that meet the definition of a vital document.

b. ***Each work unit shall respond to written communications from LEP customers in a manner that is consistent with the Department policy.*** Work unit procedures shall address a process to ensure that LEP customer case records are noted as LEP when work unit staff receive information from a customer in a language other than English. Work unit staff shall interact with the individual in a manner consistent with the Department LEP policy unless the customer indicates otherwise.

c. ***Each work unit should be sensitive to the literacy levels of the LEP public.*** There are situations in which the use of translated written material may not meet the needs of some Department LEP customers. Some languages are historically unwritten or some LEP customers may be illiterate in their native language. Work unit procedures must ensure that staff use the most effective means to communicate with LEP individuals. This may include either verbal or written communication.

7. **Institutional Considerations for Translation:**

a. ***Each work unit shall ensure that the public is aware of available interpretation and translation assistance.*** Each work unit shall include on all documents that are not translated into a language other than English a statement in each significantly used language indicating that all persons have the right to free language assistance and how the assistance can be obtained. This notification shall be included on all documents that are routinely disseminated to the public, including electronic text. This language shall be placed near the front of the document in a format that brings attention to it.

b. ***Each work unit shall ensure that its electronic sources for providing vital information are LEP compliant.*** The Department and each work unit shall ensure that its Web sites and other electronic sources for vital information or documents provide this information in significantly used languages other than English. Web sites shall prominently display access to non-English versions of this information on any page that may be used as the initial point of contact for LEP individuals. Web sites shall also identify methods to access language assistance free of charge.

c. ***The Department shall produce and each work unit shall readily make available to its customers, an LEP Rights pamphlet in English and all other significantly used languages.*** The pamphlet shall explain that LEP services are available from the Department free of charge and shall explain procedures for accessing these services.

d. ***Each work unit may translate non-vital documents into languages other than English, except to the extent prohibited by the Arizona Constitution, Article 28, English as the Official Language.***

8. **Training:** Training shall include a consistent message explaining why it is important for the Department to ensure that LEP customers are served in a manner consistent with the Department policy. Persons with specific knowledge of Title VI of the Civil Rights Act and the requirements contained therein shall develop this training. Training shall include, but not be limited to:

a. ***General training*** for all staff on the importance of providing services for individuals with LEP;

b. ***Work unit-specific training*** to ensure that work unit staff that deal with or are likely to have contact with Department customers are trained on the LEP policies and procedures. This includes, but is not limited to, specific training for staff who have LEP customer contact to work effectively with in-person and telephone interpreters;

c. ***Technical assistance training*** for LEP contact staff;

d. ***Management level training*** for supervisors and administrative staff assisting staff with direct customer contact.

9. **Providing notice to LEP Customers of the availability of language assistance services and outreach:** Work unit procedures shall identify how to inform LEP customers of the availability of free language assistance services. The work unit shall make the notification at the first point of contact. Notification includes signs in intake areas or other customer entry points, outreach documents such as brochures or booklets, LEP posters and pamphlets, and telephone menus in significantly used languages:

   a. The work unit shall provide the notification of free language assistance in the language of the LEP customer. LEP persons should also be advised that they may use an interpreter of their own choosing at their own expense;

   b. Consistent with its commitment to partnership and outreach, the Department engages in comprehensive outreach to ensure awareness by LEP persons of its programs and activities. Outreach includes the use of ethnic media such as radio, television, newspapers, magazines, Web sites, faith-based organizations, community-based organizations at local levels that provide social services, healthcare, and classes. Work unit procedures shall acknowledge its commitment to support Department outreach efforts in relation to the programs it administers and the services it provides;

   c. Work unit procedures shall include provisions to ensure that Web pages accessible to members of the general public include information on the availability of language assistance;

   d. The Department shall maintain copies of written documents such as flyers or pamphlets intended to be used to notify persons of language assistance. Pamphlets shall be maintained in locations in which direct service to Department customers is provided and shall be readily available to customers without the need of Department staff intervention.

10. **Monitor access to language assistance:**

   a. ***Each work unit shall institute procedures to monitor the accessibility and quality of language assistance activities for LEP customers.*** Work unit procedures shall include specific time frames and methods to reassess language assistance activities to ensure that the services provided by the work unit address the actual needs of the LEP customers based on actual experiences of the work unit. Work unit procedures shall ensure that such monitoring is completed no less than every 12 months. Work unit procedures should include a process for obtaining community and customer feedback in this activity through surveys, questionnaires, or other means. Data collection and record keeping are key to an effective monitoring and compliance system. In order to determine the validity of any language assistance complaints, it may be necessary to analyze and review data that reflect how the work unit provides services to LEP customers. Data collection also allows the work unit to obtain an overview of how their services are provided. The work unit procedure shall include data collection and record keeping requirements to ensure that these assessments are fact-based and reflect actual current activity. The work unit shall assess the effectiveness of its LEP policies based on:

      i. Current LEP populations in service areas or population or specific populations encountered;

      ii. Frequency of encounters with LEP customers;

      iii. Nature and importance of activities to LEP customers;

      iv. Availability of resources, including technological advances, additional resources, and the costs imposed;

v. Whether existing assistance is meeting the needs of the LEP customers;

vi. Whether staff know and understand the LEP procedures; and

vii. Whether identified sources for assistance are still available and viable.

Work units shall utilize the Departmental monitoring survey instrument. This tool identifies all mandatory points of review for each work unit. Work units shall forward this information and the completed survey to the DOEO and the Department's Office of Policy no less than annually for review. The DOEO will report the results to the Director.

b. ***Each work unit shall develop and maintain a data collection system that ensures the availability of data that includes the race and ethnicity of, customers served in its programs, the frequency of contact, and the primary language of those persons.*** Work unit procedures shall require the collection of data on which the work unit has based language needs assessment; the number of LEP customers, by language group, who received language services; names and classifications of staff receiving training and dates of training. Work unit procedures shall include activities that are designed to ensure that the work unit:

i. Has up-to-date information on language needs in the communities it serves;

ii. Has an adequate number of oral translators to ensure timely compliance with LEP needs;

iii. Translates vital written documents into the languages needed by the communities being served;

iv. Has adequate supplies of translated materials;

v. Trains those staff required to be trained in LEP activities; and

vi. Keeps notification material up-to-date.

Work unit procedures shall also reflect those activities that it must perform in order to comply with overall Department monitoring practices.

11. **Provision of Technical Assistance:** ***Each work unit shall identify an LEP contact for work unit staff. Work unit procedures shall include a process to ensure that LEP-related questions that arise are addressed in a timely and efficient manner.*** The LEP contact shall be available to coordinate efforts towards compliance with the Department's LEP Policy and the work unit's LEP Procedures. Work unit procedures shall, at a minimum, include a process for direct service staff to elevate LEP questions to their LEP contact. The work unit procedure shall also include timeframes for the LEP contact to respond or to elevate the question to the Director's Office of Equal Opportunity (DOEO). The DOEO shall provide technical assistance to the LEP contact or solicit additional assistance from the Director's Office or the Office of the Attorney General.

12. **Issue Resolution**

a. ***Work unit Level Process:*** Work units shall create a procedure outlining an LEP issue-resolution process that shall be used to resolve a concern or dispute arising from any action or inaction taken by Department staff in administering programs or providing services. The work unit process shall be the Level I Resolution Process.

i. The Level I procedure shall require that Department customers are advised in writing of the appropriate procedure to raise an LEP-related concern. This notification also advises the customer of their right to file a complaint at any point in time with the federal agency responsible for the program for which they are applying;

ii. Work units shall ensure that any forms needed to request review of LEP-related decisions are available at any location in which work unit customers may receive services;

iii. The work unit shall conduct the Level I procedure in a language that is understandable by the person raising the concern. The work unit shall make appropriate use of interpreter services, contracted provider services, or other resources needed to facilitate the dispute resolution process.

iv. The Level I process shall include the following:

The manager in charge at the site where an LEP related concern is filed or his or her designee will review the complaint with the assistance of the work unit LEP contact. Staff shall reduce oral complaints to writing and shall place them in the appropriate case record. At any point in the process, the manager is empowered to resolve the complaint using methods and practices outlined in the Department LEP Policy and the work unit LEP Procedures. It is the intention of the Department and the work unit that most LEP issues will be resolved at this level. The Level I resolution process shall be completed no later than three days following the day of receipt of the complaint unless the LEP customer requests a delay in the process. The manager shall ensure that all reasonable measures are pursued to immediately verbally notify the LEP customer of the outcome of the issue resolution. The Department shall provide a written confirmation of the decision within five business days.

b. ***Department Level Process:*** The Department process is initiated whenever a LEP customer expresses in writing to the Department that the work unit attempt to resolve the issue at the Level I process has not met their need. This LEP issue escalation process ensures the rights of LEP customers to have concerns resolved in their preferred language. Inherent in this process is the availability of the Department Office of Equal Opportunity to assist either the Department or the LEP customer in resolving a concern. This process conforms to other issue resolution/grievance processes in regard to required timeframes, based upon the program(s) from which the LEP customer is seeking service.

i. **Level II:** If no resolution can be reached at Level I, the notification to the LEP customer shall include the right to pursue the grievance, the timeframes, and the process request verbally or in writing an Executive Leader (EL) review and decision. The EL may request assistance from the Director's Office of Equal Opportunity (DOEO) with the cooperation of the work unit LEP contact. Level II action shall occur within five working days of receipt of the request for review of the Level I decision from the LEP customer. The Executive Leader shall ensure that the LEP customer receives written notice of the outcome of the Level II review and advise the LEP customer of the method and time frame to obtain a Level III review.

ii. **Level III:** In the rare instances where no resolution can be accomplished at the Level II review, the LEP customer may request a final decision from DOEO. If the LEP customer is not satisfied with the DOEO-proposed resolution, the DOEO will again inform the LEP customer of their rights to file with the appropriate federal agency. This process will be completed within five working days of receipt of the request for review of the Level II decision from the LEP customer.

Exhibit A

Arizona Department Of Economic Security
Rehabilitation Services Administration

Extended Supported Employment
CLIENT SERVICE PLAN

Contractor's Name:	Contract Number:
Client's Name:	Last 4 digits of SSN:

State overall purpose of the service:

_____

_____

Client's present or baseline level of skills; current concerns or service needs:

_____

_____

Client's accommodation needs necessary for successful completion of the agreed upon objectives:

_____

_____

Other areas relevant to the service provision and client's accomplishment of the service objectives:

_____

_____

Client's progress will be measured as follows:

_____

_____

_____

Exhibit A

Arizona Department Of Economic Security
Rehabilitation Services Administration

Extended Supported Employment
CLIENT SERVICE PLAN

Contractor's Name:	Contract Number:
Client's Name:	Last 4 digits of SSN:

Each objective must be expressed in measurable term and statements as expected service outcome.

Client Service Objective(s)	Expected Service Outcome(s)	Anticipated completion date

Client's attendance requirements necessary for successful completion of the stated objectives:
Number of days per week: Number of hours per day:

Client's /Guardian's Signature: _____ Date: _____

Contractor (or designee) Signature: _____ Date: _____

Exhibit B

Arizona Department of Economic Security
Rehabilitation Services Administration
Extended Supported Employment

MONTHLY PROGRESS REPORTS

Reporting Period: From	Through , (month, day and year)
Client's name:	Last 4 Digits of SSN:
Contractor's Name:	Contract Number:
Referring RSA Staff:	RSA Authorization Number:

CLIENT'S EMPLOYMENT INFORMATION			
Employer 's Name:			
Employer's Address and Phone:			
Hourly Wage for this position	Client's Wage Per Hour	Work hours per week	Job Title:

CLIENT'S PROGRESS UPDATE

Problems/issues that client is encountering (describe)

Concerns (e.g. report client absences)

Recommendations, additional support provided (discuss)

Exhibit B

Arizona Department of Economic Security
Rehabilitation Services Administration
Extended Supported Employment

MONTHLY PROGRESS REPORTS

Reporting Period: From , Through , (month, day and year)	
Client's name:	Last 4 Digits of SSN:
Contractor's Name:	Contract Number:
Referring RSA Staff:	RSA Authorization Number:

SERVICE PROVISION AND OUTCOMES *Each objective must be expressed in measurable term and statements. The following information is required for each service objective:*

List each client's objective as specified in the *Client Service Plan*	Describe activities and services provided during this reporting period	Number of service units spent *for each activity*

Exhibit B

Arizona Department of Economic Security
Rehabilitation Services Administration
Extended Supported Employment

MONTHLY PROGRESS REPORTS

Reporting Period: From , Through , (month, day and year)	
Client's name:	Last 4 Digits of SSN:
Contractor's Name:	Contract Number:
Referring RSA Staff:	RSA Authorization Number:

CLIENT'S ATTENDANCE LOG FOR (enter month), (enter year)

Complete this table for each client:
1. Days and Hours client worked
2. Days and Hours the Contractor provided Job Coaching (JC)

Date	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Work Hours																
JC Hours																

Date	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	
Work Hours																
JC Hours																

Client's /Guardian's Signature: _____ Date: _____

Contractor (or designee) Signature: _____ Date: _____

Exhibit C

Arizona Department of Economic Security
Rehabilitation Services Administration
Extended Supported Employment Services

CLIENT SATISFACTION SURVEY

Thank you for taking the time to complete this Survey developed by the Arizona Rehabilitation Services Administration (AZ RSA). AZ RSA is committed to providing quality services and values your opinion regarding the program you are attending.

CONTRACTOR'S NAME who provided extended supported employment services:

_____

YOUR NAME IS _____

Employer's Name: _____

Employment Start Date: _____

Hourly Wage: _____ $/HOUR

Briefly describe the services you received from this Contractor that helped you maintain and/or improve your employment

_____

_____

HOW WOULD YOU RATE THE QUALITY OF SERVICES YOU RECEIVED FROM THIS CONTRACTOR?
☐ Excellent ☐ Good ☐ Poor

Comment: _____

THE CONTRACTOR'S STAFF DELIVERED SERVICE IN A TIMELY MANNER
☐ Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree

COMPARED WITH MY FUNCTIONING BEFORE SERVICES,
☐ I am now less dependent upon others in performing my work activities
☐ There has been no change in my ability to perform my work activities.
☐ I am now more dependent upon others in performing my work activities

Comment: _____

OVERALL, I AM SATISFIED WITH THE QUALITY OF SERVICES PROVIDED BY THIS CONTRACTOR
☐ Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree

OVERALL RATING OF THE CONTRACTOR'S SERVICE PROVISION IS:
☐ Excellent ☐ Good ☐ Poor

WRITE ANY SUGGESTIONS YOU MAY HAVE TO IMPROVE SERVICES THAT YOU RECEIVED

_____

_____

Exhibit D

CODE OF CONDUCT

The Contractor shall adhere to the following Code of Conduct:

1. The Contractor, its personnel, subcontractors and any other individuals on the Contractor's premises shall:
   a. Represent himself/herself accurately to RSA clients and shall not mislead the clients regarding the Contractor's relationship with ADES/RSA, or mislead the clients regarding the Contractor's skills, capabilities or credentials.
   b. Collaborate with RSA staff and other service providers (if applicable) in the best interest of the clients and, to the extent possible, avoid disagreements that might have adverse effects on the clients. When collaborating with other community agencies that serve the same client(s), abide by the decisions that were agreed upon by all of the involved parties and assist in implementing such decisions which are consistent with applicable laws, regulations, rules and policies.
   c. Ensure at all times that client information is used only for the purpose of fulfilling contractual responsibility and is not released to any other individual, agency, or organization. Confidential information and reports obtained, purchased, and paid for under this contract shall never be shared without the expressed permission from the RSA client and the RSA staff assigned to the client's case.
   d. Develop and maintain confidentiality policy statement and establish procedures that restrict access to confidential client records and information. This provision shall not be construed to limit the right of RSA staff or other authorized representative(s) to access client case records and information pertinent to the provision of the contracted service.
   e. Ensure that RSA clients are safeguarded and supervised by the Contractors' personnel assigned to provide the contracted service at all times when on the Contractor's premises.
   f. Always act in a professional manner, honor commitments, treat RSA clients with respect, dignity, and courtesy, and project a positive attitude.
   g. NEVER:
      i. Engage in any form of intimate and sexual activity with an RSA client.
      ii. Enter into any business partnership with an RSA client.
      iii. Employ authority or influence with RSA clients for the benefit of third parties, including the client's family or friends.
      iv. Exploit the client's trust in the Contractor or its personnel for any purpose.
      v. Accept any commission, rebates, or any other form of remuneration when serving RSA clients, except payment for service provided from RSA.

CLIENT TRANSPORTATION REQUIREMENTS

1.1 The Contractor may provide transportation for the client, dependent(s) and/or care-givers for the purpose of the client's participation in service provision;

1.2 Transposition cost is the responsibility of the Contractor.

1.3 If the Contractor and/or its personnel provides its own vehicular transportation of clients, their dependents and/or care-givers, or uses a private provider or volunteer-driven vehicles to transport clients, their dependents and/or care-givers, in addition to the requirements specified in A.C.C. R9-20-212 and 213, and all applicable Federal, State and local laws, rules and regulations, the following shall apply:

1. No client, dependent and/or care-giver shall be transported in portions of the vehicles not constructed for the purpose of transporting people, such as truck beds, campers, or any trailered attachment to a motor vehicle;
2. Assist the client, dependent(s) and/or care-giver(s) to enter and exit the vehicle as is necessary;
3. Ensure that all individuals are properly seated and seat belts are securely fastened by means of age- and weight-appropriate restraints when the vehicle is in operation;
4. Child safety restraint seats shall be used in accordance with ARS § 28-907.
5. Ensure that client, dependent(s) and/or care-giver(s) do not stand or sit on the floor while the vehicle is in motion; Vehicle doors shall remain locked at all times when the vehicle is in motion;
6. Povide a safe vehicle loading and unloading area, away from moving traffic and hazardous obstructions;
7. Provide adapted vehicles for clients and/or care-givers with special mobility;
8. Escort all persons, under the age of 18 and without an adult in accompaniment, to their final destination and not leave them unattended.
9. Report any traffic accident involving any client, dependent and/or care-giver being transported by the Contractor, its transport contractor or contractor personnel, volunteers, or interns utilizing personal vehicles; The accident shall be verbally reported the same day of the occurrence to the referring ADES staff. A legible, written report of the accident shall be submitted within three (3) business days.

1.4 All vehicles used for this service shall:

1. Have valid registration and license plates.
2. Have at least the minimum level of insurance required by the State of Arizona.
3. Be constructed for the safe transportation of persons. All seats shall be securely fastened to the body of the vehicle.

1.5 Vehicles used to transport clients in wheelchairs shall be equipped with floor-mounted seat belts and wheelchair lock-downs for each wheelchair that it transports.

1.6 Ensure the following:

1. Individuals providing transportation shall be a minimum of eighteen (18) years of age and possess a valid Operator's License or Chauffeur's License.
2. Verification of the driving record for any individual who will be providing transportation services to assure no revocation or suspension of his or her license within the last three (3) to five (5) years.
3. Provide an Identification Card to all persons providing transportation, whether paid or volunteer;

1.7 Contractor may utilize public transportation services for transporting the client alone, depending upon the age and developmental ability of the client to utilize this service on his/her own.

1. Payment for the public transportation service is the responsibility of the Contractor. The referring ADES staff must be in agreement with the use of public transportation prior to this occurring.

Exhibit F

Arizona Department of Economic Security
Rehabilitation Services Administration
Extended Supported Employment
QUARTERLY REPORT

Reporting Calendar Quarter (month,day and year)	From:	Through
Contract Number:		
Contractor's Name:		

Client's First Name	Client's Last Name	Last 4 Digits of SSN#	*Date Referral Received	Total Hours of Job/Support Coaching Provided	Total Hours Job Placement Provided	Date Job Placement Outcome	Date Successful Employment Retention

** Required field =enter past dates for clients transferred from previous contract (s)

8-8-11 vp

Exhibit F

Arizona Department of Economic Security
Rehabilitation Services Administration
Extended Supported Employment
QUARTERLY REPORT

Reporting Calendar Quarter (month,day and year)	From:				Through		
Contract Number:							
Contractor's Name:							
Client's First Name	Client's Last Name	Last 4 Digits of SSN#	*Date Referral Received	Total Hours of Job/Support Coaching Provided	Total Hours Job Placement Provided	Date Job Placement Outcome	Date Successful Employment Retention

8-8-11 vp

Exhibit G

CONTRACTOR INVOICE FORM

Date:

Month covered in this billing: From , Through ,

Contractor's name:	
Contractor's Phone Number:	Contractor's Fax Number:
Contract Number:	
Contractor's FEI or SSN Number:	
RSA client's name:	

RSA Authorization Number:

Service	Service Unit	Number of Service Units	Contract Rate $	Total Billing Amount $
TOTAL BILLING AMOUNT FOR THIS CLIENT				

Attach all required reports

"This invoice is a true and accurate account of the services listed on this statement for the time period specified; this invoice constitutes the full and complete charge for the services described above; that no further invoices for payment of these services will be made; these services have been provided without discrimination based on age, race, color, creed, gender, religion or national origin and that this statement is subject to federal and state audit review." The invoice shall be signed and dated by the person authorized to submit invoices for the Contractor.

Name, title, phone number and address of the Contractor has designated person who prepared this form:

Name:_____ Title: _____
Phone Number:

Signature: _____

Attachment 1

Arizona Department of Economic Security
Rehabilitation Services Administration

Extended Supported Employment

PRICE SHEET

CONTRACT APPLICANT'S NAME: Gila County dba, Gila Employment and Special Training

PAYMENT UNIT	**PAYMENT RATE**
One Individual Hour	$ 45.00
One Group Day	$ 35.00

David B. Caddell, Program Manager 9/1/11

Attachment 2

FACILITY LOCATION AND STAFFING CHART

If you provide services in one or more service locations, please complete a Facility Location and Staffing Chart for each location

Service Location Address (City State Zip Code County)		
5515 South Apache Ave. Suite 200 Globe, AZ 85501 Gila County		
Telephone Number	**Fax Number**	**Email address**
(928) 402-8664	(928) 425-9468	dcaddell@co.gila.az.us
Contact Person's Name David B. Caddell		
Days And Hours Of Operation: Monday to Friday, except Legal Holidays		

This location meets minimum accessibility requirements as required by the American with Disability Act of 1990 (ADA) and the Architectural Barriers Act of 1968 (ABA). Yes ☒ No ☐

List the Subcontractors that will provide direct client services: N/A

First and Last name

Attachment 2

FACILITY LOCATION AND STAFFING CHART

If you provide services in one or more service locations, please complete a Facility Location and Staffing Chart for each location

Service Location Address (City State Zip Code County) 107 West Frontier Street Suite C Payson, AZ 85541 Gila County		
Telephone Number (928) 402-8664	**Fax Number** (928) 425-9468	**Email address** dcaddell@co.gila.az.us
Contact Person's Name David B. Caddell		
Days And Hours Of Operation: Monday to Friday, except Legal Holidays		

This location meets minimum accessibility requirements as required by the American with Disability Act of 1990 (ADA) and the Architectural Barriers Act of 1968 (ABA). Yes ☒ No ☐

List the Subcontractors that will provide direct client services: N/A

First and Last name

GILA COUNTY ATTORNEY
Daisy Flores

Re: County Attorney's Office approval of IGA pursuant to A.R.S. § 11-952(D).

To whom it may concern:

The County Attorney's Office has reviewed the Intergovernmental Agreement attached to this agenda item and has determined that it is in its "proper form" and "is within the powers and authority granted under the laws of this state to such public agency or public procurement unit" pursuant to A.R.S. § A.R.S. § 11-952(D).

Explanation of the Gila County Attorney's Office Intergovernmental Agreement (IGA) Review

A.R.S. § 11-952(D) requires that

> every agreement or contract involving any public agency or public procurement unit of this state . . . before its execution, shall be submitted to the attorney for each such public agency or public procurement unit, who shall determine whether the agreement is in proper form and is within the powers and authority granted under the laws of this state to such public agency or public procurement unit.

In performing this review, the County Attorney's Office reviews IGAs to see that they are in "proper form" prior to their execution. "Proper form" means that the contract conforms to fundamental contract law, conforms to specific legislative requirements, and is within the powers and authority granted to the public agency. It does not mean that the County Attorney's Office approves of or supports the policy objectives contained in the IGA. That approval is solely the province of the public agency through its elected body.

Likewise, this approval is not a certification that the IGA has been properly executed. Proper execution can only be determined after all the entities entering into the IGA have taken legal action to approve the IGA. There is no statutory requirement for the County Attorney's Office to certify that IGAs are properly executed.

Nonetheless, it is imperative for each public agency to ensure that each IGA is properly executed because A.R.S. § 11-952(F) requires that "[a]ppropriate action … applicable to the governing bodies of the participating agencies approving or extending the duration of the … contract shall be necessary before any such agreement, contract or extension may be filed or become effective." This can be done by ensuring that the governing body gives the public proper notice of the meeting wherein action will be taken to approve the IGA, that the item is adequately described in the agenda accompanying the notice, and that the governing body takes such action. Any questions regarding whether the IGA has been properly executed may be directed to the County Attorney's Office.

Proper execution of IGAs is important because A.R.S. § 11-952(H) provides that "[p]ayment for services under this section shall not be made unless pursuant to a fully approved written contract." Additionally, A.R.S. § 11-952(I) provides that "[a] person who authorizes payment of any monies in violation of this section is liable for the monies paid plus twenty per cent of such amount and legal interest from the date of payment."

The public agency or department submitting the IGA for review has the responsibility to read and understand the IGA in order to completely understand its obligations under the IGA if it is ultimately approved by the public entity's board. This is because while the County Attorney's Office can approve the IGA as to form, the office may not have any idea whether the public agency has the capacity to actually comply with its contractual obligations. Also, the County Attorney's Office does not monitor IGA compliance. Hence the public entity or submitting department will need to be prepared to monitor their own compliance. A thorough knowledge of the provisions of the IGA will be necessary to monitor compliance.

Before determining whether an IGA contract "is in proper form," the County Attorney's Office will answer any questions or concerns the public agency has about the contract. It is the responsibility of the public agency or department submitting the IGA for review to ask any specific questions or address any concerns it has about the IGA to the County Attorney's Office at the same time they submit the IGA for review. Making such an inquiry also helps improve the County Attorney's Office review of the IGA because it will help focus the review on specific issues that are of greatest concern to the public agency. Failing to make such an inquiry when the agency does have issues or concerns will decrease the ability of the County Attorney's Office to meaningfully review the IGA.

ARF-1160 **Consent Agenda Item 4- E**

Regular BOS Meeting

Meeting Date: 04/03/2012

Submitted For:	Malissa Buzan, CAP/Housing Services Manager	Submitted By:	Cecilia Bejarano, Executive Administrative Assistant, Community Services Division
Department:	Community Services Division	Division:	Comm. Action Program/Housing Servs.
Presenter's Name:			

Information

Request/Subject

Amendment No. 7 to Contract No. C037-09-02 Governor's Office of Energy Policy

Background Information

This contract has been in existence since May 2009. Original Contract Commerce C037-09-02 was signed by Chairman Shirley L. Dawson on May 19, 2009. Amendment No. 1 was signed by Chairman Dawson on March 23, 2010. Amendment No. 2 was signed by Chairman Michael A. Pastor on August 16, 2010. Amendment No. 3 was signed by Chairman Pastor on June 28, 2011. There is no Amendment No. 4 to this contract. Amendment No. 5 was signed by Chairman Pastor on June 28, 2011. Amendment No. 6 was signed by Supervisor Tommie C. Martin on 12/6/2011.

Evaluation

The American Recovery and Reinvestment Act of 2009 was enacted to preserve and create jobs and promote economic recovery, assist those most impacted by the recession, provide investments needed to increase economic efficiency by spurring technological advances in science and health, invest in transportation, environmental protection, and other infrastructure that will provide long-term economic benefits, and stabilize state and local government budgets in order to minimize and avoid reductions in essential services and counterproductive state and local tax increases. Recipients shall use grant funds in a manner that maximizes job creation and economic benefit.

Under the American Recovery and Reinvestment Act of 2009, the U.S. Department of Energy's (DOE) Weatherization Assistance Program (Weatherization) reduces energy costs for low-income families by increasing the energy efficiency of their homes, while ensuring their health and safety.

Conclusion

By approving Amendment No. 7 to Contract No. C037-09-02, said contract will be extended through August 31, 2012. This will allow Gila County Weatherization Program to continue to provide services to eligible citizens residing in Gila County.

Recommendation

The Gila County Community Action/Housing Manager recommends that the Board of Supervisors approve Amendment No. 7 to Contract No. C037-09-02.

Suggested Motion

Approval of Amendment No. 7 to Contract No. C037-09-02 between the Governor's Office of Energy Policy and the Gila County Division of Community Services, Weatherization Program, amending the Term of Contract through August 31, 2012, effective upon signature by both parties.

Attachments

Amendment No. 7 to Contract C037-09-02

Amendment No. 6 to Contract C037-09-02

Amendment No. 5 to Contract C037-09-02

Amendment No. 3 to C037-09-02 Dept. of Commerce
Amendment No. 2 to Contract C037-09-02
Amendment No. 1 to Contract C037-09-02
Original Contract No. Co37-09-02 Dept. of Commerce
Legal Explanation

Contract Amendment

Contractor Name and Address:

GILA COUNTY
5515 South Apache Avenue, Suite 200
Globe, AZ 85501

Contract No.: **C037-09-02**

Amendment No.: **7** Page 1 of 1

Governor's Office of Energy Policy
1700 W. Washington, Suite 220
Phoenix, Arizona 85007

This contract is amended as follows:

1. Page 2, SPECIAL TERMS AND CONDITIONS, **Paragraph 1,** as amended by Amendment No. 1, TERM OF CONTRACT, is deleted in its entirety and replaced with the following:

   TERM OF CONTRACT
   This Contract shall become effective upon signature by both parties and continue through **August 31, 2012**, unless terminated, cancelled or extended as otherwise provided herein.

ALL OTHER PROVISIONS OF THE CONTRACT SHALL REMAIN IN THEIR ENTIRETY.

THE CONTRACTOR ACKNOWLEDGES RECEIPT AND UNDERSTANDING OF THE ABOVE AMENDMENT	THE ABOVE REFERENCED AMENDMENT IS HEREBY EXECUTED ON BEHALF OF THE GOVERNOR'S OFFICE OF ENERGY POLICY BY:
SIGNATURE DATE	Leisa B. Brug 3/16/12 SIGNATURE DATE
Tommie C. Martin CHAIRMAN, GILA COUNTY BOARD OF SUPERVISORS	LEISA B. BRUG, DIRECTOR Or Authorized Signatory
Chief Deputy County Attorney DATE Bryan B. Chambers	

Contract Amendment

Contractor Name and Address:

GILA COUNTY
5515 South Apache Avenue, Suite 200
Globe, AZ 85501

Contract No.: **C037-09-02**

Amendment No.: **6**

Governor's Office of Energy Policy
1700 W. Washington, Suite 220
Phoenix, Arizona 85007

This contract is amended as follows:

1. Page 10, **Paragraph 32,** as amended by Amendment No. 1, PROGRAM FINANCIAL ELIGILIBITY AND CERTIFICATION REQUIREMENTS, sub-paragraph **A**, Eligible Population and Certification of Eligilibity, and Income Eligibility, sub-paragraph **B.1.**, are deleted in their entirety and replaced with the following:

32. PROGRAM FINANCIAL ELIGIBILITY AND CERTIFICATION REQUIREMENTS

A. Eligible Population and Certification of Eligibility
Contractor is responsible to follow the current Arizona Department of Economic Security ("DES") Low-Income Home Energy Assistance Program ("LIHEAP") Policy Manual requirements for income eligibility up to 200% of Federal Poverty Guidelines as it pertains to the Weatherization Program. Copies of the Policy Manual will be provided by DES.

B. Income Eligibility
1. Applicants are eligible whose income is 200% of the Federal Poverty Guidelines income determined in accordance with criteria established by the Office of the Secretary, U.S. Department of Health and Human Services.

ALL OTHER PROVISIONS OF THE CONTRACT SHALL REMAIN IN THEIR ENTIRETY.

THE CONTRACTOR ACKNOWLEDGES RECEIPT AND UNDERSTANDING OF THE ABOVE AMENDMENT	THE ABOVE REFERENCED AMENDMENT IS HEREBY EXECUTED ON BEHALF OF THE GOVERNOR'S OFFICE OF ENERGY POLICY BY:
	Leisa B. Brug 10-25-11
SIGNATURE DATE	SIGNATURE DATE
Tommie C. Martin CHAIRMAN, GILA COUNTY BOARD OF SUPERVISORS	LEISA B. BRUG, DIRECTOR Or Authorized Signatory
Chief Deputy County Attorney DATE Bryan B. Chambers	

AMENDMENT NO. 5 **CONTRACT C037-09-02**

AMERICAN RECOVERY AND REINVESTMENT ACT

WEATHERIZATION LOW-INCOME ASSISTANCE CONTRACTUAL AGREEMENT

BETWEEN

STATE OF ARIZONA
GOVERNOR'S OFFICE OF ENERGY POLICY

And

GILA COUNTY

This **Contractual Agreement** is amended as follows:

1. *Page 2, SPECIAL TERMS AND CONDITIONS, Paragraph* ***2. A,*** *as amended by Amendment #1, is deleted in its entirety and replaced with the following*:

   A. The total budget for this Contract shall not exceed **$2,044,457.00.** Budget **Exhibit A** is attached.

2. *Page 2, SPECIAL TERMS AND CONDITIONS, Paragraphs* ***2.B,*** *and* ***2.E*** *are deleted in entirety.*

3. *Page 16, SCOPE OF WORK, Paragraph 6, as amended by Amendment #1, is deleted in its entirety and replaced with the following:*

   6. <u>TOTAL ARRA FUNDED UNDUPLICATED ESTIMATED UNIT GOAL</u>
   Unduplicated unit goal: **273**

Any and all portions of the subject Contract, which are not specifically amended hereinabove, shall remain unchanged.

IN WITNESS WHEREFORE, the parties hereto have executed this Amendment.

STATE OF ARIZONA
GOVERNOR'S OFFICE OF ENERGY POLICY

By _____ **Date:** 8/10/11
Leisa B. Brug
Director
Or Authorized Signatory

_____ **Date:** 8/11/11
Travis Price
Compliance Finance & Procurement Manager
Office of the Governor

GILA COUNTY

_____ Chairman, Gila County Board of Supervisors
Contractor's Signature **Title**

Michael A. Pastor _____
Contractor's Printed/Typed Name **Date**

The undersigned **Contractor's** legal counsel has determined that the above Contract is in proper form and is within the powers and authority granted under the laws of the State of Arizona to the **Contractor.**

Bryan B. Chambers _____
Printed/Typed Name of Legal Counsel **Date**
Chief Deputy County Attorney

_____
Signature of Legal Counsel

Exhibit A

Gila County	
ARRA Weatherization Program Budget	
Contract No. C037-09-02 AM#5	ARRA Proposed DOE Budget
1. Administration Costs	$118,548.00
2. Training and Technical Assistance (T&TA)	$155,048.02
3. Program Operations	$1,770,860.98
4. Financial Audit	$0.00
5. Liability Insurance	$0.00
ARRA Budget Total	**$2,044,457.00**

AMENDMENT NO. 3 COMMERCE CONTRACT C037-09-02

AMERICAN RECOVERY AND REINVESTMENT ACT

WEATHERIZATION LOW-INCOME ASSISTANCE CONTRACTUAL AGREEMENT

BETWEEN

STATE OF ARIZONA, DEPARTMENT OF COMMERCE
ENERGY OFFICE

And

GILA COUNTY

This **Contractual Agreement** is amended as follows:

1. *Page 3, SPECIAL TERMS AND CONDITIONS, paragraph **7** is deleted in its entirety and replaced with the following*:

7. PREVAILING WAGES

A. Section 1606 of the Recovery Act requires that all laborers and mechanics employed by Contractor and subcontractors on projects funded directly by or assisted in whole or in part by and through the Federal Government pursuant to the Recovery Act shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code.

Pursuant to Reorganization Plan No. 14 and the Copeland Ct, 40 U.S.C. 3145, the Department of Labor has issued regulations at 29 CFR parts 1, 3, and 5 to implement the Davis-Bacon and related Acts. Regulations in 29 CFR 5.5 instruct agencies concerning application of the standard Davis-Bacon contract clauses set forth in that section. Federal agencies providing grants, cooperative agreements, and loans under the Recovery Act shall ensure that the standard Davis-Bacon contract clauses found in 29 CFR 5.5(a) are incorporated in any resultant covered contracts that are in excess of $2,000 for construction, alteration or repair (including painting and decorating).

B. For additional guidance on the wage rate requirements of section 1606, contact Commerce. Contractor should direct initial inquiries concerning the application of Davis-Bacon requirements to Commerce. The Secretary of Labor retains final coverage authority under Reorganization Plan Number 14.

2. *Page 6, SPECIAL TERMS AND CONDITIONS, Paragraph **12** is deleted in its entirety and replaced with the following*:

12. AMENDMENTS OR MODIFICATIONS

A. This Contract may be amended or modified at any time by mutual agreement. No agent, employee or other representative of either party is empowered to alter any of the terms of the contract, unless done in writing and signed by the authorized representative of the respective parties.

B. Either party shall give written notice to the other party of the following alterations that do not require a written amendment:

1. Change of Address
2. Change of telephone number
3. Change in authorized signatory
4. Change in the name and/or related contact information of the person to whom notices are to be sent.

C. The following changes may be made in Exhibit A, ARRA Weatherization Program Budget,
1. Within the five categories of the ARRA DOE Budget:

a. Without limit, Administration Costs, Training and Technical Assistance, Financial Audit, and Liability Insurance funds may be moved to Program Operations as long as the Budget Total is not exceeded;
b. Up to 5% of Program Operations funds may be moved to either Financial Audit and/or Liability Insurance to cover the actual costs for a financial audit and/or liability insurance.

2. Any of the aforementioned changes shall be made in consultation with and approved in writing by the Energy Office Weatherization Program Manager These changes shall not require a formal contract amendment.

3. *Page 12, SPECIAL TERMS AND CONDITIONS, Paragraph **38** is deleted in its entirety and replaced with the following:*

38. <u>PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS</u>
REQUIRED USE OF AMERICAN IRON, STEEL, AND MANUFACTURED GOODS (COVERED UNDER INTERNATIONAL AGREEMENTS)--SECTION 1605 OF THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009

(a) ***Definitions**. As used in this award term and condition—*

<u>Designated country</u> –

(1) A World Trade Organization Government Procurement Agreement country (Aruba, Austria, Belgium, Bulgaria, Canada, Chinese Taipei (Taiwan), Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hong Kong, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea (Republic of), Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Singapore, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, and United Kingdom;

(2) A Free Trade Agreement (FTA) country (Australia, Bahrain, Canada, Chile, Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Israel, Mexico, Morocco, Nicaragua, Oman, Peru, or Singapore);

(3) A United States-European Communities Exchange of Letters (May 15, 1995) country: Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovak Republic, Slovenia, Spain, Sweden, and United Kingdom; or

(4) An Agreement between Canada and the United States of America on Government Procurement country (Canada).

Designated country iron, steel, and/or manufactured goods
(1) Is wholly the growth, product, or manufacture of a designated country; or
(2) In the case of a manufactured good that consist in whole or in part of materials from another country, has been substantially transformed in a designated country into a new and different manufactured good distinct from the materials from which it was transformed.

Domestic iron, steel, and/or manufactured good
(1) Is wholly the growth, product, or manufacture of the United States; or

(2) In the case of a manufactured good that consists in whole or in part of materials from another country, has been substantially transformed in the United States into a new and different manufactured good distinct from the materials from which it was transformed. There is no requirement with regard to the origin of components or subcomponents in manufactured goods or products, as long as the manufacture of the goods occurs in the United States.

Foreign iron, steel, and/or manufactured good means iron, steel and/or manufactured good that is not domestic or designated country iron, steel, and/or manufactured good.

Manufactured good means a good brought to the construction site for incorporation into the building or work that has been
(1) Processed into a specific form and shape; or
(2) Combined with other raw material to create a material that has different properties than the properties of the individual raw materials.

Public building and public work means a public building of, and a public work of, a governmental entity (the United States; the District of Columbia; commonwealths, territories, and minor outlying islands of the United States; State and local governments; and multi-State, regional, or interstate entities which have governmental functions). These buildings and works may include, without limitation, bridges, dams, plants, highways, parkways, streets, subways, tunnels, sewers, mains, power lines, pumping stations, heavy generators, railways, airports, terminals, docks, piers, wharves, ways, lighthouses, buoys, jetties, breakwaters, levees, and canals, and the construction, alteration, maintenance, or repair of such buildings and works.

Steel means an alloy that includes at least 50 percent iron, between .02 and 2 percent carbon, and may include other elements.

(b) ***Iron, steel, and manufactured goods.***

(1) The award term and condition described in this section implements-
(i) Section 1605(a) of the American Recovery and Reinvestment Act of 2009 (Pub. L. 111-5) (Recovery Act), by requiring that all iron, steel, and manufactured goods used in the project are produced in the United States; and
(ii) Section 1605(d), which requires application of the Buy American requirement in a manner consistent with U.S. obligations under international agreements. The restrictions of section 1605 of the Recovery Act do not apply to designated country iron, steel, and/or manufactured goods. The Buy American requirement in section 1605 shall not be applied where the iron, steel or manufactured goods used in the project are from a Party to an

international agreement that obligates the recipient to treat the goods and services of that Party the same as domestic goods and services. As of January 1, 2010, this obligation shall only apply to projects with an estimated value of $7,804,000 or more.

(2) The recipient shall use only domestic or designated country iron, steel, and manufactured goods in performing the work funded in whole or part with this award, except as provided in paragraphs (b)(3) and (b)(4) of this section.

(3) The requirement in paragraph (b)(2) of this section does not apply to the iron, steel, and manufactured goods listed by the Federal Government as follows:
["NONE"]

(4) The award official may add other iron, steel, and manufactured goods to the list in paragraph (b)(3) of this section if the Federal Government determines that--

(i) The cost of domestic iron, steel, and/or manufactured goods would be unreasonable. The cost of domestic iron, steel, and/or manufactured goods used in the project is unreasonable when the cumulative cost of such material will increase the overall cost of the project by more than 25 percent;

(ii) The iron, steel, and/or manufactured good is not produced, or manufactured in the United States in sufficient and reasonably available commercial quantities of a satisfactory quality; or

(iii) The application of the restriction of section 1605 of the Recovery Act would be inconsistent with the public interest.

(c) ***Request for determination of inapplicability of section 1605 of the Recovery Act or the Buy American Act.***

(1)(i) Any recipient request to use foreign iron, steel, and/or manufactured goods in accordance with paragraph (b)(4) of this section shall include adequate information for Federal Government evaluation of the request, including--

(A) A description of the foreign and domestic iron, steel, and/or manufactured goods;
(B) Unit of measure;
(C) Quantity;
(D) Cost;
(E) Time of delivery or availability;
(F) Location of the project;
(G) Name and address of the proposed supplier; and
(H) A detailed justification of the reason for use of foreign iron, steel, and/or manufactured goods cited in accordance with paragraph (b)(4) of this section.

(ii) A request based on unreasonable cost shall include a reasonable survey of the market and a completed cost comparison table in the format in paragraph (d) of this section.

(iii) The cost of iron, steel, or manufactured goods shall include all delivery costs to the construction site and any applicable duty.

(iv) Any recipient request for a determination submitted after Recovery Act funds have been obligated for a project for construction, alteration, maintenance, or repair shall explain why the recipient could not reasonably foresee the need for such determination and could not have requested the determination before the funds were obligated. If the recipient does not submit a satisfactory explanation, the award official need not make a determination.

(2) If the Federal Government determines after funds have been obligated for a project for construction, alteration, maintenance, or repair that an exception to section 1605 of the Recovery Act applies, the award official will amend the award to allow use of the foreign iron, steel, and/or relevant manufactured goods. When the basis for the exception is nonavailability or public interest, the amended award shall reflect adjustment of the award amount, redistribution of budgeted funds, and/or other appropriate actions taken to cover costs associated with acquiring or using the foreign iron, steel, and/or relevant manufactured goods. When the basis for the exception is the unreasonable cost of the domestic iron, steel, or manufactured goods, the award official shall adjust the award amount or redistribute budgeted funds, as appropriate, by at least the differential established in 2 CFR 176.110(a).

(3) Unless the Federal Government determines that an exception to section 1605 of the Recovery Act applies, use of foreign iron, steel, and/or manufactured goods other than designated country iron, steel, and/or manufactured goods is noncompliant with the applicable Act.

(d) ***Data.*** To permit evaluation of requests under paragraph (b) of this section based on unreasonable cost, the applicant shall include the following information and any applicable supporting data based on the survey of suppliers:
Foreign and Domestic Items Cost Comparison
Description Unit of measure Quantity Cost (dollars)*
Item 1:
Foreign steel, iron, or manufactured good _____ _____ _____
Domestic steel, iron, or manufactured good _____ _____ _____
Item 2:
Foreign steel, iron, or manufactured good _____ _____ _____
Domestic steel, iron, or manufactured good _____ _____ _____
[List name, address, telephone number, email address, and contact for suppliers surveyed. Attach copy of response; if oral, attach summary.]
[Include other applicable supporting information.]
[*Include all delivery costs to the construction site.]"

4. *Page 13, SPECIAL TERMS AND CONDITIONS, Paragraph **40.D** is added:*

D. All reimbursement of travel expenses shall be paid in accordance with the Contractor's travel policies, but shall not exceed the Domestic Per Diem rates allowed under the Federal Travel Management Policy, and the prevailing Federal standard mileage rates.

5. *Page 14, SPECIAL TERMS AND CONDITIONS, Paragraph **44**, as added by Amendment #1, is deleted in its entirety and replaced with the following:*

44. <u>HISTORIC PRESERVATION:</u>
Prior to the expenditure of Federal funds to alter any structure or site, the Contractor is required to comply with the requirements of Section 106 of the National Historic Preservation Act (NHPA), consistent with DOE's 2009 letter of delegation of authority regarding the NHPA. Section 106 applies to historic properties that are listed in or eligible for listing in the National Register of Historic Places. In order to fulfill the requirements of

Section 106, the AZ Dept of Commerce Energy Office and the State Historic Preservation Officer (SHPO) have developed a Statewide Programmatic Agreement (PA). As long as the contractor adheres to a scope of work in conformance with this executed PA, the contractor need not perform any further Section 106 review. The Statewide Programmatic Agreement is available at: http://www.azcommerce.com/Energy/ Additional information is also available at the Dept of Energy website: http://www1.eere.energy.gov/wip/historic_preservation.html

6. *Page 14, SPECIAL TERMS AND CONDITIONS, Paragraph **46** is added:*

46. ACKNOWLEDGEMENT OF SUPPORT

An acknowledgement of Federal support and a disclaimer must appear in the publication of any material, whether copyrighted or not, based on or developed under this project, as follows:

Acknowledgement: "This material is based upon work supported by ARRA funds through the U.S. Department of Energy, Arizona Low-Income Weatherization Program grant."

Disclaimer: "This report was prepared as an account of work sponsored by an agency of the United States Government. Neither the United States Government nor any agency thereof, nor any of their employees, makes any warranty, express or implied, or assumes information, apparatus, product, or process disclosed, or represents that its use would not infringe privately owned rights. Reference herein to any specific commercial product, process, or service by trade name, trademark, manufacturer, or otherwise does not necessarily constitute or imply its endorsement, recommendation, or favoring by the United States Government or any agency thereof. The views and opinions of authors expressed herein do not necessarily state or reflect those of the United States Government or any agency thereof."

7. *Page 14, SPECIAL TERMS AND CONDITIONS, Paragraph **47** is added:*

47. INDEMNIFICATION:

Each party (as "Indemnitor") agrees to indemnify, defend, and hold harmless the other party (as "Indemnitee") from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as "Claims") arising out of bodily injury of any person (including death) or property damage, but only to the extent that such Claims which result in vicarious/derivative liability to the Indemnitee are caused by the act, omission, negligence, misconduct, or other fault of the Indemnitor, its officers, officials, agents, employees, or volunteers.

8. *Page 16, SCOPE OF WORK, Paragraph **5**, as amended by Amendment #1, is deleted in its entirety and replaced with the following:*

5. SERVICE TERRITORY

Gila County, excluding tribal organizations.

9. **Exhibit A, Budget**, as amended by Amendment #1, is replaced with the attached **Exhibit A.**

Exhibit A

Gila County	
ARRA Weatherization Program Budget	
Contract No. C037-09-02 AM#3	**ARRA Proposed DOE Budget**
1. **Administration Costs**	$101,153.00
2. **Training and Technical Assistance (T&TA)**	$155,048.02
3. **Program Operations**	$1,488,255.98
4. **Financial Audit**	$0.00
5. **Liability Insurance**	$0.00
ARRA Budget Total	**$1,744,457.00**

Any and all portions of the subject Contract, which are not specifically amended hereinabove, shall remain unchanged.

IN WITNESS WHEREFORE, the parties hereto have executed this Amendment.

STATE OF ARIZONA
DEPARTMENT OF COMMERCE

By_____ **Date:**_____
Don Cardon
Director
Or Authorized Signatory

GILA COUNTY

_____ _____
Contractor's Signature **Title**

Michael A. Pastor _____
Contractor's Printed/Typed Name **Date**
Chairman, Gila County Board of Supervisors

The undersigned **Contractor's** legal counsel has determined that the above Contract is in proper form and is within the powers and authority granted under the laws of the State of Arizona to the **Contractor.**

Bryan B. Chambers _____
Printed/Typed Name of Legal Counsel **Date**
Chief Deputy County Attorney

_____
Signature of Legal Counsel

AMENDMENT NO. 2 **COMMERCE CONTRACT C037-09-02**

AMERICAN RECOVERY AND REINVESTMENT ACT

WEATHERIZATION LOW-INCOME ASSISTANCE CONTRACTUAL AGREEMENT

BETWEEN

STATE OF ARIZONA, DEPARTMENT OF COMMERCE
ENERGY OFFICE

And

GILA COUNTY

This **Contractual Agreement** is amended as follows:

1. *Page 3, SPECIAL TERMS AND CONDITIONS, Paragraph **8** is deleted in its entirety and replaced with the following:*

DAVIS-BACON ACT REQUIREMENTS

A. Definitions. For purposes of paragraph 8, the following definitions are applicable:
(1) *Award* means the Award by the Department of Energy (DOE) to a Recipient that includes a requirement to comply with the labor standards clauses and wage rate requirements of the Davis-Bacon Act (DBA) for work performed by all laborers and mechanics employed by Subrecipients, Contractors and subcontractors on projects funded by or assisted in whole or in part by and through the Federal Government pursuant to the Recovery Act.
(2) "*Construction, alteration or repair*" means all types of work done by laborers and mechanics employed by the Subrecipient, construction contractor or construction subcontractor on a particular building or work at the site thereof, including without limitation—
(a) Altering, remodeling, installation (if appropriate) on the site of the work of items fabricated off-site;
(b) Painting and decorating; or
(c) Manufacturing or furnishing of materials, articles, supplies, or equipment on the site of the building or work.
(3) *Contract* means a written procurement contract executed by a Subrecipient for the acquisition of property and services for construction, alteration, and repair under a Subaward. For purposes of these Clauses, a Contract shall include subcontracts and lower- tier subcontracts under the Contract.
(4) *Contracting Officer* means the DOE official authorized to execute awards on behalf of DOE and who is responsible for the business management and non-program aspects of the financial assistance process.
(5) *Contractor* means an entity that enters into a Contract. For purposes of these Clauses, Contractor shall include subcontractors and lower-tier subcontractors.
(6) *Recipient* means any entity other than an individual that receives Recovery Act funds in the form of a grant directly from the Federal Government. The term includes the State that receives an Award from DOE and is financially accountable for the use of any DOE funds or property, and is legally responsible for carrying out the terms and conditions of the program and Award.
(7) "*Site of the work*"—
(a) Means--
(i) The physical place or places where the construction called for in the Award, Subaward, or Contract will remain when work on it is completed; and
(ii) Any other site where a significant portion of the building or work is constructed, provided that such site is established specifically for the performance of the project;
(b) Except as provided in paragraph (c) of this definition, the site of the work includes any fabrication plants, mobile factories, batch plants, borrow pits, job headquarters, tool yards, etc., provided—
(1) They are dedicated exclusively, or nearly so, to performance of the project; and

(2) They are adjacent or virtually adjacent to the site of the work as defined in paragraphs (7)(a)(i) or (7)(a)(ii) of this definition; and

(c) Does not include permanent home offices, branch plant establishments, fabrication plants, or tool yards of a Contractor or subcontractor whose locations and continuance in operation are determined wholly without regard to a particular contract or Federal Award or project. In addition, fabrication plants, batch plants, borrow pits, job headquarters, yards, etc., of a commercial or material supplier which are established by a supplier of materials for the project before opening of bids and not on the project site as defined in paragraphs (7)(a)(i) or (7)(a)(ii) of this definition, are not included in the "site of the work." Such permanent, previously established facilities are not a part of the "site of the work" even if the operations for a period of time may be dedicated exclusively or nearly so, to the performance of an Award, Subaward, or Contract.
(8) *Subaward* means an award of financial assistance in the form of money, or property in lieu of money, made under an award by a Recipient to an eligible Subrecipient or by a Subrecipient to a lower- tier subrecipient. The term includes financial assistance when provided by any legal agreement, even if the agreement is called a contract, but does not include the Recipient's procurement of goods and services to carry out the program nor does it include any form of assistance which is excluded from the definition of "Award" above.
(9) *Subrecipient* means a non-Federal entity that expends Federal awards received from a pass-through entity [Recipient] to carry out a Federal program, but does not include an individual that is a beneficiary of such a program. The term includes a Community Action Agency (CAA), local agency, or other entity to which a Subaward under the Award is made by a Recipient that includes a requirement to comply with the labor standards clauses and wage rate requirements of the DBA work performed by all laborers and mechanics employed by contractors and subcontractors on projects funded by or assisted in whole or in part by and through the Federal Government pursuant of the Recovery Act.

B. Davis-Bacon Act
(1)(a) All laborers and mechanics employed or working upon the site of the work will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR Part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached to the Subaward or Contract and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the Recipient, a Subrecipient, or Contractor and such laborers and mechanics.
(i) Applicable to Recipient Only: Prior to the issuance of the Subaward or Contract, the Recipient shall notify the Contracting Officer of the site of the work in order for the appropriate wage determination to be obtained by the Contracting Officer from the Secretary of Labor.
(ii) If the Subaward or Contract is or has been issued without a wage determination, the Recipient shall notify the Contracting Officer immediately of the site of the work under the Subaward or Contract in order for the appropriate wage determination to be obtained by the Contracting Officer from the Secretary of Labor.
(b) Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(b)(2) of the DBA on behalf of laborers or mechanics are considered wages paid to such laborers and mechanics, subject to the provisions of paragraph B(4) below; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such period.
(c) Such laborers and mechanics shall be paid not less than the appropriate wage rate and fringe benefits in the wage determination for the classification of work actually performed, without regard to skill, except as provided in the paragraph entitled Apprentices and Trainees. Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein; provided that the employer's payroll records accurately set forth the time spent in each classification in which work is performed.
(d) The wage determination (including any additional classifications and wage rates conformed under paragraph B(2) of this Clause) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the Subrecipient and Contractor at the site of the work in a prominent and accessible place where it can be easily seen by the workers.
(2)(a) The Contracting Officer shall require that any class of laborers or mechanics which is not listed in the wage determination and which is to be employed under the Subaward or Contract shall be classified in

conformance with the wage determination. The Contracting Officer shall approve an additional classification and wage rate and fringe benefits therefore only when all the following criteria have been met:

(i) The work to be performed by the classification requested is not performed by a classification in the wage determination.
(ii) The classification is utilized in the area by the construction industry.
(iii) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.
(b) If the Subrecipient (and Contractor, when applicable) and the laborers and mechanics to be employed in the classification (if known), or their representatives agree on the classification and wage rate (including the amount designated for fringe benefits, where appropriate), the Subrecipient shall notify the Recipient. The Recipient shall notify the Contracting Officer of this agreement. If the Contracting Officer agrees with the classification and wage rate (including the amount designated for fringe benefits, where appropriate), a report of the action taken shall be sent by the Contracting Officer to the Administrator of the:
Wage and Hour Division Employment Standards Administration U.S. Department of Labor Washington, DC 20210
The Administrator or an authorized representative will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the Contracting Officer or will notify the Contracting Officer within the 30-day period that additional time is necessary.
(c) In the event the Subrecipient (and Contractor, when applicable), and the laborers or mechanics to be employed in the classification, or their representatives, do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the Subrecipient shall notify the Recipient. The Recipient shall notify the Contracting Officer of the disagreement. The Contracting Officer shall refer the questions, including the views of all interested parties and the recommendation of the Contracting Officer, to the Administrator of the Wage and Hour Division for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise the Contracting Officer or will notify the Contracting Officer within the 30-day period that additional time is necessary.
(d) The wage rate (including fringe benefits, where appropriate) determined pursuant to subparagraphs B(2)(b) or B(2)(c) of this Clause shall be paid to all workers performing work in the classification under the Award, Subaward, or Contract from the first day on which work is performed in the classification.
(3) Whenever the minimum wage rate prescribed in the Award, Subaward, or Contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the Subrecipient and Contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.
(4) If the Subrecipient or Contractor does not make payments to a trustee or other third person, the Subrecipient or Contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program; provided, that the Secretary of Labor has found, upon the written request of the Subrecipient or Contractor that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the Subrecipient or Contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

C. Rates of Wages
(1) The minimum wages to be paid laborers and mechanics under the Subaward or Contract involved in performance of work at the project site, as determined by the Secretary of Labor to be prevailing for the corresponding classes of laborers and mechanics employed on projects of a character similar to the contract work in the pertinent locality, are included as an attachment to the Award, Subaward, or Contract.
(2) If the Subaward or Contract has been issued without a wage determination, the Recipient shall notify the Contracting Officer immediately of the site of the work under the Subaward or Contract in order for the appropriate wage determination to be obtained by the Contracting Officer from the Secretary of Labor.

D. Payrolls and Basic Records
(1) Payrolls and basic records relating thereto shall be maintained by the Recipient, Subrecipient and Contractor during the course of the work and preserved for a period of 3 years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of

contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made, and actual wages paid. Whenever the Secretary of Labor has found, under paragraph (4) of the provision entitled Davis-Bacon Act, that the wages of any laborer or mechanic include the amount of any costs

reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the Subrecipient or Contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. The Subrecipient or Contractor employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

(2)(a) The Contractor shall submit weekly for each week in which any Contract work is performed a copy of all payrolls to the Subrecipient. The Subrecipient shall submit weekly for each week in which any Subaward or Contract work is performed a copy of all payrolls to the Recipient. The Recipient shall submit weekly for each week in which any Subaward or Contract work is performed a copy of all payrolls to the Contracting Officer. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under paragraph D(1) of this Clause, except that the full social security numbers and home addresses shall not be included on weekly transmittals. Instead, the payrolls shall only need to include an individually identifying number for each employee (e.g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Web site at http://www.dol.gov/esa/whd/forms/wh347instr.htm or its successor site.

(b) The Recipient is responsible for the ensuring that all Subrecipients and Contractors submit copies of payrolls and basic records as required by paragraph D, Payrolls and Basic Records, of this Clause. The Subrecipient is responsible for ensuring all Contractors, including lower tier subcontractors submit copies of payrolls and basic records as required by paragraph D, Payrolls and Basic Records, of this clause. Subrecipients and Contractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request for transmission to the Contracting Officer, the Recipient, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. The Recipient shall also obtain and provide the full social security number and current address of each covered worker upon request by the Contracting Officer or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this section for a Recipient to require a Subrecipient or Contractor to provide addresses and social security numbers to the Recipient for its own records, without weekly submission to the Contracting Officer.

(c) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the Recipient, Subrecipient or Contractor or his or her agent who pays or supervises the payment of the persons employed under the Subaward or Contract and shall certify –

(i) That the payroll for the payroll period contains the information required to be maintained under paragraph D(2)(a) of this Clause, the appropriate information is being maintained under paragraph D(1) of this Clause, and that such information is correct and complete;

(ii) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the Subaward or Contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in the Regulations, 29 CFR Part 3; and

(iii) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the Subaward or Contract.

(d) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph D(2)(c) of this Clause.

(e) The falsification of any of the certifications in Paragraph D, Payrolls and Basic Records, of this Clause may subject the Recipient, Subrecipient or Contractor to civil or criminal prosecution under Section 1001 of Title 18 and Section 3729 of Title 31 of the United States Code.
(3) The Recipient, Subrecipient, or Contractor shall make the records required under paragraph D(1) of this Clause available for inspection, copying, or transcription by the Contracting Officer, authorized representatives of the Contracting Officer, or the Department of Labor. The Subrecipient or Contractor shall permit the Contracting Officer, authorized representatives of the Contracting Officer or the Department of Labor to

interview employees during working hours on the job. If the Recipient, Subrecipient, or Contractor fails to submit the required records or to make them available, the Contracting Officer may, after written notice to the Recipient, Subrecipient, or Contractor take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

E. Withholding of Funds
(1) The DOE Contracting Officer shall, upon his or her or its own action or upon written request of an authorized representative of the Department of Labor, withhold or cause to be withheld from the Recipient or any other contract or Federal Award with the same Recipient, on this or any other federally assisted Award subject to Davis-Bacon prevailing wage requirements, which is held by the same Recipient so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the Subrecipient or a Contractor the full amount of wages required by the Award or Subaward or a Contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of the work, all or part of the wages required by the Award or Subaward or a Contract, the Contracting Officer may, after written notice to the Recipient take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.
(2) The Recipient shall, upon its own action or upon written request of the DOE Contracting Officer or an authorized representative of the Department of Labor, withhold or cause to be withheld from any Subrecipient or Contractor so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the Subrecipient or Contractor the full amount of wages required by the Subaward or Contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of the work, all or part of the wages required by the Subaward or Contract, the Recipient may, after written notice to the Subrecipient or Contractor, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased or the Government may cause the suspension of any further payment under any other contract or Federal award with the same Subrecipient or Contractor, on any other federally assisted Award subject to Davis-Bacon prevailing wage requirements, which is held by the same Subrecipient or Contractor.

F. Apprentices and Trainees
(1) Apprentices.
(a) An apprentice will be permitted to work at less than the predetermined rate for the work they performed when they are employed—
(i) Pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship and Training, Employer, and Labor Services (OATELS) or with a State Apprenticeship Agency recognized by the OATELS; or
(ii) In the first 90 days of probationary employment as an apprentice in such an apprenticeship program, even though not individually registered in the program, if certified by the OATELS or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice.
(b) The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the Subrecipient or Contractor as to the entire work force under the registered program.
(c) Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated in paragraph F(1) of this Clause, shall be paid not less than the applicable wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess

of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed.
(d) Where a Subrecipient or Contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the Subrecipient's or Contractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination.

(e) Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination.
(f) In the event OATELS, or a State Apprenticeship Agency recognized by OATELS, withdraws approval of an apprenticeship program, the Subrecipient or Contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.
(2) Trainees.
(a) Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by (OATELS). The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by OATELS.
(b) Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed in the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship/training program associated with the corresponding journeyman wage rate in the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the OATELS shall be paid not less than the applicable wage rate in the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate in the wage determination for the work actually performed.
(c) In the event OATELS withdraws approval of a training program, the Subrecipient or Contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.
(3) Equal employment opportunity. The utilization of apprentices, trainees, and journeymen under this Clause shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR Part 30.

G. Compliance with Copeland Act Requirements
The Recipient, Subrecipient or Contractor shall comply with the requirements of 29 CFR Part 3 which are hereby incorporated by reference in the Award, Subaward or Contract.

H. Subawards and Contracts
(1) The Recipient, the Subrecipient and Contractor shall insert in the Subaward or any Contracts this Clause entitled "Davis Bacon Act Requirements" and such other clauses as the Contracting Officer may require. The Recipient shall be responsible for ensuring compliance by any Subrecipient or Contractor with all of the requirements contained in this Clause. The Subrecipient shall be responsible for the compliance by Contractor with all of the requirements contained in this Clause.
(2) Within 14 days after issuance of a Subaward, the Recipient shall deliver to the Contracting Officer a completed Standard Form (SF) 1413, Statement and Acknowledgment, for each Subaward and Contract for construction within the United States, including the Subrecipient's and Contractor's signed and dated acknowledgment that this Clause) has been included in the Subaward and any Contracts. The SF 1413 is available from the Contracting Officer or at

http://contacts.gsa gov/webforms.nsf/0/70B4872D16EE95A785256A26004F7EA8/$file/sf1413_e.pdf . Within 14 days after issuance of a Contract or lower- tier subcontract, the Subrecipient shall deliver to the Recipient a completed Standard Form (SF) 1413, Statement and Acknowledgment, for each Contract and lower-tier subcontract for construction within the United States, including the Contractor and lower- tier subcontractor's signed and dated acknowledgment that this Clause has been included in any Contract and lower- tier subcontracts. SF 1413 is available from the Contracting Officer or at http://contacts.gsa.gov/webforms.nsf/0/70B4872D16EE95A785256A26004F7EA8/$file/sf1413_e.pdf. The Recipient shall immediately provide to the DOE Contracting Officer the completed Standard Forms (SF) 1413.

I. Contract Termination -- Debarment
A breach of these provisions may be grounds for termination of the Award, Subaward, or Contract and for debarment as a Contractor or subcontractor as provided in 29 CFR 5.12.

J. Compliance with Davis-Bacon and Related Act Regulations
All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR Parts 1, 3, and 5 are hereby incorporated by reference in the Award, Subaward or Contract.

K. Disputes Concerning Labor Standards
The United States Department of Labor has set forth in 29 CFR Parts 5, 6, and 7 procedures for resolving disputes concerning labor standards requirements. Such disputes shall be resolved in accordance with those procedures and shall not be subject to any other dispute provision that may be contained in the Award, Subaward, and Contract. Disputes within the meaning of this Clause include disputes between the Recipient, Subrecipient (including any Contractor) and the Department of Energy, the U.S. Department of Labor, or the employees or their representatives.

L. Certification of Eligibility.
(1) By entering into this Award, Subaward, or Contract (as applicable), the Recipient, Subrecipient, or Contractor, respectively certifies that neither it (nor he or she) nor any person or firm who has an interest in the Recipient, Subrecipient, or Contractor's firm, is a person, entity, or firm ineligible to be awarded Government contracts or Government awards by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).
(2) No part of this Award, Subaward or Contract shall be subcontracted to any person or firm ineligible for award of a Government contract or Government award by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).
(3) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

M. Approval of Wage Rates
All straight time wage rates, and overtime rates based thereon, for laborers and mechanics engaged in work under an Award, Subaward or Contract must be submitted for approval in writing by the head of the federal contracting activity or a representative expressly designated for this purpose, if the straight time wages exceed the rates for corresponding classifications contained in the applicable Davis-Bacon Act minimum wage determination included in the Award, Subaward or Contract. Any amount paid by the Subrecipient or Contractor to any laborer or mechanic in excess of the agency approved wage rate shall be at the expense of the Subrecipient or Contractor and shall not be reimbursed by the Recipient or Subrecipient. If the Government refuses to authorize the use of the overtime, the Subrecipient or Contractor is not released from the obligation to pay employees at the required overtime rates for any overtime actually worked.

N. Contract Work Hours and Safety Standards Act
This section, entitled "Contract Work Hours and Safety Standards Act (CWHSSA)", shall apply to any Subaward or Contract in an amount in excess of $100,000. As used in this CWHSSA Clause, the terms laborers and mechanics include watchmen and guards.
A. Overtime requirements. No Subrecipient or Contractor contracting for any part of the Subaward work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

B. Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph B herein, the Subrecipient or Contractor responsible therefor shall be liable for the unpaid wages. In addition, such Subrecipient or Contractor shall be liable to the United States (in the case of work done under a Subaward or Contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the provision set forth in CWSSHA paragraph A, in the sum of $10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (A) of this section

C. Withholding for unpaid wages and liquidated damages

(1) The DOE Contracting Officer shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the Recipient on this or any other Federal Award or Federal contract with the same Recipient on any other federally-assisted Award or contract subject to the CWHSSA, which is held by the same Recipient such sums as may be determined to be necessary to satisfy any liabilities of such Recipient for unpaid wages and liquidated damages as provided in the clause set forth in CWHSSA, paragraph B of this Clause.

(2) The Recipient shall, upon its own action or upon written request of the DOE Contracting Officer or an authorized representative of the Department of Labor, withhold or cause from any moneys payable on account of work performed by the Subrecipient or Contractor on this or any other federally assisted subaward or contract subject to the CWHSSA, which is held by the same Subrecipient or Contractor such sums as may be determined to be necessary to satisfy any liabilities of such Subrecipient or Contractor for unpaid wages and liquidated damages as provided in clause set forth in CWHSSA, paragraph B of this Clause.

D. Subcontracts. The Subrecipient shall insert in a Contract and a Contractor shall insert in any lower tier subcontracts, the clauses set forth in these CWHSSA paragraphs (A) through (D) and also a provision requiring the Contractors to include this CWHSSA Clause in any lower tier subcontracts. The Recipient shall be responsible for compliance by any Subrecipient or Contractor, with the CWHSSA paragraphs A through D. The Subrecipient shall be responsible for compliance by any Contractor (including lower- tier subcontractors).

E. The Subrecipient or Contractor shall maintain payrolls and basic payrolls in accordance with Clause XX, Davis- Bacon Act Requirements, for all laborers and mechanics, including guards and watchmen working on the Subaward or Contracts. These records are subject to the requirements set forth in Clause XX, Davis Bacon Requirements.

F. RECIPIENT FUNCTIONS

(1) On behalf of the Department of Energy (DOE), Recipient shall perform the following functions:

(a) Obtain, maintain, and monitor all DBA certified payroll records submitted by the Subrecipients and Contractors at any tier under this Award;

(b) Review all DBA certified payroll records for compliance with DBA requirements, including applicable DOL wage determinations;

(c) Notify DOE of any non-compliance with DBA requirements by Subrecipients or Contractors at any tier, including any non-compliances identified as the result of reviews performed pursuant to paragraph (b) above;

(d) Address any Subrecipient and any Contractor DBA non-compliance issues; if DBA non-compliance issues cannot be resolved in a timely manner, forward complaints, summary of investigations and all relevant information to DOE;

(e) Provide DOE with detailed information regarding the resolution of any DBA non-compliance issues;

(f) Perform services in support of DOE investigations of complaints filed regarding noncompliance by Subrecipients and Contractors with DBA requirements;

(g) Perform audit services as necessary to ensure compliance by Subrecipients and Contractors with DBA requirements and as requested by the Contracting Officer; and

(h) Provide copies of all records upon request by DOE or DOL in a timely manner.

(2) All records maintained on behalf of the DOE in accordance with paragraph (1) above are federal government (DOE) owned records. DOE or an authorized representative shall be granted access to the records at all times.

(3) In the event of, and in response to any Freedom of Information Act, 5 U.S.C. 552, requests submitted to DOE, Recipient shall provide such records to DOE within 5 business days of receipt of a request from DOE.

DAVIS-BACON WAGE DETERMINATION EFFECTIVE MARCH 8, 2010

Request For Wage Determination And Response To Request
(Davis Bacon Act as Amended and Related Statutes)

U.S. Department of Labor
Employment Standards Administration
Wage and Hour Division

FOR DEPARTMENT OF LABOR USE

Response To Request

☐ Use area determination issued for this area

☑ The attached decision noted below is applicable to this project

Decision Number: S2009-AZ-001

Date of Decision: 12/11-2009

Expires: 03/03-2010

Supersedes Decision Number: 2009-AZ-001

Approved

Shirley Ebbesen, Director
Division of Wage Determinations

Mail Your Request To:
U.S. Department of Labor
Employment Standards Administration
Wage and Hour Division
Branch of Construction Contract Wage Determinations
Washington, D.C. 20210

Requesting Officer (Typed name and signature): Lisa Kuzmar Lisa.Kuzmar@nsti.doe.gov

Department, Agency, or Bureau: Department of Energy/National Energy Technology Laboratory

Phone Number: 304-285-4242

Date of Request: 08/11/2009

Estimated Advertising Date:

Estimated Bid Opening Date:

Prior Decision Number (if any): N/A

Estimated $ Value of Contract: ☐ Under 1/2 Mil ☐ 1/2 to 1 Mil ☐ 1 to 5 Mil ☑ Over 5 Mil

Type of Work: ☐ Bldg. ☑ Resid. ☐ Highway ☐ Heavy

Address to which wage determination should be mailed. (Print or type)

3610 Collins Ferry Rd.
PO Box 880
Morgantown, WV 26507

Fax Number
304-285-4683

Location of Project (City, County, State, Zip Code)
State of Arizona - all counties

Description of Work (Be specific) (Print or type)
RESIDENTIAL WEATHERIZATION CONSTRUCTION

Describe the work to be performed. Minor repairs, batt insulation, blown insulation, window & door repair and weatherstripping; air sealing; caking; replacement of windows, doors; furnace/cooling major overhaul or replacement; furnace/cooking tune up and repair; electrical repairs; minor or incidental structural repairs; plumbing work; duct sealing and/or repair and/or replacement.

CHECK OR LIST CRAFTS NEEDED
(Attach continuation sheet if needed)

- ___ Asbestos workers
- ___ Boilermakers
- ___ Bricklayers
- ✓ Carpenters
- ___ Cement masons
- ✓ Electricians
- ___ Glaziers
- ___ Ironworkers
- ___ Laborers (Specify classes)
- ✓ HVAC Mechanic
- ___ Lathers
- ___ Marble & tile setters, terrazzo workers
- ___ Painters
- ___ Piledrivermen
- ___ Plasterers
- ✓ Plumbers
- ___ Roofers
- ✓ Sheet metal workers
- ___ Soft floor layers
- ___ Steamfitters
- ___ Welders-rate for craft
- ___ Truck drivers
- ___ Power equipment operators (Specify types)
- ✓ Weatherization Worker

Other Crafts

308-104
NSN 7540-00-105-0076

* U.S. Government Printing Office: 1985-480-378/30411

Standard Form 308 (Rev. May 1985)
U.S. Department of Labor - 29 CFR Part 1

S2009-AZ-001
Issue Date: 12/11/2009
Exp. Date: 03/03/2010

ARIZONA RESIDENTIAL WEATHERIZATION WAGE DETERMINATION

This project wage determination is issued in response to a request from the Department of Energy (DOE) for prevailing wage rates specific to weatherization of residential structures as those structures are defined in the All Agency Memorandum 130 and 131. This wage determination has application only to weatherization construction projects on existing residential structures as described in the SF 308 submitted by DOE. The primary purpose of the project for which this wage determination is being issued is weatherization and is not for the renovation, repair, or new construction of residential structures. All other types of residential construction projects are subject to the published general residential wage determinations for the State of **Arizona** found on www.wdol.gov.

General weatherization work for purposes of this wage determination is defined as minor repairs, batt insulation, blown insulation, window and door repair, and weather stripping, solar film installation, air sealing, caulking, minor or incidental structural repairs, duct sealing, air sealing, installation of light bulbs, and installation of smoke detectors. In **Arizona**, the Department's recent survey determined as a matter of prevailing practice that these duties are performed by a weatherization worker classification.

Additionally, specialty weatherization work is defined as the (1) replacement of doors and windows; (2) installation and repair of furnace/cooling (HVAC) systems and all associated work involved with the installation of the HVAC system including electrical, pipe, and duct work. In **Arizona**, the Department's recent survey determined that the duties described by (1) above are performed by a Window and Door Replacement Worker, and by (2) above are performed by an HVAC worker.

Wage payment data submitted for the State of **Arizona** included wage data information for a weatherization crew chief classification. This classification of worker is essentially a working foreman who performs the same tasks as the weatherization worker, but who is responsible for supervision, job oversight, forms completion, work assignments, and quality assurance. The additional duties are not "laborer or mechanic" work as defined by the Davis-Bacon and related Acts regulations, but are more supervisory in nature. The Department issues various classifications of workers when the duties are defined and distinct from all other classifications of workers on the wage determination. The "laborer or mechanic" duties of the crew chief are not sufficiently distinct to warrant the issuance of a separate classification on the wage determination. Moreover, the Department does not issue separate wage determinations based on a worker's skill, experience or individual training. Therefore, the weatherization crew chief is not listed as a separate classification of worker. The weatherization crew chief must be classified as a weatherization worker and paid at least the applicable wage determination rate of the weatherization worker when performing weatherization work. There is no restriction however to paying the weatherization crew chief more than the weatherization worker wage rate listed on the wage determination.

The rates listed on this wage determination are the minimum rates that may be paid the listed classification for the work performed. Wage rates are based strictly on work performed and are not based on the employee's level of experience, seniority, ability, etc. There are no levels of rates for this work. Workers performing the work described are due at least the minimum rates listed.

S2009-AZ-001
Issue Date: 12/11/2009
Exp. Date: 03/03/2010

The following is a key to the chart below. Each county in the state is listed in alphabetical order on the far left side of the chart. There are two main columns separated by a bold line with the left column labeled **Weatherization Survey Wage Determination** and the right column labeled **Existing Residential Wage Determination**.

The three classifications listed under the **Weatherization Survey Wage Determination** column are the classifications and rates determined to be prevailing for weatherization work and are based on wage data submitted in response to the weatherization survey. Weatherization work, as well as the specific duties that may be performed by these three classifications, is defined on this project decision. The rate information under each classification is the basic hourly rate and fringe benefit (if fringe benefits were found to be prevailing). If there is no wage rate or fringe benefit listed under the classification column, usually the HVAC Worker, then there was no data or insufficient data from which to establish a rate and/or fringe benefit for that classification. If the work performed by that classification is needed for the project, then an additional classification request (conformance) must be made. **NOTE:** Classifications and rates listed under the Existing Residential Wage Determination Column **may not be used** for unlisted classifications/work in the Weatherization Survey Wage Determination column. See below for the procedure for requesting additional classifications and the form to request these classifications.

The classifications listed under the **Existing Residential Wage Determination** column are those classifications and rates currently published as prevailing on the residential general wage determinations. These wage determinations may be found at www.wdol.gov. The classifications and rates listed under the Existing Residential Wage Determination column may be used on weatherization projects only in those situations where the work is **different than that described for the three classifications listed under the Weatherization Survey Column.** For example, when an electrician is needed to perform electrical work not associated with the installation, repair, or overhaul of furnace or cooling equipment, then the existing electrician classification and rate listed under this column may be used for that work. The rate information under each classification is the basic hourly rate and a fringe benefit (if fringe benefits were found to be prevailing). If there is no wage rate or fringe benefit listed under the classification column, then there was no data or insufficient data from which to establish a rate and/or fringe benefit for that classification. If that unlisted classification is needed for the project, then a request for an additional classification (conformance) should be made. See below for the procedure for requesting additional classifications and the form to request these classifications.

Any unlisted classifications and rates (conformances) needed for work not listed on the chart below may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (ii)). The procedure for requesting approval of an unlisted classification and rate (conformance) as well as a "pdf" copy of the form (SF Form 1444) may be found at **http://www.dol.gov/esa/whd/recovery/**. The SF Form 1444 may be sent to the Department electronically, by facsimile, or by mail. Electronic submissions should be sent to **09WeatherizationSurvey@dol.gov**. Facsimile submissions should be sent to (202) 693-1432. Mailed forms should be sent to the address listed in Block 1 of the SF Form 1444. Any SF Form 1444 submitted for weatherization projects should be marked as being for weatherization projects and the project decision being used for the project should also be submitted with the SF Form 1444.

S2009-AZ-001
Issue Date: 12/11/2009
Exp. Date: 03/03/2010

Weatherization Survey Wage Determination (S2009-AZ-001)				Existing Residential Wage Determinations (www.wdol.gov)		
Counties	Weatherization Worker	Doors & Window Replacement Worker	HVAC, Furnace, Heating & Cooling Repair, Installation Replacement Worker	Carpenter (Excludes Door & Window Replacement, and work listed as performed by weatherization worker)	Electrician (Excludes electrical work associated with HVAC installation, overhaul, and work listed as performed by weatherization worker)	Plumber (Excludes work associated with HVAC installation repair or overhaul and work listed as performed by weatherization worker)
Apache	$14.20+0.55	$14.20+0.55	$13.50+1.53	$13.35	$14.24	$15.45
Cochise	$17.50+2.05	$17.00+5.42	$12.00+0.32	$13.35	$14.24	$15.45
Coconino	$14.20+3.21	$14.20+3.21	$18.48+1.49	$23.00+7.24	$12.14+1.83	$15.13+1.18
Gila	$17.00+0.43	$17.00+0.43	$16.00+0.98	$13.35	$14.24	$15.45
Graham	$17.00+5.42	$17.00+5.42	$16.00+0.98	$13.35	$14.24	$15.45
Greenlee	$14.20+0.55	$14.20+0.55	$16.00+0.98	$13.35	$14.24	$15.45
La Paz	$13.94+3.65	$13.94+3.65	$17.63+3.04	$13.35	$14.24	$15.45
Maricopa	$14.81+1.28	$14.81+1.28	$18.48+1.49	$23.00+7.24	$12.14+1.83	$15.13+1.18
Mohave	$13.94+3.65	$13.94+3.65	$17.63+3.04	$23.00+7.24	$12.14+1.83	$15.13+1.18
Navajo	$14.20+3.31	$14.20+3.31	$13.50+1.53	$13.35	$14.24	$15.45
Pima	$9.81+1.49	$13.50+2.13	$17.38+0.55	$23.00+7.24	$12.14+1.83	$15.13+1.18
Pinal	$10.21	$20.00+0.40	$15.59+0.52	$23.00+7.24	$12.14+1.83	$15.13+1.18
Santa Cruz	$17.00+5.42	$17.00+5.42	$13.00+1.65	$13.35	$14.24	$15.45
Yavapai	$11.73	$11.73	$18.48+1.49	$13.35	$14.24	$15.45
Yuma	$9.81+1.49	$13.50+2.13	$17.38+0.55	$23.00+7.24	$12.14+1.83	$15.13+1.18

Any and all portions of the subject Contract, which are not specifically amended hereinabove, shall remain unchanged.

IN WITNESS WHEREFORE, the parties hereto have executed this Amendment.

STATE OF ARIZONA
DEPARTMENT OF COMMERCE

By _____ Date: 8-24-10
Jerry J. Ewing
Deputy Director

GILA COUNTY

_____ Chairman of the Board of Supervisors
Contractor's Signature Title

Michael A. Pastor 8/16/10
Contractor's Printed/Typed Name Date

The undersigned **Contractor's** legal counsel has determined that the above Contract is in proper form and is within the powers and authority granted under the laws of the State of Arizona to the **Contractor.**

Bryan B. Chambers 7-26-2010
Printed/Typed Name of Legal Counsel Date

_____
Signature of Legal Counsel

AMENDMENT NO. 1 **COMMERCE CONTRACT C037-09-02**

AMERICAN RECOVERY AND REINVESTMENT ACT

WEATHERIZATION LOW-INCOME ASSISTANCE CONTRACTUAL AGREEMENT

BETWEEN

STATE OF ARIZONA, DEPARTMENT OF COMMERCE
ENERGY OFFICE

And

GILA COUNTY

This **Contractual Agreement** is amended as follows:

1. *Page 2, SPECIAL TERMS AND CONDITIONS, Paragraph **1** is deleted in its entirety and replaced with the following:*

   TERM OF CONTRACT
   This Contract shall become effective upon signature by both parties and continue through **March 31, 2012**, unless terminated, cancelled or extended as otherwise provided herein.

2. *Page 2, SPECIAL TERMS AND CONDITIONS, Paragraph **2. A.** is deleted in its entirety and replaced with the following:*

   A. The total budget for this Contract shall not exceed **$1,744.457.00.** Budget **Exhibit A** is attached. The funding is **allocated as follows:**
      1. Ten percent (10%) of the $1,744,457.00 allocation award is available upon full execution of the contract. Amount = ***$174,446.00***.
      2. Forty percent (40%) of the $1,744,457.00 allocation award is available upon approval of the Arizona State ARRA Weatherization Plan by DOE. Amount = ***$697,783.00.***
      3. Twenty percent (20%) of the $1,744,457.00 allocation award is available when Contractor demonstrates that they have obligated funds appropriately and jobs are being created, based on Commerce and DOE review of the progress reports and monitoring. Amount = ***$348,891.00***.
      4. Thirty percent (30%) of the $1,744,457.00 allocation award is available when the Contractor demonstrates continued progress based on Commerce and DOE review of the progress reports and monitoring. Amount = ***$523,337.00.***
      5. Any funds remaining unspent in any funding level will carry forward to subsequent levels.

3. *Page 2, SPECIAL TERMS AND CONDITIONS, Paragraph **3 title** is changed to:*

   TRAINING AND TECHNICAL ASSISTANCE (T&TA)

4. *Page 3, SPECIAL TERMS AND CONDITIONS, Paragraph **8** is deleted in its entirety and replaced with the following*:

DAVIS-BACON ACT REQUIREMENTS
Contractors and subcontractors employed on projects receiving funds under ARRA shall provide information which validates that all laborers and mechanics on projects funded directly by or assisted in whole or in part by and through funding appropriated by the Act are paid certain wage rates not less than those prevailing on projects of a character similar in the locality as determined by subchapter IV of Chapter 31 of title 40, United States Code (Davis-Bacon Act). (from ARRA Section 1606).

In accordance with the United States Housing Act of 1949 all laborers and mechanics employed or working upon the site of work will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics. ***** **Additional information regarding the Davis Bacon Act is included in this clause of the contract with Commerce. Paragraph 8 can be found at the following link** http://apps1.eere.energy.gov/weatherization/pdfs/dba_clauses_weatherization.pdf
Please print out the 13 pages and add them to your contract information. Please be sure to include this or refer to this information in all future contracts.***

5. *Page 3, SPECIAL TERMS AND CONDITIONS, Paragraph **10. C.** is deleted in its entirety and replaced with the following*:

All measures must be determined to be eligible as set forth by the Weatherization Assistance Program.

6. *Page 7, SPECIAL TERMS AND CONDITIONS, Paragraph **18. B.** is deleted in its entirety and replaced with the following*:

A copy of the signed application form must be retained in the client file. Applicants qualifying for Weatherization will be notified of program eligibility.

7. *Page 9, SPECIAL TERMS AND CONDITIONS, Paragraph **29** is deleted in its entirety and replaced with the following*:

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

8. *Page 9, SPECIAL TERMS AND CONDITIONS, Paragraph **30** is deleted in its entirety and replaced with the following*:

SUDAN INVESTMENTS
In Accordance with A.R.S. §35-391.06, the offeror hereby certifies that the offeror does not have scrutinized business operations in Sudan.

9. *Page 10, SPECIAL TERMS AND CONDITIONS, Paragraph **32** is deleted in its entirety and replaced with the following:*

PROGRAM FINANCIAL ELIGIBILITY AND CERTIFICATION REQUIREMENTS

A. Eligible Population and Certification of Eligibility
Contractor is responsible to follow the current Arizona Department of Economic Security (DES) LIHEAP Financial Eligibility Policy Manual requirements as it pertains to the Weatherization Program. Copies of the Manual will be provided by DES.

B. Income Eligibility
1. Income level is determined by DES for LIHEAP qualification in accordance with criteria established by the Office of the Secretary, U.S. Department of Health and Human Services.
2. Households including members who have received cash assistance payments under Aid to Families with Dependent Children (AFDC) or Supplemental Security Income (SSI), are automatically eligible for Weatherization assistance.

C. Priority
Priority shall be given to identifying and providing weatherization assistance to the following households:
1. Elderly persons
2. Persons with disabilities
3. Families with children
4. High residential energy users and households with a high energy burden

10. *Page 11, SPECIAL TERMS AND CONDITIONS, Paragraph **34. A. 3.** is deleted in its entirety.*

11. *Page 14, SPECIAL TERMS AND CONDITIONS, the following paragraphs are added:*

43. DECONTAMINATION AND/OR DECOMMISSIONING (D&D) COSTS:
Notwithstanding any other provisions of this Contract, the ARRA funds shall not be responsible for or have any obligation to the recipient for:

43.1. D&D of any of the recipient's facilities.
43.2. Any costs which may be incurred by the contractor in connection with the D&D of any of its facilities due to the performance of the work under this Contract, whether said work was performed prior to or subsequent to the effective date of this Contract.

44. HISTORIC PRESERVATION:
Prior to the expenditure of Federal funds to alter any structure or site, the Contractor is required to comply with the requirements of Section 106 of the National Historic Preservation Act (NHPA), consistent with DOE's 2009 letter of delegation of authority regarding the NHPA. Section 106 applies to historic properties that are listed in or eligible for listing in the National Register of Historic Places. In order to fulfill the requirements of Section 106, the contractor must contact the State Historic Preservation Officer (SHPO), and, if applicable, the Tribal Historic Preservation Officer (THPO), to coordinate the Section 106 review outlined in 36 CFR Part 800. SHPO contact information is available at:
http://azstateparks.com/SHPO/index.html.

45. ELIGIBILITY FOR STATE OR LOCAL PUBLIC BENEFITS; DOCUMENTATION AND VIOLATIONS

Contractors providing services as an agent the State, shall ensure compliance with A.R.S. §1-502. A.R.S. §1-502 requires each person applying or receiving a public benefit to provide documented proof which demonstrates a lawful presence in the United States. The State shall reserve the right to conduct unscheduled, periodic process and documentation audits to ensure contractor compliance. All available contract remedies, up to and including termination may be taken for failure to comply with A.R.S. §1-502 in the delivery of services under this contract.

12. *Page 15, SCOPE OF WORK, Paragraph* **3. D.** *is deleted in its entirety and replaced with the following:*

DETAILED EXPENSE FINANCIAL REPORTS

Detailed financial expense documentation reports generated by Contractor's accounting system that reflect Contractor's Weatherization budget expenses for the period being filed must be submitted with a Payment Request for the purpose of fiscal desk-audit monitoring.

13. *Page 15, SCOPE OF WORK, Paragraph* **3. E.** *is deleted in its entirety and replaced with the following:*

ARRA PERFORMANCE PROGRESS REPORTS

Contractor shall submit to Commerce with each Payment Request, a minimum of once a month if no payments are requested within the month, an ARRA Performance Progress Report consisting of:

1 ARRA Funded Hours Worked & Trained Report
2. ARRA Funded Vendor Information Report

Report form templates will be forwarded to Contractor providing specific ARRA Performance Progress reporting requirements. It is subject to change pursuant to additional requirements as provided by DOE.

14. *Page 16, SCOPE OF WORK, Paragraph* **5.** *Is deleted in its entirety and replaced with the following:*

SERVICE TERRITORY

Gila County

15. *Page 16, SCOPE OF WORK, Paragraph* **6.** *Is deleted in its entirety and replaced with the following:*

TOTAL ARRA FUNDED UNDUPLICATED ESTIMATED UNIT GOAL

Unduplicated unit goal: **202**

Exhibit A

Gila County	
ARRA Weatherization Program Budget	
Contract No. C037-09-02 AM#1	**ARRA Proposed DOE Budget**
1. Administration Costs	$101,153.00
2. Training and Technical Assistance (T&TA)	$330,100.00
3. Program Operations	$1,313,204.00
4. Financial Audit	$0.00
5. Liability Insurance	$0.00
ARRA Budget Total	**$1,744,457.00**

Any and all portions of the subject Contract, which are not specifically amended hereinabove, shall remain unchanged.

IN WITNESS WHEREFORE, the parties hereto have executed this Amendment.

STATE OF ARIZONA
DEPARTMENT OF COMMERCE

By _____ **Date:** 3-31-10
Jerry J. Ewing
Deputy Director

GILA COUNTY

_____ **Chairman, Gila County Board of Supervisors**
Contractor's Signature **Title**

Shirley L. Dawson 3/23/10
Contractor's Printed/Typed Name **Date**

The undersigned **Contractor's** legal counsel has determined that the above Contract is in proper form and is within the powers and authority granted under the laws of the State of Arizona to the **Contractor.**

Bryan Chambers, Chief Deputy Gila County Attorney 3-16-2010
Printed/Typed Name of Legal Counsel **Date**

_____
Signature of Legal Counsel

AMERICAN RECOVERY AND REINVESTMENT ACT

WEATHERIZATION LOW-INCOME ASSISTANCE CONTRACTUAL AGREEMENT

BETWEEN

STATE OF ARIZONA, DEPARTMENT OF COMMERCE ENERGY OFFICE

And

GILA COUNTY

THIS American Recovery and Reinvestment Act (ARRA) Weatherization Low-Income Assistance Contractual Agreement is made, by and between the **State of Arizona, Department of Commerce, Energy Office**, located at 1700 W. Washington, Suite 220, Phoenix, Arizona 85007, hereinafter referred to as **Commerce**, authorized to contract under A.R.S. §41-1504 B.2, "Powers and Duties" and **Gila County, Office of Community Services**, located at 5515 South Apache Avenue, Suite 200, Globe, Arizona 85501, hereinafter referred to as **Contractor,** authorized by Board or Council approval, and a Resolution or Ordinance may be attached.

WHEREAS, the American Recovery and Reinvestment Act of 2009 was enacted to preserve and create jobs and promote economic recovery, assist those most impacted by the recession, provide investments needed to increase economic efficiency by spurring technological advances in science and health, invest in transportation, environmental protection, and other infrastructure that will provide long-term economic benefits, stabilize State and local government budgets, in order to minimize and avoid reductions in essential services and counterproductive State and Local tax increases. Recipients shall use grant funds in a manner that maximizes job creation and economic benefit.

WHEREAS, Commerce desires to engage the Contractor to render certain services, hereinafter described, in connection with an ARRA work program funded through the U.S. Department of Energy. The funds are to provide Weatherization services under the U.S. Department of Energy Low-Income Weatherization Assistance Program, hereinafter referred to as DOE.

In consideration of the mutual representations and obligations hereunder Commerce and Contractor agree as follows:

SPECIAL TERMS AND CONDITIONS

1. **TERM OF CONTRACT**
This Contract shall become effective upon signature by both parties and continue through March 31, 2010, unless terminated, cancelled or extended as otherwise provided herein.

2. **CONTRACT BUDGET**
A. The total budget for this Contract shall not exceed **$1,744,457.00 based on the following ARRA incremental disbursement level funding schedule:**

1. Ten percent (10%) of the Contractor's total allocation award at the time of contract full execution ***$174,446.00***. Funding for this level can only be utilized for ramp-up activities relating to every authorized activity EXCEPT unit home production. No units may be weatherized at this funding level.
2. Forty percent (40%) of the Contractor's total allocation award upon approval of the Arizona State ARRA Weatherization Plan by DOE ***$697,783.00***. Unit weatherization production may begin with this funding level.
3. Twenty percent (20%) of the Contractor's total allocation when Contractor demonstrates that they have obligated funds appropriately and jobs are being created, based on Commerce and DOE review of the progress reports and monitoring ***$348,891.00.***
4. Thirty percent (30%) of the Contractor's total allocation when the Contractor demonstrates continued progress based on Commerce and DOE review of the progress reports and monitoring ***$523,337.00.***

B. In order to advance to the next level of funding outlined in 2.A, Contractor must
1. Complete a Funding Level Request Form (provided by Commerce) signed by authorized signature authority;
2. Submit signed form with a written request to the Energy Office Contractual/Financial contact named in this contract;
3. Receive written approval of request from said Energy Office contact.

C. Contractor agrees that it will use the funds solely for the purposes outlined in the Scope of Work and in accordance with the attached Budget, Exhibit A.

D. If Progress Reviews reveal deficiencies, such as funds not disbursed, jobs not created, insufficient technical monitoring, or failure to meet reporting requirements, Commerce reserves the right to place a hold on current balances, and withhold further funding until deficiencies are corrected.

E. Funding disbursement levels outlined in 2.A are subject to change.

F. Prior written approval by Commerce must be given for any adjustment to budget line items as outlined in Exhibit A.

3. **TECHNICAL AND TECHNICAL ASSISTANCE (T&TA)**
T&TA funds are provided to maintain or increase the efficiency, quality and effectiveness of the Weatherization Program and activities should be designed to maximize energy savings, minimize production costs, improve program management and crew/contractor "quality of work," and/or reduce the potential for waste, fraud, abuse and mismanagement.

T&TA funds may be used to train subcontractors participating in the Program.

4. **FLOW DOWN REQUIREMENT**
Contractor shall comply with requirements of applicable Federal, State, and local laws, regulations, DOE and Commerce policy and guidance, and shall flow down the requirements of applicable Federal, State, and local laws, regulations, DOE and Commerce policy and guidance to subcontractors at any tier to the extent necessary to ensure the Contractor's compliance with the requirements.

5. **SEGREGATION OF COSTS**
Contractor must segregate the obligations and expenditures related to funding under ARRA. Financial and accounting systems should segregate, track and maintain these funds apart and separate from other revenue streams. No part of the funds from ARRA shall be commingled with any other funds or used for a purpose other than that of making payments for costs allowed for ARRA projects.

6. **PROHIBITION ON USE OF FUNDS**
None of the funds provided under this contract may be used for any casino or other gambling establishment, aquarium, zoo, golf course, or swimming pool.

7. **PREVAILING WAGES**
All laborers and mechanics employed by Contractor and subcontractors on projects funded under ARRA may be required to be be paid prevailing wages as applicable in accordance with rules and guidelines determined by the U.S. Department of Energy.

8. **DAVIS-BACON LABOR RATES**
Contractors and subcontractors employed on Weatherization projects receiving funds under ARRA may be required to pay certain wage rates to laborers and mechanics as applicable in accordance with rules and guidelines determined by the U.S. Department of Energy.

9. **PROTECTION OF WHISTLEBLOWERS**
Prohibition on Reprisals: An employee of any non-Federal employer receiving funds under ARRA may not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing, including a disclosure made in the ordinary course of an employee's duties, information that the employee believes is evidence of gross management of grant funds; gross waste of funds; danger to public health or safety related to implementation or use of funds; abuse of authority; or violation of law, rule or regulation.

10. **REGULATION REQUIREMENTS**
A. Contractor must follow conditions set forth by the U. S. Department of Energy Code of Federal Regulations (CFR) 10 Part 440 Weatherization Assistance for Low-Income Persons, and the Arizona Department of Commerce, Energy Office, Program Requirements.

B. The average cost per dwelling unit for materials and program support expenditures shall not exceed $6,500.00 using DOE program funds.

C. All eligible measures must be determined to be cost effective as set forth by the Weatherization Assistance Program cost-effective procedures.

D. Total expenditures on Health and Safety and Durability measures are subject to budget limitations.

11. INSURANCE REQUIREMENTS

Contractor and subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Contract are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, employees or subcontractors.

The insurance requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under this contract by the Contractor, its agents, representatives, employees or subcontractors, and Contractor is free to purchase additional insurance.

A. MINIMUM SCOPE AND LIMITS OF INSURANCE: Contractor shall provide coverage with limits of liability not less than those stated below.

1. Commercial General Liability – Occurrence Form
   Policy shall include bodily injury, property damage, personal injury and broad form contractual liability coverage.

• General Aggregate	$2,000,000
• Products – Completed Operations Aggregate	$1,000,000
• Personal and Advertising Injury	$1,000,000
• Blanket Contractual Liability – Written and Oral	$1,000,000
• Fire Legal Liability	$ 50,000
• Each Occurrence	$1,000,000

   a. The policy shall be endorsed to include the following additional insured language: "The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor".

   b. Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

2. Automobile Liability
   Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of this Contract.

   Combined Single Limit (CSL) $1,000,000

   a. The policy shall be endorsed to include the following additional insured language: "The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor, involving automobiles owned, leased, hired or borrowed by the Contractor".

3. Workers' Compensation and Employers' Liability

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	$ 500,000

Disease – Each Employee	$ 500,000
Disease – Policy Limit	$1,000,000

a. Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

b. This requirement shall not apply to: Separately, EACH contractor or subcontractor exempt under A.R.S. 23-901, AND when such contractor or subcontractor executes the appropriate waiver (Sole Proprietor/Independent Contractor) form.

4. If working with pollutants or any remediation exposures are part of project then Pollution Occurrence Insurance (POI) shall be added as a part of, or an addendum to, general liability insurance by Contractor and all subcontractors. If Contractor or subcontractors choose NOT to obtain POI coverage and damage occurs because of not following all aspects of Lead Safe Weatherization, or there is disturbance to any other environmental pollutants, the cost to do remediation, clean up, relocation, medical expenses or any other resulting costs may not be charged to DOE Weatherization and must be covered by another funding mechanism.

B. ADDITIONAL INSURANCE REQUIREMENTS: The policies shall include, or be endorsed to include, the following provisions:

1. The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees wherever additional insured status is required, such additional insured shall be covered to the full limits of liability purchased by the Contractor, even if those limits of liability are in excess of those required by this Contract.
2. The Contractor's insurance coverage shall be primary insurance with respect to all other available sources.
3. Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of this Contract.

C. NOTICE OF CANCELLATION: Each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be suspended, voided, canceled, or reduced in coverage or in limits except after thirty (30) days prior written notice has been given to the State of Arizona. Such notice shall be sent directly to, Evelyn Billings, Program & Project Specialist, Arizona Department of Commerce, Energy Office, 1700 W. Washington, Suite 220, Phoenix, AZ 85007, and shall be sent by certified mail, return receipt requested.

D. ACCEPTABILITY OF INSURERS: Insurance is to be placed with duly licensed or approved non-admitted insurers in the state of Arizona with an "A.M. Best" rating of not less than A-VII. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

E. VERIFICATION OF COVERAGE: Contractor shall furnish the State of Arizona with certificates of insurance (ACORD form or equivalent approved by the State of Arizona) as required by this Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

All certificates and endorsements are to be received and approved by the State of Arizona before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

All certificates required by this Contract shall be sent directly to Evelyn Billings, Program and Project Specialist, Arizona Department of Commerce, Energy Office, 1700 W. Washington, Suite 220, Phoenix, AZ 85007. The State of Arizona project/contract number and project description shall be noted on the certificate of insurance. The State of Arizona reserves the right to require complete, certified copies of all insurance policies required by this Contract at any time. DO NOT SEND CERTIFICATES OF INSURANCE TO THE STATE OF ARIZONA'S RISK MANAGEMENT SECTION.

F. SUBCONTRACTORS: Contractors' certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall furnish to the State of Arizona separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements identified above.

G. APPROVAL: Any modification or variation from the insurance requirements in this Contract shall be made by the Department of Administration, Risk Management Section, whose decision shall be final. Such action will not require a formal Contract amendment, but may be made by administrative action.

H. EXCEPTIONS: In the event the Contractor or sub-contractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a Certificate of Self-Insurance. If the contractor or sub-contractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

12. **AMENDMENTS**

This Contract is issued under the authority of the Procurement Officer who signed this Contract. The contract may be modified only through a Contract Amendment within the scope of the Contract. 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 the procurement officer 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.

13. **NON-AVAILABILITY OF FUNDS**

Every payment obligation of Commerce under this Contract is conditioned upon the availability of funds appropriated or allocated for the payment of such obligation. If funds are not allocated and available for the continuance of this Contract, this Contract may be terminated by Commerce at the end of the period for which funds are available. No liability shall accrue to Commerce in the event this provision is exercised, and Commerce shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.

14. **ARBITRATION**

The parties to this Contract agree to resolve all disputes arising out of or relating to this Contract through arbitration, after exhausting applicable administrative review, to the extent required by A.R.S. § 12-1518 except as may be required by other applicable statutes.

15. CANCELLATION FOR CONFLICT OF INTEREST

Pursuant to A.R.S. § 38-511, the state, its political subdivisions or any department or agency of either may, within three years after its execution, cancel any Contract, without penalty or further obligation, made by the state, its political subdivisions, or any of the departments or agencies of either if any person significantly involved in initiating, negotiating, securing, drafting or creating the Contract on behalf of the state, its political subdivisions or any of the departments or agencies of either is, at any time while the Contract or any extension of the Contract is in effect, an employee or agent of any other party to the Contract in any capacity or a consultant to any other party of the Contract with respect to the subject matter of the Contract. A cancellation made pursuant to this provision shall be effective when the Contractor receives written notice of cancellation unless the notice specifies a later time.

16. AUDIT OF RECORDS

Pursuant to A.R.S. §§ 35-214 and 35-215, the Contractor shall retain and shall contractually require each subcontractor to retain all data, books, and other records ("records") relating to this Contract for a period of five years after completion of the Contract. All records shall be subject to inspection and audit by the State at reasonable times. Upon request, the Contractor shall produce the original of any or all such records. Audit of this contract will be conducted pursuant to Office of Management and Budget (OMB) Circular A-133 when applicable.

17. INDEPENDENT AUDITOR FINANCIAL REPORT

A copy of the Contractor's Annual Independent Auditor's Report for the term of the contract must be submitted to Commerce when it becomes available.

18. CLIENT FILE REQUIREMENTS

A. Separate File

A separate file shall be maintained for each household receiving Weatherization assistance under the terms of this contract. The client file shall be retained by the Contractor for a minimum of five years and be available for inspection by representatives of Commerce with reasonable advance notification.

B. Program Application Form

The program application form shall make it clear to the Weatherization applicant that the household is applying for Weatherization assistance, funded in part or in whole by grant funds made available to the Arizona Department of Commerce from the U.S. Department of Energy (DOE).

C. Fuel Information Release Form

A fuel information release form signed by the applicant to allow the Contractor or the Arizona Department of Commerce to obtain a utility history for all metered fuels purchased by the applicant household. Refusal to sign fuel information release **does not** affect weatherization services available to applicants. If fuel information release is not signed by applicant, do not list utility account number on the Weatherization Program Database Website. Applicants who are on a "master metered" system are not required to sign the fuel information release form.

D. Rental Properties

Rental properties may be weatherized under the terms of this contract. **Prior written approval is required by the Energy Office for all rental properties of four (4) or more units.** Written permission to perform itemized services must be obtained from the owner of

the rental unit or the owner's authorized agent. Said written permission is to be retained, along with such other agreements between the Contractor and the rental owner/agent, as part of the job record and client job file.

1. The owner of the rental property or the owner's agent shall agree in writing not to raise the rental charge of said dwelling for a minimum period of one year from the date of completion of Weatherization services as a consequence of the Weatherization investment.
2. In accordance with A.R.S. 33-1324 titled "Landlord to maintain fit premises," Subsection A, paragraph 4, landlords are required to "Maintain in good and safe working order and condition all electrical, plumbing, sanitary, heating, ventilating, air-conditioning and other facilities and appliances, including elevators, supplied or required to be supplied by him." The Contractor must obtain written permission from the Energy Office prior to repairing or replacing any of these items in the rental property.

19. APPLICABLE LAW

This Contract shall be governed and interpreted by the laws of the State of Arizona.

20. NON-DISCRIMINATION

The Contractor shall comply with Executive Order 99-4, which mandates that all persons, regardless of race, color, religion, sex, age, national origin, or political affiliation, shall have equal access to employment opportunities, and all other applicable State and Federal employment laws, rules and regulations, including the Americans with Disabilities Act. The Contractor shall take affirmative action to ensure that applicants for employment and employees are not discriminated against due to race, creed, color, religion, sex, national origin, or disability.

21. THIRD PARTY ANTITRUST VIOLATIONS

The Contractor assigns to Commerce any claim for overcharges resulting from antitrust violations to the extent that such violations concern materials or services supplied by third parties to the Contractor toward fulfillment of this Contract.

22. PROGRAM REVIEW AND SITE VISITS

Commerce has the right to make site visits at reasonable intervals for purposes of review of project accomplishments and management control systems and to provide technical assistance, if required. Contractor will provide reasonable access to facilities, office space, resources, and assistance for the safety and convenience to Commerce representatives in the performance of their duties. All site visits and evaluations must be performed in a manner that does not unduly interfere with or delay the work.

23. RIGHTS IN DATA

Commerce may duplicate, use, and disclose in any manner and for any purpose whatsoever, within the limits established by Federal and State laws and regulations, all information relating to this Contract.

24. HEALTH & SAFETY

The nature of the work to be performed under this Contract is inherently hazardous. In performance of work under this Contact the Contractor shall satisfy all federal, state, and local statutes, regulations, ordinances, etc., regarding health and safety.

25. **OSHA GUIDELINES**
The Contractor shall be familiar with and operate with the guidelines set forth by the occupational safety and health act.

26. **ENTIRE AGREEMENT**
This Contract, including exhibits, attachments, and modifications approved in accordance herewith, shall constitute the entire Contract between the parties and supersede all understandings, oral or written.

27. **OFFSHORE PERFORMANCE OF WORK PROHIBITED**
Due to security and identity protection concerns, direct services under this Contract shall be performed within the borders of the United States. Any services that are described in the specifications or scope of work that directly serve the State of Arizona or its clients and may involve access to secure or sensitive data or personal client data or development or modification of software for the State shall be performed within the borders of the United States. Unless specifically stated otherwise in the specifications, this definition does not apply to indirect or "overhead" services, redundant back-up services or services that are incidental to the performance of the Contract. The provision applies to work performed by subcontractors at all tiers.

28. **COMPLIANCE REQUIREMENTS FOR A.R.S. § 41-4401, GOVERNMENT PROCUREMENT:**
E VERIFY REQUIREMENT

1. The contractor warrants compliance with all Federal immigration laws and regulations relating to employees and warrants its compliance with Section A.R.S. § 23-214, Subsection A. (That subsection reads: "After December 31, 2007, every employer, after hiring an employee, shall verify the employment eligibility of the employee through the E-Verify program.)
2. A breach of a warranty regarding compliance with immigration laws and regulations shall be deemed a material breach of the contract and the contractor may be subject to penalties up to and including termination of the contract.
3. Failure to comply with a State audit process to randomly verify the employment records of contractors and subcontractors shall be deemed a material breach of the contract and the contractor may be subject to penalties up to and including termination of the contract.
4. The State Agency retains the legal right to inspect the papers of any employee who works on the contract to ensure that the contractor or subcontractor is complying with the warranty under paragraph 1.
5. Questions about E-Verify see website below:
http://www.uscis.gov/portal/site/uscis/menuitem.eb1d4c2a3e5b9ac89243c6a7543f6d1a/?vgnextoid=6a0988e60a405110VgnVCM1000004718190aRCRD&vgnextchannel=6a0988e60a405110VgnVCM1000004718190aRCRD

29. **IRAN INVESTMENTS:**
In Accordance with A.R.S. §35-397, the offeror hereby certifies that the offeror does not have scrutinized business operations in Iran.

30. **SUDAN INVESTMENTS:**
In Accordance with A.R.S. §35-397, the offeror hereby certifies that the offeror does not have scrutinized business operations in Sudan.

31. **NOTICES**

All notices, demands, and communications provided for herein or made hereunder shall be delivered, or sent by certified mail, return receipt requested, addressed in each case as follows, until some other address shall have been designated in a written notice to the other party hereto given in like manner:

If to CONTRACTOR:
Gila County, Office of Community Services
5515 S. Apache Avenue, Suite 200
Globe, AZ 85501

Contractual/Financial Contact
Malissa Buzan
Housing Services Manager
PHONE 928-402-8693
FAX 928-425-9468
EMAIL mbuzan@co.gila.az.us

Program/Technical Contact
Malissa Buzan
Housing Services Manager
PHONE 928-402-8693
FAX 928-425-9468
EMAIL mbuzan@co.gila.az.us

If to COMMERCE:
Arizona Department of Commerce
Energy Office
1700 W. Washington, Suite 220
Phoenix, AZ 85007

Contractual/Financial Contact
Evelyn Billings
Program and Project Specialist
PHONE 602-771-1141
FAX 602-771-1203
EMAIL evelynb@azcommerce.com

Program/Technical Contact
Ken Pancost
Weatherization Program Manager
PHONE 602-771-1149
FAX 602-771-1203
EMAIL kenp@azcommerce.com

Each notice shall be deemed to have been given or made when so delivered or mailed. Notification of change shall be delivered to Commerce and Contractor within ten (10) days of any change affecting this provision.

32. **PROGRAM FINANCIAL ELIGIBILITY AND CERTIFICATION REQUIREMENTS**

A. Contractor is responsible to follow the current Arizona Department of Economic Security (DES) LIHEAP Financial Eligibility Policy Manual requirements as it pertains to the Weatherization Program. Copies will be provided by DES.

B. **Priorities**

Priority shall be given to identifying and providing weatherization assistance to the following eligible households:

- Elderly persons
- Persons with disabilities
- Families with children
- High residential energy users and households with a high energy burden

33. **REQUIRED PROGRAM ANNOUNCEMENT**

Contractor shall announce the availability of Weatherization services as provided by this contract. The program announcement shall provide all potentially interested and income eligible families with an opportunity to apply for Weatherization assistance. The Contractor shall provide application services on an outreach basis to applicants who are unable to leave their residences

due to a handicap or fear of assault. Proof of Program Announcement shall be forwarded to Commerce.

The following types of program announcements will satisfy this contract stipulation:

A. Legal advertisement in a newspaper of general circulation in the contractor's service area.

B. Feature article, on receipt of a new Weatherization contract, by the Contractor in a newspaper of general circulation in contractor's service area.

C. Program flyer or handout announcing the additional program funds or program expansion.

34. PROHIBITION AGAINST WEATHERIZATION SERVICES

A. Dwelling Units

1. Dwelling units which are vacant or which are designated for acquisition or clearance by a federal, state, or local program within twelve (12) months from the date of scheduled weatherization shall not be provided Weatherization services under this contract.
2. Dwelling units which are known to be for sale as evidenced by "For Sale" signs on the property, realtor listing and offering or classified advertisement, shall not be provided Weatherization services under this contract.
3. Weatherization services, under this contract, are prohibited where the dwelling unit of an applicant household is located in a designated flood plain unless said dwelling unit is currently covered by flood insurance.

35. PRIOR WRITTEN APPROVAL REQUIREMENTS

Prior Written Approval from the Energy Office is required on the following:

1. All purchases of program vehicles or equipment over $4,999.
2. All purchase lease or lease-purchase of vehicles or equipment.
3. Weatherization training, program sessions, or workshops not sponsored by the Energy Office or DOE, and charged to Weatherization.
4. Adjustments to line items in the contract budget
5. Purchase of extended warranties for installed items on client homes.
6. Weatherization of all rental properties of four (4) or more units.
7. Replacement or repair of items in a rental unit that are the responsibility of the landlord under Statute 33-1324. (Reference Paragraph 17.D.2)
8. Specific references to written approval requirements listed in the Program Requirements, attached as Exhibit B.
9. Low-Income Weatherization services are for existing residential buildings only. Services are not authorized for new additions or residences in varying stages of new construction or remodeling, or for garage/carport conversions in progress unless authorization by Commerce is obtained in writing for said work.
10. Homes that have been weatherized and reported to Commerce for contract credit will not be accepted for additional Weatherization assistance unless the Contractor has been issued prior authorization in writing to proceed.

36. INVENTORY

The Contractor shall maintain a current list of all non-expendable inventory equipment, with an individual cost of $500 and over, which has a useful life of more than a year, and is available for use in Weatherization. This list shall include:

1. Description of inventory item
2. Manufacturer's serial number, model number, national stock number, or other identification number, and agency's unique tag number, if applicable.
3. Acquisition date
4. Locations, use, and condition of inventory
5. Unit acquisition cost and funding source
6. Disposition data - date and method of disposal

Contractor shall update the Program Equipment Inventory list at the end of the program year. Inventory list shall include any inventory acquisition, disposition, and condition changes during the program. Upon request by Commerce, a copy of the Contractor's Program Equipment Inventory list shall be provided.

37. PROPERTY

All inventories acquired by funds provided through Commerce contract become program property. Title to inventory acquired and defined under the contract may vest upon expiration of the contract provided all terms and conditions of the contract have been met. This is pursuant to Office of Management and Budget (OMB) Circular A-102, and Code of Federal Regulations (CFR), Title 10, Chapter II, Section 600-232A.

The Contractor shall indicate Weatherization Program ownership, maintain reasonable control, and be responsible for the proper care and maintenance of all inventories acquired through a contract with Commerce. Equipment and vehicles no longer required for program operation shall be reported to Commerce prior to disposition. When the contract is terminated, the disposition of all inventory acquired with contract funds shall be determined as follows:

A. Commerce may allow continued use of program inventory provided that a new contract is executed and the inventory continues to be used as originally intended.

B. Commerce may sell inventory to the Contractor, at fair market value, if the Contractor wishes to utilize the inventory for purposes other than for which it was acquired. Fair market value will be determined by Commerce.

C. Commerce may take possession of the inventory.

38. PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS

To the greatest extent practicable, all equipment and products purchased with funds made available under this award should be American-made.

39. FALSE CLAIMS ACT

Contractor and subcontractors shall promptly refer to Commerce any credible evidence that a principal, employee, agent, contractor, subgrantee, subcontractor or other person has submitted a false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict or interest, bribery, gratuity or similar misconduct involving those funds.

40. METHOD OF PAYMENT

A. Program expenses for this Contract are allowable beginning the effective date of this Contract.

B. Commerce shall provide to Contractor master templates for the Payment Request Form and the Financial Report Form to use in requesting ARRA funds during the term of the contract.

C. The Contractor shall submit to Commerce no later than the twelfth (12th) working day of the following month (excluding state observed holidays) a monthly Payment Request Form, a Financial Report Form showing monthly and cumulative expenditures by line item according to Exhibit A, and a list of database client job numbers of completed and submitted jobs entered on the Weatherization Program Database website for the report month. All documents must indicate the contract name and number.

41. CHOICE OF PAYMENT

A. Working Capital Cash Advance APPLIES TO DOE ARRA FUNDS ONLY

1. To qualify for Working Capital Cash Advance status, a Contractor must submit to the Arizona Department of Commerce, Energy Office, an agency-wide Balance Sheet financial report from the previous Fiscal Year End, and justify in writing why the Contractor needs to be placed in the Cash Advance status. A written response of acceptance or denial to the Contractor's request will be given in writing by Commerce.
2. If approved for Advance status, a Contractor must request a DOE ARRA advance one month prior to DOE-planned expenditures by providing a proposed monthly line-item budget of anticipated expenditures, and complete the *ADVANCE REQUEST* space on the DOE ARRA Payment Request Form. Monthly advance funds must be liquidated within thirty days of issue.
3. In order to continue to qualify for cash advances each month, a DOE ARRA Financial Report form must be submitted by the due date showing actual line-item expenditures for the reporting month, total accumulated expenses, total Working Cash Advance funds accumulated, total accumulated expenses, and remaining cash advance balance. If actual expenditures exceed the cumulated cash advance, the agency may request reimbursement of the expense balance along with appropriate documentation for the next month's advance.
4. If the Contractor fails to submit a timely monthly ARRA Financial Report, and/or fails to expend the cash advance funds as stipulated, then approval for the Capital Cash Advance payment method will be cancelled in writing by Commerce to the Contractor, and the Contractor will file on a monthly reimbursement method for the remainder of the contract year, as described in the section entitled *Reimbursement*.
5. Should the Contractor choose to change from Working Capital Cash Advance status to Reimbursement status, a formal letter must be sent to the Commerce contact named in this contract requesting the change and the effective date of the change.

B. Reimbursement

1. Reimbursement requests shall be submitted to Commerce on a Payment Request Form a minimum of once a month, and no more than a maximum of twice a month, for services performed and work completed to date. Include reporting month, dollar amount requested, original signature, and date. The *COMPLETED/SUBMITTED JOBS* check-box section of the Payment Request Form must be marked with appropriate choice and if applicable, attach documentation:
   - *Completed/Submitted Jobs listing attached* (Attach list)
   - *Completed/Submitted Jobs listing sent via email to* evelynb@azcommerce.com (Send list by email to Evelyn Billings).
   - *No Completed/Submitted jobs this month* (No list is required)

2. Reimbursement requests will be processed for payment upon determination that all reporting elements have met Weatherization contractual requirements. If reimbursement requests do not meet Weatherization contractual requirements, Commerce will provide a report listing areas out of compliance and remedies needed to bring the request into compliance.

42. INCORPORATION BY REFERENCE

The State hereby incorporates by reference the **Uniform Terms and Conditions**, and the **Uniform Instructions** to Offerors. A copy of the text may be found at www.azspo.az.gov. If the offeror would prefer a hard copy, please contact the State Procurement Office at 100 N. 15th Avenue, Phoenix, Arizona 85007.

SCOPE OF WORK

1. **GENERAL REQUIREMENTS**
Contractor shall implement weatherization services under the terms of this Contract in coordination with other federal, state and local weatherization related services or energy conservation programs in order to preclude duplication of services generally and to optimize residential energy conservation efforts within the Contractor's service delivery area.

2. **SPECIFIC REQUIREMENTS**
The Contractor shall perform the services under this Contract, in accordance with the Program Requirements, attached to the Contract as Exhibit B.

3. **REPORTS**

A. Weatherization Program Database Website

1. For each dwelling unit completed, the Contractor shall input in the database the client information, house occupant information, and data on House Characteristics, Combustion Safety, Diagnostics and Work Performed to the fullest extent possible.

2. No later than the twelfth (12th) working day of the following month (excluding state observed holidays), each completed dwelling unit submitted for payment in the report month must have the job submitted as final on the website.

B. List of Client Jobs

1. A hard-copy client list, referencing the website client job numbers of completed jobs being requested for payment, must be submitted either by email to evelynb@azcommerce.com or attached as a separate document to the Payment Request Form. As applicable, the appropriate check-box must be marked on the Payment Request Form utilizing the following choices:
   - *Completed/Submitted Job listing attached*
   - *Completed/Submitted Job listing sent via email to evelynb@azcommerce.com*

2. For dwelling units not completed and submitted as final on the website, but payment is being requested for job expenses paid to date, the following box on the Payment Request Form should be checked:
   - *No Completed/Submitted jobs this month*

C. Financial Report Form

The Financial Report shall show per line item current expenditures of the reporting period, and cumulative expenditures to date. For agencies requesting monthly working capital cash advances, a cumulative balance of cash advanced and remaining cumulative cash balance on hand must be included.

D. Monthly Detailed Expense Financial Reports

Detailed financial expense documentation reports generated by Contractor's accounting system that reflect Contractor's Weatherization budget expenses must be submitted monthly with a Payment Request for the purpose of fiscal desk-audit monitoring.

E. ARRA Performance Progress Report

Contractor shall submit to Commerce no later than seven (7) working days after the end of each calendar quarter an ARRA Performance Progress Report on the following, at a minimum:

1. Jobs created at the local agency level
2. Jobs created using local agency contractors

3. Jobs retained at the local agency level
4. Jobs retained with local agency contractors
5. State desk monitoring/oversight visits
6. State on-site monitoring/oversight visits
7. Hours trained at the local agency
8. Equipment units purchased costing more than $4,999.

A report form template will be forwarded to Contractor at a later date providing specific ARRA Performance Progress reporting requirements. It is subject to change pursuant to additional requirements as provided by DOE.

F. Report Submittal Requirements
1. The Payment Request Form and Financial Report Form shall be mailed and received by Commerce no later than the twelfth (12th) working day of the month on or before 5:00 P.M. taking into consideration any State holiday.
2. Payment Request Forms must be submitted even if there was no production or fiscal activity during the report month.

G. Information in Supporting of Recovery Act Reporting
Contractor may be required to submit backup documentation for expenditures of funds under the Recovery Act including such items as timecards and invoices. Contractor shall provide copies of backup documentation at the request of Commerce or designee.

4. SUBMITTAL ADDRESS

All Payment Request Forms and Report Forms must be directed to:

Arizona Department of Commerce
Energy Office
1700 W. Washington, Suite 220
Phoenix, Arizona 85007

5. SERVICE TERRITORY

Gila County, excluding Indian Reservations.

6. TOTAL ARRA FUNDED UNDUPLICATED ESTIMATED UNIT GOAL

Unduplicated unit goal: **204**

7. PRIORITY

A. Elderly
B. Disabled
C. Families with children
D. High residential energy users and households with high energy burden

IN WITNESS WHEREFORE, the parties hereto have executed this Contract.

STATE OF ARIZONA
DEPARTMENT OF COMMERCE

By Martha Lynch **Date:** 5-26-09
Martha Lynch
CPPB, Chief Procurement Officer

GILA COUNTY

Shirley L. Dawson
Contractor's Signature

Chairman of the Board of Supervisors
Title

Shirley L. Dawson
Contractor's Printed/Typed Name

5/19/09
Date

Pursuant to _____, the undersigned **Contractor's** legal counsel has determined that the above Contract is in proper form and is within the powers and authority granted under the laws of the State of Arizona to the **Contractor.**

Bryan Chambers
Printed/Typed Name of Legal Counsel

5/19/09
Date

Signature of Legal Counsel
Chief Deputy Gila County Attorney

Exhibit A

Gila County	
ARRA Weatherization Program Budget	
Contract No. C037-09-02	**ARRA Proposed DOE Budget**
1. Administration Costs	$87,223.00
2. Technical and Technical Assistance (T&TA)	$330,100.00
3. Program Operations	$1,327,134.00
4. Financial Audit	$0.00
5. Liability Insurance	$0.00
ARRA Budget Total	**$1,744,457.00**

EXHIBIT B

ARRA FUNDS

WEATHERIZATION

PROGRAM REQUIREMENTS

APRIL 1, 2009
EDITION

INDEX

INSTALLATION MEASURES 1

ENERGY AUDIT PROCEDURE 1

COST EFFECTIVENESS PROCEDURE 1

CLIMATE ZONES 2

FUEL SWITCHING 2

COST EFFECTIVENESS PRIORITY LISTS
- Detached Housing 3-8
  - Climate Zones 1 - 2 - 3 - 4 - 5 - 6
- Mobile Homes 9-14
  - Climate Zones 1 - 2 - 3 - 4 - 5 - 6

GENERAL WASTE HEAT ITEMS 15
- Domestic Hot Water
- Space Heating and Cooling Systems
- Existing Evaporative Cooler

DOOR REPLACEMENT 15

DURABILITY MEASURES 15

PRESSURE DIAGNOSTIC PROCEDURE 15-17
- Level One: Homes with Central Forced Air Heating or Cooling
- Level Two: Homes with No Central Force Air Heating or Cooling
- Testing Procedure
  - Initial Air Leakage and Room Pressure Tests
  - Duct Repair Procedure
  - Envelope Air Sealing Procedure
  - Room Pressure Balancing
- Economics
- Infiltration
- Duct Leakage

COMBUSTION SAFETY AND CARBON MONOXIDE PROCEDURE 17-19
- Carbon Monoxide Tests
- Spillage and Draft Tests
- Acceptable Draft Test Ranges
- Acceptable Appliance Spillage Periods
- Gas Supply Safety
- Combustion Air
- Heat Exchanger Safety Checks

HVAC EQUIPMENT & DISTRIBUTION INSTALLATION/REPAIR POLICY 19-20
- Repair /Replacement
- Sizing and Installing HVAC Equipment
- Evaporative Cooler Installation
- Installation of Forced Air Distribution Systems

Repair of Existing Air Distribution Systems
Duct Installation/Repair Techniques
Duct Product Guidelines

INSULATION STANDARDS **21**

RENEWABLES **21-22**
Cost Effectiveness
Product Guidelines

FINAL INSPECTION REQUIREMENTS **22**

HEALTH AND SAFETY PLAN **22-33**
Section D.6 - Lead Paint ***(new)*** Pages 26-32
- Lead Safe Weatherization (LSW)
- Exemptions
- Testing for lead-based paint and lead-based residues
- U.S. Department of Energy Minimum Standards for LSW
  - Requirements
  - General LSW Work Practice Standards
  - Containment
  - Proper LSW Clean-Up and Disposal
- Deferrals
- Funding of LSW
- Liability Issues
- Training

REFRIGERATOR REPLACEMENT POLICY **33-35**
Eligibility for Replacement
Metering Requirements
Materials
Installation
Disposal
Reporting
Written Authorization

INSTALLATION MEASURES

All materials/measures installed shall be justified utilizing the Energy Audit Procedures established by Commerce.

ENERGY AUDIT PROCEDURE

The Weatherization Assistance Program (WAP) Energy Audit Procedure is to be used by all sub-grantees to gather, record and analyze data on structures. This data is to be used to deliver weatherization materials/measures in a fashion that protects the health and safety of the client, increases the durability of the structure, increases the comfort of the client and reduces the energy cost to the client in a cost effective manner.

The following audit activities must be completed on all homes utilizing WAP funds.

- A site audit is to be completed that records all of the relevant data on the structure that is needed to perform cost effectiveness tests.
- The Cost Effectiveness Procedure must be followed to determine cost effectiveness of potential weatherization materials/measures.
- The Pressure Diagnostic Procedure must be completed and the findings documented following the Reporting procedures.
- A health and safety audit of the structures must be completed and the findings documented following the Reporting procedures.
- A final inspection of the structure must be completed and findings documented following the Final Inspection Procedures.

COST EFFECTIVENESS PROCEDURE

WAP has incorporated a performance-based energy audit procedure that focuses on optimizing investment in energy efficiency through a systems approach. To enable the WAP program to optimize the investment in energy efficiency, the following requirements have been established for the audit procedure:

- The energy audit procedure must determine that each weatherization material/measure is cost effective by ensuring the discounted savings-to-investment ratio (SIR) is greater or equal to one.
- The energy audit procedure must assign priorities among weatherization materials/measures in descending order of SIR and must account for interactions between architectural and mechanical measures.
- The energy audit procedure must ensure that the overall SIR for the entire package of materials/measures, including the cost of incidental repairs, is greater or equal to one. Incidental repairs are only allowed if they are necessary to make the installation of weatherization materials effective.
- Funds spent to abate energy related health and safety hazards do not need to be included in the preceding requirements. Funds can be spent to eliminate health and safety hazards when the elimination of the hazard is necessary before or because of the installation of weatherization materials.
- Written authorization must be received from the Energy Office before the installation of measures/materials that do not meet the Cost Effectiveness or Health and Safety Requirements established by the WAP program.

To determine the cost effectiveness of weatherization materials/measures, the contractor must use a computer audit approved by the Energy Office or an appropriate priority list for homes that meet the criteria contained in the list.

CLIMATE ZONE

Arizona Climate Zones used for the Cost Effective Priority Lists can be found at
http://www.azcommerce.com/energy/weatherization.asp

FUEL SWITCHING

The Weatherization Assistance Program does not permit the general practice of fuel switching when replacing heating, cooling or water heating equipment. The changing or converting equipment using one fuel source to another will be considered on a limited case-by-case basis only.

Written authorization must be received from the Energy Office prior to changing or converting equipment using one fuel source to another.

COST EFFECTIVENESS PRIORITY LIST FOR DETACHED HOUSING

CLIMATE ZONE 3 Globe Miami Payson

The priority list can be used to determine cost effective weatherization materials/measures for homes located in Climate Zone 3 (see Climate Zone map).

A computer audit is required if:

- There are potential cost-effective energy upgrades to the house that are not listed on the priority list or the General Waste Heat Items list.
- There are not sufficient funds to complete all the measures, including energy related health and safety measures and other energy related repairs.
- Energy related incidental repairs of more than $100 are included with the energy upgrades.

Home with Fossil Fuel Heating

- Existing ceiling insulation of R-19or less upgraded to R-38.
- Un-insulated frame walls upgraded with blown insulation.
- Pressure diagnostics and repair following the pressure diagnostic procedure established by the WAP program.
- Forced air furnace with a standing pilot light upgraded to a 90+ AFUE furnace.
- Water heater wrap (where allowed).

Homes Electric Heating (Heat Pump or Electric Resistance)

- Existing ceiling insulation of R-19 or less upgraded to R-38.
- Un-insulated frame walls upgraded with blown insulation.
- Pressure diagnostics and repair following the pressure diagnostic procedure established by the WAP program.
- Water heater wrap (where allowed).

In cases where there are potential cost effective energy upgrades not listed, incidental repairs of more than $100, or sufficient funds are not available to complete **all** (energy, health and safety and energy related repairs) possible upgrades, a computerized audit must be completed to develop a ranking of the energy upgrades, based on their SIR. Only those measures with a SIR of one or greater can be completed. If sufficient funds are not available to complete all possible upgrades, those upgrades with the highest SIR must be completed first.

COST EFFECTIVENESS PRIORITY LIST FOR DETACHED HOUSING

CLIMATE ZONE 4 Hayden Wasatch

The priority list can be used to determine cost effective weatherization materials/measures for homes located in Climate Zone 4 (see Climate Zone map).

A computer audit is required if:

- There are potential cost-effective energy upgrades to the house that are not listed on the priority list or the General Waste Heat Items list.
- There are not sufficient funds to complete all the measures; including energy related health and safety measures and other energy related repairs.
- Energy related incidental repairs of more than $100 are included with the energy upgrades.

Homes with Refrigeration Cooling

- Existing ceiling insulation of R-19 or less upgraded to R-30.
- Un-insulated frame walls upgraded with blown insulation.
- Pressure diagnostics and repair following the pressure diagnostic procedure established by the WAP program.
- Air Conditioners twenty years old or older upgraded with a minimum 13 SEER unit.
- Shade screens on all sun struck south, east and west windows and glass doors.
- Water heater wrap (where allowed).

Homes with Evaporative Cooling

- Existing ceiling insulation of R-11 or less upgraded to R-30.
- Pressure diagnostics and repair following the pressure diagnostic procedure established by the WAP program.
- Upgrade of evaporative cooler motor with higher efficiency two speed motor.
- Water heater wrap (where allowed).

Homes with Inoperable Forced Air Fossil Fuel Furnace

- Upgraded to a 90+ AFUE furnace.

In cases where there are potential cost effective energy upgrades not listed, incidental repairs of more than $100, or sufficient funds are not available to complete all (energy, health and safety and energy related repairs) possible upgrades, a computerized audit must be completed to develop a ranking of the energy upgrades, based on their SIR. Only those measures with a SIR of one or greater can be completed. If sufficient funds are not available to complete all possible upgrades, those upgrades with the highest SIR must be completed first.

COST EFFECTIVENESS PRIORITY LIST FOR MOBILE HOMES

CLIMATE ZONE 3

The priority list can be use to determine cost effective weatherization materials/measures for mobile homes located in Climate Zone 3 (see Climate Zone map).

A computer audit is required if:

- There are potential cost-effective energy upgrades to the house that are not listed on the priority list or the General Waste Heat Items list.
- There are not sufficient funds to complete all the measures; including energy related health and safety measures and other energy related repairs.
- Energy related incidental repairs of more than $100 are included with the energy upgrades.

Mobile Homes with Refrigeration Cooling and Fossil Fuel Heating

- Reflective roof coating.
- Pressure diagnostics and repair following the pressure diagnostic procedure established by the WAP program.
- Jalousie windows retrofit (installed cost of under $15 per square foot).
- Water heater wrap (where allowed).

Mobile Homes with Refrigeration Cooling and Electric Resistance Heating

- Reflecative roof coating.
- Pressure diagnostics and repair following the pressure diagnostic procedure established by the WAP program.
- Jalousie windows retrofit (installed cost of under $20 per square foot).
- Water heater wrap (where allowed).

Mobile Homes with Evaporative Cooling and Electric Resistance Heating

- Pressure diagnostics and repair following the pressure diagnostic procedure established by the WAP program.
- Jalousie windows retrofit (installed cost of under $20 per square foot).
- Upgrade of evaporative cooler motor with higher efficiency two-speed motor.
- Water heater wrap (where allowed).

Mobile Homes with Evaporative Cooling Only and Fossil Fuel Heating

- Pressure diagnostics and repair following the pressure diagnostic procedure established by the WAP program.
- Jalousie windows retrofit (installed cost of under $14 per square foot).
- Upgrade of evaporative cooler motor with higher efficiency two-speed motor.
- Water heater wrap (where allowed).

In cases where there are potential cost effective energy upgrades not listed, incidental repairs of more than $100, or sufficient funds are not available to complete **all** (energy, health and safety and energy related repairs) possible upgrades, a computerized audit must be completed to develop a ranking of the energy upgrades, based on their SIR. Only those measures with a SIR of one or greater can be completed. If sufficient funds are not available to complete all possible upgrades, those upgrades with the highest SIR must be completed first.

[redacted]

[redacted] Hayden, Winkelman

The priority list can be use to determine cost effective weatherization materials/measures for mobile homes located in Climate Zone 4 (see Climate Zone map).

A computer audit is required if:

- There are potential cost-effective energy upgrades to the house that are not listed on the priority list or the General Waste Heat Items list.
- There are not sufficient funds to complete all the measures; including energy related health and safety measures and other energy related repairs.
- Energy related incidental repairs of more than $100 are included with the energy upgrades.

[redacted]

- Reflective roof coating.
- Pressure diagnostics and repair following the pressure diagnostic procedure established by the WAP program.
- [redacted]
- [redacted]
- Shade screens on all sun struck south, east and west windows and glass doors.
- Water heater wrap (where allowed).

Mobile Homes with Refrigeration Cooling and Electric Resistance Heating

- Reflective roof coating.
- Pressure diagnostics and repair following the pressure diagnostic procedure established by the WAP program.
- [redacted]
- [redacted]
- Shade screens on all sun struck south, east and west windows and glass doors.
- Water heater wrap (where allowed).

[redacted]

- Pressure diagnostics and repair following the pressure diagnostic procedure established by the WAP program.
- [redacted]
- Upgrade of evaporative cooler motor with higher efficiency two-speed motor.
- Water heater wrap (where allowed).

[redacted]

- Pressure diagnostics and repair following the pressure diagnostic procedure established by the WAP program.
- [redacted]
- Upgrade of evaporative cooler motor with higher efficiency two-speed motor.
- Water heater wrap (where allowed).

In cases where there are potential cost effective energy upgrades not listed, incidental repairs of more than $100, or sufficient funds are not available to complete all (energy, health and safety and energy related repairs) possible upgrades, a computerized audit must be completed to develop a ranking of the energy upgrades, based on their SIR. Only those measures with a SIR of one or greater can be completed. If sufficient funds are not available to complete all possible upgrades, those upgrades with the highest SIR must be completed first.

COST EFFECTIVENESS PRIORITY LIST FOR MOBILE HOMES

CLIMATE ZONE 5

The priority list can be use to determine cost effective weatherization materials/measures for mobile homes located in Climate Zone 5 (see Climate Zone map).

A computer audit is required if:

- There are potential cost-effective energy upgrades to the house that are not listed on the priority list or the General Waste Heat Items list.
- There are not sufficient funds to complete all the measures; including energy related health and safety measures and other energy related repairs.
- Energy related incidental repairs of more than $100 are included with the energy upgrades.

Mobile Homes with Refrigeration Cooling and Fossil Fuel

- Reflective roof coating.
- Pressure diagnostics and repair following the pressure diagnostic procedure established by the WAP program.
- Jalousie windows retrofit (installed cost of under $16 per square foot).
- Water heater wrap (where allowed).

Mobile Homes with Refrigeration Cooling and Electric Resistance Heating

- Reflective roof coating.
- Pressure diagnostics and repair following the pressure diagnostic procedure established by the WAP program.
- Jalousie windows retrofit (installed cost of under $24 per square foot).
- Water heater wrap (where allowed).

Mobile Homes with Evaporative Cooling and Electric Resistance Heating

- Pressure diagnostics and repair following the pressure diagnostic procedure established by the WAP program.
- Jalousie windows retrofit (installed cost of under $24 per square foot).
- Upgrade of evaporative cooler motor with higher efficiency two-speed motor.
- Water heater wrap (where allowed).

Mobile Homes with Evaporative Cooling and Fossil Fuel

- Pressure diagnostics and repair following the pressure diagnostic procedure established by the WAP program.
- Jalousie windows retrofit (installed cost of under $15 per square foot).
- Upgrade of evaporative cooler motor with higher efficiency two-speed motor.
- Water heater wrap (where allowed).

In cases where there are potential cost effective energy upgrades not listed, incidental repairs of more than $100, or sufficient funds are not available to complete **all** (energy, health and safety and energy related repairs) possible upgrades, a computerized audit must **be** completed to develop a ranking of the energy upgrades, based on their SIR. Only those measures with a SIR of one or greater can be completed. If sufficient funds are not available to complete all possible upgrades, those upgrades with the highest SIR must be completed first.

COST EFFECTIVENESS PRIORITY LIST FOR MOBILE HOMES

CLIMATE ZONE 6

The priority list can be use to determine cost effective weatherization materials/measures for mobile homes located in Climate Zone 6 (see Climate Zone map).

A computer audit is required if:

- There are potential cost-effective energy upgrades to the house that are not listed on the priority list or the General Waste Heat Items list.
- There are not sufficient funds to complete all the measures; including energy related health and safety measures and other energy related repairs.
- Energy related incidental repairs of more than $100 are included with the energy upgrades.

Mobile Homes with Refrigeration Cooling and Heat Pump or Fossil Fuel Heating

- Reflective roof coating.
- Pressure diagnostics and repair following the pressure diagnostic procedure established by the WAP program.
- Air Conditioners twenty years old or older upgraded with a minimum 13 SEER unit.
- Shade screens on all sun struck south, east and west windows and glass doors.
- Jalousie windows retrofit (installed cost of under $8 per square foot).
- Water heater wrap (where allowed).

Mobile Homes with Refrigeration Cooling and Electric Resistance Heating

- Reflective roof coating.
- Pressure diagnostics and repair following the pressure diagnostic procedure established by the WAP program.
- Air Conditioners twenty years old or older upgraded with a minimum 13 SEER heat pump.
- Shade screens on all sun struck south, east and west windows and glass doors.
- Jalousie windows retrofit (installed cost of under $10 per square foot).
- Water heater wrap (where allowed).

Mobile Homes with Evaporative Cooling and Heat Pump or Fossil Fuel Heating

- Pressure diagnostics and repair following the pressure diagnostic procedure established by the WAP program.
- Jalousie windows retrofit (installed cost of under $4 per square foot).
- Upgrade of evaporative cooler motor with higher efficiency two-speed motor.
- Water heater wrap (where allowed).

Mobile Homes with Evaporative Cooling and Electric Resistance Heating

- Pressure diagnostics and repair following the pressure diagnostic procedure established by the WAP program.
- Jalousie windows retrofit (installed cost of under $6 per square foot).
- Upgrade of evaporative cooler motor with higher efficiency two-speed motor.
- Water heater wrap (where allowed).

In cases where there are potential cost effective energy upgrades not listed, incidental repairs of more than $100, or sufficient funds are not available to complete **all** (energy, health and safety and energy related repairs) possible upgrades, a computerized audit must be completed to develop a ranking of the energy upgrades, based on their SIR. Only those measures with a SIR of one or greater can be completed. If sufficient funds are not available to complete all possible upgrades, those upgrades with the highest SIR must be completed first.

[illegible]

[illegible]

Domestic Hot Water

- Adjustment of the hot water temperature to 120 degrees if approved by the client.
- Replacement of existing [illegible] with a low-flow replacement showerhead if approved by the client.
- Faucet aerators

Space Heating and Cooling Systems

- Equipment maintenance and tune-up.
- Heating or Cooling System setback thermostat(s) for people with mobility problems or other extenuating circumstances, which make it difficult for them to manually adjust thermostat set points.

Existing Evaporative Coolers

- General evaporative cooler tune-ups.
- Replacement of a single speed evaporative cooler motor with a listed two-speed motor.

Base Load Items

- Replacement of incandescent light bulbs, which are on for at least one hour per day, with an ENERGY STAR qualified compact fluorescent bulbs that emit the same amount of light.
- Replacement of Refrigerators following the procedure established by the WAP program.

Door Replacement

- Door replacement can be completed on a limited basis.

DURABILITY MEASURES

Measure installed to protect or insure the long-term effectiveness energy measures are allowed. Total expenditures are subject to budget limitations.

PRESSURE DIAGNOSTIC PROCEDURE

The pressure diagnostic procedures are to be followed when performing air leakage diagnostics and repair. These procedures provide crews with immediate feedback on the effectiveness of air sealing work, insure that repairs will provide long-term energy benefit in a safe manner, and provide essential management information needed to monitor the cost effectiveness of the air sealing programs.
Pressure Diagnostic Decision Tree

The pressure diagnostic decision tree provides assistance to agency personnel in identifying the minimum level of pressure testing that needs to be performed to meet the Weatherization Program requirements. The decision tree is comprised of two levels of housing characteristics and corresponding test requirements. In all cases, air sealing can only be performed in conjunction with pressure diagnostics.

Level One: Homes with Central Forced Air Heating or Cooling

- The **complete** pressure diagnostic process must be followed in all cases on homes with a central forced air heating or cooling system. (Evaporative cooling is not considered a forced air system in this case.)

Level Two: Homes with No Central Forced Air Heating or Cooling

- The use of pressure diagnostic process is **optional** in homes that do not have a central forced air heating or cooling system and that do not contain the characteristics listed below.

- [illegible] Pressure diagnostics must be completed on homes where the cost of space heating and/or cooling provides possible cost effective envelope sealing opportunities.

- **Combustion appliance zone testing:** The Worst Case Pressure Test must be performed in all zones that contain a combustion appliance.

Testing Procedure

When performing pressure diagnostic, crews are required to use the following procedures **IN SEQUENCE**. If a test is not performed, documentation must be provided in all cases stating the rational for not following the testing procedure.

1. Initial air leakage and room pressure tests
2. Duct repair
3. Envelope air sealing
4. Room pressure balancing

1. Initial Air Leakage and Room Pressure Tests

These initial tests will provide reference information on the existing condition of the home. This information will be used to determine what retrofit measures are to be completed and their effectiveness.

A. Perform a complete energy audit and combustion safety test of the house. **No pressure testing or air sealing can be done until the required combustion safety procedure is completed.**
B. Perform Room Pressure Tests (dominant duct leakage test, room pressure test, and combustion appliance zone [CAZ] test) and record pressures. List combustion appliances located in rooms tested. **If a pressure of -3 Pascal's (Pa) or more exists in a CAZ, or the possibility exists that repair work will create a pressure of -3 Pa or more in a CAZ, corrective action must be completed before or in conjunction with air sealing or duct repair.** Discuss possible corrective action with the client. **If client refuses to allow corrective action to be completed,** no air sealing or duct repair can be completed.
C. Perform zonal pressures and record the results.
D. Perform initial Whole House CFM50 Test and record the results.
E. Perform Pressure Pan Test and record initial pressure difference.
F. Based on the results of the energy audit, combustion safety tests, and pressure tests, determine the extent of work to be completed.

2. Duct Repair Procedure:

A. Duct repair can only be performed under the supervision of a trained technician.
B. **In all cases, air sealing can only be performed in conjunction with pressure diagnostics.**
C. The Health and Safety Policy must be followed at all times.
D. Perform duct repair using approved products (see Product Guidelines) and repair techniques (see Duct Repair Techniques).
D. After initial duct repair is performed, evaluate if additional duct repair is possible.
E. Once all attainable duct leakage is repaired, perform post duct repair Whole House CFM50 Test and pressure pan readings. The difference between the initial Whole House CFM50 Test and the post duct repair Whole House CFM50 Test will provide the CFM reduction in duct leakage.

3. Envelope Air Sealing Procedure:

A. All duct repairs must be completed before envelope air sealing.
B. Envelope air sealing can only be performed under the supervision of a trained technician.
C. **In all cases, air sealing can only be performed in conjunction with pressure diagnostics.**
D. The Health and Safety Policy must be followed at all times.
E. Perform air sealing with high-quality products. Weatherization products must be permanent and guaranteed for at least 15 years.
F. Repeat Whole House CFM50 Test after air sealing work is performed and evaluate if additional air sealing is possible (see Health and Safety Policy for CFM ventilation requirements).
G .Once air sealing is completed, perform final Whole House CFM50 Test and record results.

4. Room Pressure Balancing:

A. All duct repair and air sealing must be completed before room pressure balancing.
B. Room pressure balancing can only be performed under the supervision of a trained technician.
C. **In all cases, room pressure balancing can only be performed in conjunction with pressure diagnostics.**
D. The Health and Safety Policy must be followed at all times.
E. Perform post air sealing room pressure tests (dominant duct leakage test, room pressure test, and worst case test) and record room pressures.
F. Review options to remedy pressure imbalances with the client. If pressure balancing is not performed, record reasons in the work summary.
G. Repeat room pressure tests after initial pressure balancing measures are installed and evaluate if addition pressure balancing is needed.
H. Once pressure balancing is completed, repeat room pressure tests and record results.

Economics

The cost effectiveness of pressure diagnostic and repair is to be based on a comparison of the present value of the reduced air leakage and the cost (labor and materials) to achieve the reduction. The values in the following tables are designed to provide general guidance on the present value of air leakage control.

Infiltration

The following table gives the present value of reducing the infiltration rate by 100 CFM50 for a typical weatherized home.

Present value of 100 CFM50 reduction	Climate Zone 1	Climate Zone 2	Climate Zone 3	Climate Zone 4	Climate Zone 5	Climate Zone 6
	$160	$40	$90	$40	$90	$40

Duct Leakage

The following table gives the present value of reducing duct leakage by 100 CFM50 for a typical weatherized home.

Present Value of 100 CFM reduction	Climate Zone 1	Climate Zone 2	Climate Zone 3	Climate Zone 4	Climate Zone 5	Climate Zone 6
Heating	$600	$90	$245	$95	$385	$50
Cooling*	$10	$450	$80	$200	$100	$570

*If a home has only evaporative cooling, only the heating values will be realized in duct repair.

COMBUSTION SAFETY AND CARBON MONOXIDE PROCEDURES

The Combustion Safety procedure records data on combustion appliances in the house, possible health and safety issues with these appliances and the actions taken by the Weatherization program. Because combustion appliances can be the dominant factor in the health and safety of the occupants, it is imperative that the combustion safety procedures are followed in all cases.

Note: Gas/propane stoves cannot be replaced utilizing DOE funds.

Carbon Monoxide Tests

Ambient CO levels shall be monitored upon entering the combustion appliance zone and during the test period for all appliances. If ambient levels exceed 35 ppm at any time, turn off the appliance immediately and make appropriate repair recommendations according to the charts provided.

CO shall be measured of undiluted flue gases, in the throat or flue of the appliance using a digital gauge and measured in parts per million (ppm). Do not drill holes in flues for power vented or sealed combustion units. Instead, measure CO at the exterior outlet of the flue and proceed with appropriate actions according to the CO limits identified in the Combustion Safety Action Level table. For all combustion appliances, CO shall be measured at steady-state operating conditions. Measurements shall be taken of undiluted flue gases.

With the exception of unvented gas or propane cooking appliances, CO must be tested in all combustion appliances under worst-case conditions and normal draft conditions (when the appliance fails under worst-case). In addition, it is recommended that CO be tested under a mild down-draft if conditions are safe.
For gas ovens, CO shall be measured at steady state (usually after 5-10 minutes of operation) at the highest setting. When measuring CO on gas ovens, it is recommended to turn on the exhaust hood and open a window to reduce risk of exposure to elevated ambient CO levels.

Spillage and Draft Tests
Spillage and draft tests must be completed for all natural and induced draft space heating systems and water heaters. Spillage and draft must first be tested under worst-case conditions (see procedure below) and then repeated for natural conditions if the appliance fails under worst-case.

When a chimney is shared by multiple appliances the appliance with the smallest Btu input rating shall be tested first and remaining appliances tested in order of increasing input rate.

Induced draft heating systems shall be checked for spillage at the base of the chimney liner or flue. If a chimney is shared between an induced draft heating system and a natural draft water heater, spillage shall be checked at the water heater draft diverter. Vent draft pressure shall be measured at steady-state operating conditions for all natural draft heating and hot water appliances. Draft test location should be approximately 1-2' downstream of the appliance draft diverter. The test hole must be sealed with an appropriate plug after the test. Acceptable draft test results are shown below:

Acceptable Draft Test Ranges Need to Supply thermometer

Outside Temperature (degree F)	Minimum Draft Pressure Standard (Pa)
<10	-2.5
10-90 (and -40)	-3.75
>90	-0.5

Most appliances will spill upon startup with a cold chimney. Document the amount of time it takes for spillage to stop and a positive draft to be established. Any appliance that continues to spill flue gases beyond the time limits established in the statement below has failed the spillage test.

Acceptable Appliance Spillage Periods
Vented appliances, regardless of type, that spill flue gases for more than 60 seconds after startup, fail the spillage test.

Gas Supply Safety
The entire gas/propane line must be examined and all leaks repaired. Particular care should be made in the immediate vicinity of the appliances and at the joints, shutoff valves, and pilot lines. Identify leaks using a gas leak detector and accurately locate the source of the leak using a soap bubble solution. Flexible gas lines must be replaced if they are: kinked, corroded or show signs of visible wear, the line was manufactured before 1973 (date is stamped on the date ring attached to the line), or the line has any soldered connections.

Combustion Air
Combustion air requirements, as prescribed in NFPA 54 or local gas codes, must be met on all homes with combustion appliances.

The Kbtu per hr input for heating and water heating equipment must be listed. If Kbtu per hr information is not available, state this fact and estimate input.
The location of all heating and water heating equipment must be listed.

The source and amount of combustion air for all heating and water heating equipment must be listed. For appliances that are using an interior space for combustion air, the cubic feet available is determined by the volume (area times height) of the space. Areas that can be isolated and the flow of air restricted from the combustion appliance are not to be included.

[redacted]
Tests for possible cracked heat exchanger must be performed on all systems possible.

HVAC EQUIPMENT AND DISTRIBUTION INSTALLATION/REPAIR POLICY

The following policy must be strictly adhered to when installing or repairing HVAC equipment and distribution systems.

[redacted]
Replacement of inoperable equipment is allowed under the following conditions.

- Existing inoperable AC equipment upgraded with a [redacted] unit if the replacement costs are less than the estimated repair cost and the lost saving potential of the new equipment.

- Existing inoperable forced air furnace equipment upgraded with [redacted] unit if the replacement costs are less than the estimated repair cost and the lost saving potential of the new equipment.

Replacement of the equipment is also justified if there is a high probability that the repaired equipment will fail again in the near term.

Sizing and Installing HVAC Equipment

- [redacted]
  - AC: 13 SEER
  - Heat Pump: 13 SEER and 7.7 HSPF
  - Combustion furnace: 80% AFUE.
- [redacted]
- Airflow across the indoor coil and/or heat exchanger shall conform to the manufacturer's specifications.
  - Refrigerant charge shall be installed per the manufacturer's specifications.
  - Indoor and outdoor units shall be "matched" according to the ARI Directory.

Evaporative Cooler Installation

It is [redacted] Replacing an existing evaporative cooler with a new evaporative cooler on a forced air heating or cooling system is allowed.

All [redacted] or the conditioned space.

Installation of Forced Air Distribution Systems

- All new ductwork must be installed according to the Duct Installation/Repair Techniques and Product Guidelines.
- All duct systems must be pressure tested and the CFM leakage rate cannot exceed [redacted]
- [redacted]

Repair of Existing Air Distribution Systems

All ductwork must be repaired according to the Duct Installation/Repair Techniques and Product Guidelines.

Duct Installation / Repair Techniques

A. Flex ducts

- [redacted]
- [redacted]
- [redacted]

- Fasten the outer liner well over the start collar using a mechanically tightened draw band.
- Seal all boots to the Sheetrock using mastic or silicone caulk applied at the point where the air barrier (metal or exterior foil backing) meets the Sheetrock.

B. Duct board

- Staple all duct board joints with appropriate staples every two inches.
- Apply a layer of mastic; embed reinforcing mesh and overcoat with another layer of mastic sufficiently thick to hide the pattern in the tape.
- Allow for proper curing (manufacturer's specifications) before starting the system. This is critical.
- Seal all boots to the Sheetrock at the point where the foil backing meets the Sheetrock.

C. Metal

- Seal all points where components join together using mastic. Special attention must be given to any area where tabs provide the method of securing the joint.
- Seal all boots to the Sheetrock at the point where the metal meets the Sheetrock.
- Join all components with screws or other mechanical fastening devices as required in listings or code.

D. Building Cavities Used as Returns

- If the cavity is lined with Sheetrock, seal all joints with mastic. All gaps over 1/4 inch must be reinforced with embedded mesh tape.

- If the cavity is lined with duct board with the fiberglass side facing inside, you must create a positive air barrier in the plenum by covering the fiberglass with a material such as Sheetrock, duct board with the foil facing inside, or coat the fiberglass with mastic, etc., and seal all remaining joints in the plenum.

- If the cavity is unlined (exposed studs) and it is impossible to line the plenum, seal all joints, holes and penetrations using mastic applied with a brush attached to a handle or other extension. It may be easier and more effective to simply create a ducted plenum or chase and avoid the problems associated with using a building cavity to convey conditioned air.

- It may be necessary to cut a hole in the plenum in order to gain access and seal the interior adequately.

E. Air Handler

- Seal all penetrations and gaps between materials using mastic or silicone. If the gap is over ¼ inch, reinforce with fiberglass mesh.
- Seal the areas where the air handler meets the supply/return plenums using mastic reinforced with fiberglass mesh or other approved methods.
- Seal any panels that will require frequent access by the client (such as the filter area), using a quality temporary tape (duct tape).
- The air handler must not have any noticeable leaks.

F. Wall Penetrations

(The most common wall penetration problem is where the opening for the return grille is cut through the wall. In such an installation, even in a lined plenum, the wall cavity is open into the plenum.)

- Where an un-ducted section of the air distribution system penetrates a wall cavity, the wall cavity must be sealed.
- The cavity will first be blocked using a rigid air barrier such as Sheetrock or duct board with the foil facing the airflow.
- All seams, cracks, crevices, and openings will then be sealed airtight using approved mastic.

Duct Product Guidelines

- All new ductwork will be a minimum of R-8.
- Duct sealing materials shall have both excellent cohesive and adhesive qualities.

- Water-based Latex mastic with at least 50 percent solids reinforced with fiberglass mesh at all duct connections, joints and seams shall be used. "Hardcast" type mastic with reinforcing mesh is also acceptable.
- The ducts shall be further attached as per manufacturer's specification, using a draw tie, plumbing strap or screws, as appropriate for a strong mechanical connection. The mechanical connection does not replace air sealing.
- Foil tapes, including UL 181 AP-type tapes, when used alone will not be accepted. If tape is used to temporarily hold a seam, it must be overlaid with a coating of mastic that extends at least one inch (1") past the tape on all sides, and is thick enough to hide the tape completely.
- Do not use materials that are potentially damaging or have harmful effects, such as toxic vapors or carcinogenic substances that may be harmful to the clients or the installer. Agencies are required to obtain and maintain the Material Safety Data Sheets (MSDS) for all materials used on the job. Federal law requires this procedure; further information is available locally from the vendor.
- Materials must meet all current codes and manufacturer's specifications.

INSULATION STANDARDS

Installation of Insulation

Insulation must be installed with no gaps, no voids, no compression of the insulation, or no wind intrusion into the insulation. Insulation must also be in alignment with the air barrier in all cases.

All items on the Thermal Bypass Inspection Checklist must be verified where accessible. Items not meeting these standards must be repaired unless the repair is not cost effective. The Checklist includes the following 12 areas:

- Shower/Tub at Exterior Wall: Exterior walls behind tub or shower have been fully insulated. Exterior walls behind tub or shower have been faced with air barrier material.
- Insulated Floor above Garage: Floor framing is completely filled with insulation or insulation is snug against sub-floor. Air barrier is installed at any exposed edges of insulation.
- Attic Knee Walls Air barrier is installed on attic side of insulated wall. Insulation is in complete alignment with interior wall finish.
- Attic Hatch/Drop-down Stair Attic: Opening is fully gasketed for an air-tight fit. Hatch is covered with insulation that is attached and fits snugly in framed opening.
- Cantilevered Floor: Floor framing is completely filled with insulation or insulation is snug against sub-floor. Air barrier installed at any exposed edges of insulation.
- Duct Shafts: Opening is enclosed as required with flashing and any remaining gaps are sealed with caulk or foam.
- Flue Shaft: Opening is fully enclosed as required with flashing. Combustion clearance between flue and combustible flashing (e.g., OSB panel) are properly closed with metal collars and any remaining gaps are sealed with fire-proof caulk or foam.
- Piping Shaft/ Penetrations: Opening is fully enclosed as required with flashing and any remaining gaps are sealed with caulk or foam.
- Dropped Ceiling/Soffit Air barrier is fully aligned with insulated framing and any gaps are fully sealed with caulk or foam.
- Fireplace Wall: Air barrier is fully aligned with insulated framing in framed shaft behind fireplace and any gaps are fully sealed with caulk or foam.
- Staircase Framing at Exterior Wall/Attic: Air barrier is fully aligned with insulated framing and any gaps are fully sealed with caulk or foam.
- Whole-house Fan Attic Penetration: An insulated cover is provided that is gasketed to the framed opening.

RENEWABLES

Section 206 of the Energy Policy Act of 2005 (EPACT 2005) amended the Energy Conservation and Production Act to clarify that assistance under the Weatherization Assistance Program may be provided for renewable energy systems and to provide definitions and criteria to be used in assessing eligibility.

Cost Effectiveness
Renewable energy systems must follow the Cost Effectiveness Procedures. Local agencies must determine that the renewable energy system is cost effective by ensuring the discounted savings-to-investment ratio [redacted] is greater or equal to one. The net cost of renewable energy systems after rebates from third parties can be used for the [redacted] review.

Product Guidelines

Renewable energy systems must meet the requirements established by the State of Arizona for state tax credits which imposed several requirements on the seller of solar devices in order to qualify the equipment and application. Title 44, chapter 11, article 11 of the Arizona revised statues (44-1761- Definitions, and 44-1762 - Solar energy device warranties; installation standards; inspections) provides details on the requirements.

FINAL INSPECTION REQUIREMENTS
A final inspection shall be performed on all jobs.

The final inspection must be completed by designated inspector not directly involved with the completion of the job.

The final inspection shall verify that the house characteristics reported are correct.

The inspection shall verify that all cost effective opportunities were completed.

The inspection shall include all measures listed on the Work Performed report to verify installation has been completed in a safe and effective manner.

The inspection shall include a review of the diagnostic result, both pressure and combustion safety, to verify that all applicable tests were completed.

The inspector shall complete diagnostics on minimum of ten percent of completed homes to compare with reported results.

HEALTH AND SAFETY PLAN

PURPOSE
To establish the policies and procedures under which health and safety concerns are addressed in the Weatherization Assistance Program (WAP).

GOAL
To ensure energy savings are the result of Weatherization Assistance Program actions while promoting a healthy and safe environment for clients and WAP workers and contractors.

SCOPE
Energy-related health and safety concerns need to be remedied before, or because of, the installation of weatherization materials. Therefore, energy-related health and safety hazards associated with weatherization activities may be remedied or prevented with DOE funds. Measures and their costs must be reasonable and must not seriously impair the primary energy conservation purpose of the program.

The Health and Safety Procedures are applicable to all activities under the WAP.

Total expenditures on Health and Safety are subject to budget limitations.

A. Grantee Health & Safety
The Arizona Energy Office – WAP field monitors will follow all applicable health and safety rules with respect to the conduct of their on-site job visits including the use of face masks, hard hats, appropriate footwear, and such other applicable attire and equipment so as to minimize personal risks.

B. Crew and/or Contractor Health & Safety

Arizona sub-grantees and their contractors will comply with Occupational Safety and Health Administration (OSHA) requirements in all weatherization activities.

The costs for sub-grantees to comply with OSHA requirements (action items and measures that DOE funds and receives credit for) may be charged under health and safety, tools and equipment, incidental repairs, etc. The cost category selected will be charged consistently throughout the state (from agency to agency) for the same activity.

Because of the wide range of activities involved in weatherizing a house, ensuring crew health and safety requires a broad knowledge of the appropriate OSHA requirements. Some of these requirements include, but are not limited to: respirator protection, techniques for safely lifting heavy objects, electrical equipment safety, ladder safety, and general worker protection. OSHA standards should be consulted for further details.

Other useful information includes Material Safety Data Sheets (MSDS) that identify potential health risks and describe the proper use, handling, and storage of a wide variety of materials, including some common weatherization materials. MSDS also recommend personal protective equipment and address first aid measures.

C. Client Health and Safety

Weatherization services can be provided in a manner that minimizes risk to workers and clients. Although the Weatherization Assistance Program does not provide all the solutions, awareness of potential hazards is essential to providing quality services. A list of the more common hazards and DOE's preferred approach to them are discussed in Section D. Other energy-related hazards should be considered on a case-by-case basis

Grantees and sub-grantees are required to take all reasonable precautions against performing work on homes that will subject workers or clients to health and safety risks. If there is any doubt that weatherization work can be conducted in a manner that is safe for all parties concerned, the subgrantee must not proceed further.

Before beginning work on the residence, sub-grantees will take into consideration the health concerns of each occupant, the condition of the dwelling, and the possible effect of work to be performed on any particular health or medical condition of the occupants. When a person's health is fragile and/or the work activities would constitute a health or safety hazard, the occupants at risk will be required to leave the home during these work activities or the work will be suspended until such a time as it can be performed appropriately.

D. Potential Hazard Considerations

1. Biological

Removal of mold, odors, viruses, bacteria, unsanitary (including raw sewage) conditions, and rotting wood is not a Weatherization responsibility; however, subgrantee frequently encounter these conditions. DOE funds may be used if these conditions must be remedied to allow effective weatherization work and/or to assure the immediate or future health of workers and clients. The Arizona Energy Office – WAP requires that its sub-grantees seek prior approval to proceed before attempting to weatherize such dwellings with *Biological* problems.

Arizona sub-grantees will exercise caution when selecting air tightness limits for dwellings with these problems. Since these conditions are often related to moisture, Arizona sub-grantees may use DOE health and safety funding to acquire moisture detection instruments. Sub-grantees should incorporate moisture detection into their initial energy audits. If necessary, weatherization services may need to be delayed until moisture problems can be corrected by other funding sources.

2. Combustion Appliances and Combustion Safety

The following policy must be strictly adhered to when completing Weatherization work. If any house fails these program safety standards and the problem cannot be remedied, the homeowner must be notified in writing and a copy placed in the client's file.

- Perform air sealing and duct repair in conjunction with pressure diagnostics to ensure that sufficient ventilation and draft rates are maintained in the home.

- A UL listed carbon monoxide detector (Underwriters Laboratories 2034-98) shall be installed in all structures with an attached garage or a combustion appliance located in the conditioned space.

- Research and follow the local health and safety codes and standards dealing with residential ventilation requirements for occupants and combustion equipment.

- No air sealing (including duct repair) should be done if there is a high pollution source, such as a non-vent combustion heater, that can't be removed.

- No air sealing (including duct repair) should be done if there are existing health and safety problems in the home.

- No air sealing (including duct repair) should be done if there is Carbon Monoxide (CO) [redacted]

- No air sealing (including duct repair) should be done if there is a possible gas leak.

- No air sealing (including duct repair) should be done if CO is greater than 9 PPM in the living space.

- [redacted], the homeowner must be advised of the tightness of the home. Any further air sealing (including duct repair) may require that an active ventilation strategy be employed.

- Under normal operating conditions, an air handler cannot create room pressures with a magnitude of [redacted], or greater with reference to outside, anywhere in a combustion appliance zone.

- Corrective action must be completed before or in conjunction with air sealing [redacted] if a negative pressure of 3 Pascal's or greater exists or is produced by repair work in a combustion appliance zone.

- Flame change is an indication of a cracked heat exchanger - no air sealing (including duct repair) should be done until the problem is fixed.

- If spillage of flue gases occurs for more than one minute - no air sealing (including duct repair) should be done until the problem is fixed.

- If draft is low, it must be fixed before air sealing (including duct repair) is completed.

IF THE CONDITIONS DESCRIBED BELOW CONCERNING COMBUSTION AIR ARE NOT MET, NO AIR SEALING (INCLUDING DUCT REPAIR) SHOULD BE DONE:

- In homes of ordinary tightness insofar as infiltration is concerned, all or a portion of the air for fuel-burning appliances may be obtained from infiltration when the [redacted] Two openings are required and one shall be within 12 inches of the bottom of the space containing the combustion equipment. Openings shall allow space to communicate with the rest of the house. [redacted] of the total input rating of all gas utilization equipment in the space, shall be provided.

- In all cases where combustion air is from inside the home, the homeowner must be made aware of this and sign the Health and Safety Waiver before any air sealing or duct repair is completed.

(**Note:** If this method is used, special attention must be given to zonal and draft pressures. In buildings of unusually tight construction, combustion air shall be obtained from outside.)

- In homes that receive combustion air from outside the conditioned space, two openings are required. One shall be within 12 inches of the top and one within 12 inches of the bottom of the space containing the combustion equipment. The openings shall communicate directly, or by ducts, with the outdoors or spaces (crawl or attic) that communicate with the outdoors.

- The following guidelines must be met when determining the minimum free area for combustion air openings:

- Openings directly communicating with the outdoors shall provide one square inch per 4000 Btu per hour of the total input of all gas utilization equipment in the space.

- Openings communicating to outdoors with vertical ducts shall provide one square inch per 4000 Btu per hour of the total input of all gas utilization equipment in the space.

- Opening communicating to outdoors with horizontal ducts shall provide one square inch per 2000 Btu per hour of the total input of all gas utilization equipment in the space.

NOTE: If the free area is not known because of louvers or screens, double the squared opening size. IF THESE NFPA 54 NATIONAL FUEL GAS CODE REQUIREMENTS ON COMBUSTION AIR ARE NOT MET, THEN NO AIR SEALING (INCLUDING DUCT REPAIR) SHOULD BE DONE UNTIL THESE CONDITIONS ARE MET.)

3. Fire Hazards

Combustion appliances and their associated venting systems can also present potential fire hazards. Sub-grantees that accept clients with wood stoves and fireplaces will have procedures to identify potentially dangerous creosote build-up in chimneys and wood stove flues.

It is the sub-grantee's responsibility to ensure that any work on wood stoves and fireplaces conforms with applicable codes in jurisdictions where the work is being performed.

4. Existing Health Problems

Sub-grantees will be sensitive to client health problems that might be exacerbated by weatherization activities.

Sub-grantees will establish procedures to identify pre-existing client conditions (e.g., allergies) and address such problems when they are found. Those procedures should address the manner in which such problems will be identified and the steps to be taken to ensure that weatherization work will not worsen these problems.

5. Indoor Air Quality (IAQ)

a. Asbestos

General asbestos removal is not approved as a DOE WAP health and safety weatherization cost.

Major asbestos problems should be referred to the Arizona Department of Environmental Quality or to the Environmental Protection Agency (EPA).

Where local agencies work on large heating and distribution systems, including related piping, asbestos removal may be necessary. Removal is allowed to the extent that energy savings resulting from the measure will provide a cost-effective savings-to-investment ratio. This would normally be true with work done on large, multifamily heating systems. Where permitted by code or EPA regulations, less costly measures that fall short of asbestos removal, such as encapsulation, may be used. Removal and replacement of asbestos siding for purposes of wall cavity insulation is permissible if allowed by state and local codes.

b. Radon

Where there is a previously identified radon problem, work that would exacerbate this problem should be limited. Radon abatement is not an allowable activity under the Weatherization program. However, those costs associated with taking precautions in a dwelling known to have radon problems are allowable weatherization expenditures. These costs are

allowable if an energy audit indicates that weatherization techniques would help in radon remediation. While sub-grantees should establish sound radon-related strategies, major radon problems should be referred to the appropriate local environmental organization or agency for mitigation or abatement.

[illegible] Volatile Organic Compounds (VOC)

Formaldehyde vapors may be slowly released by some new carpets, wafer-board, plywood, etc. Some household cleaning agents also emits VOCs. Caution should be taken when selecting air tightness limits in dwellings with VOC problems.

[illegible]

Lead Safe Weatherization (LSW) must be applied to <u>all</u> pre-1978 housing unless the house meets EPA's Final Rule Exemptions.

Exemptions

1. **No Lead-Based Paint will be Disturbed.** LSW must be applied to all pre-1978 housing unless there is existing evidence that the home has been certified as being lead-free or below the lead threshold limit (e.g., for paint containing lead below the regulated level, 1.0 mg/cm2 or 0.5% by weight). One of the following methods must be used to determine the paint to be disturbed is not lead-based paint: -Written determination by certified lead inspector or risk assessor; *OR*
   -Proper use of EPA-recognized test kit provided agencies (*documenting manufacturer and model of test kit used, description and location of components tested, and test kit results)*
   > *Note: Beginning in 2010, tests must be performed by a Certified Renovator, per EPA final rule. Test kits are currently being evaluated but none have been approved to date – updates and approved kits will be posted athttp://www.epa.gov/lead/pubs/renovation.htm*

   OR
   -A State-approved lead-based paint test protocol (e.g., XRF scans verifying absence of lead paint).

2. **Mobile Homes.** Often, interiors of mobile homes were not painted but rather, paneling was applied to the surfaces. Therefore, pre-1978 mobile homes that were not painted by the manufacturer, occupant, landlord, or past owner of the unit before 1978, may be exempt from LSW. However, Weatherization Programs must verify the areas receiving weatherization services have never been painted or were painted for the first time after 1978. If this is not verifiable, then LSW protocols must be followed. Painted exterior surfaces on pre-1978 units should not be drilled, scraped, sanded, or receive any other work that disturbs the paint.

3. **Exempt from training and work practice requirements <u>if owner signs written statement</u> that <u>all</u> apply:**
   a. No pregnant women resides there; and
   b. Not a child-occupied facility ("occupied" includes being the child's primary residence or a home that is visited regularly by the same child, under age 6, on at least two different days within any week (Sunday through Saturday period), provided that each day's visit lasts at least 3 hours and the combined weekly visits last at least 6 hours, and the combined annual visits last at least 60 hours).

4. **Housing for the elderly or persons with disabilities** (unless any one or more children under age 6 resides or is expected to reside in such housing for the elderly or persons with disabilities).

5. **Any 0-bedroom dwelling.**

6. **Minor Repair or Maintenance Activities**: Activities that will disturb less than the following square feet of paint surfaces in 30 calendar days (counting all paint surface areas of a removed component):
   - 6 square feet per room for interior activities; or
   - 20 square feet for exterior activities.

But this exemption does *NOT* apply to the following:

- Window replacement.
- Demolition of painted surface areas.
  - Using any of the following:
- Open-flame burning or torching;
- Machines to remove paint through high-speed operation without HEPA exhaust control; or
- Operating a heat gun at temperatures at or above 1100 degrees Fahrenheit.

Testing for lead-based paint and lead-based paint residues
Testing for lead-based paint is not an allowable weatherization expense except, when it is related to the installation of energy efficiency measures. These expenditures must be within the limits set by the state in its Weatherization health and safety plan.

U.S. Department of Energy Minimum Standards for LSW

Safe Work Practices must be implemented to minimize exposure to hazards for residents and the workers, while allowing Weatherization to occur in a cost-effective manner and to not hinder production. The effort required will be based on the hazard, the work specifications, and customer health issues.

CHECK: Federal, state, and local regulations.

- OSHA has rules for worker safety.
- States and local communities may have rules for waste disposal.

To meet the LSW minimum standards, crews and contractors MUST follow the general principles of working in a lead-safe manner. Best practices for working in a lead-safe manner are available in the benchmark LSW procedures and curriculum and should be reviewed and consistently enforced on LSW jobs.

A. Requirements

Client Protection and Notification
For occupied homes, the Weatherization staff, crew, or contractor must have an adult tenant or homeowner sign an acknowledgement after receiving the pamphlet. The pamphlet can also be sent by certified mail with receipt to be placed in the customer file.

In multi-unit housing, the agency must:

- Provide written notice to each affected unit (notice must describe: general nature and locations of the planned renovation activities; the expected starting and ending dates; statement of how occupant can get pamphlet at no charge); or
- Post informational signs (signs must describe general nature and locations of the renovation and the anticipated completion date) and post the EPA pamphlet. (If pamphlet is not posted then agencies are required to provide information on how interested occupants can review a copy of the pamphlet or obtain a copy at no cost from the Weatherization Program).
- Delivery to owner/occupant. Owner's and/or occupant's signature with acknowledgment or certificate of mailing. The owner/occupant must acknowledge receipt of the EPA pamphlet prior to start of renovation that contains the address of unit undergoing renovation, name and signature of owner or occupant, and the date of signature. It must be in same language as "contract for renovation" for an owner-occupied (or the same language as the lease for occupant of non-owner occupied) target housing.

If the Weatherization Program cannot get a signed acknowledgment (either the occupant is not home or refuses to sign the form), then the self-certification section of the form must be signed to prove delivery.

The acknowledgement form must be filed and remain with the client file for three years from date of signature. In addition to providing a copy of the pamphlet to owners and occupants, designated local agency staff (e.g., intake specialist, auditor, crew chief) must discuss the hazards associated with lead-based paint and lead dust, and describe how they will conduct LSW in the home.

Weatherization Worker Protection

LSW includes these procedures and safety precautions:

- Wear personal protective gear specifically suited for the particular LSW measure. Use the National Institute for Occupational Safety and Health (NIOSH) approved respirators (at least ½ face) with HEPA filters.
- Use disposable overalls (with hood or a disposable painter's cap), gloves (cloth, plastic, or rubber as appropriate), goggles, and disposable shoe/boot covers.
- Keep dust to a minimum and properly contain dust and paint chips to the work area.
- Clean up area during and after work.
- During Weatherization, wash your hands and face frequently, particularly when leaving the work area and especially before leaving the area for the purpose of eating, drinking, or smoking.
- Before leaving a confined work area, remove your protective clothing and protective shoe/boot covers to avoid exposing others.
- Before leaving a confined work area, and before returning tools and equipment to vehicles, clean all tools to avoid exposing others and creating a lead-hazard to the next Weatherization job.
- Get annual medical exams to check blood lead levels. Do non-lead-related work if your blood lead level gets too high.
- Inform your employer if you develop signs of lead poisoning.

B. General LSW Work Practice Standards

- Crews and contractors must take steps to protect occupants from lead-based paint hazards while the work is in-progress using appropriate containment strategies.
- Occupants, especially young children or pregnant women, may not enter the work site. Occupants are allowed to return only after the work is done and the home has passed a visual inspection.
- Occupants' belongings must be protected from lead contamination. This can be done by removing them from the work area or covering them in protective bags and sealing it to prevent dust from getting on the items.
- The work site must be set up to prevent the spread of leaded dust and debris.
- Warning signs must be posted at entrances to the worksite when occupants are present; at the main and secondary entrances to the building; and at exterior work sites. The signs must be readable from 20 feet from the edge of the worksite. Signs should be in the occupants' primary language, when practical.
- The work area must be contained. If containment can not be achieved with occupants in the unit (e.g., work will take several days and involves the kitchen, bathrooms, or bedrooms that can not be sealed off from use), occupants must move out of the unit or the work must be deferred until containment can be achieved.
- Ensure containment does not interfere with occupant and worker egress in an emergency.

Prohibited Work Activities

- NEVER - use reusable cloth or fabric, such as a painter's drop cloth, as protective containment sheeting. Polyethylene and in some cases when working on the exterior garden fabric are the only acceptable protective containment sheeting and must never be reused.
- NEVER - use brooms and shop vacuums for cleanup. Wet cleaning and HEPA vacuums are the only acceptable methods for cleanup.
- NEVER – use a conventional shop vacuum with HEPA filters – only HEPA-designed vacuums are acceptable for LSW.
- NEVER - turn leaded paint into leaded dust by dry scraping or sanding (unless needed around electrical outlets) or grinding, abrasive blasting or planning.
- NEVER - use an open-flame torch or heat gun (above 1100°F) to remove paint or window glazing. Open flame/high heat methods to remove paint create fumes that are dangerous for workers to breathe. Small lead particles created by burning and heating also settle on surrounding surfaces and are very hard to clean up.
- NEVER - allow residents and pets access to the work area while work is underway.
- NEVER - open windows and doors allowing lead dust to float into other parts of the building or outside.
- NEVER - allow furniture and other objects to remain in the Weatherization work area while Weatherization work is being performed unless they are covered and sealed in polyethylene sheeting or bags.

C. Containment

Containment is anything that stops any dust or debris from spreading beyond the work area to non-work areas. The level of containment must be determined by the auditor/inspector or supervisor before work is assigned to a crew or contractor. To comply with EPA's LRRPP Rule requirements, **a Certified Renovator will be required at the jobsite to assess and set up the containment site.**

Every home and every specific Weatherization measure is unique, therefore the level of containment required will be based on the hazards present, the age of the home, the scope of work activities, and any customer health issues. Although Weatherization jobs require individual assessments, LSW work generally falls into two levels of containment and the related standards are outlined below.

Level 1 Containment

Level 1 containment is required in pre-1978 homes when ***less than*** 6 ft^2 of interior painted surface per room or 20 ft^2 of exterior painted surface will be disturbed.

Level 1 containment consists of methods that prevent dust generation and contains all debris generated during the work process. The containment establishes the work area which must be kept secure.

Measures that *may* fall within this guideline include:

- Installing or replacing a thermostat
- Drilling and patching test holes
- Replacing HEPA filters and cleaning HEPA vacuums
- Changing Furnace Filter
- Removing caulk or window putty (interior)
- Removing caulk or window putty (exterior)
- Removing weather-stripping

Level 2 Containment

Level 2 containment is required when Weatherization activities will disturb ***more than*** 6 ft^2 of interior surface per room or 20 ft^2 of exterior surfaces in homes built prior to 1978. Level 2 containment consists of methods that define a work area that will not allow any dust or debris from work area to spread. Level 2 containment requires the covering of all horizontal surfaces, constructing barrier walls, sealing doorways, covering HVAC registers with approved materials, and closing windows to prevent the spread of dust and debris.

Measures requiring level 2 containment *may* include:

- Drilling holes in interior walls
- Drilling holes in exterior walls, removing painted siding
- Cutting attic access into ceiling or knee walls
- Planing a door in place
- Replacing door jambs and thresholds
- Replacing windows or doors
- Furnace replacements

Additionally, Level 2 containment must ***ALWAYS*** be used where any of the following is conducted (even if the activities will disturb less than the hazard de minimis levels within the Level 1 category):

- Window replacement
- Demolition of painted surface areas
- Using any of the following:
    - Open-flame burning or torching;
    - Machines to remove paint through high-speed operation without HEPA exhaust control; or
    - Operating a heat gun at temperatures at or above 1100 degrees Fahrenheit.

D. Proper LSW Clean-Up and Debris Disposal

Following the containment standards in the previous section will minimize the level of effort required to properly clean up the job site. All dust, dirt, material scraps, containers, wrappers, and work related debris must be removed from the customer's home. A HEPA vacuum should be used to clean up the work areas. Further cleaning may be necessary based on the hazard.

At the conclusion of the job, once all workers have "cleaned" the work areas thoroughly, Weatherization workers must adhere to the following:

Safe and Secure Disposal

- Bag and gooseneck-seal all waste in 6-mil plastic bags
- Safely dispose of all waste in accordance with federal, state, and local regulations

Visual Inspection Verification

Checking the quality of worksite cleanliness is a two-phase process:

- Phase 1: Worker visual inspection during the cleaning process; look for any visible paint chips, dust, or debris as you clean, using proper techniques.
- Phase 2: Supervisor visual inspection after cleanup. There should be no evidence of settled dust following a cleanup effort. If dust is observed, the Weatherization crew must be required to repeat the cleaning.

If work is done outside the house, the grounds around the dwelling and all exterior horizontal surfaces should also be examined visually to make certain that all waste and debris have been removed and that paint chips were not left behind.

Deferrals

Arizona's WAP sub-grantees will follow the lead-based paint "deferral policy" to determine when it is prudent to defer certain Weatherization work in homes that have either tested positive or are assumed to have lead-based painted surfaces.

- First, the subgrantee should assess the following factors:

  1) Is the subgrantee prepared to work with lead-based paint? (i.e., have workers received training in LSW work practices - is the necessary equipment, such as HEPA vacuum cleaners, available; and does the agency's liability insurance cover work with lead-based paint);

  2) What is the condition of the painted surfaces in the house that might be specifically disturbed in the course of an allowable weatherization measure? (i.e., are they *seriously* deteriorated);

  3) What is the extent to which the specific energy efficiency measures determined by the audit will disturb painted surfaces? (i.e., will the disturbance likely generate dust in excess of OSHA minimums); and,

  4) Will the cost of doing LSW work represent a large portion of the total cost, such as to exceed the amount allowed by the state's health and safety plan (which could be the case if large amounts of lead-based paint surfaces will be disturbed)?

- Second, the grantee should determine, based on consideration of the above factors, whether to:

  1) Proceed with all the weatherization work, following LSW work practices; or
  2) Do some of the weatherization tasks, defer others; or
  3) Defer all the weatherization work

Deferral would mean postponing the work either until the Weatherization agency is prepared to work with lead-based paint, or until another funding source has been identified that can finance corrections to the problem LBP area that weatherization can be safely performed.

In cases where extensive LSW would be necessary, agencies are encouraged to arrange with other organizations, which are funded to do lead-based paint hazard control, to perform some of the more costly activities, such as risk assessment or clearance testing. In areas where there are no organizations performing such work, Weatherization agencies may choose to develop their capabilities (purchase of equipment and advanced training for subgrantee crews) for lead-based paint hazard control work, but they may not use DOE Weatherization funds for this purpose. In such a home, regular Weatherization work that does not disturb painted surfaces can be done.

Funding of lead safe weatherization

Whereas DOE funds may be used to pay for Weatherization activities that disturb lead-based painted surfaces while installing energy efficiency measures or for case-by-case testing, the funds may not otherwise be used for abatement, stabilization or control of lead-based paint hazards, or routine entrance and clearance testing.

However, U. S. Department of Housing and Urban Development (HUD) funds such as Community Development Block Grant (CDBG), lead hazard control programs and HOME Repair and Rehabilitation Program funds may be used to do this work. Also, U. S. Department of Health and Human Services' (HHS) Low-Income Home Energy Assistance Program (LIHEAP), may be used for certain expenses related to Lead Safe Weatherization.

Specifically, for DOE funding, agencies should budget LSW costs under health and safety as a separate cost category, excluded from the calculation of average cost per home. Lead Safe Weatherization costs include labor, material, insurance, training, and equipment.

Liability issues

Unless an agency has specifically purchased additional insurance to cover pollution occurrences, they probably do not have sufficient insurance for their work as required by the WAP's Program Year 2002 Annual Guidance, **Weatherization Program Notice 02-1**. It is likely that their general liability insurance has a pollution occurrence exclusion.

All Arizona Sub-grantees must have liability insurance that covers work in a home with lead-based paint before any LSW work is implemented. This liability insurance does not and should not cover lead abatement projects.

Abatement projects are extensive projects designed to permanently eliminate the lead-based paint hazard. Only work that HUD refers to as "interim controls" must be covered. It is important to use this policy to demonstrate to the insurer the limited nature of the paint disturbance and the precautions being taken to avoid liability. The cost of such insurance is an allowable DOE expense, and we urge agencies to seek ways to obtain the coverage at reasonable rates.

For insurance shopping purposes, there are features about Weatherization work that local agencies should use in making the case for the lower risk associated with the nature of Weatherization work, especially when compared to lead-based paint abatement and lead hazard control work:

- Weatherization is different from lead hazard control work and involves lesser levels of work associated with painted surfaces. In fact, the disturbance of painted surfaces, by comparison, is minimal and when it happens, is incidental to the purpose of the work - the installation of energy conserving measures.

- In addition, not all weatherization work involves disturbing painted surfaces and some homes are lead free, and so the *risk basis* for insurance rates - unlike insurance for lead hazard control work - should not be based on one hundred percent operations in a lead paint environment for every home weatherized.

DOE is involved with EPA and HUD in continuing discussions with the insurance industry about ways to qualify Weatherization agencies for more favorable rates. We also welcome suggestions from state and local agencies with experience in obtaining reasonable rates for this kind of work, which we will share with the Arizona subgrantees.

Training

Arizona's WAP requires that *when disturbance of painted surfaces is significant*, Weatherization workers will use LSW practices.

Arizona's WAP will provide or recognize prior participation in the following training opportunities to sub-grantee as required, taking into consideration each subgrantees mix of action items and allowable measures:

- LSW workshops provided by trainers who are certified in The HUD Lead Safe Work Practices.
- Peer-to-Peer training.
- Individual agency training on an as needed basis.

All training will utilize the Lead Safe Weatherization curriculum developed by Montana State University.

7. Building Structure

Building rehabilitation is beyond the scope of the Weatherization Assistance Program; however, Arizona Subgrantees frequently encounter homes in poor structural condition. Dwellings whose structural integrity is in question should be referred to the Arizona Department of Housing.

Weatherization services may need to be delayed until the dwelling can be made safe for crews and occupants (see Deferral Standards).

Incidental repairs necessary for the effective performance or preservation of weatherization materials are allowed if the cost of the weatherization material and incidental repair are cost justified by the audit. Examples of these limited repairs include sealing minor roof leaks to preserve new attic insulation and repairing water-damaged flooring as part of replacing a water heater.

8. Electrical Issues

The two primary energy-related health and safety electrical concerns are

1) insulating homes that contain knob-and-tube wiring and
2) identifying overloaded electrical circuits.

Older electric wiring, primarily knob-and-tube wiring, located in a wall cavity or exposed on an attic floor was originally intended by code to have *free air movement* for that would cool the wire when carrying an electric current. Laboratory tests have shown that retrofitting thermal insulation around electric wiring can cause it to overheat, resulting in a fire hazard.

Arizona program policy requires that subgrantees ensure that insulation around knob-and-tube wiring conforms with applicable codes in jurisdictions where the work is being performed.

Serious electrical hazards exist when gross overloads are present. Should auditors and crews find such existing problems, they must notify the owner verbally and in writing by the subgrantee WAP program manager.

Weatherization measures that involve the installation of new equipment such as air conditioners, heat pumps, or electric water heaters can exacerbate previously marginal overload problems to hazardous levels. The problem must also be noted in the client file. To the extent that these problems prevent adequate weatherization, the agency should consider repairing them on a case-by-case basis.

9. Refrigerant Issues

The replacement of air conditioners requires subgrantees to ensure that the requirements of the Clean Air Act 1990, section 608, as amended by 40 CFR 82, 5/14/93, be enforced. The appliance vendor, de-manufacturing center, or other entity recovering the refrigerant must possess EPA-approved section 608 types I or universal certification. Subgrantees must ensure they have appropriate protocols in place that comply with all standards relating to the disposal of the existing appliances.

10. Other Code Compliance Issues

It is the subgrantee's responsibility to ensure that weatherization-related work conforms with applicable codes in jurisdictions where the work is being performed.

[illegible]

The decision to defer work in a dwelling is difficult, but necessary, in some cases. This does not mean that assistance will never be available, but that work must be postponed until the problems can be resolved and/or alternative sources of help are found. Note that subgrantees, including crews and contractors, are expected to pursue reasonable options on behalf of the client, including referrals, and to use good judgment in dealing with difficult situations.

Subgrantees will develop guidelines and a standardized form for such situations. The form will include the client's name and address, dates of the audit/assessment and when the client was informed, a clear description of the problem, conditions under which weatherization could continue, the responsibility of all parties involved, and the client(s) signature(s) indicating that they understand and have been informed of their rights and options.

Deferral conditions may include:

- The client has known health conditions that prohibit the installation of insulation and other weatherization materials.
- The building structure or its mechanical systems, including electrical and plumbing, are in such a state of disrepair that failure is imminent and the conditions cannot be resolved cost-effectively.
- The house has sewage or other sanitary problems that would further endanger the client and weatherization installers if weatherization work were performed.
- The house has been condemned or electrical, heating, plumbing, or other equipment has been "red tagged" by local or state building officials or utilities.
- Moisture problems are so severe they cannot be resolved under existing health and safety measures and with minor repairs.
- Dangerous conditions exist due to high carbon monoxide levels in combustion appliances, and cannot be resolved under existing health and safety measures.
- The client is uncooperative, abusive, or threatening to the crew, subcontractors, auditors, inspectors, or others who must work on or visit the house.
- The extent and condition of lead-based paint in the house would potentially create further health and safety hazards.
- In the judgment of the energy auditor, any condition exists which may endanger the health and/or safety of the work crew or subcontractor, the work should not proceed until the condition is corrected.

REFRIGERATOR REPLACEMENT POLICY

The following criterion applies to replacement refrigerators:

ELIGIBILITY FOR REFRIGERATOR

Weatherization Program Notice 00-5 lists the types of refrigerators that may be installed with U.S. Department of Energy (DOE) funds. Refrigerators and refrigerator-freezers with manual, automatic, or partial automatic defrost are eligible. Units must comply with UL-250 and with energy efficiency standards established in the National Appliance Energy Conservation Act of 1987 that are periodically updated. [illegible] use.

To qualify for replacement, the refrigerator replacement unit must result in a savings-to-investment ratio (SIR) of 1.0 or greater.

To determine the SIR, one of the following methods must be used to determine the energy use of the existing unit:

- Refrigerator replacement analysis tools that utilize the Association of Home Appliance Manufacturers or other approved refrigerator databases.
- Meter electric usage of the existing unit utilizing an approved meter. [redacted]

[redacted]

- Meter at least 10% of units replaced — It is not required to meter every existing refrigerator that is replaced. Initially, as the program gains experience, DOE will require metering on at least 10% of the units replaced. Units that cannot be located in the Association of Home Appliance Manufacturers, or other refrigerator databases, may make up all or most of the 10% requirement.

- [redacted] — The minimum metering duration required to obtain results accurate enough to make a reliable replacement decision has been debated for several years. DOE believes a two-hour minimum metering duration is an appropriate compromise.

MATERIALS

- New refrigerators shall:
  - Not exceed the size of the replaced unit.
  - Have a minimum 1-year warranty.

INSTALLATION

- The electrical outlet shall:
  - Provide the voltage specified on the ID plate of the new refrigerator.
  - Be properly grounded and/or protected with a properly functioning GFCI device.
  - Be located within reach of the refrigerator without the use of an extension cord.
  - Be in good condition with nothing visibly wrong (e.g., not cracked or broken, and no spark, smoke, or burn marks, etc.).
  - Meet refrigerator manufacturer's specifications for space and clearances.

- The contractor shall:
  - Deliver and install the new refrigerator.
  - Level the unit to ensure proper operation.
  - Ensure that door hinges are on the appropriate side.
  - Instruct the customer on refrigerator operation.
  - Deliver warranties and operating manuals to the customer.
  - Set temperature controls appropriately.

[redacted]

- The contractor shall:
  - Take unit out of service. Make sure the existing refrigerator, removed from the house, and **DOES NOT** find its way back onto the electric grid.
  - Dispose of unit in an environmentally responsible manner. All refrigerators replaced must be properly disposed of according to the environmental standards in the Clean Air Act of 1990, section 608, as amended by Final Rule 40 CFR 82, May 14, 1993.
  - Take unit to a de-manufacturing facility or incorporate disposal requirements in vendor contract.
  - Remove all packing materials from the customer's premises.

[redacted]

- The sub-grantee shall record the following information for both the existing and replacement refrigerators:

- Manufacturer (for years available)
- Brand
- Year of manufacture
- Model number
- Type (e.g., side-by-side, top freezer)
- Database estimated kWh/yr

- On metered units, the sub-grantee shall provide an estimated annual kWh usage and the duration of metered data.
- Provide saving to Investment Ratio for the replacement refrigerator.

WRITTEN AUTHORIZATION

There may be cases where it is the best interest of the client that a refrigerator be installed that does not meet the requirements of the Weatherization Assistance Program Refrigerator Replacement Policy. In these cases, written authorization must be obtained from the Energy Office.

GILA COUNTY ATTORNEY
Daisy Flores

Re: County Attorney's Office approval of IGA pursuant to A.R.S. § 11-952(D).

To whom it may concern:

The County Attorney's Office has reviewed the Intergovernmental Agreement attached to this agenda item and has determined that it is in its "proper form" and "is within the powers and authority granted under the laws of this state to such public agency or public procurement unit" pursuant to A.R.S. § A.R.S. § 11-952(D).

Explanation of the Gila County Attorney's Office Intergovernmental Agreement (IGA) Review

A.R.S. § 11-952(D) requires that

> every agreement or contract involving any public agency or public procurement unit of this state . . . before its execution, shall be submitted to the attorney for each such public agency or public procurement unit, who shall determine whether the agreement is in proper form and is within the powers and authority granted under the laws of this state to such public agency or public procurement unit.

In performing this review, the County Attorney's Office reviews IGAs to see that they are in "proper form" prior to their execution. "Proper form" means that the contract conforms to fundamental contract law, conforms to specific legislative requirements, and is within the powers and authority granted to the public agency. It does not mean that the County Attorney's Office approves of or supports the policy objectives contained in the IGA. That approval is solely the province of the public agency through its elected body.

Likewise, this approval is not a certification that the IGA has been properly executed. Proper execution can only be determined after all the entities entering into the IGA have taken legal action to approve the IGA. There is no statutory requirement for the County Attorney's Office to certify that IGAs are properly executed.

Nonetheless, it is imperative for each public agency to ensure that each IGA is properly executed because A.R.S. § 11-952(F) requires that "[a]ppropriate action ... applicable to the governing bodies of the participating agencies approving or extending the duration of the ... contract shall be necessary before any such agreement, contract or extension may be filed or become effective." This can be done by ensuring that the governing body gives the public proper notice of the meeting wherein action will be taken to approve the IGA, that the item is adequately described in the agenda accompanying the notice, and that the governing body takes such action. Any questions regarding whether the IGA has been properly executed may be directed to the County Attorney's Office.

Proper execution of IGAs is important because A.R.S. § 11-952(H) provides that "[p]ayment for services under this section shall not be made unless pursuant to a fully approved written contract." Additionally, A.R.S. § 11-952(I) provides that "[a] person who authorizes payment of any monies in violation of this section is liable for the monies paid plus twenty per cent of such amount and legal interest from the date of payment."

The public agency or department submitting the IGA for review has the responsibility to read and understand the IGA in order to completely understand its obligations under the IGA if it is ultimately approved by the public entity's board. This is because while the County Attorney's Office can approve the IGA as to form, the office may not have any idea whether the public agency has the capacity to actually comply with its contractual obligations. Also, the County Attorney's Office does not monitor IGA compliance. Hence the public entity or submitting department will need to be prepared to monitor their own compliance. A thorough knowledge of the provisions of the IGA will be necessary to monitor compliance.

Before determining whether an IGA contract "is in proper form," the County Attorney's Office will answer any questions or concerns the public agency has about the contract. It is the responsibility of the public agency or department submitting the IGA for review to ask any specific questions or address any concerns it has about the IGA to the County Attorney's Office at the same time they submit the IGA for review. Making such an inquiry also helps improve the County Attorney's Office review of the IGA because it will help focus the review on specific issues that are of greatest concern to the public agency. Failing to make such an inquiry when the agency does have issues or concerns will decrease the ability of the County Attorney's Office to meaningfully review the IGA.

ARF-1120 **Consent Agenda Item 4- F**

Regular BOS Meeting

Meeting Date: 04/03/2012

Submitted For:	Michael O'Driscoll, Health & Emergency Services Division Director	Submitted By:	Debra Williams, Deputy Director of Emergency Services, Health & Emergency Services Division
Department:	Health & Emergency Services Division	Division:	Emergency Services
Presenter's Name:			

Information

Request/Subject

Memorandum of Understanding between the Gila County Division of Health and Emergency Services, the Gila County Board of Supervisors, and Cenpatico Behavioral Health of Arizona, LLC

Background Information

The Gila County Behavioral Health Response Plan describes the mechanism for a coordinated, efficient and effective response to the behavioral health needs of persons impacted by disaster. This plan was approved in 2011 by the National Association of County and City Health Officials (NACCHO) as part of the Project Public Health Ready (PPHR) preparedness and assessment tool.

Evaluation

Cenpatico Behavioral Health Arizona, LLC is the Regional Behavioral Health Authority and is the primary agency for coordination of behavioral health services in Gila County.

Conclusion

This Memorandum of Understanding (MOU) identifies the Gila County Division of Health and Emergency Services and Cenpatico as the lead agencies to coordinate disaster behavioral response. This MOU is a period of one year from the date of the last signature on the MOU and it can be renewed on an annual basis with the approvel of both parties.

Recommendation

The Director for the Gila County Division of Health & Emergency Services recommends approval of the Chairman's signature on the Memorandum of Understanding.

Suggested Motion

Approval of the Chairman's signature on the Memorandum of Understanding (MOU) between the Gila County Division of Health and Emergency Services, the Gila County Board of Supervisors and Cenpatico Behavioral Health of Arizona, LLC for a period of one year (from the date of the last signature on the MOU) to provide a coordinated response to the behavioral health needs of persons impacted by disaster.

Attachments

MOU

Former MOU

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE GILA COUNTY DIVISION OF HEALTH AND EMERGENCY SERVICES

THE GILA COUNTY BOARD OF SUPERVISORS

AND

CENPATICO BEHAVIORAL HEALTH OF ARIZONA, LLC

This Memorandum of Understanding is entered into this 6th day of March, 2012 between the Gila County Division of Health and Emergency Services hereinafter referred to as "The Division", the Gila County Board of Supervisors and Cenpatico Behavioral Health of Arizona, LLC, hereinafter referred to as "Cenpatico" and may be renewed on an annual basis if agreed upon by both parties.

Whereas, the potential for public health emergencies exists in Gila County, it may be necessary to provide public health services to large numbers of the general population in a short period of time,

Whereas, The Division is responsible for the coordination of a response to public health emergencies within Gila County, including portions of three tribal nations, White Mountain, San Carlos, and Tonto Apache,

Whereas that response may include the provision of behavioral health services,

Whereas, Cenpatico has expressed a willingness to take the lead in coordinating behavioral health services,

THEREFORE, The Division and Cenpatico agree to the following:

THE DIVISION:

1. Shall designate a staff person as the point of contact for Cenpatico for routine and emergency contacts,
2. Shall provide as much advanced notification to Cenpatico as possible to the location(s) and type(s) of service(s) needed in the event of a public health emergency.

CENPATICO:

1. Shall provide the Division with a point of contact for behavioral health services, available 24 hours a day, 7 days a week,
2. Shall facilitate emergency and risk communications with local providers, who will contact enrolled consumers in the affected area,
3. Shall, in the event, the provider is unable to contact consumers, will work with NurseWise to provide a welfare check through local law enforcement agencies,

5. Shall provide referral to the Division for Critical Incident Stress Management services.

CONTACTS:

THE DIVISION: Gila County Division of Health and Emergency Services
5515 S. Apache Ave. Suite 400
Globe, AZ 85501
928-402-8764
ATTN: Leana Asberry, Public Health Emergency Preparedness Manager
928-402-8805

ORGANIZATION: Cenpatico Behavioral Health of Arizona, LLC
1501 W. Fountainhead Parkway Suite 360
Tempe, AZ 85282
ATTN: Laurel Rettle, Administrator of Preventive and Critical Care Coordination
866-495-6738 ext. 26118
Nurse Wise Crisis Line (24/7 number): 1-866-495-6735

Signed this 20th day of March, 2012:

GILA COUNTY BOARD OF SUPERVISORS

Tommie C. Martin, Chairman

CENPATICO

Terry Stevens, Chief Executive Officer

DATE: 3-5-12

GILA COUNTY DIVISION OF HEALTH AND EMERGENCY SERVICES

Michael O'Driscoll, Director

ATTEST:

Marian Sheppard, Chief Deputy Clerk of the Board

APPROVED AS FORM:

Bryan B. Chambers, Chief Deputy County Attorney
for Daisy Flores, County Attorney

COPY

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding is between Gila County Division of Health and Community Services (Division) and Cenpatico Behavioral Health of Arizona (Cenpatico).

Whereas the potential for naturally occurring terrorist initiated health emergencies exist in Arizona, and other states, it may be necessary to provide public health services to large numbers of the general population in a short period of time, and;

Whereas the Division is responsible for the coordination of a response to public health emergencies within Gila County, including portions of three tribal nations, White Mountain, San Carlos, and Tonto Apache,

Whereas that response may include the provision of behavioral health services, and,

Whereas Cenpatico has expressed a willingness to take the lead in coordinating behavioral health services,

The Division and Cenpatico agree to the following:

This Memorandum of Understanding is effective March 23, 2009 through June 30, 2010, and may be renewed on an annual basis if agreed upon by both parties, therefore,

The Division agrees to:

1. Designate a staff person as the point of contact for Cenpatico for routine and emergency contacts
2. Provide as much advanced notification to Cenpatico as possible to the location(s) and type(s) of service(s) needed in the event of a public health emergency.

Cenpatico agrees to:

1. Provide the Division with a point of contact for behavioral health services, available 24 hours a day, 7days a week.
2. Facilitate emergency and risk communications with local providers, who will contact enrolled consumers in the affected area.
3. In the event that the provider is unable to contact consumers, they will work with NurseWise to provide a welfare check through local law enforcement agencies.
4. Cenpatico will provide hourly updates to Division regarding the percentage of contacts made.
5. Provide referral to Division for community Critical Incident Stress Management services.

CONTACT INFORMATION

Gila County Division of Health and Community Services
5515 South Apache Avenue, Suite 100
Globe, AZ. 85501
ATTN: Matthew Bolinger, Public Health Emergency Preparedness Manager
928-402-8767- or mobile 928-701-7000

Cenpatico Behavioral Health of Arizona
1501 W. Fountainhead Parkway Suite 295
Tempe, AZ 85282
ATTN: Laurel Rettle, Manager of Community and Emergency Services
1-866-495-6738 extension 26118

NurseWise Crisis Line (24/7 number): 1-866-495-6735

CANCELLATION

Either party may terminate this Memorandum of Understanding without cause 30 days written notice to the other party. This agreement is subject to the cancellation provision of A.R.S. 38-511.

This Memorandum of Understanding signed this 14th day of April 2009.

ATTEST:

APPROVED AS TO FORM

Bryan Chambers, DEPUTY COUNTY ATTORNEY

APPROVED AS TO CONTENT:

Terry Stevens, CHIEF EXCUTIVE OFFICER

David J.H. Fletcher, GILA COUNTY DIVISION OF HEALTH AND COMMUNITY SERVICES

Signed this 14th day of April 2009

GILA COUNTY BOARD OF SUPERVISORS

Shirley Dawson, CHAIRMAN, BOARD OF SUPERVISORS

GILA COUNTY DIVISION OF HEALTH AND COMMUNITY SERVICES

David J.H. Fletcher, DIRECTOR, GIOLA COUNTY DIVISION OF HEALTH AND COMMUNITY SERVICES

CENPATICO BEHAVIORAL HEALTH OF ARIZONA, LLC

Terry Stevens, CHIEF EXECUTIVE OFFICER

ARF-1150 **Consent Agenda Item 4- G**

Regular BOS Meeting

Meeting Date: 04/03/2012

Submitted For: Linda Eastlick, Elections Director

Submitted By: Liz Mata, Administrative Clerk, Elections Department

Department: Elections Department

Presenter's Name:

Information

Request/Subject

Appointment of Precinct Committeemen to the Gila County Republican Committee

Background Information

ARS16-821 (B) provides if a vacancy exists in the office of precinct committeemen, the vacancy shall be filled by the Board of Supervisors from a list of names submitted by the County Chairman of the appropriate political party.

Evaluation

Two new individuals have been submitted by the Gila County Republican Committee Chair for appointment to the office of precinct committeemen. Per statute, the Board of Supervisors has the authority to make this appointment.

Conclusion

The Republican Party has submitted Rosanne Marie Mitchell-Gilver and Kenneth Seeman for appointment by the Board of Supervisors.

Recommendation

The Director of Elections recommends that the Board of Supervisors approve the appointments as submitted by the Gila County Republican Committee.

Suggested Motion

Approval of the appointments of the following precinct committeemen as submitted by the Gila County Republican Committee: Star Valley Precinct - Kenneth Seeman; and Tonto Basin Precinct - Rosanne Marie Mitchell-Gilver.

Attachments

Rep PC March 2012 Two

GILA COUNTY REPUBLICAN COMMITTEE

PRECINCT COMMITTEEMAN APPOINTMENT

Please be advised that at a duly constituted meeting of the Gila County Republican Committee held on 3/7/12 (Date), KENNETH SEEMAN (Name on Voter Registration)

a duly qualified Republican elector residing at

904 N. SCENIC DR, PAYSON, AZ 85541
Address City State Zip

978-0900
Home Phone Work Phone Cell Phone

Fax KENSHIPS@G-MAIL.COM
Email

was appointed a Precinct Committeeman in Gila County for the

PRECINCT of Star Valley CODE Number _____

to fill a vacancy in the same Precinct because:

X Legal vacancy has not been filled.

_____ Resignation of _____

_____ Death of _____

RESPECTFULLY SUBMITTED

[signature] 3/7/12
Party Chair

Acceptance of Appointment

I agree to serve as a Precinct Committeeman. I will support the goals of the Arizona Republican Party and help promote the Republican message in Arizona and the **Gila County Republican Committee.**

The minimum duties of a Precinct Committeeman shall include:

1. Active involvement in the Party. A Precinct Committeeman should regularly attend County meetings and club meetings and become actively involved in the affairs of the party.
2. Support for nominees of the Republican Party. Campaigning for a nominee of an opposition party constitutes failure to fulfill this duty
3. Active assistance to the Republican Party in obtaining Republican registered voters.
4. Active assistance to Republican voters on Election Day.
5. Financial assistance or time commitment to fund raising activities for the Republican Party.

Signed: Kenneth L. Seeman Date: 2/27/12

Voter Identification Number: _____

form 4-27-11

GILA COUNTY REPUBLICAN COMMITTEE

PRECINCT COMMITTEEMAN APPOINTMENT

It is requested that the Gila County Board of Supervisors appoint

ROSANNE MARIE MITCHELL-GIVLER, (Name on Voter Registration)

a duly qualified Republican elector residing at

232 E. STEPHENS WAY TONTO BASIN, AZ 85553
Address City State Zip

928-595-0112
Home Phone Work Phone Cell Phone

MJM4911@GMAIL.COM
Fax Email

as a Republican Precinct Committeeman in Gila County for the

PRECINCT of 220B (Tonto Basin) CODE Number _____

to fill a vacancy in the same Precinct because:

X Legal vacancy has not been filled.

_____ Resignation of _____

_____ Death of _____

RESPECTFULLY SUBMITTED

Party Chairman

3/7/12
Date Submitted

Acceptance of Appointment

I agree to serve as a Precinct Committeeman. I will support the goals of the Arizona Republican Party and help promote the Republican message in Arizona and the **Gila County Republican Committee.**

The minimum duties of a Precinct Committeeman shall include:

1. Active involvement in the Party. A Precinct Committeeman should regularly attend County meetings and club meetings and become actively involved in the affairs of the party.
2. Support for nominees of the Republican Party. Campaigning for a nominee of an opposition party constitutes failure to fulfill this duty
3. Active assistance to the Republican Party in obtaining Republican registered voters.
4. Active assistance to Republican voters on Election Day.
5. Financial assistance or time commitment to fund raising activities for the Republican Party.

Signed: Rosanne Marie Mitchell-Givler Date: 2/13/12

Voter Identification Number: 0400041155

form 8-17-11

ARF-1153 **Consent Agenda Item 4- H**

Regular BOS Meeting

Meeting Date: 04/03/2012

Submitted By: Marian Sheppard, Chief Deputy Clerk, BOS, Clerk of the Board of Supervisors

Department: Clerk of the Board of Supervisors

Presenter's Name:

Information

Request/Subject

Humane Society of Central Arizona Special Event Liquor License Application

Background Information

A qualified organization may submit an application to serve liquor at a special event for up to 10 days per year. The Arizona Department of Liquor Licenses and Control (Department) approves all liquor-related applications; however, part of the Department's process requires that the local governing body review the application and submit a recommendation for approval or disapproval to the Department for any establishment located within the jurisdiction of that local governing body.

Evaluation

The Chief Deputy Clerk of the Board of Supervisors has reviewed the application and has determined that it has been filled out correctly.

Conclusion

This charitable organization has properly completed the application and if the Board of Supervisors approves the application, the Humane Society of Central Arizona will have used 1 day of the allowable 10 days to serve liquor at a special event in 2012.

Recommendation

The Chief Deputy Clerk recommends that the Board of Supervisors approve this application. Upon approval, the applicant has the responsibility to submit the application to the Department for its final approval.

Suggested Motion

Approval of a Special Event Liquor License Application submitted by the Humane Society of Central Arizona to serve liquor at a fund-raiser event to be held on June 2, 2012.

Attachments

Humane Society of Central Arizona Special Event App

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix, Arizona 85007-2934
(602) 542-5141

APPLICATION FOR SPECIAL EVENT LICENSE

Fee = $25.00 per day for 1-10 day events only
A service fee of $25.00 will be charged for all dishonored checks (A.R.S.§ 44-6852)

NOTE: THIS DOCUMENT MUST BE FULLY COMPLETED OR IT WILL BE RETURNED.
PLEASE ALLOW **10** BUSINESS DAYS FOR PROCESSING.

****Application must be approved by local government before submission to Department of Liquor Licenses and Control. (Section #20)**

DLLC USE ONLY
LICENSE #

1. Name of Organization: Humane Society of Central Arizona
2. Non-Profit/I.R.S. Tax Exempt Number: 23-7206092
3. The organization is a: (check one box only)

   ☑ Charitable ☐ Fraternal (must have regular membership and in existence for over 5 years)

   ☐ Civic ☐ Religious ☐ Political Party, Ballot Measure, or Campaign Committee

4. What is the purpose of this event? ☑ on-site consumption ☐ off-site consumption (auction) ☐ both

5. Location of the event: 1515 W. H Bar Ranch Road | Payson | Gila | 85541
   Address of physical location (Not P.O. Box) | City | County | Zip

Applicant must be a member of the qualifying organization and authorized by an Officer, Director or Chairperson of the Organization named in Question #1. (Signature required in section #18)

6. **Applicant:** Reid | Diane | T. | 8-30-45
   Last | First | Middle | Date of Birth
7. Applicant's Mailing Address: 1420 E. Tranquility Point | Payson | AZ | 85541
   Street | City | State | Zip
8. Phone Numbers: (928) 970-0404 Site Owner # | (928) 474-5590 Applicant's Business # | (928) 474-5017 Applicant's Home #
9. Date(s) & Hours of Event: (see A.R.S. 4-244(15) and (17) for legal hours of service)

	Date	Day of Week	Hours from A.M./P.M.	To A.M./P.M.
Day 1:	June 2, 2012	Saturday	11 A.M.	3 P.M.
Day 2:				
Day 3:				
Day 4:				
Day 5:				
Day 6:				
Day 7:				
Day 8:				
Day 9:				
Day 10:				

***Disabled individuals requiring special accommodations, please call (602) 542-9027**

10. Has the applicant been convicted of a felony in the past five years, or had a liquor license revoked?
☐ YES ☑ NO (attach explanation if yes)

11. This organization has been issued a special event license for 0 days this year, including this event (not to exceed 10 days per year).

12. Is the organization using the services of a promoter or other person to manage the event? ☐ YES ☑ NO
If yes, attach a copy of the agreement.

13. List all people and organizations who will receive the proceeds. Account for 100% of the proceeds.
THE ORGANIZATION APPLYING MUST RECEIVE 25% OF THE GROSS REVENUES OF THE SPECIAL EVENT LIQUOR SALES.

Name Humane Society of Central Arizona — 100% (Percentage)

Address 812 S. McLane Road, Payson, AZ

Name _____ _____ (Percentage)

Address _____

(Attach additional sheet if necessary)

14. Knowledge of Arizona State Liquor Laws Title 4 is important to prevent liquor law violations. If you have any questions regarding the law or this application, please contact the Arizona State Department of Liquor Licenses and Control for assistance.

NOTE: ALL ALCOHOLIC BEVERAGE SALES MUST BE FOR CONSUMPTION AT THE EVENT SITE ONLY.
"NO ALCOHOLIC BEVERAGES SHALL LEAVE SPECIAL EVENT PREMISES."

15. What security and control measures will you take to prevent violations of state liquor laws at this event?
(List type and number of security/police personnel and type of fencing or control barriers if applicable)

5-6* # Police ☑ Fencing
_____ # Security personnel ☑ Barriers

*Gila County Sheriff Posse Members

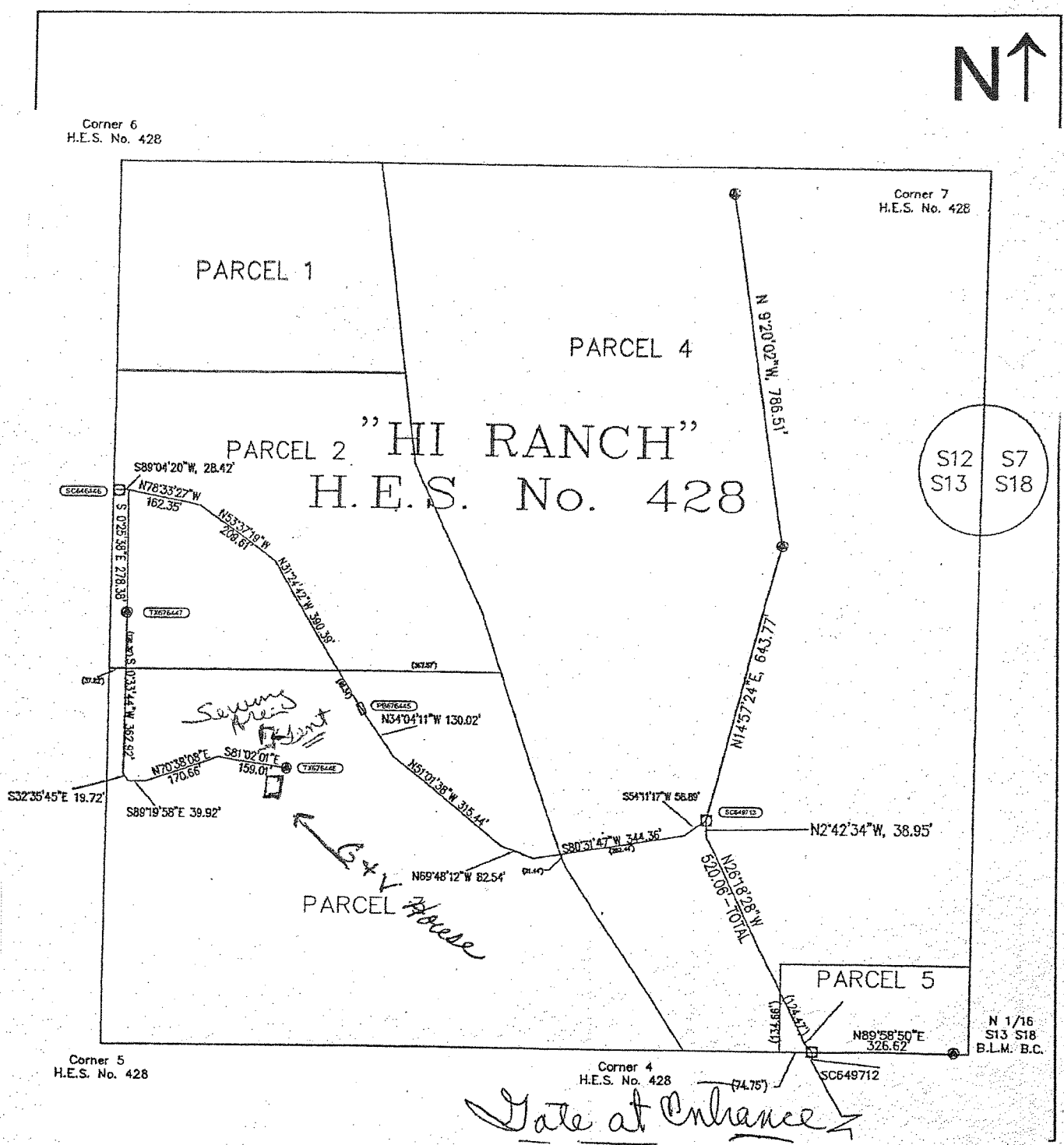
16. Is there an existing liquor license at the location where the special event is being held? ☐ YES ☑ NO
If yes, does the existing business agree to suspend their liquor license during the time period, and in the area in which the special event license will be in use? ☐ YES ☐ NO
(ATTACH COPY OF AGREEMENT)

_____ Name of Business ( ) _____ Phone Number

17. Your licensed premises is that area in which you are authorized to sell, dispense, or serve spirituous liquors under the provisions of your license. The following page is to be used to prepare a diagram of your special event licensed premises. Please show dimensions, serving areas, fencing, barricades or other control measures and security positions.

SPECIAL EVENT LICENSED PREMISES DIAGRAM
(This diagram must be completed with this application)

Special Event Diagram: (Show dimensions, serving areas, and label type of enclosure and security positions)
NOTE: Show nearest cross streets, highway, or road if location doesn't have an address.



THIS SECTION TO BE COMPLETED ONLY BY AN OFFICER, DIRECTOR OR CHAIRPERSON OF THE ORGANIZATION NAMED IN QUESTION #1

18. I, Diane T. Reid (Print full name) declare that I am an **Officer/Director/Chairperson** appointing the applicant listed in Question 6, to apply on behalf of the foregoing organization for a Special Event Liquor License.

X Diane T. Reid (Signature) Vice Chair, Board of Directors (Title/Position) 3-9-12 (Date) (928) 474-5017 (Phone #)

Aleea Blaauw
Notary Public
Gila County, Arizona
My Comm. Expires 06-22-13

State of Arizona County of Gila

The foregoing instrument was acknowledged before me this 09 (Day) March (Month) 2012 (Year)

My Commission expires on: 06-22-2013 (Date) (Signature of NOTARY PUBLIC)

THIS SECTION TO BE COMPLETED ONLY BY THE APPLICANT NAMED IN QUESTION #6

19. I, Diane T. Reid (Print full name) declare that I am the APPLICANT filing this application as listed in Question 6. I have read the application and the contents and all statements are true, correct and complete.

X Diane T. Reid (Signature)

Aleea Blaauw
Notary Public
Gila County, Arizona
My Comm. Expires 06-22-13

State of Arizona County of Gila

The foregoing instrument was acknowledged before me this 09 (Day) March (Month) 2012 (Year)

My commission expires on: 06-22-2013 (Date) (Signature of NOTARY PUBLIC)

You must obtain local government approval. City or County *MUST* recommend event and complete item #20. The local governing body may require additional applications to be completed and submitted 60 days in advance of the event. Additional licensing fees may also be required before approval may be granted.

LOCAL GOVERNING BODY APPROVAL SECTION

20. I, _____ (Government Official) _____ (Title) hereby recommend this special event application on behalf of _____ (City, Town or County) _____ (Signature of OFFICIAL) _____ (Date)

FOR DLLC DEPARTMENT USE ONLY

Department Comment Section:

_____

_____ (Employee) _____ (Date)

☐ APPROVED ☐ DISAPPROVED BY: _____

_____ (Title) _____ (Date)

ARF-1159 **4- I**

Regular BOS Meeting

Meeting Date: 04/03/2012

Reporting Period: Payson Regional Justice of the Peace Monthly Report for February 2012

Submitted For: Dorothy Little

Submitted By: Dorothy Little, Justice of the Peace-Payson Region, Superior Court

---

Information

Subject

Payson Regional Justice of the Peace Monthly Report for February 2012

Suggested Motion

Approval of the February 2012 monthly departmental activity report submitted by the Payson Regional Justice.

Attachments

Payson Regional Justice of the Peace Report for February 2012

LIMITED JURISDICTION COURTS MONTHLY STATISTICAL REPORT

Page 1 Processing

Court ID: 404

County: PAYSON REGIONAL JUSTICE COURT Report Month/Year: February 2012

CRIMINAL TRAFFIC	D.U.I. (a)	Serious* Violations (b)	All Other Violations (c)	TOTAL (d)
Pending 1st of Month	99	7	137	243
Filed	8	4	18	30
Transferred In	0	0	0	0
SUBTOTAL	107	11	155	273
Transferred Out	0	0	1	1
Other Terminations	25	3	19	47
TOTAL TERMINATIONS	25	3	20	48
Statistical Correction	0	0	0	0
Pending End of Month	82	8	135	225

***A.R.S. 28-661 (if misdemeanor), -662,-663,-664,-665,-693,-708. See Instructions.**

TRAFFIC FAILURE TO APPEAR**

Pending 1st of Month	Filed	Trans In	SUB-TOTAL	Trans Out	Other Term.	TOTAL TERM.	Stat. Corr.	Pending End of Month
195	0	0	195	0	1	1	0	194

****READ:** These are FORMAL FTA FILINGS AND DISPOSITIONS CHARGING ANOTHER CRIMINAL OFFENSE, not bench warrants for failure to appear. FTA filings should also have original traffic complaint recorded in the CRIMINAL TRAFFIC SECTION above until that traffic filing has been terminated. Issuing a bench warrant or an FTA does not terminate the traffic filing.

Criminal Traffic/FTA Court Trials Held: 0 Criminal Traffic/FTA Jury Trials Held: 2

CIVIL TRAFFIC

Pending 1st of Month	Filed	Trans In	SUB-TOTAL	Trans Out	Default Judg-ment	Other Term.	TOTAL TERM.	Stat. Corr.	Pending End of Month
926	260	0	1,186	0	7	308	315	0	871

Civil Traffic Hearings Held: 3

VIOLATIONS OF A.R.S. 28-702.01 AND 28-702.04
(Part of Civil Traffic Above)

Filed 77 Trans In 0 TOTAL 77

LIMITED JURISDICTION COURTS MONTHLY STATISTICAL REPORT

Court ID: 404 **Page 2 Processing**

County: PAYSON REGIONAL JUSTICE COURT Report Month/Year: February 2012

MISDEMEANOR

	Pending 1st of Month (a)	Filed (b)	Trans In (c)	SUB TOTAL (d)	Tran Out (e)	Other Term (f)	TOTAL TERM (g)	Stat. Corr. (h)	Pending End of Month (j)
Misdemeanor (Non-Traffic)	551	47	0	**598**	0	72	72	*0*	**526**
Failure to Appear (Non-Traffic)	62	1	0	**63**	0	1	1	*0*	**62**
TOTAL	613	48	0	**661**	0	73	73	0	**588**

TRIALS HELD

Misdemeanor Court/FTA Trials Held: **1** Misdemeanor/FTA Jury Trials Held: **0**

FELONY

Pending 1st of Month (a)	Filed (b)	Trans In (c)	SUB TOTAL (d)	Trans Out (e)	Other Term (f)	TOTAL TERM (g)	Stat. Corr. (h)	Pending End of Month (j)
38	**1**	**0**	39	**0**	**2**	2	0	37

Felony Preliminary Hearings Held: **0** Felony, Misdemeanor, Criminal Traffic Initial: Appearances: **124**

LOCAL NON-CRIMINAL ORDINANCES

	Pending 1st of Month	Filed	SUB-TOTAL	Terminated	Stat. Corr.	Pending End of Month
Parking	**0**	**0**	0	**0**	0	**0**
Non-Parking	**0**	**0**	0	**0**	0	**0**
TOTAL	0	0	0	0	0	**0**

LIMITED JURISDICTION COURTS MONTHLY STATISTICAL REPORT

Page 3 Processing

Court ID: 404

County: PAYSON REGIONAL JUSTICE COURT Report Month/Year: February 2012

CIVIL COMPLAINTS

	Small Claims (a)	Forcible Detainer (b)	Other Civil (c)	TOTAL (d)
Pending 1st of Month	69	16	244	329
Filed	1	6	52	59
Transferred In	0	0	0	0
SUBTOTAL	70	22	296	388
Transferred Out	0	0	0	0
Other Terminations	5	6	18	29
TOTAL TERMINATIONS	5	6	18	29
Statistical Correction	0	0	0	0
Pending End of Month	65	16	278	359

Small Claims Hearings Held/Defaults: 0

Civil Court Trials Held: 4

Small Claims Hearings Held/Defaults Before Volunteer Hearing Officer: 0

Civil Jury Trials Held: 0

DOMESTIC VIOLENCE/HARASSMENT PETITIONS

	Filed	Order Issued	Petition Denied	TOTAL TERM.
Domestic Violence	9	10	0	10
Harassment	16	14	0	14

HEARINGS HELD TO REVOKE OR MODIFY ORDER OF PROTECTION INJUNCTION AGAINST HARASSMENT

Order of Protection: 1

Injunction Against: 0

SPECIAL PROCEEDINGS/ACTIVITIES

Peace Bond Complaints Filed: 0

Fugitive Complaints Filed: 0

Juvenile Hearings Held: 0

Search Warrants Issued: 8

LIMITED JURISDICTION COURTS MONTHLY STATISTICAL REPORT

Page 4 Processing

Court ID: 404

County: PAYSON REGIONAL JUSTICE COURT

Report Month/Year: February 2012

WARRANTS OUTSTANDING

TRAFFIC WARRANTS OUTSTANDING

D.U.I.	**164**
Serious Violations	**9**
All Other Violations	**550**
TRAFFIC TOTAL	**723**

CRIMINAL WARRANTS OUTSTANDING

Felony	**140**
Misdemeanor	**760**
CRIMINAL TOTAL	**900**

MAIL BY THE 20TH WORKING DAY OF MONTH:

Arizona Supreme Court
Administrative Office of the Courts
1501 W. Washington St., Suite 410
Phoenix, AZ 85007-3327

ATTN: Research/Statistics Unit
(602) 542-9376

Signature of the Judge/Magistrate (or designee)

Dorothy A Little

Name of Preparer

3-14-12

Date of Preparation

PAYSON JUSTICE COURT TREASURER'S RECAP FY2012

FEBRUARY, 2012 FUND NAME	AZTEC CODE	ACCOUNT CODE	ACCOUNT CODE	TOTAL AMOUNT ALLOCATED	5% FILL THE GAP SET ASIDE	ADJUSTED BALANCE
Alternative Dispute Resolution	ZADR		T848-2061	$ 92.23	$ 4.61	$ 87.62
Arson Detection Reward Fund 41-2167D	ZADRF		T901-2061	$ -	$ -	$ -
Attorney Fee Reimbursement	ZATT	1005.314-3350.00	X10501314004383	$ 105.78		$ 105.78
Confidential Address Assessment - State Treasurer	ZCAA1			$ -	$ -	$ -
Confidential Address Assessment - Local	ZCAA2			$ -	$ -	$ -
Citizens Clean Elections	ZCEF		T888-2061	$ 1,929.54		$ 1,929.54
Criminal Justice Enhancement 67%	ZCJEF		T812-2061	$ 9,067.57	$ 453.38	$ 8,614.19
Defensive Driving Diversion Fee	ZDDS	1005.314-3400.90	X105-4609	$ 3,850.00	$ 192.50	$ 3,657.50
DNA State Surcharge 3% 12-116.01C	ZDNAS		T872-2061	$ 1,115.41	$ 55.77	$ 1,059.64
Elected Officials Retirement Fund 15.30%	ZEORF		T801-2061	$ 689.28	$ 34.46	$ 654.82
Base Fees (General Fund)	ZFEE	1005.314-3400.15	X105-4615	$ 2,371.93	$ 118.60	$ 2,253.33
Base Fines (General Fund)	ZFINE	1005.314-3510.10	X105-4831	$ 17,245.74	$ 862.29	$ 16,383.45
Fill the Gap Surcharge 7%	ZFTGS		T870-2061	$ 1,350.43	$ 67.52	$ 1,282.91
Failure To Pay Warrant Surcharge 10%	ZFTPS	1005.314.3400.17	X10501314004861	$ -	$ -	$ -
Extra DUI Assessment $500	ZGFDU		T912-2061	$ 3,468.57	$ 173.43	$ 3,295.14
Judicial Collection Enhancement $7	ZJCL	4741.314-3400.15	X36001314004615	$ 517.34		$ 517.34
Judicial Collection Enhancement Local %	ZJCLF	4741.314-3400.15	X36001314004615	$ 306.81	$ 15.34	$ 291.47
Judicial Collection Enhancement $13	ZJCS		T818-2061	$ 960.77		$ 960.77
Judicial Collection Enhancement %PC	ZJCSF		T840-2061	$ 701.99	$ 35.10	$ 666.89
Jail (Incarceration) Fees	ZJF	1005.300-34000-3405.40	X10502340004651	$ 1,303.14		$ 1,303.14
Local Costs	ZLCL	1005.314-3510.10	X105-4831	$ -	$ -	$ -
Administrative Costs	ZMISC	1005.314-3400.99	X105-4886	$ 425.76	$ 21.29	$ 404.47
Medical Services Enhancement 13%	ZMSEF		T813-2061	$ 2,508.12	$ 125.41	$ 2,382.71
2011 Additional Assessment - State Treasurer	ZOS1		T930-2061	$ 1,594.25	$ 79.71	$ 1,514.54
2011 Additional Assessment - County Treasurer	ZOS2		T931-2061	$ 199.29	$ 9.96	$ 189.33
Officer Safety Equipment - City Police (CP)	ZOS3			$ -	$ -	$ -
Officer Safety Equipment - Sheriff (SHF)	ZOS4		T933-2061	$ 196.50	$ 9.83	$ 186.67
Officer Safety Equipment - DPS (DPS)	ZOS5		T934-2061	$ 596.52	$ 29.83	$ 566.69
Officer Safety Equipment - MVD/ADOT (MVD)	ZOS6			$ -	$ -	$ -
Officer Safety Equipment - Game and Fish (GF)	ZOS7		T936-2061	$ 4.00	$ 0.20	$ 3.80
Officer Safety - Registrar of Contractors (ROC)	ZOS8			$ -	$ -	$ -
Officer Safety Equipment - Animal Control (AC)	ZOS10			$ -	$ -	$ -
Officer Safety - Tonto Apache Police (TAR)	ZOS15		T950-2061	$ 0.10	$ 0.01	$ 0.09
Overpayment Forfeited	ZOVF	1005.314-3510.10	X105-4831	$ 9.86	$ 0.49	$ 9.37
Adult Probation Fee	ZPBA	4042.335-3405.30	X25001335-4835	$ -	$ -	$ -
Probation Surcharge 2006 ($10.00)	ZPRS6		T871-2061	$ 206.53	$ 10.33	$ 196.20
Probation Surcharge 2009 ($20.00)	ZPRS9		T871-2061	$ 4,688.02	$ 234.40	$ 4,453.62
Probation Surcharge $5.00	ZPRSU		T871-2061	$ 72.89	$ 3.64	$ 69.25
Reimbursement to County Attorney 60%	ZREIM	3544.301-3400.11	X18201301004777	$ 1,874.12		$ 1,874.12
Reimbursement to Superior Court 40%	ZREIM	4574.333-3400.16	X226333004864	$ 1,249.41		$ 1,249.41
Security Enhancement Fee (Local)	ZSECE			$ -	$ -	$ -
Warrant Fee (Local)	ZWAR	1005.314-3510.10	X105-4831	$ 157.47	$ 7.87	$ 149.60
AZ Native Plant Fund	ZANP		STATE	$ -	$ -	$ -
Child Passenger Restraint	ZCPRF		STATE	$ 53.26	$ 2.66	$ 50.60
Drug and Gang Enforcement Fines	ZDECJ		STATE	$ 1,205.16	$ 60.26	$ 1,144.90
DUI Abatement	ZDUIA		STATE	$ -	$ -	$ -
Domestic Violence Shelter Fund	ZDVSF		STATE	$ -	$ -	$ -
FARE Special Collection Fee 19%	ZFAR1		STATE	$ 3,687.35		$ 3,687.35
FARE Delinquency Fee $35.00	ZFAR2		STATE	$ 1,684.20		$ 1,684.20
Game and Fish - Wildlife	ZGF		STATE	$ 136.06	$ 6.80	$ 129.26
HURF 1 28-5438, 2533C	ZHRF1		STATE	$ -	$ -	$ -
HURF 3 28-5433C, 4139	ZHRF3		STATE	$ -	$ -	$ -
HURF - to DPS	ZHRFD		STATE	$ -	$ -	$ -
Prison Construction Fund	ZPCOF		STATE	$ 3,739.40	$ 186.97	$ 3,552.43
Registrar of Contractors	ZRCA		STATE	$ -	$ -	$ -
State Highway Fund	ZSHWY		STATE	$ -	$ -	$ -
State Highway Work Zone Fund	ZSHWZ		STATE	$ -	$ -	$ -
Display Suspended Plates (DPS)	ZSLPD		STATE	$ 640.21	$ 32.01	$ 608.20
State Photo Enforcement Base Fine	ZSPBF		STATE	$ -	$ -	$ -
State Photo Enforcement Clean Election Surcharge	ZSPCE		STATE	$ -	$ -	$ -
Bad Check Program - County Attorney	ZBAD		COUNTY ATTY	$ 50.00		$ 50.00
HURF - to Sheriff's Office 28-5533G	ZHRFS		SHERIFF	$ -	$ -	$ -
Display Suspended Plates (Sheriff's Office)	ZSLPS		SHERIFF	$ 13.44	$ 0.67	$ 12.77
HURF - to City Police	ZHRFC		CITY POLICE	$ -	$ -	$ -
Display Suspended Plates (City Police)	ZSLPC		CITY POLICE	$ -	$ -	$ -
TOTALS				**$ 70,068.45**	**$ 2,835.34**	**$ 67,233.11**
					TOTAL ADJUSTED BALANCE VERIFICATION	**$ 67,233.11**

DATE	CHECK NO.	AMOUNT	MONTHLY REMITTANCE TO:
3/7/12	4570	**$ 59,148.74**	GILA COUNTY TREASURER
	4571	**$ 10,856.94**	ARIZONA STATE TREASURER
	4572	**$ 50.00**	GILA COUNTY BAD CHECK PROGRAM add.08 from Dec.
	4573	**$ 12.77**	SHERIFF SUSPENDED PLATES AND HURF
		$ -	CITY POLICE SUSPENDED PLATES AND HURF
		$ 70,068.45	**TOTAL DISTRIBUTIONS THIS MONTH**

I, DOROTHY A. LITTLE, Gila County Justice of the Peace, do hereby certify this is a true and correct copy of the funds collected by Payson Justice Court for FEBRUARY, 2012.

DOROTHY A. LITTLE
Gila County Justice of the Peace

ARF-1161 **4- J**

Regular BOS Meeting

Meeting Date: 04/03/2012

Reporting Period: Clerk of Superior Court's Monthly Report for February 2012

Submitted For: Vicki Aguilar

Submitted By: Vicki Aguilar, Chief Deputy Clerk of the Superior Court, Clerk of the Superior Court

---

Information

Subject

Clerk of Superior Court's Monthly Report for February 2012

Suggested Motion

Approval of the February 2012 monthly departmental activity report submitted by the Clerk of the Superior Court.

Attachments

Clerk's report for 2/2012

IN THE SUPERIOR COURT OF THE STATE OF ARIZONA

IN AND FOR THE COUNTY OF GILA

- - - - -

CLERK'S REPORT

FOR

FEBRUARY 2012

TO THE HONORABLE BOARD OF SUPERVISORS:

I herewith present the annexed report as and for a true and correct account of all fees earned and collected by me as Clerk of the Superior Court.

Anita Escobedo

ANITA ESCOBEDO
Clerk of the Superior Court
Of Gila County, Arizona

Summary Allocation by Agency Report

Report generated on : 3/9/2012 11:23:27 AM

Criteria : From Date : 2/1/2012 To Date :2/29/2012

Agency Code	Agency Name	GL Account Num	GL Account Name	Receipt Amount	Dishonored Amount	Adjusted Amount	Bond Forfeiture Amount	Net Amount	5% Set Aside
Agency Name :									
		5555	HOLD ACCOUNT	$28255.49		($12927.19)		$15328.30	$0.00
Agency Name :	**BOND POSTED - THIS COURT**								
ZBND	BOND POSTED - THIS COURT	ZBND	BOND POSTED - THIS COURT	$4550.00		($400.00)	($400.00)	$3750.00	$0.00
Agency Name :	**D.A.R.E. PROGRAM**								
ZDARE	D.A.R.E. PROGRAM	ZDARE	D.A.R.E. PROGRAM	$60.00		$12.25		$72.25	$0.00
Agency Name :	**ELECTED OFFICIALS RETIRE. FUND**								
ZEORF	ELECTED OFFICIALS RETIRE. FUND	ZEORF	ELECTED OFFICIALS RETIRE. FUND	$2438.92		$0.00		$2438.92	$121.95
Agency Name :	**GILA COUNTY TREASURER**								
ZCNTY	GILA COUNTY TREASURER	ZVAPB	30% INTERSTATE COMPACT	$47.16		$33.00		$80.16	$4.01
		ZIAAF	ADMINISTRATIVE INDIGENT ASSESSMENT	$425.00		$50.00		$475.00	$0.00
		ZADR	ALTER. DISPUTE RESOLUTION FUND	$55.72		$0.00		$55.72	$2.79
		ZATT	ATTORNEY FEE REIMBURSEMENT	$765.00				$765.00	$0.00
		ZALTF	AZ LENGTHY TRIAL FUND	$453.83		$0.00		$453.83	$22.69
		ZFEE	BASE FEES (GENERAL FUND)	$5064.38		$0.00		$5064.38	$253.22
		ZFINE	BASE FINES	$6648.08		$828.82		$7476.90	$373.85

Summary Allocation by Agency Report

Agency Code	Agency Name	GL Account Num	GL Account Name	Receipt Amount	Dishonored Amount	Adjusted Amount	Bond Forfeiture Amount	Net Amount	5% Set Aside
ZCNTY	GILA COUNTY TREASURER	ZFORF	BOND FORFEITURES			$400.00	$400.00	$800.00	$20.00
		ZCIEF	CHILDREN ISSUES EDUC FUND	$682.07				$682.07	$34.10
		ZCEF	CLEAN ELECTIONS FUND	$550.50		$100.44		$650.94	$0.00
		ZCIF	CONFIDENTIAL INTERMEDIARY FUND	$40.44		$0.00		$40.44	$2.02
		ZJDET	COUNTY JUV DETENTION	$284.99		$51.61		$336.60	$16.83
		ZCLLF	COUNTY LAW LIBRARY FUND	$2438.77		$0.00		$2438.77	$121.94
		ZCJEF	CRIMINAL JUSTICE ENHANCE FUND	$2643.08		$472.02		$3115.10	$155.76
		ZDNAS	DNA STATE SURCHARGE	$346.52		$68.94		$415.46	$20.77
		ZDS	DOCUMENT STOR. & RETRIEVAL FND	$1147.19		$0.00		$1147.19	$57.36
		ZDVCA	DOM. VIOL.-CHLD ABUSE PREV FND	$307.34		$0.00		$307.34	$15.37
		ZDREF	DOMESTIC RELATIONS EDUCATION	$255.00				$255.00	$12.75
		ZDVSF	DOMESTIC VIOLENCE SHELTER FUND	$1413.97		$0.00		$1413.97	$70.70
		ZDECJ	DRUG & GANG ENFORCEMENT FINES	$260.84		$96.75		$357.59	$17.88
		ZDGEF	DRUG & GANG ENFORCEMENT FUND	$208.08		$0.00		$208.08	$10.40
		ZDCRT	DRUG COURT FEE FUND	$490.00		$20.00		$510.00	$25.50

Summary Allocation by Agency Report

Agency Code	Agency Name	GL Account Num	GL Account Name	Receipt Amount	Dishonored Amount	Adjusted Amount	Bond Forfeiture Amount	Net Amount	5% Set Aside
ZCNTY	GILA COUNTY TREASURER	ZDUIA	DUI ABATEMENT FUND	$165.00				$165.00	$8.25
		ZCSVF	EXPEDITED CHILD SUPPORT AND	$841.50				$841.50	$42.08
		ZWITN	EXPERT WITNESS FUND	$660.00				$660.00	$0.00
		ZEXAP	EXTRA ADULT PROBATION ASMNT	$3022.88		$409.23		$3432.11	$171.61
		ZEXJU	EXTRA JUV PROBATION ASMNT	$684.85		$21.28		$706.13	$35.31
		ZEXT	EXTRADITION REIMBURSEMENT	$11.97				$11.97	$0.00
		ZFTGS	FILL-THE-GAP SURCHARGE (7%)	$384.30		$70.29		$454.59	$22.73
		ZCC	GEN JURIS CONCILIATION COURT	$1434.24				$1434.24	$71.71
		ZGCAT	GILA COUNTY ATTORNEY - 60%	$8796.55		$939.28		$9735.83	$0.00
		ZGCLK	GILA COUNTY CLERK OF THE COURT - 10%	$1466.09		$156.54		$1622.63	$0.00
		ZGCSC	GILA COUNTY SUPERIOR COURT - 30%	$4398.28		$469.64		$4867.92	$0.00
		ZJF	JAIL (INCARCERATION) FEES	$25.57				$25.57	$0.00
		ZJCLF	JUDIC. COLLECT. ENHANCE. FUND - LOCAL	$1197.32		$0.00		$1197.32	$59.87
		ZJCSF	JUDIC. COLLECT. ENHANCE. FUND - STATE	$2721.03		$0.00		$2721.03	$136.05

Summary Allocation by Agency Report

Agency Code	Agency Name	GL Account Num	GL Account Name	Receipt Amount	Dishonored Amount	Adjusted Amount	Bond Forfeiture Amount	Net Amount	5% Set Aside
ZCNTY	GILA COUNTY TREASURER	ZJCL	JUDICIAL COLLECT ENHANCE FUND - LOCAL	$172.09		$66.00		$238.09	$0.00
		ZJCS	JUDICIAL COLLECT ENHANCE FUND - STATE	$323.02		$126.00		$449.02	$0.00
		ZJDO	JUVENILE DIVERSN FUND OVER $40	$10.00		$100.00		$110.00	$5.50
		ZJDU	JUVENILE DIVERSN FUND UNDER $40	$70.00		$400.00		$470.00	$23.50
		ZJS	JUVENILE PROBATION SERV FEES	$1958.16		$323.11		$2281.27	$114.06
		ZLCL	LOCAL COSTS/FEES - NSF	$25.00				$25.00	$1.25
		ZMSEF	MEDICAL SERVICES ENHANCE FUND	$729.02		$130.57		$859.59	$42.98
		ZMISC	MISCELLANEOUS FEES	$53.13				$53.13	$2.66
		ZPP	PASSPORT APPLICATION FEES	$725.00				$725.00	$36.25
		ZPCOF	PRISON CONSTRUCTION AND	$5434.63		$100.00		$5534.63	$276.73
		ZPRS6	PROB SURCH 2006	$87.45		$31.92		$119.37	$5.97
		ZPBA	PROBATION FEE ADULT	$14116.53		$3844.87		$17961.40	$898.07
		ZPRSU	PROBATION SURCHARGE ($5.00)	$20.25		$0.25		$20.50	$1.03
		ZPUBZ	PUBLIC DEFENDER FEES	$720.00		$56.00		$776.00	$0.00
		ZPSEF	PUBLIC SAFETY EQUIPMENT FUND	$2462.00		$100.00		$2562.00	$0.00

Summary Allocation by Agency Report

Agency Code	Agency Name	GL Account Num	GL Account Name	Receipt Amount	Dishonored Amount	Adjusted Amount	Bond Forfeiture Amount	Net Amount	5% Set Aside
ZCNTY	GILA COUNTY TREASURER	ZSMEN	SPOUSAL MAINTENANCE FUND	$108.07				$108.07	$5.40
		ZSTAT	STATE TREASURER - GENERAL FUND	$793.56				$793.56	$39.68
		ZVAF	VICTIMS ASSISTANCE FUND	$110.03		$77.00		$187.03	$9.35
		ZVRIF	VICTIMS RIGHTS IMPLEMENTATION	$225.00		$75.00		$300.00	$15.00
		ZGFDU	XTRA DUI ASSMT	$365.00				$365.00	$18.25
		ZPRS9	ZPRS9	$85.00		$80.00		$165.00	$8.25
Agency Name : JUVENILE FAMILY COUNSELING FEE									
ZJFC	JUVENILE FAMILY COUNSELING FEE	ZJFC	JUVENILE FAMILY COUNSELING FEE	$15.00				$15.00	$0.75
Agency Name : OVERPAYMENT FUND									
ZOVER	OVERPAYMENT FUND	ZOVER	OVERPAYMENT FUND	$183.00				$183.00	$0.00
Agency Name : RESTITUTION									
ZREST	RESTITUTION	ZREST	RESTITUTION	$14788.13		$3616.38		$18404.51	$0.00
			Total:	**$129221.02**		**$0.00**	**$0.00**	**$129221.02**	**$3412.18**

LESS SHADED AREAS: 40,991.98

$ 88,229.04

INCORRECT BOND FORFEITURE ADJUSTMENT: +400 .00

$ 88,629.04

STATE OF ARIZONA)
) ss:
County of Gila)

ANITA ESCOBEDO, being first duly sworn according to law,
Deposes and says:

That she is the Clerk of the Superior Court of the State of Arizona, in and for the County of Gila, and that the annexed and foregoing report contains a true and correct statement of all fees collected by her in the office of said Clerk during the month of FEBRUARY, 2012.

ANITA ESCOBEDO
Clerk of the Superior Court
Of Gila County, Arizona

SUBSCRIBED AND SWORN to before me this 12th day of MARCH, 2012.

Deputy

ARF-1165 **4- K**

Regular BOS Meeting

Meeting Date: 04/03/2012

Reporting Period: March 20, 2012, BOS Meeting Minutes

Submitted For: Marilyn Brewer, Deputy Clerk, BOS **Submitted By:** Marilyn Brewer, Deputy Clerk, BOS, Clerk of the Board of Supervisors

---

Information

Subject

March 20, 2012, BOS Meeting Minutes

Suggested Motion

Approval of the March 20, 2012, BOS meeting minutes.

Attachments

03/20/12 BOS Meeting Minutes

BOARD OF SUPERVISORS MINUTES
GILA COUNTY, ARIZONA

Date: March 20, 2012

TOMMIE C. MARTIN Chairman	**JOHN F. NELSON** Clerk of the Board
SHIRLEY L. DAWSON Vice-Chairman	By: Marilyn Brewer Deputy Clerk
MICHAEL A. PASTOR Member	Gila County Courthouse Globe, Arizona

---

PRESENT: Tommie C. Martin, Chairman (via ITV conferencing); Shirley L. Dawson, Vice-Chairman; Michael A. Pastor, Supervisor; Don McDaniel, Jr., County Manager; John Nelson, Deputy County Manager/Clerk; Marilyn Brewer, Deputy Clerk; and Bryan Chambers, Chief Deputy County Attorney.

Item 1 – Call to Order – Pledge of Allegiance – Invocation

The Gila County Board of Supervisors met in a regular session at 10:00 a.m. this date in the Board of Supervisors hearing room. Berthan DeNero led the Pledge of Allegiance and Reverend Charles Proudfoot of the Community Presbyterian Church in Payson delivered the invocation.

Item 2 – PRESENTATIONS:

2A. Presentation of the Officer of the Quarter award by Daisy Flores, Gila County Attorney, to Lt. Spencer Preston of the Miami Police Department.

Daisy Flores, County Attorney, presented Lt. Spencer Preston of the Miami Police Department with the Officer of the Quarter award and gave a brief summary of his background and the reasons he was nominated for the award. Lt. Spencer also thanked the Board for the honor of being nominated for this award. Each Board member thanked Lt. Spencer for his dedicated service to the community.

2B. Public recognition of 17 employees for February's "Spotlight on Employees" Program, as follows: Jake Garrett, Jim Berry, Thomas Homan, Emmett Dickison, Ronald Escobedo, Richard Stockwell, Leana Asberry, John Castaneda, Lorraine Dalrymple, Ursula Donovan, Paula Horn, Christine Lopez, JenDean Sartain, Judy Smith, Shane Stuler, Debra Williams and Malinda Williams.

Erica Raymond, Human Resources Assistant, presented gift cards as recognition awards to 17 employees for February's "Spotlight on Employees" Program as follows: Jake Garrett, Jim Berry, Thomas Homan, Emmett Dickison, Ronald Escobedo, Richard Stockwell, Leana Asberry, John Castaneda, Lorraine Dalrymple, Ursula Donovan, Paula Horn, Christine Lopez, JenDean Sartain, Judy Smith, Shane Stuler, Debra Williams and Malinda Williams. Each Board member thanked the employees for their dedicated work.

Item 3 – REGULAR AGENDA ITEMS:

3A. Information/Discussion/Action to review all bids submitted for Invitation for Bids No. 092111-2 for the purchase of CRS-2 chip seal oil; award to the lowest, responsible and qualified bidder; and authorize the Chairman's signature on the award contract for the winning bidder.

Steve Stratton, Public Works Division Director, stated that after reviewing all bids he recommended that a contract be awarded to Cactus Transport, Inc., the lowest bidder. He stated that the County has used this company in the past and they have been responsible with the other bids. Vice-Chairman Dawson inquired as to the increase in pricing of the chip seal oil over the last 5 years. Mr. Stratton replied that the price has increased approximately $200-$300 per ton. He stated that prices have been very volatile; however, the price of oil is based on the Arizona Department of Transportation price index so it's fair to the supplier and the County as the prices fluctuate. Vice-Chairman Dawson stated that she received a complaint about the County chip sealing the roads during hard times and she felt that the Public Works Division has a good maintenance system in place, to which the other Board members agreed. Upon motion by Supervisor Pastor, seconded by Vice-Chairman Dawson, the Board unanimously awarded Contract No. 092111-2 to Cactus Transport, Inc. for CRS-2 chip seal oil in the amount of $525/ton, plus $32.00/ton if delivered.

3B. Information/Discussion/Action to approve a proposed Settlement Agreement and Release of Claims that would resolve the claims of certain property owners of the Strawberry Creek Foothills Subdivision against Gila County. Pursuant to A.R.S. § 38-431.03(A)(3), the Board may vote to go into executive session to receive legal advice from its attorney and pursuant to A.R.S. § 38-431.03(A)(4) the Board may go into executive session in order to consider its position and instruct its attorney regarding the public body's position regarding settlement discussions of this matter in order to avoid or resolve litigation.

The Board declined the offer to go into executive session at this time. Bryan Chambers, Chief Deputy County Attorney, stated that there was a claim brought against Gila County by a number of property owners in the Strawberry Creek Foothills Subdivision and the proposed Settlement Agreement would resolve those claims. He also noted that some typing corrections had been

made on the original Agreement and provided a final version for approval. Upon motion by Vice-Chairman Dawson, seconded by Supervisor Pastor, the Board unanimously approved the proposed Settlement Agreement and Release of Claims that would resolve the claims of certain property owners of the Strawberry Creek Foothills Subdivision against Gila County.

Item 4 – CONSENT AGENDA ACTION ITEMS:

4A. Approval of Amendment No. 2 to the Intergovernmental Agreement between Central Arizona Association of Governments (CAAG) and Gila County to reduce CAAG's annual cost by $12,768 as the office workspace provided for CAAG staff at the Casa Grande Comprehensive One-Stop has been decreased by two offices.

4B. Approval of Arizona Department of Housing Community Development Block Grant Contract Number 112-110R Closeout Report to finalize the contract between the Arizona Department of Housing and Gila County Community Action/Housing Services, which will successfully end the contract and ensure that Gila County Community Action/Housing Services has met all requirements of the contract.

4C. Approval of the Memorandum of Understanding between Gila County Division of Health and Emergency Services and the Globe Unified School District #1 related to the Tobacco Free Environments Program for the period July 1, 2011, through June 30, 2012.

4D. Approval of the Memorandum of Understanding between Gila County Division of Health and Emergency Services and the Miami Area Unified School District #40 related to the Tobacco Free Environments Program for the period July 1, 2011, through June 30, 2012.

4E. Authorization for the Chairman to sign the attached agreements to distribute LTAF II (Local Area Transportation Funds) funds, as follows: Intergovernmental Agreement with the Town of Hayden for $1,250 and Transit Agreement with Horizon Human Services for $1,250.

4F. Authorization of the Chairman's signature on the United States Department of Agriculture, Forest Service, Tonto National Forest Road Project Agreement No. 12-RO-11031200-013 for the FY 2012 through September 30, 2012, in the amount of $72,114.

4G. Approval of the appointments of the following precinct committeemen as submitted by the Gila County Republican Committee: Star Valley Precinct-Jay Don Knoner, Claypool #2 Precinct-Darrell Wayne Stubbs, and Globe #8 Precinct-Timothy Trent.

4H. Approval to appoint Mary Lou Myers to the Gila County Planning and Zoning Commission to fill Ron Christensen's unexpired term of office through December 31, 2012.

4I. Approval to appoint Mary Lou Myers to the Gila County Board of Adjustment and Appeals for the period March 20, 2012, through December 31, 2015; and to reappoint Don Ascoli to said Board for the period March 20, 2012, through December 31, 2015.

4J. Approval of Gila Monsters Go-Kart Club's request to use the Go-Kart Track at the Fairgrounds for the period of April 1, 2012, through September 2012, with a waiver of fees.

4K. Approval of the waiver of fees for the Gila County Rodeo Committee's use of the Fairgrounds' Exhibit Hall and rodeo arena for the Rodeo Queen Pageant on April 21, 2012, the Rodeo Sponsor Dinner on May 11, 2012, and the Annual Rodeo on May 12 and 13, 2012.

4L. Approval of two Special Event Liquor License Applications submitted by the Lions Club of Globe, Arizona, Inc. to serve liquor on April 7, 2012, for a wedding reception, and April 14, 2012, for the annual National Rifle Association Dinner.

4M. Approval of the January 2012 monthly departmental activity report submitted by the Globe Regional Justice Court.

4N. Approval of the January 2012 monthly departmental activity report submitted by the Recorder's Office.

4O. Approval of the February 2012 monthly departmental activity report submitted by the Payson Regional Constable.

4P. Approval of the February 28, 2012, and March 6, 2012, BOS meeting minutes.

4Q. Acknowledgment of contracts under $50,000, which have been approved by the County Manager for the weeks of February 18, 2012, to February 24, 2012, and February 25, 2012, to March 2, 2012.

Copies of the contract reports are permanently on file in the Board of Supervisors' Office.

4R. Approval of finance reports/demands/transfers for the weeks of March 13, 2012, and March 20, 2012.

<u>March 13, 2012</u>

$385,108.44 was disbursed for County expenses by check numbers 243997 through 244239.

March 20, 2012

$2,005,258.41 was disbursed for County expenses by check numbers 244240 through 244441. **(An itemized list of disbursements is permanently on file in the Board of Supervisors' Office.)**

Chairman Martin stated that she had a Public Participation Form from James Feezer, a resident of Payson, to address Consent Agenda item 4Q. (Note: The contract referred to in item 4Q was issued to CJD Consulting, LLC). Mr. Feezor stated, "I just had some questions as I was reading over this contract. I realize that Claudia DalMolin has been serving for a number of years in the Sheriff's Department and probably has some experience, so I won't dispute that. I'm curious as to exactly what services are necessary for her to provide. She's had an assistant for at least 4 years who has been with her as all of these policies and procedures have been made and I wondered if that assistant cannot provide those without us having to expend additional funds in what Supervisor Dawson said are these hard times. Is that contract the best use of money? You've got a number of policies and procedures that should have already been documented. I fail to see the reason why this person is required to come back and tell us what she's been doing for the last decade or more of employment. And there were a couple of items that were troubling to me in the relationship of the parties. Claudia is being brought back, or CDJ Consulting ,which as I look it up at the Arizona Corporation Commission, it consists of 1 person, which is Claudia J. DalMolin, who was the Bureau Commander for the past number of years and lists no other employees or agents. This company was formed in January. She retired (from the Sheriff's Office) at the end of February and immediately on the first of March (this contract) was issued. I saw no request or proposal or any backup that particular information was being sought or expertise being documented or offered. Claudia is being brought back, or this company is being brought back, and not deemed an officer or employee or agent of the County, yet the County is providing a telephone, a cell phone, they are providing office space, equipment and supplies and granting access to the office during nights and weekends. I have a real problem with that if this is not a person who is employed by the County and considered an officer and agent. It also states in Section 14 of the consulting contract that CJD Consulting has adequate office space, equipment and supplies to perform the duties. Why are we expending additional funds to provide them something that they already possess? I realize you can't discuss this because this is an item, but I would like this addressed and some information brought forward. I have some serious concerns about this. My opinion of the Gila County Sheriff's Office is somewhat shaded by the fact that my wife went through a rather interesting go around with the policies and procedures as they exist and I would say that bringing somebody back that has knowledge of this busted system that passes for policies and procedures in the

Sheriff's Office is akin to your Public Works Department saying 'here's a detailed map of every pothole in the road in Gila County' rather than going through and patching the potholes and widening the road to improve the process. If you need somebody that knows how to document process and do work flow, I have 20 plus years of this. I've managed multi-million dollar, multi-national consulting engagements. I think I could provide more expertise on this then somebody who's been captured by the system. Thank you."

Vice-Chairman Dawson stated that there was a Public Participation Form to speak on this same item from Mickie Nye, a resident of Globe. Mr. Nye stated, "I would like to endorse and support this contract with Claudia DalMolin. I would like to tell you a little bit about her professionalism. She's had a great deal of success in grant writing for the Meth Coalition. I've worked with Claudia on Gila House, the Meth Coalition, United Fund and the Globe-Miami Greater Chamber of Commerce and the Economic Development Corporation and have had nothing but a very professional relationship with her. She's always done what she said she would do and she's never let anybody down. So I endorse this contract and think that she's done a great deal of work on behalf of this County for the Meth Coalition and her duties, so I would be more than happy to answer any questions, but she certainly has my support. Thank you."

Upon motion by Vice-Chairman Dawson, seconded by Supervisor Pastor, the Board unanimously approved Consent Agenda action items 4-A through 4-R.

Item 5 - CALL TO THE PUBLIC: Call to the Public is held for public benefit to allow individuals to address issue(s) within the Board's jurisdiction. Board members may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to Arizona Revised Statute §38-431.01(G), action taken as a result of public comment will be limited to directing staff to study the matter, responding to criticism, or scheduling the matter for further discussion and decision at a future date.

There were no requests to speak from the public.

Item 6 - At any time during this meeting pursuant to A.R.S. §38-431.02(K), members of the Board of Supervisors and the Chief Administrator may present a brief summary of current events. No action may be taken on issues presented.

Each Board member and the County Manager presented information on current events.

There being no further business to come before the Board of Supervisors, Chairman Martin adjourned the meeting at 10:59 a.m.

APPROVED:

_____

Tommie C. Martin, Chairman

ATTEST:

_____

Marian Sheppard, Chief Deputy Clerk

ARF-1158 **4- L**

Regular BOS Meeting

Meeting Date: 04/03/2012

Reporting Period: Human Resources Reports for the weeks of 3/06/12, 3/13/12, 3/20/12 and 3/27/12

Submitted For: Berthan DeNero

Submitted By: Candy Bell, Human Resources & Library Services Assistant, Human Resources

---

Information

Subject

Human Resources weekly reports for the month of March 2012.

Suggested Motion

Acknowledgment of the Human Resources weekly reports for all personnel action items approved by the County Manager for the month of March 2012, as follows: March 6, 2012, March 13, 2012, March 20, 2012, and March 27, 2012.

Attachments

March Human Resources Summary Report

03/06/12 Human Resources Report

03/13/12 Human Resources Report

03/20/12 Human Resources Report

03/27/12 Human Resources Report

Summary

Human Resources Action Items

	Year To Date	Jan-12	Feb-12	Mar-12	Apr-12	May-12
DEPARTURES FROM COUNTY SERVICE	**34**	7	13	14		
HIRES TO COUNTY SERVICE	**30**	7	9	14		
TEMPORARY HIRES TO COUNTY SERVICE	**6**	3	2	1		
VOLUNTEERS TO COUNTY SERVICE	**0**	0	0	0		
DEPARTMENTAL TRANSFERS	**5**	1	3	1		
END PROBATIONARY PERIOD	**13**	3	4	6		
POSITION REVIEW	**29**	11	13	5		
REQUEST PERMISSION TO POST	**23**	6	10	7		

Jun-12 Jul-12 Aug-12 Sep-12 Oct-12 Nov-12 Dec-12

HUMAN RESOURCES ACTION ITEMS
MARCH 6, 2012

HIRES TO COUNTY SERVICE:

1. Stephanie Chaidez – From Public Fiduciary – To Health and Emergency Services – From Administrative Clerk Temporary – To Administrative Clerk – 03/01/12 – From General Fund – To WIC Fund

POSITION REVIEW:

2. Debra Gildersleeve – Probation – Probation Aide – 02/13/12 – General Fund – Change in funding

REQUEST PERMISSION TO POST:

3. Board of Supervisors – Temporary Laborer – Position vacated by Manuel Rodriguez

SHERIFF'S PERSONNEL ACTION ITEMS

DEPARTURES FROM COUNTY SERVICE:

4. J. Adam Shepherd – Sheriff's Office – Undersheriff – 02/29/12 – General Fund – DOH 09/01/84 – Retired

HIRES TO COUNTY SERVICE:

5. David Luhm – Sheriff's Office – IT Administration Support Tech. Part Time – 03/12/12 – General Fund – Replacing Val Zufelt

HUMAN RESOURCES ACTION ITEMS
MARCH 13, 2012

DEPARTURES FROM COUNTY SERVICE:

1. Erwin Diaz – Probation – Deputy Probation Officer 2 – 03/23/12 – Juvenile Intensive Probation Supervision Code – DOH 08/25/08 – Resigned
2. Denise Hansen – Health and Emergency Services – Administrative Clerk Senior – 03/09/12 – General Fund - DOH 06/17/09 - Resigned
3. Manuel Rodriguez – Board of Supervisors – Temporary Laborer – 02/17/12 – District II Constituents Fund – DOH 11/14/11 – Temporary status ended
4. Lana Dever – County Attorney – Legal Secretary Senior – 03/16/12 – General Fund – DOH 03/11/03 – Retired
5. Gary Tamietti – Public Works Survey – Engineering Technician Sr. – 06/30/12 – Public Works Fund – DOH 08/02/99 - Retired

HIRES TO COUNTY SERVICE:

6. Nicholas Buzan – County Attorney – Deputy County Attorney (under filled) – 03/26/12 – Cost of Prosecution Reimbursement Fund – Replacing Carolyn Borcherding
7. Samantha Dickison – Health and Emergency Services – Animal Control Worker – 03/19/12 – Rabies Control Fund – Replacing Amber Martinez
8. Travis Shields – County Attorney – Deputy County Attorney (under fill Law Clerk) – 03/15/12 – General Fund – Replacing Elizabeth Maupin
9. Brian Hudson – Health and Emergency Services – Animal Control Hearing Officer – 03/15/12 – Rabies Control Fund – Replacing Marquis Clark

DEPARTMENTAL TRANSFERS:

10. Cyndi Castaneda – County Attorney – From Child Support Case Manager – To Child Support Lead – 04/02/12 - General Fund

END PROBATIONARY PERIOD:

11. John Digman – Public Works Consolidated Roads – Road Maintenance/Equipment Operator – 03/12/12 – Public Works Fund
12. Howard Gallion – Public Works Fairgrounds – Building and Grounds Maintenance Worker – 03/26/12 – General Fund
13. John Geer – Public Works Consolidated Roads – Road Maintenance/Equipment Operator – 03/12/12 – Public Works Fund
14. R. Brent Henry – Public Works Fairgrounds – Building and Grounds Maintenance Worker – 03/19/12 – General Fund
15. Jerry Moore – Public Works Consolidated Roads – Road Maintenance/Equipment Operator – 03/26/12 – Public Works Fund
16. Steven Seaman – Public Works Consolidated Roads – Road Maintenance/Equipment Operator – 03/12/12 – Public Works Fund

POSITION REVIEW:

17. Kyle Mann – County Attorney – From a Full-Time Position Control Number – To a Part-Time Position Control Number - Deputy County Attorney Senior Part-Time (under filled) - 03/12/12 - General Fund

REQUEST PERMISSION TO POST:

18. Public Works Recycling and Landfill Management – Solid Waste Services Worker – Position Vacated by Vernon Davis
19. Recorder – Recorder Clerk Sr. – Position Vacated by Yvonne House
20. Constable – Clerk of the Constable – Position Vacated by Yvonne House

SHERIFF'S PERSONNEL ACTION ITEMS

DEPARTURES FROM COUNTY SERVICE:

21. Doreen Spychala – Sheriff's Office – Deputy Sheriff Sgt. – 01/29/12 – General Fund – DOH 08/27/01 – Retired
22. James Tucker – Sheriff's Office – Detention Officer – 03/08/12 – General Fund – DOH 02/04/08 – Resigned

HIRES TO COUNTY SERVICE:

23. Walter Wiley – Sheriff's Office – Detention Officer – 03/26/12 – General Fund – Replacing Casper Taki

HUMAN RESOURCES ACTION ITEMS
MARCH 20, 2012

DEPARTURES FROM COUNTY SERVICE:

1. Julie Anderson - Recorder-Voter Outreach Assistant - 03/05/12 - General Fund - DOH 10/24/11 - Resigned
2. Lynn O'Leary - Probation-Juvenile Detention Officer - 02/21/12 - General Fund - DOH 07/01/02 - Resigned

HIRES TO COUNTY SERVICE:

3. James Hinton - Health and Emergency Services - Animal Control Hearing Officer - 03/12/12 - Rabies Control Fund
4. Valerie Hereford - Health and Emergency Services - Administrative Clerk Senior - 03/22/12 – Health Services Fund - Replacing Sharon Caridi
5. Carol Tanner - Health and Emergency Services - Administrative Clerk Senior - 03/22/12 – Immunization Fund - Replacing Brenda Kell

END PROBATIONARY PERIOD:

6. Gloria Aguirre - Public Works - Accountant Senior - 03/12/12 - Public Works Fund

POSITION REVIEW:

7. Christine Lopez - Community Services - Administrative Clerk Specialist - 03/12/12 - Changes in fund codes

REQUEST PERMISSION TO POST:

8. Globe Regional Justice Court - Justice Court Clerk Associate - Position vacated by Ruben Mancha

SHERIFF'S PERSONNEL ACTION ITEMS

DEPARTURES FROM COUNTY SERVICE:

9. Ray Van Buskirk - Sheriff's Office - Task Force Agent - 03/19/12/ - Drug Gang Violent Crime Control Fund - DOH 12/11/06 - Resigned
10. Christina Voakes – Sheriff's Office – 911 Dispatcher – 03/12/12 – General Fund - Declined employment offer

HUMAN RESOURCES ACTION ITEMS
MARCH 27, 2012

DEPARTURES FROM COUNTY SERVICE:

1. Patricia Balderree – Probation – Juvenile Detention Officer – 03/25/12 – General Fund – DOH 01/31/11 – Resigned
2. Elacio Martinez – Probation – Juvenile Detention Officer – 03/21/12 – General Fund – DOH 10/24/11 - Resigned

HIRES TO COUNTY SERVICE:

3. Velma Estrada – County Attorney – Administrative Clerk– 03/29/12 – General Fund – Replacing Kari Pratt
4. Kendall Horta – Juvenile Detention – Juvenile Detention Officer – 03/29/12 – General Fund – Replacing JoAnn Perea
5. Jessica Madrid – Probation – Public Health Nurse – 03/29/12 – General Fund
6. Barbra White – Health & Emergency Services – Community Health Assistant – 03/29/12 – 4% Commodity Supplement Food Program Fund – 96% WIC Fund – Replacing Sylvia Castillo

TEMPORARY HIRES TO COUNTY SERVICES:

7. Breelyn Cano – Public Works Facilities and Land Management – Temporary Custodian – 03/29/12 – Facilities Management Fund

POSITION REVIEW:

8. Robert Hernandez – Board of Supervisors – Temporary Laborer – 04/20/12 - District II Constituents Fund – Extend temporary employment for one month

REQUEST PERMISSION TO POST:

9. Community Services – Community Services Worker
10. Public Fiduciary – Fiduciary Services Specialist 1 – Vacated by Kimberly Aguilar
11. County Attorney – Victim Witness Advocate – Vacated by Lizabeth Fetterman

ARF-1156 **4- M**

Regular BOS Meeting

Meeting Date: 04/03/2012

Reporting Period: Report for County Manager Approved Contracts Under $50,000 for Weeks Ending 3-9-12 and 3-16-12

Submitted For: Valrie Bejarano

Submitted By: Valrie Bejarano, Contracts Support Specialist, Finance Department

---

Information

Subject

Report for County Manager Approved Contractors Under $50,000 for Weeks Ending 3-9-12 and 3-9-16.

Suggested Motion

Acknowledgement of contracts under $50,000 which have been approved by the County Manager for the weeks of March 3, 2012, to March 9, 2012; and March 10, 2012, to March 16, 2012.

Attachments

County Manager Approved Contracts Under $50K for Weeks Ending 3-9-12 & 3-16-12

CEPTARA Agreement

KINO Floors Agreement 022412

High Country Plumbing Agreement 020912

Earthquest Plumbing Agreement 012412

ThyssenKrupp Elevator Agreement

Payson Fence Company & Supply, Inc. Agreement 021012

Miner Southwest Agreement 120611

The Need for Xpeed Agreement

Center for Disease Detection, Inc. Agreement

Payson First Assembly of God Agreement

Goserco, Inc Agreement

Rodriguez Construction Agreement 030912

ATL, Inc. Agreement 110311

COUNTY MANAGER APPROVED CONTRACTS UNDER $50,000

March 3, 2012, to March 9, 2012

Number / Vendor	Title	Amount	Term	Approved	Renewal Option	Summary
- CEPTARA	Total Quality/Continuous Improvement Leadership Training	$17,400.00	1 month	3-7-12	Expires	Leadership training for the County Management Team Staff.
022412 Kino Floors & Interiors	Window Cover Installation	$6,967.60	3-7-12 to 4-20-12	3-7-12	Expires	Window cover installation for the Guerrero Building, Elections Office, and Shop/Roads Building.
020912 High Country Plumbing	Northern Gila County Backflow Testing & Repair	$1,000.00	3-1-12 to 2-28-13	3-7-12	Renewable for 2 more 1 yr terms	Annual backflow testing and repair for Northern Gila County Facilities.
012412 Earthquest Plumbing	Southern Gila County Backflow Testing & Repair	$2,000.00	2-1-12 to 1-31-13	3-7-12	Renewable for 2 more 1 yr terms	Annual backflow testing and repair for Southern Gila County Facilities.
- ThyssenKrupp Elevator	Courthouse Security System Upgrade	$8,730.00	3-7-12 to 5-15-12	3-7-12	Expires	Connection of the card reader system to the north elevator of the Courthouse as part of the security system upgrade project.
021012 Payson Fence Co. & Supply	Tonto Basin Emergency Storage Fence Installation	$14,250.00	3-7-12 to 3-31-12	3-7-12	Expires	Labor and material to install a chain link fence around 1.533 acres in Tonto Basin near Tonto Creek for emergency and equipment storage.
120611 Miner Southwest	ADA Access Door Supervisors Entrance	$2,124.88	3-7-12 to 3-31-12	3-7-12	Expires	Labor and material to install an ADA access door at the Courthouse Supervisors entrance.
- TNFX	Electronic Medical Records/Charting (SO)	$2,700.00	1-15-12 to 1-14-13	3-7-12	Expires	Software Hosting Agreement for electronic medical records and charting for the Sheriff's Office.
- Center for Disease Detection, Inc.	Laboratory Testing Services	$5,000.00	2-1-12 to 12-31-13	3-7-12	Renewable for 2 more 1 yr terms	Laboratory testing services for the County Health Dept. including collection devices, shipping boxes, envelopes and testing. Electronic supply tracking.

March 10, 2012, to March 16, 2012

Number / Vendor	Title	Amount	Term	Approved	Renewal Option	Summary
- Payson First Assembly of God Church	Building Use Agreement - GEST	$250.00 Per Month	1-1-12 to 12-31-12	3-14-12	2 More 1 Year Terms	Building use agreement for Gila County Employment Special Training Program.
- Goserco, Inc.	Warranty for Voice Logging Recorder	$2,837.25	4-1-12 to 3-31-13	3-14-12	Auto Renewal	Extended warranty renewal plan for voice logging recorder for the Sheriff's Office/911 Dispatch.
030912 Rodriguez Construction	Weatherization Project's No. HH5536 & HH7573	$30,167.46	3-13-12 to 4-30-12	3-14-12	Expires	Construction labor and material for community service weatherization projects HH5536 & HH7573.
110311 ATL, Inc.	Roadyard Shop Paving Project Amendment #2	$6,386.75	3-13-12 to 3-14-12	3-14-12	Expires	Additional testing required on aggregate base product.

Agreement between Ceptara and Gila County to Provide Total Quality/Continuous Improvement Leadership

1. Ceptara has presented a proposal to Gila County to provide Total Quality/Continuous improvement Leadership training. Ceptara's proposal is dated 2/9/2012 and was authored by Ernie Borgoyne. Ceptara's proposal is incorporated by this reference into this Agreement.

2. Gila County has reviewed Ceptara's proposal and agrees to accept Phase I of the training at a cost of $17,400.00.

3. The parties agree that Attachment "A" Gila County Standard Terms and Conditions Addendum shall be incorporated by this reference into this Agreement.

Acknowledgement

PHASE I Signatures

Gila County

By

(Signature of Authorize Representative)

Don McDaniel, Jr.
County Manager

3/6/12
(Date)

Ceptara

By

(Signature of Authorize Representative)

Christopher Lindstrom
Managing Partner

2/21/2012
(Date)

Approved as to Form

Bryan Chambers, Deputy County Attorney

ATTACHMENT "A"

Gila County Contractor Standard Terms and Conditions Addendum

A. Addendum Applicability: Contractor and Gila County agree that the terms and conditions of this Addendum shall apply to and govern the contractual relationship between Contractor and Gila County and shall supplement any other contract or agreement entered into between the parties. In the event that the terms and conditions in this Addendum conflict with any provision of any other agreement entered into between the Contractor and Gila County (including a superiority provision similar to this provision), the terms and conditions of this Addendum shall control the contractual relationship between the parties and shall supersede any conflicting provisions found in any other contract or agreement. Contractor understands that acceptance of the terms and conditions contained in this Addendum are a condition precedent to entering into a contractual relationship with Gila County.

B. Contract Defined: As used in this Addendum, the term "Contract" shall refer to any written agreement between Gila County and a person, organization, corporation, company or other entity that provides supplies or services to Gila County regardless of the title or other name applied to that written agreement. The term includes by this reference all the terms and conditions of this Addendum.

C. Contractor Defined: As used in this Addendum, the term "Contractor" shall refer to a person, provider, organization, corporation, company or other entity providing supplies or services to Gila County pursuant to a written agreement regardless of the title or other name applied to "Contractor" in that written agreement.

D. Relationship of the Parties: Contractor is an independent contractor of the County. Contractor represents that he has or will secure, at his own expense, all personnel required in performing the services under this contract. Such personnel shall not be employees of or have any contractual relationship with the County. All personnel engaged in work under this contract shall be fully qualified and shall be authorized or permitted under State and local law to perform such services. Contractor warrants that he has obtained or will obtain Worker's Compensation Insurance for his employees working on this contract and that any subcontractors will likewise obtain Worker's Compensation Insurance for of their employees working on this contract. It is further agreed by Contractor that he shall obey all state and federal statutes, rules, and regulations which are applicable to provisions of the services called for herein. Neither Contractor nor any employee of the Contractor shall be deemed an officer, employee, or agent of the County.

E. Non-Appropriations Clause: Contractor acknowledges that the County is a governmental entity, and the contract validity is based upon the availability of public funding under its authority. In the event that public funds are unavailable and not appropriated for the performance of County's obligations under this contract, then this contract shall automatically expire without penalty to County after written notice to Contractor of the unavailability and non-appropriation of public funds. It is expressly agreed that the County shall only activate this non-appropriation provision as an emergency fiscal measure. The County shall not activate this non-appropriation provision for its convenience, to circumvent the requirements of this contract, or to enable the County to contract with another Contractor for the same supplies or services covered under this Addendum.

F. Hold Harmless/Indemnification Clause: Contractor shall indemnify, defend, save and hold harmless the County of Gila and its officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such Contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all claims. It is agreed that the Contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. In consideration of the award of this contract, the Contractor agrees to waive all

rights of subrogation against the County, its officers, officials, agents and employees for losses arising from the work performed by the Contractor for the County.

G. Entire Contract Clause: The Contractor and the County have read this Contract and agree to be bound by all of its terms, and further agree that it constitutes the entire contract between the two parties and may only be modified by a written mutual contract signed by the parties. No oral agreement or oral provision outside this Contract shall have any force or effect.

H. Non-Waiver of Enforceability: Failure of the County to enforce, at any time, any of the provisions of this Contract, or to request at any time performance by Contractor of any of the provisions hereof, shall in no way be construed to be a waiver of such provisions, nor in any way affect the validity of this contract or any part thereof, or the right of the County to enforce each and every provision.

I. Severability: If any provision of this Agreement is held unenforceable, all remaining provisions of this Contract shall remain in full force and effect.

J. Governing Law: Both parties agree that this Contract shall be governed by the laws of the state of Arizona. The parties further agree that the jurisdiction for any legal disputes arising out of this Contract shall be the Superior Court of the State of Arizona. The parties agree that even if this Contract does not specifically reference any provision required by state or federal law, those state and federally required provisions are incorporated into this Contract by this reference as though they were specifically listed herein.

K. Cancellation: This contract is subject to the cancellation provisions of A.R.S. §38-511.

L. Anti-Terrorism Warranty: Pursuant to A.R.S. §§ 35-393.06(B) and 35-391.06(A) the Contractor certifies that it does not have scrutinized business operations in Iran or Sudan and that they are in compliance with the Export Administration Act and not on the Excluded Parties List.

M. Legal Arizona Workers Act Compliance: Contractor hereby warrants that it will at all times during the term of this Contract comply with all federal immigration laws applicable to Contractor's employment of its employees, and with the requirements of A.R.S. §§ 41-4401 and 23-214(A) (together the "State and Federal Immigration Laws"). Contractor shall further ensure that each subcontractor who performs any work for Contractor under this contract likewise complies with the State and Federal Immigration Laws.

County shall have the right at any time to inspect the books and records of Contractor and any subcontractor in order to verify such party's compliance with the State and Federal Immigration Laws.

Any breach of Contractor's or any subcontractor's warranty of compliance with the State and Federal Immigration Laws, or of any other provision of this section, shall be deemed to be a material breach of this Contract subjecting Contractor to penalties up to and including suspension or termination of this Contract. If the breach is by a subcontractor, and the subcontract is suspended or terminated as a result, Contractor shall be required to take such steps as may be necessary to either self-perform the services that would have been provided under the subcontract or retain a replacement subcontractor as soon as possible so as not to delay project completion.

Contractor shall advise each subcontractor of County's rights, and the subcontractor's obligations, under this Article by including a provision in each subcontract substantially in the following form: "Subcontractor hereby warrants that it will at all times during the term of this contract comply with all federal immigration laws applicable to Subcontractor's employees, and with the requirements of A.R.S. § 23-214 (A). Subcontractor further agrees that County may inspect the Subcontractor's books and records to insure that Subcontractor is in compliance with these requirements. Any breach of this paragraph by Subcontractor will be deemed to be a material breach of this contract subjecting Subcontractor to penalties up to and including suspension or termination of this contract."

Tommie C. Martin, District I
P.O. Box 2297 Payson, AZ. 85547
(928) 474-2029

Michael A. Pastor, District II
1400 E. Ash St. Globe, AZ. 85501
(928) 425-3231 Ext. 8753

Shirley L. Dawson, District III
1400 E. Ash St. Globe, AZ. 85501
(928) 425-3231 Ext. 8511

GILA COUNTY
www.gilacountyaz.gov

Don E. McDaniel Jr., County Manager
Phone (928) 425-3231 Ext.8761

Joseph T. Heatherly, Finance Director
Phone (928) 425-3231 Ext. 8743

FAX (928) 425-0319
TTY: 7-1-1

PROFESSIONAL SERVICE CONTRACT NO. 022412

WINDOW COVER INSTALLATION

THIS AGREEMENT, made and entered into this 7th day of March, 2012, by and between Gila County a political subdivision of the State of Arizona, hereinafter designated the County, and **Kino Floor's & Interiors**, of the City of Globe, State of Arizona, hereinafter designated the Contractor.

WITNESSETH: The Contractor, for and in consideration of the sum to be paid him by the County, in the manner and at the time hereinafter provided, and of the other covenants and agreement's herein contained, hereby agrees, for himself, his heirs, administrators, successors, and assigns as follows:

ARTICLE 1 – SCOPE OF SERVICES: The Contractor shall provide for the complete provision in the scope of work below in a good and workmanlike and substantial manner and to the satisfaction of the County under the direction of the Gila County Facilities Manager or designee. All work must be performed in conformance with industry standards and best practices.

Scope of Work

The Contractor shall provide for material and installation of the window coverings for three county facilities as follows:

Guerrero Building

Item	Description				Qty	Each	Extended
1	**Applause Easyrise E6 – Legends ¾ Semi-Opaque 442-ButterCream**				6	208.71	1,252.26
	Width	46 ½	Height	34 ½			
	Mount	Inside	Cord Position	Left			
	Bottomrail Cutout Left – Width	0	Bottomrail Cutout Left-Height	0			
	Bottomrail Cutout Right-Width	0	Bottomrail Cutout Right-Height	0			
2	**Décor 1" Mini Décor 1" solids 269 - Chenille**				10	89.01	890.10
	Width	46 ½	Height	34 ½			
	Mount	Inside	Tilt & Cord Position Tilt/Left Cord	Right			
	Cord Length Override	0	Headrail Cutout Left-Width	0			
	Headrail Cutout Left-Height	0	Headrail Cutout Right-Width	0			
	Headrail Cutout Right-Height	0	Bottomrail Cutout Left-Width	0			
	Bottomrail Cutout Left-Height	0	Bottomrail Cutout Right-Width	0			
	Bottomrail Cutout Right-Height	0	Bottomrail Cutout Center-Width	0			
	Bottomrail Cutout Center-Height	0	Bottomrail Coutout Center-Start (from left side)	0			

Product total	Tax 9.6%	Freight	Total Price
2,142.36	205.67	72.00	2,420.03

Elections Office

Item	Description				Qty	Each	Extended
1	**Applause Easyrise E3 – Legends ¾ Blackout 410 - Camel**				1	350.22	350.22
	Width	43 ¼	Height	61 ½			
	Mount	Inside	Cord Position	Left			
	Bottomrail Cutout Left-Width	0	Bottomrail Cutout Left-Height	0			
	Bottomrail Cutout Right-Width	0	Bottomrail Cutout Right-Height	0			
2	**Applause Easyrise E3 – Legends ¾ blackout 410 - Camel**				1	624.83	624.83
	Width	91 ½	Height	61 ½			
	Mount	Inside	Cord Position	Left			
	Bottomrail Cutout Left-Width	0	Bottomrail Cutout Left-Height	0			
	Bottomrail Cutout Right-Width	0	Bottomrail Cutout Right-Height	0			
3	**Applause Easyrise E3 – Legends ¾ Blackout 410 - Camel**				1	624.83	624.83
	Width	91 ½	Height	61 ½			
	Mount	Inside	Cord Position	Left			
	Bottomrail Cutout Left-Width	0	Bottomrail Cutout Left-Height	0			
	Bottomrail Cutout Right-Width	0	Bottomrail Cutout Right-Height	0			
4	**Applause Easyrise E3 – Legends ¾ Blackout 410 - Camel**				1	350.22	350.22
	Width	42 ¾	Height	61 ½			
	Mount	Inside	Cord Position	Left			
	Bottomrail Cutout Left-Width	0	Bottomrail Cutout Left-Height	0			
	Bottomrail Cutout Right-Width	0	Bottomrail Cutout Right-Height	0			
5	**Applause Easyrise E6 – Legends ¾ Semi-Opaque 410 - Camel**				1	278.49	278.49
	Width	43 ½	Height	61 ½			
	Mount	Inside	Cord Position	Left			
	Bottomrail Cutout Left-Width	0	Bottomrail Cutout Left-Height	0			
	Bottomrail Cutout Right-Width	0	Bottomrail Cutout Right-Height	0			

Product total	Tax 9.6%	Freight	Total Price
2,228.59	213.94	43.75	2,486.28

Shop/Roads Building

Item	Description				Qty	Each	Extended
1	**Vertical Solutions New Edcition – Permatrak Headrail Fash – Fasion**				9	105.92	953.28
	Width	42	Height	44			
	Mount	Inside	Stock/Draw Position	Split			
	Control Position	Right	Control Length Overide	0			
	Vane Type/Groover Color	PVC	Hem Type	Not Selected For PVC			
	Bottom Chain	No PVC/Open Hem Fabric	PemAssure Controls	Cord and Chain Control			
	Valence	Dustcover-Single Tier, Closed corner	Continuous(Excel) Valence Width	0			
	Valence Returns	Yes-OB Val Gets Returns, NS Does Not	Valence Return Length Override	0			
	Offset Right Stock Width	0	Offset Left Stack Width	0			

Product total	Tax 9.6%	Freight	Total Price
953.28	91.61	40.60	1,085,29

Shop/Roads Window Tint

(Total 976.00)

East Store Front Main Entrance: Flat glass structural film. Side lights on Sides of Door: Medium rated night vision gray.

- Visible light transmitted 25% solar heat reduction 59%; glare reduction 72%; UV blocked 99%; Total solar rejected 66%.

Doors tinted a light rated night vision gray.

- Visible light transmitted 35%; solar heat reduction 49%; glare reduction 60%; UV blocked 99%; Total solar rejected 57%.

Fee Schedule

▪ Elections Office	$ 2,486.28
▪ Shop/Roads Office Window Covers	$ 1,085.29
▪ Shop/Roads Office Window Tint	$ 976.00
▪ Guerrero Building	$ 2,420.03
	$ 6,967.60

ARTICLE 2 – TERMINATION: The County reserves the right to terminate the Contract, in whole or in part at any time, when in the best interest of the County, without penalty or recourse. Upon receipt of the written notice, the Contractor shall stop all work as directed in the notice. If the contract is terminated, the County shall be liable only for the services rendered under this contract and accepted material received by the County before the effective date of termination.

ARTICLE 3 - INDEMNIFICATION: Contractor shall indemnify, defend, save and hold harmless the County of Gila and its officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all claims. It is agreed that Contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. In consideration of the award of this contract, the Contractor agrees to waive all rights of subrogation against the County, its officers, officials, agents and employees for losses arising from the work performed by the Contractor for the County.

ARTICLE 4 – INSURANCE REQUIREMENTS: Contractor and subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Contract are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors.

The insurance requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The County in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under this contract by the Contractor, his agents, representatives, employees or subcontractors and Contractor is free to purchase additional insurance as may be determined necessary.

A. **MINIMUM SCOPE AND LIMITS OF INSURANCE:** Contractor shall provide coverage with limits of liability not less than those stated below.

1. **Commercial General Liability – Occurrence Form**

Policy shall include bodily injury, property damage and broad form contractual liability coverage.

- General Aggregate $2,000,000
- Products – Completed Operations Aggregate $1,000,000
- Personal and Advertising Injury $1,000,000
- Each Occurrence $1,000,000

a. The policy shall be endorsed to include the following additional insured language: **"The County of Gila shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of the Contractor".**

2. **Worker's Compensation and Employers' Liability**

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	$100,000
Disease – Each Employee	$100,000
Disease – Policy Limit	$500,000

a. Policy shall contain a **waiver of subrogation** against the County of Gila.

B. **ADDITIONAL INSURANCE REQUIREMENTS:** The policies shall include, or be endorsed to include, the following provisions:

1. On insurance policies where the County of Gila is named as an additional insured, the County of Gila shall be an additional insured to the full limits of liability purchased by the Contractor even if those limits of liability are in excess of those required by this Contract.
2. The Contractor's insurance coverage shall be primary insurance and non-contributory with respect to all other available sources.
3. Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of this Contract.

C. **NOTICE OF CANCELLATION:** Each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be suspended, voided, canceled, reduced in coverage or endorsed to lower limits except after thirty (30) days prior written notice has been given to the County. Such notice shall be sent directly to **Gila County Purchasing, 1400 E. Ash St., Globe, AZ, 85501** and shall be sent by certified mail, return receipt requested.

D. **ACCEPTABILITY OF INSURERS:** Insurance is to be placed with insurers duly licensed or approved unlicensed companies in the state of Arizona and with an "A.M. Best" rating of not less than B+ VI. The County in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

E. **VERIFICATION OF COVERAGE:** Contractor shall furnish the County with certificates of insurance (ACORD form or equivalent approved by the County) as required by this Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

All certificates and endorsements are to be received and approved by the County before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract or to provide evidence of renewal is a material breach of contract.

All certificates required by this Contract shall be sent directly to **Gila County Purchasing, 1400 E. Ash St., Globe, AZ, 85501**. The County project/contract number and project description shall be noted on the certificate of insurance. The County reserves the right to require complete, certified copies of all insurance policies required by this Contract at any time.

F. **SUBCONTRACTORS:** Contractors' certificate(s) shall include all subcontractors as additional insured's under its policies **or** Contractor shall furnish to the County separate certificates and endorsements for each subcontractor. All coverage's for subcontractors shall be subject to the minimum requirements identified above.

G. **APPROVAL:** Any modification or variation from the insurance requirements in this Contract shall be made by the County Attorney, whose decision shall be final. Such action will not require a formal Contract amendment, but may be made by administrative action.

ARTICLE 5 – LEGAL ARIZONA WORKERS ACT COMPLIANCE: Contractor hereby warrants that it will at all times during the term of this Contract comply with all federal immigration laws applicable to Contractor's employment of its employees, and with the requirements of A.R.S. § 23-214 (A) (together the "State and Federal Immigration Laws"). Contractor shall further ensure that each subcontractor who performs any work for Contractor under this contract likewise complies with the State and Federal Immigration Laws. County shall have the right at any time to inspect the books and records of Contractor and any subcontractor in order to verify such party's compliance with the State and Federal Immigration Laws.

Any breach of Contractor's or any subcontractor's warranty of compliance with the State and Federal Immigration Laws, or of any other provision of this section, shall be deemed to be a material breach of this Contract subjecting Contractor to penalties up to and including suspension or termination of this Contract. If the breach is by a subcontractor, and the subcontract is suspended or terminated as a result, Contractor shall be required to take such steps as may be necessary to either self-perform the services that would have been provided under the subcontract or retain a replacement subcontractor as soon as possible so as not to delay project completion.

Contractor shall advise each subcontractor of County's rights, and the subcontractor's obligations, under this Article by including a provision in each subcontract substantially in the following form: "Subcontractor hereby warrants that it will at all times during the term of this contract comply with all federal immigration laws applicable to Subcontractor's employees, and with the requirements of A.R.S. § 23-214 (A). Subcontractor further agrees that County may inspect the Subcontractor's books and records to insure that Subcontractor is in compliance with these requirements. Any breach of this paragraph by Subcontractor will be deemed to be a material breach of this contract subjecting Subcontractor to penalties up to and including suspension or termination of this contract."

Any additional costs attributable directly or indirectly to remedial action under this Article shall be the responsibility of Contractor. In the event that remedial action under this Article results in delay to one or more tasks on the critical path of Contractor's approved construction or critical milestones schedule, such period of delay shall be deemed excusable delay for which Contractor shall be entitled to an extension of time, but not costs.

ARTICLE 6 – LAWS AND ORDINANCES: This agreement shall be enforced under the laws of the State of Arizona. Contractor shall maintain in current status all Federal, State and Local licenses and permits required for the operation of the business conducted by the Contractor. The Contractor shall comply with the applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and applicable federal regulations under the Act.

ARTICLE 7– ANTI-TERRORISM WARRANTY: Pursuant to A.R.S. § 35-393.06(B) and 35-301.06(A) the Contractor certifies that it does not have scrutinized business operations in Iran or Sudan and that they are in compliance with the Export Administration Act and not on the Excluded Parties List.

ARTICLE 8 – CANCELLATION: This agreement is subject to cancellation pursuant to A.R.S. §38-511. If the Agreement is terminated, the county shall be liable only for payment for services rendered and accepted material received by the County before the effective date of termination.

ARTICLE 9 – RELATIONSHIP OF THE PARTIES: Contractor is an independent contractor of the County. Contractor represents that he has or will secure, at his own expense, all personnel required in performing the services under this contract. Such personnel shall not be employees of or have any contractual relationship with the County. All personnel engaged in work under this contract shall be fully qualified and shall be authorized or permitted under State and local law to perform such services. Contractor warrants that he has obtained or will obtain Worker's Compensation Insurance for his employees working on this contract and that any subcontractors will likewise obtain Worker's Compensation Insurance for of their employees working on this contract. It is further agreed by Contractor that he shall obey all state and federal statutes, rules, and regulations which are applicable to provisions of the services called for herein. Neither Contractor nor any employee of the Contractor shall be deemed an officer, employee, or agent of the County.

ARTICLE 10 – NON-APPROPRIATIONS CLAUSE: Contractor acknowledges that the County is a governmental entity, and the contract validity is based upon the availability of public funding under its authority. In the event that public funds are unavailable and not appropriated for the performance of County's obligations under this contract, then this contract shall automatically expire without penalty to County after written notice to Contractor of the unavailability and non-appropriation of public funds. It is expressly agreed that the County shall only activate this non-appropriation provision as an emergency fiscal measure. The County shall not activate this non-appropriation provision for its convenience, to circumvent the requirements of this contract, or to enable the County to contract with another Contractor for the same supplies or services covered under this Addendum.

ARTICLE 11 – ENTIRE CONTRACT CLAUSE: The Contractor and the County have read this Contract and agree to be bound by all of its terms, and further agree that it constitutes the entire contract between the two parties and may only be modified by a written mutual contract signed by the parties. No oral agreement or oral provision outside this Contract shall have any force or effect

ARTICLE 12 – NON-WAIVER OF ENFORCEABILITY: Failure of the County to enforce, at any time, any of the provisions of this Contract, or to request at any time performance by Contractor of any of the provisions hereof, shall in no way be construed to be a waiver of such provisions, nor in any way affect the validity of this contract or any part thereof, or the right of the County to enforce each and every provision

ARTICLE 13 – GOVERNING LAW: Both parties agree that this Contract shall be governed by the laws of the state of Arizona. The parties further agree that the jurisdiction for any legal disputes arising out of this Contract shall be the Superior Court of the State of Arizona. The parties agree that even if this Contract does not specifically reference any provision required by state or federal law,

those state and federally required provisions are incorporated into this Contract by this reference as though they were specifically listed herein.

ARTICLE 14– TERM: The term of the agreement shall commence on March 7, 2012, and continue to April 20, 2012, unless canceled or extended as otherwise provided herein.

ARTICLE 15 – PAYMENT/BILLING: Contractor shall be paid per the fee schedule as stated in Article 1, but in no event shall payment exceed **$ 6,967.60** for the contract term without prior written approval from the County.

All invoices shall be submitted to Gila County Accounts Payable, 1400 E. Ash St, Globe, Arizona and include the following information:

- Purchase Order Number
- Contract Number
- Invoice Number
- Service Location
- Vendor Name and Address
- Description of Service

Any alterations to the scope of work resulting in a change in cost must have prior written approval by the County. Any unauthorized work may result in non-payment to the vendor.

Gila County employs a "Net 15" payment term for services meaning the payment will be issued fifteen (15) days from the date the County receives the invoice from the Contractor. Purchase orders sent to the Contractor reflect these terms and conditions.

The Contractor shall have a current I.R.S. W-9 form on file with the County unless not required by law. The County shall not remit payment if the Contractor does not have a current W-9.

IN WITNESS WHEREOF, two (2) identical counterparts of **Contract No. 022412,** each for all purposes shall be deemed an original thereof, have been duly executed by the parties hereinabove named, on the date and year first above written.

GILA COUNTY

Don E. McDaniel Jr., County Manager

Date: _____

KINO FLOOR'S & INTERIORS

Signature

DALE FLETCHER

Print Name

Date: 2/29/12

APPROVED AS TO FORM

Bryan B. Chambers, Chief Deputy County Attorney
for Daisy Flores, County Attorney

Tommie C. Martin, District I
P.O. Box 2297 Payson, AZ. 85547
(928) 474-2029

Michael A. Pastor, District II
1400 E. Ash St. Globe, AZ. 85501
(928) 425-3231 Ext. 8753

Shirley L. Dawson, District III
1400 E. Ash St. Globe, AZ. 85501
(928) 425-3231 Ext. 8511

GILA COUNTY
www.gilacountyaz.gov

Don E. McDaniel Jr., County Manager
Phone (928) 425-3231 Ext.8761

Joseph T. Heatherly, Finance Director
Phone (928) 425-3231 Ext. 8743

FAX (928) 425-0319
TTY: 7-1-1

PROFESSIONAL SERVICE CONTRACT NO. 020912

NORTHERN GILA COUNTY
BACKFLOW TESTING AND REPAIRS

THIS AGREEMENT, made and entered into this 7th day of March, 2012, by and between Gila County a political subdivision of the State of Arizona, hereinafter designated the County, and **High Country Plumbing, Inc**, of the Town of Payson, State of Arizona, hereinafter designated the Contractor.

WITNESSETH: The Contractor, for and in consideration of the sum to be paid him by the County, in the manner and at the time hereinafter provided, and of the other covenants and agreement's herein contained, hereby agrees, for himself, his heirs, administrators, successors, and assigns as follows:

ARTICLE 1 – SCOPE OF SERVICES: The Contractor shall provide for the complete provision in the scope of work below in a good and workmanlike and substantial manner and to the satisfaction of the County under the direction of the Gila County Facilities Manager or designee.

Annual backflow testing monitors the health and safety mechanisms designed to protect water purity of domestic potable water systems and are required by Arizona state and local laws and ordinances.

All work must be performed in conformance with industry standards and best practices and by an Arizona State Certified Contractor in good standing.

Scope of Work

The contractor shall perform the annual backflow testing at multiple county facilities in Payson, Arizona and repair and/or replace material as needed per county approval.

Locations

Courthouse Complex 714 S. Beeline Highway, Payson, AZ	Sheriff's Administration Office 108 W. Main St., Payson, AZ
Sheriff's Jail 108 W. Main, Payson, AZ	Pine Roads Yard 3180 Old County Rd, Pine, AZ
Payson Administration Building 610 E. Hwy 260, Payson, AZ	Health Department 107 W. Frontier, Payson, AZ

Contractor Fee's

See attached ***Exhibit "A"*** for fee description and rates.

ARTICLE 2 – TERMINATION: The County reserves the right to terminate the Contract, in whole or in part at any time, when in the best interest of the County, without penalty or recourse. Upon receipt of the written notice, the Contractor shall stop all work as directed in the notice. If the contract is terminated, the County shall be liable only for the services rendered under this contract and accepted material received by the County before the effective date of termination.

ARTICLE 3 - INDEMNIFICATION: Contractor shall indemnify, defend, save and hold harmless the County of Gila and its officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all claims. It is agreed that Contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. In consideration of the award of this contract, the Contractor agrees to waive all rights of subrogation against the County, its officers, officials, agents and employees for losses arising from the work performed by the Contractor for the County.

ARTICLE 4 – INSURANCE REQUIREMENTS: Contractor and subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Contract are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors.

The insurance requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The County in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under this contract by the Contractor, his agents, representatives, employees or subcontractors and Contractor is free to purchase additional insurance as may be determined necessary.

A. **MINIMUM SCOPE AND LIMITS OF INSURANCE:** Contractor shall provide coverage with limits of liability not less than those stated below.

1. **Commercial General Liability – Occurrence Form**
   Policy shall include bodily injury, property damage and broad form contractual liability coverage.
   - General Aggregate $2,000,000
   - Products – Completed Operations Aggregate $1,000,000
   - Personal and Advertising Injury $1,000,000

- Each Occurrence $1,000,000

a. The policy shall be endorsed to include the following additional insured language: **"The County of Gila shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of the Contractor".**

2. **Worker's Compensation and Employers' Liability**

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	$100,000
Disease – Each Employee	$100,000
Disease – Policy Limit	$500,000

a. Policy shall contain a **waiver of subrogation** against the County of Gila.

B. **ADDITIONAL INSURANCE REQUIREMENTS:** The policies shall include, or be endorsed to include, the following provisions:

1. On insurance policies where the County of Gila is named as an additional insured, the County of Gila shall be an additional insured to the full limits of liability purchased by the Contractor even if those limits of liability are in excess of those required by this Contract.
2. The Contractor's insurance coverage shall be primary insurance and non-contributory with respect to all other available sources.
3. Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of this Contract.

C. **NOTICE OF CANCELLATION:** Each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be suspended, voided, canceled, reduced in coverage or endorsed to lower limits except after thirty (30) days prior written notice has been given to the County. Such notice shall be sent directly to **Gila County Purchasing, 1400 E. Ash St., Globe, AZ, 85501** and shall be sent by certified mail, return receipt requested.

D. **ACCEPTABILITY OF INSURERS:** Insurance is to be placed with insurers duly licensed or approved unlicensed companies in the state of Arizona and with an "A.M. Best" rating of not less than B+ VI. The County in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

E. **VERIFICATION OF COVERAGE:** Contractor shall furnish the County with certificates of insurance (ACORD form or equivalent approved by the County) as required by this Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

All certificates and endorsements are to be received and approved by the County before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract or to provide evidence of renewal is a material breach of contract.

All certificates required by this Contract shall be sent directly to **Gila County Purchasing, 1400 E. Ash St., Globe, AZ, 85501**. The County project/contract number and project description shall be noted on the certificate of insurance. The County reserves the right to require complete, certified copies of all insurance policies required by this Contract at any time.

F. **SUBCONTRACTORS:** Contractors' certificate(s) shall include all subcontractors as additional insured's under its policies **or** Contractor shall furnish to the County separate certificates and endorsements for each subcontractor. All coverage's for subcontractors shall be subject to the minimum requirements identified above.

G. **APPROVAL:** Any modification or variation from the insurance requirements in this Contract shall be made by the County Attorney, whose decision shall be final. Such action will not require a formal Contract amendment, but may be made by administrative action.

ARTICLE 5 – LEGAL ARIZONA WORKERS ACT COMPLIANCE: Contractor hereby warrants that it will at all times during the term of this Contract comply with all federal immigration laws applicable to Contractor's employment of its employees, and with the requirements of A.R.S. § 23-214 (A) (together the "State and Federal Immigration Laws"). Contractor shall further ensure that each subcontractor who performs any work for Contractor under this contract likewise complies with the State and Federal Immigration Laws. County shall have the right at any time to inspect the books and records of Contractor and any subcontractor in order to verify such party's compliance with the State and Federal Immigration Laws.

Any breach of Contractor's or any subcontractor's warranty of compliance with the State and Federal Immigration Laws, or of any other provision of this section, shall be deemed to be a material breach of this Contract subjecting Contractor to penalties up to and including suspension or termination of this Contract. If the breach is by a subcontractor, and the subcontract is suspended or terminated as a result, Contractor shall be required to take such steps as may be necessary to either self-perform the services that would have been provided under the subcontract or retain a replacement subcontractor as soon as possible so as not to delay project completion.

Contractor shall advise each subcontractor of County's rights, and the subcontractor's obligations, under this Article by including a provision in each subcontract substantially in the following form: "Subcontractor hereby warrants that it will at all times during the term of this contract comply with all federal immigration laws applicable to Subcontractor's employees, and with the requirements of A.R.S. § 23-214 (A). Subcontractor further agrees that County may inspect the Subcontractor's books and records to insure that Subcontractor is in compliance with these requirements. Any breach of this paragraph by Subcontractor will be deemed to be a material breach of this contract subjecting Subcontractor to penalties up to and including suspension or termination of this contract."

Any additional costs attributable directly or indirectly to remedial action under this Article shall be the responsibility of Contractor. In the event that remedial action under this Article results in delay to one or more tasks on the critical path of Contractor's approved construction or critical milestones schedule, such period of delay shall be deemed excusable delay for which Contractor shall be entitled to an extension of time, but not costs.

ARTICLE 6 – LAWS AND ORDINANCES: This agreement shall be enforced under the laws of the State of Arizona. Contractor shall maintain in current status all Federal, State and Local licenses and permits required for the operation of the business conducted by the Contractor. The Contractor shall comply with the applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and applicable federal regulations under the Act.

ARTICLE 7– ANTI-TERRORISM WARRANTY: Pursuant to A.R.S. § 35-393.06(B) and 35-301.06(A) the Contractor certifies that it does not have scrutinized business operations in Iran or

Sudan and that they are in compliance with the Export Administration Act and not on the Excluded Parties List.

ARTICLE 8 – CANCELLATION: This agreement is subject to cancellation pursuant to A.R.S. §38-511. If the Agreement is terminated, the county shall be liable only for payment for services rendered and accepted material received by the County before the effective date of termination.

ARTICLE 9 – RELATIONSHIP OF THE PARTIES: Contractor is an independent contractor of the County. Contractor represents that he has or will secure, at his own expense, all personnel required in performing the services under this contract. Such personnel shall not be employees of or have any contractual relationship with the County. All personnel engaged in work under this contract shall be fully qualified and shall be authorized or permitted under State and local law to perform such services. Contractor warrants that he has obtained or will obtain Worker's Compensation Insurance for his employees working on this contract and that any subcontractors will likewise obtain Worker's Compensation Insurance for of their employees working on this contract. It is further agreed by Contractor that he shall obey all state and federal statutes, rules, and regulations which are applicable to provisions of the services called for herein. Neither Contractor nor any employee of the Contractor shall be deemed an officer, employee, or agent of the County.

ARTICLE 10 – NON-APPROPRIATIONS CLAUSE: Contractor acknowledges that the County is a governmental entity, and the contract validity is based upon the availability of public funding under its authority. In the event that public funds are unavailable and not appropriated for the performance of County's obligations under this contract, then this contract shall automatically expire without penalty to County after written notice to Contractor of the unavailability and non-appropriation of public funds. It is expressly agreed that the County shall only activate this non-appropriation provision as an emergency fiscal measure. The County shall not activate this non-appropriation provision for its convenience, to circumvent the requirements of this contract, or to enable the County to contract with another Contractor for the same supplies or services covered under this Addendum.

ARTICLE 11 – ENTIRE CONTRACT CLAUSE: The Contractor and the County have read this Contract and agree to be bound by all of its terms, and further agree that it constitutes the entire contract between the two parties and may only be modified by a written mutual contract signed by the parties. No oral agreement or oral provision outside this Contract shall have any force or effect.

ARTICLE 12 – NON-WAIVER OF ENFORCEABILITY: Failure of the County to enforce, at any time, any of the provisions of this Contract, or to request at any time performance by Contractor of any of the provisions hereof, shall in no way be construed to be a waiver of such provisions, nor in any way affect the validity of this contract or any part thereof, or the right of the County to enforce each and every provision

ARTICLE 13 – GOVERNING LAW: Both parties agree that this Contract shall be governed by the laws of the state of Arizona. The parties further agree that the jurisdiction for any legal disputes arising out of this Contract shall be the Superior Court of the State of Arizona. The parties agree that even if this Contract does not specifically reference any provision required by state or federal law, those state and federally required provisions are incorporated into this Contract by this reference as though they were specifically listed herein.

ARTICLE 14– TERM: The term of the agreement shall commence on **March 1, 2012,** and continue in full force and effect up through and including **February 28, 2013**, unless terminated, canceled or extended as otherwise provided herein. The Contractor agrees that Gila County shall have the right, at its sole option, to renew the agreement for two (2) additional one (1) year periods. In the event the County exercises such a right, all terms, conditions and provisions of the original agreement shall remain the same and apply during the renewal period.

ARTICLE 15 – PAYMENT/BILLING: Contractor shall be paid per the fee schedule as stated in Article 1, but in no event shall payment exceed **$1,000.00** for the contract term without prior written approval from the County.

All invoices shall be submitted to Gila County Accounts Payable, 1400 E. Ash St, Globe, Arizona and include the following information:

- Purchase Order Number
- Contract Number
- Invoice Number
- Service Location
- Vendor Name and Address
- Description of Service

Any alterations to the scope of work resulting in a change in cost must have prior written approval by the County. Any unauthorized work may result in non-payment to the vendor.

Gila County employs a "Net 15" payment term for services meaning the payment will be issued fifteen (15) days from the date the County receives the invoice from the Contractor. Purchase orders sent to the Contractor reflect these terms and conditions.

The Contractor shall have a current I.R.S. W-9 form on file with the County unless not required by law. The County shall not remit payment if the Contractor does not have a current W-9.

IN WITNESS WHEREOF, two (2) identical counterparts of **Contract No. 020912,** each for all purposes shall be deemed an original thereof, have been duly executed by the parties hereinabove named, on the date and year first above written.

GILA COUNTY

Don E. McDaniel Jr., County Manager

Date: 3/7/12

APPROVED AS TO FORM

Bryan B. Chambers, Chief Deputy County Attorney
for Daisy Flores, County Attorney

HIGH COUNTRY PLUMBING, INC

Signature

Jonnimae Kienitz

Print Name

Date: 2/28/12

Exhibit "A"

Proposal

Page No. of Pages

HIGH COUNTRY PLUMBING, INC.
Licensed & Bonded
P.O. Box 281
PINE, AZ 85544
(928) 476-3462

Attn: David Buffington

PROPOSAL SUBMITTED TO: Gila County Maintenance	PHONE	DATE: 2/7/2012	
STREET	JOB NAME: Backflow testing + Repair		
CITY, STATE and ZIP CODE: Payson, Az 85541	JOB LOCATION: Gila Cty		
ARCHITECT	DATE OF PLANS		JOB PHONE: 476-3462

We hereby submit specifications and estimates for:

6 Backflow inspections and tests - $320.00

Cost of repairs are minimum of $25.00

Depending on what part for which size assembly would be Time + Material at $65.00 an hour plus whatever parts would cost

We Propose hereby to furnish material and labor — complete in accordance with above specifications, for the sum of:

_____ dollars ($ _____).

Payment to be made as follows:

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. Our workers are fully covered by Workman's Compensation Insurance.

Authorized Signature: Jimmal Kents

Note: This proposal may be withdrawn by us if not accepted within 30 Days days.

Acceptance of Proposal — The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Signature _____

Date of Acceptance: _____

Signature _____

Tommie C. Martin, District I
P.O. Box 2297 Payson, AZ. 85547
(928) 474-2029

Michael A. Pastor, District II
1400 E. Ash St. Globe, AZ. 85501
(928) 425-3231 Ext. 8753

Shirley L. Dawson, District III
1400 E. Ash St. Globe, AZ. 85501
(928) 425-3231 Ext. 8511

GILA COUNTY
www.gilacountyaz.gov

Don E. McDaniel Jr., County Manager
Phone (928) 425-3231 Ext.8761

Joseph T. Heatherly, Finance Director
Phone (928) 425-3231 Ext. 8743

FAX (928) 425-0319
TTY: 7-1-1

PROFESSIONAL SERVICE CONTRACT NO. 012412

SOUTHERN GILA COUNTY
BACKFLOW TESTING AND REPAIRS

THIS AGREEMENT, made and entered into this 7th day of March, 2012, by and between Gila County a political subdivision of the State of Arizona, hereinafter designated the County, and **Earthquest Plumbing, Inc.**, of the City of Globe, State of Arizona, hereinafter designated the Contractor.

WITNESSETH: The Contractor, for and in consideration of the sum to be paid him by the County, in the manner and at the time hereinafter provided, and of the other covenants and agreement's herein contained, hereby agrees, for himself, his heirs, administrators, successors, and assigns as follows:

ARTICLE 1 – SCOPE OF SERVICES: The Contractor shall provide for the complete provision in the scope of work below in a good and workmanlike and substantial manner and to the satisfaction of the County under the direction of the Gila County Facilities Manager or designee.

Annual backflow testing monitors the health and safety mechanisms designed to protect water purity of domestic potable water systems and are required by Arizona state and local laws and ordinances.

All work must be performed in conformance with industry standards and best practices and by an Arizona State Certified Contractor in good standing.

Scope of Work

The contractor shall perform the annual backflow testing at multiple county facilities in Globe, Arizona and repair and/or replace material as needed per county approval.

Locations

Gila County Courthouse
1400 E. Ash St., Globe, AZ

Guerrero Building
1400 E. Ash St., Globe, AZ

Michaelson Building
157 S. Broad St., Globe, AZ

Auto Equipment Maintenance - 911 Dispatch
1400 E. Ash St., Globe, AZ

Juvenile Detention Center
1425 South St., Globe, AZ

Sheriff's Office & Jail Facility
1100 South St., Globe, AZ

Women's Dormitory Jail Facility
1100 South St., Globe, AZ

Public Works Administration
745 N. Rose Mofford Way, Globe, AZ

Consolidated Roads / Auto Equipment Bldg
1001 W. Besich Blvd, Globe, AZ

Sheriff's Administration Office
1177 Monroe St., Globe, AZ

Animal Shelter
700 Hackney, Ave, Globe, AZ

Recycle and Landfill Management
5891 Hope Lane, Globe, AZ

Facilities & Sign Shop Building
725 N. Rose Mofford Way, Globe, AZ

Fairgrounds
Highway 60 Milepost 255, Globe, AZ

Roosevelt Sheriff's Sub-Station
Highway 188, Milepost 243.3, Roosevelt, AZ

Central Heights Complex
5515 S. Apache, Ave., Globe, AZ

Contractor Fee's

See attached ***Exhibit "A"*** for fee description and rates.

ARTICLE 2 – TERMINATION: The County reserves the right to terminate the Contract, in whole or in part at any time, when in the best interest of the County, without penalty or recourse. Upon receipt of the written notice, the Contractor shall stop all work as directed in the notice. If the contract is terminated, the County shall be liable only for the services rendered under this contract and accepted material received by the County before the effective date of termination.

ARTICLE 3 - INDEMNIFICATION: Contractor shall indemnify, defend, save and hold harmless the County of Gila and its officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all claims. It is agreed that Contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. In consideration of the award of this contract, the Contractor agrees to waive all rights of subrogation against the County, its officers, officials, agents and employees for losses arising from the work performed by the Contractor for the County.

ARTICLE 4 – INSURANCE REQUIREMENTS: Contractor and subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Contract are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors.

The insurance requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The County in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under this contract by the Contractor, his agents,

representatives, employees or subcontractors and Contractor is free to purchase additional insurance as may be determined necessary.

A. **MINIMUM SCOPE AND LIMITS OF INSURANCE:** Contractor shall provide coverage with limits of liability not less than those stated below.

1. **Commercial General Liability – Occurrence Form**
   Policy shall include bodily injury, property damage and broad form contractual liability coverage.

• General Aggregate	$2,000,000
• Products – Completed Operations Aggregate	$1,000,000
• Personal and Advertising Injury	$1,000,000
• Each Occurrence	$1,000,000

   a. The policy shall be endorsed to include the following additional insured language: **"The County of Gila shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of the Contractor".**

2. **Worker's Compensation and Employers' Liability**

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	$100,000
Disease – Each Employee	$100,000
Disease – Policy Limit	$500,000

   a. Policy shall contain a **waiver of subrogation** against the County of Gila.

B. **ADDITIONAL INSURANCE REQUIREMENTS:** The policies shall include, or be endorsed to include, the following provisions:

1. On insurance policies where the County of Gila is named as an additional insured, the County of Gila shall be an additional insured to the full limits of liability purchased by the Contractor even if those limits of liability are in excess of those required by this Contract.
2. The Contractor's insurance coverage shall be primary insurance and non-contributory with respect to all other available sources.
3. Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of this Contract.

C. **NOTICE OF CANCELLATION:** Each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be suspended, voided, canceled, reduced in coverage or endorsed to lower limits except after thirty (30) days prior written notice has been given to the County. Such notice shall be sent directly to **Gila County Purchasing, 1400 E. Ash St., Globe, AZ, 85501** and shall be sent by certified mail, return receipt requested.

D. **ACCEPTABILITY OF INSURERS:** Insurance is to be placed with insurers duly licensed or approved unlicensed companies in the state of Arizona and with an "A.M. Best" rating of not less than B+ VI. The County in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

E. **VERIFICATION OF COVERAGE:** Contractor shall furnish the County with certificates of insurance (ACORD form or equivalent approved by the County) as required by this Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

All certificates and endorsements are to be received and approved by the County before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract or to provide evidence of renewal is a material breach of contract.

All certificates required by this Contract shall be sent directly to **Gila County Purchasing, 1400 E. Ash St., Globe, AZ, 85501**. The County project/contract number and project description shall be noted on the certificate of insurance. The County reserves the right to require complete, certified copies of all insurance policies required by this Contract at any time.

F. **SUBCONTRACTORS:** Contractors' certificate(s) shall include all subcontractors as additional insured's under its policies **or** Contractor shall furnish to the County separate certificates and endorsements for each subcontractor. All coverage's for subcontractors shall be subject to the minimum requirements identified above.

G. **APPROVAL:** Any modification or variation from the insurance requirements in this Contract shall be made by the County Attorney, whose decision shall be final. Such action will not require a formal Contract amendment, but may be made by administrative action.

ARTICLE 5 – LEGAL ARIZONA WORKERS ACT COMPLIANCE: Contractor hereby warrants that it will at all times during the term of this Contract comply with all federal immigration laws applicable to Contractor's employment of its employees, and with the requirements of A.R.S. § 23-214 (A) (together the "State and Federal Immigration Laws"). Contractor shall further ensure that each subcontractor who performs any work for Contractor under this contract likewise complies with the State and Federal Immigration Laws. County shall have the right at any time to inspect the books and records of Contractor and any subcontractor in order to verify such party's compliance with the State and Federal Immigration Laws.

Any breach of Contractor's or any subcontractor's warranty of compliance with the State and Federal Immigration Laws, or of any other provision of this section, shall be deemed to be a material breach of this Contract subjecting Contractor to penalties up to and including suspension or termination of this Contract. If the breach is by a subcontractor, and the subcontract is suspended or terminated as a result, Contractor shall be required to take such steps as may be necessary to either self-perform the services that would have been provided under the subcontract or retain a replacement subcontractor as soon as possible so as not to delay project completion.

Contractor shall advise each subcontractor of County's rights, and the subcontractor's obligations, under this Article by including a provision in each subcontract substantially in the following form: "Subcontractor hereby warrants that it will at all times during the term of this contract comply with all federal immigration laws applicable to Subcontractor's employees, and with the requirements of A.R.S. § 23-214 (A). Subcontractor further agrees that County may inspect the Subcontractor's books and records to insure that Subcontractor is in compliance with these requirements. Any breach of this paragraph by Subcontractor will be deemed to be a material breach of this contract subjecting Subcontractor to penalties up to and including suspension or termination of this contract."

Any additional costs attributable directly or indirectly to remedial action under this Article shall be the responsibility of Contractor. In the event that remedial action under this Article results in delay to one or more tasks on the critical path of Contractor's approved construction or critical milestones schedule, such period of delay shall be deemed excusable delay for which Contractor shall be entitled to an extension of time, but not costs.

ARTICLE 6 – LAWS AND ORDINANCES: This agreement shall be enforced under the laws of the State of Arizona. Contractor shall maintain in current status all Federal, State and Local licenses and permits required for the operation of the business conducted by the Contractor. The Contractor shall comply with the applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and applicable federal regulations under the Act.

ARTICLE 7– ANTI-TERRORISM WARRANTY: Pursuant to A.R.S. § 35-393.06(B) and 35-301.06(A) the Contractor certifies that it does not have scrutinized business operations in Iran or Sudan and that they are in compliance with the Export Administration Act and not on the Excluded Parties List.

ARTICLE 8 – CANCELLATION: This agreement is subject to cancellation pursuant to A.R.S. §38-511. If the Agreement is terminated, the county shall be liable only for payment for services rendered and accepted material received by the County before the effective date of termination.

ARTICLE 9 – RELATIONSHIP OF THE PARTIES: Contractor is an independent contractor of the County. Contractor represents that he has or will secure, at his own expense, all personnel required in performing the services under this contract. Such personnel shall not be employees of or have any contractual relationship with the County. All personnel engaged in work under this contract shall be fully qualified and shall be authorized or permitted under State and local law to perform such services. Contractor warrants that he has obtained or will obtain Worker's Compensation Insurance for his employees working on this contract and that any subcontractors will likewise obtain Worker's Compensation Insurance for of their employees working on this contract. It is further agreed by Contractor that he shall obey all state and federal statutes, rules, and regulations which are applicable to provisions of the services called for herein. Neither Contractor nor any employee of the Contractor shall be deemed an officer, employee, or agent of the County.

ARTICLE 10 – NON-APPROPRIATIONS CLAUSE: Contractor acknowledges that the County is a governmental entity, and the contract validity is based upon the availability of public funding under its authority. In the event that public funds are unavailable and not appropriated for the performance of County's obligations under this contract, then this contract shall automatically expire without penalty to County after written notice to Contractor of the unavailability and non-appropriation of public funds. It is expressly agreed that the County shall only activate this non-appropriation provision as an emergency fiscal measure. The County shall not activate this non-appropriation provision for its convenience, to circumvent the requirements of this contract, or to enable the County to contract with another Contractor for the same supplies or services covered under this Addendum.

ARTICLE 11 – ENTIRE CONTRACT CLAUSE: The Contractor and the County have read this Contract and agree to be bound by all of its terms, and further agree that it constitutes the entire contract between the two parties and may only be modified by a written mutual contract signed by the parties. No oral agreement or oral provision outside this Contract shall have any force or effect

ARTICLE 12 – NON-WAIVER OF ENFORCEABILITY: Failure of the County to enforce, at any time, any of the provisions of this Contract, or to request at any time performance by Contractor of any of the provisions hereof, shall in no way be construed to be a waiver of such provisions, nor in any way affect the validity of this contract or any part thereof, or the right of the County to enforce each and every provision

ARTICLE 13 – GOVERNING LAW: Both parties agree that this Contract shall be governed by the laws of the state of Arizona. The parties further agree that the jurisdiction for any legal disputes arising out of this Contract shall be the Superior Court of the State of Arizona. The parties agree that even if this Contract does not specifically reference any provision required by state or federal law, those state and federally required provisions are incorporated into this Contract by this reference as though they were specifically listed herein.

ARTICLE 14– TERM: The term of the agreement shall commence on **February 1, 2012,** and continue in full force and effect up through and including **January 31, 2013**, unless terminated, canceled or extended as otherwise provided herein. The Contractor agrees that Gila County shall have the right, at its sole option, to renew the agreement for two (2) additional one (1) year periods. In the event the County exercises such a right, all terms, conditions and provisions of the original agreement shall remain the same and apply during the renewal period.

ARTICLE 15 – PAYMENT/BILLING: Contractor shall be paid per the fee schedule as stated in Article 1, but in no event shall payment exceed **$2,000.00** for the contract term without prior written approval from the County.

All invoices shall be submitted to Gila County Accounts Payable, 1400 E. Ash St, Globe, Arizona and include the following information:

- Purchase Order Number
- Contract Number
- Invoice Number
- Service Location
- Vendor Name and Address
- Description of Service

Any alterations to the scope of work resulting in a change in cost must have prior written approval by the County. Any unauthorized work may result in non-payment to the vendor.

Gila County employs a "Net 15" payment term for services meaning the payment will be issued fifteen (15) days from the date the County receives the invoice from the Contractor. Purchase orders sent to the Contractor reflect these terms and conditions.

The Contractor shall have a current I.R.S. W-9 form on file with the County unless not required by law. The County shall not remit payment if the Contractor does not have a current W-9.

IN WITNESS WHEREOF, two (2) identical counterparts of **Contract No. 012412,** each for all purposes shall be deemed an original thereof, have been duly executed by the parties hereinabove named, on the date and year first above written.

GILA COUNTY

Don E. McDaniel Jr., County Manager

Date: 3/6/12

EARTHQUEST PLUMBING, INC.

Signature

Timothy W. HAAS

Print Name

Date: 2/8/12

APPROVED AS TO FORM

Bryan B. Chambers, Chief Deputy County Attorney
for Daisy Flores, County Attorney

Exhibit "A"

Earthquest Plumbing, Inc. ROC184573

P.O. Box 539
Globe, AZ 85501

Estimate

Date	Estimate #
1/16/2012	151

Name / Address
GILA COUNTY FINANCE DEPT. ATTN: ACCOUNTS PAYABLE 1400 E. ASH ST. GLOBE, AZ. 85501

Project

Description	Qty	Cost	Total
ESTIMATE FOR BACKFLOW TESTING, REPAIRS AND/OR REPLACEMENT.			
3/4" UP TO 2" BACKFLOW TESTING $55.00 PER BACKFLOW (LABOR INCLUDED IN RATE)			
3/4" BACKFLOW REPAIR KITS $ 35.00 EA. + LABOR 1" BACKFLOW REPAIR KITS $48.00 EA. + LABOR 1 1/2" BACKFLOW REPAIR KITS $ 58.00 EA. + LABOR 2" BACKFLOW REPAIR KITS $ 68.00 EA. + LABOR			
HOURLY RATE PER MAN $ 45.00 (AVERAGE REPAIR 1 HR / 1 MAN)			
3/4" BACKFLOW 15% ABOVE MATERIAL COST (EST. COST $100.00) 1" BACKFLOW 15% ABOVE MATERIAL COST (EST. COST $185.00) 1 1/2" BACKFLOW 15% ABOVE MATERIAL COST (EST. COST $365.00) 2" BACKFLOW 15% ABOVE MATERIAL COST (EST. COST $485.00)			
A COPY OF INVOICE CAN BE INCLUDED IN EARTHQUEST INVOICE IF NEEDED.			

	Subtotal
	Sales Tax (9.6%)
	Total

ThyssenKrupp Elevator
Americas Business Unit

Work Order.

ThyssenKrupp

Date:	01/05/2012	Purchaser:	Gila County
Location:	Gila County Courthouse	Contact Name:	Bob Hickman
Address:	1400 E. Ash Street	Title:	Facilities Engineer
City:	Globe, AZ 85501	Company:	Gila County
Contract #:	006IF01276	Address:	1400 E. Ash Street
Telephone:	(928)200-1642	City/ST/ZIP:	Globe, AZ 85501
Equipment ID:	North Elevator	Phone:	(928)200-1642
RWO Title:	PROVIDE FOR CONNECTION OF CARDREADER SYSTEM TO ELEVATOR	Facsimile:	

Purchaser authorizes ThyssenKrupp Elevator Corporation to perform the following described work on the following elevator(s) in the above building:

PROVIDE FOR CONNECTION OF CARDREADER SYSTEM TO NORTH ELEVATOR

ThyssenKrupp to provide labor, materials, travel time and expenses to provide for the connection of a new cardreader system for the North Elevator. Card reader system is provided and installed by others. ThyssenKrupp work to be performed as follows:

1. Install new traveling cable to provide wiring for new cardreader system from connection at car operating panel in cab, through the shaft, and to the elevator controller in the elevator equipment room.

2. Connect card reader system wiring at car operating panel and into controller in equipment room.

3. Insure access control system is properly bypassed when elevator is placed in Fire Service Operations mode, per state elevator code requirements.

4. Test systema nd return elevator to service.

All work to be performed during regular working hours of regular working days of the elevator industry. All work will require the uninterrupted use of the elevator. Cardreader system to be installed and provided by others, prior to our connection work. Wiring specifications required for the cardreader system must be provided to ThyssenKrupp prior to our ability to order the proper traveling cable to be installed.

Purchaser agrees to pay the sum of: Eight Thousand Seven Hundred Thirty ($8,730.00) Dollars which excludes all applicable taxes. Delivery and shipping is included. All work is to be performed during regular working days and hours, unless otherwise indicated herein. No permits or inspections by others are included in this work, unless otherwise indicated herein.

To indicate acceptance of this work order, please sign and return one (1) original of this agreement to the address shown below. Upon receipt of your written authorization and required materials and/or supplies, we shall implement the work order.

Unless otherwise stated, you agree to pay as follows: 50% upon signed acceptance and 50% upon completion.

This Work Order is submitted for acceptance within 30 days from the date executed by ThyssenKrupp Elevator Corporation.

Purchaser's acceptance of this Work Order together with the terms and conditions printed on subsequent pages hereof and which are expressly made a part of this proposal and agreed to, will constitute exclusively and entirely the agreement for the work herein described. All prior representations or agreements regarding this work, whether written or verbal, will be deemed to be merged herein, and no other changes in or additions to this agreement will be recognized unless made in writing and properly executed by both parties. This Work Order specifically contemplates work outside the scope of any maintenance contract currently in effect between the parties; any such contract shall be unaffected by this Work Order.

Work Order.

No agent or employee shall have the authority to waive or modify any of the terms of this agreement without the written approval of an authorized ThyssenKrupp Elevator Corporation manager.

ThyssenKrupp Elevator Corporation:	Gila County	ThyssenKrupp Elevator Corporation Approval:
By: _____ (Signature of ThyssenKrupp Elevator Representative)	By: _____ (Signature of Authorized Individual)	By: _____ (Signature of Authorized Individual)
Angela Clark Sr. Account Manager	Don E. McDaniel Jr. (Print or Type Name)	Jason Cobb (Print or Type Name)
Return Address: 3902 E. University Dr. #1-3 Phoenix, AZ 85034 Tele: (602)257-0216 Fax: (866)720-5122	Gila County Manager (Print or Type Title)	District Manager (Print or Type Title)
01/05/2012 (Date Submitted)	3/6/12 (Date of Approval)	3/2/2012 (Date of Approval)

Terms and Conditions.

Attachment "A" is by mention made a binding part of this agreement as set forth herein.

ThyssenKrupp Elevator Corporation assumes no responsibility for any part of the elevator equipment except that upon which work has been done under this agreement. No work, service, examination or liability on the part of us other than that specifically mentioned herein is included or intended. It is agreed that ThyssenKrupp Elevator Corporation does not assume possession or control of any part of the equipment and that such remains Purchaser's exclusively as the owner, lessor, lessee, possessor, or manager thereof.

Our performance of this contract is contingent upon your furnishing us with any necessary permission or priority required under the terms and conditions of government regulations affecting the acceptance of this order or the manufacture, delivery or installation of the equipment.

ThyssenKrupp Elevator Corporation has made no examination of, and assumes no responsibility for, any part of the elevator equipment except that necessary to do the work described in this proposal.

It is agreed that ThyssenKrupp Elevator Corporation's personnel shall be given a safe place in which to work and ThyssenKrupp Elevator Corporation reserves the right to discontinue our work in the building whenever, in our sole opinion, this provision is being violated.

You agree that in the event asbestos material is knowingly or unknowingly removed or disturbed in any manner at the job site by parties other than employees of ThyssenKrupp Elevator Corporation or those of our subcontractors, the work place will be monitored, and prior to and during our presence on the job, Purchaser will certify that asbestos in the environment does not exceed .01 fibers per cc as tested by NIOSH 7400. In the event our employees, or those of our subcontractors, are exposed to an asbestos hazard, PCB's or other hazardous substances resulting from work of individuals other than our employees, or those of its subcontractors, you agree to indemnify, defend, and hold ThyssenKrupp Elevator Corporation harmless from any and all claims, demands, lawsuits, and proceedings brought against us, or our employees resulting from such exposure. You recognize that your obligation to ThyssenKrupp Elevator Corporation under this clause includes payment of all attorneys' fees, court costs, judgments, settlements, interest and any other expenses of litigation arising out of such claims or lawsuits. Removal and disposal of asbestos containing material is your responsibility.

Unless otherwise agreed, it is understood that the work will be performed during regular working hours of the trades involved. If overtime is mutually agreed upon, an additional charge at our usual rates for such work shall be added to the contract price.

In consideration of ThyssenKrupp Elevator Corporation performing the services herein specified, Purchaser expressly agrees to indemnify, defend, save harmless, discharge, release and forever acquit ThyssenKrupp Elevator Corporation, its employees, officers, agents, affiliates, and subsidiaries from and against any and all claims, demands, suits, and proceedings brought against ThyssenKrupp Elevator Corporation, its employees, officers, agents, affiliates and subsidiaries for loss, property damage (including damage to the equipment which is the subject matter of this Work Order), personal injury or death that are alleged to have been caused by the Purchaser or any others in connection with the presence, use, misuse, maintenance, installation, removal, manufacture, design, operation or condition of the equipment covered by this Work Order, or the associated areas surrounding such equipment. Purchaser's duty to indemnify does not apply to the extent that the loss, property damage (including damage to the equipment which is the subject matter of this Work Order), personal injury or death is determined to be caused by or resulting from the negligence of ThyssenKrupp Elevator Corporation and/or its employees. Purchaser recognizes that its obligation to ThyssenKrupp Elevator Corporation under this clause includes payment of all attorney's fees, court costs, judgments, settlements, interest and any other expenses of litigation arising out of such claims or lawsuits.

Insurance. Purchaser expressly agrees to name ThyssenKrupp Elevator Corporation along with its officers, agents, affiliates and subsidiaries as additional insureds in Purchaser's liability and any excess (umbrella) liability insurance policy(ies). Such insurance must insure ThyssenKrupp Elevator Corporation, along with its officers, agents, affiliates and subsidiaries for those claims and/or losses referenced in the above paragraph, and for claims and/or or losses arising from the sole negligence or responsibility of ThyssenKrupp Elevator Corporation and/or its officers, agents, affiliates and subsidiaries. Such insurance must specify that its coverage is primary and non-contributory. Purchaser hereby waives the right of subrogation.

By: _____ Gila County
(Initial by Authorized Individual)

ThyssenKrupp Elevator Corporation shall not be liable for any loss, damage or delay caused by acts of government, labor, troubles, strikes, lockouts, fire, explosions, theft, riot, civil commotion, war, malicious mischief, acts of God, or any cause beyond its control, and in no event shall ThyssenKrupp Elevator Corporation be liable for any consequential, special, or indirect damages. ThyssenKrupp Elevator Corporation shall automatically receive an extension of time commensurate with any delay regarding the work called for in this Work Order and Purchaser expressly agrees to release and discharge ThyssenKrupp Elevator Corporation from any and all claims for consequential, special or indirect damages arising out of the performance of this Work Order.

Should loss of or damage to ThyssenKrupp Elevator Corporation's material, tools or work occur at the erection site, Purchaser shall compensate ThyssenKrupp Elevator Corporation therefore, unless such loss or damage results from our own acts or omissions.

Purchaser agrees that all existing equipment removed by ThyssenKrupp Elevator Corporation shall become the exclusive property of ThyssenKrupp Elevator Corporation.

ThyssenKrupp Elevator Corporation retains title to all equipment supplied by us under this contract, and a security interest therein, (which, it is agreed, can be removed without material injury to the real property) until all payments under the terms of this contract, including deferred payments and any extension is thereof, shall have been made. In the event of any default by you in the payment, under any other provision of this contract, ThyssenKrupp Elevator Corporation may take immediate possession of the manner of its attachment to the real estate or the sale, mortgage, or lease of the real estate. Pursuant to the Uniform Commercial Code, at ThyssenKrupp Elevator Corporation's request, Purchaser agrees to join with ThyssenKrupp Elevator Corporation in executing any financing or continuation statements, which may be appropriate for us to file in public offices in order to perfect our security interest n such equipment.

Certificates of Workmen's Compensation, Bodily Injury and Property Damage Liability Insurance coverage will be furnished to purchaser only upon written request. The premium for any bonds or insurance beyond our standard coverage and limits will be an addition to the Work Order price set forth in this agreement.

If any drawings, illustrations or descriptive matter are furnished with this proposal, they are approximate and are submitted only to show the general style and arrangement of equipment being offered.

Purchaser shall bear all cost(s) for any reinspection of ThyssenKrupp Elevator Corporation's work due to items outside the scope of this agreement or for any inspection arising from the work of other trades requiring the assistance of ThyssenKrupp Elevator Corporation.

The price of this work described above does not include applicable sales and/or use taxes or fees for necessary permits and/or licenses unless specifically provided for elsewhere in this Work Order. Even in the event that any of those items have been specifically included elsewhere in this Work Order, Purchaser agrees to pay ThyssenKrupp Elevator Corporation, as an extra, for any change in the amount and/or cost of those items as required by any applicable statute, law, or governmental act enacted or modified after the date that ThyssenKrupp Elevator Corporation first submitted this Work Order to Purchaser.

A service charge of 1 ½% per month, or the highest legal rate, whichever is more,, shall apply to delinquent accounts. In the event of any default of the payment provisions herein, Purchaser agrees to pay, in addition to any defaulted amount, all attorney fees, collection costs or court costs in connection therewith.

In the event a third party is retained to enforce, construe or defend any of the terms and conditions of this Work Order or to collect any monies due hereunder, either with or without litigation, the prevailing party shall be entitled to recover all costs and reasonable attorney's fees.

Purchaser hereby waives trial by jury. Purchaser agrees that this agreement shall be construed and enforced in accordance with the laws of the state where the equipment is located. Purchaser consents to jurisdiction of the courts, both state and Federal, of the state in which the equipment is located as to all matters and disputes arising out of this agreement.

The rights of ThyssenKrupp Elevator Corporation under this agreement shall be cumulative and the failure on the part of the ThyssenKrupp Elevator Corporation to exercise any rights given hereunder shall not operate to forfeit or waive any of said rights and any extension, indulgence or change by ThyssenKrupp Elevator Corporation in the method, mode or manner of payment or any of its other rights shall not be construed as a waiver of any of its rights under this agreement.

In the event any portion of this agreement is deemed invalid or unenforceable by a court of law, such finding shall not affect the validity or enforceability of any other portion of this agreement.

In the event Purchaser's acceptance of the work called for in this Work Order is in the form of a purchase order or other kind of document, the provisions, terms and conditions of this Work Order shall exclusively govern the relationship between the parties.

By: _____ Gila County

(Initial by Authorized Individual)

TK-6-3619-RO

THYSSENKRUPP ELEVATOR

PHOENIX OFFICE
PLEASE REMIT TO:
ANGELA CLARK
3902 E. UNIVERSITY DR. #1-3
PHOENIX AZ 85034
PLEASE RETURN ONE INVOICE
COPY WITH YOUR REMITTANCE

CUSTOMER #

SOLD TO:
GILA COUNTY
BOB HICKMAN
1400 E. ASH STREET
GLOBE AZ 85501

INVOICES ARE DUE WHEN RENDERED

TERMS	STATE	CITY	CODE	CUSTOMER ORDER NO	OUR JOB NO	DATE	INVOICE NO
NET	AZ	GLOBE	<CODE>	<ORDER NO>	<Q NUMBER>	1/5/2012	<NUMBER>

FINAL INVOICE IS FOR CONTRACT AMOUNT LESS THE NEGOTIATED 50% RECEIVED WHEN THE REPAIR ORDER WAS INITIATED

PRICE AS QUOTED	$8,730.00
SUBTOTAL	$8,730.00
50% DOWN PAYMENT RECEIVED	$4,365.00
PLEASE PAY THIS AMOUNT	**$4,365.00**
REFERENCE OR CHECK NO	

THIS CHARGE WAS CREATED BECAUSE SERVICE WAS NOT COVERED BY MAINTENANCE CONTRACTS YOU MAY HAVE WITH THYSSENKRUPP ELEVATOR. FOR QUESTIONS, PLEASE CALL YOUR SALES REPRESENTATIVE OR LOCAL THYSSENKRUPP ELEVATOR OFFICE AT (602)257-0216

Goods or services covered by this invoice were produced in compliance with the Fair Labor Standards Act of 1938, as amended.

ATTACHMENT "A"

Gila County Contractor Standard Terms and Conditions Addendum

A. Addendum Applicability: Contractor and Gila County agree that the terms and conditions of this Addendum shall apply to and govern the contractual relationship between Contractor and Gila County and shall supplement any other contract or agreement entered into between the parties. In the event that the terms and conditions in this Addendum conflict with any provision of any other agreement entered into between the Contractor and Gila County (including a superiority provision similar to this provision), the terms and conditions of this Addendum shall control the contractual relationship between the parties and shall supersede any conflicting provisions found in any other contract or agreement. Contractor understands that acceptance of the terms and conditions contained in this Addendum are a condition precedent to entering into a contractual relationship with Gila County.

B. Contract Defined: As used in this Addendum, the term "Contract" shall refer to any written agreement between Gila County and a person, organization, corporation, company or other entity that provides supplies or services to Gila County regardless of the title or other name applied to that written agreement. The term includes by this reference all the terms and conditions of this Addendum.

C. Contractor Defined: As used in this Addendum, the term "Contractor" shall refer to a person, provider, organization, corporation, company or other entity providing supplies or services to Gila County pursuant to a written agreement regardless of the title or other name applied to "Contractor" in that written agreement.

D. Relationship of the Parties: Contractor is an independent contractor of the County. Contractor represents that he has or will secure, at his own expense, all personnel required in performing the services under this contract. Such personnel shall not be employees of or have any contractual relationship with the County. All personnel engaged in work under this contract shall be fully qualified and shall be authorized or permitted under State and local law to perform such services. Contractor warrants that he has obtained or will obtain Worker's Compensation Insurance for his employees working on this contract and that any subcontractors will likewise obtain Worker's Compensation Insurance for of their employees working on this contract. It is further agreed by Contractor that he shall obey all state and federal statutes, rules, and regulations which are applicable to provisions of the services called for herein. Neither Contractor nor any employee of the Contractor shall be deemed an officer, employee, or agent of the County.

E. Non-Appropriations Clause: Contractor acknowledges that the County is a governmental entity, and the contract validity is based upon the availability of public funding under its authority. In the event that public funds are unavailable and not appropriated for the performance of County's obligations under this contract, then this contract shall automatically expire without penalty to County after written notice to Contractor of the unavailability and non-appropriation of public funds. It is expressly agreed that the County shall only activate this non-appropriation provision as an emergency fiscal measure. The County shall not activate this non-appropriation provision for its convenience, to circumvent the requirements of this contract, or to enable the County to contract with another Contractor for the same supplies or services covered under this Addendum.

F. Hold Harmless/Indemnification Clause: Contractor shall indemnify, defend, save and hold harmless the County of Gila and its officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property to the extent caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such Contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all claims. It is agreed that the Contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. In consideration of the award of this contract, the Contractor

agrees to waive all rights of subrogation against the County, its officers, officials, agents and employees for losses arising from the work performed by the Contractor for the County.

G. Entire Contract Clause: The Contractor and the County have read this Contract and agree to be bound by all of its terms, and further agree that it constitutes the entire contract between the two parties and may only be modified by a written mutual contract signed by the parties. No oral agreement or oral provision outside this Contract shall have any force or effect.

H. Non-Waiver of Enforceability: Failure of the County to enforce, at any time, any of the provisions of this Contract, or to request at any time performance by Contractor of any of the provisions hereof, shall in no way be construed to be a waiver of such provisions, nor in any way affect the validity of this contract or any part thereof, or the right of the County to enforce each and every provision.

I. Severability: If any provision of this Agreement is held unenforceable, all remaining provisions of this Contract shall remain in full force and effect.

J. Governing Law: Both parties agree that this Contract shall be governed by the laws of the state of Arizona. The parties further agree that the jurisdiction for any legal disputes arising out of this Contract shall be the Superior Court of the State of Arizona. The parties agree that even if this Contract does not specifically reference any provision required by state or federal law, those state and federally required provisions are incorporated into this Contract by this reference as though they were specifically listed herein.

K. Cancellation: This contract is subject to the cancellation provisions of A.R.S. §38-511.

L. Anti-Terrorism Warranty: Pursuant to A.R.S. §§ 35-393.06(B) and 35-391.06(A) the Contractor certifies that it does not have scrutinized business operations in Iran or Sudan and that they are in compliance with the Export Administration Act and not on the Excluded Parties List.

M. Legal Arizona Workers Act Compliance: Contractor hereby warrants that it will at all times during the term of this Contract comply with all federal immigration laws applicable to Contractor's employment of its employees, and with the requirements of A.R.S. §§ 41-4401 and 23-214(A) (together the "State and Federal Immigration Laws"). Contractor shall further ensure that each subcontractor who performs any work for Contractor under this contract likewise complies with the State and Federal Immigration Laws.

County shall have the right at any time to inspect the books and records of Contractor and any subcontractor in order to verify such party's compliance with the State and Federal Immigration Laws.

Any breach of Contractor's or any subcontractor's warranty of compliance with the State and Federal Immigration Laws, or of any other provision of this section, shall be deemed to be a material breach of this Contract subjecting Contractor to penalties up to and including suspension or termination of this Contract. If the breach is by a subcontractor, and the subcontract is suspended or terminated as a result, Contractor shall be required to take such steps as may be necessary to either self-perform the services that would have been provided under the subcontract or retain a replacement subcontractor as soon as possible so as not to delay project completion.

Contractor shall advise each subcontractor of County's rights, and the subcontractor's obligations, under this Article by including a provision in each subcontract substantially in the following form: "Subcontractor hereby warrants that it will at all times during the term of this contract comply with all federal immigration laws applicable to Subcontractor's employees, and with the requirements of A.R.S. § 23-214 (A). Subcontractor further agrees that County may inspect the Subcontractor's books and records to insure that Subcontractor is in compliance with these requirements. Any breach of this paragraph by Subcontractor will be deemed to be a material breach of this contract subjecting Subcontractor to penalties up to and including suspension or termination of this contract."

mmie C. Martin, District I
P.O. Box 2297 Payson, AZ. 85547
(928) 474-2029

Michael A. Pastor, District II
1400 E. Ash St. Globe, AZ. 85501
(928) 425-3231 Ext. 8753

Shirley L. Dawson, District III
1400 E. Ash St. Globe, AZ. 85501
(928) 425-3231 Ext. 8511

GILA COUNTY
www.gilacountyaz.gov

Don E. McDaniel Jr., County Manager
Phone (928) 425-3231 Ext.8761

Joseph T. Heatherly, Finance Director
Phone (928) 425-3231 Ext. 8743

FAX (928) 425-0319
TTY: 7-1-1

PROFESSIONAL SERVICE CONTRACT NO. 021012

TONTO BASIN EMERGENCY STORAGE FENCE INSTALLATION

THIS AGREEMENT, made and entered into this 7th day of March, 2012, by and between Gila County, a political subdivision of the State of Arizona hereinafter designated the County, and **Payson Fence Company & Supply Inc**, of the Town of Payson, State of Arizona, hereinafter designated the Contractor.

WITNESSETH: The Contractor, for and in consideration of the sum to be paid him by the County, in the manner and at the time hereinafter provided, and of the other covenants and agreement's herein contained, hereby agrees, for himself, his heirs, administrators, successors, and assigns as follows:

ARTICLE 1 – SCOPE OF SERVICES: The Contractor shall provide for the complete provision in the scope of work below in a good and workmanlike and substantial manner and to the satisfaction of the County under the direction of the Gila County Public Works Division.

Contractor shall provide all labor and material to install a chain link fence on the east side of Tonto Creek in Tonto Basin for emergency and equipment storage. The fenced area is approximately 1.533 acres.

Location: Highway 188, miles post 259.7, Tonto Basin

Fence Specifications

- 8 Feet tall
- Chain Link 11 guage
- Terminal Posts 2 7/8 sch 40
- Gate Posts 4" sch 40
- Line Posts 1 7/8 sch 30
- Top Rail 1 5/8 sch 30
- Barbed Wire 12.5 guage 4 point

Contractors Fee $14,250.00

ARTICLE 2 – TERMINATION: The County reserves the right to terminate the Contract, in whole or in part at any time, when in the best interest of the County, without penalty or recourse. Upon receipt of the written notice, the Contractor shall stop all work as directed in the notice. If the contract is terminated, the County shall be liable only for the services rendered under this contract and accepted material received by the County before the effective date of termination.

ARTICLE 3 - INDEMNIFICATION: Contractor shall indemnify, defend, save and hold harmless the County of Gila and its officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all claims. It is agreed that Contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. In consideration of the award of this contract, the Contractor agrees to waive all rights of subrogation against the County, its officers, officials, agents and employees for losses arising from the work performed by the Contractor for the County.

ARTICLE 4 – INSURANCE REQUIREMENTS: Contractor and subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Contract are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors.

The insurance requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The County in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under this contract by the Contractor, his agents, representatives, employees or subcontractors and Contractor is free to purchase additional insurance as may be determined necessary.

A. **MINIMUM SCOPE AND LIMITS OF INSURANCE:** Contractor shall provide coverage with limits of liability not less than those stated below.

1. **Commercial General Liability – Occurrence Form**
   Policy shall include bodily injury, property damage and broad form contractual liability coverage.

• General Aggregate	$2,000,000
• Products – Completed Operations Aggregate	$1,000,000
• Personal and Advertising Injury	$1,000,000
• Each Occurrence	$1,000,000

   a. The policy shall be endorsed to include the following additional insured language: **"The County of Gila shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of the Contractor".**

2. **Worker's Compensation and Employers' Liability**

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	$100,000
Disease – Each Employee	$100,000
Disease – Policy Limit	$500,000

a. Policy shall contain a **waiver of subrogation** against the County of Gila.

B. **ADDITIONAL INSURANCE REQUIREMENTS:** The policies shall include, or be endorsed to include, the following provisions:

1. On insurance policies where the County of Gila is named as an additional insured, the County of Gila shall be an additional insured to the full limits of liability purchased by the Contractor even if those limits of liability are in excess of those required by this Contract.
2. The Contractor's insurance coverage shall be primary insurance and non-contributory with respect to all other available sources.
3. Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of this Contract.

C. **NOTICE OF CANCELLATION:** Each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be suspended, voided, canceled, reduced in coverage or endorsed to lower limits except after thirty (30) days prior written notice has been given to the County. Such notice shall be sent directly to **Gila County Purchasing, 1400 E. Ash St., Globe, AZ, 85501** and shall be sent by certified mail, return receipt requested.

D. **ACCEPTABILITY OF INSURERS:** Insurance is to be placed with insurers duly licensed or approved unlicensed companies in the state of Arizona and with an "A.M. Best" rating of not less than B+ VI. The County in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

E. **VERIFICATION OF COVERAGE:** Contractor shall furnish the County with certificates of insurance (ACORD form or equivalent approved by the County) as required by this Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

All certificates and endorsements are to be received and approved by the County before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract or to provide evidence of renewal is a material breach of contract.

All certificates required by this Contract shall be sent directly to **Gila County Purchasing, 1400 E. Ash St., Globe, AZ, 85501**. The County project/contract number and project description shall be noted on the certificate of insurance. The County reserves the right to require complete, certified copies of all insurance policies required by this Contract at any time.

F. **SUBCONTRACTORS:** Contractors' certificate(s) shall include all subcontractors as additional insured's under its policies **or** Contractor shall furnish to the County separate certificates and endorsements for each subcontractor. All coverage's for subcontractors shall be subject to the minimum requirements identified above.

G. **APPROVAL:** Any modification or variation from the insurance requirements in this Contract shall be made by the County Attorney, whose decision shall be final. Such action will not require a formal Contract amendment, but may be made by administrative action.

ARTICLE 5 – LEGAL ARIZONA WORKERS ACT COMPLIANCE: Contractor hereby warrants that it will at all times during the term of this Contract comply with all federal immigration laws applicable to Contractor's employment of its employees, and with the requirements of A.R.S. § 23-214 (A) (together the "State and Federal Immigration Laws"). Contractor shall further ensure that each subcontractor who performs any work for Contractor under this contract likewise complies with the State and Federal Immigration Laws. County shall have the right at any time to inspect the books and records of Contractor and any subcontractor in order to verify such party's compliance with the State and Federal Immigration Laws.

Any breach of Contractor's or any subcontractor's warranty of compliance with the State and Federal Immigration Laws, or of any other provision of this section, shall be deemed to be a material breach of this Contract subjecting Contractor to penalties up to and including suspension or termination of this Contract. If the breach is by a subcontractor, and the subcontract is suspended or terminated as a result, Contractor shall be required to take such steps as may be necessary to either self-perform the services that would have been provided under the subcontract or retain a replacement subcontractor as soon as possible so as not to delay project completion.

Contractor shall advise each subcontractor of County's rights, and the subcontractor's obligations, under this Article by including a provision in each subcontract substantially in the following form: "Subcontractor hereby warrants that it will at all times during the term of this contract comply with all federal immigration laws applicable to Subcontractor's employees, and with the requirements of A.R.S. § 23-214 (A). Subcontractor further agrees that County may inspect the Subcontractor's books and records to insure that Subcontractor is in compliance with these requirements. Any breach of this paragraph by Subcontractor will be deemed to be a material breach of this contract subjecting Subcontractor to penalties up to and including suspension or termination of this contract."

Any additional costs attributable directly or indirectly to remedial action under this Article shall be the responsibility of Contractor. In the event that remedial action under this Article results in delay to one or more tasks on the critical path of Contractor's approved construction or critical milestones schedule, such period of delay shall be deemed excusable delay for which Contractor shall be entitled to an extension of time, but not costs.

ARTICLE 6 – LAWS AND ORDINANCES: This agreement shall be enforced under the laws of the State of Arizona. Contractor shall maintain in current status all Federal, State and Local licenses and permits required for the operation of the business conducted by the Contractor. The Contractor shall comply with the applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and applicable federal regulations under the Act.

ARTICLE 7– ANTI-TERRORISM WARRANTY: Pursuant to A.R.S. § 35-393.06(B) and 35-301.06(A) the Contractor certifies that it does not have scrutinized business operations in Iran or Sudan and that they are in compliance with the Export Administration Act and not on the Excluded Parties List.

ARTICLE 8 – CANCELLATION: This agreement is subject to cancellation pursuant to A.R.S. §38-511. If the Agreement is terminated, the county shall be liable only for payment for services rendered and accepted material received by the County before the effective date of termination.

ARTICLE 9 – RELATIONSHIP OF THE PARTIES: Contractor is an independent contractor of the County. Contractor represents that he has or will secure, at his own expense, all personnel required in performing the services under this contract. Such personnel shall not be employees of or have any contractual relationship with the County. All personnel engaged in work under this contract shall be fully qualified and shall be authorized or permitted under State and local law to perform such services. Contractor warrants that he has obtained or will obtain Worker's Compensation Insurance for his employees working on this contract and that any subcontractors will likewise obtain Worker's Compensation Insurance for of their employees working on this contract. It is further agreed by Contractor that he shall obey all state and federal statutes, rules, and regulations which are applicable to provisions of the services called for herein. Neither Contractor nor any employee of the Contractor shall be deemed an officer, employee, or agent of the County.

ARTICLE 10 – NON-APPROPRIATIONS CLAUSE: Contractor acknowledges that the County is a governmental entity, and the contract validity is based upon the availability of public funding under its authority. In the event that public funds are unavailable and not appropriated for the performance of County's obligations under this contract, then this contract shall automatically expire without penalty to County after written notice to Contractor of the unavailability and non-appropriation of public funds. It is expressly agreed that the County shall only activate this non-appropriation provision as an emergency fiscal measure. The County shall not activate this non-appropriation provision for its convenience, to circumvent the requirements of this contract, or to enable the County to contract with another Contractor for the same supplies or services covered under this Addendum.

ARTICLE 11 – ENTIRE CONTRACT CLAUSE: The Contractor and the County have read this Contract and agree to be bound by all of its terms, and further agree that it constitutes the entire contract between the two parties and may only be modified by a written mutual contract signed by the parties. No oral agreement or oral provision outside this Contract shall have any force or effect

ARTICLE 12 – NON-WAIVER OF ENFORCEABILITY: Failure of the County to enforce, at any time, any of the provisions of this Contract, or to request at any time performance by Contractor of any of the provisions hereof, shall in no way be construed to be a waiver of such provisions, nor in any way affect the validity of this contract or any part thereof, or the right of the County to enforce each and every provision

ARTICLE 13 – GOVERNING LAW: Both parties agree that this Contract shall be governed by the laws of the state of Arizona. The parties further agree that the jurisdiction for any legal disputes arising out of this Contract shall be the Superior Court of the State of Arizona. The parties agree that even if this Contract does not specifically reference any provision required by state or federal law, those state and federally required provisions are incorporated into this Contract by this reference as though they were specifically listed herein.

ARTICLE 14– TERM: Contract shall be effective date signed by the County Manager and will expire **March 31, 2012.**

ARTICLE 15 – PAYMENT/BILLING: Contractor shall be paid a flat fee of **$ 14,250.00** for completion of the projects as outlined in the Scope of Services.

All invoices shall be submitted to Gila County Accounts Payable, 1400 E. Ash St, Globe, Arizona and include the following information:

- Purchase Order Number
- Contract Number
- Invoice Number
- Service Location
- Vendor Name and Address
- Description of Service

Any alterations to the scope of work resulting in a change in cost must have prior written approval by the County. Any unauthorized work may result in non-payment to the vendor.

Gila County employs a "Net 15" payment term for services meaning the payment will be issued fifteen (15) days from the date the County receives the invoice from the Contractor. Purchase orders sent to the Contractor reflect these terms and conditions.

The Contractor shall have a current I.R.S. W-9 form on file with the County unless not required by law. The County shall not remit payment if the Contractor does not have a current W-9.

IN WITNESS WHEREOF, two (2) identical counterparts of **Contract No. 021012 ,** each for all purposes shall be deemed an original thereof, have been duly executed by the parties hereinabove named, on the date and year first above written.

GILA COUNTY

Don E. McDaniel Jr., County Manager

Date: 3/6/12

PAYSON FENCE COMPANY & SUPPLY INC.

President

Signature

Ty Chilson

Print Name

Date: 2-10-12

APPROVED AS TO FORM

Bryan B. Chambers, Chief Deputy County Attorney
for Daisy Flores, County Attorney

Tommie C. Martin, District I
P.O. Box 2297 Payson, AZ. 85547
(928) 474-2029

Michael A. Pastor, District II
1400 E. Ash St. Globe, AZ. 85501
(928) 425-3231 Ext. 8753

Shirley L. Dawson, District III
1400 E. Ash St. Globe, AZ. 85501
(928) 425-3231 Ext. 8511

GILA COUNTY
www.gilacountyaz.gov

Don E. McDaniel Jr., County Manager
Phone (928) 425-3231 Ext.8761

Joseph T. Heatherly, Finance Director
Phone (928) 425-3231 Ext. 8743

FAX (928) 425-0319
TTY: 7-1-1

SERVICE AGREEMENT NO. 120611

ADA ACCESS DOOR
BOARD OF SUPERVISORS ENTRANCE

THIS AGREEMENT, made and entered into this 7th day of March, **2011**, by and between Gila County, a political subdivision of the State of Arizona, hereinafter designated the County, and Miner Southwest, of the City of Mesa, State of Arizona, hereinafter designated the Contractor.

WITNESSETH: The Contractor, for and in consideration of the sum to be paid him by the County, in the manner and at the time hereinafter provided, and of the other covenants and agreement's herein contained, hereby agrees, for himself, his heirs, administrators, successors, and assigns as follows:

ARTICLE 1 – SCOPE OF SERVICES: The Contractor shall provide for the complete provision in the scope of work below of the ADA Access Door Installation for the Board of Supervisors entrance in a good and workmanlike and substantial manner and to the satisfaction of the County under the direction of the Gila County Facilities Manager or designee.

Contractor shall install one (1) record-USA 6100 Series operators with the following specifications:

Scope of Work: Refer to attached "Exhibit A", by mention made a binding part of this agreement as set forth herein.

Contractor Fee's: Refer to "Exhibit A".

ARTICLE 2 – TERMINATION: The County reserves the right to terminate the Contract, in whole or in part at any time, when in the best interest of the County, without penalty or recourse. Upon receipt of the written notice, the Contractor shall stop all work as directed in the notice. If the contract is terminated, the County shall be liable only for the services rendered under this contract and accepted material received by the County before the effective date of termination.

ARTICLE 3 - INDEMNIFICATION: Contractor shall indemnify, defend, save and hold harmless the County of Gila and its officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs,

attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all claims. It is agreed that Contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. In consideration of the award of this contract, the Contractor agrees to waive all rights of subrogation against the County, its officers, officials, agents and employees for losses arising from the work performed by the Contractor for the County.

ARTICLE 4 – INSURANCE REQUIREMENTS: Contractor and subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Contract are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors.

The insurance requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The County in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under this contract by the Contractor, his agents, representatives, employees or subcontractors and Contractor is free to purchase additional insurance as may be determined necessary.

A. **MINIMUM SCOPE AND LIMITS OF INSURANCE:** Contractor shall provide coverage with limits of liability not less than those stated below.

1. **Commercial General Liability – Occurrence Form**
   Policy shall include bodily injury, property damage and broad form contractual liability coverage.
   - General Aggregate $2,000,000
   - Products – Completed Operations Aggregate $1,000,000
   - Personal and Advertising Injury $1,000,000
   - Each Occurrence $1,000,000

   a. The policy shall be endorsed to include the following additional insured language: **"The County of Gila shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of the Contractor".**

2. **Worker's Compensation and Employers' Liability**

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	$100,000
Disease – Each Employee	$100,000
Disease – Policy Limit	$500,000

   a. Policy shall contain a **waiver of subrogation** against the County of Gila.

B. **ADDITIONAL INSURANCE REQUIREMENTS:** The policies shall include, or be endorsed to include, the following provisions:

1. On insurance policies where the County of Gila is named as an additional insured, the County of Gila shall be an additional insured to the full limits of liability purchased by the Contractor even if those limits of liability are in excess of those required by this Contract.
2. The Contractor's insurance coverage shall be primary insurance and non-contributory with respect to all other available sources.
3. Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of this Contract.

C. **NOTICE OF CANCELLATION:** Each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be suspended, voided, canceled, reduced in coverage or endorsed to lower limits except after thirty (30) days prior written notice has been given to the County. Such notice shall be sent directly to **(Gila County Purchasing, 1400 E. Ash St., Globe, AZ, 85501)** and shall be sent by certified mail, return receipt requested.

D. **ACCEPTABILITY OF INSURERS:** Insurance is to be placed with insurers duly licensed or approved unlicensed companies in the state of Arizona and with an "A.M. Best" rating of not less than B+ VI. The County in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

E. **VERIFICATION OF COVERAGE:** Contractor shall furnish the County with certificates of insurance (ACORD form or equivalent approved by the County) as required by this Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

All certificates and endorsements are to be received and approved by the County before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract or to provide evidence of renewal is a material breach of contract.

All certificates required by this Contract shall be sent directly to **(Gila County Purchasing, 1400 E. Ash St., Globe, AZ, 85501)**. The County project/contract number and project description shall be noted on the certificate of insurance. The County reserves the right to require complete, certified copies of all insurance policies required by this Contract at any time.

F. **SUBCONTRACTORS:** Contractors' certificate(s) shall include all subcontractors as additional insured's under its policies **or** Contractor shall furnish to the County separate certificates and endorsements for each subcontractor. All coverage's for subcontractors shall be subject to the minimum requirements identified above.

G. **APPROVAL:** Any modification or variation from the insurance requirements in this Contract shall be made by the County Attorney, whose decision shall be final. Such action will not require a formal Contract amendment, but may be made by administrative action.

ARTICLE 5 – LEGAL ARIZONA WORKERS ACT COMPLIANCE: Contractor hereby warrants that it will at all times during the term of this Contract comply with all federal immigration laws applicable to Contractor's employment of its employees, and with the requirements of A.R.S. § 23-214 (A) (together the "State and Federal Immigration Laws"). Contractor shall further ensure that each subcontractor who performs any work for Contractor under this contract likewise complies with the State and Federal Immigration Laws. County shall have the right at any time to inspect the books and records of Contractor and any subcontractor in order to verify such party's compliance with the State and Federal Immigration Laws.

Any breach of Contractor's or any subcontractor's warranty of compliance with the State and Federal Immigration Laws, or of any other provision of this section, shall be deemed to be a material breach of this Contract subjecting Contractor to penalties up to and including suspension or termination of this Contract. If the breach is by a subcontractor, and the subcontract is suspended or terminated as a result, Contractor shall be required to take such steps as may be necessary to either self-perform the services that would have been provided under the subcontract or retain a replacement subcontractor as soon as possible so as not to delay project completion.

Contractor shall advise each subcontractor of County's rights, and the subcontractor's obligations, under this Article by including a provision in each subcontract substantially in the following form: "Subcontractor hereby warrants that it will at all times during the term of this contract comply with all federal immigration laws applicable to Subcontractor's employees, and with the requirements of A.R.S. § 23-214 (A). Subcontractor further agrees that County may inspect the Subcontractor's books and records to insure that Subcontractor is in compliance with these requirements. Any breach of this paragraph by Subcontractor will be deemed to be a material breach of this contract subjecting Subcontractor to penalties up to and including suspension or termination of this contract."

Any additional costs attributable directly or indirectly to remedial action under this Article shall be the responsibility of Contractor. In the event that remedial action under this Article results in delay to one or more tasks on the critical path of Contractor's approved construction or critical milestones schedule, such period of delay shall be deemed excusable delay for which Contractor shall be entitled to an extension of time, but not costs.

ARTICLE 6 – LAWS AND ORDINANCES: This agreement shall be enforced under the laws of the State of Arizona. Contractor shall maintain in current status all Federal, State and Local licenses and permits required for the operation of the business conducted by the Contractor. The Contractor shall comply with the applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and applicable federal regulations under the Act.

ARTICLE 7– ANTI-TERRORISM WARRANTY: Pursuant to A.R.S. § 35-393.06(B) and 35-301.06(A) the Contractor certifies that it does not have scrutinized business operations in Iran or Sudan and that they are in compliance with the Export Administration Act and not on the Excluded Parties List.

ARTICLE 8 – CANCELLATION: This agreement is subject to cancellation pursuant to A.R.S. §38-511. If the Agreement is terminated, the county shall be liable only for payment for services rendered and accepted material received by the County before the effective date of termination.

ARTICLE 9 – RELATIONSHIP OF THE PARTIES: Contractor is an independent contractor of the County. Contractor represents that he has or will secure, at his own expense, all personnel required in performing the services under this contract. Such personnel shall not be employees of or have any contractual relationship with the County. All personnel engaged in work under this contract shall be fully qualified and shall be authorized or permitted under State and local law to perform such services. Contractor warrants that he has obtained or will obtain Worker's Compensation Insurance for his employees working on this contract and that any subcontractors will likewise obtain Worker's Compensation Insurance for of their employees working on this contract. It is further agreed by Contractor that he shall obey all state and federal statutes, rules, and regulations which are applicable to provisions of the services called for herein. Neither Contractor nor any employee of the Contractor shall be deemed an officer, employee, or agent of the County.

ARTICLE 10 – NON-APPROPRIATIONS CLAUSE: Contractor acknowledges that the County is a governmental entity, and the contract validity is based upon the availability of public funding under its authority. In the event that public funds are unavailable and not appropriated for the performance of County's obligations under this contract, then this contract shall automatically expire without penalty to County after written notice to Contractor of the unavailability and non-appropriation of public funds. It is expressly agreed that the County shall only activate this non-appropriation provision as an emergency fiscal measure. The County shall not activate this non-appropriation provision for its convenience, to circumvent the requirements of this contract, or to enable the County to contract with another Contractor for the same supplies or services covered under this Addendum.

ARTICLE 11 – ENTIRE CONTRACT CLAUSE: The Contractor and the County have read this Contract and agree to be bound by all of its terms, and further agree that it constitutes the entire contract between the two parties and may only be modified by a written mutual contract signed by the parties. No oral agreement or oral provision outside this Contract shall have any force or effect

ARTICLE 12 – NON-WAIVER OF ENFORCEABILITY: Failure of the County to enforce, at any time, any of the provisions of this Contract, or to request at any time performance by Contractor of any of the provisions hereof, shall in no way be construed to be a waiver of such provisions, nor in any way affect the validity of this contract or any part thereof, or the right of the County to enforce each and every provision

ARTICLE 13 – GOVERNING LAW: Both parties agree that this Contract shall be governed by the laws of the state of Arizona. The parties further agree that the jurisdiction for any legal disputes arising out of this Contract shall be the Superior Court of the State of Arizona. The parties agree that even if this Contract does not specifically reference any provision required by state or federal law, those state and federally required provisions are incorporated into this Contract by this reference as though they were specifically listed herein.

ARTICLE 14– TERM: Contract shall be effective date signed by the County Manager and expires **March 31, 2012.**

ARTICLE 15 – PAYMENT/BILLING: Contractor shall be paid a flat fee of **$ 2,124.88** for completion of the project outlined in the scope of services.

All invoices shall be submitted to Gila County Accounts Payable, 1400 E. Ash St, Globe, Arizona and include the following information:

- Purchase Order Number
- Contract Number
- Invoice Number
- Service Location
- Vendor Name and Address
- Description of Service

Any alterations to the scope of work resulting in a change in cost must have prior written approval by the County. Any unauthorized work may result in non-payment to the vendor.

Gila County employs a "Net 15" payment term for services meaning the payment will be issued fifteen (15) days from the date the County receives the invoice from the Contractor. Purchase orders sent to the Contractor reflect these terms and conditions.

The Contractor shall have a current I.R.S. W-9 form on file with the County unless not required by law. The County shall not remit payment if the Contractor does not have a current W-9.

IN WITNESS WHEREOF, two (2) identical counterparts of **Agreement No. 120611,** each for all purposes be deemed an original thereof, have been duly executed by the parties hereinabove named, on the date and year first above written.

GILA COUNTY

Don E. McDaniel Jr., County Manager

Date: 3/6/12

MINER SOUTHWEST

Signature

Tim S. Gallantyne

Print Name

Date: 2.13.12

APPROVED AS TO FORM

Bryan B. Chambers, Chief Deputy County Attorney
for Daisy Flores, County Attorney

Proposal

MINER
Docks, Doors & More®
Done Right. Right Now.

Date: 10/28/2011

Exhibit "A"

PREPARED FOR:	PREPARED BY:
Gila County Public Works Division 1400 E. Ash Street Globe, Arizona 85501 Attn: David Hom 928.200.1641 dbhom@co.lgila.az.us	**Aaron Smith** **2848 N. Omaha** **Mesa, AZ 85215** **Office: 480-497-6464** **Cell: 480-650-2191** **asmith@minercorp.com**

Thank you for choosing Miner for your door needs. Our goal is to provide you with excellent service every time. If you have any questions please do not hesitate to contact us.

Project: Court House

Miner will Install (1) One Record-USA 6100 Series operators with the following features below.

- Microprocessor Control Box
- Elector-Mechanical with Planetary Drive Gear Box
- Push or Pull Same Unit / None Handed Reversible units
- UL325 Electrical / UL228 3HR Fire Rated/ ASNI 156.19 Low Energy/ AAADM Approved
- Positive Stop/ Positive Latch/ Auto-Reverse/ Adjustable Latch and Back Check Speed, Opening/Closing Speed/ Programmable Controls
- Silent Operation / High Frequency Use
- Built in Interface w/ Electric Strike, and Door Position Monitoring.
- Ms Sedco Wireless, Stainless Steel Push Plates with ADA Logo and Text
- 100% Swiss Engineered

Installed for the sum of-$ 1,995.00 (Plus Tax)

Includes:

- Eighteen (18) Months parts warranty.
- One (1) Year Labor Warranty.
- Work to be performed during normal business hours (Mon-Fri 7am-4 pm)
- Hidden damage excluded
- Includes disposal of damaged materials

CUSTOMER ACCEPTANCE

Approval Signature _____ Printed Name _____ PO# _____ Date _____

ROC266511 L-65 Glazing – ROC261586 L-5 Automatic and Manual Doors –ROC261585 L-5 Overhead and Sectional Doors –ROC261587 K-11 Electrical up to 660v

EXECUTIVE SUMMARY FORM

Contract Name: Electronic Medical Records/Charting **Contract No.:** _____

Statement of Purpose and Need (3-5 Sentences)

Software Hosting Agreement with TNFX for electronic medical records and charting for the Gila County Sheriff's Office. Cost is $75.00 per workstation at 3 stations for a total of $225.00 per month.

Contract End Date: 01/15/2012 to 01/14/2013 **Renewal Option:** ☑ Yes ☐ No

Maximum Dollar Limit: $2,700.00

Contract Information

Firm Name: The Need for Xpeed (TNFX) **Contact Person:** Barry Schofield

Address: 2344 E. Gelding **Phone No:** 602-788-2234

City: Phoenix **State:** AZ **Fax:** _____ **Email:** _____

Fund: 1005.300.274.000 **Type of Funds:** ☐ Restricted ☐ Grant ☑ General Fund ☐ Other

Fund Code: 4230.10

Date Sent for Legal Review: 2/27/2012 **Date Returned:** 3-2-12

Special Notes:

The Need For Xpeed (TNFX)
Software Hosting Agreement

THIS SERVICE AGREEMENT is entered into this __15th__ *day of* Jan, 2012 between The Need For Xpeed, INC. (hereafter referred to as "TNFX"), having its principal place of business at
__2344 E. Gelding, Phx, AZ .P. O. BOX 54578 Phoenix, AZ 85078-4578
and ___*Gila County Sheriff's Medical Department*_____ (hereafter referred to as the "Client") located at, ___1425 E. South Street, Globe, AZ 85501_____
WHEREAS TNFX and CLIENT entered into a month to month Software Hosting Agreement provided for Client to access Clients software known as Altapoint, a licensed, and approved software.(hereafter referred to as "software")

WHEREAS TNFX, and the parties hereby agree as follows:
1. The "Software" is to physically reside at the "Secure TNFX' Data Center". The CLIENT will receive a unique login/password for each seat(s)/workstation(s) for access to the Secure TNFX' Data Center. The CLIENT will have access to a secured and exclusive Data Base. The CLIENT can access their Data Base from any computer, or location with modem connection, utilizing their exclusive login/password provided by TNFX. This "Secured Facility" features; HIPAA Compliant Software, Data Backup and Storage, Data Disposal, Redundancy of Physical Environment, Disaster Recovery, Trained, Authorized and Knowledgeable Personnel.

2. Upkeep of all data pertinent to maintaining their business status for and on behalf of CLIENT is a TNFX responsibility and shall include maintenance and updating of clients software. The "CLIENT" will also have the responsibility of backing up their data and is ultimately responsible for the safe keeping in a HIPAA compliant manner of their Healthcare provider's data.

3. The CLIENT shall submit, via Credit Card on file, or Business Check, all fees due and payable monthly to TNFX, in order to maintain access to the Secure TNFX Data Center.

4. TNFX will provide at the Secure TNFX Data Center, data backups and all software updates. The updates will be performed at the Secure TNFX" Data Center at scheduled and designated times.

5. TNFX grants to CLIENT a non-exclusive agreement to access the "software". If CLIENT wishes to add additional seats/workstations with concurrent access to the software, CLIENT shall acquire additional "seats" from TNFX at the then applicable per seat price.

6. CLIENT will be required to pay seventy- five dollars and zero cents (75.00) per seat/workstation per month, payable to TNFX. The CLIENT may purchase additional seats/workstations for seventy-five dollars and zero cents ($75.00) per seat/workstation per month. This price will be held for one (1) year from the origination of this contract.

This will provide the Client the opportunity to be HIPAA compliant as to ANSI transmission format and Data Security. This monthly fee includes software updates, Data Center Support, as well as 24 hour access to the TNFX' Internet support site for updates, software tips and on-line newsletters. HIPAA is the acronym for "Health Insurance Portability and Accountability Act" of 1996. (Public law 104-191) HIPAA requires that virtually all-healthcare organizations adhere to new standards for security, privacy and health information management.

7. There are no other agreements, promises, representations or warranties of any kind that induced the parties into entering into this Agreement that are not contained in this Agreement. Any modifications to this Agreement must be in writing and signed by both parties or will not be recognized or legally binding. Any portions of the Software Hosting Agreement between the parties that are not expressly modified by this Agreement shall remain in full force and effect.

8. The software residing at the secure TNFX Data Center is the property of CLIENT. CLIENT reserves the right to at anytime transfer their data to their own secure site. In the event CLIENT desires to store data at CLIENTS own secure site CLIENT agrees to give TNFX a 30 day written notice.

Attachment "a" by mention is made a binding parts of this agreement as set for herein.

IN WITNESS WHEREOF, the signatures below testify to parties agreement to the terms of this Software Hosting Agreement.

Signature_____(digital)_____
THE NEED FOR XPEED, INC.

Name___Barry Schofield

Signature
_____

Name Don E. McDaniel Jr., Gila County Manager

1400 E. Ash Street
Street Address

Globe, Arizona 85501
City, State & Zip Code

3/6/13
Date

Please fax completed agreement back to 602-788-2622.

APPROVED AS TO FORM:
_____
Bryan B. Chambers, Chief Deputy County Attorney

ATTACHMENT "A"

Gila County Contractor Standard Terms and Conditions Addendum

A. Addendum Applicability: Contractor and Gila County agree that the terms and conditions of this Addendum shall apply to and govern the contractual relationship between Contractor and Gila County and shall supplement any other contract or agreement entered into between the parties. In the event that the terms and conditions in this Addendum conflict with any provision of any other agreement entered into between the Contractor and Gila County (including a superiority provision similar to this provision), the terms and conditions of this Addendum shall control the contractual relationship between the parties and shall supersede any conflicting provisions found in any other contract or agreement. Contractor understands that acceptance of the terms and conditions contained in this Addendum are a condition precedent to entering into a contractual relationship with Gila County.

B. Contract Defined: As used in this Addendum, the term "Contract" shall refer to any written agreement between Gila County and a person, organization, corporation, company or other entity that provides supplies or services to Gila County regardless of the title or other name applied to that written agreement. The term includes by this reference all the terms and conditions of this Addendum.

C. Contractor Defined: As used in this Addendum, the term "Contractor" shall refer to a person, provider, organization, corporation, company or other entity providing supplies or services to Gila County pursuant to a written agreement regardless of the title or other name applied to "Contractor" in that written agreement.

D. Relationship of the Parties: Contractor is an independent contractor of the County. Contractor represents that he has or will secure, at his own expense, all personnel required in performing the services under this contract. Such personnel shall not be employees of or have any contractual relationship with the County. All personnel engaged in work under this contract shall be fully qualified and shall be authorized or permitted under State and local law to perform such services. Contractor warrants that he has obtained or will obtain Worker's Compensation Insurance for his employees working on this contract and that any subcontractors will likewise obtain Worker's Compensation Insurance for of their employees working on this contract. It is further agreed by Contractor that he shall obey all state and federal statutes, rules, and regulations which are applicable to provisions of the services called for herein. Neither Contractor nor any employee of the Contractor shall be deemed an officer, employee, or agent of the County.

E. Non-Appropriations Clause: Contractor acknowledges that the County is a governmental entity, and the contract validity is based upon the availability of public funding under its authority. In the event that public funds are unavailable and not appropriated for the performance of County's obligations under this contract, then this contract shall automatically expire without penalty to County after written notice to Contractor of the unavailability and non-appropriation of public funds. It is expressly agreed that the County shall only activate this non-appropriation provision as an emergency fiscal measure. The County shall not activate this non-appropriation provision for its convenience, to circumvent the requirements of this contract, or to enable the County to contract with another Contractor for the same supplies or services covered under this Addendum.

F. Hold Harmless/Indemnification Clause: Contractor shall indemnify, defend, save and hold harmless the County of Gila and its officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such Contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all claims. It is agreed that the Contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. In consideration of the award of this contract, the Contractor agrees to waive all

rights of subrogation against the County, its officers, officials, agents and employees for losses arising from the work performed by the Contractor for the County.

G. Entire Contract Clause: The Contractor and the County have read this Contract and agree to be bound by all of its terms, and further agree that it constitutes the entire contract between the two parties and may only be modified by a written mutual contract signed by the parties. No oral agreement or oral provision outside this Contract shall have any force or effect.

H. Non-Waiver of Enforceability: Failure of the County to enforce, at any time, any of the provisions of this Contract, or to request at any time performance by Contractor of any of the provisions hereof, shall in no way be construed to be a waiver of such provisions, nor in any way affect the validity of this contract or any part thereof, or the right of the County to enforce each and every provision.

I. Severability: If any provision of this Agreement is held unenforceable, all remaining provisions of this Contract shall remain in full force and effect.

J. Governing Law: Both parties agree that this Contract shall be governed by the laws of the state of Arizona. The parties further agree that the jurisdiction for any legal disputes arising out of this Contract shall be the Superior Court of the State of Arizona. The parties agree that even if this Contract does not specifically reference any provision required by state or federal law, those state and federally required provisions are incorporated into this Contract by this reference as though they were specifically listed herein.

K. Cancellation: This contract is subject to the cancellation provisions of A.R.S. §38-511.

L. Anti-Terrorism Warranty: Pursuant to A.R.S. §§ 35-393.06(B) and 35-391.06(A) the Contractor certifies that it does not have scrutinized business operations in Iran or Sudan and that they are in compliance with the Export Administration Act and not on the Excluded Parties List.

M. Legal Arizona Workers Act Compliance: Contractor hereby warrants that it will at all times during the term of this Contract comply with all federal immigration laws applicable to Contractor's employment of its employees, and with the requirements of A.R.S. §§ 41-4401 and 23-214(A) (together the "State and Federal Immigration Laws"). Contractor shall further ensure that each subcontractor who performs any work for Contractor under this contract likewise complies with the State and Federal Immigration Laws.

County shall have the right at any time to inspect the books and records of Contractor and any subcontractor in order to verify such party's compliance with the State and Federal Immigration Laws.

Any breach of Contractor's or any subcontractor's warranty of compliance with the State and Federal Immigration Laws, or of any other provision of this section, shall be deemed to be a material breach of this Contract subjecting Contractor to penalties up to and including suspension or termination of this Contract. If the breach is by a subcontractor, and the subcontract is suspended or terminated as a result, Contractor shall be required to take such steps as may be necessary to either self-perform the services that would have been provided under the subcontract or retain a replacement subcontractor as soon as possible so as not to delay project completion.

Contractor shall advise each subcontractor of County's rights, and the subcontractor's obligations, under this Article by including a provision in each subcontract substantially in the following form: "Subcontractor hereby warrants that it will at all times during the term of this contract comply with all federal immigration laws applicable to Subcontractor's employees, and with the requirements of A.R.S. § 23-214 (A). Subcontractor further agrees that County may inspect the Subcontractor's books and records to insure that Subcontractor is in compliance with these requirements. Any breach of this paragraph by Subcontractor will be deemed to be a material breach of this contract subjecting Subcontractor to penalties up to and including suspension or termination of this contract."

CDD the WOMEN'S HEALTH LAB

AGREEMENT FOR LABORATORY SERVICES

February 1, 2012

Agreement for Laboratory services between Gila County Health Department, located at 1400 East Ash Street, Globe, AZ 85501 and Center for Disease Detection (CDD) located at 11603 Crosswinds Way, Suite 100, San Antonio, TX 78233.

This agreement is effective from February 1, 2012 until January 31, 2013. The agreement may be renewed by mutual agreement of both parties for two (2) additional one (1) year terms.

CDD will provide the following:

SUPPLIES AND SERVICES

All collection devices, shipping boxes, postage paid shipping envelopes, and testing are included in the per test price. All supplies will be tracked by our computer and automatically shipped to keep your inventory well stocked.

RESULTS

Your results summary report and hard copies will be reported out to you **by 12:00 pm central time *the same business day your specimens are received in our laboratory***. Repeat testing, confirmations and additional testing not performed by CDD may take an additional day or so. Cultures, Cytopathology and Histopathology test results will be reported to your clinics in 3-5 business days.

When results become available, an e-mail message will be sent notifying you that you have results available. This e-mail message will direct you to a secured access web site where you can download, view and print your results. These will be the ***official*** results. As a courtesy we can also send electronic results in an HL7 format to be uploaded into an electronic medical record system. For compliance with CLIA, CAP and other accrediting organizations we will continue to send both sets of results until you provide us with validation screen shots that the hard copy results correlate with the HL7 results and instruct us to discontinue the hard copy results.

AFTIS

AFTIS software and label printers will be ***provided to all locations at no extra charge!*** AFTIS is our automated paperless software system that allows you to pre-register your patients, select tests to be performed, print barcode labels, retrieve results and print same day hard copies. The use of the AFTIS system will be mandatory for all sites.

CDD the WOMEN'S HEALTH LAB
P.O. Box 659509 • San Antonio, Texas 78265-9509 • P: 1.888.858.8663 • F: 1.888.858.8664 • info@cddmedical.com

My initials below signify that I understand and accept these terms.

Initial ld .

TRAINING

CDD will fully train representatives of Gila County Health Department on procedures related to the submission of laboratory specimens to the lab. This will include collection of specimens, use of AFTIS, and specimen packaging for UPS shipping. CDD will provide this same training for any new staff of the Gila County Health Department.

BILLING

We bill monthly for tests performed in our laboratory. Payment is due upon receipt of invoice. CDD will bill for all public and private 3rd party insurers for tests we perform. CDD reserves the right to stop accepting claims for one or more insurance providers. CDD will re-invoice Gila County Health Department for any rejected 3rd party claim **only** if the patient was not covered at the time of service or if Gila County Health Department does not provide appropriate ICD-9 codes. These charges will be at the contract price agreed upon in this agreement.

In the event that CDD is denied reimbursement from a patient's insurance provider we reserve the right to request payment from the patient for lab tests performed. The rate charged to patients will be at a rate different than what is listed in this agreement.

Your initials confirm that you understand and accept all of the above.

Initial ld .

MONTHLY REPORTS

CDD will provide monthly reports that specify the number of tests and number of positives defined by Male/Female to help you with documentation needed for grant writing and budget writing. Each site will be given the option to receive this report. Statistical reports are also available for the Clinical Services Director.

TRANSPORTATION

Specimens will be transported by a next day service courier. During the shipping process specimens could be lost or damaged. Although this is a very rare occurrence, CDD will not be held liable. Pre-printed labels and/or pre-printed postage paid mailers will be provided by CDD for shipment of specimens.

Your initials confirm that you understand and accept all of the above.

Initial dd .

CYTOLOGY/HISTOLOGY

All abnormal Pap test results will be reviewed by a pathologist. These pathology reviewed abnormals will be assessed a pathology review fee (see below). Pap Tests will be reported using widely accepted Bethesda 2001 terminology. A unique consistent Patient Identification number is mandatory for all cytology/histology requests. This patient identifier is used to correlate current requests with past results.

Immunohistochemical (IHC) staining is now offered by CDD. These special stains are used today in the diagnosis of certain difficult to differentiate abnormal cells. This staining process is not required or even common practice, but again, is helpful for certain difficult to call cases. IHC staining is not ordered by the clinician, it can only be ordered by the pathologist reviewing the case if they find it may be useful for added clarity. Since IHC staining does not fit into the budgets of all clients and is not a medical necessity, we are instituting a simple system that allows you to opt out of additional IHC staining if your patient does not approve of directly paying the additional cost. Below please find two options to choose from. Let us know which method you prefer, automatic IHC staining and billing to the site, or IHC staining only with prior written permission.

dd NO, we do not want IHC staining to be performed automatically if called for by the reviewing pathologist and billed to our facility. Rather we want to be notified in writing prior to IHC staining use. If we do not respond within 24 hours of receipt of the request, CDD may assume that the patient did not authorize the extra process and cost.

_____ YES, we want IHC staining to be performed automatically if called for by the reviewing pathologist and billed to our facility.

Your initials confirm that you understand and accept all of the above.

Initial dd .

PRICING

Pricing is for the device, testing of the device, and transportation. All pricing is confidential and is based on the volume you have provided us. Should test volumes differ significantly from what is listed, CDD reserves the right to re-visit pricing. ***Below pricing is subject to review if not accepted by 5:00 pm central time on February 29, 2012.***

Tests	Test Volume	Price
Amplified CT/GC – Swab	As Requested	$ 11.50 per combo
Amplified CT/GC – Urine	As Requested	$ 11.50 per combo
Syphilis	As Requested	$ 6.00 per test
SurePath Liquid-based Pap Test	As Requested	$ 15.00 per test
Pathology Review	As Needed	$ 7.00 per review
HPV	As Requested	$ 36.00 per test

CANCELLATION PURSUANT TO A.R.S.§38-511

All parties hereto acknowledge that this agreement is subject to cancellation by the County pursuant to the provisions of Section 38-511, Arizona Revised Statutes.

LIABILITY INSURANCE

Center for Disease Detection, LLC shall obtain and maintain in full force and effect during the term of this Agreement, at its sole cost and expense, comprehensive professional liability insurance coverage with an insurance carrier reasonably acceptable to Gila County Health Department. Such insurance coverage shall be in such amounts and subject to such deductibles as are consistent with industry practices. On request, Center for Disease Detection, LLC shall produce proof of such insurance coverage to Gila County Health Department.

INDEMNIFICATION

Center for Disease Detection, LLC shall indemnify and hold harmless Gila County Health Department its officers, directors, agents and employees against any and all actions, claims, or demands and against any and all costs and expenses, including but not limited to reasonable attorney's fees, arising out of an injury to a person or property as the result of the negligent act or omission of Center for Disease Detection, LLC its physicians, officers, directors, agents, or employees.

Gila County Health Department shall indemnify and hold harmless Center for Disease Detection, LLC its officers, directors, agents and employees against any and all actions, claims, or demands and against any and all costs and expenses, including but not limited to reasonable attorney's fees, arising out of an injury to a person or property as the result of the negligent act or omission of Gila County Health Department, its physicians, officers, directors, agents, or employees.

LEGAL ARIZONA WORKERS ACT COMPLIANCE

To the extent applicable under A.R.S. § 41-4401, the Contractor and its subcontractors warrant compliance with the federal immigration laws and regulations that relate to their employees and compliance with the E-verify requirements under A.R.S. § 23-214(A).

The Contractor or subcontractors' breach of the above-mentioned warranty shall be deemed a material breach of the Agreement by Gila County. Gila County retains the legal right to randomly inspect the papers and records of the Contractor and its subcontractors who work on the Agreement to ensure that the Contractor and its subcontractors are complying with the above-mentioned warranty.

The Contractor and its subcontractors warrant to keep the papers and records open for inspection during normal business hours by Gila County and to cooperate with Gila County's inspections.

CERTIFICATION OF NO SCRUTINIZED BUSINESS OPERATIONS

Pursuant to A.R.S. §35-397, Contractor hereby certifies that it does not have scrutinized business operations, as defined in A.R.S. § 35-391(15), in Sudan, and that it does not have scrutinized business operations, as defined in A.R.S. § 35-393(12), in Iran.

ATTACHMENT A

Gila County Contractor Standard Terms and Conditions Addendum

A. Addendum Applicability: Contractor and Gila County agree that the terms and conditions of this Addendum shall apply to and govern the contractual relationship between Contractor and Gila County and shall supplement any other contract or agreement entered into between the parties. In the event that the terms and conditions in this Addendum conflict with any provision of any other agreement entered into between the Contractor and Gila County (including a superiority provision similar to this provision), the terms and conditions of this Addendum shall control the contractual relationship between the parties and shall supersede any conflicting provisions found in any other contract or agreement. Contractor understands that acceptance of the terms and conditions contained in this Addendum are a condition precedent to entering into a contractual relationship with Gila County.

B. Contract Defined: As used in this Addendum, the term "Contract" shall refer to any written agreement between Gila County and a person, organization, corporation, company or other entity that provides supplies or services to Gila County regardless of the title or other name applied to that written agreement. The term includes by this reference all the terms and conditions of this Addendum.

C. Contractor Defined: As used in this Addendum, the term "Contractor" shall refer to a person, provider, organization, corporation, company or other entity providing supplies or services to Gila County pursuant to a written agreement regardless of the title or other name applied to "Contractor" in that written agreement.

D. Relationship of the Parties: Contractor is an independent contractor of the County. Contractor represents that he has or will secure, at his own expense, all personnel required in performing the services under this contract. Such personnel shall not be employees of or have any contractual relationship with the County. All personnel engaged in work under this contract shall be fully qualified and shall be authorized or permitted under State and local law to perform such services. Contractor warrants that he has obtained or will obtain Worker's Compensation Insurance for his employees working on this contract and that any subcontractors will likewise obtain Worker's Compensation Insurance for of their employees working on this contract. It is further agreed by Contractor that he shall obey all state and federal statutes, rules, and regulations which are applicable to provisions of the services called for herein. Neither Contractor nor any employee of the Contractor shall be deemed an officer, employee, or agent of the County.

E. Non-Appropriations Clause: Contractor acknowledges that the County is a governmental entity, and the contract validity is based upon the availability of public funding under its authority. In the event that public funds are unavailable and not appropriated for the performance of County's obligations under this contract, then this contract shall automatically expire without penalty to County after written notice to Contractor of the unavailability and non-appropriation of public funds. It is expressly agreed that the County shall only activate this non-appropriation provision as an emergency fiscal measure. The County shall not activate this non-appropriation provision for its convenience, to circumvent the requirements of this contract, or to enable the County to contract with another Contractor for the same supplies or services covered under this Addendum.

F. Hold Harmless/Indemnification Clause: Contractor shall indemnify, defend, save and hold harmless the County of Gila and its officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such Contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all claims. It is agreed that the Contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. In consideration of the award of this contract, the Contractor agrees to waive all rights of subrogation against the County, its officers, officials, agents and employees for losses arising from the work performed by the Contractor for the County.

G. Entire Contract Clause: The Contractor and the County have read this Contract and agree to be bound by all of its terms, and further agree that it constitutes the entire contract between the two parties and may only be modified by a written mutual contract signed by the parties. No oral agreement or oral provision outside this Contract shall have any force or effect.

H. Non-Waiver of Enforceability: Failure of the County to enforce, at any time, any of the provisions of this Contract, or to request at any time performance by Contractor of any of the provisions hereof, shall in no way be construed to be a waiver of such provisions, nor in any way affect the validity of this contract or any part thereof, or the right of the County to enforce each and every provision.

I. Severability: *If any provision of this Agreement is held unenforceable, all remaining provisions of this Contract shall remain in full force and effect.*

J. Governing Law: Both parties agree that this Contract shall be governed by the laws of the state of Arizona. The parties further agree that the jurisdiction for any legal disputes arising out of this Contract shall be the Superior Court of the State of Arizona. The parties agree that even if this Contract does not specifically reference any provision required by state or federal law, those state and federally required provisions are incorporated into this Contract by this reference as though they were specifically listed herein.

K. Cancellation: This contract is subject to the cancellation provisions of A.R.S. §38-511.

L. Anti-Terrorism Warranty: Pursuant to A.R.S. §§ 35-393.06(B) and 35-391.06(A) the Contractor certifies that it does not have scrutinized business operations in Iran or Sudan and that they are in compliance with the Export Administration Act and not on the Excluded Parties List.

M. Legal Arizona Workers Act Compliance: Contractor hereby warrants that it will at all times during the term of this Contract comply with all federal immigration laws applicable to Contractor's employment of its employees, and with the requirements of A.R.S. §§ 41-4401 and 23-214(A) (together the "State and Federal Immigration Laws"). Contractor shall further ensure that each subcontractor who performs any work for Contractor under this contract likewise complies with the State and Federal Immigration Laws.

County shall have the right at any time to inspect the books and records of Contractor and any subcontractor in order to verify such party's compliance with the State and Federal Immigration Laws.

Any breach of Contractor's or any subcontractor's warranty of compliance with the State and Federal Immigration Laws, or of any other provision of this section, shall be deemed to be a material breach of this Contract subjecting Contractor to penalties up to and including suspension or termination of this Contract. If the breach is by a subcontractor, and the subcontract is suspended or terminated as a result, Contractor shall be required to take such steps as may be necessary to either self-perform the services that

would have been provided under the subcontract or retain a replacement subcontractor as soon as possible so as not to delay project completion.

Contractor shall advise each subcontractor of County's rights, and the subcontractor's obligations, under this Article by including a provision in each subcontract substantially in the following form: "Subcontractor hereby warrants that it will at all times during the term of this contract comply with all federal immigration laws applicable to Subcontractor's employees, and with the requirements of A.R.S. § 23-214 (A). Subcontractor further agrees that County may inspect the Subcontractor's books and records to insure that Subcontractor is in compliance with these requirements. Any breach of this paragraph by Subcontractor will be deemed to be a material breach of this contract subjecting Subcontractor to penalties up to and including suspension or termination of this contract."

This agreement is effective from February 1, 2012 until January 31, 2013.

CDD Representative 2-1-2012
Signature and Date

Gila County Manager, Don E. McDaniel Jr. 3/6/12
Signature and Date

Above pricing is guaranteed if this agreement is signed and faxed to Mike Kossman at (888) 858-8664 by February 29, 2012. Hard copy should be mailed to Mike Kossman at Center for Disease Detection, 11603 Crosswinds Way, Suite 100, San Antonio, TX 78233.

APPROVED AS TO FORM:

Bryan B. Chambers, Chief Deputy Gila County Attorney

BUILDING USE AGREEMENT

BETWEEN

GILA COUNTY d/b/a GILA EMPLOYMENT SPECIAL TRAINING
AND
PAYSON FIRST ASSEMBLY OF GOD CHURCH

THIS AGREEMENT, made this ___1st___ day of ___January___, 2012, between Gila County d/b/a Gila Employment Special Training, State of Arizona, (User) and Payson First Assembly of God Church, Town of Payson, State of Arizona, (Owner).

Owner does hereby rent to User the following described premises:

1. **PARTIES**:

User: Gila County d/b/a GEST
1400 E. Ash Street
Globe, Arizona, 85501

Owner: Payson First Assembly of God
1100 W. Lake Drive
Payson, Arizona, 85541

2. **PREMISES**: The building located at 1100 W. Lake Drive, Payson, Arizona. The premises shall not include any of the land surrounding the building including, but not limited to the parking areas. Overnight parking and/or storage of vehicles in the parking areas is prohibited.

   User will be using the second floor of the premises to hold miscellaneous functions and events for its Gila Employment Special Training (GEST) program. The kitchen and restroom facilities on the premises will also be used by the Lessee.

   The premises will be made available to the User for use Monday through Friday from 7:00 am to 4:00 pm. Owner shall notify User no less than twenty four (24) hours in advance if the premises will not be available during that time.

3. **TERM**: The term of the agreement shall be for twelve (12) months from January 1, 2012 to December 31, 2012 , with the option to renew for two (2) more one (1) year terms. Rent may be negotiated at the end of the use term if the option to renew is accepted.

4. **RENT**: User shall pay a monthly rent of $250.00. Rent is due on or before the first day of each month during the term of this Agreement. Rent shall be paid to the Owner at the address listed in item 1 above. Any increase or decrease in rent amount must be approved by both Parties through an amendment to the original agreement.

   Owner shall submit all invoices to the Gila County Accounts Payable Department at 1400, E. Ash Street, Globe, Arizona, 85501.

5. **FUNDING AVAILABILITY:** Owner acknowledges that User is a government entity, and the contract validity is based upon the availability of public funding under its authority. In the event public funds are unavailable and are not appropriated for the performance of the User's obligations under this contract, then this contract shall automatically expire

without penalty to User after written notice to Owner of the unavailability and non-appropriation provisions for its convenience or to circumvent the requirements of this contract, by this contract, by only as an emergency fiscal measure.

6. **USER'S OBLIGATIONS:** During the Rental Agreement term, User agrees and promises:
   a. Not to make or permit use of the Premises for any unlawful purpose or any purpose that will injure the reputation of the Owner or the Premises or the building of which they are a part.
   b. To keep Premises in clean and as good repair as at the beginning of the Rental Agreement term.
   c. Not to do or permit any of the following: 1) Paint upon, attach, exhibit or display in or about the Premises any sign or placard. 2) Alter or redecorate the Premises. 3) Attach or affix anything to the exterior of the Premises.

7. **OWNER OBLIGATIONS:** Owner shall be responsible for utilities and building maintenance.

8. **INSURANCE:** User shall be liable at all times during the use agreement for liability insurance of $50,000 minimum.

9. **INDEMNITY:** Owner agrees to defend, indemnify and hold harmless Gila County from all losses, liability, claims or expenses (including reasonable attorney's fees) arising from bodily injury, including death or property damage, to any person or persons caused in whole or in part of the negligence or misconduct of Owner, except to the extent same are caused by the negligence or willful misconduct of User. It is the intent of this section to require the provider to indemnify Gila County, Owner, to the extent permitted under Arizona Law.

10. **GENERAL PROVISIONS**:

10.1 This building us agreement is subject to the cancellation provisions of A.R.S. § 38-511, the provisions of which are hereby incorporated herein.

10.2 Notices. Notices shall be in writing and shall be given to the User and Owner at the addresses set forth hereunder or at such other address as a party may designate in writing. The date notice given shall be date on which the notice is delivered, if notice is given by personal delivery, or the date of the deposit in the mail or with express delivery service.

Address for User:
Gila County
Attn: Dave Caddell
5515 S. Apache
Globe, Arizona, 85501

Address for Owner:
Payson First Assembly of God
Attn: Kelly Wooldridge
1100 W. Lake Drive
Payson, Arizona, 85547

10.3 Entire Agreement. This Agreement constitutes the entire Agreement between the Parties pertaining to the subject matter contained in the Agreement. All prior and contemporaneous agreements, representations, and understandings of the Parties, oral or written, are superseded by and emerged into this Agreement. No supplement,

modification, or amendment of this Agreement shall be binding unless in writing and executed by the Parties.

10.4 Construction of 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 this 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.

USER:

GILA COUNTY

Don E. McDaniel Jr., County Manager

Date: 3/14/12

APPROVED AS TO FORM

Bryan B. Chambers, Chief Deputy County Attorney
for Daisy Flores, Count Attorney

OWNER:

PAYSON FIRST ASSEMBLY OF GOD CHURCH

Kelly Woodbridge
Signature

Date: 3/10/2012

EXTENDED WARRANTY PLAN FOR VOICE LOGGING RECORDER LEVEL – *(M-F 8am-5pm)* ***GOLD***

7165 East University Drive
Suite 180
Mesa, AZ 85207
480.964.8911

Goserco, Inc.

For technical support: tech.support@goserco.com • For billing inquiries: billing@goserco.com

Goserco, Inc. offers the following contract and conditions for extended warranty protection for, and covered services performed on, the listed equipment* installed at GILA COUNTY SHERIFF/GLOBE-JAIL. All parties agree to abide by the terms specified by this contract.

CONTRACT PERIOD

Coverage under this contract begins at 12:01 am JANUARY 01, 2012, and terminates at 11:59 pm DECEMBER 31, 2012.

THIS CONTRACT PROVIDES FOR THE FOLLOWING

1. Support via e-mail (tech.support@goserco.com), telephone support, and on-site service when necessary, 8:00am - 5:00pm (local time) Monday through Friday (excluding holidays). Guaranteed response times as follows: M-F 8AM-5PM MST 2 hours within receipt of call or email. After hours and or "emergency" service calls (not covered under this contract and is billable at the current afterhours service rate) are responded to with 4 hours (only a voicemail, if left, on the on-call technical support personnel phone will be considered an emergency). Leaving a voicemail on the GOSERCO service line and or sending an email is NOT considered an emergency and will be responded to the next business day.

2. Response to requests for technical support or service received between 8:00am - 5:00pm (local time) Monday through Friday, excluding holidays. Calls for technical support or service received during these hours will be handled via telephone and/or remote access first - if it determined by technical support personnel that an on-site visit will be required, it will be scheduled accordingly.

3. Emergency on-site response (typically same day) is considered necessary when two or more channels are not recording. Please note that if any failure to record is determined to be due to some other factor besides the recording equipment (i.e. radio problem, phone problem, etc.) travel and on-site time charges will be incurred at the applicable hourly rates.

4. Parts – please note that due to great variation in customer environments, only two DVD-RAM drives (if installed in the system) per contract year are covered. Additional drives will be replaced at actual cost, with no labor charge. Also, please note that coverage for parts is contingent upon specific environmental and other requirements being met (please see terms and conditions).

5. Manufacturer recommended or required recording application updates (service packs, hot fixes, etc.). In general, recording application updates will be performed via remote access. If updates require upgrading clients, this service may be performed on-site. In the event that a manufacturer releases a no-cost version upgrade of recording application software, such upgrades will be delivered or performed with no labor charge (excluding shipping and handling for upgrade media).

6. This contract provides coverage for the voice logging recorder only. Peripherals (i.e. reproducer workstations, label printers, UPS equipment, etc.) are not covered, unless specified and agreed upon by both parties, and specifically listed on the following page.

7. "Refresher", or system training for new personnel, via remote access, provided up to twice annually (1 hr. each).

TERMS AND CONDITIONS OF THIS CONTRACT

1. This is an annual contract. This contract is to be billed and prepaid on or before the date of commencement, and billed each subsequent year until cancellation by either party.

2. All requests for technical support or service must include direct call back contact information. Customers must indicate, in writing, the person(s) authorized to call for service, and person(s) authorized to receive administrative system passwords, if such security is desired. Otherwise, by signing this agreement, customer agrees and authorizes that any calling party from their facility may receive such services or information.

3. For systems equipped with DVD-RAM drives, Panasonic DVD-RAM media is the only supported media. Requests for service related to archiving may be delayed if not using supported media.

4. Voice logging recorder **must be connected to** appropriate power from an **Uninterruptible Power Supply** (UPS) **at all times**. Absence of, or lack of appropriate maintenance of, appropriate UPS power will void coverage of voice logging recorder under this contract.

7165 East University Drive
Suite 180
Mesa, AZ 85207
480.964.8911

Goserco, Inc.

For technical support: tech.support@goserco.com • For billing inquiries: billing@goserco.com

TERMS AND CONDITIONS (Continued)

5. Remote access to voice logging recorder is required. This can be via dial-up, or Internet (VPN or web service). While it is not required that remote access is available 100% of the time (although this is recommended), emergency responses may require immediate remote access to the system for proper diagnostics and verification of system status. Goserco is not responsible for any delay due to holdup in establishing remote access to the system. The customer is responsible for providing all remote access site-specific details and any special remote access client software (when required). In the event that remote access is only granted on a case-by-case, or temporary basis, the customer is responsible for establishing the readiness (connecting phone line, enabling remote access, etc.).

6. Customer is responsible for maintaining equipment in an adequately-cooled and relatively dust-free environment.

7. Customer is responsible for providing the services of relevant I.T. personnel that may be required during repairs, updates, troubleshooting, etc. in a timely manner.

THIS CONTRACT DOES NOT PROVIDE FOR

1. Any technical support or service outside of 8:00am - 5:00pm (Arizona time) Monday through Friday – after hours, weekends, or Goserco-observed holidays, are outside the scope of this contract. If after hours technical support or service is requested, labor and travel will be computed at the applicable hourly rates for after hours, weekend, and holiday service.

2. Connection or repair of any telephone adapters (logger patches) and associated wiring, or feed source wiring.

3. Relocating, adding record channels, and/or moving of recorder equipment or installation of additional clients.

4. Repairs due to any power problem, or acts of nature regardless of cause (i.e., power surge, fire, water damage, lighting strikes, etc.) - all service requests that require an on-site response due to any power problem, or an act of nature, will be billable at applicable rates. Additionally, any damage due to power problems or acts of nature voids the parts warranty protection.

5. Problems resulting from any unauthorized changes or modifications to the operating system, including any malicious acts from external sources including but not limited to viruses, spyware, hacking attempts, etc.

6. Any internal networking configuration, problems, or modifications that may affect the recording system (such as restrictive domain policies), or the ability of remote clients to connect properly to the voice logging recorder.

7. Windows Updates and virus protection – these are the responsibility of customers with Windows-based systems. Both require manufacturer approval (and specific exclusions in some cases) via Goserco, Inc. prior to application.

8. Hardware upgrades or release-level software version upgrades in recording application software.

***LISTED EQUIPMENT**

MAKE	MODEL	SERIAL NUMBER	COMMENTS	AMOUNT
EVENTIDE	VR-725 64CH	**70000792**	48 VOIP & 16 Analog	3,727.50
TAX				
TOTAL				3,727.50

Goserco, Inc. Today's Date Authorized Signature	Patrice Minetta December 12, 2011 Patrice Minetta	Customer Today's Date Authorized Signature	GILA COUNTY SHERIFF/GLOBE JAIL 12/28/11

Attached exhibit "A" by mention is made a binding part of this agreement as set forth therein.

ATTACHMENT "A"

Gila County Contractor Standard Terms and Conditions Addendum

A. Addendum Applicability: Contractor and Gila County agree that the terms and conditions of this Addendum shall apply to and govern the contractual relationship between Contractor and Gila County and shall supplement any other contract or agreement entered into between the parties. In the event that the terms and conditions in this Addendum conflict with any provision of any other agreement entered into between the Contractor and Gila County (including a superiority provision similar to this provision), the terms and conditions of this Addendum shall control the contractual relationship between the parties and shall supersede any conflicting provisions found in any other contract or agreement. Contractor understands that acceptance of the terms and conditions contained in this Addendum are a condition precedent to entering into a contractual relationship with Gila County.

B. Contract Defined: As used in this Addendum, the term "Contract" shall refer to any written agreement between Gila County and a person, organization, corporation, company or other entity that provides supplies or services to Gila County regardless of the title or other name applied to that written agreement. The term includes by this reference all the terms and conditions of this Addendum.

C. Contractor Defined: As used in this Addendum, the term "Contractor" shall refer to a person, provider, organization, corporation, company or other entity providing supplies or services to Gila County pursuant to a written agreement regardless of the title or other name applied to "Contractor" in that written agreement.

D. Relationship of the Parties: Contractor is an independent contractor of the County. Contractor represents that he has or will secure, at his own expense, all personnel required in performing the services under this contract. Such personnel shall not be employees of or have any contractual relationship with the County. All personnel engaged in work under this contract shall be fully qualified and shall be authorized or permitted under State and local law to perform such services. Contractor warrants that he has obtained or will obtain Worker's Compensation Insurance for his employees working on this contract and that any subcontractors will likewise obtain Worker's Compensation Insurance for of their employees working on this contract. It is further agreed by Contractor that he shall obey all state and federal statutes, rules, and regulations which are applicable to provisions of the services called for herein. Neither Contractor nor any employee of the Contractor shall be deemed an officer, employee, or agent of the County.

E. Non-Appropriations Clause: Contractor acknowledges that the County is a governmental entity, and the contract validity is based upon the availability of public funding under its authority. In the event that public funds are unavailable and not appropriated for the performance of County's obligations under this contract, then this contract shall automatically expire without penalty to County after written notice to Contractor of the unavailability and non-appropriation of public funds. It is expressly agreed that the County shall only activate this non-appropriation provision as an emergency fiscal measure. The County shall not activate this non-appropriation provision for its convenience, to circumvent the requirements of this contract, or to enable the County to contract with another Contractor for the same supplies or services covered under this Addendum.

F. Hold Harmless/Indemnification Clause: Contractor shall indemnify, defend, save and hold harmless the County of Gila and its officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such Contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all claims. It is agreed that the Contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. In consideration of the award of this contract, the Contractor agrees to waive all

rights of subrogation against the County, its officers, officials, agents and employees for losses arising from the work performed by the Contractor for the County.

G. Entire Contract Clause: The Contractor and the County have read this Contract and agree to be bound by all of its terms, and further agree that it constitutes the entire contract between the two parties and may only be modified by a written mutual contract signed by the parties. No oral agreement or oral provision outside this Contract shall have any force or effect.

H. Non-Waiver of Enforceability: Failure of the County to enforce, at any time, any of the provisions of this Contract, or to request at any time performance by Contractor of any of the provisions hereof, shall in no way be construed to be a waiver of such provisions, nor in any way affect the validity of this contract or any part thereof, or the right of the County to enforce each and every provision.

I. Severability: If any provision of this Agreement is held unenforceable, all remaining provisions of this Contract shall remain in full force and effect.

J. Governing Law: Both parties agree that this Contract shall be governed by the laws of the state of Arizona. The parties further agree that the jurisdiction for any legal disputes arising out of this Contract shall be the Superior Court of the State of Arizona. The parties agree that even if this Contract does not specifically reference any provision required by state or federal law, those state and federally required provisions are incorporated into this Contract by this reference as though they were specifically listed herein.

K. Cancellation: This contract is subject to the cancellation provisions of A.R.S. §38-511.

L. Anti-Terrorism Warranty: Pursuant to A.R.S. §§ 35-393.06(B) and 35-391.06(A) the Contractor certifies that it does not have scrutinized business operations in Iran or Sudan and that they are in compliance with the Export Administration Act and not on the Excluded Parties List.

M. Legal Arizona Workers Act Compliance: Contractor hereby warrants that it will at all times during the term of this Contract comply with all federal immigration laws applicable to Contractor's employment of its employees, and with the requirements of A.R.S. § 41-4401 and 23-214(A) (together the "State and Federal Immigration Laws"). Contractor shall further ensure that each subcontractor who performs any work for Contractor under this contract likewise complies with the State and Federal Immigration Laws.

County shall have the right at any time to inspect the books and records of Contractor and any subcontractor in order to verify such party's compliance with the State and Federal Immigration Laws.

Any breach of Contractor's or any subcontractor's warranty of compliance with the State and Federal Immigration Laws, or of any other provision of this section, shall be deemed to be a material breach of this Contract subjecting Contractor to penalties up to and including suspension or termination of this Contract. If the breach is by a subcontractor, and the subcontract is suspended or terminated as a result, Contractor shall be required to take such steps as may be necessary to either self-perform the services that would have been provided under the subcontract or retain a replacement subcontractor as soon as possible so as not to delay project completion.

Contractor shall advise each subcontractor of County's rights, and the subcontractor's obligations, under this Article by including a provision in each subcontract substantially in the following form: "Subcontractor hereby warrants that it will at all times during the term of this contract comply with all federal immigration laws applicable to Subcontractor's employees, and with the requirements of A.R.S. § 23-214 (A). Subcontractor further agrees that County may inspect the Subcontractor's books and records to insure that Subcontractor is in compliance with these requirements. Any breach of this paragraph by Subcontractor will be deemed to be a material breach of this contract subjecting Subcontractor to penalties up to and including suspension or termination of this contract."

GILA COUNTY:

GILA COUNTY MANAGER

Don E. McDaniel Jr.

1/11/12

Date

APPROVED AS TO FORM:

Bryan B. Chambers, Chief Deputy County Attorney
***for* Daisy Flores, County Attorney**

GOSERCO, INC

Patrice Minetta

Individual Authorized to Sign

Patrice Minetta

Print Name

Office Manager

Title

1-3-12

Date

Goserco, Inc.
7165 E. University Dr., #180
Mesa, AZ 85207
480-964-8911 Metro Phoenix Area
800-285-0108 Toll Free
480-964-8912 Fax
www.goserco.com

Extended Warranty Invoice

Date	Invoice #
1/2/2012	7114

Bill To
GILA COUNTY PO Box 311 Globe, AZ 85502 Attn: Claudia DalMolin

Ship To
GILA COUNTY SHERIFF 1400 East Ash St. Globe, AZ 85501 Attn: Debra Williams

P.O. No.	Due Date	Terms	Current EWP Expires
	1/15/2012	Due on receipt	12/31/2011

Item	Quantity	Description	Rate	Amount
Acceptance	1	Acceptance of customer equipment not covered prior to the Contract Start Date by a New Machine Warranty or Maintenance Contract will be subject to the equipment being in sound functional condition as of the Contract Start Date. All necessary repairs as of the inception of this Contract will be subject to charges based on Goserco's current Time and Materials basis.	0.00	0.00T

Call Patrice with Any questions @ 800-285-0108 ext. 102 or 480-964-8911 ext. 102

Attached find our Extended Warranty Plan, this contract will be considered accepted upon payment

Sales Tax (9.05%)	$0.00
Payments/Credits	$0.00
Total	$3,727.50
Balance Due	$3,727.50

Goserco, Inc.
7165 E. University Dr., #180
Mesa, AZ 85207
480-964-8911 Metro Phoenix Area
800-285-0108 Toll Free
480-964-8912 Fax
www.goserco.com

Extended Warranty Invoice

Date	Invoice #
1/2/2012	7114

Bill To	Ship To
GILA COUNTY PO Box 311 Globe, AZ 85502 Attn: Claudia DalMolin	GILA COUNTY SHERIFF 1400 East Ash St. Globe, AZ 85501 Attn: Debra Williams

P.O. No.	Due Date	Terms	Current EWP Expires
	1/15/2012	Due on receipt	12/31/2011

Item	Quantity	Description	Rate	Amount
Gold EWP With R...	1	Maintenance from January 01, 2012 to December 31, 2012 Eventide VR 725 64ch 48 VOIP and 16 Analog Gold Level (M-F 8am-5pm with Remote) EWP contract. See attached contract for terms and conditions. Payment must be received in GOSERCO, Inc.'s Mesa office by the 15th of the month following the expiration date of the contract. If payment is not received by the 15th then any service calls will be billed at our standard hourly rate. Remote access to voice logging recorder is required. This can be via dial-up, or Internet (VPN or web service). While it is not required that remote access is available 100% of the time (although this is recommended), emergency responses may require immediate remote access to the system for proper diagnostics and verification of system status. Goserco is not responsible for any delay due to holdup in establishing remote access to the system. The customer is responsible for providing all remote access site-specific details and any special remote access client software (when required). In the event that remote access is only granted on a case-by-case, or temporary basis, the customer is responsible for establishing the readiness (connecting phone line, enabling remote access, etc.). Response to requests for technical support or service received between 8:00am - 5:00pm (local time) Monday through Friday, excluding holidays. Calls for technical support or service received during these hours will be handled via telephone and/or remote access first - if it determined by technical support personnel that an on-site visit will be required, it will be scheduled accordingly.	3,727.50	3,727.50

Call Patrice with Any questions @ 800-285-0108 ext. 102 or 480-964-8911 ext. 102

Attached find our Extended Warranty Plan, this contract will be considered accepted upon payment

Sales Tax (9.05%)	
Payments/Credits	
Total	
Balance Due	

Tommie C. Martin, District I
P.O. Box 2297 Payson, AZ. 85547
(928) 474-2029

Michael A. Pastor, District II
1400 E. Ash St. Globe, AZ. 85501
(928) 425-3231 Ext. 8753

Shirley L. Dawson, District III
1400 E. Ash St. Globe, AZ. 85501
(928) 425-3231 Ext. 8511

GILA COUNTY
www.gilacountyaz.gov

Don E. McDaniel Jr., County Manager
Phone (928) 425-3231 Ext.8761

Joseph T. Heatherly, Finance Director
Phone (928) 425-3231 Ext. 8743

FAX (928) 425-0319
TTY: 7-1-1

SERVICE AGREEMENT NO. 030912

WEATHERIZATION PROJECT NO. HH5536 & HH7573

THIS AGREEMENT, made and entered into this 14th day of March, **2012**, by and between Gila County, a political subdivision of the State of Arizona hereinafter designated the County, and **Rodriguez Construction**, of the City of Globe, State of Arizona, hereinafter designated the Contractor.

WITNESSETH: The Contractor, for and in consideration of the sum to be paid him by the County, in the manner and at the time hereinafter provided, and of the other covenants and agreement's herein contained, hereby agrees, for himself, his heirs, administrators, successors, and assigns as follows:

ARTICLE 1 – SCOPE OF SERVICES: The Contractor shall provide for the complete provision in the scope of work below of Weatherization Projects HH5536 and HH7573, in a good and workmanlike and substantial manner and to the satisfaction of the County under the direction of the Housing Services Manager or designee.

All work performed by the Contractor shall be completed to local codes and regulation per Gila County and the State of Arizona and consistent with all Weatherization guidelines.

Scope of Work: Refer to attached Exhibits "A" and "B" by mention made a binding part of this agreement as set forth herein.
Exhibit "A" HH5536 & Exhibit "B" HH7573

Contractor Fee's: Refer to Exhibits "A" and "B"

ARTICLE 2 – TERMINATION: The County reserves the right to terminate the Contract, in whole or in part at any time, when in the best interest of the County, without penalty or recourse. Upon receipt of the written notice, the Contractor shall stop all work as directed in the notice. If the contract is terminated, the County shall be liable only for the services rendered under this contract and accepted material received by the County before the effective date of termination.

ARTICLE 3 - INDEMNIFICATION: Contractor shall indemnify, defend, save and hold harmless the County of Gila and its officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily

injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all claims. It is agreed that Contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. In consideration of the award of this contract, the Contractor agrees to waive all rights of subrogation against the County, its officers, officials, agents and employees for losses arising from the work performed by the Contractor for the County.

ARTICLE 4 – INSURANCE REQUIREMENTS: Contractor and subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Contract are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors.

The insurance requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The County in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under this contract by the Contractor, his agents, representatives, employees or subcontractors and Contractor is free to purchase additional insurance as may be determined necessary.

A. **MINIMUM SCOPE AND LIMITS OF INSURANCE:** Contractor shall provide coverage with limits of liability not less than those stated below.

1. **Commercial General Liability – Occurrence Form**
   Policy shall include bodily injury, property damage and broad form contractual liability coverage.
   - General Aggregate $2,000,000
   - Products – Completed Operations Aggregate $1,000,000
   - Personal and Advertising Injury $1,000,000
   - Each Occurrence $1,000,000

   a. The policy shall be endorsed to include the following additional insured language: **"The County of Gila shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of the Contractor".**

2. **Worker's Compensation and Employers' Liability**

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	$100,000
Disease – Each Employee	$100,000
Disease – Policy Limit	$500,000

   a. Policy shall contain a **waiver of subrogation** against the County of Gila.

3. **Professional Liability (Errors and Omissions Liability)**

Each Claim	$1,000,000
Annual Aggregate	$2,000,000

   a. In the event that the professional liability insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract; and that either continuous coverage will be maintained or an

extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Contract is completed.

B. **ADDITIONAL INSURANCE REQUIREMENTS:** The policies shall include, or be endorsed to include, the following provisions:

1. On insurance policies where the County of Gila is named as an additional insured, the County of Gila shall be an additional insured to the full limits of liability purchased by the Contractor even if those limits of liability are in excess of those required by this Contract.
2. The Contractor's insurance coverage shall be primary insurance and non-contributory with respect to all other available sources.
3. Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of this Contract.

C. **NOTICE OF CANCELLATION:** Each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be suspended, voided, canceled, reduced in coverage or endorsed to lower limits except after thirty (30) days prior written notice has been given to the County. Such notice shall be sent directly to **Gila County Purchasing Department, 1400 E. Ash St., Globe, AZ, 85501** and shall be sent by certified mail, return receipt requested.

D. **ACCEPTABILITY OF INSURERS:** Insurance is to be placed with insurers duly licensed or approved unlicensed companies in the state of Arizona and with an "A.M. Best" rating of not less than B+ VI. The County in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

E. **VERIFICATION OF COVERAGE:** Contractor shall furnish the County with certificates of insurance (ACORD form or equivalent approved by the County) as required by this Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

All certificates and endorsements are to be received and approved by the County before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract or to provide evidence of renewal is a material breach of contract.

All certificates required by this Contract shall be sent directly to **Gila County Purchasing Department, 1400 E. Ash St., Globe, AZ, 85501.** The County project/contract number and project description shall be noted on the certificate of insurance. The County reserves the right to require complete, certified copies of all insurance policies required by this Contract at any time.

F. **SUBCONTRACTORS:** Contractors' certificate(s) shall include all subcontractors as additional insured's under its policies **or** Contractor shall furnish to the County separate certificates and endorsements for each subcontractor. All coverage's for subcontractors shall be subject to the minimum requirements identified above.

G. **APPROVAL:** Any modification or variation from the insurance requirements in this Contract shall be made by the County Attorney, whose decision shall be final. Such action will not require a formal Contract amendment, but may be made by administrative action.

ARTICLE 5 – LEGAL ARIZONA WORKERS ACT COMPLIANCE: Contractor hereby warrants that it will at all times during the term of this Contract comply with all federal immigration laws applicable to Contractor's employment of its employees, and with the requirements of A.R.S. § 23-214 (A) (together the "State and

Federal Immigration Laws"). Contractor shall further ensure that each subcontractor who performs any work for Contractor under this contract likewise complies with the State and Federal Immigration Laws. County shall have the right at any time to inspect the books and records of Contractor and any subcontractor in order to verify such party's compliance with the State and Federal Immigration Laws.

Any breach of Contractor's or any subcontractor's warranty of compliance with the State and Federal Immigration Laws, or of any other provision of this section, shall be deemed to be a material breach of this Contract subjecting Contractor to penalties up to and including suspension or termination of this Contract. If the breach is by a subcontractor, and the subcontract is suspended or terminated as a result, Contractor shall be required to take such steps as may be necessary to either self-perform the services that would have been provided under the subcontract or retain a replacement subcontractor as soon as possible so as not to delay project completion.

Contractor shall advise each subcontractor of County's rights, and the subcontractor's obligations, under this Article by including a provision in each subcontract substantially in the following form: "Subcontractor hereby warrants that it will at all times during the term of this contract comply with all federal immigration laws applicable to Subcontractor's employees, and with the requirements of A.R.S. § 23-214 (A). Subcontractor further agrees that County may inspect the Subcontractor's books and records to insure that Subcontractor is in compliance with these requirements. Any breach of this paragraph by Subcontractor will be deemed to be a material breach of this contract subjecting Subcontractor to penalties up to and including suspension or termination of this contract."

Any additional costs attributable directly or indirectly to remedial action under this Article shall be the responsibility of Contractor. In the event that remedial action under this Article results in delay to one or more tasks on the critical path of Contractor's approved construction or critical milestones schedule, such period of delay shall be deemed excusable delay for which Contractor shall be entitled to an extension of time, but not costs.

ARTICLE 6 – LAWS AND ORDINANCES: This agreement shall be enforced under the laws of the State of Arizona. Contractor shall maintain in current status all Federal, State and Local licenses and permits required for the operation of the business conducted by the Contractor. The Contractor shall comply with the applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and applicable federal regulations under the Act.

ARTICLE 7– ANTI-TERRORISM WARRANTY: Pursuant to A.R.S. § 35-393.06(B) and 35-301.06(A) the Contractor certifies that it does not have scrutinized business operations in Iran or Sudan and that they are in compliance with the Export Administration Act and not on the Excluded Parties List.

ARTICLE 8 – CANCELLATION: This agreement is subject to cancellation pursuant to A.R.S. §38-511. If the Agreement is terminated, the county shall be liable only for payment for services rendered and accepted material received by the County before the effective date of termination.

ARTICLE 9 – RELATIONSHIP OF THE PARTIES: Contractor is an independent contractor of the County. Contractor represents that he has or will secure, at his own expense, all personnel required in performing the services under this contract. Such personnel shall not be employees of or have any contractual relationship with the County. All personnel engaged in work under this contract shall be fully qualified and shall be authorized or permitted under State and local law to perform such services. Contractor warrants that he has obtained or will obtain Worker's Compensation Insurance for his employees working on this contract and that any subcontractors will likewise obtain Worker's Compensation Insurance for of their employees working on

this contract. It is further agreed by Contractor that he shall obey all state and federal statutes, rules, and regulations which are applicable to provisions of the services called for herein. Neither Contractor nor any employee of the Contractor shall be deemed an officer, employee, or agent of the County.

ARTICLE 10 – NON-APPROPRIATIONS CLAUSE: Contractor acknowledges that the County is a governmental entity, and the contract validity is based upon the availability of public funding under its authority. In the event that public funds are unavailable and not appropriated for the performance of County's obligations under this contract, then this contract shall automatically expire without penalty to County after written notice to Contractor of the unavailability and non-appropriation of public funds. It is expressly agreed that the County shall only activate this non-appropriation provision as an emergency fiscal measure. The County shall not activate this non-appropriation provision for its convenience, to circumvent the requirements of this contract, or to enable the County to contract with another Contractor for the same supplies or services covered under this Addendum.

ARTICLE 11 – ENTIRE CONTRACT CLAUSE: The Contractor and the County have read this Contract and agree to be bound by all of its terms, and further agree that it constitutes the entire contract between the two parties and may only be modified by a written mutual contract signed by the parties. No oral agreement or oral provision outside this Contract shall have any force or effect.

ARTICLE 12 – NON-WAIVER OF ENFORCEABILITY: Failure of the County to enforce, at any time, any of the provisions of this Contract, or to request at any time performance by Contractor of any of the provisions hereof, shall in no way be construed to be a waiver of such provisions, nor in any way affect the validity of this contract or any part thereof, or the right of the County to enforce each and every provision

ARTICLE 13 – GOVERNING LAW: Both parties agree that this Contract shall be governed by the laws of the state of Arizona. The parties further agree that the jurisdiction for any legal disputes arising out of this Contract shall be the Superior Court of the State of Arizona. The parties agree that even if this Contract does not specifically reference any provision required by state or federal law, those state and federally required provisions are incorporated into this Contract by this reference as though they were specifically listed herein.

ARTICLE 14– TERM: Contract shall be effective date signed by the County Manager and expires April 30, 2012.

ARTICLE 15 – PAYMENT/BILLING: Contractor shall be paid a flat fee of **$ 30,167.46** for completion of the projects as outlined in the Scope of Services. (Exhibit "A" = $14,520.94 & Exhibit "B" = $15,646.52)

All invoices shall be submitted to Gila County Accounts Payable, 1400 E. Ash St, Globe, Arizona and include the following information:

- Purchase Order Number
- Contract Number
- Invoice Number
- Service Location
- Vendor Name and Address
- Description of Service

Any alterations to the scope of work resulting in a change in cost must have prior written approval by the County. Any unauthorized work may result in non-payment to the vendor.

Gila County employs a "Net 15" payment term for services meaning the payment will be issued fifteen (15) days from the date the County receives the invoice from the Contractor. Purchase orders sent to the Contractor reflect these terms and conditions.

The Contractor shall have a current I.R.S. W-9 form on file with the County unless not required by law. The County shall not remit payment if the Contractor does not have a current W-9.

IN WITNESS WHEREOF, two (2) identical counterparts of **Contract No. 030912**, each which shall include original signatures and for all purposes be deemed an original thereof, have been duly executed by the parties hereinabove named, on the date and year first above written.

GILA COUNTY

Don E. McDaniel Jr., County Manager

Date: 3/14/12

RODRIGUEZ CONSTRUCTION INC.

Signature

ART RODRIGUEZ

Print Name

Date: 3-8-12

APPROVED AS TO FORM

Bryan B. Chambers, Chief Deputy County Attorney
for Daisy Flores, County Attorney

EXHIBIT "A"

Estimate

P. O. Box 13
Miami, AZ 85539
928-425-7244
928-425-5337

RES/COMM. LIC. #
ROC247373K42
RES. #ROC247371B
COMM. # ROC247372 B-01
rodriguezcomsi@hotmail.com

1/25/2012	39

Gila County Housing
5515 South Apache Avenue
P. O. Box 1254
Globe, AZ 85502
Attn: Valrie

Ship To

HH5536

Rodriguez Constructions Inc. hereby proposes to submit an estimate to preform the following work:

Description	Qty	Cost	Total
1. AIR SEALING: Reduce from 3250 to 718 (natural gas)	25.3	70.00	1,771.00
2. DUCT SEALING: 250 CFM50 Reduction in duct leakage (natural gas)	2.54	425.00	1,079.50
3. MOBILE HOME ROOF INSULATION: will install to achieve R-38	784	1.50	1,176.00
4. MOBILE HOME BELLY INSULATION: Install 392 sf of R-19 insulation with a new belly pan liner	392	3.00	1,176.00
5. CFL'S AND OTHER LCNC's		250.00	250.00
6. NATURAL GAS WATER HEATER: Water Heater is currently natural gas, but needs repairs (Install new flex line, new flue, repair water line, and T & P drain)		625.00	625.00
7. REFRIGERATOR REPLACEMENT: Does not qualify.		0.00	0.00
8. INSTALL LOW-E WINDOWS ON THE EAST, WEST AND NORTH FACING WINDOWS: (qty displayed in Sq Ft)	113	15.00	1,695.00
Install a 2.5 ton split system, to be 14 SEER: 6500 BTU's, condenser with pad, evaporative coil, copper line and drain system, 230 disconnect and digital thermostat.		5,870.50	5,870.50
Sales Tax		777.94	777.94
Administrative Fee		100.00	100.00

It's been a pleasure working with you!

$14,520.94

Respectfully Submitted,
Art I. Rodriguez

EXHIBIT "B"

Estimate

P. O. Box 13
Miami, AZ 85539
928-425-7244
928-425-5337

RES/COMM. LIC. #
ROC247373K42
RES. #ROC247371B
COMM. # ROC247372 B-01
rodriguezconst@hotmail.com

1/25/2012	38

Gila County Housing
5515 South Apache Avenue
P. O. Box 1254
Globe, AZ 85502
Attn: Vairie

Ship To

HH7573

Rodriguez Constructions inc. hereby proposes to submit an estimate to preform the following work:

Description	Qty	Cost	Total
1. AIR SEALING: Reduce whole house CFM from 2779 reduce to 927	18.5	70.00	1,295.00
2. DUCT SEALING: Ducts are abandoned. (See line item below for remedy)	0	425.00	0.00
3. MOBILE HOME ROOF INSULATION: to achieve R-30 value	948	0.80	758.40
4. MOBILE HOME BELLY INSULATION: Does not apply.		0.00	0.00
5. CFL'S AND OTHER LCNC's		250.00	250.00
6. INSTALL NATURAL GAS WATER HEATER: Install 30 Gal Natural Gas Water Heater.	1	1,200.00	1,200.00
7 REFRIGERATOR REPLACEMENT: Does not Apply		0.00	0.00
8. INSTALL LOW-E WINDOWS ON THE EAST, WEST AND NORTH FACING WINDOWS: (qty displayed in Sq Ft)	82	15.00	1,230.00
Install a 2.5 ton split system, with a 6500 BTU system (90%plus) to be 14 SEER, condenser with pad, evaporative coil, copper line and drain system, 230 disconnect and digital thermostat.		5,900.00	5,900.00
Add new ducts to replace abandoned and deteriorated ducts.		2,000.00	2,000.00
Dense Pack Exterior Walls (800 total Sq Ft)	800	2.50	2,000.00
Sales Tax		913.12	913.12
Admin fee		100.00	100.00

It's been a pleasure working with you!

$15,646.52

Respectfully Submitted,
Art I. Rodriguez

Tommie C. Martin, District I Supervisor
610 E. Highway 260, Payson, AZ 85541
(928) 474-2029

Michael A. Pastor, District II Supervisor
1400 E. Ash St. Globe, AZ. 85501
(928) 425-3231

Shirley L. Dawson, District III Supervisor
1400 E. Ash St., Globe, AZ 85501
(928)425-3231

Don E. McDaniel Jr., County Manager,
Phone (928) 425-3231 Ext.8761

Joseph T. Heatherly, Finance Director
1400 E. Ash St., Globe, AZ 85501
(928)425-3231 Ext. 8743

FAX ((28)425-8104
TTY: 7-1-1

GILA COUNTY
www.gilacountyaz.gov

SERVICE AGREEMENT NO. 110311
ROADYARD SHOP PAVING PROJECT CONSTRUCTION

AMENDMENT #2

Effective March 13, 2012, Gila County and ATL, Inc. entered into a service agreement whereby the contractor agreed to provide all labor and equipment for material testing of the Gila County Roadyard Shop Paving Project.

Amendment No. 2 to the agreement will provide additional testing required on the aggregate base product for the Roadyard Shop Paving Project.

Amount added to existing Purchase Order #2012-00000319 for this project will be $1,386.75 bringing the total cost of the project to $6,386.75.

All terms, conditions and provisions of the original Contract shall remain the same and apply during the renewal period.

GILA COUNTY:

Don E. McDaniel Jr., County Manager

Date: 3/14/12