

COPY



TOWN OF MIAMI
"Copper Center of the World"

TOWN COUNCIL

Rosemary Castaneda, Mayor
Susan Hanson, Vice-Mayor
Chuy Canizales
Michael Black
Robert Baeza
Darryl Dalley
Don Reiman

ADMINISTRATION

Jerry Barnes
Town Manager
Richard Canizales
Town Clerk
Norma Franco
Interim Finance Officer
Town Attorney Firm

7 February 2011

Mike Pastor, Chairman
Gila County Board of Supervisors.
1400 East Ash Street
Globe, AZ 85501-1483

Re: Miami Magistrate Court Fees – Letter of Intent

Dear Mr. Pastor:

On August 2, 2005, the Town of Miami and Gila County entered into an Intergovernmental Agreement for Consolidated Administration and Operation of Limited Jurisdiction Courts (the "IGA"). The initial term of the IGA was through June 30, 2006, with automatic renewals of two-year terms thereafter, unless terminated by one of the parties. Thus, unless terminated by one of the parties, the current term will end June 30, 2012.

^{Courts}
Pursuant to the IGA, the Town pays the County for administration and operation of the Courts in an amount to be determined by the County, based on the number of Town filings as a percentage of total filings in the Justice court times the total budget of the Justice Court. It is our understanding that the County has actually been assessing fees for the Town in an amount equal to 4% of the total budget of the Justice Courts, which was to have been the assessment only for the first year (July 1, 2005 through June 30, 2006). The Town has not been paying its assessment and is therefore delinquent pursuant to the IGA. The IGA does not contain a provision dealing with delinquency.

The Town Council has been made aware of recent discussions between your office and Jerry Barnes, Town Manager, Town of Miami, to negotiate a resolution of our outstanding fee. The Town Council is of the opinion that the fees being charged to Miami are out of proportion to the number of filings from Miami and are not consistent with the terms of the IGA. The Town of Miami ("Miami") wishes to renegotiate these fees, but has been advised by Mr. Barnes that the County's position is that there will be no negotiation until Miami makes arrangements to settle its outstanding charges.

To this end, Miami proposes the following:

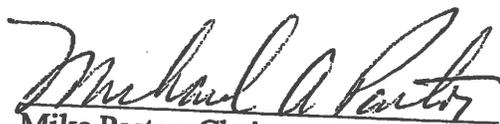
1. Each month, beginning in March, 2011, Miami will pay the current monthly fees for the previous month.
2. Additionally, Miami will pay \$500.00 per month toward the past due balance.
3. No later than ninety (90) days after the date of this letter or within such other reasonable time as may be determined by the Parties, an amendment to the IGA (or a new IGA) that will meet the needs and budgets of both Parties will be executed.

Please indicate your acceptance of the payment terms set forth in this letter by signing and returning the signed enclosed copy to us at your earliest convenience. In the meantime, if you have any questions, please feel free to contact me.

Very truly yours,


Rosemary Castaneda
Mayor

Accepted:


Mike Pastor, Chairman
Gila County Board of Supervisors.

Date: 3/2/11