INTERGOVERNMENTAL AGREEMENT NO. 090514
BETWEEN
GILA COUNTY
AND
THE TOWN OF PAYSON
PRE-ANNEXATION
REGULATION OF PUBLIC PROPERTY WITHIN EACH OTHER'S JURISDICTIONAL TERRITORY

THIS INTERGOVERNMENTAL AGREEMENT is made and entered into effective this _____ day of _____, 2014, pursuant to A.R.S. §11-952 by and between Gila County, a body politic and corporate of the State of Arizona, hereinafter referred to as "County" and the Town of Payson, a municipal corporation, hereinafter referred to as "Town" (collectively the "Parties"), for the purpose of regulating the construction and improvement by the Parties of public property within each other's jurisdictional territory.

RECITALS

WHEREAS, the Town, pursuant to A.R.S. §9-240 and Title 9, Chapter 7, Article 1, Arizona Revised Statutes, and County pursuant to A.R.S. §11-861, et seq., are authorized to regulate the quality, type of material and workmanship of all aspects of building construction and to adopt uniform codes regulating such construction in their jurisdictional territory; and

WHEREAS, the County and Town may contract for the services and enter into Intergovernmental Agreements with one another for joint or cooperative action pursuant to A.R.S. §11-951, et seq.; and

WHEREAS, the purpose of this Intergovernmental Agreement is to establish jurisdictional authority for compliance with building and development codes for each public property owned by each jurisdiction in the other's jurisdictional territory; and

WHEREAS, the Town and County desire to enter into this Intergovernmental Agreement whereby each party will be responsible for (a) the design and construction compliance of its public buildings and other structures within the territorial jurisdiction of the other Party in accordance with the constructing Party's construction codes; (b) the issuance of all applicable permits; and (c) the inspection of such buildings and other structures.

SCOPE

NOW, THEREFORE, in consideration of the mutual promises contained in this Intergovernmental Agreement, and of the mutual benefits to result therefrom, the parties agree as follows:

1. Obligation of the Parties

a. **Town.** The Town shall be responsible for the design and construction compliance with its adopted building, plumbing, electrical and mechanical codes of the Town buildings and other structures it builds or causes to be built within the territorial jurisdiction of the County. The Town will review and approve the plans and issue the required permits in connection therewith, and perform required inspections.

b. **County.** The County shall be responsible for the design and construction compliance with its adopted building, plumbing, electrical and mechanical codes of the County buildings and other structures it builds or causes to be built within the territorial jurisdiction of the Town. The County will review and approve the plans and issue the required permits in connection therewith, and perform required inspections.

2. **Fees.** Where this Intergovernmental Agreement is applicable, if any fees are required in connection with design (plan review fees) and construction (fees for permits for code activity) they shall be paid to itself by the jurisdiction responsible under this Intergovernmental Agreement for compliance.

3. **Term.** The term of this Agreement shall commence on July 1, 2014 and shall automatically renew from year to year, unless sooner terminated by either party, by giving thirty (30) days prior written notice of its intention to terminate this Intergovernmental Agreement.

4. **Compliance with all laws.** The parties shall comply with all federal, state and local laws, rules, regulation, standards and Executive Orders, without limitation to those designated within this Intergovernmental Agreement. Any changes in the governing laws, rules and regulations during the terms of this Intergovernmental Agreement shall apply but do not require an amendment.

5. **Responsibility.** To the extent permitted by law, each party agrees to be responsible for the acts and omissions of its officers, agents and employees taken pursuant to this Intergovernmental Agreement.

6. **Dispute Resolution.** This Agreement shall be governed and construed in accordance with the internal laws of the State of Arizona. With the written consent of both Parties, any dispute, controversy, claim, or cause of action arising out of or related to this Agreement may, but in no event need, be settled by submission 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), if filed in Arizona Superior Court, shall be filed in the Superior Court of Gila County, Arizona; or any such dispute, controversy, claim or cause of action may be submitted to mediation or may be litigated in the Superior Court. Neither Party shall be entitled to recover from the other party any of its attorneys' fees, costs, or expert witness fees incurred in any such dispute, controversy claim, or cause of action, but each party shall bear its own attorneys' fees without contribution from the other party, whether the same is resolved through arbitration, mediation, litigation in a court, or otherwise.

7. **Severability.** If any provision of this Agreement is held to be invalid or unenforceable, the remaining provisions shall continue to be valid and enforceable to the full extent permitted by law.

8. **Entire Agreement.** This document constitutes the entire Intergovernmental Agreement between the parties pertaining to the subject matter hereof, and all prior or contemporaneous Intergovernmental Agreement and understandings, oral or written, are hereby superseded and merged herein. This Intergovernmental Agreement may be modified, amended, altered or extended only by a written amendment signed by the parties.

9. **Liability and Insurance.** Each Party shall bear the risk of its own actions, as it does with day-to-day operations, and shall be solely responsible for any injury to its employees and/or for claims of injury or legal harm asserted by others, from the performance of any obligation under this Agreement. Both Parties agree to maintain a policy of general liability insurance (or a comparable policy with a risk pool) with a combined single limit of not less than one million dollars (1,000,000) per occurrence and in the aggregate that insures the activities under this Agreement. Each Party shall have the right of contribution against the other to the extent of the liability caused by the other Party's employees in activities creating joint liability under this Agreement.

10. **Authority.** The Parties acknowledge and warrant that each of them is fully authorized and empowered to execute this Agreement by and through the individual(s) executing hereinafter.

11. **Notices**
All notices or demands upon any party to this Intergovernmental Agreement shall be in writing, unless other forms are designated elsewhere, and shall be delivered in person or sent by mail addressed as follows:

Town of Payson
Attn: Town Manager
303 N. Beeline Highway
Payson, Arizona 85542

Gila County Board of Supervisors
Attn: Don McDaniel, Jr.
1400 E. Ash Street
Globe, Arizona 85501

GENERAL TERMS

1. Termination for convenience: Either party may, at any time and without cause, cancel this Intergovernmental Agreement by providing 30 days written notice to the other party.

2. Termination for cause: If, in the judgment of either party to this Intergovernmental Agreement, the other party does not perform in accordance with the conditions of this Agreement, or is otherwise in default of any provision of this Agreement, the party claiming non-performance or default shall give written notice to the other party specifying the nature of the non-performance or default. If the non-performance or default is not corrected within 30 days after receipt of such written notice, or if the non-performing or defaulting party fails to diligently pursue remedies for corrections which require more than 30 days to complete, the party claiming non-performance or default may terminate this Intergovernmental Agreement.

3. Cancellation: This Agreement may be canceled pursuant to the provisions of A.R.S. §38-511. The parties hereby acknowledge notice of A.R.S. §38-511 which provides for cancellation of contracts for violation of the conflict of interest statute.

4. Non-Appropriation: Notwithstanding any other provision in this Agreement, this Intergovernmental Agreement may be terminated if, for any reason, the Gila County Board of Supervisors or the Payson Town Council does not appropriate sufficient monies for the purpose of maintain this Intergovernmental Agreement.

IN WITNESS THEREOF, the parties to this Intergovernmental Agreement No 090514, have caused their names to be affixed hereto by their proper offices on the date indicated above.

GILA COUNTY BOARD OF SUPERVISORS

Michael A. Pastor, Chairman of the Board

TOWN OF PAYSON

Kenny J. Evans
Mayor

ATTEST

Marian Sheppard, Clerk of the Board

ATTEST

Sylvia Smith, Town Clerk

APPROVED AS TO FORM

Bryan B. Chambers, Deputy County Attorney/Civil Bureau Chief
for Bradley D. Beauchamp, County Attorney

APPROVED AS TO FORM

Tim Wright, Town Attorney