PURSUANT TO A.R.S. SECTION §38-431.01, 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, JANUARY 6, 2015 - 10:00 A.M.

1. **CALL TO ORDER - PLEDGE OF ALLEGIANCE - INVOCATION**

2. **PUBLIC HEARINGS:**

A. Information/Discussion/Action that the Board of Supervisors has, on January 6, 2015, held the public hearing to consider incurring a long term financial obligation which is not secured by the full faith and credit of Gila County, in accordance with Arizona Revised Statute §11-391; that the Board of Supervisors considered an analysis of the need for the Copper Administration Building project, the need to use long term financing and any other available options to accomplish this project; and further, that all oral and written comments offered by the public before, during and after the public hearing will be received and made a part of the permanent record on this matter before considering the adoption of a resolution to incur long term financial obligations at their January 27, 2015, meeting. **(Jeff Hessenius)**

B. Information/Discussion/Action to approve two liquor license applications submitted by Michael Richard Jelinek for the Creekside Steakhouse & Tavern located in Payson, as follows: 1) Order No. LL-14-07 for a person transfer of a Series 7 beer and wine license with an interim permit to operate; and 2) Order No. LL-14-08 for a new Series 12 restaurant license with an interim permit to operate. **(Marian Sheppard)**

3. **REGULAR AGENDA ITEMS:**

A. Information/Discussion/Action to recognize newly elected and re-elected public officials for the period January 1, 2015, through December 31, 2018, as follows: Tim Wright, Judge of the Superior Court, Division 2; Anita Escobedo, Clerk of the Superior Court; Jesse Bolinger, Globe Regional Justice of the Peace; Dorothy Little, Payson Regional Justice of the Peace; Ruben Mancha, Globe Regional Constable; and Colt White, Payson Regional Constable. The Honorable Peter Cahill, Gila County Presiding Judge, will immediately administer the Oath of Office to all officials. **(Eric Mariscal)**

B. Information/Discussion/Action to adopt Proclamation No. 2015-01 proclaiming 2015 as "The Year of Reading" in Gila County and encourage all citizens to commit to reading and/or listening to their children or grandchildren read daily to develop the skills for success in school and life. **(Jacque Griffin)**

C. Information/Discussion/Action to authorize the expenditure of $5,000 out of the Natural Resources Fund to the Coalition of Arizona/New Mexico Counties for stable economic growth as a contribution to the Coalition's Litigation Fund. **(Tommie Martin)**

4. **CONSENT AGENDA ACTION ITEMS: (Any matter on the Consent Agenda will be removed from the Consent Agenda and discussed and voted upon as a regular agenda item upon the request of any member of the Board of Supervisors.)**

A. Approval of Amendment No. 2 to a Prevention Services Agreement between Cenpatico Behavioral Health of Arizona, LLC, and Cenpatico of Arizona, Inc. (collectively referred to as "Cenpatico") and Gila County Health and Emergency Services Division to extend the term of the agreement for the period October 1, 2014, to June 30, 2015, and to add funding in the amount of $53,483.

B. Approval of Amendment No. 11 to an Agreement for Energy Wise Low-Income Weatherization Program Implementation (Contract No. 700518523) between Arizona Public Service (APS) and the Gila County Division of Community Services, Weatherization Program, whereby APS will provide funding in an amount not to exceed $106,429 to be used to provide weatherization services to eligible low-income citizens residing in Gila County for the period from January 1, 2015, through December 31, 2015.

C. Approval of an Intergovernmental Agreement between Gila County and Mammoth-San Manuel Unified School District, whereby Mammoth-San Manuel Unified School District will become a designated "Access Point" under the Workforce Investment Act for the period of December 1, 2014, through June 30, 2015.

D. Approval of a Memorandum of Understanding between Gila County and Empowerment Systems, Inc., whereby Empowerment Systems, Inc. will become a designated "Access Point" under the Workforce Investment Act for the period of November 1, 2014, through June 30, 2015.

E. Approval of a Memorandum of Understanding between Gila County and Maricopa Chamber of Commerce, whereby Maricopa Chamber of Commerce will become a designated "Access Point" under the Workforce Investment Act for the period of January 1, 2015, through June 30, 2015.

F. Approval of a Memorandum of Understanding between Gila County and the Pinal Hispanic Council, located in Eloy, Arizona, whereby the Pinal Hispanic Council will become a designated "Access Point" under the Workforce Investment Act for the period of January 20, 2015, through June 30, 2015.

G. Approval of Modification No. 1 to Federal Highway Administration, Federal Lands Highway Agreement No. DTFH68-13-E-00043 to extend the period of performance to March 31, 2015, for the reimbursable portion of this agreement; all of which is for the construction of two bridges on Houston Mesa Road and one bridge on Control Road.

H. Approval of a contract increase of up to $3,230.85 to Contract No. 101413 with McSpadden Ford to cover the additional cost for lighting, which was inadvertently omitted from the original Invitation to Bid for the purchase of five new police interceptors.

I. Acknowledgment of the November 2014 monthly activity report submitted by the Payson Regional Constable's Office

J. Acknowledgment of the November 2014 monthly activity report submitted by the Clerk of the Superior Court's Office.

K. Acknowledgment of the November 2014 monthly activity report submitted by the Payson Regional Justice of the Peace's Office.

L. Approval of the December 2, 2014, December 9, 2014, and December 16, 2014, Board of Supervisors' meeting minutes.

M. Acknowledgment of the Human Resources reports for the weeks of December 2, 2014, December 9, 2014, and December 16, 2014, December 23, 2014, and December 30, 2014.

N. Acknowledgment of contracts under $50,000 which have been approved by the County Manager for weeks of December 1, 2014 to December 5, 2014; December 8, 2014 to December 12, 2014; and December 15, 2014 to December 19, 2014.

O. Approval of finance reports/demands/transfers for the weeks of December 23, 2014, December 30, 2014, and January 6, 2015.

5. **CALL TO THE PUBLIC:** Call to the Public is held for public benefit to allow individuals to address the Board of Supervisors on any issue within the jurisdiction of the Board of Supervisors. Board members may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to A.R.S. §38-431.01(H), at the conclusion of an open call to the public, individual members of the Board of Supervisors may respond to criticism made by those who have addressed the Board, may ask staff to review a matter or may ask that a matter be put on a future agenda 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 County Manager 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-2947 **Public Hearing** **2. A.**

Regular BOS Meeting

Meeting Date:	01/06/2015		
Submitted For:	Jeffrey Hessenius, Finance Director		
Submitted By:	Jeffrey Hessenius, Finance Director, Finance Division		
Department:	Finance Division		
Fiscal Year:	2015	Budgeted?:	No
Contract Dates Begin & End:	2015 to 2029	Grant?:	No
Matching Requirement?:	No	Fund?:	Replacement

Information

Request/Subject

Analysis of proposal to incur long-term debt, Copper Administration Building.

Background Information

At the August 6, 2013, Board of Supervisors' regular meeting, the Board of Supervisors authorized staff to explore alternatives to acquire office space including, if appropriate and economically feasible, submitting proposals on properties that would satisfy the Board's goal of eliminating the need to occupy leased office space. At the July 29, 2014, Board of Supervisors' work session, it was suggested by Supervisor Marcanti that staff research the feasibility of acquiring a used modular building to be situated on existing County property. The Public Works Division Director, Steve Stratton, was asked by the Chairman of the Board of Supervisors to come back to the Board within six to eight weeks with options related to the modular building purchase. Mr. Stratton requested the purchasing staff in the Finance Department to research pricing and availability of modular buildings that would align with the Board of Supervisors' direction.

Evaluation

Purchasing staff researched both new and used modular buildings at the direction of Mr. Stratton. The cost to acquire a new modular building with approximately 8,000 square feet was estimated (ESB Modular Manufacturing) at $1 million, and over $1.6 million including the delivery and setup. The purchasing staff, however, was able to locate a used modular building with over 20,000 square feet that with delivery and setup was approximately a third of the cost of the new building and considerably larger. At the September 30, 2014, Board of Supervisors' regular meeting, the Board of Supervisors approved the purchase of the used modular building. Since the building purchased was significantly larger in square feet, staff will be able to facilitate the move of County staff (Probation) from private leased office space to the modular building, the existing occupants in the Guerrero building, and also relocate additional County staff (Child Support) to backfill the office space vacated by the occupants in the Guerrero building.

Conclusion

At the September 30, 2014, Board of Supervisors' regular meeting, prior to the Board's approval of the modular building, the Chairman asked the Finance Director, Jeff Hessenius, about the source of funding for the building. The Finance Director made the recommendation to finance the purchase. Understanding the cost of funds, the market condition with declining interest rates, and the ability to mitigate the Probation Department's lease payments, the financed purchase could be transacted with limited additional funding required. As a result, during the December 2, 2014, Board of Supervisors' regular meeting, the Board authorized the County Manager the authority to sign an engagement agreement with Stifel, Nicolaus & Company to manage the private placement financing.

Recommendation

The Finance Director recommends the continued assistance provided by Stifel, Nicolaus & Company (Stifel) regarding the private placement financing related to the modular building acquisition. Mark Reader, Managing Director with Stifel, will present the analysis of the proposal to incur long-term debt as required by A.R.S. §11-391.

Suggested Motion

Information/Discussion/Action that the Board of Supervisors has, on January 6, 2015, held the public hearing to consider incurring a long term financial obligation which is not secured by the full faith and credit of Gila County, in accordance with Arizona Revised Statute §11-391; that the Board of Supervisors considered an analysis of the need for the Copper Administration Building project, the need to use long term financing and any other available options to accomplish this project; and further, that all oral and written comments offered by the public before, during and after the public hearing will be received and made a part of the permanent record on this matter before considering the adoption of a resolution to incur long term financial obligations at their January 27, 2015, meeting. **(Jeff Hessenius)**

Attachments

Analysis of proposal to incur long-term debt, Copper Administration Building

Public Notice Re Long-Term Obligation for Copper Admin Bldg Funding

Press Release Re Long-Term Obligation

County Website Comment Link Re Long-Term Obligation

Arizona Silver Belt Affidavit of Publication-Long-Term Debt Obligation

Payson Roundup Affidavit of Publication-Long-Term Debt Obligation

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Gila COUNTY, ARIZONA

Analysis of Proposal to Incur Long-Term Indebtedness

[Public Hearing]

$2,000,000

Pledged Revenue Obligations, Series 2015

January 6, 2015

Mark Reader, Managing Director

Sandra Park, Vice President

STIFEL

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A. Summary of New Money Public Infrastructure Project

- Copper Administration Building

B. Arizona County Financing Alternatives

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D. New Money Obligations, Series 2015

- County Debt Profile
- Historical Pledged Revenues
- New Money Obligations Summary and Preliminary Debt Service Structure

E. Financing Calendar

F. Questions

G. Disclosure

Appendix

1) Sample Term Sheet/RFP (Navajo County, Series 2013)

A. SUMMARY OF NEW MONEY PROJECT

NEW MONEY PROJECT DESCRIPTION

Copper Administration Building (Used Modular Office Building)

- The Copper Administration Building will be located just south of the Globe Courthouse and Guerrero Building. It will provide approximately 21,000 square feet in office space. The Gila County Probation Department, along with the existing occupants of the Guerrero building will be relocated to the new structure. The County Attorney's Child Support staff will be relocated from the Michaelson Building in downtown Globe to backfill the space vacated in the Guerrero building.

- The Copper Administration building will accomplish two Board of Supervisor interests or goals . The first is to eliminate the need of leased office space. This goal will be accomplished with the move of the Probation department from the existing leased space it occupies. And the second goal to consolidate disparate offices and departments to the extent possible. The relocation of Child Support staff to the Guerrero building works to satisfy this goal.

- This project will further assist the residents of Gila County by consolidating services provided into a more centralized location. This project was identified as a component of the 2014 Facilities Master Plan.

- The County will mitigate over $160,000 in annual rent or lease payments presently incurred by the Probation Department.

- The County intends to sell the Michaelson building in downtown Globe. Recent estimates appraise the building for approximately $130,000.

- The estimated cost of the project is $2 million.

- It is necessary for the County to use the long-term financing described herein to finance the costs of Copper Administration Building on the most attractive terms available to the County.

B. ARIZONA COUNTY FINANCING ALTERNATIVES

ARIZONA COUNTY FINANCING ALTERNATIVES SUMMARY

Type of Infrastructure Improvement	General Obligation Bonds (15%)	HURF Bonds	Excise Tax Revenue Bonds	ID Bonds	CFD Bonds	Lease Purchase / COPs (Annual Appropriation)	Special Districts (a)	Library District	Jail District	WIFA (b)	GADA (c)	USDA / RUS	Rural Road District
1. Streets and Roads (Transportation)	✓	✓	✓ (d)	✓	✓						✓		✓ (GOs only)
2. Parks and Open Space	✓		✓		✓						✓		
3. Water and Wastewater Utilities	✓ (Pima County WW only)		✓ (Pima County)	✓	✓		✓			✓	✓	✓ (Includes Grants)	
4. Public Safety / Courts	✓		✓		✓	✓					✓		
5. Administrative Facilities	✓		✓		✓	✓					✓		
6. Libraries			✓		✓	✓		✓			✓		
7. Equipment / Technology	✓		✓		✓	✓	✓				✓		
8. Detention Facilities and Jails	✓		✓			✓			✓		✓		
9. Economic Development	✓		✓								✓		

(a) Includes Sanitary Districts, Domestic Water Improvement Districts and other similar Districts.
(b) Election not required if population is less than 50,000 (Special Districts).
(c) Election not required if population is less than 200,000.
(d) County Highway Acceleration Financing Option also available.

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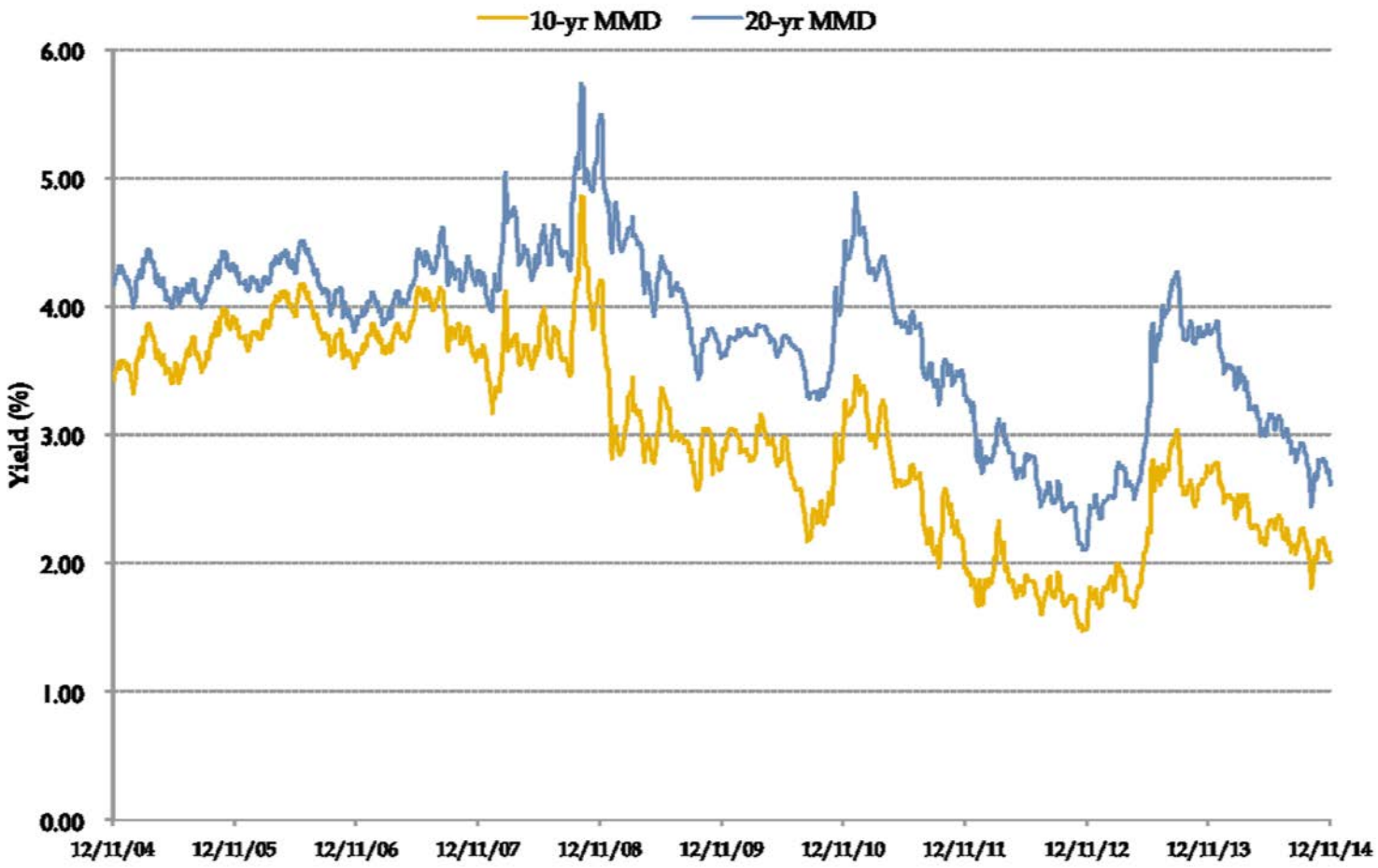
C. BOND MARKET UPDATE

MUNICIPAL TAX-EXEMPT INTEREST RATES

Natural AAA Municipal Market Data Yields (10-year & 20-year MMD)

Daily Over 10 & 20 -Year Periods Ending December 11, 2014



Source: Municipal Market Data and Bloomberg. As of 12/11/14.

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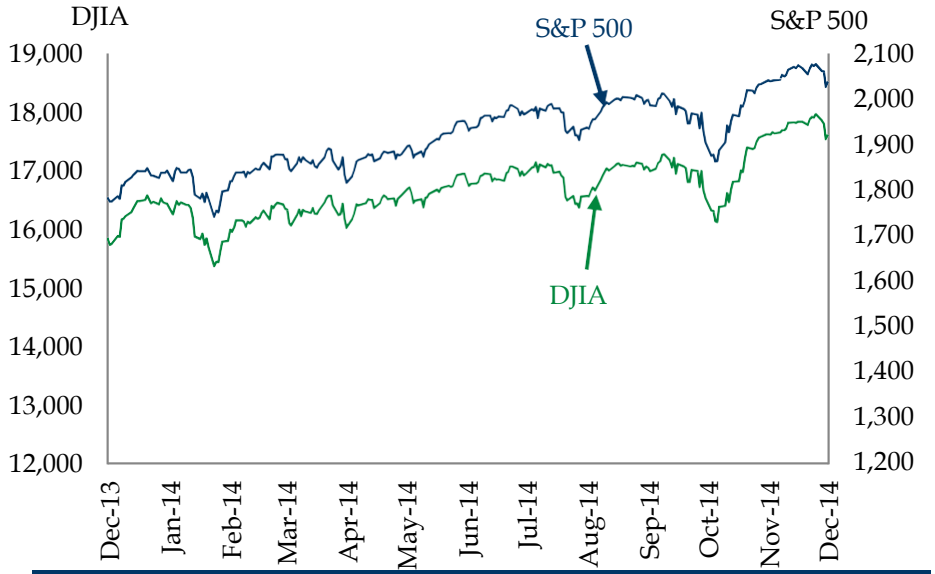
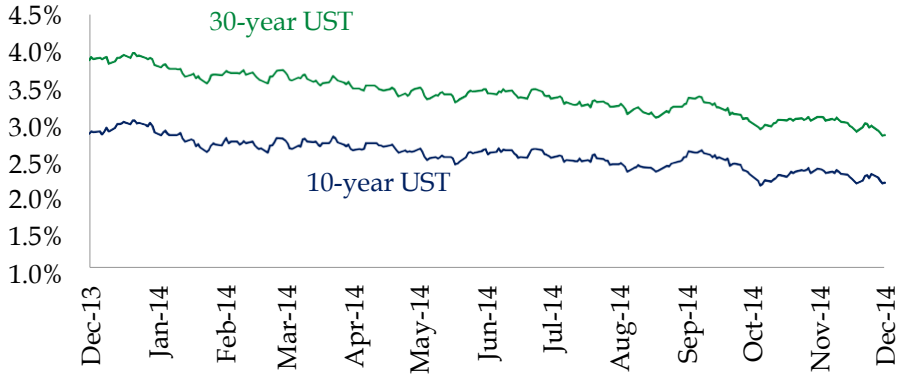
FINANCIAL MARKETS OVERVIEW

- **Financial markets**
  - Equity markets exhibit continued strength
  - S&P 500 Index closed at all-time high of 2074.37 on 12/5
  - 10-year Treasury yield fell 6 basis points in past week, and remains well below key 2.50% level; closed at 2.19% on 12/11
- **Geopolitical Remains in Focus**
  - Global tensions precipitate "flight to quality"
  - Volatile situation in Middle East continues to worry investors
  - Concern about Ebola generates fear
- **Federal Reserve focus**
  - Fed announced end of bond purchases 10/29
  - "Bond-friendly" policies anticipated through 2015

DJIA and S&P 500 Indices (12/11/13 – 12/11/14)



10-Year and 30-Year US Treasuries (12/11/13 – 12/11/14)



Source: Bloomberg. As of 12/11/2014.

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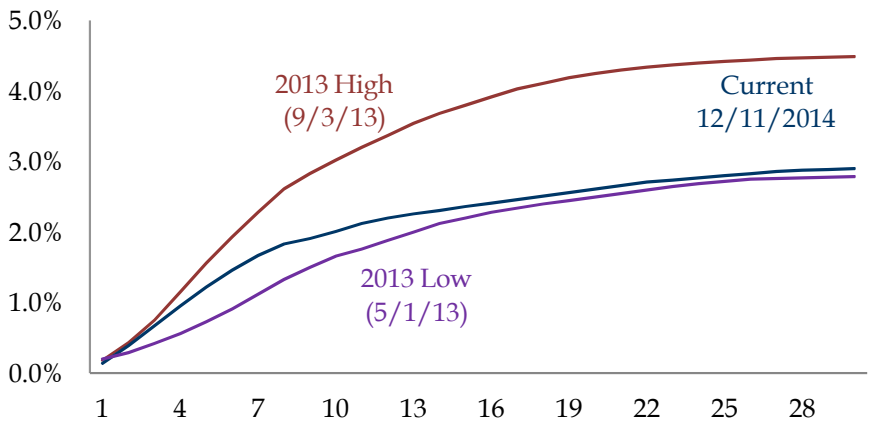
MUNICIPAL MARKET OVERVIEW

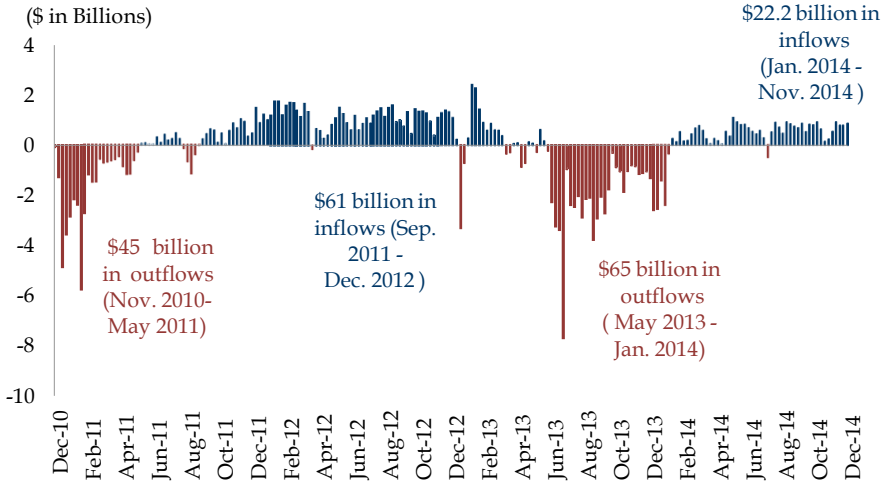
2014 initially witnessed a slow glide down in yields – volatility returning at these lower levels

- **Municipal rates near multi-year lows**
  - **30-year AAA-rated Municipal Market Data (MMD) index reached 18-month low of 2.75% on 10/15/2014**
  - **Recent interest rate volatility has calmed down in recent weeks**
- **Investors added $841 million to Municipal mutual funds last week**
  - **Only 3 weeks in 2014 have seen net outflows from tax-exempt funds**
  - **Year-to-date net positive inflows of over $22.2 billion**
  - **High yield funds have been one of the larger beneficiaries**

AAA MMD[1] Index Recent Range



Municipal Mutual Fund Flows



[1]MMD (Municipal Market Data) is an index of 'AAA' rated general obligation bonds.
Sources: Investment Company Institute, Thomson Financial. As of 12/11/2014.

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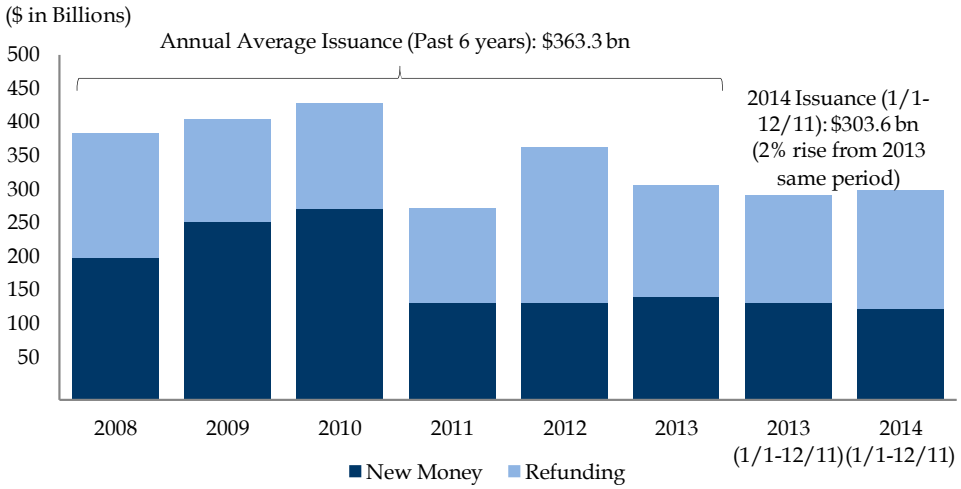
POSITIVE THEME IN THE MUNICIPAL MARKET

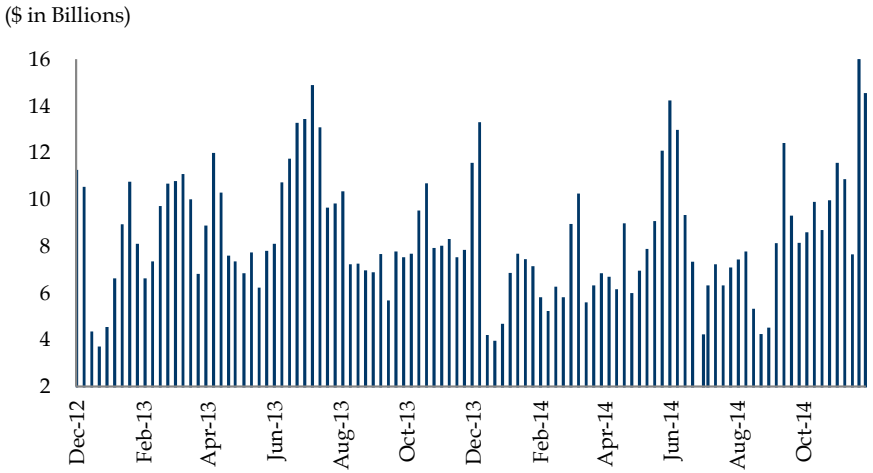
Supply remains a very supportive technical factor

- **New issue volume picking up towards the end of 2014**
  - SIFMA Municipal Bond Issuance Survey had forecast approximately $310 billion primary supply in 2014, comparable to 2013 issuance
  - However, year-to-date 2014 primary market volume higher by 2% compared to same period in 2013
  - "Negative net new issuance" possible as total redemptions from refundings and maturities outpace total new supply
- **Typical seasonal increases in issuance expected**
  - Increase in volume in recent months relative to 2013 levels

Municipal Market Annual Supply



Bond Buyer 30-Day Visible Supply[1]



[1]Long term issues only. Weekly averages of estimated 30-day visible supply.
Sources: SDC, The Bond Buyer. As of 12/11/2014.

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D. NEW MONEY OBLIGATIONS, SERIES 2015

DEBT PROFILE

GILA COUNTY, ARIZONA

Principal Amount of Bonds Outstanding
($000s omitted)

Maturity Date (July 1)	[redacted]		[redacted]		
	Principal	Coupon	Principal	Coupon	Total
2016	290	4.000%	50	4.000%	340
2017	300	4.000%	50	4.000%	350
2018	315	4.000%	50	4.000%	365
2019	325	4.000%	55	4.000%	380
2020	340	4.000%	55	4.000%	395
2021	355	4.000%	60	4.000%	415
2022	365	4.000%	60	4.000%	425
2023	380	4.000%	65	4.000%	445
2024	395	5.000%	65	5.000%	460
2025	[redacted]	[redacted]	[redacted]	[redacted]	485
2026	[redacted]		[redacted]		505
2027	[redacted]		[redacted]		535
2028	[redacted]		[redacted]		560
2029	[redacted]		[redacted]		590
	$5,360		$890		$6,250
Call Features:	7/1/20 and After Callable 7/1/19 @ par		7/1/20 and After Callable 7/1/19 @ par		
Purpose:	[redacted]		[redacted]		

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HISTORICAL PLEDGED REVENUES

County General Excise Tax Revenues and State Shared Revenues
Gila County

Source	FY 08/09 Actuals	FY 09/10 Actuals	FY 10/11 Actuals	FY 11/12 Actuals	FY 12/13 Actuals	FY 13/14 Actuals	FY 14/15 Budget
County General Excise Tax Revenues	$3,041,923	$2,689,763	$2,690,335	$2,779,139	$2,899,476	$3,045,271	$2,600,000
Gross State Shared Sales Tax	$4,696,318	$4,196,381	$4,822,279	$4,688,585	$4,456,480	$5,118,519	$4,956,150
Less: ALTCS contribution	($2,290,625)	($1,746,400)	($1,675,585)	($2,120,162)	($2,143,666)	($2,126,000)	($2,107,400)
Less: AHCCCS contribution	($1,413,200)	($1,413,200)	($1,295,433)	($1,530,967)	($1,413,582)	($1,295,055)	($1,413,200)
Net State Shared Sales Tax	$992,493	$1,036,781	$1,851,261	$1,037,456	$899,232	$1,697,464	$1,435,550
Total County Excise Tax Revnues and Net Shared Revenues	$4,034,416	$3,726,544	$4,541,596	$3,816,595	$3,798,708	$4,742,735	$4,035,550

Source: Gila County.

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NEW MONEY OBLIGATIONS SUMMARY AND PRELIMINARY DEBT SERVICE STRUCTURE

Gila County, Arizona
$2,000,000, Preliminary Debt Service and Coverage

Fiscal Year Ending	Estimated Pledged Revenues	Series 2009 Debt Svc.	Series 2015 (Admin Building) Principal	Estimated Interest (a)	Total	Total 2009 & 2015	Debt Service Coverage
2014	$4,742,735	$620,700				$620,700	7.64 x
2015	4,035,550	616,100				616,100	6.55 x
2016		621,350	$152,000	$82,500	$234,500	855,850	4.72 x
2017		617,750	184,000	50,820	234,820	852,570	4.73 x
2018		618,750	189,000	45,760	234,760	853,510	4.73 x
2019		619,150	194,000	40,563	234,563	853,713	4.73 x
2020		618,950	199,000	35,228	234,228	853,178	4.73 x
2021		623,150	205,000	29,755	234,755	857,905	4.70 x
2022		616,550	211,000	24,118	235,118	851,668	4.74 x
2023		619,550	216,000	18,315	234,315	853,865	4.73 x
2024		616,750	222,000	12,375	234,375	851,125	4.74 x
2025		618,750	228,000	6,270	234,270	853,020	4.73 x
2026		614,500				614,500	6.57 x
2027		619,250				619,250	6.52 x
2028		617,500				617,500	6.54 x
2029		619,500				619,500	6.51 x
			$2,000,000	345,703	2,345,703		

(a) Estimated. Subject to change. Based upon private placement estimatested rates as of 12/22/2014 plus an additional estimated spread, based on similar credits ofsimilar size, credit quality and amortization.

STIFEL

E. FINANCING CALENDAR

FINANCING CALENDAR

December 2014

S	M	T	W	TH	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

January 201 5

S	M	T	W	TH	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

February 2015

S	M	T	W	TH	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28

Date	Event	Team
Completed	Engagement letter executed appointing Stifel as the County's Placement Agent.	GC
Completed	Review preliminary debt service structure with the County to achieve the County's desired fiscal objectives. Review draft financing calendar.	GC, Stifel, GT
Completed	Pursuant to ARS 11-391, publish notice of public hearing to incur the long-term obligations in newspaper of general circulation in the County, issue a press release to print and electric media and post the notice on the County's official web site. [To be published and posted at least fifteen days before the date of the public hearing scheduled January 6th.]	GC, GT, Stifel
Week of January 5th	Complete substantially final Term Sheet and RFP Package.	Stifel, GC
Week of January 5th	Due Diligence call with the County to review final Term Sheet and RFP package.	GC, Stifel
Week of January 5th	Legal and financing documents distributed to the County and financing team for review.	SN, GT
Week of January 5th or January 12th	Submit PP Term Sheet and related financial and demographic information to interested financial institutions.	Stifel, GC
January 6th	Incurring long-term obligations Public Hearing. (BOS shall present an analysis of the need for the projects, the need to use long-term financing and any other available option to accomplish the Project.)	GC, Stifel
January 19th/20th [check with County]	All Legal and Financial information due to the County for BOS packets in advance of the January 27th BOS meeting.	SN, GT
Week of January 26th	Due date of PP bid solicitations.	GC, Stifel, PP Bidders
January 27th	BOS considers Resolution to approve the financing and granting authority to the County Manager or Finance Director to approve the final terms and conditions of the financing (after receipt of financing bids).	GC, Stifel, GT
Mid February	Close the financings.	All Parties

Financing Team:

- GC - Gila County, Arizona – Borrower
- GT - Greenberg Traurig, LLP – Special Counsel
- SN - Stifel - Placement Agent
- TBD - Purchaser [Financial Institution to be determined, including Counsel]
- TBD - Trustee

STIFEL

F. QUESTIONS

G. DISCLOSURE

DISCLOSURE

Stifel, Nicolaus & Company, Incorporated ("Stifel") has been engaged or appointed to serve as an underwriter or placement agent with respect to a particular issuance of municipal securities to which the attached material relates and Stifel is providing all information and advice contained in the attached material in its capacity as underwriter or placement agent for that particular issuance. As outlined in the SEC's Municipal Advisor Rule, Stifel has not acted, and will not act, as your municipal advisor with respect to the issuance of the municipal securities that is the subject to the engagement.

Stifel is providing information and is declaring to the proposed municipal issuer and any obligated person that it has done so within the regulatory framework of MSRB Rule G-23 as an underwriter (by definition also including the role of placement agent) and not as a financial advisor, as defined therein, with respect to the referenced proposed issuance of municipal securities. The primary role of Stifel, as an underwriter, is to purchase securities for resale to investors in an arm's- length commercial transaction. Serving in the role of underwriter, Stifel has financial and other interests that differ from those of the issuer. The issuer should consult with its' own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it deems appropriate.

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APPENDIX

1) SAMPLE TERM SHEET/RFP

NOTICE OF HEARING ON PROPOSAL OF THE BOARD OF SUPERVISORS OF GILA COUNTY, ARIZONA, TO INCUR A LONG-TERM OBLIGATION NOT SECURED BY THE FULL FAITH AND CREDIT OF SUCH COUNTY

The Board of Supervisors (the "Board") of Gila County, Arizona (the "County"), will hold a public hearing on January 6, 2015, at 10:00 a.m. in the Board of Supervisors' Hearing Room, 1400 East Ash Street, Globe, Arizona, regarding a purchase agreement (the "Agreement") to be secured by a pledge of amounts of certain general excise taxes which the County now imposes and excise taxes and transaction privilege (sales) taxes imposed and collected by the State of Arizona, or any agency thereof, and returned, allocated or apportioned to the County, except the County's share of any such taxes which by State law, rule or regulation must be expended for other purposes, to finance the costs of the Copper Administration Building (Modular Office Building-Used). (More detail about the foregoing will be provided in analysis provided to the Board at the herein described hearing.) The Agreement is estimated to be in the principal amount of not to exceed $2,000,000 and, with total estimated interest of $545,000, to have a total estimated financing cost of $2,545,000.

The Board will receive oral comments at the hearing and will receive written comments at any time before adopting the resolution of intention with respect to the Agreement which will be considered no earlier than January 21, 2015 (the "Resolution"). The Board's mailing address is Gila County Board of Supervisors, c/o Marian Sheppard, Clerk of the Board, 1400 East Ash Street, Globe, Arizona 85501. The notice of such hearing posted on the website of the County includes an electronic link for submitting electronic comments at any time before adoption of the Resolution.

Dated: December 10, 2014

/s/ Marian Sheppard
.....
Clerk, Board of Supervisors

Gila County to Consider Long-Term Debt for Projects

CONTACT: Gila County Board of Supervisors (928) 402-8743

For Immediate Release:

December 19, 2014

(Globe AZ) On January 6, 2015, the Gila County Board of Supervisors will hold a public hearing to consider a long-term debt proposal to finance projects throughout Gila County, including the costs associated with the Copper Administration Building (Modular Office Building-Used).

The total estimated cost of the financing will be $2,545,000, consisting of not to exceed $2,000,000 of principal and an estimated total of $545,000 in interest.

The public hearing is scheduled during the January 6, 2015, regular meeting of the Board of Supervisors which starts at 10:00 a.m. in the Board's Hearing Room at 1400 E. Ash Street, Globe, AZ, 85501.The public is invited to attend and comment at this hearing; may submit comments by email to: youropinioncounts@gilacountyaz.gov; or, may send a letter to the following address:

Gila County Board of Supervisors
c/o Marian Sheppard, Clerk of the Board
1400 E. Ash Street
Globe, AZ 85501

The complete text of the required public notice is shown below:

NOTICE OF HEARING ON PROPOSAL OF THE BOARD OF SUPERVISORS OF GILA COUNTY, ARIZONA, TO INCUR A LONG-TERM OBLIGATION NOT SECURED BY THE FULL FAITH AND CREDIT OF SUCH COUNTY

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Dated: December 10, 2014

/s/ Marian Sheppard
…….
Clerk, Board of Supervisors

Gila County
Arizona

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Offices/Depts. Residents Business Visitors How Do I...? Document Center

Welcome

Welcome to Gila County, Arizona Website. Here you will find information pertaining to all aspects of the government and services provided by Gila County. We look forward to serving you.

Turkeys, J Cook

No Emergency At This Time

- Board Agenda
- Tax Information
- Assessor's Maps
- Parcel Search
- GIS Maps
- Recorded Docs.
- Board Audio
- Public Auction
- Open Meeting

County Information

Notice of Hearing on Proposal to Incur a Long-Term Obligation

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With a population of 53,500 residents and covering 4,796 square miles, Gila County has always been a great place to live, work and play. Gila County is in Central Arizona and contains the Tonto Apache Reservation and parts of the Fort Apache and San Carlos Reservations. The county was formed in 1881 from parts of Maricopa and Pinal Counties, and later added the northern portion of the county from Yavapai County. Cities and Towns in Gila County include Globe, Hayden, Miami, Payson, Star Valley and Winkelman, along with a large number of rural unincorporated communities. Gila County is located on the northeastern edge of the Sonoran Desert, and covers a wide variety of life zones, including desert, high desert plains, chaparral, pinon-juniper and pine forests. There are a number of popular recreation areas in Gila County, including Roosevelt Lake, Tonto National Monument, Tonto Natural Bridge State Park, and Fossil Creek, along with several designated Wilderness Areas and popular camping areas within the Tonto National Forest.

Events Calendar

Calendar Loading...

[CALENDAR HOME]

Recent News

- Overnight Delays on ADOT State Route 87 Improvement Project
- Capstone Pinto Valley Mine Sponsors Free Household Hazardous Waste Collection Event
- Board of Supervisors Adopts New Food Code
- Oak Creek Bridge Construction Begins Monday, October 27
- Fall 2014 Newsletter

More News
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Gila Staff Directory
Webmaster
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NOTICE OF HEARING

NOTICE OF HEARING ON PROPOSAL OF THE BOARD OF SUPERVISORS OF GILA COUNTY, ARIZONA, TO INCUR A LONG-TERM OBLIGATION NOT SECURED BY THE FULL FAITH AND CREDIT OF SUCH COUNTY

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Resolution.

Dated: December 10, 2014

/s/ Marian Sheppard, Clerk, Board of Supervisors

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Sheppard, Marian

To: youropinioncounts@gilacountyaz.gov
Subject: Copper Admin Building Financing Comment

Marian Sheppard, Clerk
Gila County Board of Supervisors
1400 E. Ash Street
Globe, AZ 85501
Phone: (928) 402-8757
Fax: (928) 402-8755

CONFIDENTIALITY NOTICE: This e-mail message and its attachments are for the sole use of the intended recipient(s) and may contain confidential and privileged information. If the reader of this message is not the intended recipient or an agent responsible for delivering it to the intended recipient, you are hereby notified that you have received this document in error and that any review, dissemination, distribution or copying of this message is strictly prohibited. If you have received this message in error, please notify the sender by e-mail and delete the e-mail and any attachments. Unintended recipient(s) are prohibited from making any other use of this e-mail.

Affidavit of Publication

State of Arizona
County of Gila

Marc Marin, or his authorized representative being first duly sworn deposes and says: That he is the Publisher of the Arizona Silver Belt and the San Carlos Apache Moccasin newspapers, located at 298 North Pine Street, Globe, Arizona 85501, or mail: P.O. Box 31, Globe, Arizona 85502.

The above stated newspapers are published weekly in Globe, in the State of Arizona, County of Gila and that the following described __√_legal, or ___ advertising was duly published.

NOTICE OF HEARING ON PROPOSAL OF THE BOARD OF SUPERVISORS OF GILA COUNTY, ARIZONA, TO INCUR A LONG-TERM OBLIGATION NOT SECURED BY THE FULL FAITH AND CREDIT OF SUCH COUNTY

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A printed copy of said legal or advertising is attached hereto and was published in a regular weekly edition of said newspaper (and not a supplement thereof) for 1 consecutive weeks in the __√_ Arizona Silver Belt newspaper, and/or the __√__ San Carlos Apache Moccasin newspaper. The dates of publication being as follows, to wit:

December 10, 2014

(s) By: Marc Marin
Publisher

State of Arizona)
) ss:
County of Gila)

The foregoing instrument was acknowledged before me **December 10, 2014**, by Marc Marin.

Notary Public

My Commission Expires:
December 31, 2015

BETHEL JEAN BAKER
Notary Public - State of Arizona
GILA COUNTY
My Commission Expires
December 31, 2015

NOTICE OF HEARING ON PROPOSAL OF THE BOARD OF SUPERVISORS OF GILA COUNTY, ARIZONA, TO INCUR A LONG-TERM OBLIGATION NOT SECURED BY THE FULL FAITH AND CREDIT OF SUCH COUNTY

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Dated: December 10, 2014
(s) Marian Sheppard
Clerk, Board of Supervisors
One Pub: 12-10-2014 Belt 9266

Affidavit of Publication

Payson Roundup Newspaper
PO Box 2520, Payson, AZ 85547
708 N. Beeline Highway, Payson, AZ 85541
928-474-5251 – Fax: 928-474-2541

Order No: 10073396
Gila County Board of Supervisors

NOTICE: Hearing January 6, 2014 on Proposal

STATE OF ARIZONA

12/10/2014

I, Paula VanBuskirk, do solemnly swear that I am Assistant Bookkeeper of the **Payson Roundup Newspaper**, that the same is a newspaper printed, in whole or in part, And published in the COUNTY OF GILA, State of Arizona, and has a general Circulation therein; that said newspaper has been published continuously and uninterruptedly in said COUNTY OF GILA for a period of more than fifty-two weeks prior to the first publication of the annexed legal notice of advertisement; that said newspaper has been admitted to the United States mails as second-class matter under the provisions of the Act of March 3, 1879, or any amendments thereof, and that said newspaper is a newspaper duly qualified for publishing legal notices and advertisements within the meaning of the laws of the State of Arizona. That the annexed legal notice or advertisement was published in the regular and entire issue of every number of said daily newspaper for the period of **(1)** insertion; and that the publication of said notice was in the issue of said newspaper dated **December 09 A.D., 2014**. In witness whereof I have hereunto set my hand this **December 10 A.D., 2014**.

Paula VanBuskirk

Subscribed and sworn to before me, a Notary Public in and for the COUNTY OF GILA, State of Arizona December 10, 2014

Julie Lynn Williams, Notary Public

My commission expires March 29, 2015.

OFFICIAL SEAL
JULIE LYNN WILLIAMS
Notary Public - State of Arizona
GILA COUNTY
My Comm. Expires March 29, 2015

ARF-2922 **Public Hearing** **2. B.**

Regular BOS Meeting

Meeting Date: 01/06/2015

Submitted For: Marian Sheppard

Submitted By: Laurie Kline, Deputy Clerk, Clerk of the Board of Supervisors

Department: Clerk of the Board of Supervisors

Information

Request/Subject

Creekside Steakhouse & Tavern Liquor License Applications LL-14-07 and LL-14-08.

Background Information

Michael Richard Jelinek has submitted two applications to the Arizona Department of Liquor Licenses and Control (DLLC) for the Creekside Steakhouse & Tavern in Payson. The first application is for a person transfer of a Series 7 beer and wine liquor license with an interim permit to operate, and the second application is for a new Series 12 restaurant license with an interim permit to operate.

The purpose of a Series 7 beer and wine bar license is defined as follows: "Allows a beer and wine bar retailer to sell and serve beer and wine, primarily by individual portions, to be consumed on the premises and in the original container for consumption on or off the premises."

The purpose of a Series 12 restaurant license is defined as follows: "Allows the holder of a restaurant license to sell and serve spirituous liquor solely for consumption on the premises of an establishment which derives at least 40% of its gross revenue from the sale of food. Failure to meet the 40% food requirement shall result in revocation of the license. 4-213(C)"

Part of the statutory process is once the DLLC accepts and processes the license applications, they are 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 applications, a recommendation is then issued by the local governing body, which in Gila County it is the Board of Supervisors (Board), to the DLLC 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 these applications. To date, the Clerk of the Board's Department has not received any objections to these applications.

Evaluation

These applications have 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 the Gila County Building Permit Department, the Treasurer's Office, and the Health Department.

Building Permit Department staff visited the establishment and noted that the building is in compliance with zoning and building clearances. Treasurer's Office staff has submitted documentation indicating that there are no tax issues with this property. Health Department staff visited the establishment and determined there are no issues with regard to Health Department permits.

Conclusion

These applications have 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 these applications before the Board takes an action to issue a recommendation to the DLLC.

Recommendation

The Clerk of the Board of Supervisors recommends that the Board issue an approval recommendation to the DLLC if there are no objections received during the public hearing.

Suggested Motion

Information/Discussion/Action to approve two liquor license applications submitted by Michael Richard Jelinek for the Creekside Steakhouse & Tavern located in Payson, as follows: 1) Order No. LL-14-07 for a person transfer of a Series 7 beer and wine license with an interim permit to operate; and 2) Order No. LL-14-08 for a new Series 12 restaurant license with an interim permit to operate. **(Marian Sheppard)**

Attachments

LL-14-07 and LL-14-08 Interoffice Memos

LL-14-07 Application

RECEIVED
DEC 08 2014
BY: SB

INTEROFFICE MEMORANDUM

DATE: December 4, 2014

TO: Scott Buzan, Chief Building Official

FROM: Marian Sheppard, Clerk of the Board

SUBJECT: Liquor License Application

Please be advised that the following Liquor License Applications were filed with the Arizona Department of Liquor Licenses and Control (DLLC) on December 2, 2014. In accordance with A.R.S. §4-201, the Board of Supervisors is required to accept, deny, or return a "no recommendation" decision regarding these applications to the DLLC **within 75 days of the filing date**.

Applicant:	Michael Richard Jelinek
No./Type:	#7 Beer & Wine Bar and #12 Restaurant
Business Name:	Creekside Steakhouse & Tavern
Location:	1520 E. Christopher Creek Loop Payson, AZ 85541
Current License Owner:	Jason Conan Harris
Location of License:	Same as above

Please indicate (below) whether these applications meet zoning and building clearances and return to Marian Sheppard as soon as possible.

****

This applicant **does meet/does not meet** the County's Building Code clearance requirements for this establishment.

Signed: Scott L. Buzan

Comments: IN Compliance

INTEROFFICE MEMORANDUM

DATE: December 4, 2014

TO: Michael O'Driscoll
Health and Emergency Services Division Director

FROM: Marian Sheppard, Clerk of the Board

SUBJECT: Liquor License Application

Please be advised that the following Liquor License Applications were filed with the Arizona Department of Liquor Licenses and Control (DLLC) on December 2, 2014. In accordance with A.R.S. §4-201, the Board of Supervisors is required to accept, deny, or return a "no recommendation" decision regarding these applications to the DLLC **within 75 days of the filing date**.

Applicant:	Michael Richard Jelinek
No./Type:	#7 Beer & Wine Bar and #12 Restaurant
Business Name:	Creekside Steakhouse & Tavern
Location:	1520 E. Christopher Creek Loop Payson, AZ 85541
Current License Owner:	Jason Conan Harris
Location of License:	Same as above

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

X No pending issues.
Issues pending, as follows:

_____

_____

Signed: Michael O'Driscoll 12/9/14

INTEROFFICE MEMORANDUM

DATE: December 4, 2014

TO: Debi Savage, Gila County Treasurer

FROM: Marian Sheppard, Clerk of the Board

SUBJECT: Liquor License Application

Please be advised that the following Liquor License Applications were filed with the Arizona Department of Liquor Licenses and Control (DLLC) on December 2, 2014. In accordance with A.R.S. §4-201, the Board of Supervisors is required to accept, deny, or return a "no recommendation" decision regarding these applications to the DLLC **within 75 days of the filing date**.

Applicant:	Michael Richard Jelinek
No./Type:	#7 Beer & Wine Bar and #12 Restaurant
Business Name:	Creekside Steakhouse & Tavern
Location:	1520 E. Christopher Creek Loop Payson, AZ 85541
Current License Owner:	Jason Conan Harris
Location of License:	Same as above

Please indicate (below) whether this applicant is current on paying property taxes for this business and any other property he may own in Gila County and return to the Clerk of the Board Department as soon as possible.

****

✓ No tax issues _____ Tax Issues, as follows:

_____

_____

Signed: Martha C. Gonzalez

INTEROFFICE MEMORANDUM

DATE: December 4, 2014

TO: Amber Warden, Executive Administrative Assistant

FROM: Marian Sheppard, Clerk of the Board

SUBJECT: Liquor License Application

Please be advised that the following Liquor License Applications were filed with the Arizona Department of Liquor Licenses and Control (DLLC) on December 2, 2014. In accordance with A.R.S. §4-201, the Board of Supervisors is required to accept, deny, or return a "no recommendation" decision regarding these applications to the DLLC **within 75 days of the filing date**.

I've attached a copy of the Applications for Liquor License, Notices, and Affidavits of Posting pertaining to the following:

Applicant:	Michael Richard Jelinek
No./Type:	#7 Beer & Wine Bar and #12 Restaurant
Business Name:	Creekside Steakhouse & Tavern
Location:	1520 E. Christopher Creek Loop Payson, AZ 85541
Current License Owner:	Jason Conan Harris
Location of License:	Same as above

Please post the Notices and Applications 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 Notices and Applications 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 Notices and Applications 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.

GCSD
15:19 DEC 08 2014

Please direct the deputy to immediately notify Amber Warden at the Globe Sheriff's Office of the posting date. Amber can be reached at (928) 425-3231 ext. 8584.

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

I can be contacted at (928) 402-8757 if you have questions.

THE APPLICATIONS FOR LIQUOR LICENSE AND NOTICES WERE POSTED AT THE ABOVE ADDRESS FOR A PERIOD OF TWENTY DAYS AS REQUIRED BY LAW.

Signed: _____
Sheriff J. Adam Shepherd

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: 12/9/14 Date of Posting Removal: 12/30/14

Applicant Name: Jelinek (Last) Michael (First) Richard (Middle)

Business Address: 1520 E. Christoper Creek Loop (Street), Payson (City), AZ 85541 (Zip)

License #: 07040041

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.

Gilbert Olivarez (Print Name of City/County Official) Deputy Sheriff (Title) (928) 701-1550 (Telephone #)

Gilbert Olivarez (Signature) 12 30 14 (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

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: 12/9/14 Date of Posting Removal: 12/30/14

Applicant Name: Jelinek (Last) Michael (First) Richard (Middle)

Business Address: 1520 E. Christopher Creek Loop (Street), Payson (City), AZ 85541 (Zip)

License #: 12043091

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.

Gilbert Olivarez (Print Name of City/County Official) Deputy Sheriff (Title) (928) 701-1550 (Telephone #)

Gilbert Olivarez (Signature) 12 30 14 (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

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

'14 DEC 2 Liqr. Lic. AM11:13

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): ~~12043058~~ AMF and 07040041

1. Type of License(s): ~~Series 12, and~~ Series 7

2. Total fees attached: Department Use Only $ 222.00

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

P1063623

1. Owner/Agent's Name: ☒ Mr. ☐ Ms. Jelinek (Last) Michael (First) Richard (Middle)
(Insert one name ONLY to appear on license)

2. Corp./Partnership/L.L.C.: Wickenburg Oil Company, Inc. B1044866
(Exactly as it appears on Articles of Inc. or Articles of Org.)

3. Business Name: Creekside Steakhouse and Tavern B1004094
(Exactly as it appears on the exterior of premises)

4. Principal Street Location 1520 E Christopher Creek Loop (City) Payson (County) Gila (Zip) 85541
(Do not use PO Box Number)

5. Business Phone: 928-478-4557 Daytime Phone: 623-687-6735 Email: mrjelinek@hotmail.com

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

7. Mailing Address: 1101 E. Christopher Creek Loop (City) Payson (State) Arizona (Zip) 85541

8. Price paid for license only bar, beer and wine, or liquor store: Type 12 $ 100 Type 7 $ 100

DEPARTMENT USE ONLY

Fees:	Application	Interim Permit	Site Inspection	Finger Prints	TOTAL OF ALL FEES
	$100.00	$100.00	—	$22.00	$ 222.00

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

Accepted by: DW Date: 12/2/14 Lic. # 07040041

1/7/2013

***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. beer & wine
3. Enter the license number currently at the location. 07040041 , 12043087 - restaurant
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, Jason Conan Harris, declare that I am the CURRENT OWNER, AGENT, CLUB MEMBER, PARTNER, MEMBER, STOCKHOLDER, OR LICENSEE (circle the title which applies) of the stated license and location.
(Print full name)

X _____
(Signature)

My commission expires on: 10/23/2017

State of Arizona County of Maricopa

The foregoing instrument was acknowledged before me this 26th day of November 2014
Day Month Year

_____
(Signature of NOTARY PUBLIC)

SADAF NAIMI
NOTARY PUBLIC - ARIZONA
MARICOPA COUNTY
My Commission Expires
October 23, 2017

SECTION 6 Individual or Partnership Owners:

EACH PERSON LISTED MUST SUBMIT A COMPLETED QUESTIONNAIRE (FORM LIC0101), AN "APPLICANT" TYPE FINGERPRINT CARD, AND $22 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
☐ ☐						
☐ ☐						
☐ ☐						
☐ ☐						

) Y R A S S E C E N F I T

'14 DEC 2 Liqr. Lic. AM11:13

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 $22 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.: Wickenburg Oil Company, Inc.
   (Exactly as it appears on Articles of Incorporation or Articles of Organization)
2. Date Incorporated/Organized: 10-02-81 ~~Sept. 30, 1981~~ State where Incorporated/Organized: Arizona 10-06-1981
3. AZ Corporation Commission File No.: 0141936-3 Date authorized to do business in AZ: ~~Sep. 28 1981~~ MLG
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
Jelinek	Michael	Richard	President/Director		
				140 W. Ashby Apple Dr	
				Payson Az	85541

(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
Jelinek	Michael	Richard	100	140 W. Ashby Apple Dr	
				Payson Az	85541

(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.

'14 DEC 2 Liq. Lic. AM11:13

SECTION 8 Club Applicants:

EACH PERSON LISTED MUST SUBMIT A COMPLETED QUESTIONNAIRE (FORM LIC0101), AN "APPLICANT" TYPE FINGERPRINT CARD, AND $22 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: Harris Jason Conan Entity: Agent
(Exactly as it appears on license) Last First Middle (Indiv., Agent, etc.)

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

3. Current Business Name: Creekside Steakhouse & Tavern
(Exactly as it appears on license)

4. Physical Street Location of Business: Street 1520 E. Christopher Creek Loop
City, State, Zip Payson, Arizona 85541

5. License Type: Series 7 License Number: 07040041

6. If more than one license to be transfered: License Type: Series 12 License Number: 12043087

7. Current Mailing Address: (Other than business) Street 313 N. Abalone Dr.
City, State, Zip Gilbert, Arizona 85233

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, Jason Conan Harris, 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, Jason Conan Harris, 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 Arizona County of Maricopa
The foregoing instrument was acknowledged before me this
26th November 2014
Day Month Year

My commission expires on: 10/23/2017

_____
(Signature of NOTARY PUBLIC)

SADAF NAIMI
NOTARY PUBLIC - ARIZONA
MARICOPA COUNTY
My Commission Expires
October 23, 2017

'14 DEC 2 Liq. Lic. AM11:14

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? _____

'14 DEC 2 LIQ. LIC. AM11:14

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: 23 miles ft. Name of school Payson Unified School Dist.
   Address 902 W. Main St Payson Arizona 85541
   City, State, Zip

2. Distance to nearest church: ~~1 mile~~ 5280 ft. Name of church Church of Latter Day Saints
   Address Hwy 260 Payson Arizona 85541
   City, State, Zip

3. I am the: ☒ Lessee ☐ Sublessee ☐ Owner ☐ Purchaser (of premises)

4. If the premises is leased give lessors: Name Eighth Deal LLC
   Address 1948 N. Hamilton Pl. Chandler, Arizona 85225
   City, State, Zip

4a. Monthly rental/lease rate $ 3,000 What is the remaining length of the lease 3 yrs. 11 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)? Restaurant / 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 # 12043058 (?87), 07040041 (been mine bar) (exactly as it appears on license) Name Jason Conan Harris

---

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:

   Harris (Last) Jason (First) Conan (Middle) and license #: 12043058, 07040041

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.

   [signature]
   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.

   [initials]
   applicant's initials

'14 DEC 2 Liqr. Lic. AM11:14

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? _____ 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.

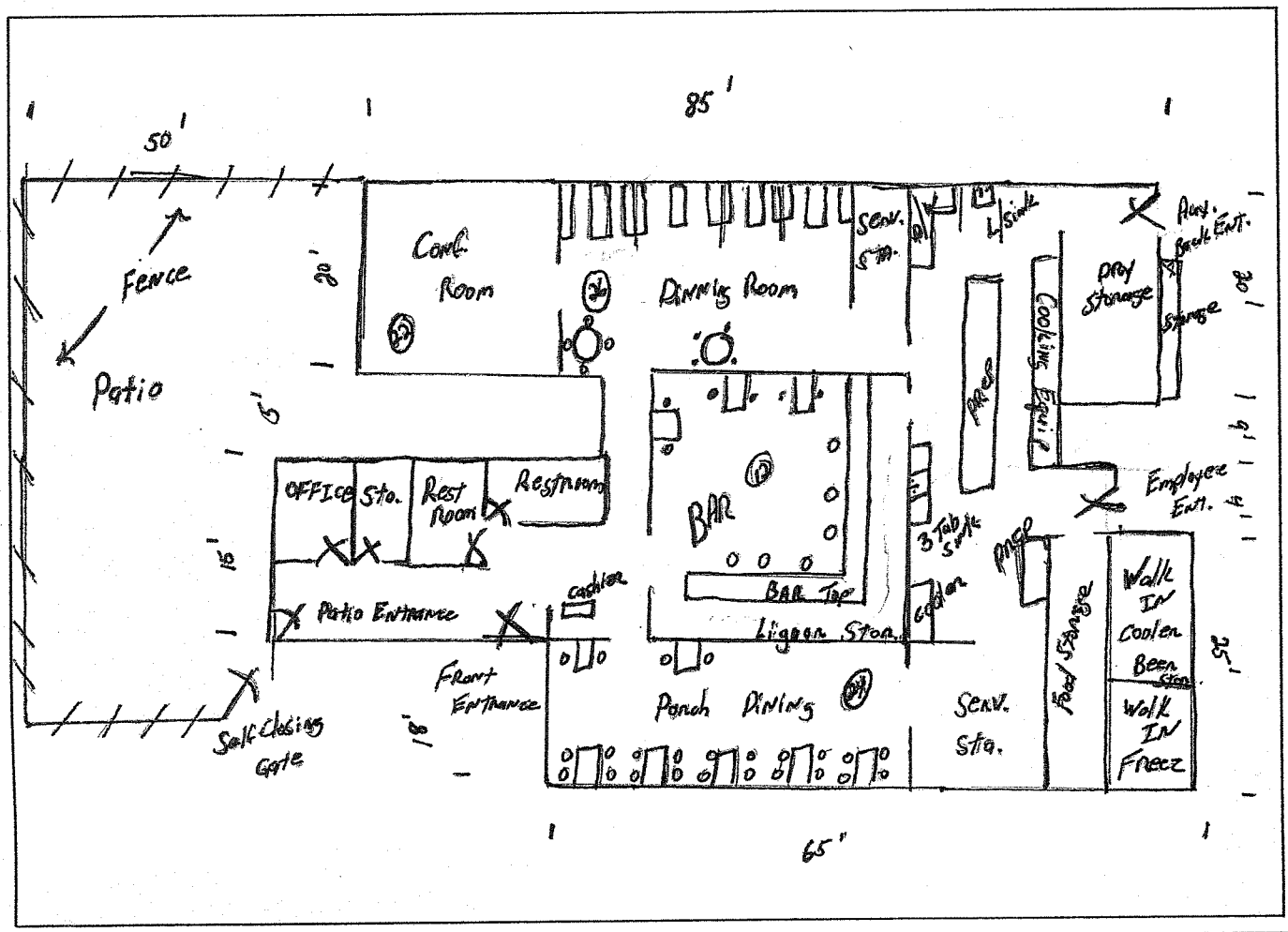
As stated in A.R.S. § 4-207.01(B), I understand it is my responsibility to notify the Department of Liquor Licenses and Control when there are changes to boundaries, entrances, exits, added or deleted doors, windows or service windows,or increase or decrease to the square footage after submitting this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

[initials]
applicant's 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.



SECTION 16 **Signature Block**

I, Michael Richard Jelinek, 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 _____
(signature of applicant listed in Section 4, Question 1)

JOANNA PLUES
NOTARY PUBLIC - ARIZONA
Gila County
My Commission Expires
February 10, 2017

State of AZ County of Gila

The foregoing instrument was acknowledged before me this
24 (Day) of November (Month), 2014 (Year)

My commission expires on: 17 Feb 2017
Day Month Year

signature of NOTARY PUBLIC

'14 DEC 2 Liq. Lic. M11114

STATE OF ARIZONA

DEPARTMENT OF LIQUOR LICENSES AND CONTROL

ALCOHOLIC BEVERAGE LICENSE

BW BAR

License 07040041

Issue Date: 5/6/2014

Expiration Date: 6/30/2015

Beer & Wine Bar

Issued To:
JASON CONAN HARRIS, Agent
EIGHTH DEAL LLC, Owner

Location:
CREEKSIDE STEAKHOUSE & TAVERN
1520 E CHRISTOPHER CREEK LOOP
PAYSON, AZ 85541

Mailing Address:
JASON CONAN HARRIS
EIGHTH DEAL LLC
CREEKSIDE STEAKHOUSE & TAVERN
313 N ABALONE DR
GILBERT, AZ 85233

EXP 6/30/2015

LIQUOR LICENSES AND CONTROL ARIZONA

POST THIS LICENSE IN A CONSPICUOUS PLACE

14 DEC 2 Liq. Lic M1114

'14 DEC 2 Liq. Lic. AM11:14

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): ~~12043058~~, and ~~07040041~~ 12043091

1. Type of License(s): Series 12, ~~and Series 7~~
2. Total fees attached: Department Use Only $ 250.00

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

P1063623

1. Owner/Agent's Name: ☒ Mr. ☐ Ms. Jelinek (Last) Michael (First) Richard (Middle)
(Insert one name ONLY to appear on license)
2. Corp./Partnership/L.L.C.: Wickenburg Oil Company, Inc. B1044866
(Exactly as it appears on Articles of Inc. or Articles of Org.)
3. Business Name: Creekside Steakhouse and Tavern B1004094
(Exactly as it appears on the exterior of premises)
4. Principal Street Location 1520 E. Christopher Creek Loop (Do not use PO Box Number) Payson (City) Gila (County) 85541 (Zip)
5. Business Phone: 928-478-4557 Daytime Phone: 623-681-6735 Email: mrjelinek@hotmail.com
6. Is the business located within the incorporated limits of the above city or town? ☐ YES ☒ NO
7. Mailing Address: 1101 E. Christopher Creek Loop (City) Payson (State) Arizona (Zip) 85541
8. Price paid for license only bar, beer and wine, or liquor store: Type 12 $ 100 Type 7 $ 100

DEPARTMENT USE ONLY

Fees:	$100.00	$100.00	$50.00	—	$ 250.00
	Application	Interim Permit	Site Inspection	Finger Prints	TOTAL OF ALL FEES

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

Accepted by: DW Date: 12/2/14 Lic. # 12043091

1/7/2013 ***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. 07040041 , 12043087
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, Jason Conan Harris, declare that I am the CURRENT OWNER, AGENT, CLUB MEMBER, PARTNER, MEMBER, STOCKHOLDER, OR LICENSEE (circle the title which applies) of the stated license and location.
(Print full name)

X _____
(Signature)

My commission expires on: 10/23/2017

State of Arizona County of Maricopa

The foregoing instrument was acknowledged before me this 26th day of November 2014
Day Month Year

_____
(Signature of NOTARY PUBLIC)

SADAF NAIMI
NOTARY PUBLIC - ARIZONA
MARICOPA COUNTY
My Commission Expires
October 23, 2017

SECTION 6 Individual or Partnership Owners:

EACH PERSON LISTED MUST SUBMIT A COMPLETED QUESTIONNAIRE (FORM LIC0101), AN "APPLICANT" TYPE FINGERPRINT CARD, AND $22 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
☐ ☐						
☐ ☐						
☐ ☐						
☐ ☐						

) Y R A S S E C E N F I

'14 DEC 2 Liq. Lic. AM11:14

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 $22 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.: Wickenburg Oil Company, Inc.
   (Exactly as it appears on Articles of Incorporation or Articles of Organization)
2. Date Incorporated/Organized: 10-02-81 ~~Sep. 29, 1981~~ State where Incorporated/Organized: Arizona 10-06-1981
3. AZ Corporation Commission File No.: 0141936-3 Date authorized to do business in AZ: ~~Sep. 28 1981~~ 10-6
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
Jelinek	Michael	Richard	President/Director		
				140 W. Ashby Apple Dr	
				Payson	Az 85541

(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
Jelinek	Michael	Richard	100	140 W. Ashby Apple Dr	
				Payson	Az 85541

(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 $22 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)

'14 DEC 2 Liq. Lic. M1114

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: Harris Jason Conan Entity: Agent
(Exactly as it appears on license) Last First Middle (Indiv., Agent, etc.)

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

3. Current Business Name: Creekside Steakhouse & Tavern
(Exactly as it appears on license)

4. Physical Street Location of Business: Street 1520 E. Christopher Creek Loop
City, State, Zip Payson, Arizona 85541

5. License Type: Series 7 License Number: 07040041

6. If more than one license to be transfered: License Type: Series 12 License Number: 12043087

7. Current Mailing Address: Street 313 N. Abalone Dr.
(Other than business)
City, State, Zip Gilbert, Arizona 85233

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, Jason Conan Harris, 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, Jason Conan Harris, 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 Arizona County of Maricopa
The foregoing instrument was acknowledged before me this
26th November 2014
Day Month Year

_____
(Signature of NOTARY PUBLIC)

My commission expires on: 10/23/2017

SADAF NAIMI
NOTARY PUBLIC - ARIZONA
MARICOPA COUNTY
My Commission Expires
October 23, 2017

'14 DEC 2 LIQ. LIC. 041115

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? _____

'14 DEC 2 Liq. Lic. AM11:15

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: 23 miles ft. Name of school Payson Unified School Dist.
   Address 902 W. Main St Payson Arizona 85541
   City, State, Zip

2. Distance to nearest church: ~~1 mile~~ 5280 ft. Name of church Church of Latter Day Saints
   Address Hwy 260 Payson Arizona 85541
   City, State, Zip

3. I am the: ☒ Lessee ☐ Sublessee ☐ Owner ☐ Purchaser (of premises)

4. If the premises is leased give lessors: Name Eighth Deal LLC
   Address 1948 N. Hamilton Pl. Chandler, Arizona 85225
   City, State, Zip

4a. Monthly rental/lease rate $ 3,000 What is the remaining length of the lease 3 yrs. 11 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)? Restaurant / 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 # 12043058 87, 07040041 (exactly as it appears on license) Name Jason Conan Harris

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SECTION 14 Restaurant or hotel/motel license applicants:

'14 DEC 2 Liq. Lic. AM11:15

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:

   Harris (Last) Jason (First) Conan (Middle) and license #: 12043058, 07040041
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.

   [signature]
   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.

   [initials]
   applicant's 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? _____ 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.

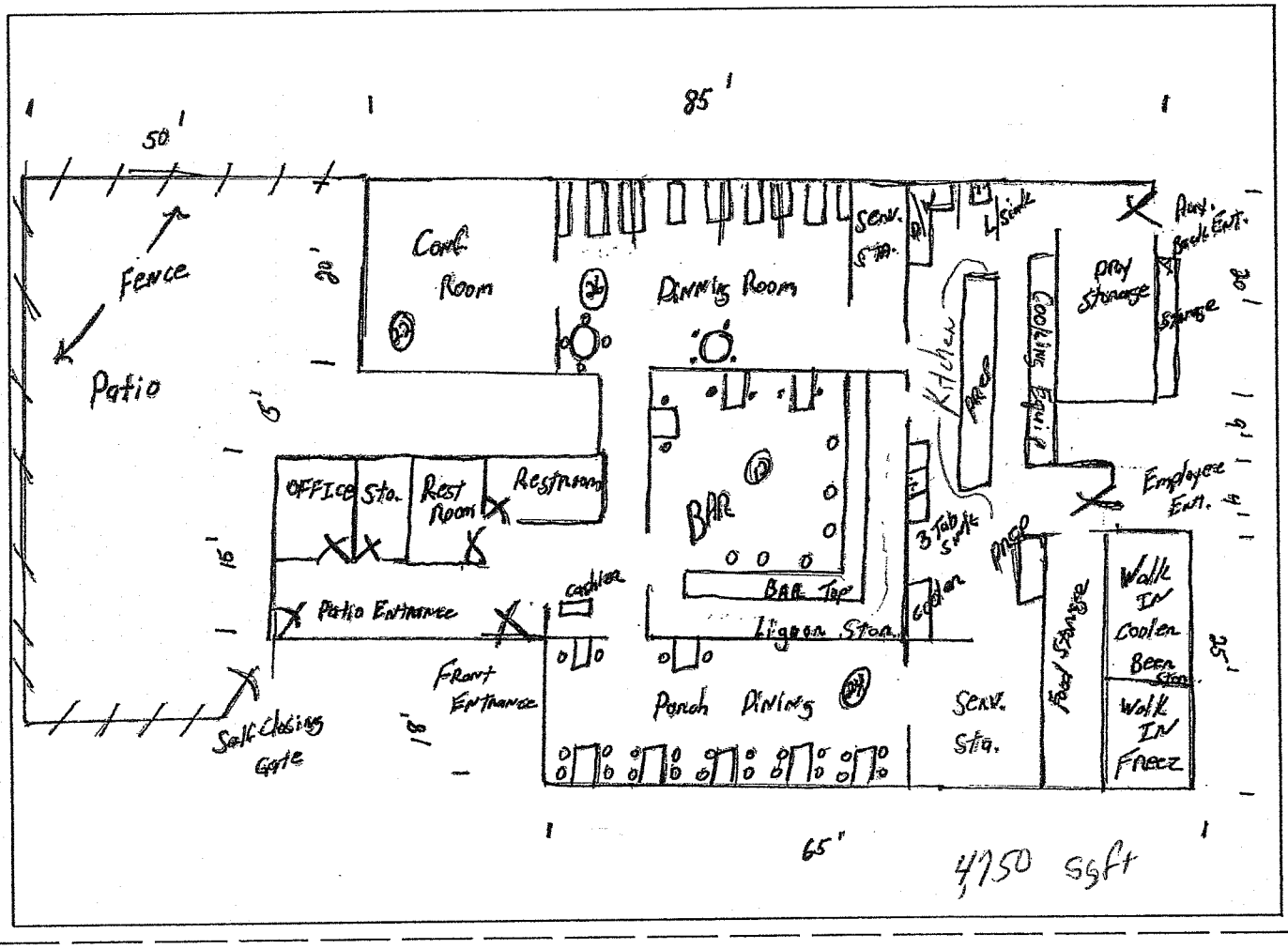
   As stated in A.R.S. § 4-207.01(B), I understand it is my responsibility to notify the Department of Liquor Licenses and Control when there are changes to boundaries, entrances, exits, added or deleted doors, windows or service windows,or increase or decrease to the square footage after submitting this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

   [initials]
   applicant's 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.



SECTION 16 Signature Block

I, Michael Richard Jelinek, 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 _____
(signature of applicant listed in Section 4, Question 1)

JOANNA PLUES
NOTARY PUBLIC - ARIZONA
Gila County
My Commission Expires
February 10, 2017

State of AZ County of Gila

The foregoing instrument was acknowledged before me this

24 of November, 2014
Day Month Year

My commission expires on: 17 Feb 2017
Day Month Year

signature of NOTARY PUBLIC

'14 DEC 2 Liq. Lic. AM11:15

STATE OF ARIZONA

DEPARTMENT OF LIQUOR LICENSES AND CONTROL

ALCOHOLIC BEVERAGE LICENSE

REST

License 12043087

Issue Date: 5/6/2014

Expiration Date: 6/30/2015

Restaurant

Issued To:
JASON CONAN HARRIS, Agent
EIGHTH DEAL LLC, Owner

Location:
CREEKSIDE STEAKHOUSE & TAVERN
1520 E CHRISTOPHER CREEK LOOP
PAYSON, AZ 85541

Mailing Address:
JASON CONAN HARRIS
EIGHTH DEAL LLC
CREEKSIDE STEAKHOUSE & TAVERN
313 N ABALONE DR
GILBERT, AZ 85233

EXP 6/30/2015

LIQUOR LICENSES AND CONTROL ARIZONA

POST THIS LICENSE IN A CONSPICUOUS PLACE

'14 DEC 2 Liq. Lic. AM11:14

ARF-2937 **Regular Agenda Item** **3. A.**

Regular BOS Meeting

Meeting Date: 01/06/2015

Submitted For: Eric Mariscal, Director

Submitted By: Marian Sheppard, Clerk of the Board, Clerk of the Board of Supervisors

Department: Elections Department

Information

Request/Subject

Oath of Office for newly elected or re-elected officials.

Background Information

In the November 4, 2014, General Election, the following individuals were elected to a four-year term of office beginning January 1, 2015: Tim Wright, Judge of the Superior Court, Division 2; Anita Escobedo, Clerk of the Superior Court; Jesse Bolinger, Globe Regional Justice of the Peace; Dorothy Little, Payson Regional Justice of the Peace; Ruben Mancha, Globe Regional Constable; and Colt White, Payson Regional Constable. Certificates of Election have already been issued to each newly elected official.

Evaluation

Oaths of Office are required by ARS 38-231. Officers and employees required to take loyalty oath; form; classification; definition

A. In order to ensure the statewide application of this section on a uniform basis, each board, commission, agency and independent office of this state, and of any of its political subdivisions, and of any county, city, town, municipal corporation, school district and public educational institution, shall completely reproduce this section so that the form of written oath or affirmation required in this section contains all of the provisions of this section for use by all officers and employees of all boards, commissions, agencies and independent offices.

B. Any officer or employee who fails to take and subscribe to the oath or affirmation provided by this section within the time limits prescribed by this section is not entitled to any compensation until the officer or employee does so take and subscribe to the form of oath or affirmation prescribed by this section.

C. Any officer or employee having taken the form of oath or affirmation prescribed by this section, and knowingly at the time of subscribing to the oath or affirmation, or at any time thereafter during the officer's or employee's term of office or employment, does commit or aid in the commission of any act to overthrow by force, violence or terrorism as defined in section 13-2301 the government of this state or of any of its political subdivisions, or advocates the overthrow by force, violence or terrorism as defined in section 13-2301 of the government of this state or of any of its political subdivisions, is guilty of a class 4 felony and, on conviction under this section, the officer or employee is deemed discharged from the office or employment and is not entitled to any additional compensation or any other emoluments or benefits which may have been incident or appurtenant to the office or employment.

D. Any of the persons referred to in article XVIII, section 10, Constitution of Arizona, as amended, relating to the employment of aliens, are exempted from any compliance with this section.

E. In addition to any other form of oath or affirmation specifically provided by law for an officer or employee, before any officer or employee enters upon the duties of the office or employment, the officer or employee shall take and subscribe the following oath or affirmation:

State of Arizona, County of _____ I, _____
(type or print name)
do solemnly swear (or affirm) that I will support the Constitution of the United States and the Constitution and laws of the State of Arizona, that I will bear true faith and allegiance to the same and defend them against all enemies, foreign and domestic, and that I will faithfully and impartially discharge the duties of the office of _____ (name of office) _____ according to the best of my ability, so help me God (or so I do affirm).

_____
(signature of officer or employee)

F. For the purposes of this section, "officer or employee" means any person elected, appointed or employed, either on a part-time or full-time basis, by this state or any of its political subdivisions or any county, city, town, municipal corporation, school district, public educational institution or any board, commission or agency of any county, city, town, municipal corporation, school district or public educational institution.

<u>Conclusion</u>

A written Oath of Office, that is signed and notarized, is what qualifies an officer under the statute to serve in office.

Recommendation

Recognize the newly elected and re-elected public officials and provide for administration of the Oath of Office to all officials.

Suggested Motion

Information/Discussion/Action to recognize newly elected and re-elected public officials for the period January 1, 2015, through December 31, 2018, as follows: Tim Wright, Judge of the Superior Court, Division 2; Anita Escobedo, Clerk of the Superior Court; Jesse Bolinger, Globe Regional Justice of the Peace; Dorothy Little, Payson Regional Justice of the Peace; Ruben Mancha, Globe Regional Constable; and Colt White, Payson Regional Constable. The Honorable Peter Cahill, Gila County Presiding Judge, will immediately administer the Oath of Office to all officials. **(Eric Mariscal)**

Attachments

No file(s) attached.

ARF-2923 **Regular Agenda Item** **3. B.**

Regular BOS Meeting

Meeting Date: 01/06/2015

Submitted For: Jacque Griffin, Asst. County Manager/Librarian

Submitted By: Pam Beerens, Public Services Librarian, Asst County Manager/Library District

Department: Asst County Manager/Library District Division: Library District

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Information

Request/Subject

Proclamation No. 2015-01 proclaiming 2015 as "The Year of Reading" in Gila County.

Background Information

Read On Arizona is a public/private collaboration committed to building an early literacy system that improves language and literacy outcomes for Arizona's children from birth through age eight—delivering the right program at the right time to every child. Read On Globe/Miami, Read On Northern Gila County, and Read On Copper Corridor form a local collaborative with over 120 community partners collectively (lists attached) and which promotes reading as the critical pillar in the education of our community's students. Read On volunteers at the 2014 Gila County Fair distributed over 1500 free books to children.

Evaluation

The purpose of "The Year of Reading" is to raise public awareness of the importance of reading to the success of children in school and in life by embedding literacy awareness activities into community events throughout the year. Some of the larger events being considered are Dr. Seuss's birthday in March; a focus on Arizona books and authors in late spring; Attendance Awareness Month in September; and a Polar Express reading event in December.

Conclusion

Many organizations and volunteers are involved in promoting early literacy in Gila County. This is an ongoing process and there is always much to be done. The proclamation of 2015 as "The Year of Reading" will help to bring these efforts together in new ways and raise community awareness of the importance of reading. Cities, towns, and school boards throughout Gila County are also being asked to pass similar proclamations.

Recommendation

It is recommended that the Board of Supervisors adopt Proclamation No. 2015-01 to proclaim 2015 as "The Year of Reading" in Gila County.

Suggested Motion

Information/Discussion/Action to adopt Proclamation No. 2015-01 proclaiming 2015 as "The Year of Reading" in Gila County and encourage all citizens to commit to reading and/or listening to their children or grandchildren read daily to develop the skills for success in school and life. **(Jacque Griffin)**

Attachments

Proclamation 2015-01

Copper Corridor partners

Globe/Miami partners

North Gila partners

PROCLAMATION NO. 2015-01

A PROCLAMATION OF THE BOARD OF SUPERVISORS OF GILA COUNTY, ARIZONA, PROCLAIMING 2015 AS THE YEAR OF READING IN GILA COUNTY.

WHEREAS, the citizens of Gila County stand firmly committed to promoting reading as the catalyst for our students' future academic success, their preparation for careers of the future, and their ability to compete in a global economy; and,

WHEREAS, Gila County has provided significant leadership in the area of community involvement in the education of our youth, grounded in the principle that an investment in early literacy is key to the community's well-being and long-term quality of life; and,

WHEREAS, the "Read On Globe/Miami," "Read On Northern Gila County", and "Read On Copper Corridor" early literacy collaborative with over 120 community partners collectively are focused on increasing grade level proficiency and promoting reading as the critical pillar in the education of our community's students.

NOW, THEREFORE, BE IT RESOLVED that the Gila County Board of Supervisors calls on the citizens of Gila County to commit to reading and/or listening to their children and grandchildren read daily to develop the skills for success in school and life;

BE IT FURTHER RESOLVED that this body enthusiastically endorses "Read On Globe/Miami," "Read On Northern Gila County", and "Read On Copper Corridor" and recommits our community to engage in programs and activities that ensure when Arizona's children read, Arizona's children thrive;

AND BE IT FURTHER RESOLVED that this body enthusiastically endorses "Read On Globe/Miami," "Read On Northern Gila County", and "Read On Copper Corridor" plans to embed literacy awareness activities into community events throughout the year to raise awareness around the importance of reading to children's success in school and in life.

PASSED AND ADOPTED this 6th day of January 2015.

ATTEST:

_____

Marian Sheppard
Clerk of the Board

GILA COUNTY BOARD OF SUPERVISORS

_____

Michael A. Pastor, Chairman

_____

Tommie C. Martin, Vice-Chairman

_____

John D. Marcanti, Member

Read On Copper Corridor
Collaborative Partners
(Partial List)

- First Things First
- Gila County School Superintendent
- Hayden/Winkelman Unified School District
- Hayden/Winkelman Elementary School
- Hayden/Winkelman Head Start
- Hayden Public Library
- Gila County Library District
- Cenpatico
- Town of Hayden
- Town of Winkelman
- CASA of Gila County
- Gila County Health Department

Collaborative Partners

- First Things First
- Town of Miami
- City of Globe
- Miami Rotary
- Globe Rotary
- CASA of Gila County
- Globe Lions
- Globe Unified School District
- Miami Unified School District
- Gila County School Superintendent
- Globe Head Start
- Miami Head Start Ann Tolman
- Globe/Miami Chamber of Commerce
- Copper Rim School
- Cenpatico
- Gila County Health Department
- Freeport McMoRan
- Capstone – Pinto Valley Mine
- Arizona Silver Belt
- Copper Country News
- Globe/Miami Times
- Cobre Valley Hospital
- Canyonlands Health Care
- Destiny Schools
- Gila County Library District

- Globe Library
- Miami Memorial Library
- Dolly Parton Literacy Program
- Horizon Domestic Violence Safe Home
- United Fund
- Teen Outreach Pregnancy Services
- Healthy Steps for Young Children
- Globe/Miami Ministerial Association
- St. Pauls United Methodist Church
- Farmers Fogle Agency
- Southern Gila County Network Team
- Community Action Program
- State Farm Insurance
- Early Childhood Network
- Gila Reading Council
- Claypool United Methodist Church
- Gila Community Food Bank
- Globe/Miami Habitat for Humanity
- Safe Kids Coalition
- Gila County Health Department Home Visitation
- Copper Rim Pre-school
- Miami Vandals Preschool
- Dr. Charles A. Bejarano Elementary School
- Rhonda's Child Care
- Sylvia's Preschool/Daycare
- Friends of Globe Library
- Southeastern Arizona Behavioral Health Services (SEABHS)

Collaborative Partners

- Gila County School Superintendent
- Payson Unified School District
- Julia Randall Elementary School
- Payson Elementary School
- Pine/Strawberry School
- Tonto Basin School
- Young School District
- First Things First
- Healthy Steps
- Payson Head Start
- Payson Pre-K
- Community Presbyterian Child Learning

- Payson Christian School
- Karen's Kare Bears
- Safe Haven Child Development
- Amy Child Care
- Morgan's Creek Montessori
- Rim Country Literacy
- Gila County Health Department
- CASA of Gila
- Best for Babies
- Horizon Human
- Southwest Behavior Health
- High Country Early Intervention
- Payson Round-up

- Rim Country Chamber of Commerce
- North County Health Care
- Mogollon Health Alliance
- New Beginnings Pregnancy Center
- Teen Outreach Pregnancy Services
- Community Bridges

- Payson Ministerial Association
- Payson Interagency Community Coalition
- Community Action Program
- Payson Rotary
- Rim Country Optimist
- Cenpatico

ARF-2919 **Regular Agenda Item** 3. C.

Regular BOS Meeting

Meeting Date:	01/06/2015		
Submitted For:	Tommie Martin, Member, Board of Supervisors		
Submitted By:	Cheryl Sluyter, Executive Assistant, Board of Supervisors-District 1		
Department:	Board of Supervisors-District 1		
Fiscal Year:	2015/2016	Budgeted?:	No
Contract Dates Begin & End:	1/1/15	Grant?:	No
Matching Requirement?:	No	Fund?:	New

Information

Request/Subject

Funding request in the amount of $5,000 from the Natural Resources Fund to the Coalition of Arizona/New Mexico Counties (Coalition) for stable economic growth as a contribution to the Coalition's Litigation Fund.

Background Information

This fund is used to address a number of suits and other potential litigation that will have significant impacts on the member counties of the Coalition.

Evaluation

Since 2009, the Coalition's Litigation Fund has contributed funds for intervention to many contributors, to name just a few, Pacific Legal Foundation, New Mexico Cattle Growers, Arizona Cattle Growers, Darling Environmental Services, Americans for Preservation of Western Environment, Wild Earth Guardians, financial aid to Budd-Falen Law Offices for research concerning the Draft Environmental Impact Statement for the proposed new Lordsburg Border Patrol Forward Operating Base, City of Sierra Vista, and New Mexico Trappers Association.

Conclusion

N/A

Recommendation

Supervisor Martin recommends that the Board of Supervisors grant this funding to Coalition of Arizona/New Mexico Counties for stable economic growth as a contribution to the Coalition's Litigation Fund.

Suggested Motion

Information/Discussion/Action to authorize the expenditure of $5,000 out of the Natural Resources Fund to the Coalition of Arizona/New Mexico Counties for stable economic growth as a contribution to the Coalition's Litigation Fund.
(Tommie Martin)

Attachments

Invoice & Memo

Coalition Of Arizona/
New Mexico Counties
For Stable Economic
Growth

"Working together for responsible management."

INVOICE

DATE: November 13, 2014

Gila County Board of Supervisors
Attention: Tommie Martin
1400 East Ash Street
Globe, AZ 85501

RE: Coalition Legal Fund

Contribution Requested: $5,000.00

Please make check payable to: **Coalition of AZ/NM Counties Legal Fund**
Return by mail to P.O. Box 40
Glenwood NM 88039

THANK YOU!

Coalition Of Arizona/
New Mexico Counties
For Stable Economic
Growth

"Working together for responsible management."

MEMO

TO: County Members
FROM: Howard Hutchinson, Executive Director
DATE: November 13, 2014
RE: Request For Litigation Funding

In May the Coalition's Board requested that member counties consider including in their 2014/15 budget a contribution to the legal fund.

The legal fund was set up pursuant to the action of the board at the April 19, 2008 meeting in Payson, Arizona. A contribution was to be requested from time to time in order to build and maintain the fund. **This is a voluntary contribution and not a dues increase.** This fund is used to address a number of suits and other potential litigation that will have significant impacts on the member counties of the Coalition. If your county is unable to contribute the full $5,000, please consider a lesser amount.

The litigation fund has contributed to:

- 2009 - $61.54 Pacific Legal Foundation intervention in the Spikedace/Loach minnow critical habitat challenge. **Outcome: Over ours and litigation partner's objections the environmental litigants entered into a settlement with the Fish and Wildlife Service (Service) to conduct another review of the designation.**;
- 2009 - $5,000.00 Contribution to the intervention with New Mexico Cattle Growers in the WildEarth Guardian's suit on the use of categorical exclusions for grazing permit renewals on Forest Service lands and a suit challenging Forest Service grazing permits without considering the impacts on the reintroduction of the Mexican Wolf. **Outcome: The Coalition and litigation partners were successful in preventing a wholesale victory by the litigants with a win at the Federal District Court level. (See appeal note below.)**;
- 2010 - $2,000.00 for the Coalition's participation with the New Mexico Cattle Growers intervention in the Mexican Wolf suits in the Arizona Courts. **Outcome: The Coalition and litigation partners were able to raise important issues before the court. However, we were thwarted in gaining a favorable outcome due to the settlement the Service negotiated with the litigants. However, the settlement did provide us with the opportunity to be participating on a high level with current proposed revisions to the 10(j) rule.**;
- 2011 - $2,000.00 to Dennis Parker for development of comments on Spikedace/Loach minnow and Chiracahua Leopard Frog critical habitats in partnership with Arizona Cattle Growers, City of Sierra Vista and Cochise County. **Outcome: The comments resulted in a standing being created to bring litigation against the Service. However the Board and other participants felt that a court challenge under the current ESA statute and regulations may have resulted in an unwanted precedent. The Service's**

decision did force the environmental litigants to return to court for expansion of critical habitat. The Coalition and litigation partners are documenting social, cultural and economic impacts on member counties, industries and individuals in preparation for potential litigation;

- 2011 - $1,625 to Darling Environmental Services for development of comments on Spikedace/Loach minnow and Chiracahua Leopard Frog critical habitats in partnership with Arizona Cattle Growers, City of Sierra Vista and Cochise County. **Outcome: The Coalition and litigation partners were able to document the errors by the Service on the social, cultural and economic impacts. Those errors have been used to communicate the lack the scientific and analysis accuracy to our respective state's Congressional and State representatives. This effort is bolstering the call for reform of the ESA and State wildlife management laws that gains momentum with each legislative year.**;
- 2011 - $1,000.00 to the Americans for Preservation of Western Environment Mexican Wolf suit. **Outcome: The litigation was prepared but later abandoned after an initial dismissal by the court on technical/legal issues. The data and information has been retained for possible future action.**;
- 2011 - $5,088.00 for the 10th Circuit appeal of the WildEarth Guardians categorical exclusion suit. **Outcome: The Coalition and litigation partners entered into the appeal with confidence that our lower court ruling would be upheld. However the Forest Service and Justice Department negotiated a settlement with the litigants over our objections that resulted in a few allotments that had to go through NEPA permit review. This outcome has also been used to bolster the arguments for the need of Congressional review of the grazing permit process statutes and regulations.**;
- 2011 - $1,500 Darling Environmental Services for development of comments on Spikedace/Loach minnow and Chiracahua Leopard Frog critical habitats in partnership with City of Sierra Vista and Cochise County. **Outcome: (See above statement.)**;
- 2011 - $2,000.00 contribution to New Mexico Cattle Growers for the 10th Circuit appeal of the WildEarth Guardians categorical exclusion suit. **Outcome: (See above statement.)**;
- 2011 - $500.00 contribution to partnership with Arizona Cattle Growers and others to have Dennis Parker to develop of comments on the Southwestern Willow Flycatcher critical habitat. **Outcome: While this and other comments on the science behind the original listing the current show that listing and designation of critical habitat are unwarranted the ESA and regulations and Federal Court rules, and precedent cases preclude effective challenge to the science used to justify them. This information has been used in testimony and briefings to Congress for the need to reform the ESA.**
- 2012 - $443.00 Payment to Budd-Falen Law Offices for research concerning the Draft Environmental Impact Statement for the proposed new Lordsburg Border Patrol Forward Operating Base (FOB). **Outcome: Assisted in the development of comments. The Boarder Patrol ultimately decided to locate the FOB 40 miles North of the border over the objection of the county and citizens. There has been increase in illegal boarding crossings, drug cartel activity, property crime and human trafficking.**
- 2012 - $1,000.00 Contribution to litigation partners through the City of Sierra Vista for the development of comments for the designation of critical habitat for the Spikedace and Loach Minnow. **Outcome: (See above 2011 contribution for outcome.)**
- 2012 - $5,477.00 Payment to Budd-Falen Law Offices for preparation of Tombstone suit against U.S. Forest Service and Rio Arriba County Northern Stockman vs. U.S. Forest Service.

Outcome: Tombstone case, City of Tombstone, Arizona v. United States, Supreme Court Docket No. 12-1069; Arizona District Court Docket No. 11-CV-845:

This case is whether the Forest Service can stop or unreasonably condition the City of Tombstone from maintaining its valid easements and rights-of-way for their municipal water system. Because

parts of the water system are now located within Forest boundaries and a designated wilderness, the Forest Service has taken the position that the City must apply for and receive a "special use permit" before any of the maintenance and repairs can take place.

Through a complicated litigation process, the Federal District Court for Arizona and the Ninth Circuit Court of Appeals ruled, as part of a preliminary injunction ruling, that the City had to receive the permission of the Forest Service through a special use permit prior to doing any maintenance or repairs on the City's water system. In 2012, the City requested Certiorari from the U,S. Supreme Court seeking to overturn the Ninth Circuit's holding. There were two basic Constitutional issues before the U.S. Supreme Court. First, on behalf of the Coalition of Counties, we argued that the City had a property interest in its rights-of-way for its ditches and water system that predated the National Forest, thus the City's actions are not superseded by the "property clause" of the U.S. Constitution. In numerous past Supreme Court cases, the Court has upheld the power of the federal government to "own" property such as National forests, wild horses and other types of property, and that such "ownership" also allowed the federal government to "reasonably regulate" that property's use". We argued that because the City's water system pre-dated the creation of the National forest as well as the wilderness, the City's rights to use and maintain the property could not be regulated or inhibited by the Forest Service'. However, despite our arguments, on April 15, 2013, the Writ of Certiorari was denied by the U.S. Supreme Court and the case was not heard on the merits.

This case is now back before the Arizona Federal District Court. Currently the parties are engaging in the discovery process. Dispositive cross-motions are due on March 21, 2014, oppositions are due May 21, 2014, and replies are due June 20, 2014.

Outcome: Rio Arriba/ Jarita Mesa, Jarita Mesa Livestock Grazing Association et at. v. United States Forest Service, Federal District Court of New Mexico, 12-CV-69:

Jarita Mesa and Alamosa Grazing Associations' members are Hispanic stockmen in Northern New Mexico who graze cattle on the Jarita Mesa and Alamosa livestock grazing allotments, both of which lie within the EI Rito Ranger District of the Carson National Forest. In 2012, these cattlemen, Rio Arriba County and several individual permittees filed suit against the Forest Service based upon years of discrimination which culminated in a Forest Service decision in 2010 cutting their grazing permits by 18%. The Complaint included both an Administrative Procedure Act ("APA") claim that the Forest Service final decision was arbitrary and capricious, as well as a federal civil rights claim (called a "Bivens" claim) against the Forest Service District Ranger for discrimination.

While I (Karen Budd-Falen) interpret the U.S. Constitution as only allowing federal government ownership of limited property interests such as post offices and military bases, the Supreme Court has not adopted this view. The overarching "property ownership" issue of whether the Federal government could own this property at all was not before the Court. Rather, their issue is whether the City can maintain its preexisting property rights.

The other Constitutional issue in this case related to the Tenth Amendment of the Bill of Rights that states that the powers not specifically enumerated in the Constitution to the federal government are reserved to the states and the people. Because of the limited number of pages we were allowed to use before the Supreme Court, we only briefed the "Property Clause" issue.

On May 23, 2012, the Forest Service moved to dismiss the Bivens claim because of the sovereign immunity of the District Ranger. The Federal District Court for New Mexico agreed with the Forest Service that the ranchers could not bring a Bivens claim, although the Court did find that the ranchers had alleged enough facts to bring a discrimination claim. On February 7, 2013, the Forest Service filed a motion for reconsideration related to the discrimination claim as well as a motion to

dismiss the APA claim for failure to exhaust administrative remedies. On July 26, 2013, a hearing will be held before the New Mexico Federal District Court. No decision has been issued from that hearing to date.

Outcome: New Mexico Trappers Association, Wild Earth Guardians v. Bidegain, Tenth Circuit Docket No. 13-2001:

This is a case in which the Wild Earth Guardians ("WEG") sued the New Mexico Game Commission and the New Mexico Game and Fish Department for authorizing trapping within Mexican wolf habitat. The complaint alleges that by allowing trapping, the State of New Mexico is violating the Endangered Species Act ("ESA") section 9 because even a lawfully set trap, being authorized by a licensed trapper, may "take" a threatened Mexican wolf. This firm intervened in the litigation on behalf of the New Mexico Trappers Association, the Coalition of Counties and others (collectively "Trappers") to support the State of New Mexico's trapping licensing program.

On December 4, 2012, the Federal District Court for the District of New Mexico ruled in favor of the State and the Trappers, holding that the current New Mexico statute and regulations authorizing the trapping of fur bearing animals did not violate the ESA's prohibition of take of Mexican wolves. The legal precedent, which I believe is the most important part of this case and has the broadest implications, is that the Court determined that the U.S. Fish and Wildlife Service ("FWS") could adopt 10j rules for experimental/nonessential populations ("ENE") of threatened species (like the Mexican wolf) that lessened the drastic prohibition of "take" of a species. The WEG argued that because ENE populations, like the wolf, are technically threatened species under the ESA, the "take" provisions specific to threatened species in the ESA apply. We argued that Congress provided that the FWS could adopt 10j rules for ENE species that limited those threatened species' "take" provisions.

On January 2,2013, the WEG appealed its loss to the Tenth Circuit Court of Appeals. We filed our brief on behalf of the Trappers on April 17, 2013. WEG filed its reply brief on May 20, 2013. On February 19, 2014, following an oral argument which took place on January 23,2014, the Tenth Circuit Court dismissed the case and remanded it back to the Federal District Court of New Mexico because the WEG failed to sue the correct parties.

On Wednesday, March 5, 2014, NM's attorneys requested clarification from the 10 Circuit Court of Appeals: Did their decision to vacate WEG's Appeal of WEG vs McClintic include the lower court's decision in WEG vs Lane? Thursday March 6, 2014, the appellate court answered NO; their decision applied only to WEG vs McClintic.
With this clarification, NM and their interveners (us) have won a dismissal, a summary judgment that established case law, prevailed in an appeal thereby establishing that under constitutional law groups like WEG lack legal standing to sue in such issues and now reaffirmed that the case law from district court will remain intact. Furthermore, this latest clarification, which took less than 24 hours to be handed down, opens the door for the state to go forward and seek reimbursement of all legal funds. Should this occur NM has dealt the environmental litigants defeats that may reverse the trend of ESA lawsuits that has cost game departments, private property owners and sportsman across the nation millions of dollars.

- 2012 - $1,000 New Mexico Trappers Association for Wolf Trapping Suit. **Outcome: (See above outcome.)**

- 2012 - $500.00 Pima NRCD for contribution to comments on proposed critical habitat for the Jaguar written by Dennis Parker. **Outcome: The Fish & Wildlife Service has designated critical habitat for the Jaguar. We are now in discussions with Pacific Legal Foundation to initiate litigation challenging**

the designation using the information generated by the comments of Dennis Parker and Mary Darling.

- 2013 - $65.35 Budd-Falen Law Offices Research on Forest Service Planning Rule and Rio Arriba/Jarita Mesa Suits. **Outcome: The Forest Service has published the new planning rule we are awaiting possible challenge as the new rule is implemented. See above for Rio Arriba/Jarita Mesa litigation summary.**
- 2013 - $5000.00 New Mexico Trappers Association for WildEarth Guardians wolf trapping suit. **Outcome: (See above outcome.)**
- 2013 - $11,186.87 Budd-Falen Law Offices for work on Tombstone water litigation amicus brief for the 9th Circuit Court.
- 2013 - $436.67 Budd-Falen Law Offices for work on Tombstone water litigation amicus brief for the 9th Circuit Court.
- 2013 - $19.00 Budd-Falen Law Offices for work on Tombstone water litigation amicus brief for the 9th Circuit Court. **Outcome: (See above outcome.)**
- 2013 - $500.00 Pima NRCD for contribution to additional comments on proposed critical habitat for the Jaguar written by Dennis Parker. **Outcome: (See above outcome.)**
- 2013 - $563.00 Budd-Falen Law Offices for Litigation & Regulation update report.
- 2013 - $500.00 New Mexico Farm & Livestock Bureau for comments on Tri-County BLM Resource Management Plan Comments. **Outcome: BLM has reopened the comment period. We are awaiting final decision with litigation highly likely.**

The Coalition's Board has carefully invested the legal fund in actions that have yielded positive results for the citizens of our member counties. We have partnered with a variety of interests in Arizona and New Mexico to reduce the expenses of research and litigation to our individual members.

In 2014 we face a year with potential litigation expenses for:

- Appealing the critical habitat designations for the Jaguar;
- Challenging the BLM Tri-County RMP decision;
- Potential challenges to the Forest Service over livestock water right infringement;
- Potential challenges to Lesser Prairie Chicken listing;
- Potential challenges against the Fish & Wildlife Service over NEPA and other procedural violations concerning the Mexican Wolf proposed 10(j) rule revisions process.

ARF-2942 **Consent Agenda Item** **4. A.**

Regular BOS Meeting

Meeting Date:	01/06/2015		
Submitted For:	Nancy Rutherford, Health Programs Manager		
Submitted By:	Paula Horn, Deputy Director of Prevention Services, Health & Emergency Services Division		
Department:	Health & Emergency Services Division	Division:	Prevention Services
Fiscal Year:	2015	Budgeted?:	Yes
Contract Dates Begin & End:	October 1, 2014 through June 30, 2015	Grant?:	Yes
Matching Requirement?:	No	Fund?:	Renewal

Information

Request/Subject

Amendment No. 2 Cenpatico Prevention Services Agreement

Background Information

On April 15, 2014, the Board of Supervisors approved a Partnership Services Agreement between Cenpatico Behavioral Health of Arizona, LLC, Cenpatico of Arizona, Inc., (Cenpatico) and the Gila County Division of Health & Emergency Services (GCDHES) in the amount of $23,000 for the period July 1, 2013, to June 30, 2014. The funds were used to address underage drinking and prescription drug abuse in Gila County.

On August 5, 2014, the Board of Supervisors approved Amendment No. 1 to the Partnership Services Agreement between Cenpatico Behavioral Health of Arizona, LLC, Cenpatico of Arizona, Inc., (Cenpatico) and the Gila County Division of Health & Emergency Services (GCDHES) to add an additional $8,517 to the contract and to extend the term of the contract from July 1, 2014, to September 30, 2014.

The grant objectives are to develop and implement environmental strategies to: (1) change community norms, perceptions and policies based on local needs and data, (2) address perception of harm, (3) youth talking to parents about alcohol and drugs, (4) reduce underage drinking, and (5) reduce access to prescription drugs and lower abuse of prescription drugs for the youth of Gila County.

Evaluation

Amendment No. 2 to the Partnership Services Agreement provides an additional $53,483.00 of funding and the term of the contract is extended for the period October 1, 2014, to June 30, 2015, which is outlined in Exhibit B of the Agreement.

Conclusion

This amendment to the contract between Cenpatico Behavioral Health of Arizona and Gila County Health & Emergency will provide much needed additional funding to address an ongoing problem with underage drinking and drug abuse in the County. With the added funding amount of $53,483, the new total contract amount for the period July 1, 2014, through June 30, 2015, shall not exceed $62,000.

Recommendation

The Director of Health and Emergency Services recommends that the Board of Supervisors approve Amendment No. 2 to the Cenpatico Prevention Services Agreement between Cenpatico and GCDHES to address underage drinking and drug abuse in Gila County for the period of October 1, 2014, to June 30, 2015, in the amount of $53,483.00.

Suggested Motion

Approval of Amendment No. 2 to a Prevention Services Agreement between Cenpatico Behavioral Health of Arizona, LLC, and Cenpatico of Arizona, Inc. (collectively referred to as "Cenpatico") and Gila County Health and Emergency Services Division to extend the term of the agreement for the period October 1, 2014, to June 30, 2015, and to add funding in the amount of $53,483.

Attachments

Amendment No. 2

Amendment No. 1

Original Agreement

October 1, 2014

CENPATICO
PREVENTION SERVICES AGREEMENT
AMENDMENT #2

This Amendment (Amendment #2) is made and entered into between ***Cenpatico Behavioral Health of Arizona, LLC, Cenpatico of Arizona, Inc., dba Cenpatico Integrated Care and***

GILA COUNTY HEALTH DEPARTMENT.

It is mutually agreed that the Prevention Services Agreement (Agreement) between the Parties hereto is amended herein to reflect the changes outlined in this Agreement. The Parties hereto have executed this Agreement effective on the first day or the fifteenth day of the month, whichever date immediately follows the date both Parties have signed this Agreement. All other terms and conditions of the original Prevention Services Agreement, except as amended, shall remain in full force and effect.

The parties hereby agree that the original Agreement shall be amended as follows:

- Boilerplate: There are NO changes to the Boilerplate.
- Exhibit A - Scope of Work: This will replace the current Exhibit A.
- Exhibit B: Funding is updated. This will replace the current Exhibit B.
- Exhibit C - Uniform Terms and Conditions: There are NO changes to the Exhibit C.
- Exhibit E – Deliverables: There are several changes to Exhibit E.
- Exhibit F – CLAS Standards: There are NO changes to the Exhibit F.
- Exhibits G, H, I and J are reserved for future use.
- Exhibit K – Business Associate Agreement: There are NO changes to Exhibit K.

Accordingly, the parties hereto execute this Amendment on the day and year specified below.

Cenpatico Behavioral Health of Arizona, LLC:		**Gila County Health Department**	
By:		By:	
Name:	Terry Stevens	Name:	Michael A. Pastor
Title:	CEO	Title:	Chairman, Board of Supervisors
Date:	12·05·14	Date:	
		Tax ID:	
Cenpatico of Arizona, Inc.:		**Gila County Health Department**	
By:		By:	
Name:	Terry Stevens	Name:	Bryan Chambers
Title:	President & CEO	Title:	Deputy County Attorney/Civil Bureau Chief
Date:	12·05·14	Date:	

CENPATICO BEHAVIORAL HEALTH OF ARIZONA, LLC dba CENPATICO INTEGRATED CARE
PREVENTION SERVICES AGREEMENT
SCOPE OF WORK (SOW) / EXHIBIT A
GILA COUNTY HEALTH DEPARTMENT
ORIGINATION DATE: 09/01/2010 REVISED: 10/01/14

SCOPE OF WORK – ARTICLE I
PROFESSIONAL REQUIREMENTS AND PROVISIONS

1.1 Subcontractor is required to deliver and agrees to perform the Prevention Behavioral Health Services as set forth in this Scope of Work for the consideration stated within this Agreement. Subcontractor is required to ensure all staff providing services under this Agreement is properly trained, supervised and credentialed for the provision of such services and meet all DBHS requirements to perform said services.

1.2 In the event Subcontractor cannot meet a target timeline or provision identified in this scope of work, Subcontractor is required to submit a work plan detailing how and when the target or provision will be met. Once approved by Cenpatico the work plan will be monitored to demonstrate compliance with the scope of work. Failure to achieve target or changes identified in the work plan shall be considered a breach of contract and shall be subject to the non performance terms identified in the Prevention Services Agreement.

SCOPE OF WORK – ARTICLE II
CONTRACTED SERVICES

2.1 Subcontractor shall provide the following contracted services and target service delivery to non-enrolled persons.

- Substance Abuse Block Grant(SABG) – Prevention

SCOPE OF WORK – ARTICLE III
GSA's AND COUNTIES SERVED

3.1 Subcontractor agrees to provide services to the behavioral health members who reside or are enrolled in the following GSA's and Counties:

- GSA 4 (Gila)

SCOPE OF WORK – ARTICLE IV
PROVIDER TYPE

4.1 Agreement requirements are specified based upon provider type. The Subcontractor's applicable provider type(s) is/are listed below.

- Prevention Services Provider

SCOPE OF WORK – ARTICLE V
PREVENTION REQUIREMENTS

5.1 **OVERVIEW**

5.1.1 Prevention services are designed to promote healthy individuals, families and communities.

5.1.2 Prevention targets people who do not have a diagnosable behavioral health problem and who are not enrolled in the behavioral health system.

5.1.3 All prevention services must be designed to, at a minimum, address the reduction of substance use. Prevention programs are designed to decrease risk, increase protective factors and target low income populations.

5.1.4 Subcontractor is required to provide and make available prevention services to at-risk populations based upon risk and protective factors using evidenced based programs or Cenpatico approved strategies that can be demonstrated through an approved logic model. All prevention services are to demonstrate increased knowledge, skills or changes in behaviors and use Cenpatico approved evaluation instruments. All prevention programs are required to implement the use of core measures, State Outcome Measures (SOMs), where applicable, program specific evaluation tools and any other tools as determined by Cenpatico and/or Cenpatico consultant. All evaluation instruments must be approved by Cenpatico.

5.2 PREVENTION STRATEGIES

5.2.1 Cenpatico contracts for Prevention Services based upon identified community needs. Contracted strategies include:

- Community Based Processes
- Problem Identification and Referral
- Public Information and Social Marketing
- Community Education and Training
- Life Skills
- Youth Leadership
- Peer Leadership
- Personal and Cultural Development
- Family Support
- Environmental Strategies

5.3 PREVENTION REQUIREMENTS

5.3.1 Subcontractor is required to provide primary Behavioral Health Prevention Services in compliance with the ADHS/DBHS Prevention Framework for Behavioral Health. Behavioral Health Prevention Services is required to be developed and delivered in accordance to the following requirements:

5.3.1.1 Subcontractors are required to implement prevention programs and services that do not endanger the health, safety, or welfare of persons served.

5.3.1.2 Subcontractor is required to provide services in a respectful, non-exploitive manner that incorporates the cultural competency requirements in service deliver.

5.3.1.3 Subcontractor is required to meet, at minimum, the following safety requirements:

- Demonstrate documentary evidence that all staff, contractors, volunteers or other person delivering prevention services to persons under the age of 18

have applied for or received a Class I Fingerprint Clearance card before providing prevention services

- Persons denied a Class I Fingerprint Clearance card shall not provide unsupervised services to youth in prevention programs.

5.3.1.4 Subcontractor is required to comply with Provider Manual Section 7.4, *Reporting of Incidents, Accidents and Deaths.*

5.3.1.5 Subcontractor is required to demonstrate documentary evidence that at least one staff member is current in First Aid Certification and at least one staff member current in Cardio Pulmonary Resuscitation Certification (CPR) are present at all times on facility premises, on field trips, or while transporting children in a facility's motor vehicle or a vehicle designated to transport children. A staff member with current certification in both first aid and CPR may meet this requirement.

5.3.1.6 Subcontractor is required to maintain a current first aid kit accessible to staff members

5.3.1.7 Subcontractor is required to prohibit the use or possession of the following items when a prevention program member is on facility premises, during hours of operation, or in any motor vehicle when used for transportation of program members:

- Any beverage containing alcohol
- A controlled substance; and
- A firearm or other lethal weapon

5.3.1.8 Subcontract is required to demonstrate documentary evidence that the following applicable health and safety inspections take place for any facilities owned, leased, or rented to provide prevention services, according to the following schedules, and make any repairs or corrections stated on an inspection report:

- Sanitation; every twelve (12) months by a local health department
- Gas inspections; every twelve (12) months by a plumber holding a plumbing business license issued by a local government; and
- Fire inspections; every thirty-six (36) months by a local fire department or the State Fire Marshal.

5.3.1.9 Subcontractor is required to ensure prevention program premises and furnishings to be free from dirt, disease, and odor. Exceptions to requirements for facilities may be made at the discretion of Cenpatico.

5.3.1.10 Subcontractor is required to have motor vehicle insurance and a current registration with the Arizona Department of Transportation.

5.3.1.11 Subcontractor shall not permit any person to be transported in a truck bed, camper, or trailer attached to a motor vehicle.

5.3.1.12 Subcontractor is required to ensure all vehicle passengers use age and size appropriate restraint systems.

5.3.1.13 Subcontractor is required to carry a first aid kit, fire extinguisher, and water sufficient for the needs of each passenger.

5.3.1.14 Subcontractor is required to carry active, written consent from a parent or guardian for each youth transported.

5.3.2 Subcontractor is required to document and immediately report all suspected alleged cases of abuse, neglect or exploitation to the proper authorities Tribal Social Services, Child Safety and Family Services, and Adult Protective Services or to a local law enforcement agency, as applicable

5.3.3 Subcontractor is required to participate in site visits by Cenpatico/ADHS as requested.

5.3.4 Subcontractor is required to include in the evaluation, an analysis of process and outcome data. All Cenpatico Prevention Programs must work collaboratively with the assigned Cenpatico Evaluation Consultant and enter data as directed. Prevention providers are required to enter outcome data into the assigned database in accordance with the requirements to the evaluation instrument. Each program must report at least one outcome unless the Subcontractor received written approval from Cenpatico to not complete an outcome evaluation for a specific program.

5.3.5 Subcontractor is required to use Cenpatico Evaluation Tools, as well the State Outcomes Measure instruments below to evaluate programs. Other evaluation tools may be required, as identified in approved logic model

Name of Scale	Prevention programs serving the following populations must use this instrument
Adolescent Program Evaluation	Youth in Grade 6 to age 21
Coalition Survey	RBHA designated
Early Identification and Referral Form	Any person who has been referred to behavioral health treatment assessment or other services
Sidewalk, Street Survey, or Community Survey	Community members
Cenpatico Youth Leadership	Youth in Grades 8 to age 21
Life Skills	Youth participants

5.3.6 Subcontractor is required to obtain Cenpatico written approval to use additional evaluation tools or measures.

5.3.7 Subcontractors are required to submit program evaluations in a format prescribed by Cenpatico.

5.3.8 Behavioral Health Prevention Services are data driven and required to be developed and provided based upon behavioral health consequences, local behavioral health trends, key intervening variables, goal driven with measurable objectives and outcomes, culturally proficient best practices, and evaluated, as opposed to individual member needs.

5.3.9 Behavioral Health Prevention Services programs are required to be developed following a written comprehensive and collaborative analysis of local data, community assets, and best practices.

5.3.10 Behavioral Health Prevention Services programs are required to build upon and support local collaborative community development efforts.

5.3.11 Behavioral Health Prevention Services are required to include robust evaluation efforts to measure the efficacy of the prevention program and the use of core measures for State Outcome Measures (SOM) reporting.

5.3.12 Behavioral Health Prevention Services program is required to be limited to primary prevention services and shall not include direct care treatment services, which should be provided through clinical outpatient programs; such as, school-based support groups or "pull out programs" for identified members.

5.3.13 Subcontractor shall use environmental strategies to change community norms, perceptions, and knowledge and such strategies are consistent with local norms, practices, and policies.

5.3.14 Subcontractor is required to develop and submit the Program Description/Logic Model in conjunction with the local substance abuse coalition and submit any program revisions/changes to Cenpatico for prior approval.

5.3.15 Subcontractor is required to evaluate for changes in targeted protective and risk factors using the core evaluation instrument(s), State Outcome Measures and program specific evaluation tools. Program specific evaluation instruments are to be used to measure increased knowledge, changes in behavioral or skills and be consistent with the Logic Model.

5.3.16 Subcontractor prevention staff is required to complete the Prevention Profile trainings identified in Essential Learning.

5.3.17 Subcontractor is required to submit monthly prevention reports and any other reports/documents as required.

5.3.18 Subcontractor is required to implement more than one prevention strategy.

5.3.19 Prevention providers are required to enter outcome data into the assigned database in accordance with the requirements to the evaluation instrument.

5.3.20 Subcontractor is required to understand any funds not used by the end of the Agreement year (June 30th) in delivery of proposed Covered Behavioral Health Prevention Services will be recouped.

5.3.21 Subcontractor is required to use the ADHS active Consent template to gain parental consent for youth to participate in evaluations of school based prevention programs. Subcontractor is required to obtain written, active, parental consent in accordance with A.R.S. § 15-104, to conduct any survey, analysis, or evaluation of students that is administered in a school if it includes questions about substances, suicide, or sexual behavior. Parental consent is not required to participate in the program itself. Subcontractor is required to maintain a locked file of signed Active Parent Consent forms for prevention services and develop a unique identifier. Parental consent is not required to participate in the program.

5.3.22 Subcontractor is required to attend the annual prevention conference and other trainings as requested.

5.3.23 Prevention professional must complete workforce development requirements as specified for Prevention Credentialing through Arizonans for Prevention and the Framework for Prevention. Trainings shall include:

- Relias Essential Learning Prevention list
- Annual Cultural Competency
- Annual Ethics
- All trainings required for Prevention Credentialing

5.3.24 Subcontractor is required to maintain regularly scheduled supervision sessions and document such sessions in a standardized format that includes, at a minimum, date, duration, subject matter, staff name, supervisor name, and signatures.

5.3.25 Prevention providers are required to comply with DBHS Credentialing process requirements and ensure staff is credentialed at least as a Level I Prevention Professional.

5.3.26 Subcontractor is required to comply with relevant SABG requirements.

5.3.27 Subcontractor is required to comply with all Prevention Training requirements. Annual cultural competency and ethics training is required. First year prevention staff must attend live cultural competency training sponsored by Cenpatico; subsequent years training may be on-line, recorded webinars or live, and shall include:

Cultural Competency 101 – Embracing Diversity

- Prevention Foundations: Part 1 – An Introduction to prevention
- Prevention Foundations: Part 2 – Models in Prevention
- Prevention Foundations: Part 3 – Planning in Prevention
- Prevention Foundations: Part 4 – Middle to Late Adulthood

On-Line:

- Stress Management in the Workplace

5.3.28 Provider is to leverage Cenpatico funds through grants, fundraising, in-kind support and/or other measures

5.3.29 Staff to participate in monthly provider meetings, as scheduled.

5.3.30 All prevention programs are based on local data using best practices. Local needs and assets assessments are conducted at least every three years.

5.3.31 Coalition sustainability plans must be developed within the first year and updated at least annually.

5.3.32 Needs and asset assessments to be conducted at a minimum every three years.

5.4 PREVENTION SERVICES PERIODIC REPORTING

5.4.1 Subcontractor is required to submit an Annual Prevention Plan/Logic Model by April 5th of the year proceeding the State fiscal year in which the plan will be implemented. The plan shall contain three (3) parts; Part 1: Regional Strategic Plan (1 per Program/Community) and Part 2: Program Description; Part 3: Measurable Goals and Objectives submitted in the prescribed format and entered into prescribed database.

5.4.2 Subcontractor is required to submit an Annual Prevention Report by August 15th of the year following the State fiscal year in which the previous Annual Prevention Plan was implemented. The plan shall contain four (4) parts; Part 1: Regional Evaluation (1 per Program/Community), Part 2: Evaluation of Workforce Capacity (1 per Program/Community), Part 3: Program Evaluation (1 per Program/Community), Part 4: Evaluation Outcomes and Supplemental Information.

5.4.3 Subcontractor is required to submit allegations of attempted suicide, sexual abuse, and death incident report as per Cenpatico Provider Manual.

SCOPE OF WORK – ARTICLE VI

PROVIDER SPECIFIC REQUIREMENTS

6.1 OVERVIEW – Prevention Strategies

6.1.1 Subcontractor is required to develop and implement environmental strategies to change community norms, perceptions and policies, based on local needs and data, to address perception of harm, youth talking to parents about alcohol and drugs, reduce underage drinking, marijuana access and perception of harm for youth in the Globe/Miami area of Gila County.

6.1.2 Planning and implementation must be in collaboration with the local substance use coalition and designed to change community norms, laws and policies. Process and outcome measures must be developed, collected and reported.

6.1.3 Multiple strategies are to be provided and may include: public information and social marketing, community education and training, youth leadership, life skills, community based processes and environmental strategies. Strategies and implementation is based on the prevailing local cultures of the targeted populations. Approved evidenced based curriculums and programs shall be used. All programs are to have measurable outcomes.

6.1.4 Subcontractor is required to maintain Participation Rosters, Permission Slips and Emergency Cards, coalition roster, sign in sheets, meeting minutes, and agendas. Prevention programs/activities are year round.

6.1.5 Documentation is required to be completed on Cenpatico approved documentation forms. Staff supervision shall be documented.
Subcontractor is required to record and report the number of referrals to behavioral health services and to community based services using the Early Identification and Referral Form (EIRF).

6.1.6 Prevention staff is required to attend all required trainings and meetings. Membership in Arizonans 4 Prevention and CADCA is required. At a minimum prevention staff shall be credentialed as a Level 1.

6.1.7 Cenpatico of Arizona and the Arizona Department of Health Services support shall be acknowledged in training and program announcements/materials.

6.1.8 Subcontractor is required to implement the Arizona Department of Health Services/Division of Behavioral Health (ADHS/DBHS) approved Copper Basin logic model

6.1.9 Implement a professionally developed public information and social marketing campaign to address the approved logic model.

6.1.10 Closely monitors expenditures.

6.1.11 Subcontractor is required to contract with a consultant or consultants, approved by Cenpatico for coalition development and sustainability.

6.1.12 Subcontractor is required to submit any change to the signatory authorization to Cenpatico, within thirty (30) days of the change.

CENPATICO
FINANCIAL COMPENSATION
REGIONAL BEHAVIORAL HEALTH AUTHORITY ATTACHMENT - EXHIBIT B
GILA COUNTY HEALTH DEPARTMENT
ORGINATION DATE: 11/01/2013 REVISION DATE: 10/01/2014

1. OVERVIEW

This Exhibit B to the Regional Behavioral Health Authority Attachment (the "RBHA Attachment") is incorporated into the RBHA Attachment and the Managed Health Services Provider Agreement (the "Agreement"), made and entered into as of October 1, 2014 (the "Effective Date"), by and between Gila County Health Department (referred to herein as "Subcontractor") and Cenpatico Behavioral Health of Arizona, LLC and Cenpatico of Arizona, Inc. dba Cenpatico Integrated Care (each referred to herein as "Cenpatico" and collectively, with Subcontractor, as the "Parties"). This Exhibit B is effective as of the Effective Date. Capitalized terms used but not defined herein shall have the meanings set forth in Exhibit H to the RBHA Attachment.

2. CONTACT MAXIMUM AMOUNT

The Contract limit will not exceed $62,000 for the contractual year July 1 - June 30), as identified in the Payment Table(s) below. The Maximum amount payable under this contract is specific to "Payment Type" and "Fund Type". Under-delivery in one Payment Type or Fund Type can not be offset by over-delivery in another Payment Type or Fund Type, except as approved by Cenpatico.

2. CONTRACT PAYMENT TABLE

Payment Table / GSA 4 Pinal - Gila Counties

Service Level	County / Community	Program	Payment Type	Budget Term	Total for Budget Term
		Prevention SABG			
Payment Table	Gila/southern Gila County	**Prevention SABG**	Block Payment - after monthly reporting approval	07/01/2014 - 09/30/2014	8,517
Payment Table	Gila/southern Gila County	**Prevention SABG**	Block Payment - after monthly reporting approval	10/01/2014- 06/30/2015	53,483
			GSA 4 Total	**Prevention SABG**	**62,000**
Grand Total - GSA 4					
			Grand Total	**GSA 4**	**62,000**

CENPATICO
SUBCONTRACTOR DELIVERABLES SCHEDULE
REGIONAL BEHAVIORAL HEALTH AUTHORITY ATTACHMENT - EXHIBIT E
GILA COUNTY HEALTH DEPARTMENT
REVISION DATE: 10/01/2014

This Exhibit E to the Regional Behavioral Health Authority Attachment (the "RBHA Attachment") is incorporated into the RBHA Attachment and the Managed Health Services Provider Agreement (the "Agreement"), made and entered into as of October 1, 2014 (the "Effective Date"), by and between Gila County Health Department (referred to herein as "Subcontractor") and Cenpatico Behavioral Health of Arizona, LLC and Cenpatico of Arizona, Inc. (each referred to herein as "Cenpatico" and collectively, with Subcontractor, as the "Parties"). This Exhibit E is effective as of the Effective Date. Capitalized terms used but not defined herein shall have the meanings set forth in Exhibit H to the RBHA Attachment.

Report Frequency: Within 24 Hours, 48 Hours, Weekly, As Requested, or As Applicable

REFERENCE #	REPORTS/FORMS	DUE DATE & WHERE TO SEND
RF-1015	Notification by email or letter of an unexpected material facility change that could impact the Provider Network.	Within one (1) business day of becoming aware of the unexpected change. E-mail cazdeliverables@cenpatico.com
RF-1016	Expected material change that could impact the Provider Network including change of address. Use the Cenpatico 'Notification of Network Change' Form.	At least 75 days prior to the anticipated change that could impact the Provider Network. E-mail cazdeliverables@cenpatico.com
RF-1005	Incidents, Accidents, and Death Report See PM Form 7.4.1	Within 2 business days of the incident E-mail AZQualityManagement@Cenpatico.com
RF-1010	Complaint Resolution Confirmation Response, if applicable.	Within two (2) business days of the request Fax to 866.601.0111
RF-1018	Ad Hoc Reports not listed	Within requested time frame, as specified on the request E-mail/Fax as Directed
RF-FN-405	*OMB A-133 Audit*	As Requested

Report Frequency: Monthly

REFERENCE #	DELIVERABLE	DUE DATE & WHERE TO SEND
EC-304	Prevention Report using Cenpatico format	15th day after month end E-mail cazdeliverables@cenpatico.com

Report Frequency: Quarterly

REFERENCE #	DELIVERABLE	DUE DATE & WHERE TO SEND

SUBMIT ALL REPORTS TO THE EMAIL/FAX IN 3RD COLUMN VIA SECURE EMAIL/FAX AND REFERENCE # IN 1ST COLUMN TO ENSURE COMPLIANCE. THIS IS NOT AN ALL INCLUSIVE LIST. PLEASE CONTACT CONTRACTS DEPT. FOR QUESTIONS.

CENPATICO
SUBCONTRACTOR DELIVERABLES SCHEDULE
REGIONAL BEHAVIORAL HEALTH AUTHORITY ATTACHMENT - EXHIBIT E
GILA COUNTY HEALTH DEPARTMENT
REVISION DATE: 10/01/2014

ED-101	Year to Date list of employees and contractors that have been checked against the Exclusion Databases, as defined in the RBHA Attachment.	10th day after quarter end E-mail cazdeliverables@cenpatico.com
Report Frequency: Annually		
REFERENCE	**DELIVERABLE**	**DUE DATE & WHERE TO SEND**
CD-502	General Liability Insurance, Professional Liability Insurance, Sexual Abuse/Molestation Liability Insurance, Auto Insurance and Workers Comp Insurance with specified limitations	Within 15 days prior to expiration of each policy E-mail cazdeliverables@cenpatico.com
EC-305	Annual Prevention Report for contract year	Submit Notice of Online Submission by August 31st E-mail cazdeliverables@cenpatico.com
EC-306	Submittal of Prevention Program Description/Logic Model	Submit Notice of Online Submission by April 5th E-mail cazdeliverables@cenpatico.com
FN-406	Annual Financial Statement of Expenditures	31st day after fiscal year end E-mail cazdeliverables@cenpatico.com

SUBMIT ALL REPORTS TO THE EMAIL/FAX IN 3RD COLUMN VIA SECURE EMAIL/FAX AND REFERENCE # IN 1ST COLUMN TO ENSURE COMPLIANCE. THIS IS NOT AN ALL INCLUSIVE LIST. PLEASE CONTACT CONTRACTS DEPT. FOR QUESTIONS.

2014-007538 AM Page: 1 of 12
08/13/2014 11:20:45 AM Receipt #: 14-5219
Rec Fee: $0 Marian Sheppard/ Bos
Gila County, Az, Sadie Jo Tomerlin, Recorder

When recorded deliver to:
Marian Sheppard, Clerk
Gila County Board of Supervisors

CAPTION HEADING:

Amendment #1

To Business Associate/Prevention Services Agreement

Between

Gila County

And

Cenpatico Behavioral Health of Arizona, LLC

Original Recorded Document Number 2014-003750

DO NOT REMOVE

This is part of the official document

July 1, 2014

CENPATICO
PREVENTION SERVICES AGREEMENT
AMENDMENT #1

This Amendment (Amendment #1) is made and entered into between ***Cenpatico Behavioral Health of Arizona, LLC, Cenpatico of Arizona, Inc., and*** **GILA COUNTY HEALTH DEPARTMENT.** It is mutually agreed that the Prevention Services Agreement (Agreement) between the Parties hereto is amended herein to reflect the changes outlined in this Agreement. The Parties hereto have executed this Agreement effective on the first day or the fifteenth day of the month, whichever date immediately follows the date both Parties have signed this Agreement. All other terms and conditions of the original Prevention Services Agreement, except as amended, shall remain in full force and effect.

The parties hereby agree that the original Agreement shall be amended as follows:

- Boilerplate: There are NO changes to the Boilerplate.
- Exhibit A: There are NO changes to the Scope of Work.
- Exhibit B: Funding is updated. This will replace the current Exhibit B.
- Exhibit C - Uniform Terms and Conditions: There are NO changes to the Exhibit C.
- Exhibit E – Deliverables: There are several changes to Exhibit E.
- Exhibit F – CLAS Standards: There are NO changes to the Exhibit F.
- Exhibits G, H, I and J are reserved for future use.
- Exhibit K – Business Associate Agreement: There are several changes to Exhibit K.

Accordingly, the parties hereto execute this Amendment on the day and year specified below.

Cenpatico Behavioral Health of Arizona, LLC:		**Gila County Health Department**	
By:		By:	
Name:	Terry Stevens	Name:	Michael A. Pastor
Title:	CEO	Title:	Chairman, Board of Supervisors
Date:	7-1-14	Date:	8-5-2014
		Tax ID:	
Cenpatico of Arizona, Inc.:		**Gila County Health Department**	
By:		By:	
Name:	Terry Stevens	Name:	Bryan Chambers
Title:	President & CEO	Title:	Deputy Attorney Principal
Date:	7-1-14	Date:	8-5-2014

CENPATICO OF ARIZ
FINANCIAL COMPEN
EXHIBIT B
GILA COUNTY HEALTH DEPARTMENT
ORIGINATION DATE: 11/01/2014 REVISION DATE: 07/01/2014

1. OVERVIEW

Cenpatico shall compensate Subcontractor for Universal Prevention Services provided to persons not enrolled in behavioral health services as outlined in this Agreement. The method and amount of compensation for the contract year (July 1 - September 30) is specified in this Exhibit. Changes in the fee schedule or amount of compensation for the contract year (July 1 - September 30) may occur through amendments to this Agreement, or as a result of funding reductions from ADHS/DBHS.

2. CONTACT MAXIMUM AMOUNT

The Contract limit will not exceed $8,517 for the contractual year July 1 - September 30), as identified in the Payment Table(s) below. The Maximum amount payable under this contract is specific to "Payment Type" and "Fund Type". Under-delivery in one Payment Type or Fund Type can not be offset by over-delivery in another Payment Type or Fund Type, except as approved by Cenpatico.

2. CONTRACT PAYMENT TABLE

Payment Table / GSA 4 Pinal - Gila Counties

Service Level	County / Community	Program	Payment Type	Budget Term	Total for Budget Term
		Prevention SABG			
Payment Table	Gila	**Prevention SABG**	Block Payment - after monthly reporting approval	07/01/2014 - 09/30/2014	8,517
			GSA 4 Total	**Prevention SABG**	**8,517**
Grand Total - GSA 4					
			Grand Total	**GSA 4**	**8,517**

CENPATICO
PREVENTION SERVICES AGREEMENT
DELIVERABLES SCHEDULE / EXHIBIT E
GILA COUNTY HEALTH DEPARTMENT
ORIGINATION DATE: 09/01/2010 REVISED: 07/01/2014

REPORT FREQUENCY: WITHIN 24 HOURS, 48 HOURS, WEEKLY, AS REQUESTED, OR AS APPLICABLE

Reference	*Deliverable*	*Due Date & Where To Send*
RF-1005	Incidents, Accidents, and Death Report See PM Form 7.4.1	Within 48 hours of the incident Fax to 866.601.0111
RF-1010	Complaint Resolution Confirmation Response, if applicable.	Within two (2) business days of the request **Fax to 866-601-0111**
RF-1015	Unexpected material change that could impact the Provider Network including change of address	Within one (1) business day of becoming aware of the change. **E-mail: azdeliverables@cenpatico.com**
RF-1016	Expected material change that could impact the Provider Network including change of address	At least 75 days prior to the anticipated change that could impact the Provider Network. **E-mail: azdeliverables@cenpatico.com**
RF-1018	Ad Hoc Reports not listed	Within requested time frame, as specified on the request. **E-mail/Fax as Directed**
RF-FN-405	*OMB A-133 Audit*	As Requested

REPORT FREQUENCY: MONTHLY

Reference	*Deliverable*	*Due Date & Where To Send*
EC-304	Prevention Report using Cenpatico format	15th day after month end E-mail: azdeliverables@cenpatico.com

REPORT FREQUENCY: QUARTERLY

Reference	*Deliverable*	*Due Date & Where To Send*
ED-101	Year to Date list of employees and contractors that have been checked against the Exclusion Databases, as defined in Exhibit C / Section 3.14 - Excluded Providers.	10th day after quarter end **E-mail azdeliverables@cenpatico.com**

REPORT FREQUENCY: ANNUALLY

Reference	*Deliverable*	*Due Date & Where To Send*
CD-502	General Liability Insurance, Professional Liability Insurance, Sexual Abuse/Molestation Liability Insurance, Auto Insurance and Workers Comp Insurance with specified limitations	Within 15 days prior to expiration of each policy **E-mail: azdeliverables@cenpatico.com**
EC-305	Annual Prevention Report for contract year	Submit Notice of Online Submission by August 31st. **E-mail: azdeliverables@cenpatico.com**
EC-306	Prevention Logic Model using ADHS/DBHS format and entered into ADHS / DBHS designated database.	E-mail: Notice of Online Submission and Logic Model document by April 5th. **E-mail: azdeliverables@cenpatico.com**
FN-406	Annual Financial Statement of Expenditures	31st day after fiscal year end Linda Weinberg

CENPATICO
BUSINESS ASSOCIATE AGREEMENT
REGIONAL BEHAVIORAL HEALTH AUTHORITY ATTACHMENT – EXHIBIT K
GILA COUNTY HEALTH DEPARTMENT

This **BUSINESS ASSOCIATE AGREEMENT** (for purposes of this Exhibit K, the "***Agreement***") is entered into on this 1st day of July, 2014, by and between **Cenpatico Behavioral Health of Arizona, LLC, and Cenpatico of Arizona, Inc.**, herein referred to as "Cenpatico" ("***the Covered Entities***") and **Gila County Health Department** ("***Business Associate***").

WHEREAS, pursuant to that certain Managed Health Services Provider Agreement, dated as of April 15, 2014, entered into by and between Covered Entities and Business Associate ("***Services Agreement***"), Business Associate provides certain functions, activities, and/or services (collectively, "***Services***") to Covered Entities;

WHEREAS, in connection with such Services, Covered Entities will make available and/or transfer to Business Associate, or Business Associate will create on behalf of Covered Entities, certain Protected Health Information (as such term is defined at 45 C.F.R. § 164.501) ("***PHI***"); and

WHEREAS, pursuant to the authorities set forth above, Business Associate may use or disclose PHI only in accordance with this Agreement.

NOW, THEREFORE, Covered Entities and Business Associate agree as follows:

1. **Definitions**. The Health Insurance Portability and Accountability Act of 1996 ("***HIPAA***"), the Health Information Technology for Economic and Clinical Health Act ("***HITECH***"), and the implementing regulations thereunder, including but not limited to the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164 (the "***Privacy Rule***") and the Security Standards for the Protection of Electronic Health Information at 45 C.F.R. Parts 160 and 164 (the "***Security Rule***"), and the requirements of the final modifications to the HIPAA Privacy Rule, Security, Rule, et al., issued on January 25, 2013 and effective March 26, 2013, as may be amended from time to time, shall collectively be referred to herein as the "***HIPAA Authorities***." All other capitalized terms hereunder shall have the meaning ascribed to them elsewhere in this Agreement, or, if no such definition is specified herein, shall have the meaning set forth in the HIPAA Authorities.

2. **Interpretation of Provisions of this Agreement**. In the event of an inconsistency between the provisions of this Agreement and the mandatory terms of the HIPAA Authorities, the terms of the HIPAA Authorities shall prevail. Any ambiguity in this Agreement shall be resolved in favor of a meaning that permits Covered Entities and Business Associate to comply with the HIPAA Authorities. A reference in this Agreement to a section in the HIPAA Authorities means the section in effect or as amended. Titles or headings are used in this Agreement for reference only and shall not have any effect on the interpretation of this Agreement.

3. **Obligations of Business Associate**.

   a. Limits on Use and Disclosure. Business Associate agrees to not use or further disclose PHI other than as permitted or required by this Agreement, by the HIPAA Authorities or as Required by Law. Business Associate further agrees that to the extent it is carrying out one or more of the Covered Entities' obligations under the Privacy Rule, it shall comply with the requirements of the Privacy Rule that apply to the Covered Entities in the performance of such obligations.

   b. Safeguards. Business Associate agrees to use reasonable and appropriate administrative, physical and technical safeguards to prevent use or disclosure of PHI other than as provided for by this Agreement. More specifically, as also provided for in Section 3.12 below, Business Associate agrees to establish, implement and maintain appropriate safeguards, and comply with the Security Rule with respect to Electronic PHI, as necessary to prevent any use or disclosure of PHI other than as provided for by this Agreement.

   c. Mitigation of Harm. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate in violation of the requirements of this Agreement or the HIPAA Authorities.

d. Report of Improper Use or Disclosure. Business Associate agrees to notify Covered Entities, in writing or orally, without unreasonable delay, but in no case more than five (5) calendar days, of any successful Security Incident or Breach of Unsecured PHI (by Business Associate or by a Subcontractor) involving the acquisition, access, use or disclosure of the PHI not provided for by this Agreement of which Business Associate becomes aware. As soon as reasonably possible thereafter, in no case more than fourteen (14) calendar days following discovery of the Security Incident or Breach, Business Associate shall provide Covered Entities with a written report which shall include but not be limited to: i) a description of the circumstances under which the Security Incident occurred; ii) the date of the incident and the date that the incident was discovered; iii) a description of the types of PHI involved in the incident; iv) the identification of each Individual whose PHI is known or is reasonably believed by the Business Associate to have been affected; and v) any recommendations that the Business Associate may have, if any, regarding the steps that Individuals may take to protect themselves from harm. To the extent that Covered Entities reasonably determines that such Security Incident constitutes a Breach of Unsecured PHI by Business Associate that necessitates the notification of Individuals by Covered Entities under HITECH, Business Associate agrees that it shall immediately reimburse Covered Entities for the reasonable expenses of such notification process. Business Associate shall cooperate with any investigation (and/or risk assessment) of such incident conducted by Covered Entities in connection with any report made pursuant to this Section.

e. Subcontractors.

i. Prior to the date on which any Subcontractor creates, receives, maintains or transmits PHI on behalf of Business Associate in connection with Business Associate's obligations under the Services Agreement, Business Associate agrees to enter into a written agreement with any Subcontractor (***"Subcontractor Agreement"***) to whom Business Associate provides PHI that requires them: (i) to comply with the same HIPAA Authorities that apply to Business Associate under the Agreement; and (ii) to comply with the same restrictions and conditions that apply to Business Associate through this Agreement with respect to such PHI.

ii. Upon Business Associate's knowledge of a material breach of the Subcontractor Agreement by Subcontractor, Business Associate shall immediately notify Covered Entities of such material breach in writing and, at its option (unless otherwise directed by Covered Entities), shall: (i) provide an opportunity for Subcontractor to cure the breach or end the violation and terminate this Agreement if Subcontractor does not cure the breach or end the violation within the cure period identified in the Services Agreement between Covered Entities and Business Associate, or if no cure period is identified in the Services Agreement, as specified by Covered Entities; (ii) immediately terminate this Agreement if Subcontractor has breached a material term of this Agreement and Business Associate (or Covered Entities) deems cure by the Subcontractor not to be possible; or (iii) if neither termination nor cure are feasible, report the violation to the Covered Entities.

iii. Business Associate agrees to provide Covered Entities with a list of any and all such Subcontractors that create, receive, maintain or transmit PHI on behalf of Business Associate in in connection with Business Associate's obligations under the Service Agreement with Covered Entities within thirty (30) days of such a request.

f. Access to Records. At the request of Covered Entities and within five (5) business days of such request and in a reasonable manner designated by Covered Entities, Business Associate shall provide access to PHI in a Designated Record Set to Covered Entities or, as directed by Covered Entities, to an Individual, in a manner compliance with 45 CFR §164.524 and/or other applicable provisions of the HIPAA Authorities.

g. Amendments to PHI. At the request of Covered Entities, or, as directed by Covered Entities, at the request of an Individual, Business Associate shall make, within five (5) business days of such request and in a reasonable manner designated by Covered Entities, any amendment(s) to PHI in a Designated Record Set to which the Covered Entities has agreed pursuant to 45 CFR §164.526, or shall otherwise assist Covered Entities in complying with Covered Entities' obligations under 45 CFR §164.526.

h. Availability of Internal Practices, Books and Records. Business Associate shall make its internal practices, books and records available to Covered Entities or the Secretary for purposes of determining Covered

Entities' compliance with the HIPAA Authorities, ir
Secretary, as applicable. Covered Entities reser
provide, additional satisfactory assurances that Business Associate is meeting its applicable obligations under the HIPAA Privacy and Security Rules. Such requests may include, but are not limited to; an onsite audit, access to policies and procedures, risk assessment documentation, incident logs or information related to the Business Associate's Subcontractors compliance with their applicable obligations under the HIPAA Privacy and Security Rules.

i. Accounting of Disclosures. Business Associate shall document such disclosures of PHI and information related to such disclosures (i.e., (i) the date of the disclosure; (ii) the name of the entity or person who received the PHI and, if known, the address of such entity or person; (iii) a brief description of the PHI disclosed; and (iv) a brief statement of the purpose of the disclosure that reasonably states the basis for the disclosure) as would be required for Covered Entities to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR §164.528. Such documentation shall be maintained with regard to all disclosures of PHI, except for those disclosures that are expressly exempted from the documentation requirement under the HIPAA Authorities (see, e.g., 45 CFR §§164.502; 164.508; 164. 510; 164.512, etc.). Documentation required to be collected by the Business Associate under this Section shall be retained for a minimum of six (6) years, unless otherwise provided under the HIPAA Authorities. Business Associate shall further provide the information collected pursuant to this Section to Covered Entities or an Individual, within five (5) business days of the applicable request and in a reasonable manner designated by Covered Entities, as necessary to permit Covered Entities to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR §164.528 or other applicable provision of the HIPAA Authorities.

j. Disclosure of Minimum PHI. Business Associate agrees that it shall request, use and/or disclose only the amount and content of PHI that is the Minimum Necessary for Business Associate to fulfill its obligations under the terms and conditions of this Agreement. Business Associate acknowledges that such Minimum Necessary standard shall apply with respect to uses and disclosures by and among members of Business Associate's workforce as well as by or to third parties as permitted hereunder.

k. Notification of Claims. Business Associate shall promptly notify Covered Entities upon notification or receipt of any civil or criminal claims, demands, causes of action, lawsuits, or governmental enforcement actions ("***Actions***") arising out of or related to this Agreement or PHI, or relating to Business Associate's conduct or status as a business associate for any Covered Entities, regardless of whether Covered Entities and/or Business Associate are named as parties to such Actions.

l. Security Rule Requirements. Business Associate shall implement Administrative, Physical, and Technical Safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of Electronic PHI that it creates, receives, maintains, or transmits on behalf of the Covered Entities as required by the Security Rule. Business Associate agrees to report to Covered Entities any use or disclosure of PHI not provided for by this Agreement or the HIPAA Authorities of which it becomes aware, including any Security Incident. Accordingly, as also provided in Section 3.4, Business Associate agrees to report any successful Security Incident of which it becomes aware to Covered Entities immediately, but not later than five (5) calendar days after the Security Incident. All reports required of the Business Associate pursuant to this Section shall be provided as specified in Section 3.4 of this Agreement, including the actions and the mitigation steps, if any, taken by Business Associate in response to the Security Incident(s).

m. Compliance with HIPAA Authorities. Requirements of the HIPAA Authorities that are made applicable with respect to business associates, or any other provision required to be included in this Agreement pursuant to the HIPAA Authorities, are incorporated into this Agreement by this reference.

4. **Permitted Uses and Disclosures by Business Associate**.

a. Use or Disclosure to Perform Functions, Activities, or Services. Except as otherwise limited in this Agreement, Business Associate may use or disclose PHI to perform those functions, activities, or services that Business Associate performs for, or on behalf of, Covered Entities as specified in the Services Agreement, provided that such use or disclosure would not violate the Privacy Rule, or the policies and

procedures of Covered Entities relating to the "Mi [illegible] done by Covered Entities. Any such use or disclosure shall be limited to those reasons and those Individuals as necessary to meet the Business Associate's obligations under the Services Agreement.

b. Appropriate Uses of PHI. Except as may be otherwise limited in this Agreement, Business Associate may use PHI for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.

c. Confidentiality Assurances and Notification. Except as may be otherwise limited in this Agreement, Business Associate may disclose PHI for the proper management and administration of the Business Associate, provided that disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the PHI is disclosed that such PHI will remain confidential and used or further disclosed only as Required by Law or for the purpose for which such PHI was disclosed to the person, and the person notifies Business Associate of any instances of which it is aware in which the confidentiality of the PHI has been breached.

d. Data Aggregation Services. As applicable, Business Associate may use PHI to provide Data Aggregation services to Covered Entities as permitted by 42 CFR § 164.504(e)(2)(i)(B), except as may be otherwise provided by this Agreement.

5. **Indemnification**. Each party (the ***"Indemnitor"***) shall indemnify and hold harmless the other party (the ***"Indemnitee"***) against, and reimburse such Indemnitee for, any expense, loss, damages, fees, costs, claims or liabilities of any kind arising out of or related to any Actions asserted or threatened by a third party arising out of or related to the Indemnitor's acts and omissions associated with its obligations under this Agreement or its use or disclosure of PHI or, when the Indemnitor is the Business Associate, the use and disclosure of PHI by a Subcontractor of Business Associate. Such indemnification shall include, but not be limited to, the payment of all reasonable attorney fees associated with any such Action.

6. **Obligations of Covered Entities**.

a. Notice of Privacy Practices. Covered Entities shall notify Business Associate of any limitation(s) in Covered Entities's notice of privacy practices, to the extent that such limitation(s) may affect Business Associate's use or disclosure of PHI.

b. Change or Revocation of Permission. Covered Entities shall notify Business Associate of any changes in, or revocation of, permission by an Individual to use or disclose PHI, to the extent that such changes may affect Business Associate's permitted or required uses and disclosures of PHI. Business Associate shall comply with any such changes or revocations.

c. Restrictions on Use or Disclosure. Covered Entities shall notify Business Associate of any restriction on the use or disclosure of PHI that Covered Entities has agreed to in accordance with 45 CFR § 164.522, to the extent such restriction may affect Business Associate's use or disclosure of PHI. Business Associate shall comply with any such restrictions. Business Associate shall immediately notify Covered Entities of any request for a restriction on the use or disclosure of an Individual's PHI that Business Associate receives from such Individual.

d. No Request to Use or Disclose in Impermissible Manner. Except as necessary for the Data Aggregation Services or management and administrative activities of the Business Associate as allowed herein, Covered Entities shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by Covered Entities.

7. **Term and Termination**

a. Term. This Agreement shall be effective as of the earlier of the date first documented above or the effective date of the Services Agreement, and shall terminate upon termination of the Services Agreement for any reason or as otherwise provided in this Agreement.

b. Termination with Cause. Upon Covered Entities's kno[illegible] its Subcontractors, Covered Entities shall, at its option: (i) provide an opportunity for Business Associate to cure the breach or end the violation and terminate this Agreement if Business Associate does not cure the breach or end the violation within the cure period identified in the Services Agreement, or if no cure period is identified in the Services Agreement, as specified by Covered Entities; (ii) immediately terminate this Agreement if Business Associate has breached a material term of this Agreement and Covered Entities deems cure by Business Associate not to be possible; or (iii) if neither termination nor cure are feasible, report the violation to the Secretary.

c. Effect of Termination.

i. Except as provided in paragraph (b) of this Section, upon termination of this Agreement for any reason, Business Associate shall return or destroy (at Covered Entities' election), and shall retain no copies of, all PHI in the possession of Business Associate.

ii. In the event that Business Associate determines that returning or destroying the PHI is infeasible, Business Associate shall provide to Covered Entities written notification of the conditions that make return or destruction infeasible. Upon Covered Entities' written approval, which shall not be unreasonably withheld, Business Associate may retain the PHI, but shall extend the protections of this Agreement (including, but not limited to, Sections 1 through 5) to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such PHI.

8. **Standards for Electronic Transactions**. In connection with the Services to be provided to Covered Entities pursuant to this Agreement, Business Associate agrees that if it (or a Subcontractor) conducts an electronic transmission for which the Secretary has established a "standard transaction" under 45 C.F.R. Part 164, Subparts A, C, D and E, as applicable (the "*Electronic Transactions Standards*"), Business Associate (or its Subcontractor) shall comply with the requirements of the Electronic Transactions Standards. Business Associate specifically represents that it has obtained such compliance. Business Associate agrees that, in connection with the transmission of standard transactions, it will not (and will not permit any Subcontractor with which it might contract to): (i) change the definition, data condition, or use of a data element or segment in a standard; (ii) add any data elements or segments to the maximum defined data set; (iii) use any code or data elements that are either marked "not used" in the standard's implementation specification or are not in the standard's implementation specification; or (iv) change the meaning or intent of the standard's implementation specification(s). Business Associate understands that Covered Entities reserves the right to request an exception from the uses of a standard as permitted by 45 CFR § 162.940, and, if such an exception is sought, Business Associate agrees to participate in a test modification.

9. **Confidentiality of Business Information**.

a. Business Information. In the event the parties have not agreed to alternative confidentiality language with respect to business information in the Services Agreement or elsewhere, the following provisions will apply. Neither party will disclose to any third party any information related to this Agreement or to the business operations of the other party, or any proprietary information belonging to the other party (collectively, "***Confidential Business Information***") without the prior written consent of the other party, except as may be required under law or this Agreement; provided that a party required by law to disclose Confidential Business Information shall inform the other party in order that the other party may contest such requirement. Each party hereby agrees that all Confidential Business Information communicated to it by the other party, whether oral or written, and whether before or after execution of this Agreement, was and will be received in strict confidence and will be used only for purposes set forth in the Services Agreement. Upon termination of this Agreement, each party shall, upon the request of the providing party, promptly return all such Confidential Business Information to the providing party or, at the providing party's option, shall destroy such Confidential Business Information and certify as to its destruction, except that each party shall be permitted to retain copies of Confidential Business Information as is reasonably necessary for its internal compliance and auditing purposes, provided the terms of this Section 9 shall continue to apply with respect to such retained Confidential Business Information for so long as it is retained. This obligation of confidentiality shall not apply to information i) which was known by the recipient without the obligation of confidentiality prior to its receipt of such information; ii) is or becomes publicly available without breach of

this Agreement; or iii) is received from a third party without an obligation of confidentiality and without breach of this Agreement. This paragraph shall not apply to uses and disclosures of PHI, which shall be governed by the remaining provisions of this Agreement.

b. Response to Subpoena. Business Associate shall be permitted to disclose PHI and Confidential Business Information that Business Associate is required to disclose pursuant to court order, subpoena or other compulsory legal process, provided that prior to making any disclosure thereunder, Business Associate shall provide Covered Entities within five (5) calendar days prior written notice (or as much notice as reasonably practicable under the circumstances) of the intended disclosure, specifying the basis and nature of the same.

10. **Miscellaneous**.

a. Assignment; Waiver. This Agreement shall be binding upon and inure to the benefit of the respective legal successors of the parties. Neither this Agreement nor any rights or obligations hereunder may be assigned, in whole or in part, without the prior written consent of the other party. Except as provided herein, this Agreement shall create no independent rights in any third party or make any third party a beneficiary hereof. No failure or delay by either party in exercising its rights under this Agreement shall operate as a waiver of such rights, or of any prior, concurrent, or subsequent breach.

b. Property Rights. All PHI shall be and remain the exclusive property of Covered Entities. Business Associate agrees that it acquires no title or rights to the PHI, including any de-identified information, as a result of this Agreement.

c. Right to Cure. Business Associate agrees that in the event Business Associate fails to cure a breach of this Agreement pursuant to this Agreement, Covered Entities has the right, but not the obligation, to cure the same. Expenses, costs or fines reasonably incurred in connection with Covered Entities' cure of Business Associate's breach(es) shall be borne solely by Business Associate.

d. Injunctive Relief. Business Associate agrees that breach of the terms and conditions of this Agreement shall cause irreparable harm for which there exists no adequate remedy at law. Covered Entities retains all rights to seek injunctive relief to prevent or stop any breach of the terms of this Agreement, including but not limited to the unauthorized use or disclosure of PHI by Business Associate or any Subcontractor, contractor or third party that received PHI from Business Associate.

e. Survival; Severability. The respective rights and obligations of Business Associate under this Agreement, including but not limited to Business Associate's indemnification obligations, shall survive the termination of this Agreement. The parties agree that if a court determines that any of the provisions of this Agreement are invalid or unenforceable for any reason, such determination shall not affect the enforceability or validity of the remaining provisions of this Agreement.

f. Entire Agreement; Amendment. This document, together with any written Schedules, amendments and addenda, constitutes the entire agreement of the parties and supersedes all prior oral and written agreements or understandings between them with respect to the matters provided for herein. The parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for Covered Entities and Business Associate to comply with the requirements of the HIPAA Authorities. Any modifications to this Agreement shall be valid only if such modifications are in accordance with the HIPAA Authorities, are made in writing, and are signed by a duly authorized agent of both parties.

g. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Arizona to the extent that the HIPAA Authorities do not preempt the same.

h. Notice. Any notice required or permitted to be given by either party under this Agreement shall be sufficient if in writing and hand delivered (including delivery by courier) or sent by postage prepaid certified mail return receipt requested, to the following address:

If Covered Entities:	**If Business Associate:**
Name: Terry Stevens	Name: Michael A. Pastor
Title: CEO	Title: Chairman, Board of Supervisors
Company: Cenpatico Behavioral Health of Arizona, LLC, and Cenpatico of Arizona, Inc.	Company: Gila County Health Department
Address: 1501 W. Fountainhead Parkway, Suite 295	Address: 1400 East Ash Street
Tempe, Arizona 85282	Globe, Arizona 85501
Phone: 866.495.6738 x26115	Phone: 928-402-8813
Email: tstevens@centene.com	Email: phorn@gilacountyaz.gov

i. Independent Contractors. For purposes of this Agreement, Covered Entities and Business Associate, and Covered Entities and any Subcontractor of Business Associate, are and will act at all times as independent contractors. None of the provisions of this Agreement shall establish or be deemed or construed to establish any partnership, agency, employment agreement or joint venture between the parties.

[Signature page follows]

CENPATICO
BUSINESS ASSOCIATE AGREEMENT
REGIONAL BEHAVIORAL HEALTH AUTHORITY ATTACHMENT – EXHIBIT K

Each party to this Agreement warrants that it has full power and authority to enter into this Agreement, and the person signing this Agreement on behalf of either party warrants that he/she has been duly authorized and empowered to enter into this Agreement.

Cenpatico Behavioral Health of Arizona, LLC:		**Gila County Health Department**	
By:		By:	
Name:	Terry Stevens	Name:	Michael A. Pastor
Title:	CEO	Title:	Chairman, Board of Supervisors
Date:	7-1-14	Date:	8-5-2014
		Tax ID:	
Cenpatico of Arizona, Inc.:		**Gila County Health Department**	
By:		By:	
Name:	Terry Stevens	Name:	Bryan Chambers
Title:	President & CEO	Title:	Deputy Attorney Principal
Date:	7-1-14	Date:	8-5-2014

January 1, 2014

CENPATICO
PREVENTION SERVICES
COVER SHEET

The enclosed documents are made and entered into between ***Cenpatico Behavioral Health of Arizona, LLC, Cenpatico of Arizona, Inc.,*** **and**

GILA COUNTY

Listed below are the items that are included in your contract:

- Boilerplate: Prevention Services Agreement, Requires signature page 42 & verification of notices block
- Exhibit A: Scope of Work
- Exhibit B: Method & amount of compensation
- Exhibit C: Uniform Terms and Conditions
- Exhibit E: Deliverables
- Exhibit F: CLAS Standards
- Exhibit G: State of Arizona Uniform Terms and Conditions:
- Exhibit K: Business Associates Agreement, please sign page 9

CENPATICO
PREVENTION SERVICES AGREEMENT
SCOPE OF WORK (SOW) / EXHIBIT A
GILA COUNTY HEALTH DEPARTMENT
ORIGINATION DATE: 09/01/2010 REVISED: 02/15/2014

SCOPE OF WORK – ARTICLE I
PROFESSIONAL REQUIREMENTS AND PROVISIONS

1.1 Subcontractor is required to deliver and agrees to perform the Prevention Behavioral Health Services as set forth in this Scope of Work for the consideration stated within this Agreement. Subcontractor is required to ensure all staff providing services under this Agreement are properly trained, supervised and credentialed for the provision of such services and meet all DBHS requirements to perform said services.

1.2 In the event Subcontractor cannot meet a target timeline or provision identified in this scope of work, Subcontractor is required to submit a work plan detailing how and when the target or provision will be met. Once approved by Cenpatico the work plan will be monitored to demonstrate compliance with the scope of work. Failure to achieve target or changes identified in the work plan shall be considered a breach of contract and shall be subject to the non performance terms identified in the Prevention Services Agreement.

SCOPE OF WORK – ARTICLE II
CONTRACTED SERVICES

2.1 Subcontractor shall provide the following contracted services and target service delivery to non-enrolled persons.

- SAPT – Prevention
- SAPT – Substance Use - Prevention

SCOPE OF WORK – ARTICLE III
GSA's AND COUNTIES SERVED

3.1 Subcontractor agrees to provide services to the behavioral health members who reside or are enrolled in the following GSA's and Counties:

- GSA 4 (Gila)

SCOPE OF WORK – ARTICLE IV
PROVIDER TYPE

4.1 Agreement requirements are specified based upon provider type. The Subcontractor's applicable provider type(s) is/are listed below.

- Prevention Services Provider

SCOPE OF WORK – ARTICLE V
PREVENTION REQUIREMENTS

5.1 **OVERVIEW**

5.1.1 Prevention services are designed to promote healthy individuals, families and communities.

5.1.2 Prevention targets people who do not have a diagnosable behavioral health problem and who are not enrolled in the behavioral health system.

5.1.3 All prevention services must be designed to, at a minimum, address the reduction of substance use. Prevention programs are designed to decrease risk, increase protective factors and target low income populations.

5.1.4 Subcontractor is required to provide and make available prevention services to at-risk populations based upon risk and protective factors using evidenced based programs or Cenpatico approved strategies that can be demonstrated through an approved logic model. All prevention services are to demonstrate increased knowledge, skills or changes in behaviors and use Cenpatico approved evaluation instruments. All prevention programs are required to implement the use of core measures, State Outcome Measures (SOMs), where applicable, program specific evaluation tools and any other tools as determined by Cenpatico and/or Cenpatico consultant. All evaluation instruments must be approved by Cenpatico.

5.2 PREVENTION STRATEGIES

5.2.1 Cenpatico contracts for Prevention Services based upon identified community needs. Contracted strategies include:

- Community Based Projects
- Problem Identification and Referral
- Social Marketing
- Community Education and Training
- Life Skills
- Peer Leadership
- Personal and Cultural Development
- Family Support
- Education

5.3 PREVENTION REQUIREMENTS

5.3.1 Subcontractor is required to provide primary Behavioral Health Prevention Services in compliance with the ADHS/DBHS Prevention Framework for Behavioral Health. Behavioral Health Prevention Services is required to be developed and delivered in accordance to the following requirements:

5.3.1.1 Subcontractors are required to implement prevention programs and services that do not endanger the health, safety, or welfare of persons served.

5.3.1.2 Subcontractor is required to provide services in a respectful, non-exploitive manner that incorporates the cultural competency requirements in service deliver.

5.3.1.3 Subcontractor is required to meet, at minimum, the following safety requirements:

- Demonstrate documentary evidence that all staff, contractors, volunteers or other person delivering prevention services to persons under the age of 18

have applied for or received a Class I Fingerprint Clearance card before providing prevention services

- Persons denied a Class I Fingerprint Clearance card shall not provide unsupervised services to youth in prevention programs.

5.3.1.4 Subcontractor is required to comply with Provider Manual Section 7.4, *Reporting of Incidents, Accidents and Deaths.*

5.3.1.5 Subcontractor is required to demonstrate documentary evidence that at least one staff member is current in First Aid Certification and at least one staff member current in Cardio Pulmonary Resuscitation Certification (CPR) are present at all times on facility premises, on field trips, or while transporting children in a facility's motor vehicle or a vehicle designated to transport children. A staff member with current certification in both first aid and CPR may meet this requirement.

5.3.1.6 Subcontractor is required to maintain a current first aid kit accessible to staff members

5.3.1.7 Subcontractor is required to prohibit the use or possession of the following items when a prevention program member is on facility premises, during hours of operation, or in any motor vehicle when used for transportation of program members:

- Any beverage containing alcohol
- A controlled substance; and
- A firearm or other lethal weapon

5.3.1.8 Subcontract is required to demonstrate documentary evidence that the following health and safety inspections take place for any facilities owned, leased, or rented to provide prevention services, according to the following schedules, and make any repairs or corrections stated on an inspection report:

- Sanitation; every twelve (12) months by a local health department
- Gas inspections; every twelve (12) months by a plumber holding a plumbing business license issued by a local government; and
- Fire inspections; every thirty-six (36) months by a local fire department or the State Fire Marshal.

5.3.1.9 Subcontractor is required to ensure prevention program premises and furnishings to be free from dirt, disease, and odor. Exceptions to requirements for facilities may be made at the discretion of Cenpatico.

5.3.1.10 Subcontractor is required to have motor vehicle insurance and a current registration with the Arizona Department of Transportation.

5.3.1.11 Subcontractor shall not permit any person to be transported in a truck bed, camper, or trailer attached to a motor vehicle.

5.3.1.12 Subcontractor is required to ensure all vehicle passengers use age and size appropriate restraint systems.

5.3.1.13 Subcontractor is required to carry a first aid kit, fire extinguisher, and water sufficient for the needs of each passenger.

5.3.1.14 Subcontractor is required to carry active, written consent from a parent or guardian for each youth transported.

5.3.2 Subcontractor is required to document and immediately report all suspected alleged cases of child abuse or neglect to Tribal Social Services, Child protective Services, and Adult protective Services or to a local law enforcement agency, as applicable

5.3.3 Subcontractor is required to participate in site visits by Cenpatico/ADHS as requested.

5.3.4 Subcontractor is required to use the ADHS/DBHS Arizona Prevention Evaluation Database to enter individual level data for each State Outcome Measure used.

5.3.5 Subcontractor is required to include in the evaluation, an analysis of process and outcome data. All Cenpatico Prevention Programs must be evaluated for outcomes, at least once annually. Each program must report at least one outcome unless the Subcontractor received written approval from Cenpatico to not complete an outcome evaluation for a specific program.

5.3.6 Subcontractor is required to use Cenpatico Evaluation Tools, as well the State Outcomes Measure instruments below to evaluate programs. Other evaluation tools may be required.

Name of Scale	**Prevention programs serving the following populations must use this instrument**
Adolescent Program Evaluation	Youth in Grade 8 to age 21
Coalition Survey	RBHA designated
Suicide Prevention Program Evaluation Tool	Any Gatekeeper Training Activities
Early Identification and Referral Form	Any person who has been referred to behavioral health treatment assessment or other services
Sidewalk or Street Survey	Community members
Cenpatico Youth Leadership	Youth in Grades 8 to age 21

5.3.7 Subcontractor is required to obtain Cenpatico written approval to use additional evaluation tools or measures.

5.3.8 Subcontractors are required to submit program evaluations in a format prescribed by Cenpatico. Required elements of the annual evaluation report will be designated by Cenpatico each year; The Subcontractors annual report contains three parts, a regional evaluation, workforce evaluation and programmatic evaluations.

5.3.9 Behavioral Health Prevention Services are required to be developed and provided based upon identified community risk and protective factors, intervening variables and community needs, as opposed to individual member needs.

5.3.10 Behavioral Health Prevention Services programs are required to be developed following a written comprehensive and collaborative analysis of community issues and needs.

5.3.11 Behavioral Health Prevention Services programs are required to build upon and support local collaborative community development efforts.

5.3.12 Behavioral Health Prevention Services are required to include robust evaluation efforts to measure the efficacy of the prevention program and the use of core measures for State Outcome Measures (SOM) reporting.

5.3.13 Behavioral Health Prevention Services program is required to be limited to primary prevention services and shall not include direct care treatment services, which should be provided through clinical outpatient programs; such as, school-based support groups or "pull out programs" for identified members.

5.3.14 Subcontractor may use environmental prevention strategies if such strategies are a logical component of the community's strategic plan to prevent substance abuse.

5.3.15 Subcontractor is required to document all Behavioral Health Prevention Services using a Cenpatico approved form and format.

5.3.16 Subcontractor is required to submit the Program Description/Logic Model and submit any program revisions/changes to Cenpatico for prior approval.

5.3.17 Subcontractor is required to agree to submit the Logic Model form and submit any program revisions/changes to Cenpatico for prior approval.

5.3.18 Subcontractor is required to evaluate for changes in targeted protective and risk factors using the core evaluation instrument(s), State Outcome Measures and program specific evaluation tools. If the Behavioral Health Prevention Provider is unable to find an appropriate ADHS core evaluation instrument, then the Behavioral Health Prevention Provider may use an alternative instrument with prior approval by Cenpatico and ADHS/DBHS. Program specific evaluation instruments are to be used to measure increased knowledge, changes in behavioral or skills and be consistent with the Logic Model.

5.3.19 Subcontractor prevention staff, are required to complete the Prevention Profile trainings identified in Essential Learning.

5.3.20 Subcontractor is required to submit monthly prevention reports and any other reports/documents as required.

5.3.21 Subcontractor is required to implement more than one prevention strategy.

5.3.22 Prevention providers are required to enter outcome data into the assigned database in accordance with the requirements to the evaluation instrument.

5.3.23 Subcontractor is required to understand any funds not used by the end of the Agreement year (June 30th) in delivery of proposed Covered Behavioral Health Prevention Services will be recouped.

5.3.24 Subcontractor is required to use the ADHS active Consent template to gain parental consent for youth to participate in evaluations of school based prevention programs. Subcontractor is required to obtain written, active, parental consent in accordance with A.R.S. § 15-104, to conduct any survey, analysis, or evaluation of students that is administered in a school if it includes questions about substances, suicide, or sexual behavior. Parental consent is not required to participate in the program itself. Subcontractor is required to maintain a locked file of signed Active Parent Consent forms for prevention services and develop a unique identifier. Parental consent is not required to participate in the program.

5.3.25 Subcontractor is required to attend the annual prevention conference and other trainings as requested.

5.3.26 Subcontractor is required to record and report the number of referrals to behavioral health services and to community based services using the ADHS format.

5.3.27 Prevention professional must complete workforce development requirements as specified in the Framework for Prevention. The level I Prevention Professionals Trainings shall include:

- Essential Learning Prevention list
- Annual Cultural Competency
- Annual Ethics
- All trainings required for Prevention Credentialing

5.3.28 Subcontractor is required to maintain regularly scheduled supervision sessions and document such sessions in a standardized format that includes, at a minimum, date, duration, subject matter, staff name, supervisor name, and signatures.

5.3.29 Prevention providers are required to comply with DBHS Credentialing process requirements and ensure staff is credentialed at least as a Level I Prevention Professional.

5.3.30 Subcontractor is required to comply with relevant SAPT Block Grant requirements.

5.3.31 Subcontractor is required to comply with all Prevention Training requirements. Annual cultural competency and ethics training is required. First year prevention staff must attend live cultural competency training sponsored by Cenpatico; subsequent years training may be on-line, recorded webinars or live, and shall include:

- Cultural Competency 101 – Embracing Diversity
- Prevention Foundations: Part 1 – An Introduction to prevention
- Prevention Foundations: Part 2 – Models in Prevention
- Prevention Foundations: Part 3 – Planning in Prevention
- Prevention Foundations: Part 4 – Middle to Late Adulthood
-

On-Line:

- Basic Introduction to HIV / AIDS
- Stress Management in the Workplace
- Understanding Elder Abuse
- Meeting the Behavioral Health needs of Returning Veterans

5.3.32 Provider is to leverage Cenpatico funds through grants, fundraising, in-kind support and/or other measures

5.3.33 Staff to participate in monthly provider meetings, as scheduled.

5.3.34 All prevention programs are based on local data using best practices. Local needs and assets assessments are conducted at least every three years.

5.3.35 Coalition sustainability plans must be developed within the first year and updated at least annually.

5.3.36 Needs and asset assessments to be conducted at a minimum every three years.

5.4 PREVENTION SERVICES PERIODIC REPORTING

5.4.1 Subcontractor is required to submit an Annual Prevention Plan/Logic Model by April 5th of the year preceding the State fiscal year in which the plan will be implemented. The plan shall contain three (3) parts; Part 1: Regional Strategic Plan (1 per Program/Community) and Part 2: Program Description; Part 3: Measurable Goals and Objectives submitted in the prescribed format and entered into prescribed database.

5.4.2 Subcontractor is required to submit an Annual Prevention Report by August 31st of the year following the State fiscal year in which the previous Annual Prevention Plan was implemented. The plan shall contain four (4) parts; Part 1: Regional Evaluation (1 per Program/Community),

Part 2: Evaluation of Workforce Capacity (1 per Program/Community), Part 3: Program Evaluation (1 per Program/Community), Part 4: Evaluation Outcomes and Supplemental Information.

5.4.3 Subcontractor is required to submit allegations of attempted suicide, sexual abuse, and death incident report.

SCOPE OF WORK – ARTICLE VI
PROVIDER SPECIFIC REQUIREMENTS

6.1 OVERVIEW – Prevention Strategies

6.1.1 Subcontractor is required to develop and implement environmental strategies to change community norms, perceptions and policies, based on local needs and data, to address perception of harm, youth talking to parents about alcohol and drugs, reduce underage drinking, and access to prescription drugs and misuse and abuse of prescription drugs for youth and older in the area of Gila County.

6.1.2 Planning and implementation must be in collaboration with the local substance use coalition and designed to change community norms, laws and policies. Process and outcome measures must be developed, collected and reported.

6.1.3 Multiple strategies are to be provided and may include: public information and social marketing, community education and training, community development, community based process and environmental strategies. Strategies and implementation is based on the prevailing local cultures of the targeted populations. Approved evidenced based curriculums and programs shall be used. All programs are to have measurable outcomes.

6.1.4 Youth leadership, Public Information and Social Marketing, Problem Identification and referral, Community Based Processes, Environmental Strategies, and Training and Education shall be the primary contracted strategies.

6.1.5 Subcontractor is required to maintain Participation Rosters, Permission Slips and Emergency Cards. Prevention programs/activities are year round.

6.1.6 Documentation is required to be completed on Cenpatico approved documentation forms. All referrals and follow-up shall be documented on approved forms. Staff supervision shall be documented.

6.1.7 Prevention staff is required to attend all required trainings and meetings. Membership in Arizonans 4 Prevention and CADCA is required. At a minimum prevention staff shall be credentialed as a Level 1.

6.1.8 Cenpatico of Arizona and the Arizona Department of Health Services support shall be acknowledged in training and program announcements/materials.

6.1.9 Subcontractor is required to implement the Arizona Department of Health Services/Division of Behavioral Health (ADHS/DBHS) approved Copper Basin logic model

6.1.10 Establish a professionally developed public information and social marketing campaign to address the approved logic model.

6.1.11 Closely monitor expenditures.

6.1.12 Subcontractor is required to develop a proposed budget for Cenpatico approval and obtain prior approval from Cenpatico for any revisions to the proposed budget.

6.1.13 Subcontractor is required to contract with a consultant or consultants, approved by Cenpatico for coalition development and sustainability.

6.1.14 Subcontractor is required to submit any change to the signatory authorization to Cenpatico, within thirty (30) days of the change.

CENPATICO OF ARIZONA, LLC
FINANCIAL COMPENSATION
EXHIBIT B
GILA COUNTY HEALTH DEPARTMENT
ORIGINATION DATE: 11/01/2013

1. OVERVIEW

Cenpatico shall compensate Subcontractor for Universal Prevention Services provided to persons not enrolled in behavioral health services as outlined in this Agreement. The method and amount of compensation for the contract year (July 1 - June 30) is specified in this Exhibit. Changes in the fee schedule or amount of compensation for the contract year (July 1 - June 30) may occur through amendments to this Agreement, or as a result of funding reductions from ADHS/DBHS.

2. CONTACT MAXIMUM AMOUNT

The Contract limit will not exceed **$23,000** for the contractual year January 1 - June 30), as identified in the Payment Table(s) below. The Maximum amount payable under this contract is specific to "Payment Type" and "Fund Type". Under-delivery in one Payment Type or Fund Type can not be offset by over-delivery in another Payment Type or Fund Type, except as approved by Cenpatico.

2. CONTRACT PAYMENT TABLE

Payment Table / GSA 4 Pinal - Gila Counties

Service Level	County / Community	Program	Payment Type	Budget Term	Total for Budget Term
		Prevention SAPT			
Payment Table	Gila	**Prevention SAPT**	Block Payment - after monthly reporting approval	05/01/2014 - 06/30/2014	23,000
			GSA 4 Total	**Prevention SAPT**	**23,000**
Grand Total - GSA 4					
			Grand Total	**GSA 4**	**23,000**

CENPATICO
CENPATICO UNIFORM TERMS AND CONDITIONS
PREVENTION SERVICES AGREEMENT – EXHIBIT C
GILA COUNTY HEALTH DEPARTMENT
ORIGINATION DATE: 07/01/2010 REVISED: 12/01/2013

These Uniform Terms and Conditions apply to the Managed Health Services Subcontractor Agreement between Subcontractor and Cenpatico (collectively referred to herein as the "Parties"). As used herein, the term "Agreement" shall refer to the Managed Health Services Subcontractor Agreement and all Attachments thereto, including this Exhibit C.

ARTICLE I
SUBCONTRACTOR ADMINISTRATION AND OPERATION

1.1 **Non-Discrimination in Employment**. Subcontractor is required to comply with State Executive Order No. 2009-09, which mandates that Subcontractor will not discriminate against any employee or applicant for employment because of disability, race, age, color, religion, sex or national origin. Subcontractor will take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their disability, race, age, color, religion, sex or national origin. Such action shall include but not be limited to the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, lay-off or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Subcontractor agrees to post in conspicuous places available to employees and applicants for employment notices setting forth the provisions of this nondiscrimination clause. Subcontractor shall also comply with all other applicable federal and State laws, rules and regulations governing employment, including the ADA and Title VI.

1.2 **Non-Discrimination Based on Health Status.** Subcontractor may not deny, limit, or condition the coverage or furnishing of benefits to Members on the basis of any factor that is related to health status, including, but not limited to the following: medical condition (including mental as well as physical illness); claims experience; receipt of health care; medical history; genetic information; evidence of insurability (including conditions arising out of acts of domestic violence); and mental or physical disability.

1.3 **Co-location**. In the event Subcontractor seeks to co-locate on the same premises with one or more health providers, Subcontractor is required to enter into a formal written agreement with all entities seeking to co-locate. Subcontractor is required to provide Cenpatico with a copy of the co-located provider agreement within ten (10) business days after execution of the agreement. The agreement is required to address, at a minimum, the methodology to ensure compliance with the following provisions in the Arizona Administrative Code, Title 9, Chapter 20: R9-20-204, Staff Member and Employee Qualifications and Records; R9-20-205, Clinical Supervision; and R9-20-206, Orientation and Training.

1.4 **Subcontractor Panel Maintenance**. Upon the execution of this Agreement: (i) Subcontractor shall maintain and provide to Cenpatico a list of Direct Care Staff, and shall update Cenpatico within ten (10) days in any change to the list of the Direct Care Staff by written notice, and (ii) Subcontractor shall furnish to Cenpatico the required provider information including, but not limited to, name, State license number, specialty, board status, NPI, and agency/hospital affiliation.

1.5 **Registration**. Subcontractor is required to be registered with AHCCCS. Subcontractor and all of Subcontractor's eligible Direct Care Staff are required to apply for and maintain Medicare Enrollment and be enrolled as a Medicare Service Provider, unless Cenpatico grants Subcontractor an exception in writing. For the purposes of this provision, a "Medicare Service Provider" means a clinical provider that is a valid Medicare provider type and provides services that could be paid under Medicare. In addition, Subcontractor must obtain a unique NPI and submit all claims with such NPI. NPI numbers must be registered with AHCCCS.

1.6 **Laboratory Services**. If Subcontractor performs laboratory testing, by signing the Agreement, Subcontractor certifies that it has complied with 42 CFR § 411.361 and has sent to Cenpatico copies of the information

required by that rule to be sent to CMS. If Subcontractor performs laboratory services, Subcontractor further is required to meet all applicable State and federal requirements related to the provision of laboratory services, including but not limited to (i) have a Clinical Laboratory Improvement Amendment (CLIA) Licensure, CLIA Certificate of Waiver, or Certificate of Registration with a CLIA identification number, and (ii) meet all requirements of 42 CFR § 493, Subpart A. Subcontractors can only provide services that are consistent with their type of CLIA certification. If Subcontractor refers Members to an outside laboratory, Subcontractor must submit appropriate laboratory requisition forms to include all necessary demographic information, including diagnosis and Member's Client Information System (CIS) number. Laboratory services do not require prior authorization. Subcontractor is required to be liable for all laboratory services requested by Subcontractor that are not related to behavioral health diagnoses and are not reimbursable under the Member's medical health plan.

1.7 **Health Insurance Portability and Accountability Act of 1996.** Subcontractor warrants that it is familiar with the requirements of HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act (HITECH Act) of 2009, and accompanying regulations and will comply with all applicable HIPAA requirements in the course of the Agreement. Subcontractor warrants that it will cooperate with Cenpatico in the course of performance of the Agreement so that both Cenpatico and Subcontractor will be in compliance with HIPAA, including cooperation and coordination with the Government Information Technology Agency (GITA), Statewide Information Security and Privacy Office (SISPO), Chief Privacy Officer, the Cenpatico Compliance Officer and HIPAA Coordinator, and other compliance officials required by HIPAA and its regulations. Subcontractor will sign any documents that are reasonably necessary to keep Cenpatico and Subcontractor in compliance with HIPAA, including, but not limited to business associate agreements.

If requested by Cenpatico, Subcontractor agrees to sign a "Pledge to Protect Confidential Information" and to abide by the statements addressing the creation, use, and disclosure of confidential information, including information designated as protected health information and all other confidential or sensitive information as defined in policy. In addition, if requested, Subcontractor agrees to attend or participate in HIPAA training offered by ADHS or Cenpatico, or to provide written verification that Subcontractor has attended or participated in job-related HIPAA training that is: (i) intended to make Subcontractor proficient in HIPAA for purposes of performing the services required and (ii) presented by a HIPAA Privacy Officer or other person or program knowledgeable and experienced in HIPAA and who has been approved by the GITA/SISPO Chief Privacy Officer and HIPAA Coordinator, or Cenpatico Compliance Officer.

Subcontractor further agrees to establish and maintain procedures and controls so that no information contained in its records or obtained from CMS or from others in carrying out the terms of the Agreement shall be used by or disclosed by Subcontractor, its agents, officers, or employees except as provided in said section 1106 of the Social Security Act and regulations prescribed thereunder.

1.8 **Credentialing and Re-credentialing Criteria.** Subcontractor is required to comply with the processes for credentialing, re-credentialing, and/or training contained in the ADHS/DBHS Provider Manual-Cenpatico Edition.

1.9 **Subcontractor's Representations and Warranties.**

a. **General Representations and Warranties.** Subcontractor represents and warrants that currently, and for the duration of the Agreement:

1) Subcontractor is and will remain in compliance with all applicable federal, State, and local laws and regulations (including but not limited to: Federal laws and regulations designed to prevent or ameliorate fraud, waste, and abuse, and those governing participation in the Medicare Advantage

program (as applicable); applicable provisions of Federal criminal law; the False Claims Act (31 U.S.C. 3729 et. seq.); Title VI of the Civil Rights Act of 1964; the Age Discrimination Act of 1975; the Americans with Disabilities Act; the Rehabilitation Act of 1973; the federal health care program anti-kickback statute; and Medicare laws, regulations, and CMS instructions(as applicable));

2) The Subcontractor, as a condition for receiving payments and pursuant to the Deficit Reduction Act of 2005 (DRA), will establish and maintain written policies, provide education, and train employees about the following: Federal False Claims Act, 31 U.S.C. §§ 3729-3733 provisions; the administrative remedies for false claims and statements; any State laws relating to civil or criminal penalties for false claims and statements; and the whistleblower protections under such laws. All trainings must be conducted in such a manner that verification can be conducted by Cenpatico at any time;

3) Subcontractor is and will comply with all laws regarding tax obligations, safety, unemployment insurance, disability insurance and worker's compensation insurance;

4) Subcontractor will perform its duties in accordance with all applicable federal, State and local licensing requirements, as well as applicable federal, State and local standards of professional ethics and practice;

5) Subcontractor has and will maintain written policies that are implemented and enforced, that describe the duties of all persons or entities that Subcontractor employs or otherwise engages the services of for the provision of Covered Services to Members, and that are in accordance with statutory and/or regulatory requirements for licensure, delegation, supervision and collaboration, as appropriate; and

6) to the extent that Subcontractor executes a contract with any other person or entity that in any way relates to Subcontractor's representations and warranties under this section, Subcontractor shall require that such other person or entity to provide these same representations and warranties.

b. **Level I Provider Representation and Warranty**. Any Subcontractor that is a Level I provider represents and warrants that Subcontractor is, and will remain for the duration of the Agreement, accredited by an appropriate accrediting body acceptable to Cenpatico.

c. **Notice Requirement**. In the event that, at any time, any of the above representations or warranties become untrue because of a material change in status of Subcontractor, Subcontractor is required to notify Cenpatico within ten (10) days of the date Subcontractor receives notice of the same. Without limiting the generality of the foregoing, Subcontractor is also required to notify Cenpatico of the following: (i) any situation which develops involving Subcontractor when notice of that situation must be given to any regulatory body with authority over Subcontractor; or (ii) when a change in Subcontractor's license to operate is affected, or may reasonably be affected, as a result of any investigation conducted, or complaint filed, by the official body with regulatory authority over Subcontractor.

1.10 **Adherence to Supervision Requirements**. Subcontractor is required to follow good clinical supervision practices and make available adequate resources for supervision, as defined by ADHS/DBHS Provider Manual-Cenpatico Edition and State and federal laws (including, when applicable, Medicare laws, regulations, and CMS instructions).

1.11 **Staffing Requirements**. Subcontractor is required to have organizational, management, and administrative systems capable of meeting all Agreement requirements with clearly defined lines of responsibility, authority, communication, and coordination within and between departments, units, or functional areas of

operation. Subcontractor shall not employ any individual or entity that has been debarred, suspended, or otherwise lawfully prohibited from participating in any procurement activity, or from participating in non-procurement activities under regulations issued under Executive Order No. 12549 or under guidelines implementing Executive Order No. 12549 (43 CFR § 438 610(a) and (b); 42 CFR § 1001.1901(b); 42 CFR § 1003.102(a)(2)). Subcontractor is required to employ sufficient staffing and utilize appropriate resources to comply with the Agreement. Subcontractor's resource allocation must be adequate to achieve outcomes in all functional areas within the organization. Adequacy will be evaluated based on outcomes and compliance with the Agreement requirements, including the requirement for providing culturally competent services. If Subcontractor does not achieve the desired outcomes or maintain compliance with the Agreement, Cenpatico may exercise its right to remedies under the Agreement. Subcontractor is required to participate in face-to-face meetings with Cenpatico for purposes of assessing Subcontractor compliance. Subcontractor is required to require all staff to have the training, education, experience, orientation, and credentialing, as applicable to perform assigned job duties.

1.12 Required Disclosures.

a. Subcontractor is required to provide Cenpatico with written notice within one (1) business day from the date Subcontractor first receives notice, whether written or oral, of any of the events indicated below. Upon request, Subcontractor will provide Cenpatico with additional documentation or information regarding any such event:

1) Subcontractor becomes aware of an action to suspend, condition, revoke, terminate, or subject to terms of probation or other restriction, Subcontractor's license, certification, or accreditation relevant to the provision of Covered Services, including, but not limited to, Subcontractor's federal and/or State drug license;

2) Subcontractor voluntarily surrenders or terminates any of Subcontractor's licenses, certifications, accreditations, or privileges in anticipation of an action described in the Agreement;

3) Subcontractor is convicted of a fraud or felony or is suspended, debarred, excluded from participation in a federal health care program (as defined in 42 U.S.C. § 1320a-7b(f)), excluded from participation in Medicare under sections 1128 or 1128A of the Act, or Subcontractor employs or contracts with an excluded individual or entity for the provision of health care, utilization review, medical social work, or administrative services;

4) An act of nature or any event beyond Subcontractor's control occurs that substantially interrupts all or a portion of Subcontractor's business or practice, or that has a materially adverse effect on Subcontractor's ability to perform its or his/her obligations hereunder;

5) Subcontractor fails to maintain the insurance coverage required under the Agreement;

6) Any malpractice claim, lawsuit, judgment, or settlement in which Subcontractor is a named defendant;

7) There is a change in Subcontractor's business address, tax identification number, AHCCCS registration, or scope of services, or Subcontractor experiences a merger, reorganization, or change in ownership or control;

8) Subcontractor discovers, or is made aware, that an incident of suspected fraud or abuse has occurred. If so, Subcontractor is required to report the incident immediately by completing the confidential AHCCCS Referral for Preliminary Investigation form to AHCCCS, Office of the Director, Office of Program Integrity, and the ADHS Fraud and Abuse Unit. Incidents involving suspected

Behavioral Health Member eligibility fraud should be reported to AHCCCS, Office of Program Integrity, Attn: Behavioral Health Member Fraud Unit;

9) Subcontractor becomes aware that Subcontractor or any director, officer, employee, or volunteer of Subcontractor is charged with a crime involving fraud, dishonesty, or abuse; or

10) Any situation that arises that could reasonably be expected to affect Subcontractor's ability to carry out its obligations under the Agreement.

b. Subcontractor shall not end a program or service, close a facility, or relocate a facility outside of the current zip code without first notifying Cenpatico of the anticipated change in writing. Subcontractor is required to provide Cenpatico at least ninety (90) days' notice prior to the anticipated effective date of the expected changes to allow Cenpatico time to review the requested change and renegotiate contract requirements when applicable. Subcontractor is required to provide notice within one day of any unexpected change. Ending a program or service, closing a facility, or relocating a facility outside of the current zip code without the written consent and prior approval of Cenpatico constitutes a material breach of the contract.

1.13 **Quality Management, Medical Management, and Improvement**. Subcontractor is required to comply with ADHS/DBHS and Cenpatico's quality management and medical management programs and with applicable provisions of the ADHS/DBHS Provider Manual-Cenpatico Edition, the ADHS/DBHS Bureau of Quality Management Operations Specification Manual, the ADHS/DBHS Utilization Management/Medical Management (UM/MM) Plan and Work Plan, the ADHS/DBHS Quality Management (QM) Plan and Work Plan, the ADHS/DBHS Policies and Procedures Manual, and the AHCCCS Medical Policy Manual, as well as with 42 CFR Parts 441 and 456 and all applicable federal and AHCCCS quality management requirements. Cenpatico will actively monitor Subcontractor's compliance with this provision, and Cenpatico shall impose corrective actions on Subcontractor if Subcontractor does not show demonstrable and sustained improvement toward meeting ADHS-established or ADHS-approved minimum performance standards. Subcontractor is required to meet the ADHS/DBHS Minimum Performance Standards (MPS) and Goals for services delivered to Title XIX/XXI Adult and Child Members as set forth in Exhibit A. Cenpatico may impose corrective action, financial sanctions, notice to cure, or other remedies on Subcontractor if: (i) Subcontractor does not achieve and sustain the minimum performance standards for any indicator; (ii) Subcontractor's performance for any indicator declines to a level below the ADHS-established or approved minimum performance standard; or (iii) there is a statistically significant drop in Subcontractor's performance on any indicator without a justifiable explanation. Subcontractor shall, participate in, cooperate with, and where applicable, implement, ADHS quality improvement activities. Subcontractor is required to follow a FOCUS - PDSA (Plan Do Study Act) model of continuous quality improvement to identify and resolve systems issues.

1.14 **Trending of Incidents, Accidents, and Deaths Report**. Subcontractor is required to report incidents, accidents, and deaths in accordance with the ADHS/DBHS Provider Manual-Cenpatico Edition.

1.15 **Marketing Restrictions**

a. Subcontractor shall not use for marketing:

1) Incentive items except for use in connection with outreach activities, subject to Cenpatico's prior approval;

2) Solicitation of any individual face-to-face, door-to-door, or over the telephone;

3) Provision of promotional materials, incentives, or any other activity to influence enrollment in

conjunction with the sale or offering of any private insurance;

4) Television advertising;

5) Direct mail advertising;

6) Marketing of non-covered services;

7) Utilization of the word "free" in reference to Covered Services;

8) Listing of providers in marketing and open enrollment materials who do not have signed agreements with Cenpatico;

9) Use of the Cenpatico, ADHS or AHCCCS logo unless approved by Cenpatico;

10) Inaccurate, misleading, confusing, or negative information about Cenpatico, AHCCCS, and ADHS, and any information that may defraud Members or the public; and

11) Discriminatory marketing practices prohibited by law.

b. Subcontractor is required to review and revise all outreach and marketing materials on an annual basis to reflect current practices.

1.16 **Advertising, Publishing, and Promotion of Agreement**. Subcontractor shall not use, advertise, or promote information for commercial benefit concerning the Agreement without the prior written approval of Cenpatico.

1.17 **Mergers, Reorganization, Changes in Ownership or Control, and Other Disclosures**

a. **Prior Approval**. Subcontractor is required to obtain prior approval of Cenpatico and sign a written amendment to the Agreement for any merger, reorganization, or change in ownership of Subcontractor. Subcontractor is required to submit a detailed merger, reorganization, and/or transition plan to Cenpatico for review and include strategies to ensure uninterrupted services to Members eligible to receive services, ensure that services are not diminished, and that major components of Subcontractor's organization and programs relevant to the Agreement are not adversely affected by the merger, reorganization, or change in ownership.

b. **Disclosure of Ownership and Control** [42 CFR 455.104]. The Subcontractor must provide the following information to Cenpatico upon request and at any of the following times: upon the Subcontractor executing this Agreement with Cenpatico; upon renewal or extension of this Agreement; or within 35 days after any change in ownership of the Subcontractor:

1) The name and address of any person (individual or corporation) with an ownership or control interest in the Subcontractor (the address for corporate entities must include as applicable primary business address every business location, and P.O. Box address); the date of birth and Social Security Numbers of any person with an ownership or control interest in the subcontractor; and the tax identification number of any corporation with an ownership or control interest in the Subcontractor.

2) Whether any person (individual or corporation) with an ownership or control interest in the Subcontractor is related to another person with ownership or control interest in the Subcontractor as a spouse, parent, child, or sibling; or whether any person (individual or corporation) with an ownership or control interest in any subcontractor of the Subcontractor has a 5% or more interest is related to another person with ownership or control interest in the Subcontractor as a spouse,

parent, child, or sibling;

3) The name of any other disclosing entity as defined in 42 CFR 455.101 in which an owner of the Subcontractor has an ownership or control interest; and

4) The name, address, date of birth and Social Security Number of any managing employee of the Subcontractor as defined in 42 CFR 455.101.

c. **Disclosure of Information on Persons Convicted of Crimes** [42 CFR 455.101, 106, and 436]. The Subcontractor must identify all persons associated with the Subcontractor and its fiscal agents who have and ownership or control interest or managing employee interest and determine if they have been convicted of a criminal offense related to that person's involvement in any program under Medicare, Medicaid, or the Title XX services program. The Subcontractor shall, on a monthly basis, confirm the identity and determine the exclusion status through routine checks of: The List of Excluded Individuals (LEIE); the System for Award Management (SAM) formerly known as The Excluded Parties List (EPLS); and any other databases directed by AHCCCS or CMS. The Subcontractor must immediately notify AHCCCS, DBHS, and Cenpatico of any person who has been excluded through these checks. The results of the *Disclosure of Information on Persons Convicted of Crimes* shall be held by the Subcontractor. Upon request, the Subcontractor shall provide AHCCCS, DBHS, and/or Cenpatico with the above-listed information. On an annual basis, the Subcontractor shall submit to the Cenpatico Disclosure of Information of Persons Convicted of a Crime form (included in the ADHS/DBHS Provider Manual-Cenpatico Edition), attesting that the above-listed information has been requested and obtained. Refer to Attachment E Chart of Deliverables for further information.

d. **Disclosure of Information Related to Business Transactions** [42 CFR 455.105]. The Subcontractor is required to furnish to Cenpatico, ADHS, AHCCCS, and CMS within thirty-five (35) days of receiving a request, full and complete information, pertaining to the following business transactions:

1) The ownership of any subcontractor with whom the Subcontractor has had business transactions totaling more than $25,000 during the twelve (12) month period ending on the date of such request; and

2) Any significant business transactions between the Subcontractor and wholly owned supplier, or between the Subcontractor and their subcontractor during the 5-year period ending on the date of such request.

1.18 Notification of Service Level Changes.

a. Subcontractor is required to notify and obtain written approval from Cenpatico before making any material changes in the size, scope, or configuration of Subcontractor's services.

b. Subcontractor is required to notify Cenpatico in writing within one (1) day of knowledge of or anticipation of any unexpected material change or deficiency; any material change to Subcontractor's license, certification or registration; or any condition which terminates, suspends or limits Subcontractor from effectively participating in the network, including the necessity for transition of Members to a different provider. The notice is required to include information on:

1) How the change, deficiency, or condition affects service delivery;

2) Subcontractor's plan to minimize disruption to Member care, service delivery, and for consultation with Member treatment teams to discuss the available alternative service delivery options and to revise treatment plans to address changes in services or service providers;

3) The number of Title XIX/XXI and Non-Title XIX/XXI Members affected by the change, deficiency or condition in each program category; and

4) Subcontractor's plan to communicate the change, deficiency, or condition to Members and stakeholders.

c. Upon Cenpatico's request, submit a written plan to transition Members affected by the change, deficiency, or condition to a different provider and to address a network change, deficiency, or condition to restore the network to full capacity.

d. Subcontractor is required to document all activities for each Member transitioned to a different provider. Documentation is required to include: Name, Title XIX/XXI eligibility status, SMI eligibility status, date of birth, program category, description of all services the Member receives or will receive, the name of the new provider, date and method of Member notification, service disruption or termination found or resulting from the transition, the date of first appointment, and re-engagement activities provided to Members who miss their first appointment with the new provider.

e. Subcontractor is required to fully cooperate with Cenpatico to effectively transition Members to a new provider, track and document all engagement and coordination activities, provide copies of clinical records to new providers, and provide timely responses to Cenpatico's request for information or updates.

1.19 **Anti-Kickback Certification of Compliance.** By signing the Agreement, Subcontractor certifies that it has not engaged in any violation of the Medicare Anti-Kickback statute (42 USC §§1320a-7b) or the "Stark I" and "Stark II" laws governing related-entity referrals (PL 101-239 and PL 101-432) and compensation therefrom. Except for payment for Subcontractor's performance under the terms of the Agreement, Subcontractor or any director, officer, agent, employee or volunteer of Subcontractor shall not request or receive any payment or other thing of value either directly or indirectly, from or for the account of Cenpatico or Subcontractor as consideration for or to induce either Cenpatico or Subcontractor to enter into a contract, or for any referrals of enrolled persons to Subcontractor for the provision of Covered Services.

1.20 **Pandemic Declaration.** 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 the Agreement impossible or impracticable, Cenpatico shall have the following rights:

a. After the official declaration of a pandemic, Cenpatico may temporarily void the Agreement in whole or specific sections, if Subcontractor cannot perform to the standards agreed upon in the initial terms;

b. Cenpatico shall not incur any liability if a pandemic is declared and emergency procurements are authorized by the Director as per A.R.S. 41-2537 of the Arizona Procurement Code;

c. Once the pandemic is officially declared over and/or Subcontractor can demonstrate the ability to perform, Cenpatico, at its sole discretion, may reinstate the temporarily voided Agreement.

1.21 **Declaration of Emergency.** Upon a declaration by the Governor that an emergency situation exists in the delivery of behavioral or other health service delivery system that without intervention by government agencies, threatens the health, safety, or welfare of the public, Cenpatico can undertake actions to negotiate an agreement with an alternative entity to provide services. Cenpatico shall immediately notify the affected Subcontractor of its intention.

1.22 **Conflict of Interest.** Subcontractor shall not undertake any work that represents a potential or existing conflict of interest regarding the performance of the Agreement, or which is not in the best interest of

Cenpatico, ADHS/DBHS, or the State without prior written approval by Cenpatico. Subcontractor is required to fully and completely disclose to Cenpatico a potential or existing conflict of interest. If Subcontractor discovers a conflict of interest and does not immediately notify Cenpatico and discontinue any related activities or relationships, Cenpatico may consider Subcontractor to be in breach of the Agreement. If, as a result of a conflict of interest, Cenpatico or ADHS incurs a financial loss to a State or federal program or Subcontractor realizes an inappropriate financial gain to its organization, an employee, or subcontractor, such loss or gain shall be considered an overpayment subject to recoupment by Cenpatico. In addition to exercising its remedies under the Agreement, Cenpatico may refer Subcontractor's conflict of interest activities to ADHS/DBHS and/or the appropriate law enforcement agency as suspected fraud or program abuse.

1.23 **Medicare Modernization Act Requirements**. Subcontractor is required to comply with the Medicare Modernization Act of 2003 (MMA) for Medicare Part D, prescription drug benefit.

1.24 **Social Networking and Broadcast Activities**. Subcontractor shall adhere to the requirements for Social Networking and Broadcast activities as described in ACOM Policy 425 as well as any Cenpatico social networking policy. Cenpatico will monitor Subcontractor's compliance with this requirement, and Subcontractor must cooperate with Cenpatico and provide all information requested by Cenpatico in carrying out this monitoring.

1.25 **Ownership of Work Product**. Any and all intellectual property, including but not limited to Deliverables, copyright, invention, trademark, trade name, service mark, and/or trade secrets created or conceived pursuant to or as a result of the Agreement (Work Product) shall be work made for hire and the State shall be considered the creator of such Work Product. ADHS/DBHS shall own (for and on behalf of the State) the entire right, title, and interest to the Work Product throughout the world. Subcontractor shall notify Cenpatico, within twenty (20) days, of the creation of any Work Product by it. Subcontractor agrees to execute any and all document(s) necessary to assure ownership of the Work Product vests in the State and shall take no affirmative actions that might have the effect of vesting all or part of the Work Product in any entity other than the State. The Work Product shall not be disclosed by Subcontractor to any entity other than Cenpatico or the State without Cenpatico's express written authorization.

1.26 **Offshore Performance of Work Prohibited**. Any services described in the Agreement 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 this Agreement, this paragraph does not apply to indirect or 'overhead' services, redundant back-up services, or services that are incidental to the performance of the Agreement. This provision applies to work performed by subcontractors at all tiers.

ARTICLE II
SUBCONTRACTOR'S SERVICE PROVISION OBLIGATIONS

2.1 **Provision of Covered Services**. Subcontractor agrees to provide, or arrange for the provision of, the Covered Services described in the Agreement (including Exhibit A and all other exhibits) to Members. In providing Covered Services, Subcontractor agrees to comply with ADHS/DBHS's definition of medically necessary services. If Subcontractor is Direct Care Staff, it agrees to operate only within the scope of its professional practice and training. The population of Members to be served by Subcontractor, and Subcontractor's Member capacity, shall be as provided in Exhibit A, "Scope of Work." The amount, duration and scope of Covered Services to be provided by Subcontractor pursuant to the Agreement shall also be as provided in

Exhibit A, "Scope of Work." Subcontractor is required to provide Covered Services in accordance with all generally accepted clinical, legal and ethical standards governing Subcontractor and within the standards of practice for quality care generally recognized within the health community in which Subcontractor is located. Subcontractor acknowledges and agrees that services provided to Members which do not constitute Covered Services or which are provided in a manner inconsistent with the Agreement or the ADHS/DBHS Provider Manual-Cenpatico Edition, shall not be eligible for payment under the Agreement. Subcontractor is required to ensure that Covered Services are available to all Members, as needed, to ensure the safety and well-being of all Members under Subcontractor's care twenty-four (24) hours per day, seven (7) days per week. Subcontractor is required to ensure the availability of Professionals to provide telephonic assistance to Members during non-business hours. This availability should be delivered by Subcontractor and be in addition to the crisis services offered by Cenpatico or its designee.

2.2 **Acceptance of New or Existing Members**. Subcontractor is required to accept any new Member who is eligible to be enrolled or any Member enrolled with Cenpatico. AHCCCS is responsible for enrollment, re-enrollment and disenrollment of Medicaid eligible members and non-Medicaid eligible members. Members have open access and can self-refer to any Participating Health Care Subcontractor contracted to provide intake services. Subcontractor may provide factual information, but Subcontractor is prohibited from recommending or influencing a Member's selection of a provider. When a Member requests to access Covered Services, there shall be no wrong door. Cenpatico and Subcontractor are required to respond when a Member requests Covered Services and follow through to ensure the Member receives appropriate services. Subcontractor is required to assist any Member with obtaining Covered Services for which the Member is eligible, from the Participating Health Care Subcontractors best-suited to deliver effective services to Member. Subcontractor is required to not arbitrarily or prematurely deny, suspend, or terminate services to a Member without Cenpatico's prior approval.

2.3 **Subcontractor Serves as Agent of the State and A.R.S. §1-502**. Subcontractor understands Subcontractor provides services as an agent of the State; and as such, is required to 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. Subcontractor understands that Cenpatico or the State shall reserve the right to conduct unscheduled, periodic process and documentation audits to ensure Subcontractor 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 agreement

2.4 **Determination of Member Eligibility**. Subcontractor is required to determine, in accordance with the procedures specified in the ADHS/DBHS Provider Manual-Cenpatico Edition, whether a person seeking Covered Services is a Member eligible for such services. If Cenpatico subsequently determines that such person was not eligible at the time the services were rendered, Cenpatico shall not be responsible for payment of such services.

2.5 **Referrals**. Subcontractor is required to comply with all applicable provisions of the ADHS/DBHS Provider Manual-Cenpatico Edition for the making and acceptance of referrals for Covered Services. Subcontractor is required to accept all Member referrals made by Cenpatico. Subcontractor is required to make referrals of Members for Covered Services only to other Participating Health Care Subcontractors, except: (i) as the need for Emergency Services may require; (ii) where Cenpatico specifically authorizes the referral; or (iii) as otherwise required by law or by the ADHS/DBHS Provider Manual-Cenpatico Edition. If Subcontractor delivers Covered Services upon referral, Subcontractor is required to make a report, in accordance with the requirements of the ADHS/DBHS Provider Manual-Cenpatico Edition, to the Member's PCP.

2.6 **Emergency Services**. In a health emergency, Subcontractor is required to verify eligibility for Covered

Services in accordance with the ADHS/DBHS Provider Manual-Cenpatico Edition and with federal, State, and local laws relating to the provision of Emergency Services, provided that nothing in this provision shall be deemed to require Subcontractor to violate federal or State law regarding the provision of Emergency Services. Subcontractor is required to notify Cenpatico within twenty-four (24) hours or by the next business day of rendering or learning of the rendering of Emergency Services to a Member.

2.7 **Special Assistance for Persons with Serious Mental Illness**. Subcontractor is required to notify Cenpatico, the ADHS/DBHS Office of Human Rights, and the appropriate Human Rights Committee of all individuals deemed to be in need of special assistance in accordance with the ADHS/DBHS Provider Manual - Cenpatico Edition. Subcontractor is required to also ensure that its staff has the necessary skill and knowledge to identify and refer all persons in need of special assistance.

2.8 **Age of Majority**. Subcontractor is required to ensure that Members reaching the age of majority are provided continuity of care without service disruptions or mandatory changes in service providers. Subcontractor is required to also allow enrolled children and enrolled parents to receive services from the same provider, if requested.

2.9 **Cultural and Linguistic Needs**. Subcontractor is required to conduct an assessment of the service area's cultural and linguistic needs, and deliver culturally appropriate services in conformance with ADHS/DBHS Cultural Competency Plan and Cenpatico's Cultural Competency Plan.

2.10 **Discharge Planning**. Subcontractor, in conjunction with Cenpatico's utilization management staff, as appropriate, and in compliance with the ADHS/DBHS Provider Manual-Cenpatico Edition, will utilize a system for the coordinated discharge planning of Members, including the planning of such continuing care as may be necessary. Subcontractor is required to also comply with the applicable discharge planning requirements outlined in the ADHS/DBHS Provider Manual-Cenpatico Edition.

2.11 **Preferred Drug List/Drug Formulary**. Subcontractor is required to abide by Cenpatico's formulary, medication lists, or preferred drug lists as applicable when prescribing medications for Members in accordance with the ADHS/DBHS Provider Manual-Cenpatico Edition. Subcontractor is required to adhere to the requirements of the AHCCCS/ADHS Psychotropic Medication Initiative in accordance with the ADHS/DBHS Provider Manual-Cenpatico Edition.

2.12 **Direction of Care**. Subcontractor will be responsible for directing its provision of Covered Services to a Member. Subcontractor understands that Cenpatico's determinations, if any, to deny payments for services which Cenpatico does not deem to constitute Covered Services, or which were not provided in accordance with the policies and procedures set forth in the Agreement (and all Attachments) and the ADHS/DBHS Provider Manual-Cenpatico Edition, are administrative decisions only, and that such a denial shall not absolve Subcontractor of its responsibility to exercise its independent judgment in the provision of appropriate Covered Services to Members

2.13 **Utilization Management**. Subcontractor is required to conduct utilization management activities in compliance with Cenpatico's utilization management plan, the ADHS/DBHS Provider Manual-Cenpatico Edition, Chapter 1000 of the AHCCCS Medical Policy Manual, the ADHS/DBHS Quality Management Utilization Management Plan, the ADHS/DBHS Policies and Procedures Manual, and federal and State laws and regulations. Cenpatico shall actively monitor Subcontractor's compliance with this provision.

2.14 **Prior Authorization**. Subcontractor will comply with ADHS/DBHS and Cenpatico's prior authorization policies, procedures, protocols, and requirements, including, but not limited to, the prior authorization processes outlined in the ADHS/DBHS Provider Manual-Cenpatico Edition. Cenpatico will not require Prior Authorization for most services. Cenpatico shall not require Prior Authorization for Emergency Services,

although Cenpatico may conduct a retrospective review of such services after the Member's immediate needs have been met.

2.15 **Licensed Hospital (formerly Level I), Behavioral Health Hospital Facility (formerly Level I Sub-Acute), Behavioral Health Inpatient Facility (formerly Level I RTC), Behavioral Health Residential Facility (formerly Level II and III), Behavioral Health Supportive Home (formerly Adult TFC), and HCTC Authorization Requirements**. Any Licensed Hospital, Behavioral Health Hospital Facility, Behavioral Health Inpatient Facility, Behavioral Health Residential Facility, or HCTC service requires prior authorization, unless authorization requirements are specifically waived in Exhibit B. Licensed Hospital, Behavioral Health Hospital Facility, Behavioral Health Inpatient Facility, Behavioral Health Residential Facility, and HCTC services not authorized in advance may be denied for no authorization. Emergency admissions to Level I Psychiatric facilities will be retrospectively reviewed and approved based on medical necessity criteria. Service authorizations shall not be a guarantee of payment to Subcontractor.

2.16 **Compliance With Inpatient Quality Management and Utilization Control Procedures**. Any Subcontractor who is a Licensed Hospital (formerly Level I), or Behavioral Health Hospital Facility (formerly Level I Sub-Acute), or Behavioral Health Inpatient Facility (formerly Level I RTC) provider is required to comply with ADHS/DBHS's and Cenpatico's quality management and medical management programs in conformance with 42 CFR, Parts 441 and 456 (as applicable), and the AHCCCS Medical and Policy Manual.

2.17 **Behavioral Health Residential Facility Providers Serving Juveniles**. Any Subcontractor who is a Behavioral Health Residential Facility provider serving juveniles is required to comply with all relevant provisions in A.R.S. § 36-1201.

2.18 **Advance Directives**. Subcontractor is required to comply with the applicable provisions of the ADHS/DBHS Provider Manual-Cenpatico Edition with respect to Advance Directives. Subcontractor is required to provide written information regarding Advance Directives to adult Members at the time a service is first delivered and periodically thereafter of the right to execute an Advance Directive. When an adult Member is incapacitated or unable to receive or understand information, Subcontractor must provide written information regarding Advance Directives to the adult Member's family member, designated representative, or personal representative. The information shall include: a Member's rights regarding Advance Directives under Arizona law, including a description of the applicable law; policies and procedures governing the implementation of those rights; and the Member's right to file a complaint. Subcontractor is required to provide the Member with a clear and precise written statement if Subcontractor cannot implement an Advance Directive as a matter of conscience. This statement, at a minimum should: clarify institution-wide objections and those of individual physicians, identify Arizona legal authority permitting the objection, and describe the range of medical conditions or procedures affected by the objection. Subcontractor must assist adult Members that express an interest in developing and executing an Advance Directive. Subcontractor is required to also do the following: document in the adult Member's medical record that the information described above was provided and whether an Advance Directive was executed; not make provision of services conditional upon execution of an Advance Directive; not discriminate against an adult Member because of a decision to execute or not execute an Advance Directive; provide a copy of an adult Member's executed Advance Directive, or documentation of refusal, to the Member and the Member's PCP for inclusion in the adult Member's medical record maintained by the PCP; and maintain a copy of the adult Member's Advance Directives or documentation of refusal to sign an Advance Directive in a prominent part of the adult Member's behavioral health medical record.

2.19 **Contact with PCPs**. Subcontractor is required to identify when a Member does not have a PCP and encourage and assist the Member to engage in primary care. Subcontractor is required to, within a

reasonable time (which in any event will not exceed one (1) week) following consultation with, or testing of, a Member, make a complete written report to the Member's PCP, provided that, with respect to findings which may indicate a need for immediate or urgent follow-up treatment or testing or which may indicate a need for further or follow-up care outside the scope of the referral authorization or outside the scope of Subcontractor's area of expertise, the Subcontractor is required to provide an oral report to the Member's PCP within twenty-four (24) hours of Subcontractor's consultation or Subcontractor's receipt of the report of the testing, as applicable. Subcontractor is required to demonstrate reasonable effort to maintain routine contact with AHCCCS Health Plan PCPs as set forth in the ADHS/DBHS Provider Manual-Cenpatico Edition, and ensure that any information-sharing between Subcontractor and PCP is conducted in accordance with applicable regulations concerning confidentiality and sharing of health information. Cenpatico shall monitor Subcontractor's compliance with this requirement.

2.20 **Member Communications**. Subcontractor is required to freely communicate with Members about their treatment, regardless of benefit coverage limitations. Nothing in the Agreement shall be deemed or construed to restrict or inhibit Subcontractor in any way from communicating freely with or advocating for Members regarding: (i) the Member's health status, medical care, and treatment options, including any alternate treatment that may be self-administered; (ii) any information the Member needs in order to decide among all relevant treatment options; (iii) the risks, benefits, and consequences of treatment or non-treatment; and (iv) the Member's right to participate in decisions regarding his or her health care, including the right to refuse treatment, and to express preferences about future treatment decisions. Subcontractor shall document in the Member's medical record all communications related to these topics.

2.21 **Member Rights and Responsibilities**. Subcontractor is required to fully inform Members and their family members about their rights and responsibilities and how to exercise them, as defined in the ADHS/DBHS Provider Manual-Cenpatico Edition. Subcontractor is required to comply with any applicable federal and State requirements that relate to Member rights and take those rights into account when delivering Covered Services to Members and their families. A signed copy demonstrating receipt and review of Member rights and responsibilities shall be updated at least annually and maintained in the Member's file.

2.22 **Assisting Members in Understanding Their Right to File Grievances and Appeals**. Subcontractor is required to assist eligible and enrolled Members in understanding their right to file grievances and appeals in conformance with the ADHS/DBHS Provider Manual-Cenpatico Edition.

2.23 **Member Complaint, Grievance, and Appeal Processes**. Subcontractor is required to comply with Cenpatico's Member complaint, SMI Grievance, and Member appeal processes, as set forth in the ADHS/DBHS Provider Manual-Cenpatico Edition. Subcontractor agrees that all communications, records, and documents relating to benefit determinations as well as Member complaints, grievances, and appeals are required to be referred to Cenpatico in accordance with said complaint, grievance, and appeals processes. Subcontractor is required to carry out in a timely manner the ADHS/DBHS, AHCCCS, or Cenpatico decisions issued with respect to any Member complaint, SMI Grievance, or Member appeal.

a. **Member Complaints:** All Member complaints shall be resolved according to the ADHS/DBHS Provider Manual–Cenpatico Edition. Subcontractor is required to respond to and resolve complaints in a courteous, responsive, effective, and timely manner. Subcontractor shall not engage in conduct to prohibit, discourage, or interfere with a Member's right to assert a complaint, appeal, SMI grievance, claim dispute, or use any grievance system process.

b. **SMI Grievances and Member Appeals:** All SMI grievances and Member appeals shall be resolved according the A.A.C. Title 9, Chapter 21, Article 4; and the ADHS/DBHS Provider Manual–Cenpatico Edition.

2.24 **Cooperation with Other Subcontractors, Contractors, and State Employees**. Subcontractor is required to cooperate fully with Cenpatico, other ADHS contractors, and/or State employees in scheduling and coordinating services. Subcontractor is required to afford other providers reasonable opportunity to provide services and shall not commit or permit any act that interferes with the performance of services by other providers or by Cenpatico or State employees. This includes, but is not limited to, allowing HIV intervention providers into Subcontractor's facilities to give presentations about HIV and HIV testing. Subcontractor is required to ensure appropriate exchange of clinical information among all other subcontractors, contractors, and Cenpatico and State employees to facilitate coordination of care, including service plans, comprehensive assessments, and progress reports.

2.25 **Dissemination of Information**. Subcontractor is required to, upon request, assist Cenpatico in the dissemination of information prepared by Cenpatico, ADHS/DBHS, AHCCCS, or any other governmental agency, to its Members and pay for the cost to disseminate and communicate information. Subcontractor is required to ensure that all advertisements, publications, printed materials, and social marketing materials that Subcontractor produces and that refer to Covered Services for Title XIX/XXI Members state that "Contract services are funded, in part, under contract with the State of Arizona."

2.26 **Adherence to ADHS/DBHS Requirements for Appropriate Treatment of Substance Abuse**. Subcontractor is required to assess or shall arrange for the assessment of Members for co-occurring substance abuse disorders, and is required to coordinate treatment with medical professionals who are involved in the Member's care, as set forth in the ADHS/DBHS Provider Manual-Cenpatico Edition.

ARTICLE III
DATA RECORDS, AUDITS, AND REPORTING REQUIREMENTS

3.1 **Records**. Subcontractor is required to comply with all specifications for record keeping established by Cenpatico, ADHS, AHCCCS, and/or the federal government. Records shall include, at minimum, the following: financial statements; federal income tax returns; documents and other evidence of accounting procedures and practices; records relating to Covered Services, the quality of care, medical records, and prescription files; reports and working papers used in preparing reports; and any other records specified by the federal government, AHCCCS, ADHS, or Cenpatico. Subcontractor is required to preserve records for a period of ten (10) years from the date of final payment under the Agreement. If the Agreement is completely or partially terminated, Subcontractor is required to preserve records relating to the work terminated for a period of ten (10) years from the date of termination. Subcontractor is required to retain records that relate to grievances, disputes, litigation, or the settlement of claims arising out of the performance of the Agreement, or costs and expenses of the Agreement to which exception has been taken by AHCCCS, ADHS, or Cenpatico, for a period of ten (10) years after the date of final disposition or resolution thereof.

3.2 **Audits**. Subcontractor agrees that Cenpatico, ADHS, and/or the federal government (including but not limited to HHS, the Comptroller General, or their designee) may conduct audits of Subcontractor during the term of the Agreement, and for ten (10) years thereafter, or until the date of completion of any audit, or until the expiration of any timeframe that Cenpatico, ADHS, and/or the federal government may require via written notice provided to Subcontractor at least thirty (30) days before the normal disposition date, whichever is later, unless such time frame is extended for reasons specified by regulation (such as in the event of fraud). Subcontractor is required to comply with all applicable AHCCCS Rules and the Audit Guide, policies and procedures relating to the audit of Subcontractor's records, medical audit protocols, any inspection of Subcontractor's facilities, and the surveys of Members and providers, and reviews.

Subcontractor must cooperate with CMS and/or its designees (as applicable), ADHS/DBHS, and Cenpatico in any review, audit or investigation or request for information. Subcontractor must respond to all ADHS/DBHS, Cenpatico, and federal government requests for interviews, information, data, or documents as a part of any audit or investigation. These audits include, but are not limited to, the following:

a. **Auditor General Audits**. Subcontractor is required to comply with and participate as required in the Performance Audit and other audits conducted by the Arizona Auditor General.

b. **Other Federal and State Audits**. Subcontractor is required to comply with and participate as required in other federal and State audits, including the audit of an inpatient facility.

c. **AHCCCS, ADHS, and Cenpatico Encounter Data Validation Studies (EDVS)**. Subcontractor is required to cooperate with AHCCCS and ADHS/DBHS by participating in the annual Center for Medicaid and Medicare Services (CMS) data validation study and other validation studies. AHCCCS may revise study methodology, timelines, and sanction amounts based on agency review or as a result of consultations with CMS. Subcontractor will be notified in writing of any significant change in study methodology. Upon request, Subcontractor is required to provide any and all Covered Services data for validation as part of the studies. Cenpatico shall conduct, and Subcontractor is required to cooperate with, data validation studies of Subcontractor at least on a quarterly basis to, among other things, verify that all services delivered to Members are reported to Cenpatico accurately and timely, and documented in the Member's medical record. If it is determined that Subcontractor is not in compliance with ADHS or Cenpatico' s encounter submission requirements, Cenpatico shall conduct, and Subcontractor is required to cooperate with, targeted encounter validation studies. The criteria used in encounter validation studies may include timeliness, correctness, and omission of encounters. Refer to the AHCCCS Data Validation Technical Document for further information.

   AHCCCS may also perform special reviews of encounter data, such as comparing encounter reports to Subcontractor's claims files. Any findings of incomplete or inaccurate encounter data may result in the imposition of sanctions or requirement of a corrective action plan.

   If AHCCCS, pursuant to the ISA with ADHS/DBHS or its regulations, imposes a sanction against ADHS/DBHS or Cenpatico for any act or omission which is an obligation Subcontractor was prohibited or required to perform under the Agreement, Subcontractor is required to be responsible for payment in an amount equal to the amount of the sanction imposed by AHCCCS against ADHS/DBHS or Cenpatico. Subcontractor is required to be responsible for all sanctions imposed against ADHS/DBHS or Cenpatico by AHCCCS as a result of data validation studies. Cenpatico shall notify Subcontractor in writing of the sanction amounts, if applicable

3.3 **Member Satisfaction Surveys.** To the extent necessary, Subcontractor is required to actively participate in the development and implementation of the annual Member satisfaction survey. The survey must include, to the extent applicable, Member satisfaction with Medicare services for dual eligible SMI members. Subcontractor participation may include, but is not limited to: attending planning meetings and assisting with the distribution of surveys to Members. Subcontractor is required to use findings from the satisfaction survey to improve care for Members.

3.4 **Inspections**. At any time during the term of the Agreement, Subcontractor is required to fully cooperate with inspections by Cenpatico, ADHS, AHCCCS, the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services, the Comptroller General, the U.S. Office of Civil Rights, or any authorized representative of the federal or State governments. Subcontractor is required to allow Cenpatico and/or any authorized representative of the federal and State government:

a. Access to Subcontractor's staff and Members.

b. Access to books and records related to the performance of the Agreement for inspection, audit, and reproduction. This shall include allowing Cenpatico and/or ADHS to inspect the records of any employee who works on the Agreement. Subcontractor agrees to obtain any necessary releases from Members with respect to their records and the information contained therein in order to permit Cenpatico and authorized State and federal agencies access to such records.

c. Access to Subcontractor's facilities, and its subcontractor facilities (if any) for the purpose of evaluating the quality, appropriateness, timeliness, and safety of services performed under the Agreement. The inspection shall be conducted at reasonable times unless the situation warrants otherwise.

d. Access to test at their own cost the materials to be supplied under the Agreement. If Cenpatico and/or any authorized representative of the federal and state government determines non-compliance of the materials, Subcontractor is required to be responsible for the payment of all costs incurred for testing and inspection.

e. Neither inspection of Subcontractor's facilities nor materials testing shall constitute final acceptance of the materials or services.

3.5 Reviews.

a. **Cenpatico Administrative Reviews.** In its full and unfettered discretion, Cenpatico may conduct Administrative Reviews, at least annually, of Subcontractor. The Administrative Reviews shall be conducted to identify areas where improvements can be made and make recommendations accordingly, monitor Subcontractor's progress toward implementing mandated programs and corrective action plans, and provide Subcontractor with technical assistance if necessary.

1) **Scope.** The Administrative Review shall include review of:

- operational and financial program compliance for all programs, including but not limited to State, federal, and contractual requirements;
- clinical and business practices and policies;
- financial reporting systems;
- quality outcomes, timeliness, and access to healthcare services; and
- any other operational and program areas identified by Cenpatico.

2) **Procedure.**

- In preparation for the Administrative Review, Subcontractor is required to fully cooperate with the Cenpatico Review Team by forwarding, in advance, policies, procedures, job descriptions, contracts, logs, and other information that Cenpatico may request.
- At the time of the commencement of the review, Subcontractor is required to have all requested medical records available. Any documents not requested in advance by Cenpatico shall be made available upon request of the Review Team during the course of the review. Subcontractor personnel, as identified in advance, are required to be available to the Review Team at all times during Cenpatico on-site review activities.
- While on-site, Subcontractor is required to provide the Review Team with work space, access to telephone and internet services if available, electrical outlets, and privacy for conferences.

- Following the review, Subcontractor shall be furnished a copy of the Administrative Review Report and given an opportunity to comment on any review findings prior to Cenpatico publishing the final report.
- Recommendations made by the Review Team are required to be implemented by Subcontractor to bring Subcontractor into compliance with federal, State, AHCCCS, ADHS/DBHS, and/or Agreement requirements.
- Cenpatico may conduct follow-up Administrative Reviews to determine Subcontractor's progress in implementing recommendations and achieving program compliance. Follow-up reviews may be conducted at any time after the initial Administrative Review.

b. **AHCCCS Operational and Financial Reviews of ADHS/DBHS**. In accordance with CMS requirements, Subcontractor is required to comply and participate with AHCCCS Operational and Financial Reviews of ADHS/DBHS. Subcontractor is required to comply with all audit provisions as required by AHCCCS.

c. **Quality Management Reviews**. Subcontractor is required to make available records and other documentation, and ensure Subcontractor's participation in, and cooperation with, any quality management reviews. This shall include participation in staff interviews and facilitation of Member/family member interviews.

d. **SAMHSA Core Reviews (SAPT and CMHS Block Grants)**. Subcontractor is required to comply with and participate as required in Cenpatico, ADHS/DBHS and federal audits and Core Reviews of services and programs funded through the Substance Abuse Prevention and Treatment and Community Mental Health Services Performance Partnership Grants.

3.6 **Compliance with State's E-Health and Cenpatico's Community Health Record Initiatives**. Subcontractor is required to cooperate and comply with Cenpatico's administrative requirements in the implementation of the State's E-Health Initiative and Cenpatico's Community Health Record. The State's E-Health Initiative and Cenpatico's Community Health Record includes the establishment and implementation of a shared EHR/CHR accessible to ADHS, stakeholders, health plans, Members, Cenpatico, and Subcontractor and consistent with federal and State privacy laws. Such EHR/CHR will contain clinical, medical, and administrative information, including crisis plans, treatment/service plans for persons other than those with serious mental illness, individual service plans for persons with serious mental illness, and Advance Directives necessary to coordinate service delivery and conduct care management for Members. Subcontractor is further required to give ADHS/DBHS and Cenpatico access privileges and user-rights to any and all Member information within Subcontractor's MIS/EHR system. At a minimum, ADHS/DBHS and Cenpatico shall be permitted real-time access to client level demographics, claims and billing, service planning, assessment, and grievance and appeal data.

3.7 **Sharing of Records**. Subcontractor is required to participate in any system established by Cenpatico to facilitate the sharing of records with other subcontractors involved in a Member's care, in order to facilitate the provision of a coordinated and seamless continuum of care, subject to applicable confidentiality requirements and all other applicable law. Subcontractor agrees to cooperate in the transfer of Member medical records to other subcontractors and to assume any cost associated therewith. Subcontractor is required to use best efforts to transfer any medical records in Subcontractor's custody within reasonable time of a Member's request or within the time frame required in State or federal laws or as outlined in the ADHS/DBHS Provider Manual-Cenpatico Edition.

3.8 **Shared Databases**. Subcontractor is required to cooperate with Cenpatico in the development of shared databases including those established in the applicable ADHS/DBHS – Cenpatico Contract (see Exhibit A).

Subcontractor is required to comply with the Cenpatico administrative requirements established for use of such shared databases.

3.9 **Data Integrity**. Subcontractor is required to ensure that all data submitted to Cenpatico is accurate and timely. Subcontractor is required to maintain processes and procedures to ensure accuracy and timely submission of all data.

3.10 **Electronic Medical Records System.** Subcontractor is required to maintain an electronic medical records system to allow for effective sharing of medical data and to maximize the management of medical information. Subcontractor is required to annually certify effective electronic storage redundancy through an independent data storage certification entity. A copy of the certification is required to be provided to Cenpatico on an annual basis.

3.11 **Transparency**. The Parties understand and agree that because public money makes the Agreement possible; all transactions associated with the Agreement must be financially transparent to the public and to government regulators. In addition to other reporting and record keeping requirements set forth in the Agreement, Subcontractor agrees to provide to Cenpatico, within ten (10) days of a written request, any and all additional documentation requested by, and in a form acceptable to, Cenpatico, to support any payment made or to be made by Cenpatico to Subcontractor pursuant to the Agreement.

3.12 **Periodic Reporting Requirements**. Subcontractor is required to submit to Cenpatico Deliverables listed in Exhibit E. Subcontractor is subject to corrective action or sanctions if Deliverable is submitted as untimely, inaccurate, or incomplete. By submitting Deliverables to Cenpatico, Subcontractor confirms that the information in the Deliverables is accurate and complete.

a. Subcontractor shall be subject to the following standards for determining the adequacy of required reports:

1) **Timeliness**. Subcontractor is required to submit Deliverables on or before scheduled due dates. All required Deliverables shall be submitted by e-mail to azdeliverables@cenpatico.com no later than 5:00 p.m. M.S.T. on the date due, unless otherwise noted. Subcontractor may submit to this e-mail address a written request for an extension of a reporting deadline and include a reason for the request for extension and a proposed due date. Requests for extension shall be submitted in writing and shall be received by Cenpatico prior to the report due date. If directed by a Cenpatico department to submit a specific Deliverable to a location other than azdeliverables@cenpatico.com, Subcontractor is required to post notification of the submission to azdeliverables@cenpatico.com upon delivery to the alternate location.

2) **Accuracy**. Subcontractor is required to prepare and submit Deliverables in strict conformity with authoritative sources and report specifications.

3) **Completeness.** Subcontractor is required to fully disclose all Deliverables in a manner that is both responsive and relevant to the Deliverables' purpose with no material omissions.

b. Subcontractor is required to comply with all changes to Deliverables specified by Cenpatico.

c. Subcontractor is required to continue to report beyond the term of the contract when necessary, including the processing of claims and encounter data because of lag time in the filing of source documents by Subcontractor.

3.13 **Reporting Suspected Fraud and Program Abuse**. Subcontractor is required to:

a. Publicize and utilize Cenpatico's confidential and anonymous reporting process for the public,

members, employees, and contractors to report fraud and program abuse complaints.

b. Within ten (10) business days of discovery, or sooner whenever possible, make a written report of all instances of suspected fraud and / or program abuse to Cenpatico, the ADHS/DBHS Bureau of Corporate Compliance (BCC), and AHCCCS-OIG by completing the confidential AHCCCS Referral for Preliminary Investigation. [*See* 42 CFR 455.1 (a)(1); ARS § 36-2992.] This shall include acts of suspected fraud and/or program abuse that were resolved internally but involved AHCCCS funds. Failure to comply with the requirement to report suspected fraud and program abuse may result in the disciplinary action described in A.R.S. § 36-2992.

c. Immediately make a written report to Cenpatico of all other instances of suspected fraud and / or program abuse that involve funding sources other than the Title XIX and Title XXI using the approved reporting ADHS/DBHS/BCC form, which is located at: http://www.azdhs.gov/bhs/fraud.htm.

d. The Subcontractor is required to report to Cenpatico, within ten (10) days of notification, any contact made by AHCCCS-OIG in reference to an open fraud and program abuse case, a self-disclosure settlement, and/or any other type of activity involving communications by AHCCCS – OIG. Subcontractor shall advise Cenpatico of the final disposition of any case and/or settlement agreement made between the Subcontractor and AHCCCS-OIG.

e. The Subcontractor shall record, track, and trend all fraud and program abuse related complaints and referrals. The record, at a minimum must contain the following information:

1. Contact information of the complainant;
2. Name and identifying information of person suspected of fraud and/or program abuse;
3. Date and time complaint was received;
4. Nature of the complaint allegations and summary of the concern;
5. Potential estimated dollar loss amount and specific identification of funding source(s) involved;
6. Subcontractors unique case identifying number;
7. The department or agency in which the complaint has been reported, and
8. Current status or final disposition.

3.14 Excluded Providers.

a. The Subcontractor shall develop and implement policies and procedures to prohibit the Subcontractor from knowingly having a relationship with any person, entity, or affiliate that is disbarred, suspended, or otherwise excluded from participating in procurement or non-procurement activities. [42 CFR.610; 42 CFR 1001, 1901, and Executive Order Number 2549.]

b. The Subcontractor shall develop and implement policies and procedures for screening the Excluded Parties Federal databases (SAM and LEIA) located at https://www.sam.gov, the Office of Inspector General (OIG), and the List of Excluded Individuals / Entities (LEIE) at http://exclusions.oig.hhs.gov., to determine whether potential and existing employees or contractors have been debarred, suspended or otherwise excluded from participating in procurement or non-procurement activities.

c. Subcontractor shall submit the year-to-date list of all employees' and contractors' names that have been screened and checked against the exclusion databases, and submit the results to Cenpatico quarterly in accordance with Exhibit E of this Managed Health Services Agreement. At a minimum the year-to-date list of employees and contractors must include the following: name (last, first, middle initial); date of birth; last four digits of the Social Security Number; date of hire; current job position at the time of the verification; department / specialty; supervisor's name (last, first, middle initial); and

AHCCCS ID number (when applicable). The Subcontractor shall observe all applicable rules of confidentiality when submitting protected personal information.

d. Subcontractor shall notify Cenpatico and AHCCCS-OIG immediately of any instances of an excluded provider that is, or appears to be, in a prohibited relationship with the Subcontractor.

ARTICLE IV
INSURANCE, BONDING, AND LOSS PROVISIONS

4.1 **Insurance**. Subcontractor is required to procure and maintain, until all of Subcontractor's obligations under the Agreement have been discharged, including any warranty periods under the Agreement 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 Subcontractor, its agents, representatives, employees, or subcontractors. The insurance requirements herein are minimum requirements for the Agreement and in no way limit the indemnity covenants contained herein. Neither Cenpatico nor the State of Arizona in any way warrants that the minimum limits contained herein are sufficient to protect Subcontractor from liabilities that might arise out of the performance of the work under the Agreement by Subcontractor, its agents, representatives, employees, or subcontractors, and Subcontractor is free to purchase additional insurance.

a. **Minimum Scope and Limits of Insurance.** Subcontractor is required to provide coverage with limits of liability not less than those stated below:

Commercial General Liability-Occurrence Form: This policy is required to include bodily injury, property damage, personal injury, and broad form contractual liability coverage.

General Aggregate	$2,000,000
Sexual Abuse/Molestation Aggregate	$2,000,000
Products – Competed 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

Sexual Abuse and Molestation: The policy shall be endorsed to include coverage for sexual abuse and molestation.

The policy is required to be endorsed to include the following additional insured language: "Cenpatico and any Cenpatico Related Entities, Department of Health Services, the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named as additional insured with respect to liability arising out of the activities performed by or on behalf of Subcontractor, involving automobiles owned, leased, hired or borrowed by Subcontractor." The Policy is required to contain a waiver of subrogation against Cenpatico and any Cenpatico Related Entities, Department of Health Services, 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 Subcontractor.

Automobile Liability: Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of the Agreement.

Combined Single Limit (CSL)	$1,000,000

The policy is required to be endorsed to include the following additional insured language: "Cenpatico and any Cenpatico Related Entities, Department of Health Services, the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named as additional insured with respect to liability arising out of the activities performed by or on behalf of Subcontractor, involving automobiles owned, leased, hired or borrowed by Subcontractor." The Policy is required to contain a waiver of subrogation against Cenpatico and any Cenpatico Related Entities, Department of Health Services, 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 Subcontractor.

Workers' Compensation and Employer's Liability:

Workers' Compensation Statutory Employer's Liability

Each Accident	$500,000
Disease – Each Employee	$500,000
Disease – Policy Limit	$1,000,000

The policy shall contain a waiver of subrogation against Cenpatico and any Cenpatico Related Entities, Department of Health Services, 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 Subcontractor. This requirement shall not apply to separately, each Subcontractor exempt under A.R.S. § 23-901 that execute the appropriate waiver (Sole Proprietor/Independent Contractor) form.

Professional Liability (Errors and Omissions Liability):

Each Claim	$1,000,000
Annual Aggregate	$2,000,000

In the event that the professional liability insurance required by the Agreement is written on a claims-made basis, Subcontractor warrants that any retroactive date under the policy is required to precede the Origination Date of the Agreement; 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 the Agreement is completed. The policy is required to cover professional misconduct or lack of ordinary skill for all persons employed by Subcontractor. Professional Liability is required to include Medical Malpractice for Behavioral Health Medical Practitioners.

This requirement can be met for independent contractors providing services to Subcontractor through a policy maintained by Subcontractor or through a personal policy maintained by the independent contractor as long as the policy meets all requirements specified herein.

The policy is required to be endorsed to include the following additional insured language: "Cenpatico and any Cenpatico Related Entities, Department of Health Services, the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named as additional insured with respect to liability arising out of the activities

performed by or on behalf of Subcontractor, involving automobiles owned, leased, hired or borrowed by Subcontractor." The Policy is required to contain a waiver of subrogation against Cenpatico and any Cenpatico Related Entities, Department of Health Services, the State of Arizona, its department, agencies, boards, commissions, universities and its officers, officials, agents and for losses arising from work performed by or on behalf of Subcontractor.

b. **Additional Insurance Requirements**. The policies are required to include, or be endorsed to include, the following provisions:

- Cenpatico and any Cenpatico Related Entities, Department of Health Services, 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 Subcontractor, even if those limits of liability are in excess of those required by the Agreement.
- Subcontractor's insurance coverage is required to be primary insurance with respect to all other available sources.
- Coverage provided by Subcontractor shall not be limited to the liability assumed under the indemnification provisions of the Agreement.
- Subcontractor is required to submit a signed affidavit from Subcontractor's insurance carrier annually verifying the specific licensed staff covered under the policy at that point in time. In addition, Subcontractor is required to send an updated insurance affidavit for all newly hired independently licensed professionals within 30 days of their date of employment.

c. **Notice of Cancellation**. Each insurance policy required by the insurance provisions of the Agreement is required to provide the required coverage and shall not be suspended, voided, canceled, permitted to lapse, or reduced in coverage or in limits except after thirty (30) days prior written notice has been given to Cenpatico. Such notice is required to be sent directly to Cenpatico, Attn: Contracts Department, 1501 W. Fountainhead Parkway, Suite 360, Tempe, AZ 85282, and is required to 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 with an "A.M. Best" rating of not less than A-VII. Subcontractor acknowledges that neither Cenpatico nor the State of Arizona in any way warrants that the above-required minimum insurer rating is sufficient to protect Subcontractor from potential insurer insolvency.

e. **Verification of Coverage**. Subcontractor is required to furnish Cenpatico with certificates of insurance (ACORD form or equivalent approved by the State of Arizona) within 15 days prior to expiration of policy. 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 Cenpatico before work commences. Each insurance policy required by the Agreement must be in effect at or prior to commencement of work under the Agreement and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by the Agreement, or to provide evidence of renewal, shall constitute a material breach of the Agreement. All certificates required by the Agreement are required to be sent directly to Cenpatico, Attn: Contracts Department, 1501 W. Fountainhead Parkway, Suite 360, Tempe, AZ 85282. Cenpatico reserves the right to require complete, certified copies of all insurance policies required by the Agreement at any time.

f. **Subcontractors**. Subcontractor is required to obtain from its subcontractors separate certificates and

endorsements for each subcontractor. Subcontractor is required to maintain certificates of insurance from all of its subcontractors and providers and ensure adequate coverage is provided throughout the term of Subcontractors' agreement. All coverages for subcontractors shall be subject to the minimum requirements identified above.

g. **Approval**. Any modification or variation from the *Insurance Requirements* in the Agreement shall be made by Subcontractor in consultation with Cenpatico, ADHS/DBHS, and the Department of Administration, Risk Management Division. Such action will not require a formal Amendment, but may be made by administrative action.

h. **Exceptions**. In the event that Subcontractor or its subcontractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall instead provide Cenpatico with a Certificate of Self-Insurance. If Subcontractor or its subcontractor(s) is/are a State agency, board, commission, or university, none of the above shall apply.

4.2 **Responsibility for Tax Obligations and Insurance.** Subcontractor is responsible for all tax obligations, Worker's Compensation Insurance, and all other applicable insurance coverage obligations set forth herein for Subcontractor and its employees. AHCCCS, ADHS/DBHS, and Cenpatico shall have no responsibility or liability for any taxes or insurance coverage for Subcontractor.

ARTICLE V
FINANCIAL AND CLAIMS CONSIDERATIONS

5.1 **Cost Record Keeping System**. Subcontractor is required to maintain a cost record keeping system.

5.2 **Subcontractor Payment Obligations**. Subcontractor is required to pay and perform all of its obligations and liabilities when and as due, provided, however, that if and to the extent there exists a bona fide dispute with any party to whom Subcontractor may be obligated, Subcontractor may contest any obligation so disputed until final determination by a court of competent jurisdiction; provided, however, that Subcontractor shall not permit any judgment against it or any levy, attachment, or process against its property, the entry of any order or judgment of receivership, trusteeship, or conservatorship, or the entry of any order to relief or similar order under laws, pertaining to bankruptcy, reorganization, or insolvency, in any of the foregoing cases to remain un-discharged, or un-stayed by good and sufficient bond, for more than fifteen (15) days.

5.3 **Member to Be Held Harmless**. In no event, including but not limited to the event of Subcontractor's insolvency, Cenpatico's insolvency, any breach of the Agreement, Medicare or Cenpatico's failure to pay Subcontractor, or ADHS/DBHS's failure to pay Cenpatico, shall Subcontractor bill, charge, collect a deposit from, seek compensation, remuneration, or reimbursement from, or have any recourse against a Member or persons acting on a Member's behalf for Covered Services. This provision shall not prohibit the collection of any applicable Co-payments or deductibles. This section shall be construed to be for the benefit of Members, and shall supersede any oral or written agreement to the contrary now existing or hereafter entered into between Subcontractor and Members or persons acting on a Member's behalf. Subcontractor shall not attempt to collect payment directly or through a collection agency from a person claiming to be AHCCCS-eligible without first receiving verification that the person was ineligible for AHCCCS on the date of service, or that services provided were not Covered Services.

5.4 **Availability of Funding**. Payments to be made by Cenpatico pursuant to the Agreement are conditioned upon the availability to Cenpatico of funds authorized for expenditure in the manner and for the purposes provided herein. No legal liability for any payment on the part of Cenpatico or any Cenpatico Related

Entities may arise under the Agreement until funds are made available by the State for performance of the Agreement. Cenpatico shall not be liable for any hiring, purchases, expenditures, leases, agreements, or subcontracts entered into by Subcontractor in anticipation of funding. Funds may not presently be available for performance under the Agreement beyond the current State Fiscal Year. Moreover, should the State for any reason reduce the appropriations intended to apply to the performance of the Agreement for the current State Fiscal Year, Cenpatico may, at its sole election, take any of the following actions: (i) negotiate with Subcontractor for a reduced price or contract amount; or (ii) terminate the Agreement or any of its Attachments in whole or in part.

5.5 **Claims Submission and Encounter Reporting.** Subcontractor is required to submit encounters or claims for each service rendered to a Member in accordance with encounter and claims submission requirements outlined in the ADHS/DBHS Provider Manual-Cenpatico Edition, the ADHS/DBHS Office of Program Support Operations and Procedures Manual, the ADHS/DBHS Covered Behavioral Health Services Guide, the ADHS/DBHS Financial Reporting Guide for the applicable GSA, the Client Information System (CIS) File Layouts and Specifications Manual requirements, Medicare laws and regulations, CMS instructions, and in accordance with HIPAA. Subcontractor must submit claims and encounters electronically, and they must be submitted at least twice a month. When submitting claims and encounters, Subcontractor's chief executive officer, chief financial officer, or an individual delegated the authority to sign on behalf of one of these officers, and who reports directly to such officer, must certify (based on best knowledge, information, and belief) the accuracy, completeness, and truthfulness of the data.

a. **Encounter Reporting.** When applicable, Subcontractor is required to provide encounter and other related data in compliance with the ADHS/DBHS Provider Manual-Cenpatico Edition in a form acceptable to Cenpatico, ADHS, AHCCCS, and CMS (when applicable). This data shall include, but is not limited to, outcomes and performance data, within such timeframes specified therein. Subcontractor agrees that timely submission of such data shall be a prerequisite to Subcontractor's right to compensation under the Agreement. If Subcontractor fails to provide the encounter data as required and such failure results in fines, penalties or other monetary damages being imposed on Cenpatico, Subcontractor is required to pay Cenpatico any and all such costs incurred by Cenpatico. Subcontractor agrees that subject to applicable law, in Cenpatico's discretion, Cenpatico may utilize and disclose all data submitted by Subcontractor pursuant to this section. Subcontractor shall have the right, subject to applicable law and upon reasonable advance notice to Cenpatico, to inspect such data for Subcontractor and, upon notice to Cenpatico, to correct errors and omissions in such data.

b. **Claim and Encounter Value.** Subcontractor is required to submit, except for crisis services purchased on a capacity basis and Non-Title XIX Encounter Relief approved by ADHS, encounter value equal to or greater than 100% of the total contract value. The maximum claim and encounter value for a unit of service shall be the lesser of the amount billed, or the amount listed in the Schedule contained within Exhibit B or in Subcontractor's Fee Schedule (Exhibit D) based upon the procedure code encountered. All services shall be reported by Subcontractor in accordance with the rates, procedures, procedure codes, and processes outlined in the Agreement.

5.6 **Compensation.** Cenpatico shall compensate Subcontractor for the Covered Services provided to Members in accordance with the terms of the Agreement. The method and amount of compensation and/or other consideration shall be provided in Exhibit B, "Method of Payment," which may be amended or supplemented from time to time pursuant to the terms of the Agreement. For all non-hospital fee-for-service clean claims, Cenpatico shall pay interest on "late claim payments" at a rate of ten percent (10%) per annum. "Late claim payments" are those that Cenpatico pays more than 30 days after Subcontractor submits a clean claim. For hospital clean claims, a slow payment penalty will be paid and a quick pay

discount will be taken in accordance with A.R.S. 36-2903.01 (G)(5). No additional slow payment penalty or interest will be paid for late claim payments on hospital clean claims, including in the case of a grievance or claim dispute.

5.7 **Compensation for Utilization Management Activities**. The Parties agree that the compensation to be paid to Subcontractor pursuant to Exhibit B hereto does not, and shall not be construed to, directly or indirectly provide incentives to individuals or entities conducting utilization management activities to deny, limit, or discontinue Covered Services to any Member in accordance with 42 CFR § 438.210(e). Furthermore, Subcontractor is prohibited, through the use of incentives, direct or indirect payments, or other practices (including but not limited to incentives in the form of compensation to individuals or entities that conduct Subcontractor's utilization management activities), from denying, limiting or discontinuing medically necessary services to any Member. Subcontractor is further required to comply with all applicable regulations related to physician incentive contracts.

5.8 **Third Party Payor Contracts**. Subcontractor is required to annually pursue registration/contracts with third party payors to facilitate coordination of services and coordination of benefits. Subcontractor is required to pursue registration/contracts with appropriate private insurance carriers, Medicare, and appropriate State agencies, and maintain evidence on file for three (3) years of attempts to obtain contracts with the third party payors. Subcontractor is further required to pursue all opportunities for credentialing independent licensed staff with third party vendors to facilitate receipt of third party payments.

5.9 **Coordination of Benefits and Collection Practices**. Subcontractor is required to adhere to coordination of benefits and third-party liability requirements in conformance with the ADHS/DBHS Provider Manual-Cenpatico Edition, and is required to effectively coordinate benefits. Subcontractor is required to actively pursue all third party billing and reimbursement to obtain third-party payment, including, but not limited to Medicare. Subcontractor may deny a service to a Member if it knows a third-party (i.e., other insurer) will pay the service. If a third-party insurer (other than Medicare) requires the Member to pay any co-payment, coinsurance, or deductible, Subcontractor is responsible for billing Cenpatico for these charges. Cenpatico is not responsible for paying coinsurance and deductibles that are in excess of what Cenpatico would have paid for the entire service. Subcontractor may bill Cenpatico after ninety days with proof that the third party payor was billed and that Subcontractor has not received payment from Medicare or other third party payor. Subcontractor must submit an EOB/EOP when payment has been received from a third party payor. Cenpatico will adjust the claim appropriately.

5.10 **Reporting of Changes and Additional Health Insurance**. Subcontractor is required to communicate any known change in or addition to Members' health insurance information, including Medicare, to Cenpatico, no later than seven (7) days from the date of discovery. In addition, Subcontractor is required to notify AHCCCS within seven (7) calendar days of discovering any Cenpatico Member has additional health insurance coverage, utilizing the AHCCCS web-based "Third Party Referral/Change Form."

5.11 **Medicare Part D Prescription Drug Plans**. Medicare-eligible Members, including Members who are dually eligible for Medicare (Title XVIII) and Medicaid (Title XIX/XXI) will receive Medicare Part D prescription drug benefits through Medicare Prescription Drug Plans (PDPs) or Medicare Advantage Prescription Drug Plans (MAPDs). Prescription drug coverage for Medicare-eligible Members enrolled in Medicare Part D will be based on Medicare Part D plans' formularies. Subcontractor is required to assist Member to re-enroll in Medicare Part D and fill out forms for low income subsidy annually. State funds will be used to pay or reimburse Medicare Part D cost sharing for Members who are dual eligible or Non-Title XIX Medicare eligible and determined to have a Serious Mental Illness (SMI), as outlined in the ADHS/DBHS Provider Manual-Cenpatico Edition. Payment of any Medicare Part D cost sharing or any Medicare Part D excluded or

non-covered drugs for Not-Title XIX eligible, Non SMI Members is based on available funding as determined by Cenpatico.

5.12 **Recoupment Rights**. Subcontractor is required to reimburse Cenpatico for the following immediately upon demand: (i) the amount of any overpayment or erroneous payment made by Cenpatico to Subcontractor; (ii) any amounts that Cenpatico pays a third-party to provide Covered Services that Subcontractor is obligated to provide under the Agreement; (iii) amounts owed by Subcontractor in relation to under-delivery of services or failure to provide encounter value equal to payment; (iv) any amounts paid to Subcontractor for Covered Services delivered on dates on which Subcontractor did not have the credentials, license, certification, or accreditation required to be an AHCCCS registered provider; (v) amounts deemed by Cenpatico, ADHS, or the Arizona Auditor General not to have been disbursed in accordance with the terms of the applicable ADHS/DBHS – Cenpatico Contract (see Exhibit A); and (vi) any recoupment imposed by ADHS, AHCCCS, or the federal government for which Subcontractor is the responsible party.

5.13 **Recoupment Process**. At Cenpatico's sole discretion, any recoupment Subcontractor owes Cenpatico shall be either: (i) deducted from Cenpatico's payments to Subcontractor or (ii) reimbursed to Cenpatico upon written demand, pursuant to the terms specified in the demand. As a material condition to Subcontractor's obligations under the Agreement, Subcontractor agrees that all recoupment and any offset rights pursuant to the Agreement shall be deemed to be and to constitute rights of recoupment authorized in State or federal law or in equity to the maximum extent possible under law or in equity or other government authority that may now have or hereafter have jurisdiction over subcontractor. Upon request, Subcontractor is required to void encounters within 90 days for claims that are recouped in full due to billing errors. For recoupments that result in an adjusted claim value, Subcontractor is required to submit replacement encounters within 90 days.

5.14 **Right of Offset**. Cenpatico shall be entitled to offset against any amounts Cenpatico owes Subcontractor, the expenses or costs incurred by Cenpatico, or sanctions assessed by Cenpatico concerning Subcontractor's non-conformance performance or failure to perform the Agreement, including expenses, costs, and damages described in this Exhibit.

5.15 **Profit Limitations**. Subcontractors paid only on a Fee for Service basis for services shall not be subject to profit limitations. Subcontractors paid on a Block Purchase or Block Payment methodology are limited to the percentage of annual profit on services reimbursed on the total of Block Purchase, Block Payment, or Fee for Service arrangements, specified by applicable GSA in Exhibit B.

a. Subcontractors shall return to Cenpatico all Non-Title XIX/XXI funds not expended on services or administration for Non-Title XIX/XXI eligible persons. Subcontractors shall not earn a profit from allocated funds for Supported Housing for Title XIX SMI Members and all services to Non-Title XIX/XXI SMI adults.

b. Subcontractor is required to calculate profits and losses for SAPT and/or CMHS Grant funds separately from other programs. Subcontractor's profits for SAPT Grant funds is limited to the percentage of service revenue per Contract Year (as defined for each GSA in Exhibit H).

c. Subcontractor's profit for Non-Title XIX/XXI Other and County funds, if applicable, shall be limited to the percentage of service revenue per Contract Year (as defined for each GSA in Exhibit H).

d. Subcontractor is required to return excess profits to Cenpatico solely at the discretion of Cenpatico and/or ADHS/DBHS.

e. Subcontractor shall not include performance incentives earned under this contract as revenue for the

purpose of calculating profit or loss corridors.

f. Subcontractor shall not include imposed sanctions or taxes as an expense for the purpose of calculating profit or loss.

5.16 **Evergreen Contract Financial Considerations**. In the event the Agreement is not amended before the end of the Contract Year, the financial considerations as outlined in Exhibit B of the most recently executed Agreement will be extended indefinitely on a pro rata basis until the Managed Health Services Agreement is amended or terminated in accordance with the terms of the Agreement. In the event the evergreen contract financial considerations are in effect, monthly payments will be made on either a pro rata basis or the monthly amount specified in the payment schedule identified in Exhibit B.

5.17 **Financial Reporting and Viability Measures**. Subcontractor is required to meet the following financial viability standards, on a monthly basis. The Defensive Interval must be greater than or equal to thirty (30) days. The Defensive Interval is calculated as follows: Defensive Interval = (Cash + Cash Equivalents) divided by ((Operating Expense – Non Cash Expense)/ (Period Being Measured in Days)). The Current Ratio must be greater than or equal to 1.00. The Current Ratio is calculated as follows: Current Ratio = Current Assets divided by Current Liabilities.

5.18 **Block Payment Requirements**. Subcontractors paid on a block payment methodology as identified in Exhibit B shall meet the following requirements. Subcontractor must successfully produce encounter value for services actually rendered that are equal or greater than to 100% of the prospective block payments. Cenpatico will reconcile payments to encounter data and may adjust, withhold, or recoup funding, based on performance against encounter value requirements. Subcontractor's reimbursement shall not exceed the total cumulative maximum amount for the State Fiscal Year for the provision of Covered Services, as defined by ADHS/DBHS, as indicated. Subcontractor agrees to manage the block payment allocations to ensure consistent provision of services throughout the term of the Agreement. Block payment service payments, as specified in Exhibit B, will be processed for payment on or about the 15th day of the month. All checks will be mailed via standard US mail. Cenpatico reserves the right to charge a special handling fee of $30 per check mailed or delivered other than via standard US mail.

Subcontractor acknowledges and agrees to accept the maximum payment specified and agrees to the terms of said payment arrangement. Subcontractor may be subject to a withhold to be determined by Cenpatico, and at the discretion of Cenpatico when year-to-date prorated encounter value does not equal year-to-date contract value thresholds established by Cenpatico. All encounters will be applied to ADHS/DBHS prescribed Fund Types. Subcontractor is required to be subject to recoupment for insufficient encounter value related to each individual Fund Type. Over delivery of encounter value in one Fund Type cannot be used to offset under delivery in another Fund Type, except as allowed under statute. Any exceptions to this requirement shall be at the sole discretion of Cenpatico. Block Payment allocation includes the provision of all services covered under the Block Payment as defined in the Agreement and provided through any and all facilities operated by Subcontractor in Arizona, regardless of the location of the facilities.

If Subcontractor does not bill Cenpatico (e.g., Subcontractor is capitated), Subcontractor's encounter data that is required to be submitted to the Cenpatico pursuant to contract is defined for these purposes as a "claim for payment." Subcontractor's provision of any service results in a "claim for payment" regardless of whether there is any intention of payment. All said claims shall be subject to review under any and all fraud and abuse statutes, rules and regulations, including but not limited to A.R.S. § 36-2918.

5.19 **Block Purchase Requirements**. Subcontractors paid on a block purchase methodology as identified in Exhibit B shall meet the following requirements. Subcontractor must successfully produce encounters to support

block purchase amount and reflect all services performed under the block purchase. Specific block purchased crisis services as identified in Exhibit B do not require 100% encounter value submission. Subcontractor's reimbursement shall not exceed the total cumulative maximum amount for the State Fiscal Year for the provision of Covered Services. Subcontractor agrees to manage the block purchase allocations to ensure consistent availability and provision of services throughout the term of the Agreement. Block purchase service payment, as specified herein, will be processed for payment on about the 15th day of the month. All checks will be mailed via standard US mail. Cenpatico reserves the right to charge a special handling fee of $30.00 per check mailed or delivered other than via standard US mail. Subcontractor acknowledges and agrees to accept the maximum payment specified and agrees to the terms of such payment arrangements.

5.20 **Fee for Service (FFS) Requirements**. Subcontractors paid on a Fee for Service (FFS) methodology as identified in Exhibit B shall be paid in accordance to the requirements outlined in the Agreement.

5.21 **Fee for Service with Maximum Limit Requirements**. Subcontractors paid on a Fee for Service (FFS) with Maximum Limit methodology as identified in Exhibit B shall meet the following requirements. Subcontractor's reimbursement shall not exceed the total cumulative maximum amount for the State Fiscal Year for the provision of Covered Services. Subcontractor agrees to manage the maximum allocation to ensure consistent provision of services throughout the term of the Agreement. Subcontractor acknowledges and agrees to accept payment for procedure codes as specified in Exhibit B and Exhibit D up to the maximum amount specified and agrees to the terms contained in the Agreement. Subcontractor acknowledges the maximum annual contract payment for the Contract Year specified in Exhibit B and agrees to the terms of such payment arrangements. Subcontractor will receive all fees based upon the Fee Schedule in Exhibit D.

5.22 **Federal Block Grant Requirements**. If applicable, Subcontractor agrees to not use Federal Block Grant funds for inpatient hospital services; physical health care services; to make cash payments to intended recipients of health services; to purchase or improve land; to purchase, construct, or permanently improve (other than minor remodeling) any building or other facility except for minor remodeling; to purchase major medical equipment; to provide financial assistance to any entity other than a public or non-profit entity; to provide individuals with hypodermic needles or syringes for illegal drug use, unless the Surgeon General of the Public Health Service determines that a demonstration needle exchange program would be effective in reducing drug abuse and the risk that the public will become infected with the etiologic agent for AIDS; to pay the salary of an individual through a grant or other extramural mechanism at a rate in excess of Level I of the Executive Salary Schedule for the award year (see http://grants.nih.gov/grants/policy/salcap_summary.htm); or to purchase treatment services in penal or correctional institutions in the State of Arizona.

5.23 **State General Funds Requirements.** In accordance with A.R.S § 35-190, State General Funds are appropriated by the Arizona Legislature and must be expended by September 30th of each year at Cenpatico and Subcontractor levels. These funds are noted as State General Funds in the ADHS/DBHS Allocation Schedule.

Cenpatico shall monitor Subcontractor expenditures to ensure that State General Funds are spent by September 30th. Cenpatico and Subcontractors are not allowed to defer State General Funds.

Subcontractors are required to return unexpended State General Funds to Cenpatico; and subsequently, Cenpatico shall return the funds to ADHS/DBHS within fifteen (15) days of ADHS/DBHS' request or within thirty (30) days after the State Fiscal Year, whichever is earlier.

Subcontractor is required to reimburse Cenpatico immediately upon demand, for any unexpended State General Funds. Cenpatico shall have the right, at its sole discretion, to withhold unexpended funds from future payments.

5.24 **Third Party Antitrust Violations**. Subcontractor assigns to Cenpatico any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to Subcontractor, toward fulfillment of the Agreement.

5.25 **Reassignment.** Subcontractor agrees that it shall comply with the provider reimbursement terms relating to the proper reassignment of the right to claims payment and the billing of personally performed services set forth at A.A.C. R9-22-714 Subsections B, C and D.

ARTICLE VI
NON-PERFORMANCE PROVISIONS

6.1 **Corrective Actions**. Subcontractor is required to comply with corrective action when Cenpatico determines that Subcontractor has not fulfilled its obligations under the Agreement.

a. **Bases for Corrective Action**. The need for corrective action may be identified through various means, including but not limited to: grievance and appeals information; quality management; problem resolution; financial information; Administrative Reviews; failure to meet the MPS for any measure; management objectives; appointment standards data; a significant decrease in performance on any measure that cannot be justified; failure to demonstrate improvement toward meeting MPS; or information obtained in any other contract deliverable or investigation.

b. **Corrective Action Letters (CALs) and Corrective Action Plan (CAPs)**. The Corrective Action Letter (CAL) and the Corrective Action Plan (CAP) shall be a means of communication between Cenpatico and Subcontractor when Cenpatico determines that Subcontractor has not fulfilled its obligations under the Agreement. Cenpatico shall inform Subcontractor through a written CAL that an issue requiring corrective action has been identified and that Subcontractor must prepare a CAP. The CAL will specify the corrective action(s) required to bring Subcontractor's performance into compliance with Agreement requirements on the identified issue(s), the documentation required to substantiate that the corrective actions have been completed, and the period of time during which Subcontractor must implement the required corrective action(s). Subcontractor shall develop and implement a Cenpatico-approved CAP to address the issues identified in the CAL.

c. **Sanctions Failure to Comply with Corrective Action**. If, at the end of the specified time period, Cenpatico determines that Subcontractor has complied with the CAL requirements, Cenpatico will take no further action with respect to the imposition of sanctions. If, however, Cenpatico determines that Subcontractor has not complied with the Corrective Action Letter requirements, Cenpatico may proceed with the imposition of sanctions.

6.2 **Performance Sanctions.**

a. **Cenpatico's Sanction Authority**. Cenpatico may impose financial sanctions for failure to comply with the terms of the Agreement (including requirements set forth in the documents incorporated by reference). Cenpatico shall determine, at its sole discretion, the amount of any sanction. Sanctions shall be assessed according to the severity of the violation.

b. **Sanction Warning Letter.** Prior to issuing a performance sanction, Cenpatico will issue a Sanction

Warning Letter, informing Subcontractor that it will be sanctioned if a contract violation is not corrected within the timeframe set forth in the Sanction Warning Letter. However no sanction warning letter is required for Section 6.7, Performance Credit for Failure to Comply with Exhibit E, below.

c. **Notice of Sanction**. If Subcontractor does not timely comply with all requirements in a Sanction Warning Letter, Cenpatico will provide Subcontractor with a written notice of sanction specifying the sanction, the grounds for the sanction, the amount of funds to be withheld from Subcontractor's payments, the steps necessary to avoid future sanctions, and the right to file a claim dispute to challenge the sanction. Subcontractor is required to complete all steps necessary to correct the violation within the time frame established by Cenpatico in the notice of sanction. In the event Subcontractor fails to adequately correct the violation within established time frames, Cenpatico may, in its sole discretion, impose additional sanctions which may be equal to or greater than the sanction imposed for the unresolved violation.

d. **Provider Appeal Rights**. Any dispute regarding Subcontractor's liability for a sanction imposed under the Agreement shall be resolved through the provider Claim Dispute process outlined in the ADHS/DBHS Provider Manual–Cenpatico Edition.

6.3 **General Service Provision Sanctions**. Unless explicitly stated otherwise in the Agreement or document incorporated by reference, at Cenpatico's discretion, all subcontractors are subject to the following sanctions:

a. Three thousand dollar ($3,000.00) fine for failure to satisfy the requirements in the timeframe articulated in a Sanction Warning Letter issued by Cenpatico.

b. One thousand dollar ($1,000.00) fine for failure to reply in the requested timeframe to a formal request for information sent by email or in writing from the Cenpatico Provider Relations Department.

c. One thousand dollar ($1,000.00) fine for a third Encounter Data Validation Study site visit for repeated failure to meet minimum standards.

d. One hundred dollar ($100.00) fine per person per day for an unexcused absence from a training or failure to send an alternate once enrollment has been approved.

e. Five dollar ($5.00) fine per claim, per day, for failure to reverse a claim as required in a Corrective Action Plan because of deficiencies Cenpatico identified in an Encounter Data Validation Study.

f. Additional monthly penalties for failure to correct a violation within the timeframes established in the notice of sanction, which at Cenpatico's discretion, may be equal to or greater than the following: the original penalty amount multiplied by one (1) plus the number of additional months (or portion of a month) during which the violation continues. (*For example*: If one month past the timeframe in the notice of sanction Subcontractor has not corrected the violation(s), Cenpatico may impose an additional penalty of the original penalty amount times two (one plus one month). If two months pass and Subcontractor still has not corrected the violation(s), Cenpatico may impose yet another penalty of the original penalty amount times three (one plus two months).)

6.4 **ICC Agency Performance Sanctions**. Unless explicitly stated otherwise in the Agreement or document incorporated by reference, at Cenpatico's discretion, ICC Agencies, as identified in Exhibit A, are subject to the following additional sanctions:

a. Fifteen hundred dollar ($1,500.00) fine for failure to submit a Corrective Action Plan by the due date specified in a Corrective Action Letter issued by Cenpatico.

b. Three thousand dollar ($3000.00) fine for failure to respond to an Issue Resolution within the time frame specified by ADHS/DBHS.

c. Three thousand dollar ($3,000) fine per incident for failure to provide appropriate follow-up services or coordination of care for a period of 60 days or more for any Member deemed as "high risk" by Cenpatico.

d. Three thousand dollar ($3,000.00) fine for failure to provide quality care or effective coordination of care as determined by Cenpatico, per incident.

e. Five hundred dollar ($500.00) fine for each incident in which subcontractor fails to provide coordination of care documents and reports to affiliated providers of care within three (3) workdays after receipt of a request for said documents, including, but not limited to PCPs, CPS, other State and local agencies, and Specialty Providers.

f. Five hundred dollar ($500.00) fine for each audited chart that fails to meet the Behavioral Health Service Plan (BHSP) minimum performance standard (MPS) on the quarterly DBHS BHSP audit.

g. Fifteen hundred dollar ($1,500.00) fine for failure to meet the Coordination of Care (COC) minimum performance standard (MPS) on the quarterly DBHS COC audit for each population (child/adult) for the quarter.

h. Three thousand dollar ($3,000.00) fine for each month subcontractor fails to maintain an average demographic acceptance rate for the month of 90%.

i. Five thousand dollar ($5,000.00) fine for failure to maintain and provide a contracted program outlined in Article V of Exhibit A.

j. Ten thousand dollar ($10,000.00) fine for failure to provide appropriate coordination of care for a Member, resulting in an untoward event that affects the local community or the Member.

k. Five thousand dollar ($5000.00) sanction for failure to pass the Cenpatico Annual Medical Record Audit.

6.5 **Sanctions Related to Providers on a Block Payment Methodology.** Unless explicitly stated otherwise in this Agreement or documents incorporated by reference, any Subcontractor paid on a Block Payment Methodology, as identified in Exhibit B, is subject to the following additional sanction:

A fine of ten percent (10%) of the amount encountered for any and all encounters not timely submitted pursuant to the timely filing guidelines set forth in the ADHS/DBHS Provider Manual-Cenpatico Edition

6.6 **Administration of Sanction Payments**. Any amounts due and owing to Cenpatico under this Article may be offset by Cenpatico against any payments due Subcontractor under the Agreement from the next monthly payment until the full amount is paid. Subcontractor and Cenpatico each acknowledge that the payments described in this Article constitute liquidated damages for the loss of a bargain, are not penalties, and are a reasonable approximation of Cenpatico's damages under the circumstances, as can best be determined as of the date hereof. Cenpatico shall have the right to impose such an offset even if Subcontractor contests the sanction; provided, however, that if the sanction is reduced or eliminated following a provider Claim Dispute, Cenpatico shall pay any such sums within 30 days of the final resolution of the dispute process.

6.7 **Sanctions Imposed by State or Federal Authorities**. If any State or federal authority imposes a sanction against Cenpatico, for any act or omission that Subcontractor was prohibited or required (respectively) to perform pursuant to the Agreement, Cenpatico may, in addition to any other remedies available under the Agreement, impose a sanction against Subcontractor in an amount equal to the amount of any such

sanction imposed on Cenpatico. Subcontractor shall reimburse Cenpatico for these sanctions upon demand, or, at Cenpatico's election, the sanctions may be offset against any payments due to Subcontractor under the Agreement. Cenpatico will not levy these sanctions upon Subcontractor until such time as the sanctioning authority actually imposes sanctions upon Cenpatico. If any such sanction applies to more than one subcontractor and the sanctioning authority does not delineate individual subcontractor responsibility, Cenpatico may apportion sanctions to Subcontractor based on an equitable method that accounts for Subcontractor's share of responsibility.

6.8 **Performance Credit for Failure to Comply with Exhibit E**. Subcontractor has agreed to the time frames for the Deliverables set forth in Exhibit E. In the event Subcontractor fails to provide the Deliverables in accordance with Exhibit E, Subcontractor shall be liable for a performance credit for such delay in the amount of five hundred dollars ($500.00) per incident.

6.9 **Right to Assurance**. If Cenpatico in good faith has reason to believe that Subcontractor does not intend to, or is unable to perform or continue performing under the Agreement, Cenpatico may demand in writing that Subcontractor give a written assurance of intent to perform. Failure by Subcontractor to provide written assurance within the number of days specified in the demand may, at Cenpatico's option, be the basis for terminating the Agreement, or other rights and remedies available by law or provided by the Agreement.

6.10 **Stop Work Order**. Cenpatico may, at any time, by written order to Subcontractor, require Subcontractor to stop all or any part, of the work called for by the Agreement for period(s) of days indicated by Cenpatico after the order is delivered to Subcontractor. The order shall be specifically identified as a stop work order issued under this clause. Upon receipt of the order, Subcontractor is required to 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. If a stop work order issued under this clause is cancelled or the period of the order or any extension expires, Subcontractor shall resume work. Cenpatico shall make an equitable adjustment to the compensation in Exhibit B, and the Agreement shall be amended in writing accordingly.

6.11 **Suspension of Services Pending Resolution of a Felony Charge**. Cenpatico reserves the right to issue a suspension notice immediately suspending some or all of the services being provided by Subcontractor or Subcontractor's director, officer, employee, or volunteer if Subcontractor or a Subcontractor director, officer, employee, or volunteer is charged with a crime involving fraud, dishonesty, or abuse. Upon receipt of the suspension notice, Subcontractor is required to immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the services covered by the suspension notice during the suspension period. Subcontractor is required to inform Cenpatico of the outcome of the charge and provide any requested written documentation substantiating the outcome. If the charge is dismissed, Cenpatico will terminate the suspension notice and Subcontractor will resume providing services. If Subcontractor or a Subcontractor director, officer, employee, or volunteer is convicted of a crime involving fraud, dishonesty, or abuse, Cenpatico reserves the right to determine appropriate actions. Where applicable, Cenpatico shall make an equitable adjustment to the compensation in Exhibit B, and the Agreement shall be amended in writing accordingly.

6.12 **Non-exclusive Remedies**. The rights and the remedies of Cenpatico under the Agreement are not exclusive.

ARTICLE VII
TERM, TERMINATION, INDEMNIFICATION, AND DISPUTE RESOLUTION

7.1 **Term and Voluntary Termination.** This Agreement shall commence on the Effective Date and continue in effect until the following September 30th (Initial Term). On October 1st of each year, the Agreement and any Attachments will automatically renew for one (1) year periods (Renewal Term (s)), unless: (1) either party gives notice to the other of its intent not to renew the Agreement, or an Attachment individually, no fewer than sixty (60) days prior to the expiration of the Initial Term or any Renewal Term of the Agreement or such Attachment, as applicable; or (2) the Agreement or its Attachments are terminated pursuant to other provisions herein.

7.2 **Elective Termination.** Either party may elect to terminate the Agreement for any reason with ninety (90) days' prior written notice, delivered by certified mail, to the other party.

7.3 **Termination Upon Mutual Agreement.** This Agreement may be terminated by mutual written agreement of the Parties effective upon the date specified in the written agreement. If the Parties cannot reach agreement regarding an effective date for termination, Cenpatico will determine the effective date.

7.4 **Termination for Conflict of Interest.** Cenpatico may terminate the Agreement within three (3) years after Agreement execution without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting, or creating the Agreement on behalf of Cenpatico is or becomes at any time while the Agreement or an extension of the Agreement is in effect an employee or a consultant to Subcontractor with respect to the subject matter of the Agreement. The termination shall be effective when Subcontractor receives written notice of the termination unless the notice specifies a later time.

7.5 **Termination for Improper Gratuities.** Cenpatico may, by written notice, terminate the Agreement, in whole or in part, if Cenpatico determines that employment or a gratuity was offered or made by Subcontractor or a representative of Subcontractor to any officer or employee of Cenpatico for the purpose of influencing the outcome of the securing the Agreement, an amendment to the Agreement, or favorable treatment concerning the Agreement, including the making of any determination or decision about contract performance. Cenpatico, 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 Subcontractor.

7.6 **Termination for Suspension or Debarment.** Cenpatico may, by written notice to Subcontractor, immediately terminate the Agreement if Cenpatico determines that Subcontractor 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. Execution of the Agreement shall attest that Subcontractor is not currently suspended or debarred. If Subcontractor becomes suspended or debarred, Subcontractor is required to immediately notify Cenpatico.

7.7 **Termination for Convenience.** Cenpatico reserves the right to terminate the Agreement, in whole or in part at any time, in Cenpatico's sole discretion when in Cenpatico's best interests without penalty or recourse. Upon receipt of the written notice, Subcontractor is required to stop all work, as directed in the notice, and minimize all further costs to Cenpatico. In the event of termination under this section, all documents, data and reports prepared by Subcontractor under the Agreement shall become the property of and be delivered to Cenpatico upon demand. Subcontractor 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.

7.8 **Termination for Default.** In addition to the rights reserved in the Agreement, Cenpatico may terminate the Agreement in whole or in part due to Subcontractor's failure to: obtain initial credentialing or re-

credentialing, subject to the provider appeal processes outlined in the ADHS/DBHS Provider Manual-Cenpatico Edition; comply with any material term or condition of the Agreement; acquire and maintain all required insurance policies, bonds, licenses, and permits; or make satisfactory progress in performing the Agreement. Cenpatico shall provide written notice of the termination and the reasons for it to Subcontractor. Upon termination under this section, all documents, data, and reports prepared by Subcontractor under the Agreement shall become the property of and copies be delivered to Cenpatico on demand. Cenpatico may, upon termination of the Agreement, purchase, on terms and in the manner that Cenpatico deems appropriate, materials or services to replace those under the Agreement. Subcontractor shall be liable to Cenpatico for any excess costs incurred by Cenpatico in purchasing materials or services in substitution for those due from Subcontractor.

7.9 **Termination Due to Non-Award, Expiration, or Termination of ADHS/DBHS – Cenpatico Contract(s).** Subcontractor acknowledges that the Agreement is subject to automatic termination upon the non-award, expiration, or termination of the applicable ADHS/DBHS – Cenpatico Contract(s) (see Exhibit A).

7.10 **Voidability of Agreement**. The Agreement is voidable and subject to immediate termination by Cenpatico upon Subcontractor becoming insolvent or filing proceedings in bankruptcy or reorganization under the United States Code, or upon assignment or delegation of the Agreement without the prior written approval of Cenpatico.

7.11 **Termination Following Notice to Cure.**

a. **Notice to Cure**. Cenpatico may issue a notice to cure for failure to carry out any material obligation, term, or condition of the Agreement. The notice to cure shall stipulate the required response and timeframe required for the remedy. Failure to meet the requirements of the notice to cure may result in Cenpatico terminating the Agreement in whole or in part. By way of example (but not limited to this list), Cenpatico may issue a written notice to cure to Subcontractor for acting or failing to act as in (but not limited to) any of the following:

1) Subcontractor fails to adequately perform the services set forth in the Agreement, including the documents incorporated by reference;

2) Subcontractor fails to complete the work required or to furnish the materials required within the time stipulated by the Agreement;

3) Subcontractor fails to reverse claims that Cenpatico determines have been billed in error following an Encounter Data Validation Study; or

4) Subcontractor fails to make progress in the performance of the contract and/or gives Cenpatico reason to believe Subcontractor will not or cannot perform to the requirements of the contract.

b. **Response to Notice to Cure**. Upon receipt of the written notice to cure, Subcontractor shall have ten (10) days to provide a satisfactory response to Cenpatico. Subcontractor's failure to adequately address all issues of concern may result in Cenpatico resorting to any single or combination of the following remedies:

1) Terminate the Agreement in whole or in part due to failure by Subcontractor to carry out any material obligation, term, or condition of the Agreement;

2) Reserve all rights or claims to damage for breach of any covenant of the Agreement; or

3) Perform any test or analysis on records, data, or materials for compliance with the specifications of the Agreement. If the result of any test confirms a material non-compliance with the specifications,

any reasonable expense of testing shall be borne by Subcontractor.

c. **Termination Following Notice to Cure.** Upon termination under this paragraph, all goods, materials, documents, data, and reports prepared by Subcontractor under the Agreement shall become the property of and be delivered to Cenpatico. Moreover, Cenpatico reserves the right to procure, on terms and in the manner that it deems appropriate, services to replace those under the Agreement. Cenpatico may recover any reasonable excess costs resulting from these actions from Subcontractor by deduction from an unpaid balance and any other remedies as provided by law.

7.12 **Immediate Termination by Cenpatico.** Notwithstanding anything herein to the contrary, Cenpatico may immediately terminate the Agreement, in whole or in part, upon written notice to Subcontractor as follows:

a. If Subcontractor will lose, relinquish, or have materially affected any licensure or certification necessary to provide Covered Services in the State, with such termination to be effective upon the effective date of such loss, relinquishment or material effect;

b. If Subcontractor or any of its agents or managing employees is convicted of a criminal offense related to that person's involvement in any program under Titles XVIII, XIX, XX, or XXI of the Social Security Act or has been terminated, suspended, barred, voluntarily withdrawn as part of a settlement agreement, or otherwise excluded in any program under Titles XVIII, XIX, XX or XXI of the Social Security Act;

c. In the event of: (i) imminent harm to patient health; (ii) an action by a State medical board, a medical or other licensing board, or a government agency that may impair Subcontractor's ability to provide Covered Services; or (iii) Subcontractor's conviction of fraud or malfeasance;

d. If Subcontractor assigns or delegates the Agreement without Cenpatico's prior written approval; or

e. If Subcontractor breaches its warranty that it complies with all federal and State immigration laws and regulations.

7.13 **Cenpatico's Right to Contract with an Alternate Subcontractor.** In addition to any other rights provided by law or under the Agreement, upon a determination by Cenpatico that Subcontractor has failed to perform any requirements of the Agreement that materially affect the health, safety or welfare of Members, Cenpatico may, immediately upon written notice to Subcontractor, directly locate an alternative Subcontractor for so long as necessary to ensure the uninterrupted care to Members and to accomplish the orderly transition of Members to other providers in the Cenpatico network, or until Subcontractor corrects the Agreement performance failure to the satisfaction of Cenpatico.

7.14 **Rights and Obligations Upon Termination.** In addition to the other requirements stated in the Agreement, Subcontractor is required to comply with the following provisions upon issuing or receiving a notice of non-renewal or a notice termination, until the effective date of the notice:

a. Subcontractor is required to perform work consistent with the requirements of the Agreement and in accordance with a written transition plan approved by Cenpatico for the orderly transition of eligible and enrolled persons to another Provider. The written transition plan will specify the timing of the transition of Members to another provider, as well as the reductions in Subcontractor's compensation that correlate to the reduced quantity of Covered Services that Subcontractor provides as Members are transitioned to other providers during the transition period.

b. Subcontractor shall be paid the Agreement price for all services and items completed as of the effective date of the notice of termination and shall be paid its reasonable and actual costs for work in progress as determined by GAAP; however, no such amount shall cause the sum of all amounts paid to

Subcontractor to exceed the compensation limits set forth in the Agreement.

7.15 **Transition Obligations.** In the event the Agreement or any portion thereof, is suspended or terminated for any reason, or expires, Subcontractor is required to assist Cenpatico in the transition of its Members to another subcontractor at Subcontractor's expense. In addition, Cenpatico reserves the right to extend the term of the Agreement on a month-to-month basis to assist in any transition of Members. Subcontractor is required to:

a. Make provisions for continuing all management and administrative services and the provision of direct services to Members until the transition of all Members is completed and all other requirements of the Agreement are satisfied;

b. Designate a person with appropriate training to act as the transition coordinator. The transition coordinator is required to interact closely with Cenpatico and Subcontractor's staff to ensure a safe and orderly transition;

c. Upon Cenpatico's request, submit for approval a detailed plan for the transition of its Members, including the name of the transition coordinator;

d. Provide all reports set forth in the Agreement and necessary for the transition process. This includes but is not limited to providing Cenpatico with the following reports, due on the fifth (5th) day of each succeeding month for the prior month:

1) Staff List;

2) Recovery Coach Assignment List; and

3) Open Consumer List, tracking all persons transitioned due to a contract, program or service change, suspension, limitation or termination to ensure service continuity, including: Name, Title XIX/XXI status, date of birth, population type, current services that the Member is receiving, services that the Member should be receiving, new agency involved, evidence that Member has received written notification of the change, evidence of any terminations found or resulting from the transition, the date of first appointment and activities to re-engage Members. (Other elements to be tracked may be added based on the particular circumstances.);

e. Make a good faith effort, in the manner and method directed by Cenpatico, to notify all affected Members of the termination of the Agreement by either Cenpatico or Subcontractor thirty (30) calendar days before the effective date of the termination ;

f. Complete payment of all outstanding obligations for Covered Services rendered to Members. Subcontractor is required to cover continuation of services to enrollees for the duration of the period for which payment has been made;

g. Cooperate with successor subcontractors during the transition period including, at minimum, sharing transferring Member information and records. Cenpatico will notify Subcontractor with specific instructions and required actions at the time of transfer;

h. Return any funds advanced to Subcontractor for coverage of Members for periods after the date of termination to Cenpatico within thirty (30) days of termination of the Agreement; and

i. Supply all information necessary for reimbursement of outstanding claims.

7.16 **Effect of Termination.** If the Agreement expires or terminates pursuant to the provisions of this Article, then the Agreement, along with all Attachments, shall terminate on the applicable expiration or termination

date, subject to certain obligations that survive the contract termination as expressly provided in the Agreement or as identified in the Survival section below.

7.17 Indemnification.

a. **General Indemnification**. Subcontractor will defend, indemnify, protect and hold harmless Cenpatico, its Affiliates, and corresponding officers, directors, employees, and agents (hereinafter referred to as Indemnitee) from and against any and all claims, losses, liens, demands, attorneys' fees, damages, liabilities (including, without limitation, any vicarious and derivative liability), costs, expenses, obligations, causes of action, or suits (collectively "Claims") to the extent that such Claims are caused by, or arise out of, or are connected in any way with: (i) any act or omission, whether active or passive and whether actual or alleged, or willful misconduct of Subcontractor, its affiliates, officers, directors, agents, or employees; or (ii) the material breach of the Agreement by Subcontractor of any of its contractual obligations, covenants, undertakings, or promises under the Agreement. 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 Subcontractor from and against any and all Claims. It is agreed that Subcontractor will be responsible for primary loss investigation, defense, and judgment costs where this indemnification is applicable. In consideration of the award of the Agreement, Subcontractor agrees to waive all rights of subrogation against Cenpatico, its officers, directors, agents, and employees for losses arising from the work performed by Subcontractor for Cenpatico. This provision shall not apply if subcontractor is a State agency, board, commission, or university.

b. **Taxes, Required Contributions, and Indemnification**. Subcontractor shall pay all federal, State, and local taxes applicable to its operation and any persons employed by Subcontractor. Subcontractor shall hold Cenpatico and 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.

c. **Patent and Copyright Indemnification**. Subcontractor shall indemnify and hold harmless Cenpatico and the State against any liability, including costs and expenses, for infringement of any patent, trademark or copyright arising out of performance of the Agreement or use by Cenpatico or the State of materials Subcontractor furnishes or work Subcontractor performs under the Agreement. Cenpatico and/or the State shall reasonably notify Subcontractor of any claim for which it may be liable under this paragraph. If Subcontractor is insured pursuant to A.R.S. § 41-621 and § 35-154, this section shall not apply.

d. **Effect of Termination on Indemnification Obligation**. In the event of expiration or termination or suspension of the Agreement by Cenpatico, the expiration or termination or suspension shall not affect the obligation of Subcontractor to indemnify Cenpatico or the State for any Claims against Cenpatico or the State arising from Subcontractor's performance of the Agreement and for which Subcontractor would otherwise by liable under the Agreement.

7.18 Survival. The following provisions shall survive termination of the Agreement: Section 1.7 (Health Insurance Portability and Accountability Act of 1996); Section 2.23 (Member Complaint, Grievance, and Appeal Processes); Section 3.1 (Records); Section 3.2 (Audits); Article 5 (Financial and Claims Considerations); Section 7.15 (Transition Obligations); Section 7.19 (Claim Disputes); Section 7.20 (Dispute Resolution).

7.19 **Claim Disputes**. A Claim Dispute is Subcontractor's dispute of a payment, denial or recoupment of the payment of a claim, the imposition of a sanction, or the non-payment or partial payment of a performance incentive. All Claim Disputes shall be resolved according to requirements outlined in the ADHS Policy and Procedures Manual, GA 3.2 and ADHS/DBHS Provider Manual – Cenpatico Edition. Subcontractor may appeal a Cenpatico decision regarding a Claim Dispute in accordance with the ADHS/DBHS Provider Manual – Cenpatico Edition. Subcontractor shall carry out ADHS/DBHS, AHCCCS, and Cenpatico decisions issued with respect to a Claim Dispute. Subcontractor is responsible to provide any necessary professional, paraprofessional, and administrative resources to represent its interest in resolving a Claim Dispute. Cenpatico will not be responsible for any attorneys' fees and costs Subcontractor incurs in filing a Claim Dispute or related appeal.

7.20 **Dispute Resolution**. Other than Claim Disputes, which shall be resolved through the applicable administrative review process pursuant to the above section, in the event that any party asserts that there exists any dispute, claim or controversy that arises out of the Agreement or relating to the Parties' relationship under the Agreement, such party shall first send a written notice to the other party specifying the nature of the asserted dispute (Notice of Dispute) and requesting a meeting to attempt to resolve the dispute. The Notice of Dispute shall include the specific nature of the dispute and shall identify any relevant documents known at the time the Notice of Dispute is issued. The Parties shall promptly meet and shall engage in good-faith efforts to resolve the dispute. If no resolution is reached within thirty (30) days after delivery of the Notice of Dispute, any party to the dispute may thereafter commence arbitration. Except for Claim Disputes, which shall be resolved through the applicable administrative review process, arbitration proceedings shall be the sole, exclusive, and final remedy for all disputes, claims, or controversies between Cenpatico and Subcontractor.

The Parties agree that any arbitration will be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association (AAA), except as those rules are modified herein (AAA Rules). Notwithstanding the foregoing and the AAA Rules to the contrary, the Parties will privately administer the arbitration without AAA case administration. The initiating party (the "claimant") shall give the other party (the "respondent") written notice of its intention to arbitrate (the "demand"). The demand shall contain a statement setting forth the nature of the dispute, the names and addresses of all other parties, the amount involved, if any, and the remedy sought. A respondent may serve on the claimant an answering statement within fifteen (15) days after receipt of the demand. If a counterclaim is asserted, it shall contain a statement setting forth the nature of the counterclaim, the amount involved, if any, and the remedy sought. If no answering statement is filed within the stated time, the respondent will be deemed to deny the claim.

The arbitration proceeding will be conducted in Maricopa County, Arizona, pursuant to the arbitration law of Arizona then in effect before a single arbitrator with expertise in government contracts and administrative law who is mutually acceptable to the Parties. If the Parties are not able to agree on a single arbitrator within thirty (30) days from the date of the deadline for serving an answering statement or, where applicable, a response to a counterclaim, each party shall select a neutral and the two selected neutrals shall select the arbitrator. The arbitrator shall have no right to award any punitive or exemplary damages or to vary or ignore the terms of the Agreement and shall be bound by Arizona law. Any arbitration in which the total amount in controversy is less than $100,000 shall be conducted in a single hearing day. Except where contrary to Arizona statute, the prevailing party in any arbitration shall be entitled to recover from the losing party any costs and fees related to the arbitration, including but not limited to arbitrator fees and attorneys' fees and costs. Similarly, except where contrary to Arizona statute, the prevailing party in any action to compel arbitration or enforce any arbitration award arising out of the Agreement shall be entitled to recover from the losing party any costs and fees related to the arbitration, including but not

limited to arbitrator fees and attorneys' fees and costs. Because of the confidential nature of the Agreement, as set forth in Section 6.13 of the Managed Health Services Subcontractor Agreement, the Parties further agree that in any action to compel arbitration or enforce any arbitration award arising out of the Agreement, no party may file any part of the Agreement or its Attachments in the court record, except this Section.

The existence of a Notice of Dispute or arbitration proceeding shall not in and of itself constitute cause for termination of the Agreement. Notwithstanding any dispute arising under the Agreement, each party hereto shall continue to perform its obligations hereunder pending the decision of the arbitrator unless otherwise terminated by agreement of the Parties, order of the arbitrator, or pursuant to the termination provisions of the Agreement.

CENPATICO
PREVENTION SERVICES AGREEMENT
DELIVERABLES SCHEDULE / EXHIBIT E
GILA COUNTY HEALTH DEPARTMENT
ORIGINATION DATE: 09/01/2010 REVISED: 01/01/2014

REPORT FREQUENCY: WITHIN 24 HOURS, 48 HOURS, WEEKLY, AS REQUESTED, OR AS APPLICABLE

Reference	*Deliverable*	*Due Date & Where To Send*
PD-101	Provider Data Demographic Information Form ***Must use Cenpatico approved form.***	Within (2) two business days of any change to demographic information for all practitioners, sites, or facilities. E-mail azdeliverables@cenpatico.com
RF-1005	Incidents, Accidents, and Death Report See PM Form 7.4.1	Within 48 hours of the incident Fax to 866.601.0111
RF-1010	Complaint Resolution Confirmation Response, if applicable.	Within two (2) business days of the request **Fax to 866-601-0111**
RF-1015	Unexpected material change that could impact the Provider Network including change of address	Within one (1) business day of becoming aware of the change. **E-mail: azdeliverables@cenpatico.com**
RF-1016	Expected material change that could impact the Provider Network including change of address	At least 75 days prior to the anticipated change that could impact the Provider Network. **E-mail: azdeliverables@cenpatico.com**
RF-1018	Ad Hoc Reports not listed	Within requested time frame, as specified on the request. **E-mail/Fax as Directed**
RF-1023	*Notification of Direct Care Staff Change*	Within 10 days of change of Direct Care Staff E-mail to azdeliverables.com
RF-FN-405	*OMB A-133 Audit*	As Requested

REPORT FREQUENCY: MONTHLY

Reference	*Deliverable*	*Due Date & Where To Send*
EC-304	Prevention Report using Cenpatico format	15th day after month end E-mail: azdeliverables@cenpatico.com

REPORT FREQUENCY: QUARTERLY

Reference	*Deliverable*	*Due Date & Where To Send*
ED-101	Year to Date list of employees and contractors that have been checked against the Exclusion Databases, as defined in Exhibit C / Section 3.14 - Excluded Providers.	10th day after quarter end **E-mail azdeliverables@cenpatico.com**
OI-225	Kognito tracking sheets	15th day after quarter end **E-mail azdeliverables@cenpatico.com**

REPORT FREQUENCY: ANNUALLY

Reference	*Deliverable*	*Due Date & Where To Send*
CD-502	General Liability Insurance, Professional Liability Insurance, Sexual Abuse/Molestation Liability Insurance, Auto Insurance and Workers Comp Insurance with specified limitations	Within 15 days prior to expiration of each policy **E-mail: azdeliverables@cenpatico.com**
EC-305	Annual Prevention Report for contract year	Submit Notice of Online Submission by August 31st. **E-mail: azdeliverables@cenpatico.com**

EC-306	Prevention Logic Model using ADHS/DBHS format and entered into ADHS / DBHS designated database.	E-mail: Notice of Online Submission and Logic Model document by April 5th. **E-mail: azdeliverables@cenpatico.com**

CENPATICO
PREVENTION SERVICES AGREEMENT
ORIGINATION DATE: 09/01/2010 REVISED: 01/01/2014

THIS PREVENTION SERVICES AGREEMENT ("Agreement") is made by and between **Gila County Health Department** ("Subcontractor"), and operating in accordance with the laws of the state of **Arizona** ("State" or "the State"), and **Cenpatico Behavioral Health of Arizona, LLC, Cenpatico of Arizona, Inc.,** ("Cenpatico"). Subcontractor and Cenpatico are to be collectively referred to herein as the "Parties."

WHEREAS, the Parties wish to confirm their joint commitment to the responsible provision of Covered Behavioral Health Services, as set forth in State Solicitation HP032097, in a manner that is both consistent with the amount of money actually provided by the State for such services and financially transparent to the public and to government regulators,

NOW, THEREFORE, in consideration of the premises and mutual promises herein stated, the Parties hereby agree as follows:

ARTICLE I

DEFINITIONS AND ACRONYMS

As used in this Agreement and each of its Attachments, the following terms (and the plural thereof, when appropriate) shall have the meaning set forth herein, except where the context makes it clear that such meaning is not intended.

1.1 ***Action*** means the denial or limited authorization of a requested service, including the type or level of service; 1) the reduction, suspension or termination of a previously authorized service; 2) the denial, in whole or in part, of payment of service; 3) the failure to provide services in a timely manner; 4) the failure to act within established timeframes for resolving an appeal or complaint and providing notice to affected parties; and 5) the denial of the Title XIX/XXI eligible person's request to obtain services outside the network.

1.2 ***ADHS Information System*** means the ADHS/DBHS Information Systems in place or any other data collection and information system as may from time to time be established by the ADHS/DBHS.

1.3 ***ADHS/DBHS*** means the Arizona Department of Health Services, Division of Behavioral Health Services.

1.4 ***ADHS/DBHS – Cenpatico Contract*** means the contract for Solicitation HP032097, including attachments, entered into between ADHS/DBHS and Cenpatico pursuant to which Cenpatico has agreed to provide managed behavioral health delivery systems to Behavioral Health Participants in designated Geographic Service Areas, as may be amended or supplemented from time to time, and the documents incorporated therein.

1.5 ***ADHS/DBHS Clinical and Recovery Practice Protocols*** means those Clinical Practice Guidelines published by ADHS/DBHS to assist behavioral health Subcontractors in Arizona's public behavioral health system, as may be amended or supplemented from time to time.

1.6 ***ADHS/DBHS Covered Behavioral Health Services Guide*** means the document, including appendices that list all Covered Behavioral Health Services, as may be amended or supplemented from time to time.

1.7 ***ADHS/DBHS Cultural Competency Plan ("CCP")*** means the document, including appendices that list objectives and action steps to integrate and promote culturally competent services within the State behavioral health system, as may be amended or supplemented from time to time.

1.8 ***ADHS/DBHS Financial Reporting Guide for Regional Behavioral Health Authorities*** means the document, including appendices that set monthly, quarterly and annual financial reporting requirements for RBHAs, as may be amended or supplemented from time to time.

1.9 ***ADHS/DBHS Policies and Procedures Manual*** means the document, including appendices that list ADHS/DBHS policies and procedures, as may be amended or supplemented from time to time.

1.10 ***ADHS/DBHS Prevention Framework for Behavioral Health*** means the document, including appendices, listing behavioral health prevention initiatives, as may be amended or supplemented from time to time

1.11 ***ADHS/DBHS Office of Program Support Operations and Procedures Manual*** means the document, including appendices that list ADHS/DBHS program support procedures, as may be amended or supplemented from time to time.

1.12 ***ADHS/DBHS Provider Manual*** means the document, including appendices that contain requirements applicable to direct subcontractors of Arizona publicly funded behavioral health services, as may be amended or supplemented from time to time.

1.13 ***ADHS/DBHS Provider Manual-Cenpatico Edition*** means the ADHS/DBHS Provider Manual as modified by Cenpatico; as such modification is required pursuant to ADHS/DBHS Provider Manual, Introduction, Page 1. This term includes any amendments, appendices, modifications, supplements, bulletins or notices related to the ADHS/DBHS Provider Manual-Cenpatico Edition that may be made from time to time. Cenpatico shall use best efforts to give Subcontractor advance notice of any amendment or modification of the ADHS/DBHS Provider Manual-Cenpatico Edition that materially affects Subcontractor's performance of its obligations under this Agreement.

1.14 ***ADHS/DBHS Quality Management Utilization Management Plan*** means the document, including appendices, encompassing activities that are to be conducted by ADHS/DBHS and its contractors, and that are designed to improve the quality of services delivered through Arizona's public behavioral health system, as may be amended or supplemented from time to time, and the documents incorporated therein.

1.15 ***Administrative Costs*** means administrative expenses incurred to manage the behavioral health services, including, but not limited to: provider billing, accounting, information technology services, processing and investigating grievances and appeals, legal services (including any legal representation of the Subcontractor at administrative hearings concerning the Subcontractor's decisions, and actions), planning, program development, program development, reporting, personnel management, staff development and training, self-auditing and monitoring, utilization review and quality assurance. Administrative costs do not include expenses related to direct provision of behavioral health services including case management

1.16 ***Adult*** means a person eighteen (18) years of age or older, unless the term is given a different definition by statute, rule, or policies adopted by ADHS.

1.17 ***Agreement Amendment*** means a written document that is issued for the purpose of making changes to this Agreement.

1.18 ***Appeal*** is a request for review of an Action.

1.19 ***Arizona Administrative Code ("A.A.C.")*** means the Rules filed with the Arizona Secretary of State.

1.20 ***Arizona Children's Principles*** means the ADHS/DBHS principles relating to the delivery of behavioral health services to children as set forth in the ADHS/DBHS Provider Manual-Cenpatico Edition

1.21 ***Arizona Principles*** means the ADHS/DBHS system principles as set forth in the ADHS/DBHS Provider Manual-Cenpatico Edition.

1.22 ***Attachment*** means any attachment, amendment, exhibit and/or schedule to this Agreement, incorporated herein by reference.

1.23 ***Behavioral Health Disorder*** means any behavioral or mental diagnosis and/or substance use (abuse/dependence) diagnosis found in the most current version of the Diagnostic and Statistical Manual or International Classification of Disorders.

1.24 ***Behavioral Health Paraprofessional*** means an individual who meets the applicable requirements in R9-20-204 and has the following: an Associate's Degree, high school diploma, or a high school equivalency diploma

1.25 ***Behavioral Health Participant*** means any adult or child receiving services in or through ADHS/DBHS funded programs.

1.26 ***Behavioral Health Professional ("BHP")*** means a psychiatrist, behavioral health medical practitioner, psychologist, social worker, counselor, marriage and family therapist, substance abuse counselor or registered nurse with at least one (1) year of full time behavioral health work experience and who meets the requirements of A.A.C., Title 9, Chapter 20.

1.27 ***Behavioral Health Provider*** means any individual or facility that delivers behavioral health services in the network.

1.28 ***Behavioral Health Services*** means those services listed in the ADHS/DBHS Covered Behavioral Health Services Guide.

1.29 ***Behavioral Health Technician*** means a staff member of a licensed behavioral health service agency as specified in A.A.C. Title 9, Chapter 20.

1.30 ***Best Practices*** means evidence-based practices, promising practices, or emerging practices.

1.31 ***Cenpatico Related Entities*** means Cenpatico's officers, officials, agents, or employees, and Cenpatico's wholly-owned subsidiaries, parent companies, sister companies, holding companies, and other entities controlled or managed by any such entities or persons

1.32 ***Child*** means an eligible person who is under the age of eighteen (18), unless the term is given a different definition by statute, rule or policies adopted by ADHS/DBHS.

1.33 ***Contract Year*** means a period from July 1 of a calendar year through and including June 30 of the following year.

1.34 ***Covered Behavioral Health Services*** means those Medically Necessary Behavioral Health Services as described and defined in the ADHS/DBHS Covered Behavioral Health Services Guide.

1.35 ***Credentialing means*** the process of obtaining, verifying and assessing information including applicable licensure, accreditation and certification requirements to determine whether a behavioral health professional, a behavioral health technician or a behavioral health provider has the required credentials to deliver Behavioral Health Services to members.

1.36 ***Cultural Competence*** means a set of congruent behaviors, attitudes and policies that come together in a system, agency, or among professions which enables that system, agency or those professionals to work effectively in cross-cultural situations.

1.37 ***Days*** mean calendar days unless otherwise specified.

1.38 ***Direct Care Staff*** means, in the case where a Subcontractor is a behavioral health care entity, a person or entity who is employed by or otherwise engaged by the entity to provide Covered Behavioral Health Services to Behavioral Health Participants.

1.39 ***Dual Eligible*** means a person eligible for Medicare who is also eligible for Medicaid. When in a medical institution that is funded by Medicaid for a full calendar month, the dual eligible person is not required to pay Co-payments for their Medicare covered prescription medications for the remainder of the calendar year.

1.40 ***Electronic Medical Record ("EMR")*** means the electronic record of health-related information on an individual that is created, gathered, managed, and consulted by licensed clinicians from a single organization who are involved in the individual's health and care.

1.41 ***Emergency Medical Condition*** means a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) that a prudent layperson, who possesses an average knowledge of health and medicine, could reasonably expect the absence of immediate medical attention to result in placing the health of the individual (or, with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy, serious impairments to bodily functions, or serious dysfunction of any bodily organ or part. What constitutes an emergency medical condition may not be limited on the basis of lists of diagnoses or symptoms.

1.42 ***Emergency Behavioral Health Services*** means inpatient and outpatient services, as defined in the ADHS/DBHS Covered Behavioral Health Services Guide, provided after the sudden onset of an emergency behavioral health condition. These services must be furnished by a qualified Subcontractor, and must be necessary to evaluate or stabilize the emergency behavioral health condition.

1.43 ***Encounter*** means a record of a covered service rendered by a provider to a person enrolled with a capitated RBHA on the date of service.

1.44 ***Exhibit*** means any item labeled as an Exhibit in this Agreement or placed in the Exhibits section of this Agreement.

1.45 ***Federal CLAS Standards*** means the US Office of Minority Health standards for Culturally and Linguistically Appropriate Services (CLAS), which may be amended or supplemented from time to time and is included as Exhibit F to this Agreement

1.46 ***Fee-for-Service Member*** means a Title XIX or Title XXI eligible individual who is not enrolled with an AHCCCS Acute Care Health Plan ALTCS Contractor or Tribal RBHS

1.47 ***General Mental Health Adults*** means a classification of adult persons age eighteen and older who have general behavioral health issues and have not been determined to have a serious mental illness.

1.48 ***Generalist Intake Agency*** means a contracted provider type requiring full execution of generalist and intake provider functions and requirements. In addition to traditional intake and care coordination

services, Generalist Intake Agencies are required to deliver flexible and responsive support and rehabilitation services, on a 24/7/365 basis, in the participant's home and community to ensure participants are able to live successfully in the community.

1.49 ***GMH*** means General Mental Health, and is used to designate an adult fund type.

1.50 ***Health Insurance Portability and Accountability Act of 1996 ("HIPAA")*** means Public Law 104-291 Title II Subtitle F and regulations published by the United States Department of Health and Human Services, the administrative simplification provisions and modifications thereof, and the Administrative Simplification Compliance Act of 2001.

1.51 ***Health Plan Behavioral Health Coordinator*** means a contact person and resource for behavioral health providers when problems arise concerning a person's medical care or any other health plan related issue

1.52 ***Indian Health Service ("IHS")*** means the bureau of the United States Department of Health and Human Services that is responsible for delivering public health and medical services to American Indians throughout the country. The federal government has direct and permanent legal obligation to provide health services to most American Indians according to treaties with Tribal Governments

1.53 ***Inpatient Hospital*** means an inpatient facility that provides continuous treatment that includes general psychiatric care, medical detoxification, and/or forensic services in a general hospital, a general hospital with a distinct part or a freestanding psychiatric facility. Includes 24 hour nursing supervision and physicians on site and on call

1.54 ***Intergovernmental Agreement ("IGA")*** means an agreement conforming to the requirements of A.R.S. Title 11, Chapter 7, Article 3 (A.R.S.§ 11-951 et.seq.).

1.55 ***Issue Resolution*** means a participant or stakeholder complaint brought to Cenpatico from ADHS/DBHS.

1.56 ***KidsCare*** means the Arizona version implementing the Title XXI of the Social Security Act, referred to in federal legislation as the "State Children's Health Insurance Program" ("SCHIP").

1.57 ***Material Change*** means an alteration or development within a provider network that may reasonably be foreseen to affect the quality or delivery of Behavioral Health Services provided under this contract.

1.58 ***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.

1.59 ***Non-Title XIX/XXI Funding*** means fixed, non-capitated funds, including funds from CMHS and SAPT, State appropriations (other than state appropriations to support the Title XIX and title XXI program), counties and other funds, which are used for services to Non-Title XIX/XXI eligible persons and for services not covered by Title XIX or Title XXI provided to Title XIX and Title XXI Eligible Persons

1.60 ***Non-Title XIX/XXI Person*** means an individual who needs or may be at risk of needing covered services, but does not meet Federal and State requirements for Title XIX or Title XXI eligibility.

1.61 ***Origination Date*** means the later of (a) July 1, 2010 or (b) the Effective Date of the first agreement between and among the Parties for Subcontractor to provide Covered Behavioral Health Services pursuant to the ADHS/DBHS – Cenpatico Contract (Solicitation HP032097).

1.62 ***Outreach*** means activities to identify and encourage individuals who may be in need of Behavioral Health Services to receive them.

1.63 ***Participating Behavioral Health Care Subcontractor*** means a behavioral health care entity and/or Behavioral Health Professional, including Subcontractor and other institutional Subcontractors and ancillary services Subcontractors, that meets the criteria established in this Agreement and that has contracted with, or on whose behalf a contract has been entered into with Cenpatico to provide Covered Behavioral Health Services to Behavioral Health Participants.

1.64 ***Prevention Services Provider*** means an organization and/or behavioral health professional who meets the criteria established in this contract and has a contract with Cenpatico.

1.65 ***Promising Practices*** means clinical or administrative practices for which there is considerable evidence or expert consensus and which show promise in improving client outcomes, but which are not yet proven by the highest or strongest scientific evidence

1.66 ***Provider Network*** means the agencies, facilities, professional groups or professionals under subcontract to Cenpatico to provide covered services to Behavioral Health Participants and includes the Subcontractor to the extent the Subcontractor directly provides covered services to Behavioral Health Participants.

1.67 ***Referral for Behavioral Health Services*** means any oral, written, faxed, or electronic request for Behavioral Health Services made by any person, or person's legal guardian, family member, an AHCCCS health plan, primary care provider, hospital, jail, court, probation and parole officer, tribal government, Indian Health Services, school, or other state or community agency.

1.68 ***Regional Behavioral Health Authority ("RBHA")*** means an organization under contract with ADHS to coordinate the delivery of Covered Behavioral Health Services to eligible and/or enrolled Behavioral Health Participants in a particular GSA of the State.

1.69 ***Related Party*** means a party that has, or may have, the ability to control or significantly influence a Subcontractor, or a party that is, or may be, controlled or significantly influence by a Subcontractor. Related Parties include, at a minimum, agents, managing employees or persons with an ownership or controlling interest in the disclosing entity, and their immediate families, subcontractors, wholly-owned subsidiaries or suppliers, parent companies, sister companies, holding companies, and other entities controlled or managed by any such entities or persons.

1.70 ***SAPT*** means Substance Abuse Prevention and Treatment Performance Partnership Program pursuant to Division B. Title XXXIII, Section 3303 of The Children's Health Act of 2000 pursuant to Section 1921 – 1954 of the Public Health Service Act and 45 CFR Part 96 Interim Final Rules.

1.71 ***Services*** means covered behavioral health services.

1.72 ***State*** means the State of Arizona and ADHS/DBHS or agency of the State that executes the contract with Cenpatico.

1.73 ***State Fiscal Year*** means the period beginning with July 1 and ending June 30.

1.74 ***Statistical Significance*** means a mathematical measure of change within the sample population, when the sample population is large enough to be considered representative of the overall population. The change is said to be statistically significant if it is greater than what might be expected to happen by

chance alone. The mathematical threshold is a statistically significant change would occur less than 5% of the time by chance alone.

1.75 ***Subcontractor*** means the contracting party that has executed this Agreement with Cenpatico. Such Subcontractor may be a Behavioral Health Professional, or a behavioral health care entity. If such Subcontractor is a behavioral health care entity, the terms of this Agreement shall also apply to Subcontractor's Direct Care Staff, except for those sections pertaining to insurance.

1.76 ***Substance Use Disorders*** means a range of conditions that vary in severity over time, from problematic, short-term use/abuse of substances to severe and chronic disorders requiring long-term and sustained treatment and recovery management

1.77 ***Support Services*** means covered services provided to facilitate the delivery of or enhance the benefit received from other behavioral health services. Refer to the ADHS/DBHS Covered Behavioral Health Services Guide for additional information.

1.78 ***Treatment*** means the range of behavioral health care received by a behavioral health participant.

1.79 ***Treatment Services*** means covered services provided to identify, ~~prevent,~~ eliminate, ameliorate, improve ***or*** stabilize specific symptoms, signs and behaviors related to, caused by, or associated with a Behavioral Health Disorder.

1.80 ***Tribal Liaison*** means the single point of contact regarding delivery of behavioral health services to American Indian members.

1.81 ***Tribal RBHA*** means an American Indian tribe that has an IGA with ADHS/DBHS to coordinate the delivery of behavioral health services to members of a federally recognized Tribal Nation

1.82 ***Uniform Terms and Conditions*** means those terms contained in Exhibit C to this Agreement.

1.83 ***Acronym List:***

A.A.C	Arizona Administrative Code
A.R.S	Arizona Revised Statutes
ADA	Americans with Disabilities Act
AOC	Administrative Office of the Courts of the Arizona Supreme Court
BBA	Balanced Budget Act of 1997
BHP	Behavioral Health Professional
CAP	Corrective Action Plan
CCO	Chief Clinical Officer
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CFR	Code of Federal Regulations
CLAS	National Culturally Linguistically and Appropriate Service Standards
CLEAR	Council on Licensure, Enforcement and Regulation
CLIA	Clinical Laboratory Improvement Amendments
CMO	Chief Medical Officer
COB	Coordination of Benefits
CPR	Cardio Pulmonary Resuscitation Certification
DBHS	Division of Behavioral Health Services

DDD	Division of Developmental Disabilities
DES	Arizona Department of Economic Security
DIG	Data Infrastructure Grants
DRA	Deficit Reduction Act of 2005
EPLS	Excluded Provider List System
FTP	File Transfer Protocol
GAAP	Generally Accepted Accounting Principles
GAAS	General Accepted Auditing Standards
HHS	Health and Human Services
HIE	Health Information Exchange
HIPAA	Health Insurance Portability and Accountability Act
HIV	Human Immunodeficiency Virus
HMIS	Homeless Management Information System
HRC	Human Rights Committees
ID	Identification
IDEA	Individuals with Disabilities Act
LEP	Limited English Proficiency
MPS	Minimum Performance Standard
NACHA	National Automated Clearing House Association
OHR	Office of Human Rights
OIG	Office of Inspector General
OMB	Office of Management and Budget
OPI	Office Program Integrity
PATH	Project for Assistance in Transition from Homelessness
PDSA	Plan Do Study Act
PIP	Performance Improvement Plan, Process or Projects
RBHA	Regional Behavioral Health Authority
RFP	Request for Proposals
RSA	Rehabilitation Services Administration
SA	Substance Abuse
SAMHSA	Substance Abuse and Mental Health Services Administration
SAPT	Substance Abuse Prevention and Treatment
TDD	Telecommunications Device for the Deaf
ZIP	Zone Improvement Plan

ARTICLE II

CENPATICO'S OBLIGATIONS

2.1 Obligations. Cenpatico shall be responsible for the administrative activities necessary or required for the commercially reasonable operation of a Regional Behavioral Health Authority, in accordance with the ADHS/DBHS - Cenpatico Contract and the documents incorporated by reference therein, the Arizona Principles, and applicable Federal, State and local laws and regulations. Such activities shall include, but are not limited to, providing training to participating subcontractors as specified in the ADHS/DBHS Provider Manual-Cenpatico Edition, and ensuring that participating subcontractors have

access to the ADHS/DBHS Covered Behavioral Health Services Guide and ADHS/DBHS Provider Manual-Cenpatico Edition and any updates either through the internet or in paper form.

ARTICLE III

SUBCONTRACTOR'S ADMINISTRATIVE OBLIGATIONS

3.1 Legal Entity Requirement: The Subcontractor shall be an incorporated or legal entity for the purpose of conducting business as a Subcontractor with Cenpatico.

3.2 Licensure. Subcontractor represents and warrants that Subcontractor is and shall remain at all times during the term of this Agreement properly credentialed, licensed, certified and accredited or trained in accord with all federal, State and local laws and regulations, the ADHS/DBHS Provider Manual-Cenpatico Edition and the ADHS/DBHS Practice Protocols. Subcontractor shall take all necessary and appropriate steps to verify and assure that Subcontractor is so credentialed, licensed, accredited or trained in good standing at all times during Subcontractor's participation in the provision of Covered Behavioral Health Services pursuant to this Agreement, and shall submit evidence of current good standing of such credentials, licenses, certifications, accreditations and training to Cenpatico at any time upon request. Subcontractor shall submit copies of all renewal license(s) to Cenpatico within sixty (60) days of expiration or provide documentation of renewal application. Renewal documentation must include any and/or all communication with OBHL regarding the renewal process, including corrective actions.

3.3 Non-Discrimination Requirements. Subcontractor shall comply with State Executive Order No. 99-4 that mandates that all persons, regardless of race, color, religion, sex, national origin, or political affiliation, shall have equal access to employment opportunities, and all other applicable federal and State laws, rules and regulations, including the ADA and Title VI. Subcontractor shall take positive action to prevent discrimination against applicants for employment, employees, and persons to whom it provides service due to race, creed, color, religion, sex, national origin, or disability.

3.4 Co-location. In the event Subcontractor seeks to co-locate on the same premises with one or more behavioral health providers, Subcontractor shall enter into a formal written agreement with all entities seeking to co-locate. Subcontractor shall provide Cenpatico with a copy of the co-located provider agreement within ten (10) business days after execution of the agreement. The agreement shall address, at a minimum, the methodology to ensure compliance with the following provisions in the Arizona Administrative Code, Title 9, Chapter 20: R9-20-204, Staff Member and Employee Qualifications and Records; R9-20-205, Clinical Supervision; and R9-20-206, Orientation and Training.

3.5 Compliance Requirements for A.R.S. § 41-4401: Immigration Laws and E-Verify Requirements. The Subcontractor warrants compliance with all Federal, State, and local immigration laws and regulations, including those relating to the immigration status of employees. The Subcontractor further warrants its compliance with A.R.S. § 23-214, Subsection A, which reads: "After December 31, 2007, every employer, after hiring an employee, shall verify the employment eligibility of the employee through the E-Verify program." A breach of a warranty regarding compliance with immigration laws and regulations shall be deemed a material breach of this Agreement and the Subcontractor may be subject to monetary penalties up to and including termination of this Agreement. Failure to comply with an ADHS and/or Cenpatico audit process to randomly verify the employment records of Subcontractors shall be deemed

a material breach of this Agreement and the Subcontractor may be subject to penalties up to and including termination of this Agreement. Cenpatico retains the legal right for ADHS and/or Cenpatico to inspect the papers of any employee who works on this Agreement to ensure that the Subcontractor is complying with the warranty identified herein.

3.6 Health Insurance Portability and Accountability Act of 1996. The Subcontractor warrants that it is familiar with the requirements of HIPAA and HIPAA's accompanying regulations and will comply with all applicable HIPAA requirements in the course of this Agreement. Subcontractor warrants that it will cooperate with ADHS and Cenpatico in the course of performance of this Agreement so that Cenpatico and Subcontractor will be in compliance with HIPAA, including cooperation and coordination with ADHS Privacy Officer, Cenpatico Compliance Officer, and other compliance officials required by HIPAA and its regulations. Subcontractor will sign any documents that are reasonably necessary to keep ADHS, Cenpatico and Subcontractor in compliance with HIPAA, including, but not limited to, business associate agreements. If requested by ADHS or Cenpatico, Subcontractor agrees to sign the "Arizona Department of Health Services Pledge to Protect Confidential Information" and to abide by the statements addressing the creation, use and disclosure of confidential information, including information designated as protected health information and all other confidential or sensitive information as defined in policy. In addition, if requested, Subcontractor agrees to attend or participate in HIPAA training offered by ADHS or Cenpatico, or to provide written verification that the Subcontractor has attended or participated in job related HIPAA training that is: (1) intended to make the Subcontractor proficient in HIPAA for purposes of performing their services required and (2) presented by a HIPAA Privacy Officer or other person or program knowledgeable and experienced in HIPAA and who has been approved by the ADHS HIPAA Compliance Officer or the Cenpatico Compliance Officer.

3.7 Credentialing and Re-credentialing Criteria. Subcontractor shall comply with the processes for credentialing, re-credentialing, and/or training contained in the ADHS/DBHS Provider Manual-Cenpatico Edition. Further, Subcontractor represents and warrants as follows: (i) that currently, and for the duration of this Agreement, Subcontractor shall remain in compliance with all applicable federal, State and local laws and regulations; (ii) that Subcontractor shall comply with all laws regarding safety, unemployment insurance, disability insurance and worker's compensation; (iii) that for the duration of this Agreement, Subcontractor shall remain accredited by an appropriate accrediting body acceptable to Cenpatico; and (iv) that Subcontractor will perform its duties in accordance with all applicable federal, State and local licensing requirements, as well as applicable federal, State and local standards of professional ethics and practice. In the event that, at any time, these representations or warranties become untrue because of a material change in status of Subcontractor, Subcontractor shall notify Cenpatico within ten (10) days of the date Subcontractor receives notice of the same. Without limiting the generality of the foregoing, Subcontractor shall notify Cenpatico of the following: (a) any situation which develops involving Subcontractor when notice of that situation must be given to any regulatory body with authority over Subcontractor; or (b) when a change in Subcontractor's license to operate is affected, or may reasonably be affected, as a result of any investigation conducted, or complaint filed, by the official body with regulatory authority over Subcontractor. Subcontractor further warrants and represents that Subcontractor has written policies (i) that are implemented and enforced; (ii) that describe the duties of all persons or entities that Subcontractor employs or otherwise engages the services of for the provision of Covered Behavioral Health Services to Behavioral Health Participants; and (iii) that are in accordance with statutory and/or regulatory requirements for licensure, delegation, supervision and collaboration, as appropriate.

3.8 Adherence to Supervision Requirements. Subcontractor shall follow good clinical supervision practices and make available adequate resources for supervision, as defined by ADHS/DBHS Provider Manual-Cenpatico Edition and State and federal laws.

3.9 Staffing Requirements. Subcontractor shall have organization, management and administrative systems capable of meeting all Agreement requirements with clearly defined lines of responsibility, authority, communication and coordination within and between departments of the organization. Subcontractor shall not employ any individual or entity that has been debarred, suspended or otherwise lawfully prohibited from participating in any procurement activity, or from participating in non-procurement activities under regulations issued under Executive Order No. 12549 or under guidelines implementing Executive Order No. 12549 [43 CFR 438 810(a) and (b)]. Subcontractor shall employ sufficient staffing and utilize appropriate resources to comply with this Agreement. The Subcontractor's resource allocation must be adequate to achieve outcomes in all functional areas within the organization. Adequacy will be evaluated based on outcomes and compliance with contract requirements, including the requirement for providing culturally competent services. If the Subcontractor does not achieve the desired outcomes or maintain compliance with this Agreement, Cenpatico may exercise its right to remedies under this Agreement. Subcontractor shall participate in face-to-face meetings with Cenpatico for purposes of assessing Subcontractor compliance. Subcontractor shall require all staff to have the training, education, experience, orientation, and credentialing, as applicable to perform assigned job duties.

3.10 Required Disclosures.

1. Subcontractor shall provide Cenpatico with written notice within one (1) business day from the date the Subcontractor first receives notice, whether written or oral, of any of the events indicated below. Upon request, Subcontractor will provide Cenpatico with additional documentation or information regarding any such event:

    a. Subcontractor becomes aware of an action to suspend, condition, revoke, terminate, or subject to terms of probation or other restriction, Subcontractor's license, certification or accreditation relevant to the provision of Covered Behavioral Health Services, including, but not limited to, Subcontractor's federal and/or State drug license;

    b. Subcontractor voluntarily surrenders or terminates any of Subcontractor's licenses, certifications, accreditations or privileges in anticipation of an action described in this Agreement;

    c. Subcontractor is convicted of a fraud or felony or is suspended, debarred or excluded from participation in a federal health care program (as defined in 42 U.S.C. § 1320a-7b(f));

    d. An act of nature or any event beyond Subcontractor's control occurs that substantially interrupts all or a portion of Subcontractor's business or practice, or that has a materially adverse effect on Subcontractor's ability to perform its or his/her obligations hereunder;

    e. Subcontractor fails to maintain the insurance coverage required under this Agreement and in accordance with the Uniform and Special Terms and Conditions;

    f. Any malpractice claim, lawsuit, judgment or settlement in which Subcontractor is a named defendant;

g. There is a change in Subcontractor's business address, tax identification number or scope of services, or Subcontractor experiences a merger, reorganization, or change in ownership or control;

h. The Subcontractor discovers, or is made aware, that an incident of suspected fraud or abuse has occurred. If so, the Subcontractor shall report the incident immediately by completing the confidential AHCCCS Referral For Preliminary Investigation form to AHCCCSA, Office of the Director, Office of Program Integrity, and the ADHS Fraud and Abuse Unit. Incidents involving suspected Behavioral Health Participant eligibility fraud should be reported to AHCCCSA, Office of Program Integrity, Attn: Behavioral health participant Fraud Unit; or

i. Any situation that arises that could reasonably be expected to affect Subcontractor's ability to carry out its obligations under this Agreement.

2. Subcontractor shall not end a program or service, close a facility, or relocate a facility outside of the current zip code without first notifying Cenpatico of the anticipated change in writing. Subcontractor shall provide Cenpatico at least ninety (90) days notice prior to the anticipated effective date of the expected changes to allow Cenpatico time to review the requested change and renegotiate contract requirements when applicable. Subcontractor shall provide notice within one day of any unexpected change. Ending a program or service, closing a facility, or relocating a facility outside of the current zip code without the written consent and prior approval of Cenpatico constitutes a material breach of the contract.

3.11 Quality Management and Improvement. Subcontractor shall comply with ADHS/DBHS and Cenpatico's quality management and improvement programs and with applicable provisions of the ADHS/DBHS Provider Manual-Cenpatico Edition, the ADHS/DBHS Quality Management Utilization Management Plan, the ADHS/DBHS Policies and Procedures Manual, as well as with all applicable federal quality management requirements. Cenpatico will actively monitor Subcontractor's compliance with this provision, and Cenpatico shall impose corrective actions on Subcontractor if Subcontractor does not show demonstrable and sustained improvement toward meeting ADHS-established or ADHS-approved minimum performance standards. Cenpatico may impose corrective action, financial sanctions, notice to cure, or other remedies on Subcontractor if: (i) Subcontractor does not achieve and sustain the minimum performance standards for any indicator; (ii) Subcontractor's performance for any indicator declines to a level below the ADHS-established or approved minimum performance standard; or (iii) there is a statistically significant drop in Subcontractor's performance on any indicator without a justifiable explanation. Subcontractor shall, participate in, cooperate with, and where applicable, implement, ADHS quality improvement activities. The Subcontractor shall follow a FOCUS - PDSA (Plan Do Study Act) model of continuous quality improvement to identify and resolve systems issues.

3.12 Trending of Incidents, Accidents, and Deaths Report. Subcontractor shall report incidents, accidents, and deaths in accordance with the ADHS/DBHS Provider Manual-Cenpatico Edition.

3.13 Facilities Inspection and Materials Testing. The Subcontractor agrees to permit access to its facilities, subcontractor facilities and the Subcontractor's processes or services, at reasonable times for inspection of the facilities or materials covered under this Agreement. Cenpatico shall also have the right to test at its own cost the materials to be supplied under this Agreement. Neither inspection of the Subcontractor's facilities nor materials testing shall constitute final acceptance of the materials or

services. If Cenpatico determines non-compliance of the materials, the Subcontractor shall be responsible for the payment of all costs incurred by Cenpatico for testing and inspection.

3.14 Marketing Restrictions

1. The Subcontractor shall not use for marketing:
   a. Incentive items except for use in connection with outreach activities, subject to Cenpatico prior approval;
   b. Solicitation of any individual face-to-face, door-to-door, or over the telephone;
   c. Provision of promotional materials, incentives, or any other activity to influence enrollment in conjunction with the sale or offering of any private insurance;
   d. Television advertising;
   e. Direct mail advertising;
   f. Marketing of non-mandated services;
   g. Utilization of the word "free" in reference to covered services;
   h. Listing of providers in marketing and open enrollment materials who do not have signed agreements with Cenpatico.
   i. Use of the Cenpatico or ADHS logo unless approved by Cenpatico;
   j. Inaccurate, misleading, confusing or negative information about Cenpatico and ADHS, and any information that may defraud participants or the public; and
   k. Discriminatory marketing practices as specified in A.A.C, Title 9, Chapter 22, Article 5, A.A.C., Title 9, Chapter 28, Article 5 and A.A.C, Title 9, Chapter 31, Article 5.
2. Subcontractor shall review and revise all outreach and marketing materials on an annual basis to reflect current practices.

3.15 Advertising, Publishing, and Promotion of Agreement. The Subcontractor shall not use, advertise, or promote information for commercial benefit concerning this Agreement without the prior written approval of Cenpatico.

3.16 Mergers, Reorganization or Changes in Ownership or Control. The Subcontractor shall obtain prior approval of Cenpatico and sign a written amendment to this Agreement for any merger, reorganization or change in ownership of Subcontractor. The Subcontractor shall submit a detailed merger, reorganization and/or transition plan to Cenpatico for review and include strategies to ensure uninterrupted services to behavioral health recipients, ensure that services to behavioral health recipients are not diminished, and that major components of the Subcontractor's organization and programs relevant to this Agreement are not adversely affected by the merger, reorganization, or change in ownership.

3.17 Notification of Service Level Changes.

1. Subcontractor shall notify and obtain written approval from Cenpatico before making any material changes in the size, scope or configuration of Subcontractor's services.

2. Subcontractor shall notify Cenpatico in writing within one (1) day of knowledge of or anticipation of any unexpected material change, a deficiency, any material change to a Subcontractor's license, certification or registration, or any condition which terminates, suspends or limits a Subcontractor from effectively participating in the network, including the necessity for transition of members to a different provider. The notice shall include information on:
   a. How the change, deficiency or condition affects service delivery;
   b. The Subcontractor's plan to minimize disruption to service delivery and address changes in services or service providers;
   c. The number of people affected by the change, deficiency or condition in each program category; and
   d. The Subcontractor's plan to communicate the change, deficiency or condition to-community stakeholders.

3.18 Certification of Compliance - Anti-Kickback and Laboratory Testing. By signing this Agreement, the Subcontractor certifies that it has not engaged in any violation of the Medicare Anti-Kickback statute (42 USC §§1320a-7b) or the "Stark I" and "Stark II" laws governing related-entity referrals (PL 101-239 and PL 101-432) and compensation.

Except for payment for the Subcontractor's performance under the terms of this Agreement, Subcontractor or any director, officer, agent, employee or volunteer of the Subcontractor shall not request or receive any payment or other thing of value either directly or indirectly, from or for the account of Cenpatico or the Subcontractor as consideration for or to induce either Cenpatico or the Subcontractor to enter into a contract, or for any referrals of enrolled persons to the Subcontractor for the provision of Covered Behavioral Health Services

3.19 Pandemic Declaration. 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 Agreement impossible or impracticable, Cenpatico shall have the following rights:

1. After the official declaration of a pandemic, Cenpatico may temporarily void this Agreement in whole or specific sections, if the Subcontractor cannot perform to the standards agreed upon in the initial terms;
2. Cenpatico shall not incur any liability if a pandemic is declared and emergency measures are undertaken to manage costs or service delivery;
3. Once the pandemic is officially declared over and/or the Subcontractor can demonstrate the ability to perform, Cenpatico, at its sole discretion, may reinstate the temporarily voided Agreement.

3.20 Declaration of Emergency. Upon a declaration by the Governor that an emergency situation exists in the delivery of behavioral health service delivery system that without intervention by government agencies, threatens the health, safety or welfare of the public, Cenpatico can undertake actions to negotiate an agreement with an alternative entity to provide services. Cenpatico shall immediately notify the affected Subcontractor of its intention.

3.21 Conflict of Interest. Subcontractor shall not undertake any work that represents a potential or existing conflict of interest, or which is not in the best interest of Cenpatico, ADHS/DBHS or the State without prior written approval by Cenpatico. Subcontractor shall fully and completely disclose to Cenpatico a potential or existing conflict of interest.

3.22 Compliance with Applicable Contracts, Manuals and Guides. Subcontractor shall, cooperate and comply with all requirements of the following documents:

1. Documents Incorporated by Reference

   a. The following documents, and any subsequent amendments, modifications, and supplements to these documents adopted by ADHS/DBHS (as applicable), are incorporated and made a part of this Agreement by reference:

      1. ADHS/DBHS Covered Behavioral Health Services Guide
      2. ADHS/DBHS Provider Manual-Cenpatico Edition
      3. ADHS/DBHS Policies and Procedures Manual
      4. ADHS/DBHS Office of Program Support Operations and Procedures Manual
      5. Office of Program Integrity, Operations and Procedures Manual
      6. ADHS Accounting and Auditing Procedures Manual
      7. ADHS/DBHS Financial Reporting Guide for Regional Behavioral Health Authorities
      8. ADHS/DBHS Quality Management/Utilization Management (QM/UM) Plan and Work Plan
      9. ADHS/DBHS Framework for Prevention in Behavioral Health
      10. ADHS/DBHS Cultural Competency Plan
      11. ADHS/DBHS Clinical Guidance Documents:
      12. Title XIX Children's System of Care Network Development Plan
      13. ADHS QM/MM/UM Performance Improvement Specifications Manual
      14. ADHS/DBHS Provider Network Listing
      15. Adult System of Care Network Development Plan
      16. Children's System of Care Vision and Principles

2. Revisions to Documents Incorporated by Reference

   a. Subcontractor shall comply with the terms, conditions, and requirements of these documents incorporated by reference, as amended/revised from time to time, consistent with State and Federal law and the Contract Order of Precedence as outlined in the Exhibit C, Uniform Terms and Conditions, as if the terms and conditions of the documents had been fully set forth in this Agreement.

   b. ADHS/DBHS, Cenpatico, and Subcontractor acknowledge that the behavioral health system is constantly changing and evolving to reflect new and innovative approaches to treatment, and the delivery and management of behavioral health services. The common goal of

ADHS/DBHS, Cenpatico, and Subcontractor is to develop and apply new and innovative strategies to better serve Behavioral Health Participants. As a result, ADHS/DBHS, from time to time, may revise and update the above stated documents to allow for the orderly implementation of changes to the behavioral health system.

c. Cenpatico will notify Subcontractor when the changes will be made to the Documents Incorporated by Reference. The Subcontractor shall have fifteen (15) days to notify Cenpatico if it has any disagreement with the new provisions.

3. Other Documents

This section contains references to documents, also incorporated by reference where applicable, that guide the development of the behavioral health system requirements. From time to time these documents may be amended. If any such amendments result, there may be changes to this Agreement or documents incorporated by reference in accordance with the section above. Subcontractor shall cooperate and comply with all applicable requirements of the following documents, including the documents incorporated by reference therein:

a. Administrative Rules

1. Arizona Administrative Code R2-19 Administrative Hearing Rules
2. Arizona Administrative Code R9-20 Behavioral Health Service Agencies: Licensure

b. Balanced Budget Act of 1997

c. Arizona Procurement Code

d. Grants

1. Substance Abuse Prevention and Treatment Performance Partnership Program pursuant to Division B, Title XXXIII, Section 3303 of the Children's Health Act of 2000 and pursuant to Section 1921-1954 of the Public Health Service Act and 45 CFR Part 96 Interim Final Rules (SAPT)

4. Other

a. State Plan

ARTICLE IV

SUBCONTRACTOR'S SERVICE PROVISION OBLIGATIONS

4.1 Provision of Covered Behavioral Health Services. Subcontractor agrees to provide, or arrange for the provision of, the Covered Behavioral Health Services described in this Agreement (including Exhibit A and all other exhibits) to Behavioral Health Participants. If Subcontractor is Direct Care Staff, it agrees to operate only within the scope of their professional practice and training. The population of Behavioral Health Participants to be served by Subcontractor, and Subcontractor's Behavioral Health Participant capacity, shall be as provided in Exhibit A, "Scope of Work". The amount, duration and scope of Covered Behavioral Health Services to be provided by Subcontractor pursuant to this Agreement shall also be as provided in Exhibit A, "Scope of Work". Subcontractor shall provide Covered Behavioral

Health Services in accordance with all generally accepted clinical, legal and ethical standards governing Subcontractor and within the standards of practice for quality care generally recognized within the behavioral health community in which Subcontractor is located. Subcontractor acknowledges and agrees that services provided to Behavioral Health Participants which do not constitute Covered Behavioral Health Services or which are provided in a manner inconsistent with this Agreement or the ADHS/DBHS Provider Manual-Cenpatico Edition, shall not be eligible for payment under this Agreement.

4.2 Referrals. Subcontractor shall comply with all applicable provisions of the ADHS/DBHS Provider Manual-Cenpatico Edition for the making and acceptance of referrals for Covered Behavioral Health Services. Subcontractor shall make referrals of Behavioral Health Participants for Covered Behavioral Health Services only to other Participating Health Care Subcontractors, except: (i) as the need for Emergency Behavioral Health Services may require; (ii) where Cenpatico specifically authorizes the referral; or (iii) as otherwise required by law or by the ADHS/DBHS Provider Manual-Cenpatico Edition. If Subcontractor delivers Covered Behavioral Health Services upon referral, Subcontractor shall make a report, in accordance with the requirements of the ADHS/DBHS Provider Manual-Cenpatico Edition, to the Behavioral Health Participant's PCP.

4.3 Emergency Behavioral Health Services. In a behavioral health emergency, Subcontractor shall verify eligibility for Covered Behavioral Health Services in accordance with the ADHS/DBHS Provider Manual-Cenpatico Edition and with federal, State and local laws relating to the provision of Emergency Behavioral Health Services, provided that nothing in this provision shall be deemed to require Subcontractor to violate federal or State law regarding the provision of Emergency Behavioral Health Services. Subcontractor shall notify Cenpatico within twenty-four (24) hours or by the next business day of rendering or learning of the rendering of Emergency Behavioral Health Services to a Behavioral

4.4 Cultural and Linguistic Needs. Subcontractor shall conduct an assessment of the service area's cultural and linguistic needs, and deliver services that address identified cultural and linguistic needs in accordance with ADHS/DBHS Cultural Competency Plan and Cenpatico's Cultural Competency Plan.

4.5 Cooperation with Other Subcontractors, Contractors and State Employees. Subcontractor shall cooperate fully with Cenpatico, other Subcontractors, and/or State employees in scheduling and coordinating its services with other related services for Behavioral Health Participants. Subcontractor shall afford other contractors reasonable opportunity to provide services and shall not commit or permit any act that interferes with the performance of services by other contractors or by State employees. Subcontractor shall ensure appropriate exchange of clinical information among all other subcontractors, contractors, and State employees to facilitate coordination of care, including service plans, comprehensive assessments and progress reports.

4.6 Dissemination of Information. The Subcontractor shall upon request, assist Cenpatico in the dissemination of information prepared by Cenpatico, ADHS, or the federal or state government, to its participants and pay for the cost to disseminate and communicate information. . Subcontractor shall ensure that all advertisements, publications and printed materials, which are produced by the Subcontractor, state that the services are delivered under this Agreement with Cenpatico and are funded by ADHS.

4.7 Outreach, Engagement, Re-Engagement, and Closure Requirements.

1. Subcontractor shall demonstrate performance of outreach activities to inform the community. of the availability of behavioral health services.
2. Subcontractor shall cooperate with ADHS/DBHS and Cenpatico outreach and marketing initiatives.
3. Subcontractor shall comply with the following:
   a. Any outreach or incentive item given to persons shall not exceed $50.00. Any marketing item given away by the Subcontractor shall not exceed $10.00. The total cost of all marketing and outreach/incentive items given to each member, at each event, may not excel $50.00 per member;
   b. All marketing materials shall identify the Subcontractor as a Cenpatico, and ADHS provider; and
   c. All marketing materials produced by the Subcontractor that refer to the Agreement services shall specify the services are funded through an agreement with Cenpatico.

ARTICLE V

INSURANCE, BONDING, TAX, INDEMNIFICATION AND LOSS PROVISIONS

5.1 Indemnification Requirements.

1. Subcontractor Indemnification (Non-public Entity). Subcontractor shall indemnify, defend, save and hold harmless Cenpatico, and its corporate parents, subsidiaries, affiliates, officers, directors, employees, and agents, along with the State of Arizona, Maricopa County and ADHS/DBHS (hereinafter referred to as an "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorney's fees, and costs of claims processing, investigation, and litigation) 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 Subcontractor 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 Subcontractor 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 each Indemnitee shall, in all instances except for claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Subcontractor from and against any and all claims. It is agreed that Subcontractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. In consideration of the award of this Agreement, Subcontractor agrees to waive all rights of subrogation against Cenpatico and any Cenpatico Related Entities, the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from the work performed by or on behalf of the Subcontractor for Cenpatico and/or the State. This indemnity shall not apply if the Subcontractor is an agency, board, commission or university of the State of Arizona.
2. Subcontractor Indemnification (Public Agency 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.

3. Indemnification – Patent and Copyright. The Subcontractor shall indemnify and hold harmless Cenpatico, the State of Arizona and Maricopa County against any liability, including costs and expenses, for infringement of any patent, trademark or copyright arising out of performance of this Agreement or use by Cenpatico, the State of Arizona or Maricopa County of materials furnished or work performed under this Agreement, Cenpatico, the State of Arizona or Maricopa County shall reasonably notify the Subcontractor of any claim for which it may be liable under this paragraph. If the Subcontractor is insured pursuant to A.R.S. § 41-621 and § 35-154, this section shall not apply.

5.2 Insurance. Subcontractor shall obtain and maintain all insurance outlined below and shall submit a copy of all insurance certificates to Cenpatico. Subcontractor shall procure and maintain, until all of Subcontractor's obligations under this Agreement have been discharged, including any warranty periods under this Agreement 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 Subcontractor, its agents, representatives, employees or subcontractors. The insurance requirements herein are minimum requirements for this Agreement and in no way limit the indemnity covenants contained herein. Neither Cenpatico nor the State of Arizona or Maricopa County in any way warrant that the minimum limits contained herein are sufficient to protect the Subcontractor from liabilities that might arise out of the performance of the work under this Agreement by the Subcontractor, its agents, representatives, employees or subcontractors, and Subcontractor is free to purchase additional insurance.

1. Minimum Scope and Limits of Insurance. Subcontractor shall provide coverage with limits of liability not less than those stated below:

   a. Commercial General Liability-Occurrence Form: This policy shall include bodily injury, property damage, personal injury and broad form contractual liability coverage.

General Aggregate	$2,000,000
Products – Competed 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

The policy shall be endorsed to include coverage for sexual abuse and molestation; this coverage must apply to any Subcontractor with responsibility for participant interaction in person. The policy shall be endorsed to include the following additional insured language: "Cenpatico and any Cenpatico Related Entities, Department of Health Services, the State of Arizona, its Departments, agencies, boards, commissions, universities, and its officers, officials, agents, and employees, and Maricopa County shall be named as additional insured

with respect to liability arising out of the activities performed by or on behalf of Subcontractor." The Policy shall contain a waiver of subrogation against Cenpatico and any Cenpatico Related Entities, Department of Health Services, the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees and Maricopa County for losses arising from work performed by or on behalf of Subcontractor.

b. Automobile Liability: Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of this Agreement and covering all Subcontractor officers, agents, employees, and contractors traveling for any business reason associated with this Agreement.

Combined Single Limit (CSL)	$1,000,000

- The policy shall be endorsed to include the following additional insured language: "Cenpatico and any Cenpatico Related Entities, Department of Health Services, the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees and Maricopa County shall be named as additional insured with respect to liability arising out of the activities performed by or on behalf of Subcontractor, involving automobiles owned, leased, hired or borrowed by Subcontractor." The Policy shall contain a waiver of subrogation against Cenpatico and any Cenpatico Related Entities, Department of Health Services, the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents and employees and Maricopa County for losses arising from work performed by or on behalf of the Subcontractor.

c. Workers' Compensation and Employer's Liability:

Workers' Compensation	Statutory
Employer's Liability	
Each Accident	$500,000
Disease – Each Employee	$500,000
Disease – Policy Limit	$1,000,000

The policy shall contain a waiver of subrogation against Cenpatico and any Cenpatico Related Entities, Department of Health Services, the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees and Maricopa County for losses arising from work performed by or on behalf of Subcontractor. This requirement shall not apply to: Separately, subcontractors exempt under A.R.S. § 23-901, AND when such subcontractors execute the appropriate waiver (Sole Proprietor/Independent Contractor) form.

d. Professional Liability (Errors and Omissions Liability):

Each Claim	$1,000,000
Annual Aggregate	$2,000,000

In the event that the professional liability insurance required by this Agreement is written on a claims-made basis, Subcontractor warrants that any retroactive date under the policy shall precede the Origination Date of this Agreement; 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 Agreement is completed. The policy shall cover professional misconduct or lack of ordinary skill for all persons employed by Subcontractor. . Professional Liability shall include Medical Malpractice for Behavioral Health Medical Practitioners.

This requirement can be met for independent contractors providing services to the Subcontractor through a policy maintained by Subcontractor or through a personal policy maintained by the independent contractor as long as the policy meets all requirements specified herein.

The policy shall be endorsed to include the following additional insured language: "Cenpatico and any Cenpatico Related Entities, Department of Health Services, the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees and Maricopa County shall be named as additional insured with respect to liability arising out of the activities performed by or on behalf of Subcontractor, involving automobiles owned, leased, hired or borrowed by Subcontractor." The Policy shall contain a waiver of subrogation against Cenpatico and any Cenpatico Related Entities, Department of Health Services, the State of Arizona, its department, agencies, boards, commissions, universities and its officers, officials, agents and employees and Maricopa County for losses arising from work performed by or on behalf of the Subcontractor.

2. Additional Insurance Requirements. The policies shall include, or be endorsed to include, the following provisions:

   a. Cenpatico and any Cenpatico Related Entities, Department of Health Services, the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees and Maricopa County; wherever additional insured status is required such additional insured shall be covered to the full limits of liability purchased by Subcontractor, even if those limits of liability are in excess of those required by this Agreement.

   b. Subcontractor's insurance coverage shall be primary insurance with respect to all other available sources.

   c. Coverage provided by Subcontractor shall not be limited to the liability assumed under the indemnification provisions of this Agreement.

3. Notice of Cancellation. Each insurance policy required by the insurance provisions of this Agreement shall provide the required coverage and shall not be suspended, voided, canceled, permitted to lapse, or reduced in coverage or in limits except after thirty (30) days prior written notice has been given to Cenpatico. Such notice shall be sent directly to Cenpatico, Attn: Contracts Department, 1501 W. Fountainhead Parkway, Suite 295, Tempe, AZ 85282, and shall be sent by certified mail, return receipt requested.

4. Acceptability of Insurers. Insurance is to be placed with duly licensed or approved non-admitted insurers in the State with an "A.M. Best" rating of not less than A-VII. (If the social services program utilizes the Social Service Contractors Indemnity Pool (SSCIP) for insurance coverage, SSCIP is exempt from this A.M. Best rating requirement.) Subcontractor acknowledges that neither Cenpatico nor the State of Arizona in any way warrant that the above-required minimum insurer rating is sufficient to protect Subcontractor from potential insurer insolvency.

5. Verification of Coverage. Subcontractor shall furnish Cenpatico with certificates of insurance (ACORD form or equivalent approved by the State of Arizona) as required by this Agreement. 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 Cenpatico before work commences. Each insurance policy required by this Agreement must be in effect at or prior to commencement of work under this Agreement and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Agreement, or to provide evidence of renewal, shall constitute a material breach of this Agreement. All certificates required by this Agreement shall be sent directly to Cenpatico, Attn: Contracts Department, 1501 W. Fountainhead Parkway, Suite 295, Tempe, AZ 85282. Cenpatico reserves the right to require complete, certified copies of all insurance policies required by this Agreement at any time.

6. Subcontractors. Subcontractor shall obtain from its subcontractors separate certificates and endorsements for each subcontractor. The Subcontractor shall maintain certificates of insurance from all subcontractors and providers and ensure adequate coverage is provided throughout the term of the subcontractors' agreement. All coverages for subcontractors shall be subject to the minimum requirements identified above.

7. Approval. Any modification or variation from the minimum insurance requirements listed in this section shall be made by Cenpatico and the Department of Administration, Risk Management Section, whose decisions shall be final. Such action will not require a formal Amendment to this Agreement, but may be made by written notice to Subcontractor.

8. Exceptions. In the event that Subcontractor or its subcontractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall instead provide Cenpatico with a Certificate of Self-Insurance. If Subcontractor or its subcontractor(s) is/are a State agency, board, commission or university, none of the above shall apply.

5.3 Subcontractor's Responsibility for Insurance and Tax Coverage Obligations. Subcontractor shall be fully responsible for all tax obligations, workers' compensation insurance, and all other applicable insurance coverage obligations as stated in this Agreement, for itself and its employees. Neither ADHS/DBHS, nor Cenpatico shall have any responsibility or liability for any such taxes or insurance coverage.

5.4 Applicable Taxes

1. Payment of Taxes. The Subcontractor shall be responsible for paying all applicable taxes.

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.

3. Tax Indemnification. Subcontractors shall pay all Federal, State and local taxes applicable to its operation and any persons employed by the Subcontractor. Subcontractor shall, and shall 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. IRS W9 Form. In order to receive payment, the Subcontractor shall have a current IRS W9 Form on file with the Cenpatico, unless not required by law.

5.5 Risk of Loss. The Subcontractor shall bear all loss of conforming material covered under this Agreement until received by authorized personnel at the location designated in the purchase order or Agreement. Mere receipt does not constitute final acceptance. The risk of loss for nonconforming materials shall remain with the Subcontractor regardless of receipt.

ARTICLE VI

DATA, RECORDS, AUDITS, AND REPORTING REQUIREMENTS

6.1 Records. Subcontractor shall comply with all specifications for record keeping established by Cenpatico and ADHS. All books and records shall be maintained to the extent and in such detail as required by Cenpatico and ADHS. Records shall include, at a minimum, financial statements, records relating to covered behavioral health services, the quality of care, medical records, prescription files, reports, working papers used in preparing reports and other records specified by ADHS, or Cenpatico. Subcontractor shall preserve for a period of six (6) years from the date of final payment under this Agreement. If this Agreement is completely or partially terminated, Contractor shall preserve records relating to the work terminated for a period of six (6) years from the date of termination. Subcontractor shall retain records that relate to grievances, disputes, litigation, or the settlement of claims arising out of the performance of this Agreement, or costs and expenses of this Agreement to which exception has been taken by ADHS, or Cenpatico, for a period of six (6) years after the date of final disposition or resolution thereof.

6.2 Audits. During the term of this Agreement, and for five (5) years thereafter, Cenpatico, ADHS, and/or the Federal Government may conduct audits to determine Subcontractor's compliance with Federal and State codes, rules, regulations and requirements. Subcontractor shall comply with all applicable policies and procedures relating to the audit of Subcontractor's records, medical audit protocols, any inspection of Subcontractor's facilities, and the surveys of behavioral health recipients and providers and reviews. Subcontractor shall submit data, reports and information for audits upon request from Cenpatico, ADHS, and/or the Federal Government. These audits include, but are not limited to, the following:

1. Auditor General Audits. Subcontractor shall comply with and participate as required in the Performance Audit and other audits conducted by the Arizona Auditor General.

2. Other Federal and State Audits. Subcontractor shall comply with and participate as required in other Federal and State audits, including the audit of an inpatient facility.

6.3 Inspections. At any time during the term of this Agreement, Subcontractor shall fully cooperate with inspections by Cenpatico, ADHS, the U.S. Department of Health and Human Services, the Comptroller General, the U.S. Office of Civil Rights, or any authorized representative of the Federal or State governments. Subcontractor shall allow Cenpatico and/or any authorized representative of the Federal and State government.

1. Access to Subcontractor's staff

2. Access to books and records related to the performance of this Agreement for inspection, audit, and reproduction. This shall include allowing ADHS to inspect the records of any employee who works on this Agreement to ensure that Subcontractor is in compliance with all Federal and State Immigration laws and regulations. Subcontractor agrees to obtain any necessary releases from Behavioral Health Participants with respect to their records and the information contained therein in order to permit Cenpatico and authorized State and federal agencies access to such records.

3. On-site inspection, or other means, for the purpose of evaluating the quality, appropriateness, timeliness, and safety of services performed under this Agreement. The inspection shall be conducted at reasonable times unless the situation warrants otherwise.

6.4 Reviews.

1. Cenpatico Administrative Reviews. In its full and unfettered discretion, Cenpatico shall conduct Administrative Reviews, at least annually, of the Subcontractor.

   a. Scope. The Administrative Review shall include review of:
      i. operational and financial program compliance for all programs, including but not limited to State, Federal and contractual requirements
      ii. clinical and business practices and policies
      iii. financial reporting systems
      iv. quality outcomes, timeliness, and access to healthcare services, and
      v. any other operational and program areas identified by Cenpatico

   The Administrative Reviews shall be conducted to identify areas where improvements can be made and make recommendations accordingly, monitor Subcontractor's progress toward implementing mandated programs and corrective action plans, and provide Subcontractor with technical assistance if necessary.

   b. Procedure.

i. In preparation for the Administrative Review, Subcontractor shall fully cooperate with the Cenpatico Review Team by forwarding, in advance, policies, procedures, job descriptions, contracts, logs, and other information that Cenpatico may request.
ii. At the time of the commencement of the review, Subcontractor shall have all requested medical records available. Any documents not requested in advance by Cenpatico shall be made available upon request of the Review Team during the course of the review. Subcontractor personnel, as identified in advance, shall be available to the Review Team at all times during Cenpatico on-site review activities.
iii. While on-site, Subcontractor shall provide the Review Team with work space, access to telephone and internet services if available, electrical outlets and privacy for conferences.
iv. Following the review, Subcontractor shall be furnished a copy of the Administrative Review Report and given an opportunity to comment on any review findings prior to Cenpatico publishing the final report.
v. Recommendations made by the Review Team shall be implemented by Subcontractor to bring Subcontractor into compliance with Federal, State, ADHS/DBHS, and/or Agreement requirements.
vi. Cenpatico may conduct follow-up Administrative Reviews to determine Subcontractor's progress in implementing recommendations and achieving program compliance. Follow-up reviews may be conducted at any time after the initial Administrative Review.

c. Quality Management Reviews. Subcontractor shall make available records and other documentation, and ensure Subcontractor's participation in, and cooperation with, any quality management reviews. This shall include participation in staff interviews
d. SAMHSA Core Reviews (SAPT). Subcontractor shall comply with and participate as required in Cenpatico, ADHS/DBHS and Federal audits and Core Reviews of services and programs funded through the Substance Abuse Prevention and Treatment Performance Partnership Grants

6.5 MIS Standards and Performance Criteria. The Subcontractor shall use a Cenpatico approved Management Information System (MIS) to collect, analyze, integrate, and report data. The Subcontractor shall utilize electronic transactions in conformance with HIPAA requirements. Subcontractor shall, prior to implementation, notify Cenpatico of planned MIS changes, the estimated impact upon the interface process, and unit and parallel test files, if the Subcontractor plans to make any modifications that may effect any of the data interfaces. The Subcontractor shall not implement the proposed change until Cenpatico evaluates and approves the test data. Subcontractor shall notify Cenpatico in advance of the exact implementation date of all changes and cooperate with Cenpatico if Cenpatico elects to monitor MIS changes for operability and sustainability. Cenpatico shall provide Subcontractor with at least ninety (90) days notice before implementing a change to its MIS system unless Cenpatico determines that the system change must be implemented sooner, and in that instance, provide Subcontractor with as much notice as possible under the circumstances.

6.6 Shared Databases. Subcontractor shall cooperate with Cenpatico in the development of shared databases including those established in the ADHS/DBHS – Cenpatico Contract. Subcontractor shall comply with the Cenpatico administrative requirements established for use of such shared databases.

6.7 Data Integrity. Subcontractor is required to ensure that all data submitted to Cenpatico is accurate and timely. Subcontractor is required to maintain processes and procedures to ensure accuracy and timely submission of all data.

6.8 Transparency. The Parties understand and agree that because public money makes this Agreement possible; all transactions associated with this Agreement must be financially transparent to the public and to government regulators. In addition to other reporting and record keeping requirements set forth in this Agreement, Subcontractor agrees to provide to Cenpatico, within ten (10) days of a written request, any and all additional documentation requested by, and in a form acceptable to, Cenpatico, to support any payment made or to be made by Cenpatico to Subcontractor pursuant to this Agreement.

6.9 Periodic Reporting Requirements. The Subcontractor shall submit the reports listed in Exhibit E to the Agreement to Cenpatico. The Subcontractor's submission of untimely, inaccurate, or incomplete reports shall constitute failure to report. By submitting reports to Cenpatico, the Subcontractor confirms that the information in the report is accurate and complete.

1. Subcontractor shall be subject to the following standards for determining the adequacy of required reports:

   a. Timeliness. The Subcontractor shall submit reports or information on or before scheduled due dates. All required reports shall be submitted by e-mail to cbhazdeliverables@centene.com no later than 5:00 p.m. on the date due, unless otherwise noted. The Subcontractor may submit to this e-mail address a written request for an extension of a reporting deadline and include a reason for the request for extension and a proposed due date. Requests for extension shall be submitted in writing and shall be received by Cenpatico prior to the report due date. If directed by a Cenpatico department to submit a specific report to a location other than cbhazdeliverables@centene.com, the Subcontractor shall post notification of the submission to cbhazdeliverables@centene.com upon delivery to the alternate location;

   b. Accuracy. The Subcontractor shall prepare and submit reports or other information in strict conformity with authoritative sources and report specifications; and

   c. Completeness. The Subcontractor shall fully disclose all required information in a manner that is both responsive and relevant to the report's purpose with no material omissions.

2. Subcontractor shall comply with all report changes specified by Cenpatico.

3. Subcontractor shall continue to report beyond the term of the contract when necessary, including the processing of claims and encounter data because of lag time in the filing of source documents by Subcontractor.

6.10 Culture Competency Trained & Cultural Competency.

1. Behavioral Health Service providers are recruited, trained and evaluated based upon competence in linguistically and culturally appropriate skills for responding to the individual needs of each behavioral health participant and family members.

2. Provider management reflects cultural diversity in values and action

3. Provider management strive to improve through periodic cultural self-assessment and modify individual services or the system as a whole as needed to achieve this goal.

6.11 Business Continuity Plan

1. Subcontractor is required to develop a Business Continuity Plan that is reviewed and updated on an annual basis and to deal with unexpected events that may negatively and significantly affect its ability to adequately serve members. This plan shall, at a minimum include planning and training for:
   a. A process to notify staff quickly of a disaster when necessary, such as an employee Call Tree;
   b. An alternate site(s) for business operations to resume, if the property is destroyed in a disaster.
   c. A process in place to ensure participants' medical records are secure and back-up medical records are available, in the event medical records are destroyed in a disaster.
   d. An updated phone list with emergency contact numbers.
   e. Procedures to prevent the spread of communicable diseases during a pandemic alert.
   f. Key succession and performance planning if there is a sudden significant decrease in Subcontractor's workforce.
   g. Alternative methods to ensure there are products in the supply chain.
   h. An up to date list of company contacts and organization chart, upon request.
   i. Procedures to ensure provision of critical services during a pandemic or other disaster.
2. The Business Continuity Plan shall be reviewed annually by the Subcontractor. The Subcontractor is required to submit the annual plan to Cenpatico within 10 days of the implementation of this Agreement and August 15th each year thereafter;
3. The Subcontractor is required to ensure all key staff will be trained and familiar with the plan;
4. The Subcontractor is required to prepare adequate Business Continuity Plans and review the plans annually, updating them as needed. The Subcontractor plans shall, at a minimum, address the factors in 6.16.1 as they apply to the management services subcontractors.

ARTICLE VII

FINANCIAL CONSIDERATIONS

7.1 Cost Record Keeping System. Subcontractor shall maintain a cost record keeping system.

7.2 Payment Obligations. The Subcontractor shall pay and perform all of its obligations and liabilities when and as due, provided, however, that if and to the extent there exists a bona fide dispute with any party to whom the Subcontractor may be obligated, the Subcontractor may contest any obligation so disputed until final determination by a court of competent jurisdiction; provided, however, that the Subcontractor shall not permit any judgment against it or any levy, attachment, or process against its property, the entry of any order or judgment of receivership, trusteeship, or conservatorship or the

entry of any order to relief or similar order under laws, pertaining to bankruptcy, reorganization, or insolvency, in any of the foregoing cases to remain undischarged, or unstayed by good and sufficient bond, for more than fifteen (15) days.

7.3 Availability of Funding. Payments to be made by Cenpatico pursuant to this Agreement are conditioned upon the availability to Cenpatico of funds authorized for expenditure in the manner and for the purposes provided herein. No legal liability for any payment on the part of Cenpatico, its corporate parents, subsidiaries or affiliates, may arise under this Agreement until funds are made available by the State for performance of this Agreement. Cenpatico shall not be liable for any purchases, leases, agreements, or subcontracts entered into by the Subcontractor in anticipation of funding. Funds may not presently be available for performance under this Contract beyond the current State Fiscal Year. Moreover, should the State for any reason reduce the appropriations intended to apply to the performance of this Agreement for the current State Fiscal Year, Cenpatico may, at its sole election, take any of the following actions: (1) negotiate with Subcontractor for a reduced price or contract amount; or (2) terminate this Agreement or any of its Attachments in whole or in part

7.4 Compensation. Cenpatico shall compensate Subcontractor for the Covered Behavioral Health Services provided to Behavioral Health Participants in accordance with the terms of this Agreement. The method and amount of compensation and/or other consideration shall be provided in Exhibit B, "Method of Payment," to this Agreement, which may be amended or supplemented from time to time pursuant to the terms of this Agreement.

7.5 Recoupment Rights. Except as may otherwise be specifically provided in this Agreement, Cenpatico shall have the right to immediately recoup any and all amounts owed by Subcontractor to Cenpatico against amounts owed by Cenpatico to Subcontractor. This right shall include, without limitation, Cenpatico's right to recoup the following amounts owed to Cenpatico by Subcontractor: (i) amounts owed by Subcontractor due to overpayments or payments made in error by Cenpatico; (ii) amounts owed by Subcontractor in connection with any other prior, existing or future agreement between Subcontractor and Cenpatico or any Cenpatico affiliate; (iii) amounts owed by Subcontractor in relation to under-delivery of services or failure to provide encounter value equal to payment. As a material condition to Cenpatico's obligations under this Agreement, Subcontractor agrees that all recoupment and any offset rights pursuant to this Agreement shall be deemed to be and to constitute rights of recoupment authorized in State or federal law or in equity to the maximum extent possible under law or in equity and that such rights shall not be subject to any requirement of prior or other approval from any court or other government authority that may now have or hereafter have jurisdiction over Subcontractor. The Subcontractor shall comply with the protocols established in the AHCCS ACOM Manual 12-1 Recoupment Request Policy.

7.6 Recoupment and Sanctions. Any recoupments, sanctions, fines, etc. imposed by Cenpatico shall be either reimbursed to Cenpatico upon demand, or deducted from the Subcontractor's payment at the sole discretion of Cenpatico. This includes any recoupments, sanctions, fines, etc. imposed upon Cenpatico under its contract with ADHS/DBHS and passed through to the Subcontractor. Payment is due on demand as specified in the written notice. Subcontractor shall have the right to formally dispute a sanction imposed by Cenpatico as outlined in the ADHS/DBHS Provider Manual-Cenpatico Edition, Section 5.6.

7.7 Right of Offset. Cenpatico shall be entitled to offset against any sums due the Subcontractor, any expenses or costs incurred by Cenpatico, or damages assessed by Cenpatico concerning the Subcontractor's non-conforming performance or failure to perform this Agreement, including expenses, costs and damages described in Exhibit C, Uniform Terms and Conditions.

7.8 Profit Corridor. Prevention Providers shall not retain profit from federal SAPT block grant funds.

7.9 Evergreen Contract Financial Considerations. In the event this Agreement is not amended before the close of the State Fiscal Year, the financial considerations as outlined in Exhibit B of the most recently executed contract will be extended indefinitely on a pro rata basis until the Managed Behavioral Health Care Agreement is amended or terminated in accordance with the terms of this Agreement. In the event the Evergreen contract financial considerations are in effect, the payment structure will be equivalent to 1/12th of the annual contract amount or the amount specified in the payment schedule identified in Exhibit B.

7.10 Financial Reporting and Viability Measures. Subcontractor shall meet the following financial viability standards, on a monthly basis. The Defensive Interval must be greater than or equal to fifteen (15) days. The Defensive Interval is calculated as follows: Defensive Interval = (Cash + Cash Equivalents) divided by ((Operating Expense – Non Cash Expense)/ (Period Being Measured in Days)). The Current Ratio must be greater than or equal to 1.00. The Current Ratio is calculated as follows: Current Ratio = Current Assets divided by Current Liabilities.

7.11 Block Payment Requirements. Subcontractors paid on a block payment methodology as identified in Exhibit B shall meet the following requirements.` The Subcontractor must successfully produce encounter value for services actually rendered that are equal or greater than to 100% of the prospective block payments. Cenpatico will reconcile payments to encounter data and may adjust, withhold, or recoup funding, based on performance against encounter value requirements. The Subcontractor's reimbursement shall not exceed the total cumulative maximum amount for the State Fiscal Year (July 1 to June 30) for the provision of covered services, as defined by ADHS/DBHS, as indicated. The Subcontractor agrees to manage the block payment allocations to ensure consistent provision of services throughout the term of this Agreement. Block payment service payments, as specified in Exhibit B, will be processed for payment on or about the 15th day of the month. All checks will be mailed via standard US mail. Cenpatico reserves the right to charge a special handling fee of $30 per check mailed or delivered other than via standard US mail.

The Subcontractor acknowledges and agrees to accept the maximum payment specified and agrees to the terms of said payment arrangement. The Subcontractor may be subject to a withhold to be determined by Cenpatico, and at the discretion of Cenpatico when year-to-date prorated encounter value does not equal year-to-date contract value thresholds established by Cenpatico. All encounters will be applied to ADHS/DBHS prescribed Fund Types. Subcontractor shall be subject to recoupment for insufficient encounter value related to each individual Fund Type. Over delivery of encounter value in one Fund Type can not be used to offset under delivery in another Fund Type, except as allowed under statute. Any exceptions to this requirement shall be at the sole discretion of Cenpatico. Block Payment allocation includes the provision of all services covered under the Block Payment as defined in this Agreement and provided through any and all facilities operated by Subcontractor in Arizona, regardless of the location of the facilities. No additional dollars will be made available for services performed in facilities outside Cenpatico Geographic Service Areas.

7.12 Block Purchase Requirements. Subcontractors paid on a block purchase methodology as identified in Exhibit B shall meet the following requirements. The Subcontractor must successfully produce encounters to support block purchase amount and reflect all services performed under the block purchase. Specific Block Purchased Crisis services as identified in Exhibit B do not require 100% encounter value submission. The Subcontractor's reimbursement shall not exceed the total cumulative maximum amount for the State Fiscal Year (July 1 to June 30) for the provision of Covered Services. The Subcontractor agrees to manage the block purchase allocations to ensure consistent availability and provision of services throughout the term of this Agreement. Block purchase service payment, as specified herein, will be processed for payment on about the 15th day of the month. All checks will be mailed via standard US mail. Cenpatico reserves the right to charge a special handling fee of $30.00 per check mailed or delivered other than via standard US mail. Subcontractor acknowledges and agrees to accept the maximum payment specified and agrees to the terms of such payment arrangements.

7.13 Third Party-Antitrust Violations. The Subcontractor assigns to Cenpatico any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to the Subcontractor, toward fulfillment of this Agreement.

ARTICLE VIII

NON PERFORMANCE PROVISIONS

8.1 Corrective Actions. Subcontractor shall comply with corrective action when Cenpatico determines that Subcontractor has not fulfilled its obligations under this Agreement. The need for corrective action may be identified through various means, including but not limited to: grievance and appeals information; quality management; problem resolution; financial information; Administrative Reviews; failure to meet the MPS for any measure; a significant decrease in performance on any measure that cannot be justified; failure to demonstrate improvement toward meeting MPS; or information obtained in any other contract deliverable or investigation. Cenpatico shall give Subcontractor written notice through a Corrective Action Letter that an issue requiring corrective action has been identified and that a Corrective Action Plan is required. The Corrective Action Letter and the Corrective Action Plan shall be the means of communication between Cenpatico and the Subcontractor regarding resolution of the identified issue(s). The Corrective Action Letter will specify the corrective action(s) required to bring Subcontractor's performance into compliance with Agreement requirements on the identified issue(s), the documentation required to substantiate that the corrective actions have been completed, and the period of time during which the Subcontractor implement the required corrective action(s). If, at the end of the specified time period, Cenpatico determines that the Subcontractor has complied with the Corrective Action Letter requirements, Cenpatico will take no further action with respect to the imposition of sanctions. If, however, Cenpatico determines that the Subcontractor has not complied with the Corrective Action Letter requirements, Cenpatico may proceed with the imposition of sanctions.

8.2 Performance Sanctions. Cenpatico may impose financial sanctions for failure to comply with the terms of this Agreement, or requirements set forth in the documents incorporated by reference, or failure to comply with a Corrective Action Letter. Sanctions shall be assessed according to the severity of the violation. Cenpatico shall determine, at its sole discretion, the amount of the sanction.

Subcontractor shall have the right to challenge sanctions pursuant the terms of this Agreement. Cenpatico shall provide a written notice of sanction to Subcontractor specifying the sanction, the grounds for the sanction, identification of any subcontracted providers involved in the violation, the amount of funds to be withheld from the Subcontractor's payments, and the steps necessary to avoid future sanctions. Subcontractor shall complete all steps necessary to correct the violation within the time frame established by Cenpatico in the notice of sanction to avoid additional penalties or corrective actions.

8.3 General Service Provision Sanctions. Unless explicitly stated otherwise in this Agreement or document incorporated by reference, at Cenpatico's discretion, all subcontractors are subject to the following sanctions:

1. Three thousand dollar ($3,000.00) fine for failure to implement corrective action(s) by the specified due date, plus $50.00 for each day beyond the date the corrective action was due and until such corrective action is implemented.
2. One hundred dollar ($100.00) fine per person per day for an unexcused absence from a training or failure to send an alternate once enrollment has been approved.
3. Three thousand dollar ($3000.00) fine for failure to respond to an Issue Resolution within the time frame specified by ABHS/DBHS.
4. Additional monthly penalties for failure to correct the violation within the timeframes established in the notice of sanction, which at Cenpatico's discretion, may be equal to or greater than the following: the original penalty amount multiplied by one (1) plus the number of additional months (or portion of a month) during which the violation continues. (*For example*: If one month past the timeframe in the notice of sanction the Subcontractor has not corrected the violation(s), Cenpatico may imposed an additional penalty of the original penalty amount times two (one plus one month). If two months pass and the Subcontractor still has not corrected the violation(s), Cenpatico may impose yet another penalty of the original penalty amount times three (one plus two months).)

8.4 Sanctions Imposed by State or Federal Authorities. If any state or federal authority imposes a sanction against Cenpatico, for any act or omission that Subcontractor was prohibited or required (respectively) to perform pursuant to this Agreement, Cenpatico may, in addition to any other remedies available under this Agreement, impose a sanction against Subcontractor in an amount equal to the amount of any such sanction imposed on Cenpatico. Cenpatico will not levy these sanctions upon Subcontractor until such time as the sanctioning authority actually imposes sanctions upon Cenpatico. If any such sanction applies to more than one subcontractor and the sanctioning authority does not delineate individual subcontractor responsibility, Cenpatico may apportion sanctions to Subcontractor based on an equitable method that accounts for the Subcontractor's share of responsibility. Any dispute regarding Subcontractor's liability for a sanction imposed under this Agreement shall be resolved through the Provider Payment Dispute process outlined Section 9.20 of this Agreement.

8.5 Performance Credit for Failure to Comply with Exhibit E. Subcontractor has agreed to the time frame for deliverables (the "Deliverables") as set forth in Exhibit E. In the event Subcontractor fails to provide the Deliverables in accordance with Exhibit E, Subcontractor shall be liable for a performance

credit for such delay in the amount of $1,500.00 per incident and $50.00 per day for each day beyond the due date of the Deliverable and until Subcontractor provides the Deliverable to Cenpatico.

8.6 Escalating Sanctions. If Subcontractor violates the same provision in this Agreement, including any provision of an Attachment, on three (3) or more occasions within twelve (12) consecutive months, Cenpatico, at its sole discretion, may apply an automatic sanction of $3,000.00 on the third (3rd) occurrence. For each violation after the third (3rd) occurrence, Cenpatico may double the sanction from the previous occurrence.

8.7 Administration of Sanction Payments. Any amounts due and owing to Cenpatico under this Article VIII may be offset by Cenpatico against any payments due Subcontractor under this Agreement from the next monthly payment until the full amount is paid. Subcontractor and Cenpatico each acknowledge that the payments described in this Article VIII constitute liquidated damages for the loss of a bargain, are not penalties, and are a reasonable approximation of Cenpatico's damages under the circumstances, as can best be determined as of the date hereof. Cenpatico shall have the right to impose such an offset even if Subcontractor contests the sanction; provided, however, that if the sanction is reduced or eliminated following a Provider Payment Dispute, Cenpatico shall pay any such sums within 30 days of the final resolution of the dispute process. Any sanction imposed by a State or federal authority and passed through to Subcontractor shall be reimbursed to Cenpatico upon demand, or, at Cenpatico's election, may be offset against any payments due to Subcontractor under this Agreement.

8.8 Notice to Cure. Cenpatico may issue a notice to cure for failure to remedy any non-performance or inadequate performance under this Agreement. The notice to cure shall stipulate the required response and timeframe required for the remedy. Failure to meet the requirements of the notice to cure may result in a notice of termination.

8.9 Right to Assurance. If Cenpatico in good faith has reason to believe that the Subcontractor does not intend to, or is unable to perform or continue performing under this Agreement, Cenpatico may demand in writing that the Subcontractor give a written assurance of intent to perform. Failure by the Subcontractor to provide written assurance within the number of Days specified in the demand may, at Cenpatico option, be the basis for terminating the Agreement, or other rights and remedies available by law or provided by the Agreement.

8.10 Stop Work Order. Cenpatico may, at any time, by written order to the Subcontractor, require the Subcontractor to stop all or any part, of the work called for by this Agreement for period(s) of days indicated by Cenpatico after the order is delivered to the Subcontractor. The order shall be specifically identified as a stop work order issued under this clause. Upon receipt of the order, the Subcontractor 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. If a stop work order issued under this clause is cancelled or the period of the order or any extension expires, the Subcontractor shall resume work. Cenpatico shall make an equitable adjustment to the compensation in Exhibit B, and the Agreement shall be amended in writing accordingly.

8.11 Non-exclusive Remedies. The rights and the remedies of Cenpatico under this Agreement are not exclusive.

8.12 Nonconforming Tender. Services supplied under this Agreement shall fully comply with the Agreement. The delivery of services or a portion of the services that do not fully comply constitutes a breach of contract. On delivery of nonconforming services, Cenpatico may terminate the Agreement for default under applicable termination clauses in the Agreement, exercise any of its rights and remedies under the Agreement, or pursue any other right or remedy available to it.

ARTICLE IX

TERM, TERMINATION AND DISPUTE RESOLUTION

9.1 Term and Voluntary Termination. This Agreement shall commence on the Effective Date and continue in effect until the following September 30th ("Initial Term"). On October 1st of each year, this Agreement and any Attachments will automatically renew for one (1) year periods ("Renewal Term"(s)), unless: (1) either party gives notice to the other of its intent not to renew this Agreement, or an Attachment individually, no fewer than sixty (60) days prior to the expiration of the Initial Term or any Renewal Term of this Agreement or such Attachment, as applicable; or (2) this Agreement or its Attachments are terminated pursuant to other provisions herein.

9.2 Elective Termination. Either party may elect to terminate this Agreement for any reason with ninety (90) days prior written notice, delivered by certified mail, to the other party.

9.3 Termination Upon Mutual Agreement. This Agreement may be terminated by mutual written agreement of the Parties effective upon the date specified in the written agreement. If the parties cannot reach agreement regarding an effective date for termination, Cenpatico will determine the effective date.

9.4 Cancellation for Conflict of Interest. Cenpatico may cancel this Agreement within three (3) years after Agreement execution without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of Cenpatico is or becomes at any time while this Agreement or an extension of this Agreement is in effect an employee or a consultant to Subcontractor with respect to the subject matter of this Agreement. The cancellation shall be effective when the Subcontractor receives written notice of the cancellation unless the notice specifies a later time.

9.5 Termination for Improper Gratuities. Cenpatico may, by written notice, terminate this Agreement, in whole or in part, if Cenpatico determines that employment or a Gratuity was offered or made by the Subcontractor or a representative of the Subcontractor to any officer or employee of Cenpatico for the purpose of influencing the outcome of the securing this Agreement, an amendment to this Agreement, or favorable treatment concerning this Agreement, including the making of any determination or decision about contract performance. Cenpatico, 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 Subcontractor.

9.6 Termination for Suspension or Debarment. Cenpatico may, by written notice to the Subcontractor, immediately terminate this Agreement if Cenpatico determines that the Subcontractor 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. Execution of this Agreement shall attest that the Subcontractor is not currently suspended or debarred. If the Subcontractor becomes suspended or debarred, the Subcontractor shall immediately notify Cenpatico.

9.7 Termination for Convenience. Cenpatico reserves the right to terminate this Agreement, in whole or in part at any time, at the sole discretion of Cenpatico when in the best interests of Cenpatico without penalty or recourse. Upon receipt of the written notice, the Subcontractor shall stop all work, as directed in the notice, and minimize all further costs to Cenpatico. In the event of termination under this paragraph, all documents, data and reports prepared by the Subcontractor under this Agreement shall become the property of and be delivered to Cenpatico upon demand. The Subcontractor 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.

9.8 Termination for Default. In addition to the rights reserved in this Agreement, Cenpatico may terminate this Agreement in whole or in part due to the Subcontractor's failure to comply with any term or condition of the Agreement; to acquire and maintain all required insurance policies, bonds, licenses and permits; or to make satisfactory progress in performing the Agreement. Cenpatico shall provide written notice of the termination and the reasons for it to the Subcontractor. Upon termination under this paragraph, keep, documents, data, and reports prepared by the Subcontractor under this Agreement shall become the property of and copies be delivered to Cenpatico on demand. Cenpatico may, upon termination of this Agreement, purchase, on terms and in the manner that is deems appropriate, materials or services to replace those under this Agreement. The Subcontractor shall be liable to Cenpatico for any excess costs incurred by Cenpatico in purchasing materials or services in substitution for those due from the Subcontractor.

9.9 Termination Due to Termination of ADHS/DBHS – Cenpatico Contract. Subcontractor acknowledges that this Agreement is subject to automatic termination upon the expiration or termination of the ADHS/DBHS – Cenpatico Contract.

9.10 Voidability of Agreement. The Agreement is voidable and subject to immediate termination by Cenpatico upon the Subcontractor becoming insolvent or filing proceedings in bankruptcy or reorganization under the United States Code, or upon assignment or delegation of the Agreement without the prior written approval of Cenpatico.

9.11 Termination Following Notice to Cure.

1. Notice to Cure. Cenpatico reserves the right to cancel the whole or any part of this Agreement due to Subcontractor's failure to carry out any material obligation, term, or condition of this Agreement, following receipt of a written notice to cure any such failure. By way of example (but not limited to this list), Cenpatico shall issue a written notice to cure to Subcontractor for acting or failing to act as in any of the following:

   a. Subcontractor fails to adequately perform the services set forth in this Agreement;

   b. Subcontractor fails to complete the work required or to furnish the materials required within the time stipulated by this Agreement;

   c. Subcontractor fails to make progress in the performance of the contract and/or gives

Cenpatico reason to believe the Subcontractor will not or cannot perform to the requirements of the contract.

2. Response to Notice to Cure. Upon receipt of the written notice to cure, Subcontractor shall have ten (10) days to provide a satisfactory response to Cenpatico. Subcontractor's failure to adequately address all issues of concern may result in Cenpatico resorting to any single or combination of the following remedies:

   a. Terminate the Agreement due to failure by the Subcontractor to carry out any material obligation, term or condition of the Agreement;

   b. Reserve all rights or claims to damage for breach of any covenant of the Agreement; or

   c. Perform any test or analysis on records, data, or materials for compliance with the specifications of the Agreement. If the result of any test confirms a material non-compliance with the specifications, any reasonable expense of testing shall be borne by the Subcontractor.

9.12 Immediate Termination by Cenpatico. Notwithstanding anything herein to the contrary, Cenpatico may immediately terminate this Agreement, in whole or in part, upon written notice to Subcontractor as follows:

1. If Subcontractor will lose, relinquish, or have materially affected any licensure or certification necessary to provide Covered Behavioral Health Services in the State, with such termination to be effective upon the effective date of such loss, relinquishment or material effect;

2. If Subcontractor or any of its agents or managing employees is convicted of a criminal offense related to that person's involvement in any program under Titles XVIII, XIX, XX, or XXI of the Social Security Act or has been terminated, suspended, barred, voluntarily withdrawn as part of a settlement agreement, or otherwise excluded in any program under Titles XVIII, XIX, XX or XXI of the Social Security Act;

3. In the event of: (i) imminent harm to patient health; (ii) an action by a State medical board, a medical or other licensing board, or a government agency that may impair Subcontractor's ability to provide Covered Behavioral Health Services; or (iii) Subcontractor's conviction of fraud or malfeasance;

4. If Subcontractor assigns or delegates this Agreement without Cenpatico's prior written approval; or

5. If Subcontractor breaches its warranty that it complies with all Federal and State immigration laws and regulations.

9.13 Rights and Obligations Upon Termination: In addition to the requirements stated in this Agreement, Subcontractor shall comply with the following provisions:

1. Upon issuing or receiving a notice of non-renewal or notice of termination, and until the effective date of such notice, Subcontractor shall perform work consistent with the requirements of this Agreement and in accordance with a written transition plan approved by Cenpatico for the orderly transition of eligible and enrolled persons to another Provider. The written transition plan will specify the timing of the transition of Behavioral Health Participants to another provider, as well

as the reductions in Subcontractor's compensation that correlate to the reduced quantity of Behavioral Health Services that the Subcontractor provides as Behavioral Health Participants are transitioned to other Providers during the transition period.

2. Subcontractor shall be paid the Agreement price for all services and items completed as of the effective date of the notice of termination and shall be paid its reasonable and actual costs for work in progress as determined by GAAP; however, no such amount shall cause the sum of all amounts paid to Subcontractor to exceed the compensation limits set forth in the Agreement.

9.14 Transition Reporting and Tracking Requirements. The Subcontractor shall report and track all persons transitioned due to a contract, program or service change, suspension, limitation or termination to ensure service continuity. Required elements to be reported and tracked include: Name, Title XIX/XXI status, date of birth, population type, current services that the Behavioral Health Participant is receiving, services that the Behavioral Health Participant should be receiving, new agency involved, evidence that person has received written notification of the change, evidence of any terminations found or resulting from the transition, the date of first appointment and activities to re-engage persons. Other elements to be tracked may be added based on the particular circumstances.

9.15 Cenpatico's Rights Following Agreement Cancellation. If the Agreement is cancelled, Cenpatico reserves the right to purchase materials or to complete the required work. Cenpatico may recover any reasonable excess costs resulting from these actions from the Subcontractor by deduction from an unpaid balance and any other remedies as provided by law.

9.16 Cenpatico Right to Contract with an Alternate Subcontractor. In accordance with A.R.S. § 36-3412(D) and in addition to any other rights provided by law or under this Agreement, upon a determination by Cenpatico that Subcontractor has failed to perform any requirements of this Agreement that materially affect the health, safety or welfare of behavioral health participants, Cenpatico may, immediately upon written Notice to the Subcontractor, directly locate an alternative the Subcontractor for so long as necessary to ensure the uninterrupted care to behavioral health participants and to accomplish the orderly transition of behavioral health participants to a new or existing Subcontractor's, or until the Subcontractor corrects the Agreement performance failure to the satisfaction of Cenpatico.

9.17 Impact on Indemnification. In the event of expiration or termination or suspension of this Agreement by Cenpatico, the expiration or termination or suspension shall not affect the obligation of the Subcontractor to indemnify Cenpatico for any claim by any third party against Cenpatico or ADHS arising from the Subcontractor's performance of this Agreement and for which the Subcontractor would otherwise by liable under this Agreement.

9.18 Effect of Termination. If this Agreement expires or terminates pursuant to the provisions of Article IX, then this Agreement, along with all Attachments, shall terminate on the applicable expiration or termination date, subject certain obligations that survive the contract termination as expressly provided in this Agreement or as identified in the Survival section below.

9.19 Survival. The following provisions shall survive termination of this Agreement: Section 4.22 (Complaint, Grievance, and Appeal Processes); Section 5.1 (General Requirements and Indemnification); Section 6.1 (Records); Article VII (Financial Considerations); Section 9.17 (Transition

Obligations); Section 9.20 (Provider Payment Disputes); Section 9.21 (Dispute Resolution), and Section 10.16 (Confidentiality of Information).

9.20 Provider Payment Disputes. Provider payment disputes and and sanction disputes (collectively, "Provider Payment Disputes") shall be resolved through the process and procedures identified in Section 5.6 of the ADHS/DBHS Provider Manual-Cenpatico Edition for resolving provider claim disputes. . Subcontractor may appeal a Cenpatico decision regarding a Provider Payment Dispute in accordance with the ADHS/DBHS Provider Manual-Cenpatico Edition. Subcontractor shall carry out ADHS/DBHS, or Cenpatico decisions issued with respect to a Provider Payment Dispute.

9.21 Dispute Resolution. All Provider Payment Disputes shall be resolved through the applicable processes identified in the section above. In the event that any Party asserts that there exists any claim or controversy other than a Provider Payment Dispute that arises out of this Agreement or relating to the Parties' relationship under this Agreement, such party shall first send a written notice to the other party specifying the nature of the asserted dispute (the "Notice of Dispute") and requesting a meeting to attempt to resolve the dispute. The Notice of Dispute shall set forth the nature of the dispute in detail and shall identify any relevant documents which the party giving the Notice of Dispute knows of at that time. The Parties shall promptly meet and shall engage in good-faith efforts to resolve the dispute without the need to commence arbitration. If no such resolution is reached within thirty (30) days after delivery of the Notice of Dispute, any party to the dispute may thereafter commence arbitration in accordance with the Rules and Procedures for Arbitration of the American Arbitration Association ("AAA") relating to commercial arbitration disputes. Except for Provider Payment Disputes, which shall be resolved through the applicable administrative review process, arbitration proceedings shall be the sole and exclusive remedy for all disputes arising out of and relating to this Agreement. Notwithstanding the foregoing, all claims raised in a Notice of Dispute shall be deemed waived if arbitration is not initiated within one year of the date of the Notice of Dispute.

The Parties agree that any arbitration proceeding will be conducted at a location within the State designated by Cenpatico. The arbitration shall be before a single arbitrator who is mutually acceptable to the parties or, absent an agreement on an arbitrator, who is appointed by the AAA. The arbitrator shall have no right to award any punitive or exemplary damages or to vary or ignore the terms of this Agreement and shall be bound by controlling law. The prevailing party shall be entitled to recover from the losing party any costs related to the arbitration, including attorneys' fees and costs. The existence of a Notice of Dispute or arbitration proceeding shall not in and of itself constitute cause for termination of this Agreement. Notwithstanding any dispute arising under this Agreement, each party hereto shall continue to perform its obligations hereunder pending the decision of the arbitrator unless otherwise terminated pursuant to the termination provisions of this Agreement.

ARTICLE X

MISCELLANEOUS

10.1 Uniform Terms and Conditions Incorporated. The Uniform Terms and Conditions, contained in Exhibit C to this Agreement, are hereby incorporated into the terms of this Agreement, provided that all obligations imposed therein upon "Contractor" shall be construed as applying to Subcontractor for

purposes of this Agreement. It is expressly agreed that the Uniform Terms and Conditions contained therein shall prevail over the terms of any other conflicting provision in this Agreement or any other document relating to or a part of this Agreement.

10.2 Relationship of Parties. The relationships among Subcontractor and Cenpatico are those of independent contractors. None of the provisions of this Agreement are intended to create, or to be construed as creating, any agency, partnership, joint venture, or employee-employer relationship. Notice to, or consent from, any third party, including Behavioral Health Participants, shall not be required to make any termination or modification of this Agreement effective.

10.3 Use of Name. The Parties acknowledge that each has a proprietary interest in its legal and business names. Neither party shall use the other's name without the prior written consent of the other party, provided that Cenpatico shall be permitted to use Subcontractor's name, business address, business telephone number, business facsimile number, licensure and a description of its services in Cenpatico Behavioral Health Participant information materials, including Subcontractor directories, as Cenpatico may reasonably deem as necessary to satisfy Cenpatico's obligations under the ADHS/DBHS Provider Manual-Cenpatico Edition and federal and State law.

10.4 Lobbying. Subcontractor shall not use funds paid to Subcontractor by Cenpatico, or interest earned, for the purpose of influencing or attempting to influence any officer or employee of the State or a Federal agency; or any member of, or employee of a member of, the United States Congress or the Arizona State Legislature in connection with awarding of any Federal or State contract, the making of any Federal or State grant, the making of any Federal or State loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal or State contract, grant, loan, or cooperative agreement.

The Subcontractor shall not use funds paid to the Subcontractor by Cenpatico, or interest earned, for the purpose of influencing or attempting to influence any officer or employee of any State of Federal agency; or any member of, or employee of a member of, the United States Congress or the Arizona State Legislature in which it asserts authority to represent ADHS or advocate the official position of ADHS in any matter before a State or Federal agency; or any member of, or employee of a member of, the United States Congress or the Arizona State Legislature.

10.5 Assignment; Delegation of Duties; Subcontracting. This Agreement shall be binding upon, and inure to the benefit of, the Parties hereto, their respective heirs, successors, and assigns Except as otherwise provided in this section, Subcontractor shall not subcontract or otherwise delegate its duties under this Agreement without the prior written consent of Cenpatico and any other parties as may be required by the Exhibit C, Uniform Terms and Conditions. Cenpatico allows Subcontractors to subcontract for transportation, transcription, and interpretation services only. Subcontractor shall establish a method to ensure the quality and competency of vendors of transportation, transcription and interpretation services. Subcontractor may not subcontract for any other service without special permission from Cenpatico. Subcontractor agrees that any subcontract or delegation of duties shall incorporate all applicable terms of this Agreement and Attachments as obligations of the Subcontractor's subcontractor or designee.

10.6 Headings. The headings of the various sections of this Agreement are inserted merely for the purpose of convenience and do not, expressly or by implication, limit, define, or extend the specific terms of the section so designated.

10.7 Order of Precedence. In the event of any conflict between this Agreement and the ADHS/DBHS Provider Manual-Cenpatico Edition, this Agreement shall control, provided that in the event of any conflict between this Agreement and any Attachment hereto, the Attachment shall be controlling as to the subject matter described in that Attachment

10.8 Third Party Beneficiary. This is an agreement between Cenpatico and Subcontractor. Except as specifically provided in this Agreement, including, but not limited to, as provided herein with respect to the State, Cenpatico and Subcontractor do not intend to create in any third party any right to enforce this Agreement or to collect for losses or damages under this Agreement.

10.9 Changes within the General Scope of the Agreement. Cenpatico may, at any time, by written notice to Subcontractor, make changes within the general scope of this Agreement. If any change causes an increase or decrease in the cost of, or the time required for, performance of any part of the work under this Agreement, the Subcontractor shall assert its right to such adjustment within thirty (30) days from the date of receipt of the change notice. Any dispute or disagreement arising from the notice shall be treated as a contract claim and shall be settled in accordance with Section 9.21 of this Agreement. When Cenpatico issues an Amendment to modify this Agreement, and the Subcontractor does not assert a right to an adjustment in the Agreement compensation and/or other dispute or disagreement with Cenpatico's notice to Subcontractor, the provisions of the Amendment shall be deemed to have been accepted sixty (60) days after the date of mailing by Cenpatico, even if Subcontractor has not signed the Amendment. If the Subcontractor refuses to sign the Amendment, Cenpatico may exercise its remedies under this Agreement.

10.10 Entire Agreement. This Agreement, together with all Attachments and documents incorporated by reference, contains all the terms and conditions agreed upon by the Parties and supersedes all other agreements, oral or otherwise, of the Parties, regarding the subject matter of this Agreement.

10.11 Severability. The provisions of this Agreement are severable. Any term or condition deemed illegal or invalid shall not affect any other term or condition of the Agreement.

10.12 No Waiver. Either party's failure to insist on strict performance of any term or condition of this Agreement 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.

10.13 Notices. Any notice required to be given pursuant to the terms and provisions hereof shall be in writing and shall be sent by certified mail, return receipt requested, postage prepaid or by recognized courier service, addressed as follows:

Cenpatico	**Gila County Health Department**
Attn: Terry Stevens, CEO	Attn: Michael A. Pastor, Chairman, Board of Supervisors
1501 W. Fountainhead Parkway Suite 295 Tempe, Arizona 85282	1400 Ash Street Globe, Arizona 85501

or to such other address as either party may designate in writing, or as required by Exhibit C, Uniform Terms and Conditions.

10.14 Contingency. This Agreement shall be contingent upon the approval of its terms by any necessary governmental agency. This Agreement shall be deemed to be a binding letter of intent if Cenpatico has not received necessary regulatory approval as of the date of the execution of this Agreement.

10.15 Force Majeure. Except for the payment of sums due, neither party shall be liable or deemed to be in default under this Agreement if and to the extent that such party's performance of this Agreement 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. Force Majeure shall not include the following occurrences:

1. Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, or an oversold condition of the market;
2. Late performance by a subcontractor unless the delay arises out of a force majeure occurrence in accordance this force majeure term and condition; or
3. Inability of the Subcontractor to acquire or maintain any required insurance, bonds, licenses or permits.

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 Agreement. 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.

10.16 Confidentiality of Information. The Parties acknowledge that each party may disclose confidential and proprietary information to the other in the course of performance of this Agreement. All information not otherwise publicly available which is jointly developed by the Parties pursuant to this Agreement or disclosed by one party to the other in the course of performance of this Agreement shall be deemed confidential and shall not be disclosed by the receiving party to any third party without the disclosing party's prior written consent.

10.17 Calculation of Time. The Parties agree that for purposes of calculating time under this Agreement, any time period of less than eleven (11) days shall be deemed to refer to business days unless and any time period of eleven (11) days or more shall be deemed to refer to calendar days.

10.18 Offshore Performance of Work Prohibited. Due to security and identity protection concerns, direct services under this Agreement 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 Cenpatico or 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 Cenpatico or 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 this Agreement. This provision applies to work performed by subcontractors at all tiers.

10.19 Governing Law. This Agreement will be deemed to have been executed and delivered in Arizona, and the laws of the State will govern the enforcement and interpretation of this Agreement excluding choice of law provisions that would apply the law of any other jurisdiction.

10.20 No Parole Evidence. This Agreement 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.

10.21 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 Agreement and any related subcontract ("Intellectual Property"), shall be work made for hire and the State shall be considered the creator of such Intellectual Property. ADHS/DBHS shall own (for and on behalf of the State) the entire right, title and interest to the Intellectual Property throughout the world. Subcontractor shall notify Cenpatico, within thirty (30) days, of the creation of any Intellectual Property by it or its subcontractor(s). Subcontractor, 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 Subcontractor or its subcontractor(s) to any entity not Cenpatico or the State without Cenpatico's express written authorization.

10.22 Property of the State. Any materials, including reports, computer programs and other deliverables, created under this Agreement are the sole property of the State. The Subcontractor is not entitled to a patent or copyright on those materials and may not transfer the patent or copyright to anyone else. The Subcontractor shall not use or release these materials without Cenpatico's prior written consent.

10.23 Authority. The Parties whose signatures are set forth below represent and warrant that they have the ability, authority, skill, expertise and capacity to perform the services specified in this Agreement and that they are duly empowered to execute this Agreement.

10.24 Certification of Truthfulness of Representation. By signing this Agreement, the Subcontractor certifies that all representations set forth herein are true to the best of its knowledge.

CENPATICO
PREVENTION SERVICES AGREEMENT
ORIGINATION DATE: 09/01/2010 REVISED: 01/01/2014

THIS AGREEMENT CONTAINS A BINDING ARBITRATION PROVISION THAT MAY BE ENFORCED BY THE PARTIES.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement effective on the first day or the fifteenth day of the month, whichever date immediately follows the date both Parties have signed this Agreement.

Cenpatico Behavioral Health of Arizona, LLC:		**Gila County Health Department**	
By:		By:	
Name:	Terry Stevens	Name:	Michael A. Pastor, Chairman
Title:	CEO	Title:	Board of Supervisors
Date:	3/31/14	Date:	April 15, 2014
		Tax ID:	86-6000444
Cenpatico of Arizona, Inc.:		**Gila County Health Department**	
By:		Approved as to Form: By:	
Name:	Terry Stevens	Name:	Bryan Chambers
Title:	President & CEO	Title:	Deputy Attorney Principal
Date:	3/31/14	Date:	April 15, 2014

CENPATICO
BUSINESS ASSOCIATE AGREEMENT
PREVENTION SERVICES AGREEMENT – EXHIBIT K
GILA COUNTY HEALTH DEPARTMENT
ORIGINATION DATE: 09/01/2010 REVISED: 01/01/2014

This **BUSINESS ASSOCIATE AGREEMENT** ***('Exhibit K')*** is entered into on this **1st** day of **January, 2014**, by and between **Cenpatico Behavioral Health of Arizona, LLC, and Cenpatico of Arizona, Inc.**, herein referred to as "Cenpatico" (***"the Covered Entities"***) and **Gila County Health Department** (***"Business Associate"***).

WHEREAS, pursuant to an agreement dated **September *01, 2010*** entered into by and between Covered Entities and Business Associate (***"Services Agreement"***), Business Associate provides certain functions, activities, and/or services (collectively, ***"Services"***) to Covered Entities;

WHEREAS, in connection with such Services, Covered Entities will make available and/or transfer to Business Associate, or Business Associate will create on behalf of Covered Entities, certain Protected Health Information (as such term is defined at 45 C.F.R. § 164.501) (***"PHI"***); and

WHEREAS, pursuant to the authorities set forth above, Business Associate may use or disclose PHI only in accordance with this Agreement.

NOW, THEREFORE, Covered Entities and Business Associate agree as follows:

Definitions. The Health Insurance Portability and Accountability Act of 1996 (***"HIPAA"***), the Health Information Technology for Economic and Clinical Health Act (***"HITECH"***), and the implementing regulations thereunder, including but not limited to the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164 (the ***"Privacy Rule"***) and the Security Standards for the Protection of Electronic Health Information at 45 C.F.R. Parts 160 and 164 (the ***"Security Rule"***), and the requirements of the final modifications to the HIPAA Privacy Rule, Security, Rule, et al., issued on January 25, 2013 and effective March 26, 2013, as may be amended from time to time, shall collectively be referred to herein as the ***"HIPAA Authorities."*** All other capitalized terms hereunder shall have the meaning ascribed to them elsewhere in this Agreement, or, if no such definition is specified herein, shall have the meaning set forth in the HIPAA Authorities.

Interpretation of Provisions of this Agreement. In the event of an inconsistency between the provisions of this Agreement and the mandatory terms of the HIPAA Authorities, the terms of the HIPAA Authorities shall prevail. Any ambiguity in this Agreement shall be resolved in favor of a meaning that permits Covered Entities and Business Associate to comply with the HIPAA Authorities. A reference in this Agreement to a section in the HIPAA Authorities means the section in effect or as amended. Titles or headings are used in this Agreement for reference only and shall not have any effect on the interpretation of this Agreement.

Obligations of Business Associate.

Limits on Use and Disclosure. Business Associate agrees to not use or further disclose PHI other than as permitted or required by this Agreement, by the HIPAA Authorities or as Required by Law. Business Associate further agrees that to the extent it is carrying out one or more of the Covered Entities' obligations under the Privacy Rule, it shall comply with the requirements of the Privacy Rule that apply to the Covered Entities in the performance of such obligations.

Safeguards. Business Associate agrees to use reasonable and appropriate administrative, physical and technical safeguards to prevent use or disclosure of PHI other than as provided for by this Agreement. More specifically, as also provided for in Section 3.12 below, Business Associate agrees to establish, implement and

maintain appropriate safeguards, and comply with the Security Rule with respect to Electronic PHI, as necessary to prevent any use or disclosure of PHI other than as provided for by this Agreement.

Mitigation of Harm. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate in violation of the requirements of this Agreement or the HIPAA Authorities.

Report of Improper Use or Disclosure. Business Associate agrees to notify Covered Entities, in writing or orally, without unreasonable delay, but in no case more than five (5) calendar days, of any successful Security Incident or Breach of Unsecured PHI (by Business Associate or by a Subcontractor) involving the acquisition, access, use or disclosure of the PHI not provided for by this Agreement of which Business Associate becomes aware. As soon as reasonably possible thereafter, in no case more than fourteen (14) calendar days following discovery of the Security Incident or Breach, Business Associate shall provide Covered Entities with a written report which shall include but not be limited to: i) a description of the circumstances under which the Security Incident occurred; ii) the date of the incident and the date that the incident was discovered; iii) a description of the types of PHI involved in the incident; iv) the identification of each Individual whose PHI is known or is reasonably believed by the Business Associate to have been affected; and v) any recommendations that the Business Associate may have, if any, regarding the steps that Individuals may take to protect themselves from harm. To the extent that Covered Entities reasonably determines that such Security Incident constitutes a Breach of Unsecured PHI by Business Associate that necessitates the notification of Individuals by Covered Entities under HITECH, Business Associate agrees that it shall immediately reimburse Covered Entities for the reasonable expenses of such notification process. Business Associate shall cooperate with any investigation (and/or risk assessment) of such incident conducted by Covered Entities in connection with any report made pursuant to this Section.

Subcontractors.

(a) Prior to the date on which any Subcontractor creates, receives, maintains or transmits PHI on behalf of Business Associate in connection with Business Associate's obligations under the Services Agreement, Business Associate agrees to enter into a written agreement with any Subcontractor ("***Subcontractor Agreement***") to whom Business Associate provides PHI that requires them: (i) to comply with the same HIPAA Authorities that apply to Business Associate under the Agreement; and (ii) to comply with the same restrictions and conditions that apply to Business Associate through this Agreement with respect to such PHI.

(b) Upon Business Associate's knowledge of a material breach of the Subcontractor Agreement by Subcontractor, Business Associate shall immediately notify Covered Entities of such material breach in writing and, at its option (unless otherwise directed by Covered Entities), shall: (i) provide an opportunity for Subcontractor to cure the breach or end the violation and terminate this Agreement if Subcontractor does not cure the breach or end the violation within the cure period identified in the Services Agreement between Covered Entities and Business Associate, or if no cure period is identified in the Services Agreement, as specified by Covered Entities; (ii) immediately terminate this Agreement if Subcontractor has breached a material term of this Agreement and Business Associate (or Covered Entities) deems cure by the Subcontractor not to be possible; or (iii) if neither termination nor cure are feasible, report the violation to the Covered Entities.

(c) Business Associate agrees to provide Covered Entities with a list of any and all such Subcontractors that create, receive, maintain or transmit PHI on behalf of Business Associate in in connection with Business Associate's obligations under the Service Agreement with Covered Entities within thirty (30) days of such a request.

Access to Records. At the request of Covered Entities and within five (5) business days of such request and in a reasonable manner designated by Covered Entities, Business Associate shall provide access to PHI in a Designated Record Set to Covered Entities or, as directed by Covered Entities, to an Individual, in a manner compliance with 45 CFR §164.524 and/or other applicable provisions of the HIPAA Authorities.

Amendments to PHI. At the request of Covered Entities, or, as directed by Covered Entities, at the request of an Individual, Business Associate shall make, within five (5) business days of such request and in a reasonable manner designated by Covered Entities, any amendment(s) to PHI in a Designated Record Set to which the Covered Entities has agreed pursuant to 45 CFR §164.526, or shall otherwise assist Covered Entities in complying with Covered Entities' obligations under 45 CFR §164.526.

Availability of Internal Practices, Books and Records. Business Associate shall make its internal practices, books and records available to Covered Entities or the Secretary for purposes of determining Covered Entities' compliance with the HIPAA Authorities, in a time and manner designated by Covered Entities or the Secretary, as applicable. Covered Entities reserves the right to request, and Business Associate shall provide, additional satisfactory assurances that Business Associate is meeting its applicable obligations under the HIPAA Privacy and Security Rules. Such requests may include, but are not limited to; an onsite audit, access to policies and procedures, risk assessment documentation, incident logs or information related to the Business Associate's Subcontractors compliance with their applicable obligations under the HIPAA Privacy and Security Rules.

Accounting of Disclosures. Business Associate shall document such disclosures of PHI and information related to such disclosures (i.e., (i) the date of the disclosure; (ii) the name of the entity or person who received the PHI and, if known, the address of such entity or person; (iii) a brief description of the PHI disclosed; and (iv) a brief statement of the purpose of the disclosure that reasonably states the basis for the disclosure) as would be required for Covered Entities to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR §164.528. Such documentation shall be maintained with regard to all disclosures of PHI, except for those disclosures that are expressly exempted from the documentation requirement under the HIPAA Authorities (see, e.g., 45 CFR §§164.502; 164.508; 164. 510; 164.512, etc.). Documentation required to be collected by the Business Associate under this Section shall be retained for a minimum of six (6) years, unless otherwise provided under the HIPAA Authorities. Business Associate shall further provide the information collected pursuant to this Section to Covered Entities or an Individual, within five (5) business days of the applicable request and in a reasonable manner designated by Covered Entities, as necessary to permit Covered Entities to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR §164.528 or other applicable provision of the HIPAA Authorities.

Disclosure of Minimum PHI. Business Associate agrees that it shall request, use and/or disclose only the amount and content of PHI that is the Minimum Necessary for Business Associate to fulfill its obligations under the terms and conditions of this Agreement. Business Associate acknowledges that such Minimum Necessary standard shall apply with respect to uses and disclosures by and among members of Business Associate's workforce as well as by or to third parties as permitted hereunder.

Notification of Claims. Business Associate shall promptly notify Covered Entities upon notification or receipt of any civil or criminal claims, demands, causes of action, lawsuits, or governmental enforcement actions ("***Actions***") arising out of or related to this Agreement or PHI, or relating to Business Associate's conduct or status as a business associate for any Covered Entities, regardless of whether Covered Entities and/or Business Associate are named as parties to such Actions.

Security Rule Requirements. Business Associate shall implement Administrative, Physical, and Technical Safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of Electronic PHI that it creates, receives, maintains, or transmits on behalf of the Covered Entities as required by the Security Rule. Business Associate agrees to report to Covered Entities any use or disclosure of PHI not provided for by this Agreement or the HIPAA Authorities of which it becomes aware, including any Security Incident. Accordingly, as also provided in Section 3.4, Business Associate agrees to report any successful Security Incident of which it becomes aware to Covered Entities immediately, but not later than five (5) calendar days after the Security Incident. All reports required of the Business Associate pursuant to this Section shall be provided as specified in Section 3.4 of this Agreement, including the actions and the mitigation steps, if any, taken by Business Associate in response to the Security Incident(s).

Compliance with HIPAA Authorities. Requirements of the HIPAA Authorities that are made applicable with respect to business associates, or any other provision required to be included in this Agreement pursuant to the HIPAA Authorities, are incorporated into this Agreement by this reference.

Permitted Uses and Disclosures by Business Associate.

Use or Disclosure to Perform Functions, Activities, or Services. Except as otherwise limited in this Agreement, Business Associate may use or disclose PHI to perform those functions, activities, or services that Business Associate performs for, or on behalf of, Covered Entities as specified in the Services Agreement, provided that such use or disclosure would not violate the Privacy Rule, or the policies and procedures of Covered Entities relating to the "Minimum Necessary Standard," if done by Covered Entities. Any such use or disclosure shall be limited to those reasons and those Individuals as necessary to meet the Business Associate's obligations under the Services Agreement.

Appropriate Uses of PHI. Except as may be otherwise limited in this Agreement, Business Associate may use PHI for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.

Confidentiality Assurances and Notification. Except as may be otherwise limited in this Agreement, Business Associate may disclose PHI for the proper management and administration of the Business Associate, provided that disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the PHI is disclosed that such PHI will remain confidential and used or further disclosed only as Required by Law or for the purpose for which such PHI was disclosed to the person, and the person notifies Business Associate of any instances of which it is aware in which the confidentiality of the PHI has been breached.

Data Aggregation Services. As applicable, Business Associate may use PHI to provide Data Aggregation services to Covered Entities as permitted by 42 CFR § 164.504(e)(2)(i)(B), except as may be otherwise provided by this Agreement.

Indemnification. Each party (the "***Indemnitor***") shall indemnify and hold harmless the other party (the "***Indemnitee***") against, and reimburse such Indemnitee for, any expense, loss, damages, fees, costs, claims or liabilities of any kind arising out of or related to any Actions asserted or threatened by a third party arising out of or related to the Indemnitor's acts and omissions associated with its obligations under this Agreement or its use or disclosure of PHI or, when the Indemnitor is the Business Associate, the use and disclosure of PHI by a Subcontractor of Business Associate. Such indemnification shall include, but not be limited to, the payment of all reasonable attorney fees associated with any such Action.

Obligations of Covered Entities.

Notice of Privacy Practices. Covered Entities shall notify Business Associate of any limitation(s) in Covered Entities' notice of privacy practices, to the extent that such limitation(s) may affect Business Associate's use or disclosure of PHI.

Change or Revocation of Permission. Covered Entities shall notify Business Associate of any changes in, or revocation of, permission by an Individual to use or disclose PHI, to the extent that such changes may affect Business Associate's permitted or required uses and disclosures of PHI. Business Associate shall comply with any such changes or revocations.

Restrictions on Use or Disclosure. Covered Entities shall notify Business Associate of any restriction on the use or disclosure of PHI that Covered Entities has agreed to in accordance with 45 CFR § 164.522, to the extent such restriction may affect Business Associate's use or disclosure of PHI. Business Associate shall comply with any such restrictions. Business Associate shall immediately notify Covered Entities of any request for a restriction on the use or disclosure of an Individual's PHI that Business Associate receives from such Individual.

No Request to Use or Disclose in Impermissible Manner. Except as necessary for the Data Aggregation Services or management and administrative activities of the Business Associate as allowed herein, Covered Entities shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by Covered Entities.

Term and Termination

Term. This Agreement shall be effective as of the earlier of the date first documented above or the effective date of the Services Agreement, and shall terminate upon termination of the Services Agreement for any reason or as otherwise provided in this Agreement.

Termination with Cause. Upon Covered Entities' knowledge of a material breach by Business Associate, or its Subcontractors, Covered Entities shall, at its option: (i) provide an opportunity for Business Associate to cure the breach or end the violation and terminate this Agreement if Business Associate does not cure the breach or end the violation within the cure period identified in the Services Agreement, or if no cure period is identified in the Services Agreement, as specified by Covered Entities; (ii) immediately terminate this Agreement if Business Associate has breached a material term of this Agreement and Covered Entities deems cure by Business Associate not to be possible; or (iii) if neither termination nor cure are feasible, report the violation to the Secretary.

Effect of Termination.

Except as provided in paragraph (b) of this Section, upon termination of this Agreement for any reason, Business Associate shall return or destroy (at Covered Entities' election), and shall retain no copies of, all PHI in the possession of Business Associate.

In the event that Business Associate determines that returning or destroying the PHI is infeasible, Business Associate shall provide to Covered Entities written notification of the conditions that make return or destruction infeasible. Upon Covered Entities' written approval, which shall not be unreasonably withheld, Business Associate may retain the PHI, but shall extend the protections of this Agreement (including, but not limited to,

Sections 1 through 5) to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such PHI.

Standards for Electronic Transactions. In connection with the Services to be provided to Covered Entities pursuant to this Agreement, Business Associate agrees that if it (or a Subcontractor) conducts an electronic transmission for which the Secretary has established a "standard transaction" under 45 C.F.R. Part 164, Subparts A, C, D and E, as applicable (the "*Electronic Transactions Standards*"), Business Associate (or its Subcontractor) shall comply with the requirements of the Electronic Transactions Standards. Business Associate specifically represents that it has obtained such compliance. Business Associate agrees that, in connection with the transmission of standard transactions, it will not (and will not permit any Subcontractor with which it might contract to): (i) change the definition, data condition, or use of a data element or segment in a standard; (ii) add any data elements or segments to the maximum defined data set; (iii) use any code or data elements that are either marked "not used" in the standard's implementation specification or are not in the standard's implementation specification; or (iv) change the meaning or intent of the standard's implementation specification(s). Business Associate understands that Covered Entities reserves the right to request an exception from the uses of a standard as permitted by 45 CFR § 162.940, and, if such an exception is sought, Business Associate agrees to participate in a test modification.

Confidentiality of Business Information.

Business Information. In the event the parties have not agreed to alternative confidentiality language with respect to business information in the Services Agreement or elsewhere, the following provisions will apply. Neither party will disclose to any third party any information related to this Agreement or to the business operations of the other party, or any proprietary information belonging to the other party (collectively, "***Confidential Business Information***") without the prior written consent of the other party, except as may be required under law or this Agreement; provided that a party required by law to disclose Confidential Business Information shall inform the other party in order that the other party may contest such requirement. Each party hereby agrees that all Confidential Business Information communicated to it by the other party, whether oral or written, and whether before or after execution of this Agreement, was and will be received in strict confidence and will be used only for purposes set forth in the Services Agreement. Upon termination of this Agreement, each party shall, upon the request of the providing party, promptly return all such Confidential Business Information to the providing party or, at the providing party's option, shall destroy such Confidential Business Information and certify as to its destruction, except that each party shall be permitted to retain copies of Confidential Business Information as is reasonably necessary for its internal compliance and auditing purposes, provided the terms of this Section 9 shall continue to apply with respect to such retained Confidential Business Information for so long as it is retained. This obligation of confidentiality shall not apply to information i) which was known by the recipient without the obligation of confidentiality prior to its receipt of such information; ii) is or becomes publicly available without breach of this Agreement; or iii) is received from a third party without an obligation of confidentiality and without breach of this Agreement. This paragraph shall not apply to uses and disclosures of PHI, which shall be governed by the remaining provisions of this Agreement.

Response to Subpoena. Business Associate shall be permitted to disclose PHI and Confidential Business Information that Business Associate is required to disclose pursuant to court order, subpoena or other compulsory legal process, provided that prior to making any disclosure thereunder, Business Associate shall provide Covered Entities within five (5) calendar days prior written notice (or as much notice as reasonably practicable under the circumstances) of the intended disclosure, specifying the basis and nature of the same.

Miscellaneous.

Assignment; Waiver. This Agreement shall be binding upon and inure to the benefit of the respective legal successors of the parties. Neither this Agreement nor any rights or obligations hereunder may be assigned, in whole or in part, without the prior written consent of the other party. Except as provided herein, this Agreement shall create no independent rights in any third party or make any third party a beneficiary hereof. No failure or delay by either party in exercising its rights under this Agreement shall operate as a waiver of such rights, or of any prior, concurrent, or subsequent breach.

Property Rights. All PHI shall be and remain the exclusive property of Covered Entities. Business Associate agrees that it acquires no title or rights to the PHI, including any de-identified information, as a result of this Agreement.

Right to Cure. Business Associate agrees that in the event Business Associate fails to cure a breach of this Agreement pursuant to this Agreement, Covered Entities has the right, but not the obligation, to cure the same. Expenses, costs or fines reasonably incurred in connection with Covered Entities' cure of Business Associate's breach(es) shall be borne solely by Business Associate.

Injunctive Relief. Business Associate agrees that breach of the terms and conditions of this Agreement shall cause irreparable harm for which there exists no adequate remedy at law. Covered Entities retains all rights to seek injunctive relief to prevent or stop any breach of the terms of this Agreement, including but not limited to the unauthorized use or disclosure of PHI by Business Associate or any Subcontractor, contractor or third party that received PHI from Business Associate.

Survival; Severability. The respective rights and obligations of Business Associate under this Agreement, including but not limited to Business Associate's indemnification obligations, shall survive the termination of this Agreement. The parties agree that if a court determines that any of the provisions of this Agreement are invalid or unenforceable for any reason, such determination shall not affect the enforceability or validity of the remaining provisions of this Agreement.

Entire Agreement; Amendment. This document, together with any written Schedules, amendments and addenda, constitutes the entire agreement of the parties and supersedes all prior oral and written agreements or understandings between them with respect to the matters provided for herein. The parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for Covered Entities and Business Associate to comply with the requirements of the HIPAA Authorities. Any modifications to this Agreement shall be valid only if such modifications are in accordance with the HIPAA Authorities, are made in writing, and are signed by a duly authorized agent of both parties.

Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Arizona to the extent that the HIPAA Authorities do not preempt the same.

10.8 Notice. Any notice required or permitted to be given by either party under this Agreement shall be sufficient if in writing and hand delivered (including delivery by courier) or sent by postage prepaid certified mail return receipt requested, to the following address:

If Covered Entities:	**If Business Associate:**
Name: Terry Stevens	Name: Michael A. Pastor
Title: President & CEO	Title: Chairman, Board of Supervisors
Company: Cenpatico Behavioral Health of Arizona, LLC, and Cenpatico of Arizona, Inc.	Company: Gila County Health Department
Address: 1501 W. Fountainhead Parkway, Suite 295	Address: 1400 East Ash Street
Tempe, Arizona 85282	Globe, Arizona 85501
Phone: 866-495-6738	Phone: 928-402-8813
Email: tstevens@cenpatico.com	Email: phorn@gilacountyaz.gov

10.9 Independent Contractors. For purposes of this Agreement, Covered Entities and Business Associate, and Covered Entities and any Subcontractor of Business Associate, are and will act at all times as independent contractors. None of the provisions of this Agreement shall establish or be deemed or construed to establish any partnership, agency, employment agreement or joint venture between the parties.

CENPATICO
BUSINESS ASSOCIATE AGREEMENT
PREVENTION SERVICES AGREEMENT – EXHIBIT K
GILA COUNTY HEALTH DEPARTMENT
ORIGINATION DATE: 09/01/2010 REVISED: 01/01/2014

Each party to this Agreement warrants that it has full power and authority to enter into this Agreement, and the person signing this Agreement on behalf of either party warrants that he/she has been duly authorized and empowered to enter into this Agreement.

Cenpatico Behavioral Health of Arizona, LLC:

("Covered Entity")

By:

Name: Terry Stevens

Title: CEO

Date: 3/31/14

Gila County Health Department:

("Business Associate")

By:

Name: Michael A. Pastor

Title: Chairman, Board of Supervisors

Date: April 15, 2014

Tax ID: 86-6000444

Approved as to form By:

Name: Bryan Chambers

Title: Deputy Attorney Principal

Date: April 15, 2014

Cenpatico of Arizona, Inc.:

("Covered Entity")

By:

Name: Terry Stevens

Title: President & CEO

Date: 3/31/14

GILA COUNTY ATTORNEY

Bradley D. Beauchamp

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 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 the public agency requesting the County Attorney's Office review.

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 vendors, 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-2944 **Consent Agenda Item** **4. B.**

Regular BOS Meeting

Meeting Date:	01/06/2015		
Submitted For:	Malissa Buzan		
Submitted By:	Leitha Griffin, Administrative Assistant, Community Services Division		
Department:	Community Services Division	Division:	Comm. Action Program/Housing Servs.
Fiscal Year:	2014	Budgeted?:	Yes
Contract Dates Begin & End:	January 1, 2015 - December 31, 2016	Grant?:	Yes
Matching Requirement?:	No	Fund?:	Replacement

Information

Request/Subject

Amendment No. 11 to Contract No. 700518523 with Arizona Public Service for Energy Wise Low-Income Weatherization Program Implementation

Background Information

On December 17, 2013, the Board of Supervisors approved Amendment No. 10 to Contract No. 700518523.
On September 3, 2013, the Board of Supervisors approved Amendment No. 9 to Contract No. 700518523.
On October 9, 2012, the Board of Supervisors approved Amendment No. 8 to Contract No. 700518523.
On December 20, 2011, the Board of Supervisors approved Amendment No. 7 to Contract No. 700518523.
On June 7, 2011, the Board of Supervisors approved Amendment No. 6 to Contract No. 700518523.
On June 8, 2010, the Board of Supervisors approved Amendment No. 5 to Contract No. 700518523.
On January 5, 2010, the Board of Supervisors approved Amendment No. 4 to Contract No. 700518523.
On February 17, 2009, the Board of Supervisors approved Amendment No. 1 to Contract No. 700518523.
On February 28, 2008, the Board of Supervisors approved (previously known as PO 700287483) the "Original Contract" No. 700518523.
On November 20, 2007, the Board of Supervisors approved Amendment No. 2 and Amendment No. 3 to Purchase Order No. 700287483.
On July 17, 2006, the Board of Supervisors approved Purchase Order No. 700287483 -- REV E.

Evaluation

Amendment No. 11 to an Agreement for Energy Wise Low-Income Weatherization Program Implementation, (Contract No. 700581523) between Gila County Division of Community Services and Arizona Public Service Company provides funding in an amount not to exceed $106,429 for the calendar year 2015.

Conclusion

By the Board of Supervisors approving Amendment No. 11 to said Agreement, the Gila County Weatherization Program will provide weatherization services to eligible low-income citizens of Gila County.

Recommendation

The Gila County Community Services Division Director recommends that the Board of Supervisors approve this Amendment.

Suggested Motion

Approval of Amendment No. 11 to an Agreement for Energy Wise Low-Income Weatherization Program Implementation (Contract No. 700518523) between Arizona Public Service (APS) and the Gila County Division of Community Services, Weatherization Program, whereby APS will provide funding in an amount not to exceed $106,429 to be used to provide weatherization services to eligible low-income citizens residing in Gila County for the period from January 1, 2015, through December 31, 2015.

Attachments

Amendment No. 11 Contract 700518523
Amendment No. 10 Contract 700518523
Amendment No. 9 Contract 700518523 APS
Amendment No. 8 Contract 700518523
Amendment No. 7 Contract 700518523
Amendment No. 6 Contract 700518523 APS
Amendment No. 5 Contract 700518523 APS
Amendment No. 4 Contract 70051823 APS
Amendment No. 3 Contract 700518523
Amendment No. 2 Contract 700518523
Amendment No. 1 Contract No. 700518523
Change from PO 700287483 to Contract Number 700518523
Original Contract No. 700518523
Legal Explanation

AMENDMENT NO. 011
TO
Agreement for Energy Wise Low Income Weatherization Program Implementation between the Gila County Division of Community Services and Arizona Public Service Company

THIS AMENDMENT NO. 011 is entered into effective as of the 1st day of January, 2015, by and between Arizona Public Service Company, an Arizona corporation, with offices at 400 North 5th Street, Phoenix, Arizona 85004 ("APS") and the Gila County Division of Community Services, the Contractor, with offices at 5515 South Apache Avenue, Globe, Arizona 85501 ("Counterparty"). ("APS" and "Counterparty" are referred to herein individually as "Party" and collectively as the "Parties").

WHEREAS, APS and Counterparty are Parties to that certain Agreement for Energy Wise Low Income Weatherization Program Implementation between APS and Counterparty, Contract No. **700518523**, dated effective as of the 1st day of January, 2008 (the "Original Contract"); and,

WHEREAS, the Parties desire to make mutually agreed upon changes;

NOW THEREFORE, in consideration of the above premises and respective covenants and agreements hereinafter set forth, the Parties agree to amend the Original Contract as follows:

1. *Defined Terms*. Defined terms not otherwise defined herein shall have the meaning set forth in the Original Contract.
2. *Term*. Section 1 of the Agreement is hereby amended to provide that the Original Contract terminates on December 31, 2015.
3. *Allocation*. The Allocation established under Section 3.A (Compensation/Taxes) of the Original Contract shall "not exceed $106,429.00" for the calendar year 2015. However, if the Arizona Corporation Commission does not approve the APS 2015 DSM Implementation Plan Energy Wise Low Income Weatherization Program budget as stated in APS' filing, then the allocation amount for the 2015 calendar year shall be adjusted based on the ACC's ruling.
4. *For Lack of Regulatory Approval.* In the event that the Program is not approved by the Arizona Corporation Commission ("ACC") or in the event that such approval is subsequently withdrawn or significantly changed, then the Company may immediately terminate this agreement upon written notice to Supplier.
5. *Subsequent Year Allocation.* Per the original Agreement, Section 3.A, the Allocation may be amended from time to time by APS. With regards to cost Allocation plans, APS reserves the right to review sufficient verification and pertinent reporting data as of November 1st of the 2015 program year and based on the percent of the Allocation spent, authorize the subsequent year Allocation forecast on this basis by November 15, 2015. However, if the 2015 year spend is equal to or more than 90% of the Allocation by November 1st, then the subsequent year Allocation shall be based on 100% of the Allocation as specified in the APS 2016 DSM Implementation Plan, subject to approval by APS or the "ACC".

6. *Final Invoice*. A final invoice for the Term shall be submitted to the third party coordinator and APS by December 15, 2015. For work performed after that date and to the end of the Term, the Agency must email an estimate of expenses to the APS program coordinator and the third party coordinator no later than January 5, 2016. Reimbursement for late invoices for work performed in 2015 will be considered on a case by case basis.

7. *Payment Term*. The payment terms established under Section 3.F (Compensation/Taxes) of the Original Contract shall be modified to indicate that APS will make payment to the Contractor within 15 days of receipt of the invoice from the Third Party Coordinator.

8. *Remaining Terms Unchanged*. Except as modified in this Amendment No. 011, all other terms and conditions of the Original Contract shall remain unchanged.

IN WITNESS WHEREOF, the authorized representatives of both Parties have executed this Amendment No. 011, effective as of the date first above written:

GILA COUNTY DIVISION OF COMMUNITY SERVICES	ARIZONA PUBLIC SERVICE COMPANY
(signature)	Keith Brandt (signature)
Michael A. Pastor	KEITH BRANDT Keith Brandt
Chairman, Gila County Board of Supervisors	Buyer Leader (title)
(date)	11/3/14 (date)

APPROVED AS TO FORM:

Bryan Chambers
Deputy County Attorney Civil/Bureau Chief

Date

AMENDMENT NO. 010
TO
Agreement for Energy Wise Low Income Weatherization Program Implementation between the Gila County Division of Community Services and Arizona Public Service Company

THIS AMENDMENT NO. 010 is entered into effective as of the 1st day of January, 2014, by and between Arizona Public Service Company, an Arizona corporation, with offices at 400 North 5th Street, Phoenix, Arizona 85004 ("APS") and the Gila County Division of Community Services, the Contractor, with offices at 5515 South Apache Avenue, Globe, Arizona 85501 ("Counterparty"). ("APS" and "Counterparty" are referred to herein individually as "Party" and collectively as the "Parties").

WHEREAS, APS and Counterparty are Parties to that certain Agreement for Energy Wise Low Income Weatherization Program Implementation between APS and Counterparty, Contract No. 700518523, dated effective as of the 1st day of January, 2008 (the "Original Contract"); and,

WHEREAS, the Parties desire to make mutually agreed upon changes;

NOW THEREFORE, in consideration of the above premises and respective covenants and agreements hereinafter set forth, the Parties agree to amend the Original Contract as follows:

1. *Defined Terms*. Defined terms not otherwise defined herein shall have the meaning set forth in the Original Contract.

2. *Term*. Section 1 of the Agreement is hereby amended to provide that the Original Contract terminates on December 31, 2014.

3. *Allocation*. The Allocation established under Section 3.A (Compensation/Taxes) of the Original Contract shall "not exceed $106,429.00" for the calendar year 2014. However, if the Arizona Corporation Commission does not approve the APS 2014 DSM Implementation Plan Energy Wise Low Income Weatherization Program budget as stated in APS' filing, then the allocation amount for the 2014 calendar year shall be adjusted based on the ACC's ruling.

4. *For Lack of Regulatory Approval.* In the event that the Program is not approved by the Arizona Corporation Commission ("ACC") or in the event that such approval is subsequently withdrawn or significantly changed, then the Company may immediately terminate this agreement upon written notice to Supplier.

5. *Subsequent Year Allocation.* Per the original Agreement, Section 3.A, the Allocation may be amended from time to time by APS. With regards to cost Allocation plans, APS reserves the right to review sufficient verification and pertinent reporting data as of November 1st of the 2014 program year and based on the percent of the Allocation spent, authorize the subsequent year Allocation forecast on this basis by November 15, 2014. However, if the 2014 year spend is equal to or more than 90% of the Allocation by November 1st, then the subsequent year Allocation shall be based on 100% of the Allocation as specified in the APS 2014 DSM Implementation Plan, subject to approval by APS or the "ACC".

6. *Final Invoice*. A final invoice for the Term shall be submitted to the third party coordinator and APS by December 15, 2014. For work performed after that date and to the end of the Term, the Agency must email an estimate of expenses to the APS program coordinator and the third party coordinator no later than January 5, 2015. Reimbursement for late invoices for work performed in 2014 will be considered on a case by case basis.

7. *Remaining Terms Unchanged*. Except as modified in this Amendment No. 010, all other terms and conditions of the Original Contract shall remain unchanged.

8. *See attachment "A" Attached and made a part of.*

IN WITNESS WHEREOF, the authorized representatives of both Parties have executed this Amendment No. 010, effective as of the date first above written:

GILA COUNTY DIVISION OF COMMUNITY SERVICES	ARIZONA PUBLIC SERVICE COMPANY
x Michael A Pastor	Keith Brandt
(signature)	(signature)
Michael A. Pastor	Keith Brandt
	(name)
Chairman, Gila County Board of Supervisors	Buyer Leader
	(title)
12-17-2013	11/14/13
(date)	(date)

APPROVED AS TO FORM:

Bryan Chambers, Deputy Attorney Principal — 12-17-2013 Date

Attest:

Marian E. Sheppard
Clerk of the Board — 12-17-2013 Date

ATTACHMENT "A"

(Arizona Public Service)

LEGAL ARIZONA WORKERS ACT COMPLIANCE

Firm hereby warrants that it will at all times during the term of this Contract comply with all federal immigration laws applicable to Firm's employment of its employees, and with the requirements of A.R.S. § 23-214 (A) (together the "State and Federal Immigration Laws"). Firm shall further ensure that each subcontractor who performs any work for Firm 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 Firm and any subcontractor in order to verify such party's compliance with the State and Federal Immigration Laws.

Any breach of Firm'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 Firm 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, Firm 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 project completion.

Firm 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 Firm. In the event that remedial action under this Article results in delay to one or more tasks on the critical path of Firm's approved construction or critical milestones schedule, such period of delay shall be deemed excusable delay for which Firm shall be entitled to an extension of time, but not costs.

ANTI-TERRORISM WARRANTY

Pursuant to **A.R.S. §35-397** the Firm 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.

CANCELLATION

This agreement is subject to cancellation pursuant to **A.R.S. § 38-511.**

AMENDMENT NO. 9
TO
Agreement for Energy Wise Low Income Weatherization Program Implementation between the Gila County Division of Health and Community Services and Arizona Public Service Company

THIS AMENDMENT NO. 9 is entered into effective as of the 1st day of August, 2013, by and between Arizona Public Service Company, an Arizona corporation, with offices at 400 North 5th Street, Phoenix, Arizona 85004 ("APS") and the Gila County Division of Health and Community Services, the Contractor, with offices at 5515 South Apache Avenue, Globe, Arizona 85501 ("Counterparty"). ("APS" and "Counterparty" are referred to herein individually as "Party" and collectively as the "Parties").

WHEREAS, APS and Counterparty are Parties to that certain Agreement for Energy Wise Low Income Weatherization Program Implementation between APS and Counterparty, Contract No. 700518523, dated effective as of the 1st day of January, 2008 (the "Original Contract"); and,

WHEREAS, the Parties desire to make mutually agreed upon changes;

NOW THEREFORE, in consideration of the above premises and respective covenants and agreements hereinafter set forth, the Parties agree to amend the Original Contract as follows:

1. *Defined Terms*. Defined terms not otherwise defined herein shall have the meaning set forth in the Original Contract.
2. *Allocation*. The Allocation established under Section 3.A (Compensation/Taxes) of the Original Contract shall "not exceed $141,429.00" for the calendar year 2013.
3. *Remaining Terms Unchanged*. Except as modified in this Amendment No. 9, all other terms and conditions of the Original Contract shall remain unchanged.

IN WITNESS WHEREOF, the authorized representatives of both Parties have executed this Amendment No. 009, effective as of the date first above written:

GILA COUNTY DIVISION OF COMMUNITY SERVICES	**ARIZONA PUBLIC SERVICE COMPANY**
(signature)	Keith Brandt (signature)
Michael A. Pastor	Keith Brandt
Chairman, Gila County Board of Supervisors	Buyer Leader (title)
(date)	8-7-13 (date)

APPROVED AS TO FORM:

Bryan Chambers, Deputy Attorney Principal Date

AMENDMENT NO. 8
TO
Agreement for Energy Wise Low Income Weatherization Program Implementation between the Gila County Division of Health and Community Services and Arizona Public Service Company

THIS AMENDMENT NO. 8 is entered into effective as of the 1st day of January, 2013, by and between Arizona Public Service Company, an Arizona corporation, with offices at 400 North 5th Street, Phoenix, Arizona 85004 ("APS") and the Gila County Division of Health and Community Services, the Contractor, with offices at 5515 South Apache Avenue, Globe, Arizona 85501 ("Counterparty"). ("APS" and "Counterparty" are referred to herein individually as "Party" and collectively as the "Parties").

WHEREAS, APS and Counterparty are Parties to that certain Agreement for Energy Wise Low Income Weatherization Program Implementation between APS and Counterparty, Contract No. 700518523, dated effective as of the 1st day of January, 2008 (the "Original Contract"); and,

WHEREAS, the Parties desire to make mutually agreed upon changes;

NOW THEREFORE, in consideration of the above premises and respective covenants and agreements hereinafter set forth, the Parties agree to amend the Original Contract as follows:

1. *Defined Terms*. Defined terms not otherwise defined herein shall have the meaning set forth in the Original Contract.

2. *Term*. Section 1 of the Agreement is hereby amended to provide that the Original Contract terminates on December 31, 2013.

3. *Allocation*. The Allocation established under Section 3.A (Compensation/Taxes) of the Original Contract shall "not exceed $106,429.00" for the calendar year 2013. However, if the Arizona Corporation Commission does not approve the APS 2013 DSM Implementation Plan Energy Wise Low Income Weatherization Program budget as stated in APS' filing, then the allocation amount for the 2013 calendar year shall be adjusted based on the ACC's ruling.

4. *For Lack of Regulatory Approval.* In the event that the Program is not approved by the Arizona Corporation Commission ("ACC") or in the event that such approval is subsequently withdrawn or significantly changed, then the Company may immediately terminate this agreement upon written notice to Supplier.

5. *Final Invoice*. A final invoice for calendar year 2013 shall be submitted to the third party coordinator and APS by December 16, 2013. For work performed after that date and to December 31, 2013, a final invoice setting forth expenses must be emailed to the APS program coordinator and the third party coordinator no later than January 3, 2014. Reimbursement for late invoices for work performed in 2013 will be considered for reimbursement on a case-by-case basis and will be subject to funds availability.

6. *Remaining Terms Unchanged*. Except as modified in this Amendment No. 8, all other terms and conditions of the Original Contract shall remain unchanged.

7. *See attachment "A" Attached and made a part of.*

ATTACHMENT "A"

(Arizona Public Service)

LEGAL ARIZONA WORKERS ACT COMPLIANCE

Firm hereby warrants that it will at all times during the term of this Contract comply with all federal immigration laws applicable to Firm's employment of its employees, and with the requirements of A.R.S. § 23-214 (A) (together the "State and Federal Immigration Laws"). Firm shall further ensure that each subcontractor who performs any work for Firm 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 Firm and any subcontractor in order to verify such party's compliance with the State and Federal Immigration Laws.

Any breach of Firm'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 Firm 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, Firm 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 project completion.

Firm 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 Firm. In the event that remedial action under this Article results in delay to one or more tasks on the critical path of Firm's approved construction or critical milestones schedule, such period of delay shall be deemed excusable delay for which Firm shall be entitled to an extension of time, but not costs.

ANTI-TERRORISM WARRANTY

Pursuant to **A.R.S. §35-397** the Firm 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.

CANCELLATION

This agreement is subject to cancellation pursuant to **A.R.S. § 38-511.**

IN WITNESS WHEREOF, the authorized representatives of both Parties have executed this Amendment No. 008, effective as of the date first above written:

GILA COUNTY DIVISION OF COMMUNITY SERVICES	ARIZONA PUBLIC SERVICE COMPANY
Tommie C Martin	Teresa Spencer
(signature)	(signature)
	Teresa Spencer
Tommie C. Martin	Teresa Spencer
Chairman, Gila County Board of Supervisors	Sr. Buyer
	9.7.12
(date)	(date)

APPROVED AS TO FORM:

Bryan Chambers, Chief Deputy Gila County Attorney — Date: 10 9 2012

AMENDMENT NO. 7
TO
Agreement for Energy Wise Low Income Weatherization Program Implementation between the Gila County Division of Health and Community Services and Arizona Public Service Company

THIS AMENDMENT NO. 7 is entered into effective as of the 1st day of January, 2012, by and between Arizona Public Service Company, an Arizona corporation, with offices at 400 North 5th Street, Phoenix, Arizona 85004 ("APS") and the Gila County Division of Health and Community Services, the Contractor, with offices at 5515 South Apache Avenue, Globe, Arizona 85501 ("Counterparty"). ("APS" and "Counterparty" are referred to herein individually as "Party" and collectively as the "Parties").

WHEREAS, APS and Counterparty are Parties to that certain Agreement for Energy Wise Low Income Weatherization Program Implementation between APS and Counterparty, Contract No. 700518523, dated effective as of the 1st day of January, 2008 (the "Original Contract"); and,

WHEREAS, the Parties desire to make mutually agreed upon changes;

NOW THEREFORE, in consideration of the above premises and respective covenants and agreements hereinafter set forth, the Parties agree to amend the Original Contract as follows:

1. *Defined Terms*. Defined terms not otherwise defined herein shall have the meaning set forth in the Original Contract.
2. *Term*. Section 1 of the Agreement is hereby amended to provide that the Original Contract terminates on December 31, 2012.
3. *Allocation*. The Allocation established under Section 3.A (Compensation/Taxes) of the Original Contract shall "not exceed $106,429.00" for the calendar year 2012. However, if the Arizona Corporation Commission does not approve the APS 2012 DSM Implementation Plan Energy Wise Low Income Weatherization Program budget as stated in APS' filing, then the allocation amount for the 2012 calendar year shall be adjusted based on the ACC's ruling.
4. *Final Invoice*. A final invoice for calendar year 2012 shall be submitted to the third party coordinator and APS by December 14, 2012. For work performed after that date and to December 31, 2012, a final invoice setting forth expenses must be emailed to the APS program coordinator and the third party coordinator no later than January 4, 2013. Reimbursement for late invoices for work performed in 2012 will be considered for reimbursement on a case-by-case basis and will be subject to funds availability.
5. *Remaining Terms Unchanged*. Except as modified in this Amendment No. 7, all other terms and conditions of the Original Contract shall remain unchanged.
6. *See attachment "A" Attached and made a part of*.

IN WITNESS WHEREOF, the authorized representatives of both Parties have executed this Amendment No. 007, effective as of the date first above written:

GILA COUNTY DIVISION OF COMMUNITY SERVICES

(signature)

Tommie C. Martin

Chairman, Gila County Board of Supervisors

12/20/11

(date)

ARIZONA PUBLIC SERVICE COMPANY

(signature)

Darrin Batchelor

Darrin Batchelor

Buyer Lead

(title)

11-15-11

(date)

APPROVED AS TO FORM:

Bryan Chambers, Chief Deputy Gila County Attorney

12-20-2011

Date

ATTACHMENT "A"

(Arizona Public Service)

LEGAL ARIZONA WORKERS ACT COMPLIANCE

Firm hereby warrants that it will at all times during the term of this Contract comply with all federal immigration laws applicable to Firm's employment of its employees, and with the requirements of A.R.S. § 23-214 (A) (together the "State and Federal Immigration Laws"). Firm shall further ensure that each subcontractor who performs any work for Firm 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 Firm and any subcontractor in order to verify such party's compliance with the State and Federal Immigration Laws.

Any breach of Firm'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 Firm 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, Firm 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 project completion.

Firm 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 Firm. In the event that remedial action under this Article results in delay to one or more tasks on the critical path of Firm's approved construction or critical milestones schedule, such period of delay shall be deemed excusable delay for which Firm shall be entitled to an extension of time, but not costs.

ANTI-TERRORISM WARRANTY

Pursuant to **A.R.S. §35-397** the Firm 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.

CANCELLATION

This agreement is subject to cancellation pursuant to **A.R.S. § 38-511.**

2011-006477 AC Page: 1 of 4
06/08/2011 09:39:19 AM Receipt #: 11-3124
Rec Fee: $0 Gila Co Bos
Gila County, Az, Sadie Tomerlin Dalton, Recorder

When recorded deliver to
Marian Sheppard, BOS

CAPTION HEADING:

Amendment No 6 to Contract No. 700518523

Between

Gila County Community Services, (Community Action Program)

And

Arizona Public Service

DO NOT REMOVE

This is part of the official document

AMENDMENT NO. 6
TO
Agreement for Energy Wise Low Income Weatherization Program Implementation between the Gila County Division of Health and Community Services and Arizona Public Service Company

THIS AMENDMENT NO. 6 is entered into effective as of the 1st day of January, 2011, by and between Arizona Public Service Company, an Arizona corporation, with offices at 400 North 5th Street, Phoenix, Arizona 85004 ("APS") and the Gila County Division of Health and Community Services, the Contractor, with offices at 5515 South Apache Avenue, Globe, Arizona 85501 ("Counterparty"). ("APS" and "Counterparty" are referred to herein individually as "Party" and collectively as the "Parties").

WHEREAS, APS and Counterparty are Parties to that certain Agreement for Energy Wise Low Income Weatherization Program Implementation between APS and Counterparty, Contract No. 700518523, dated effective as of the 1st day of January, 2008 (the "Original Contract"); and,

WHEREAS, the Parties desire to make mutually agreed upon changes;

NOW THEREFORE, in consideration of the above premises and respective covenants and agreements hereinafter set forth, the Parties agree to amend the Original Contract as follows:

1. *Defined Terms*. Defined terms not otherwise defined herein shall have the meaning set forth in the Original Contract.
2. *Term*. Section 1 of the Agreement is hereby amended to provide that the Original Contract terminates on December 31, 2011.
3. *Allocation*. The Allocation established under Section 3.A (Compensation/Taxes) of the Original Contract shall "not exceed $106,429.00" for the calendar year 2011.
4. *Final Invoice*. A final invoice for calendar year 2011 shall be submitted to the third party coordinator and APS by December 15, 2011. For work performed after that date and to December 31, 2011, a final invoice setting forth expenses must be emailed to the APS program coordinator and the third party coordinator no later than January 4, 2012. Reimbursement for late invoices for work performed in 2011 will be considered for reimbursement on a case-by-case basis and will be subject to funds availability.
5. *Remaining Terms Unchanged*. Except as modified in this Amendment No. 6, all other terms and conditions of the Original Contract shall remain unchanged.

2011-006477 AC Page: 2 of 4
06/08/2011 09:39:19 AM Receipt #: 11-3124
Rec Fee: $0 Gila Co Bos
Gila County, Az, Sadie Tomerlin Dalton, Recorder

IN WITNESS WHEREOF, the authorized representatives of both Parties have executed this Amendment No. 006, effective as of the date first above written:

6. *See attachment "A" Attached and made a part of.*

GILA COUNTY DIVISION OF COMMUNITY SERVICES

(signature)

Michael A. Pastor

Chairman, Gila County Board of Supervisors

6/7/11
(date)

ARIZONA PUBLIC SERVICE COMPANY

(signature)

Darrin Batchelor

Darrin Batchelor

Buyer Lead
(title)

3-25-11
(date)

APPROVED AS TO FORM:

Bryan Chambers, Chief Deputy Gila County Attorney

6-7-2011
Date

2011-006477 AC Page: 3 of 4
06/08/2011 09:39:19 AM Receipt #: 11-3124
Rec Fee: $0 Gila Co Bos
Gila County, Az, Sadie Tomerlin Dalton, Recorder

ATTACHMENT "A"

(Arizona Public Service)

LEGAL ARIZONA WORKERS ACT COMPLIANCE

Firm hereby warrants that it will at all times during the term of this Contract comply with all federal immigration laws applicable to Firm's employment of its employees, and with the requirements of A.R.S. § 23-214 (A) (together the "State and Federal Immigration Laws"). Firm shall further ensure that each subcontractor who performs any work for Firm 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 Firm and any subcontractor in order to verify such party's compliance with the State and Federal Immigration Laws.

Any breach of Firm'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 Firm 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, Firm 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 project completion.

Firm 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 Firm. In the event that remedial action under this Article results in delay to one or more tasks on the critical path of Firm's approved construction or critical milestones schedule, such period of delay shall be deemed excusable delay for which Firm shall be entitled to an extension of time, but not costs.

ANTI-TERRORISM WARRANTY

Pursuant to **A.R.S. §35-397** the Firm 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.

CANCELLATION

This agreement is subject to cancellation pursuant to **A.R.S. § 38-511.**

2011-006477 AC Page: 4 of 4
06/08/2011 09:39:19 AM Receipt #: 11-3124
Rec Fee: $0 Gila Co Bos
Gila County, Az, Sadie Tomerlin Dalton, Recorder

AMENDMENT NO. 5
TO
Agreement for Energy Wise Low Income Weatherization Program Implementation between the Gila County Division of Health and Community Services and Arizona Public Service Company

THIS AMENDMENT NO. 5 is entered into effective as of the 31st day of March, 2010, by and between Arizona Public Service Company, an Arizona corporation, with offices at 400 North 5th Street, Phoenix, Arizona 85004 ("APS") and the Gila County Division of Health and Community Services, the Contractor, with offices at 5515 South Apache Avenue, Globe, Arizona 85501 ("Counterparty"). ("APS" and "Counterparty" are referred to herein individually as "Party" and collectively as the "Parties").

WHEREAS, APS and Counterparty are Parties to that certain Agreement for Energy Wise Low Income Weatherization Program Implementation between APS and Counterparty, Contract No. 700518523, dated effective as of the 1st day of January, 2008 (the "Original Contract"); and,

WHEREAS, the Parties desire to make mutually agreed upon changes;

NOW THEREFORE, in consideration of the above premises and respective covenants and agreements hereinafter set forth, the Parties agree to amend the Original Contract as follows:

1. *Defined Terms*. Defined terms not otherwise defined herein shall have the meaning set forth in the Original Contract.
2. *Allocation*. The Allocation amount set forth in Section 3.A. shall be changed to "not to exceed $85,131 of which $25,131 is to be used solely for weatherization expenditures and associated program delivery costs and is exempt from the provisions in Section 3.B."
3. *Remaining Terms Unchanged*. Except as modified in this Amendment No. 005, all other terms and conditions of the Original Contract shall remain unchanged.

COPY

IN WITNESS WHEREOF, the authorized representatives of both Parties have executed this Amendment No. 005, effective as of the date first above written:

GILA COUNTY DIVISION OF HEALTH AND COMMUNITY SERVICES

(signature)

Michael A. Pastor

Chairman, Gila County Board of Supervisors

6/8/10
(date)

ARIZONA PUBLIC SERVICE COMPANY

(signature)

Teresa Orlick

Director, Customer Information & Programs

(date)

APPROVED AS TO FORM:

Bryan Chambers, Chief Deputy Gila County Attorney

5-19-2010
Date

AMENDMENT NO. 4
TO
Agreement for Energy Wise Low Income Weatherization Program Implementation between the Gila County Division of Health and Community Services and Arizona Public Service Company

THIS AMENDMENT NO. 4 is entered into effective as of the 1st day of January, 2010, by and between Arizona Public Service Company, an Arizona corporation, with offices at 400 North 5th Street, Phoenix, Arizona 85004 ("APS") and the Gila County Division of Health and Community Services, the Contractor, with offices at 5515 South Apache Avenue, Globe, Arizona 85501 ("Counterparty"). ("APS" and "Counterparty" are referred to herein individually as "Party" and collectively as the "Parties").

WHEREAS, APS and Counterparty are Parties to that certain Agreement for Energy Wise Low Income Weatherization Program Implementation between APS and Counterparty, Contract No. 700518523, dated effective as of the 1st day of January, 2008 (the "Original Contract"); and,

WHEREAS, the Parties desire to extend the term of the Original Contract and make other mutually agreed upon changes;

NOW THEREFORE, in consideration of the above premises and respective covenants and agreements hereinafter set forth, the Parties agree to amend the Original Contract as follows:

1. *Defined Terms*. Defined terms not otherwise defined herein shall have the meaning set forth in the Original Contract.
2. *Term*. Section 1 of the Agreement is hereby amended to provide that the Original Contract terminates on December 31, 2010.
3. *Allocation*. The Allocation amount set forth in Section 3.A. shall remain "not to exceed $60,000".
4. *Final Invoice*. A final invoice for the Term shall be submitted to the third party coordinator and APS by December 15, 2010. For work performed after that date and to the end of the term, the Agency must email an estimate of expenses to the APS program coordinator and the third party coordinator no later than January 4, 2011. Reimbursement for late invoices for work performed in 2010 will be considered for reimbursement on a case by case basis.
5. *Remaining Terms Unchanged*. Except as modified in this Amendment No. 004, all other terms and conditions of the Original Contract shall remain unchanged.

IN WITNESS WHEREOF, the authorized representatives of both Parties have executed this Amendment No. 004, effective as of the date first above written:

GILA COUNTY DIVISION OF HEALTH AND COMMUNITY SERVICES

(signature)

Shirley L. Dawson

Chairman, Gila County Board of Supervisors

1/5/10

(date)

ARIZONA PUBLIC SERVICE COMPANY

Teresa A. Orlick

(signature)

Teresa Orlick

Director, Customer Information & Programs

12-04-2009

(date)

APPROVED AS TO FORM:

Bryan Chambers, Chief Deputy Gila County Attorney

12 22 9

Date

Gila County, AZ
Linda Haught Ortega, Recorder
12/06/2007
12:49PM
Doc Code: AM
BOARD OF SUPERVISORS

Doc Id: 2007-019864
Receipt #: 61154
Rec Fee: 0.00

2007-019864
Page: 1 of 3
12/06/2007 12:49P
Gila County, AZ AM 0.00

When recorded deliver to:

Marian Sheppard, Chief Deputy Clerk
Gila County Board of Supervisors
(11/20/07 # 8E)

CAPTION HEADING:

Amendment No. 3 to Purchase Order #700287483
Between
GilaCounty
and
Arizona Public Service
(Original Purchase Order recorded on 08/08/06 Doc. Id. 2006-013483)

DO NOT REMOVE

This is part of the official document

No signature needed for this Change Request. $ Changed only

Amendment 3

ARIZONA PUBLIC SERVICE CO
ARIZONA PUBLIC SERVICE COMPANY
PO BOX 53999,PHOENIX AZ, 85072-3950

CHANGE NOTICE

No. 700287483
Rev: 08

Original

Change Date 10/19/2007
Page: 1

TO: **GILA COUNTY COMMUNITY ACTION A**
PO BOX 1254
GLOBE, AZ 85502-1254

ITEM: 01

The following changes to Item 01 have been made:

	OLD	NEW
UNIT PRICE	329,066.00	348,206.00
ITEM TOTAL VALUE	329,066.00	348,206.00
PO TOTAL VALUE	329,066.00	348,206.00

BILL TO:

Invoice & packing list must refer to PO#, Item# and Part# to facilitate payment.

Pinnacle West Capital Corporation
ATTN: DISBURSEMENT ACCOUNTING
Disbursement Accting, MS 9540
PO Box 53940
PHOENIX, AZ 85072-3940

PAY TERMS: N/D. Pay within 30 days
PO Total Value: $348,206.00 US Dollars
Refer all inquires to: Sibia Manzanarez 602-371-5111, FAX #: 602-371-6112, M/S 3850
PO BOX 53999, PHOENIX AZ, 85072-3950

ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME

	Company	Supplier
Signature:	Teresa A. Orick	
Printed Name:	Teresa A O'Rick	
Title:	Director - Customer Info & Programs	
Date:	10/22/07	

When signed by the Company, Supplier shall sign and return one (1) copy signifying acknowledgment and acceptance by Supplier. If supplier does not sign, at Company's option, performance shall be deemed acceptance.

Gila County, AZ

2007-019864
Page: 2 of 3
12/06/2007 12:49P
0.00

Amendment No. 3 to the Energy Wise Weatherization Program Agreement (weatherization portion) for the July 1, 2006 to December 31, 2007 term acknowledged and agreed to:

Signature	Signature
Teresa A. Orlick	Jose Sanchez
Printed Name	Printed Name
Director, Customer Information & Prog	Chairman, Gila County Board of Supervisors
Title	Title
10/25/07	11-20-07
Date	Date

Approved as to form:

Bryan B. Chambers
Chief Deputy County Attorney

Gila County, AZ
Linda Haught Ortega, Recorder
12/06/2007
12:49PM
Doc Code: AM
BOARD OF SUPERVISORS

Doc Id: 2007-019865
Receipt #: 61164
Rec Fee: 0.00

2007-019865
Page: 1 of 3
12/06/2007 12:49P
Gila County, AZ
AM
0.00

When recorded deliver to:

Marian Sheppard, Chief Deputy Clerk
Gila County Board of Supervisors
(11/20/07 #80)

CAPTION HEADING:

Amendment No. 2 to Purchase Order #700287483
Between
GilaCounty
and
Arizona Public Service
(Original Purchase Order recorded on 08/08/06 Doc. Id. 2006-013483)

DO NOT REMOVE

This is part of the official document

No signatures needed for this Change Order

Amendment 2

APS

ARIZONA PUBLIC SERVICE CO
ARIZONA PUBLIC SERVICE COMPANY
PO BOX 53999,PHOENIX AZ, 85072-3950

CHANGE NOTICE

No. 700287483
Rev: 07

TO: **GILA COUNTY COMMUNITY ACTION A**
PO BOX 1254
GLOBE, AZ 85502-1254

Original

Change Date 10/15/2007
Page: 1

ITEM: 01

The following changes to Item 01 have been made:

	OLD	NEW
UNIT PRICE	270,566.00	329,066.00
ITEM TOTAL VALUE	270,566.00	329,066.00
PO TOTAL VALUE	270,566.00	329,066.00

BILL TO:

Invoice & packing list must refer to PO#, Item# and Part# to facilitate payment.

Pinnacle West Capital Corporation
ATTN: DISBURSEMENT ACCOUNTING
Disbursement Acctng, MS 9540
PO Box 53940
PHOENIX, AZ 85072-3940

PAY TERMS: N/D. Pay within 30 days
PO Total Value: $329,066.00 US Dollars
Refer all inquires to: Sibia Manzanarez 602-371-5111, FAX #: 602-371-6112, M/S 3850
PO BOX 53999, PHOENIX AZ, 85072-3950

ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME

	Company	Supplier
Signature:	Teresa A. Orlick	
Printed Name:	Teresa A. Orlick	
Title:	Director - Customer Info & Programs	
Date:	10/22/07	

When signed by the Company, Supplier shall sign and return one (1) copy signifying acknowledgment and acceptance by Supplier. If supplier does not sign, at Company's option, performance shall be deemed acceptance.

Amendment No. 2 to the Energy Wise Weatherization Program Agreement for the July 1, 2006 to December 31, 2007 term acknowledged and agreed to:

Teresa A. Orlick
Signature

Teresa A. Orlick
Printed Name

Director, Customer Information & Prog.
Title

10/25/07
Date

Jose M. Sanchez
Signature

Jose Sanchez
Printed Name

Chairman, Gila County Board of Supervisors
Title

11-20-07
Date

Approved as to form:

Bryan B. Chambers
Chief Deputy County Attorney

AMENDMENT NO. 1
TO
Agreement for Energy Wise Low Income Weatherization Program Implementation between the Gila County Division of Health and Community Services and Arizona Public Service Company

THIS AMENDMENT NO. 1 is entered into effective as of the 1st day of January, 2009, by and between Arizona Public Service Company, an Arizona corporation, with offices at 400 North 5th Street, Phoenix, Arizona 85004 ("APS") and the Gila County Division of Health and Community Services, the Contractor, with offices at 5515 South Apache Avenue, Globe, Arizona 85501 ("Counterparty"). ("APS" and "Counterparty" are referred to herein individually as "Party" and collectively as the "Parties").

WHEREAS, APS and Counterparty are Parties to that certain Agreement for Energy Wise Low Income Weatherization Program Implementation between APS and Counterparty, Contract No. 700518523, dated effective as of the 1st day of January, 2008 (the "Original Contract"); and,

WHEREAS, the Parties desire to extend the term of the Original Contract and make other mutually agreed upon changes;

NOW THEREFORE, in consideration of the above premises and respective covenants and agreements hereinafter set forth, the Parties agree to amend the Original Contract as follows:

1. *Defined Terms*. Defined terms not otherwise defined herein shall have the meaning set forth in the Original Contract.

2. *Term*. Section 1 of the Agreement is hereby amended to provide that the Original Contract terminates on December 31, 2009.

3. *Gross Household Income*. Section 2.A.1.c is deleted in its entirety, and the following provision is inserted in lieu thereof:

   > the individual maximum gross household income of 150% of the federal guideline as defined by the Arizona Department of Economic Security ("DES"); which will remain in effect until the Arizona Corporation Commission ("ACC") amends Decision No. 68647 to incorporate the Federal Low Income Home Energy Assistance Program ("LIHEAP") maximum gross household income guideline or another maximum gross household income guideline, at which time, the individual maximum gross household income guideline will be adjusted to match the guideline specified by the ACC.

4. *Allocation*. The Allocation amount set forth in Section 3.A. shall be changed to "not to exceed $60,000".

5. *Bill Assistance Allocation.* The Bill Assistance Allocation amount set forth in Section 3.C. shall be changed to "not to exceed $15,707".

6. *Final Invoice*. A final invoice for the Term shall be submitted by December 1, 2009.

7. *Remaining Terms Unchanged*. Except as modified in this Amendment No. 001, all other terms and conditions of the Original Contract shall remain unchanged.

IN WITNESS WHEREOF, the authorized representatives of both Parties have executed this Amendment No. 001, effective as of the date first above written:

GILA COUNTY DIVISION OF HEALTH AND COMMUNITY SERVICES

(signature)

Shirley L. Dawson

Chairman, Gila County Board of Supervisors

2/17/09
(date)

ARIZONA PUBLIC SERVICE COMPANY

(signature)

Teresa A. Orlick

Director, Customer Information & Programs

1/29/09
(date)

APPROVED AS TO FORM:

Bryan Chambers, Chief Deputy Gila County Attorney

2/5/9
Date

2009-001937 CONT Page: 3 of 3
02/23/2009 09:12:57 AM Receipt #: 09-1099
Rec Fee: $0 Marian Sheppard Bos
Gila County, Az, Sadie Tomerlin Dalton, Recorder

Kline, Laurie

From: Bejarano, Cecilia
Sent: Tuesday, December 17, 2013 4:38 PM
To: Kline, Laurie
Subject: FW: Message from KMBT_C652
Attachments: SKMBT_C65213121716210.pdf

Hello,
O.K., attached are the time frames from documents showing that in 2007 it shows the old number then on the second document it shows the new number. Malissa says the contract number changed in 2008 and after that all amendments referred to contract # 700518523.
Hope this helps.....

From: ems.scanner@co.gila.az.us [mailto:ems.scanner@co.gila.az.us]
Sent: Tuesday, December 17, 2013 8:21 AM
To: Bejarano, Cecilia
Subject: Message from KMBT_C652

APS/Community Action Partnership Agency Monthly Invoice

Agency Address: 5515 S. Apache Ave., Suite 200, Globe, AZ 85502

Agreement #: 700518523 Amendment #1

Phone/Fax: (928) 425-7631 (928) 425-9468 Location: Gila County

Contact Person: Bree'na York

Report for the month of Oct 2009

Weatherization Related Services

Program	Total Materials	Total Labor	Program Subtotal	# Households
Weatherization	$	$	$ 1,477.13	1
Repair/Replace	$	$	$ 0.00	0
Sr./Disabled Cooler Tune-up	$	$	$ 0.00	0
Subtotal			$ 1,477.13	
20% Admin			$ 295.43	
TOTAL WX SERVICES			**$ 1,772.56**	**1**

Non-Weatherization Services

Program	Benefit/Expenditures	# Households Served
Bill Assistance Senior/ Disabled (150% Poverty)	$ 0.00	0
Bill Assistance NON-Senior/Disabled (125% Poverty)	$ 0.00	0
Bill Assistance In-home Energy Ed. x $25.00 =		
Subtotal	$ 0.00	
10% Admin	$ 0.00	
TOTAL BILL ASSISTANCE	**$ 0.00**	**0**

TOTAL REIMBURSEMENT	**$1,772.56**

APS/Community Action Partnership Agency Monthly Invoice

Agency Address: P.O. Box 1254, Globe, AZ 85502 Agreement #: 700287483

Phone/Fax: (928) 425-7631 (928) 425-9468 Location: Gila County

Contact Person: Bree'na York

Report for the month of June 2008

Weatherization Related Services

Program	Total Materials	Total Labor	Program Subtotal	# Households
Weatherization	$	$	$ 8,576.25	5
Repair/Replace	$	$	$ 0.00	0
Sr./Disabled Cooler Tune-up	$	$	$ 0.00	0
Subtotal			$ 8,576.25	
20% Admin			$ 1,715.25	
TOTAL WX SERVICES			**$ 10,291.50**	**5**

Non-Weatherization Services

Program	Benefit/Expenditures	# Households Served
Bill Assistance Senior/ Disabled (150% Poverty)	$ 0.00	0
Bill Assistance NON-Senior/Disabled (125% Poverty)	$ 0.00	0
Bill Assistance In-home Energy Ed. x $25.00 =		
Subtotal	$ 0.00	
10% Admin	$ 0.00	
TOTAL BILL ASSISTANCE	**$ 0.00**	**0**

TOTAL REIMBURSEMENT	$ 10,291.50

Balance remaining to bill for admin.

Agreement for Energy Wise Low Income Weatherization Program Implementation between the Gila County Community Action Agency and Arizona Public Service Company

This Agreement for Energy Wise Low Income Weatherization Program Implementation (the "Agreement") is entered into as of this 1st day of January, 2008 (the "Effective Date") by and between the Gila County Community Action Agency (the "Contractor") and Arizona Public Service Company, an Arizona corporation ("APS") (Contractor and APS are individually referred to herein as "Party" and collectively referred to herein as "Parties").

RECITALS

Whereas, on April 12, 2006, the Arizona Corporation Commission ("ACC") approved the APS Energy Wise Low Income Weatherization Program ("Program") in Decision No. 68647;

Whereas, the Contractor and APS desire to implement a comprehensive approach to affordable energy, including weatherization activities, crisis bill assistance, and energy education for APS customers;

Whereas, APS and the Contractor desire to have the Contractor coordinate and implement the Program in conjunction with existing activities for the Federal Weatherization Assistance Program ("WAP"), the Low Income Home Energy Assistance Program ("LIHEAP"), and other programs as appropriate;

Now, therefore, for and in consideration of the recitals set forth above, the respective agreements of the Parties herein set forth, and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the Parties do hereby agree as follows:

AGREEMENT

1. TERM/TERMINATION.

This Agreement is effective on the Effective Date and terminates on December 31, 2008 (the "Term"). Notwithstanding the foregoing, either Party may terminate this Agreement upon thirty (30) days prior written notice to the other Party.

2. SCOPE OF SERVICES. Contractor will provide the following services (collectively, the "Services"):

A. Contractor will provide repairs, reconditioning, replacement or restoration of deficiencies in a Customer's Qualified Home in order to make such homes energy efficient (collectively, the "Weatherization Services").

1. For purposes of this Agreement, an individual is a "Customer" if he or she meets the following requirements:

a) the individual resides in Qualified Home;

b) the Qualified Home is served by APS; and

c) the individual has a maximum gross household income of 150% of the Federal poverty guideline as defined by the Arizona Department of Economic Security ("DES"), as adjusted by DES on a yearly basis every July 1st. (Income determination guidelines will be based on the countable income definition in the Contractors Weatherization Assistance Program guidelines.)

2. For purposes of this Agreement, a "Qualified Home" may be any of the following:

a) an owner-occupied single family dwelling unit, which may be detached or attached to other owner-occupied dwelling units (e.g., duplex, triplex), including stationary mobile homes that have had the wheels removed and are supported by foundation or blocking;

b) on a case-by-case basis and with APS' prior written consent, which consent APS may withhold in its sole and absolute discretion, a multi-family dwelling located in a structure containing more than dwelling unit (multi-family housing);

c) a rental property, provided that the renters provide the Contractor with the property owner's written permission for the property to receive Weatherization Services, and the property owner agrees in writing to not increase the rent for 12 months after completion of the Weatherization Services. A copy of the owner's consent and written agreement must be provided to Contractor prior to performing the Weatherization Services. For rental properties, structurally attached appliances or systems (e.g., evaporative cooler, water lines) are not eligible for the Program. Such appliances or systems are the responsibility of the property owner.

3. Contractor will obtain verification of ownership of housing, appliance and/or system. The following documents will be acceptable forms of verification:

a) Homeowner: Deed or property tax statement; and

b) Renter: Receipt of purchase for the specific appliance or notarized affidavit signed by the property owner confirming that the renter is owner of the specific appliance (with serial number noted) AND proof that the property owner is the owner of the rental property (deed or property tax statement).

B. All Weatherization Services will be implemented by the Contractor in accordance with the WAP rules as administered by the Arizona Department of Commerce Energy Office (the "Energy Office") with the following exceptions:

1. Weatherization Services will be limited to those that conserve primarily electric energy;

2. Waivers for exceptions in special cases not specifically addressed in ACC Decision No. 68647, docketed April 12, 2006, will not be eligible for reimbursement unless the exceptions are reviewed and approved by APS prior to commencing the work outlined in the waiver; or

3. General Repairs to membranes to stop roof leaks, repairs to or replacement of non-repairable window units, repairs to or replacement of non-repairable exterior doors, restoration or replacement of ceiling areas which cannot support ceiling insulation and restoration or replacement of floor areas over "crawl spaces" which are not structurally strong enough to remain part of a building "envelope" and other similar general repairs may be done as part of Weatherization Services, provided that the entire project per individual residence is cost effective and yields at least a 1.0 benefit to cost ratio using the WAP program manual.

C. Health and Safety Services: Install, repair, or replace window unit air conditioners or heat pumps that are prescribed by a medical doctor's order.

D. Repair/Replacement Services: Repairs or replacements of existing utility related electric appliances/systems. When repair costs would exceed replacement costs, or when an appliance would be inoperable or unsafe even with repairs, or when an appliance is of such a vintage that it is economical to replace with an energy efficient model in accordance with guidelines established by the Energy Office, then the item shall be replaced instead of repaired. This service is available only for Customer's in a Crisis Situation, therefore an Assessment is not required prior to performing this Service. Appliances eligible for Repair/Replacement Expenditures are limited to air conditioners, heat pumps, evaporative coolers, refrigerators, and water heaters. The Allocation may not be used to provide for maintenance of these appliances/systems. Inspection of the repair or replacement after completion of the work is to be made by a Contractor representative.

Agreement for Energy Wise Low Income Weatherization Program Implementation between the Gila County Community Action Agency and Arizona Public Service Company

E. WAP Coordination (Piggyback Program Component). Where possible, the Program will be coordinated by Contractor with or piggybacked onto WAP to achieve maximum cost effectiveness and expand the scope of Weatherization Services to be performed on each Qualified Home.

F. Parallel Weatherization (Stand Alone Program Component). A stand alone program will be utilized by Contractor for those Customers who cannot otherwise be served due to lack of federal or local program funding or who are ineligible for WAP due to being previously weatherized, but who are are in need of Weatherization Services.

G. Energy Education.

1. Contractor shall provide energy education which shall be designed to educate, promote, and assist the Customers on the efficient use of electricity and the benefits of Weatherization Services.

2. Any energy education program will inform the Customers on how their behavior affects energy consumption, efficiency, cost, health and safety so the Customers can make better choices regarding the management of energy usage and its impact on their electric bill.

3. The Contractor may designate energy educators (the "Energy Educator") as responsible for delivering energy education by visiting homes participating in the Weatherization portion of the Program. The Energy Educators may be intake workers, case managers, and/or weatherization crew members.

4. When called upon by the Weatherization Program representative to provide the education services set forth above, the Energy Educator will perform a "walk through" review of the residence to discover the particular sources of energy waste in the home, explain the results of the review to all household members present at the time of the review, and provide recommendations for improving efficiencies in energy usage.

5. If the Energy Educator provides an in-home "walk through" educational visit for a home participating in the Weatherization portion of the Program, the Contractor may invoice APS for a one-time per home fee of $25 to cover costs associated with energy education. This fee will be deducted from the Allocation.

H. Program Promotion.

1. The Contractor may, with the Customer's prior written consent, place a sticker provided by APS on the Qualified Home's door or front window that will identify the home as having received Weatherization Services.

2. With the Customer's prior written consent, the Contractor may place signage provided by APS in the front of the property during the Weatherization Services. Contractor will remove the sign when the workers leave the property for more than 24 hours.

I. Implementation.

1. The Contractor will obtain the Customer's prior written consent and approval for APS to provide the Customer's utility bill history information, including the historic usage of energy by kilowatt hours or therms, to the Contractor.

2. The Contractor will conduct the on-site energy audit and detailed inspection of the Qualified Home and appliances using current building science technologies, such as blower doors, duct blasters, flow hoods, infrared heat sensors; analysis of appliances using amp meters and refrigerant pressure gages, and will prepare a report that delineates any deficiencies (the "Assessment") and analyze cost effectiveness in accordance with the Arizona Department of Commerce Energy Office Weatherization Assistance Program Rules.

3. The Contractor will prioritize the Weatherization Services for each Qualified Home based on cost effectiveness and will implement as many Weatherization Services on each Qualified Home, up to a maximum of $6,000.00 per Qualified Home in any 12-month period, not including Program Delivery Expenditures, subject to the overall cap of the Allocation.

J. Bill Assistance. The Contractor will pay electric bills for eligible Customers who are in a Crisis Situation. Contractor shall not pay electric bills for any other Customer.

1. A Customer is in a "Crisis Situation" if the Customer meets all of the following criteria:

   a) must be a resident of Arizona;

   b) must not be a resident of an institution. Institutions include:

      i) hospitals;
      ii) licensed domiciliary care facilities (family care homes, homes for the aged and family care homes for developmentally disabled adults);
      iii) intermediate care facilities;
      iv) skilled nursing facilities or homes;
      v) alcohol and drug rehabilitation centers or treatment program;
      vi) dormitories;
      vii) temporary protective facilities, such as domestic violence shelters, etc.; or
      viii) prisons;

   c) for a resident of public housing, the individual must have an obligation to pay the utility bill directly to APS on an ongoing basis; and

   d) the individual must have had: (i) a loss or reduction of income; (ii) unexpected or unplanned expenses that caused a lack of resources; or (iii) a condition has occurred or exists that endangers the health or safety of the household.

2. A group of individuals in a single residence for which energy is purchased in common is defined herein as a "Household." A Household is eligible for bill assistance for one payment during any 12-month period.

3. A Household may receive up to $400 to cover a current or past due APS bill, but may not receive funds to pay APS bills from former residences.

K. Case Management.

1. APS may refer payment troubled and high use low-income customers to the Contractor for participation in the Program.

2. Customer caseworkers may refer clients to APS Customer Service for information about and enrollment in suitable rate and billing programs, such as Time of Use rates, Equalizer payment, and APS' Energy Support Program (E-3) which is a discount program for low-income customers.

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L. Program Coordination.

1. APS' may at its option retain a third party manager to coordinate the Program. If APS elects to retain a third party, the third party will serve as the coordinator for all APS Weatherization Services and bill assistance activities that are within APS' service territory. In this capacity, the coordinator will:

   a) act as liaison between APS and the Contractor for program coordination and implementation;

   b) serve as a central point for invoicing, tracking, validating and reporting weatherization program activities to APS; and

   c) identify technical assistance needs and develop and coordinate training.

   d) Encourage the dissemination of energy education information by the Energy Educator to all Customers participating in the weatherization portion of the Program.

   e) Assist APS in developing and delivering communications to promote the Program.

2. All household Weatherization Services and bill assistance related data will be entered into a database approved by APS. The database is to be kept current and confidential.

M. Documentation. The following documentation will be kept on file in the Customer file at the Contractor's offices and will be available for review by APS until such a time that APS deems it unnecessary for audit purposes:

1. Community action client application form with appropriate documentation attached. This application is currently being used for DES LIHEAP program.

2. Weatherization Services application-specific information form.

3. Energy assistance program fuel information release form. Indicates the energy supplier is APS.

4. Documentation required by Section 2.A.2 with respect to a Qualified Home.

5. Household Characteristics Form.

6. Pressure Diagnostic Report (where applicable).

7. Combustion Safety Report (where applicable).

3. COMPENSATION/TAXES.

A. APS shall reimburse Contractor for Authorized Expenditures in an amount not to exceed $60,000.00 for the Term (the "Allocation"). Unused portions of the Allocation are not carried over beyond the Term. The Allocation is based on an estimate of the number of low-income customers living in the areas served by APS. The Allocation may be adjusted by APS as the number of qualified customers served by APS changes and as the Contractor demonstrates its ability to manage the funds provided by APS.

1. The "Authorized Expenditures" consist of the following:

   a) Weatherization Expenditures. Expenditures for the Contractor's direct costs of providing Weatherization Services, including:

(i) Preparation and performance of the Assessment;
(ii) analysis of appliances using amp meters and refrigerant pressure gages;
(iii) visual inspection of the property;
(iv) Contractor labor;
(v) materials;
(vi) contract labor;
(vii) General Repairs; and
(viii) Energy Education fee as specified in Section 2.G.5.

b) Expenditures for Health and Safety Services.

c) Expenditures for Repair/Replacement Services.

e) Program Delivery Expenditures. Reasonable out-of-pocket costs incurred by the Contractor to provide Weatherization Services, Health and Safety Services, and Repair/Replacement Services to Customers that would not be incurred if those Services were not provided, including: vehicle mileage; tools; employee related expenses such as social security, Medicare, etc.; equipment rental; cost allocated shares of office and management expenses; expenses for technical training of field technicians.

f) Bill Assistance expenditures provided under Section 2.J.

g) Bill Assistance Program Delivery Expenditures. Reasonable out-of-pocket costs incurred by the Contractor to provide Bill Assistance that would not be incurred if those Services were not provided, including: vehicle mileage; tools; employee related expenses such as social security, Medicare, etc.; cost allocated shares of office and management expenses.

B. In addition, the following limitations apply to the distribution of the Allocation among the Authorized Expenditures:

1. Weatherization Expenditures: maximum of 100% of the Allocation.

2. Health and Safety Expenditures: maximum of 2% of Weatherization Expenditures.

3. Repair/Replacement Expenditures: maximum of 10% of Weatherization Expenditures.

4. Bill Assistance maximum of $15,707.00. If other agencies participating in the Program under spend their Bill Assistance allowance, APS may authorize additional expenditures for this Program component.

5. Program Delivery Expenditures: maximum of 20% of the combined Weatherization Expenditures, Health and Safety Expenditures, and Repair/Replacement Expenditures. Program Delivery Expenditures are funded from the Allocation and are not in addition to the Allocation.

6. Bill Assistance Delivery Expenditures: maximum of 10% of Bill Assistance. Bill Assistance Delivery Expenditures are funded from the Bill Assistance Allocation.

C. The Contractor will submit to APS within 30 days of the Effective Date, a budget for the Term showing a projected best estimate of how funds will be spent month by month. The budget will include allocations to each of the Authorized Expenditures. The Weatherization budget shall include Weatherization Expenses, Health and Safety Expenses, Repair/Replacement Expenses, and the Weatherization portion of the program delivery expense. The Bill Assistance budget shall include the bill assistance and the bill assistance portion

of the program delivery expense. The Contractor will make a good faith effort to manage expenditures to meet the budgeted amounts on a monthly basis.

D. The Contractor will submit all invoices to APS or the third party contractor within 30 working days following the last day of the month in which work is completed.

E. APS or the Third Party Coordinator if so designated will review the weatherization expenditures for compliance with the Program and will process the invoice and APS will make payment to the Contractor within 30 days of receipt of the invoice from the Third Party Coordinator. Weatherization expenditures for items that are not within the scope of this Agreement or not covered by a pre-approved waiver will be disallowed and the invoice will be returned to the Contractor with the specific items highlighted. The Contractor may resubmit the invoice with further explanation for review by APS. If the weatherization expenditures are deemed to comply with the terms of this Agreement, APS will reimburse the Contractor for those items; otherwise, they will be disallowed and ineligible for reimbursement.

G. Until further notice, the Contractor will send monthly invoices to:

Arizona Community Action Association
Executive Director
2700 N 3rd Street, Suite 3040
Phoenix, AZ 85004

H. Each invoice shall include itemized expenditures by APS Customer account number broken into the following categories: Weatherization Expenditures; Health and Safety Expenditures; Repair/Replacement Expenditures; Bill Assistance costs and Bill Assistance Delivery Expenditures; Program Delivery Expenditures costs by category; and Energy Education fees.

I. As between APS and the Contractor, the Contractor shall be responsible for any taxes that may be levied or imposed upon the transactions contemplated by this Agreement.

4. GENERAL TERMS AND CONDITIONS.

A. Warranties.

1. Contractor's Warranties. The Contractor warrants that the Services shall: (a) be performed and completed in a thorough, safe and workmanlike manner; (b) be free from defects in design, workmanship, and title; (c) otherwise conform to this Agreement; (d) be of the standard and quality generally recognized and accepted within its industry or profession throughout the United States; (e) be performed in compliance with all applicable laws, rules, regulations, codes, standards, ordinances and orders of regulatory authorities having jurisdiction over the activities contemplated by this Agreement.

2. Disclaimer of Warranties by APS. APS is only providing funding to the Contractor to enable it to afford and provide the Services to the Customers. APS is not involved in the selection or implementation of the Services provided. Accordingly, **all warranties of any kind or nature are hereby disclaimed by APS whether statutory, express or implied, including, without limitation, the warranty of merchantability, fitness for purpose or arising from course of dealing or usage of trade. The total cumulative liability of APS for all claims of any kind arising from or relating to this Agreement, whether such claims are based on contract, warranty, tort (including negligence), strict liability, contribution or otherwise, shall not exceed the unused portion of the Allocation.**

Agreement for Energy Wise Low Income Weatherization Program Implementation between the Gila County Community Action Agency and Arizona Public Service Company

B. Independent Contractor. The Parties will act as independent contractors and neither Party will act as agent for or partner of the other Party for any purpose whatsoever, and the employees of one will not be deemed employees of the other. Nothing in this Agreement will grant to either Party, the right to make commitments of any kind for or on behalf of the other Party without prior written consent of the other Party.

C. Limitation of Liability.

1. Neither Party, nor its respective officers, directors, employees, agents, advisors, representatives, affiliates, or successor or assigns shall be liable to the other Party for any indirect, consequential, special, punitive or exemplary damages for any actions resulting from or arising out of this Agreement, whether based on contract, tort (including, but not limited to, negligence), strict liability, professional liability, contribution, or otherwise, provided, however, that this limitation of liability shall not apply to the extent: (a) that APS is entitled to indemnification from the Contractor as a result of a third party action as set forth in Section 4.D, Indemnification, or (b) losses arise from a breach of Contractor's obligations of confidentiality under Section 4.F, Confidentiality and Advertising.

2. The Contractor assumes all risks with respect to the selection of contractors and subcontractors who will perform Weatherization Services as contemplated by this Agreement and the sale and/or distribution of Weatherization.

D. Indemnification. To the fullest extent permitted by law, the Contractor shall indemnify, defend, and hold harmless APS and its officers, directors, employees, agents, advisers, representatives, and affiliates (collectively, an "APS Indemnitee") for, from and against any and all liabilities, losses, damages, fines, penalties, and costs and expenses of any kind or nature, whether or not covered by insurance, including reasonable attorneys' fees and expenses, that any APS Indemnitee may incur in connection with any claim, action, dispute, demand, or right of action, whether in law or in equity, of every kind and character arising out of, or resulting from (either directly or indirectly): (a) any bodily injury, including death, to any person, or any damage or destruction of any tangible property, to the extent caused by any willful, wanton or reckless misconduct or any negligent or intentional act or omission (including acts or omissions resulting in strict liability) of Contractor, its officers, employees, agents (including, any contractors or subcontractors of the Contractor), and suppliers; or (b) any actual or alleged infringement, misuse, derogation, or violation of any third party intellectual property. If a third party asserts a claim against an APS Indemnitee, the APS Indemnitee will give written notice to the Contractor promptly after the APS Indemnitee has actual knowledge of any claim as to which indemnity may be sought. The failure to give notice of the claim as required by the preceding sentence will not relieve the Contractor of its indemnification obligations except to the extent that the Contractor is materially damaged as a result of such failure. The APS Indemnitee will permit the Contractor (at the expense of the Contractor) to assume the defense of any claim or any litigation resulting therefrom, provided that (a) the counsel for the Contractor who conducts the defense of such claim or litigation is reasonably satisfactory to the APS Indemnitee, and (b) the APS Indemnitee may participate in such defense at their own expense. If the APS Indemnitee determines in good faith that the conduct of the defense of any claim might adversely affect any APS Indemnittee's ability to conduct its business, or that the APS Indemnitee may have available to it one or more legal defenses that are different from, additional to, or inconsistent with those that may be available to the Contractor, the APS Indemnitee will have the right to participate in the defense of such action at the Contractor's expense. Neither the Contractor nor the APS Indemnitee may settle or compromise any claim without the prior written consent of the other party, which consent shall not be unreasonably withheld. The APS Indemnitee will have the right to defend any claim, at the Contractor's expense, if the Contractor does not undertake the defense of the claim. In any event, the Contractor and the APS Indemnitee will cooperate in the defense of any claim and the records of each will be available to the other with respect to such defense.

Agreement for Energy Wise Low Income Weatherization Program Implementation between the Gila County Community Action Agency and Arizona Public Service Company

E. Confidentiality and Advertising. All nonpublic information that APS provides to the Contractor or that the Contractor acquires from any source in connection with this Agreement shall be deemed to be APS' confidential information ("APS Confidential Information"). APS Confidential Information includes, but is not limited to: (a) Customer specific information, including Customer's utility bill information history; (b) any reports, specifications, know-how, strategies or technical data, processes, business documents or information, market research or other data, customer or client lists, and all other information concerning the business and affairs of APS that are owned, used, or possessed by or for the benefit of APS; (c) APS intellectual property; and (d) confidential information or materials obtained by the Contractor from a third party in connection with performance of its obligations under this Agreement.

The Contractor shall not make copies, reproductions, abstracts or excerpts of the APS Confidential Information in whole or in part, except as authorized by APS. All copies, reproductions, excerpts or abstracts are deemed to be APS Confidential Information to the same extent as any originals. Upon APS' request at any time or upon the expiration of the Term, the Contractor shall promptly return to APS all APS Confidential Information and all copies thereof or other physical embodiments of the APS Confidential Information.

The Contractor agrees that any and all of the APS Confidential Information shall be maintained in confidence by the Contractor indefinitely. APS Confidential Information may not be disclosed by the Contractor to any person other than the Contractor's personnel, employees or agents who require knowledge of the APS Confidential Information in order to perform its obligations under this Agreement. The Contractor further agrees that such APS Confidential Information shall be used solely in connection with the Contractors performance of its obligations hereunder, and for no other purpose, and that all persons to whom the Contractor discloses the APS Confidential Information shall be advised of its confidential nature and of the Contractor's obligations of confidentiality and non-use under this Agreement. The Contractor shall be responsible for any disclosure or use of APS Confidential Information by persons to whom Contractor provided the APS Confidential Information that is not in accordance with this Agreement.

The name of APS or any of its affiliates shall not be used in any advertising or other promotional context by the Contractor or its contractors or subcontractors without the prior written consent of APS (which may be withheld by APS in its sole discretion).

F. Dispute Resolution/Attorneys Fees. If a dispute arises concerning this Agreement, a meeting of the Parties shall be held within 10 business days after either Party gives the other Party written notice of the dispute (the "Dispute Notice"). The Dispute Notice shall set forth in reasonable detail the aggrieved Party's position and its proposal for resolution of the dispute. A representative of each Party who has authority to resolve the dispute shall be in attendance at all meetings. If the dispute is not resolved within 30 calendar days after the first meeting of the Parties, either Party is free to use any other available remedy, including litigation. The Dispute Notice and 30-day discussion period are conditions precedent to each Party's right to resort to any other method. A Party's failure to comply with this Section shall entitle the other Party to recover its costs and reasonable attorney's fees in any judicial proceedings that circumvent this dispute resolution provision. The prevailing Party in any proceedings instituted by either Party regarding a dispute concerning this Agreement shall be entitled to recover its reasonable attorney's fees, costs, and expenses.

G. Severability. If any term or condition of this Agreement is held to be invalid, void, or otherwise unenforceable by any court of competent jurisdiction, that holding shall not affect the validity or enforceability of any other term or condition of this Agreement, unless enforcing the balance of this Agreement would deprive either party of a fundamental benefit of its bargain.

H. Disclaimer of Third Party Beneficiaries. There are no persons or entities other than those who are signatory to this Agreement that are intended to be benefited by the terms contained herein and except to the extent a person or entity is entitled to indemnification pursuant to Section 4.D, all third party beneficiaries are hereby disclaimed.

Agreement for Energy Wise Low Income Weatherization Program Implementation between the Gila County Community Action Agency and Arizona Public Service Company

I. Survival. Termination of this Agreement shall not relieve either Party of any obligation under this Agreement which expressly or by implication survives termination of this Agreement, including its obligations under the following section headings: Insurance Coverages, Indemnification, Limitation of Liability, Warranties, Records and Auditing, Confidentiality and Advertising, Governing Law, Dispute Resolution/Attorney's Fees.

J. Entire Agreement: This Agreement contains the final and complete agreement between the Parties for performance of the Services specified herein and supersedes all prior and contemporaneous conduct, agreements, statements, representations, negotiations, course of conduct, course of dealing, and communications pertaining to those Services, whether written or oral.

K. Governing Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Arizona and of the United States without giving effect to the doctrine of conflict of laws. This Agreement shall be deemed made and entered into in Maricopa County, Arizona. Any suit to enforce this Agreement shall be instituted only in the Superior Court of Maricopa County, Arizona, or the Federal District Court for the District of Arizona, and such Courts shall have the exclusive jurisdiction.

L. Preservation of Rights. The Parties further agree that this Agreement shall not in any way be deemed a waiver, abrogation, impairment or amendment of any other agreement between the Contractor and APS, including but not limited to (i) lease(s) entered into by APS, either alone or as a co-tenant with others, and the Contractor, and (ii) federal grant(s) of rights-of-way issued to APS, either alone or as a co-tenant with others, by the United States. Except as expressly provided in this Agreement, this Agreement and the actions of the Parties contemplated under such Agreement are not intended, nor shall they be deemed, to constitute any waiver, consent or admission with respect to the existence or lack of regulatory, taxing, or adjudicatory authority or jurisdiction of the Contractor over APS.

M. Notices and Designated Representatives. All notices required to be given by this Agreement will be given in person, by certified United States Mail, postage prepaid, return receipt requested, or by telecopier (confirmed by the mailing of the original in the manner as abovementioned). All notices shall be deemed given when received. Notices shall be directed to the Parties as follows:

If to APS:
Arizona Public Service Company
P.O. Box 53999
Phoenix, Arizona 85072-3999
Designated Representative:
Jerry Mendoza, Mail Station 8666
Phone: (602) 250-2243
Fax: (602) 250-3371

If to Contractor:
Gila County Community Action Agency
5515 S Apache Ave., Suite 200
Globe, AZ 85501
Designated Representative:
Malissa Buzan
Housing Services Program Manager
Phone: (928) 425-7631, ext. 8693
Fax: (928) 425-9468

Agreement for Energy Wise Low Income Weatherization Program Implementation between the Gila County Community Action Agency and Arizona Public Service Company

Notices shall be effective: (a) on the date delivered by personal delivery, facsimile, or electronic mail; (b) three (3) business days following the date deposited in the United States mail; or (c) the next business day following delivery to a reputable overnight delivery service. Notices and communications shall be delivered or mailed to the Parties' designated representatives named above.

Designated representatives of either Party may be changed at any time upon providing the other Party prior written notice of such change.

O. Assignment. Neither Party will assign, transfer or otherwise dispose of its rights or obligations under this Agreement or any interest therein, without the other Party's prior written consent, which will not be unreasonably withheld or delayed.

P. Amendments and Modifications. This Agreement can be modified or rescinded only by a writing signed by both parties or their duly authorized agents. No course of dealing or oral changes between the parties will be effective or legally binding as an amendment to this Agreement.

Q. Records and Auditing. Contractor shall maintain accurate and complete records relating to its performance of this Agreement, including accounting records in support of all billings to Company. These records shall be retained by Contractor and be reasonably available for Company's inspection and audit for 4 years after completion or termination of this Agreement.

R. Waiver. A Party's failure or delay in enforcing the terms and conditions of this Agreement or in insisting upon strict performance of any of the other Party's obligations shall not be interpreted as a waiver thereof. Waiver of any provision of this Agreement by either Party shall only be effective if in writing and shall not be interpreted as a waiver of any subsequent breach or failure under the same or any other provision of this Agreement. No conduct, statement, course of conduct course of dealing, oral expression, or other action shall be construed as a waiver.

S. Waiver of Jury Trial. THE PARTIES WAIVE TRIAL BY JURY AND AGREE THAT ANY ACTION TO ENFORCE THIS AGREEMENT SHALL BE TO THE JUDGE WITHOUT A JURY.

IN WITNESS WHEREOF, this Agreement has been executed by the Parties as of the Effective Date.

ARIZONA PUBLIC SERVICE COMPANY

By: Teresa A. Arbet

Title: Director - Customer Information & Programs

CONTRACTOR

By: Jose M Lewis

Title: Chairman of Gila County Board of Supervisors

Approved as to form:

Bryan Chambers
Chief Deputy County Attorney

2008-002836 AG Page: 12 of 12
02/28/2008 04:47:57 PM Receipt #: 08-0287
Rec Fee: $-1.00 Board Of Supervisors
Gila County, Az, Sadie Tomerlin Dalton, Recorder

GILA COUNTY ATTORNEY

Bradley D. Beauchamp

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 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 the public agency requesting the County Attorney's Office review.

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 vendors, 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-2950 **Consent Agenda Item** **4. C.**

Regular BOS Meeting

Meeting Date:	01/06/2015
Submitted For:	Malissa Buzan
Submitted By:	Leitha Griffin, Administrative Assistant, Community Services Division
Department:	Community Services Division Division: Administration

Information

Request/Subject

Intergovernmental Agreement between Gila County and Mammoth-San Manuel Unified School District.

Background Information

Access Points are employment information centers which were launched by the Department of Labor under the Workforce Investment Act. The initiative was part of an effort to create local outreach centers where job seekers could access workforce development services in their local communities. This concept created a unique opportunity for community agencies and the One-Stop System to engage and partner to promote access to the workforce system.

An incentive grant from the Arizona Department of Economic Security shall fund this initiative.

Evaluation

While each Access Point offers a unique set of resources (depending on the participating partners), all Access Points offer free computer and Internet access for the purpose of job searching. Access Points connect job seekers to both employment and community resources in a convenient location and close to home.

Gila County agrees to provide:

- access to employment resources;
- training to help job seekers with job search;
- personal contacts in and connections to the One-Stop Centers, staff and key partners;
- inspection of the locations and signage for location;
- training of staff to help job seekers with job search activities;
- equipment maintenance;
- supplies, Access Point signage; and
- desktop computers (Microsoft Program with Internet access), printer, computer desk and chair

(Access Point) agrees to:

- host a publicly accessible Access point consisting of a computer with Internet access and Point of Contact trained by workforce system staff;
- help job seekers as needed and staff availability;
- publicize job seeker services to the Access Point's community;
- send staff to initial training;
- submit sign-in sheets monthly to document activities;
- assure that it will take reasonable precautions to ensure hardware, software, and/or other equipment remain secure and in good repair;
- abide by all applicable federal, state and local laws; and
- refer customers to the One-Stop and supportive services as needed

Conclusion

The purpose of this Intergovernmental Agreement is to establish a local Access Point at Mammoth-San Manuel Unified School District. Under the Workforce Investment Act, the "Access Point" model consists of local entities/organizations and/or businesses where job services can be provided, assisted by trained individuals.

Recommendation

The Gila County Community Services Division Director recommends that the Board of Supervisors approve this Intergovernmental Agreement for the period of December 1, 2014, through June 30, 2015.

Suggested Motion

Approval of an Intergovernmental Agreement between Gila County and Mammoth-San Manuel Unified School District, whereby Mammoth-San Manuel Unified School District will become a designated "Access Point" under the Workforce Investment Act for the period of December 1, 2014, through June 30, 2015.

Attachments

IGA between Mammoth-San Manuel Unified School District and Gila County

Legal Explanation

INTERGOVERNMENTAL AGREEMENT

This Intergovernmental Agreement is between Mammoth-San Manuel Unified School District (hereafter referred to as the Access Point) and Gila County (dba Gila/Pinal Workforce Investment Board).

WHEREAS Mammoth-San Manuel Unified School District (Access Point) is duly authorized to execute and administer contracts under A.R.S. §41-1954; and

WHEREAS Gila County is duly authorized to execute and administer contracts under A.R.S. §11-201; and

THEREFORE Mammoth-San Manuel Unified School District (Access Point) and Gila/Pinal Workforce Investment Board agree to abide by all the terms and conditions set forth in this Intergovernmental Agreement. This Intergovernmental Agreement shall constitute the entire Intergovernmental Agreement between the parties and supersede all other understandings, oral or written.

1.0 Purpose of Intergovernmental Agreement

The purpose of the Intergovernmental Agreement is to establish a local Access Point in different areas throughout Gila and Pinal Counties. Under the Workforce Investment Act, the "Access Point" model consists of local entities, businesses and faith and community based organizations where job search services can be provided, assisted by trained individuals who connect them to the Arizona Job Connection website.

Access Points are places where people can go and look for jobs assisted by trained individuals who connect them to the One-Stop System via computer and direct referrals. Mammoth-San Manuel Unified School District (Access Point) will provide job seekers free access to a computer with internet access to further their job search. Job seekers can apply for jobs, create or update cover letters and resumes, apply for public assistance programs, and can get connected with One-Stop Center – all in one convenient location, and close to home.

2.0 Term of Intergovernmental Agreement

2.1 This Intergovernmental Agreement shall have an effective date of December 1, 2014 and end on June 30, 2015.

2.2 Either party may terminate the Intergovernmental Agreement by providing thirty (30) days prior written notice to the other party.

2.3 The indemnification provisions of this Intergovernmental Agreement shall survive the termination of the agreement.

3.0 Gila County agrees to provide Mammoth-San Manuel Unified School District (Access Point) with:

3.1 Access to employment resources;

3.2 Training to help job jobseekers with job search;

3.3 Personal contacts in and connections to the One-Stop Centers, staff and key partners;

3.4 Inspection of the locations and signage for location;
3.5 Training of staff to help job seekers with job search activities;
3.6 Equipment maintenance;
3.7 Access Point signage; and
3.8 Desktop computers (Microsoft Program with internet access), printer, computer desk and chair.

4.0 Equipment/Budget

4.1 All equipment purchased with Workforce Investment Act funds shall remain the property of Gila County.

Mammoth-San Manuel Unified School District (Access Point) agrees to:

5.1 Host a publicly accessible Access Point consisting of a computer with internet access and Point of Contact trained by workforce system staff;
5.2 Help job seekers as needed and staff availability;
5.3 Publicize job seeker services to the Access Point's community;
5.4 Send staff to initial training;
5.5 Submit sign-in sheets monthly to document activities;
5.6 Assures that it will take reasonable precautions to ensure hardware, software, and/or other equipment remain secure and in good repair;
5.7 Agrees to abide by all applicable federal, state and local laws; and
5.8 Refer customers to the One-Stop and supportive services as needed.

6.0 Indemnification

The parties agree that to the extent permitted by law, each party shall indemnify, defend, and save the other party harmless, including any of the party's departments, agencies, officers, employees, elected officials or agents, from and against all loss, expense, damage or claim of any nature whatsoever which is caused by any activity, condition or event arising out of the performance or nonperformance in whole or in part by the indemnifying party of any of the provisions of this Intergovernmental Agreement. Each party hereby indemnifies the other party against all liability, losses and damages of any nature for or on account of any injuries or death of persons or damages to or destruction of property arising out of or in any way connected in whole or in part with the performance or nonperformance of this Intergovernmental Agreement, except such injury or damage as shall have been occasioned solely by the negligence of that other party. The damages which are the subject of this indemnity shall include but not be limited to the damages incurred by any party, their departments, agencies, officers, employees, elected officials or agents shall include in the event of an action, court costs, expenses for litigation and reasonable attorney's fees.

7.0 NON-DISCRIMINATION & EQUAL OPPORTUNITY ASSURANCE

7.1 Mammoth-San Manuel Unified School District (Access Point) and Gila County shall comply with Executive Order 75-5, as modified 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, and all other applicable State and Federal employment laws, rules and regulations, including the Americans with Disabilities Act. Entity shall take affirmative action to ensure that applicants for employment and employees are not discriminated against due to race, creed, religion, sex, national origin or disability.

7.2 Mammoth-San Manuel Unified School District (Access Point) and Gila County shall comply with the Americans with Disabilities Act of 1990 (Public Law 101-336) and the Arizona Disability Act of 1992 (A.R.S. §41-1492 et seq.), which prohibits discrimination on the basis of physical or mental disabilities in delivering contract services or in the employment, or advance in employment, of qualified persons.

7.3 Mammoth-San Manuel Unified School District (Access Point) and Gila County shall comply with the following:

(1) 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 I B financially assisted program or activity;

(2) Title VI of the Civil Rights Act of 1964, as amended, which prohibits discrimination on the basis of race, color, and national origin;

(3) Section 504 of the Rehabilitation Act of 1973, as amended, which prohibits discrimination against qualified individuals with disabilities;

(4) The Age Discrimination Act of 1975, as amended, which prohibits discrimination on the basis of age; and

(5) Title IX of the Education Amendments of 1972, as amended, which prohibits discrimination on the basis of sex in educational programs.

9.0 AMENDMENTS OR MODIFICATIONS

9.1 This Intergovernmental 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 Intergovernmental Agreement, unless done in writing and signed by the authorized representative of the respective parties.

10.0 VETERANS' PRIORITY PROVISIONS

10.1 This program, funded by the U.S. Department of Labor is subject to the provisions of the "Jobs for Veterans Act" (JVA), Public Law 107-288 (38 USC 4215). The JVA provides priority of service to Veterans and spouses of certain Veterans for the receipt of employment, training, and placement services. Please note that to obtain priority of service; a Veteran must meet the program's eligibility requirements. Training and Employment Guidance Letter (TEGL) No. 5-03(September 16, 2003) provided general guidance on the scope of the Veterans priority statute and its effect on current employment and training programs. In addition to the TEGL, a series of questions and answers related to priority of service is posted at http://www.doleta.gov/programs/VETs/ for fifteen (15) programs administered by the Employment and Training Administration (ETA). The Planning Guidance (either the Stand-Alone Planning Guidance at 70 FR 19206 (April 12, 2005)) or the Unified Planning Guidance at 70 FR 19222 (April 12, 2005)) and TEGL 13-06 and TEGL 13-06, Change 1, entitled "Instructions for Workforce Investment Act and Wagner Peyser Act State Planning and Waiver Requests for Years 3 and 4 of the Strategic Five-Year State Plan (PY 2007 and 2008)" required states to describe the policies and strategies in place to ensure, pursuant to the Jobs for Veterans Act, that priority of service is provided to Veterans (and certain spouses) who otherwise meet the eligibility requirements for all employment and training programs funded by the U.S. Department of Labor and administered by ETA. In addition, the states were required to provide assurances that they will comply with the Veterans' Priority Provisions established by the Jobs for Veterans Act (38 USC 4215). States are bound by their approved state plans.

11. MISCELLANEOUS PROVISIONS

11.1 This Intergovernmental Agreement shall not be construed to imply authority to perform any tasks or accept any responsibility not expressly set forth herein.

11.2 All notices or demands required under this Intergovernmental Agreement from either party to the other shall be in writing and shall be deemed to have been given when the notice is delivered in person or deposited in a U.S. mailbox in a postage prepaid envelope addressed as follows:

Access Point Contact:
Mammoth-San Manuel Unified School District
P.O. Box 406
711 McNab Parkway
San Manuel, Arizona 85631

Gila County
Malissa Buzan, Community Services Director
5515 S. Apache Avenue
Suite 200
Globe, AZ 85501

11.3 This Intergovernmental Agreement is non-assignable in whole or in part by either party hereto without the written consent of both parties.

11.4 This Intergovernmental Agreement shall inure solely to the benefit of Mammoth-San Manuel Unified School District (Access Point) and Gila County, and shall create no rights in any other person or entity.

11.6 In the event of any controversy which may arise out of this Intergovernmental Agreement, the parties agree to abide by required arbitration as set forth in A.R.S. §12-1518. In addition to the forgoing, a party may file a complaint at any time to seek a preliminary injunction or other provisional judicial relief, if, in its sole judgment, such action is necessary to protect and preserve the rights of the party.

FOR AND ON BEHALF OF ACCESS POINT

Signature

John Ryan
Printed Name

School Superintendent
Title

12/16/14
Date

FOR AND ON BEHALF OF THE GILA COUNTY (dba GILA/PINAL WORKFORCE INVESTMENT BOARD)

Signature

Michael A. Pastor
Printed Name

Chairman, Gila County Board of Supervisors
Title

Date

APPROVED AS TO FORM

Bryan Chambers
Deputy County Attorney Civil/Bureau Chief

Date

ATTEST

Marian Sheppard, Clerk of the Board

Date

GILA COUNTY ATTORNEY

Bradley D. Beauchamp

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 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 the public agency requesting the County Attorney's Office review.

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 vendors, 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-2921 **Consent Agenda Item** **4. D.**

Regular BOS Meeting

Meeting Date:	01/06/2015		
Submitted For:	Malissa Buzan		
Submitted By:	Leitha Griffin, Administrative Assistant, Community Services Division		
Department:	Community Services Division	Division:	Administration
Fiscal Year:	FY 2014/15 & Program Year 2013	Budgeted?:	Yes
Contract Dates Begin & End:	November 1, 2014 through June 30, 2015	Grant?:	Yes
Matching Requirement?:	No	Fund?:	New

Information

Request/Subject

Memorandum of Understanding between Gila County and Empowerment Systems, Inc.

Background Information

Access Points are employment information centers which were launched by the Department of Labor under the Workforce Investment Act. The initiative was part of an effort to create local outreach centers where job seekers could access workforce development services in their local communities. This concept created a unique opportunity for community agencies and the One-Stop System to engage and partner to promote access to the workforce system.

An incentive grant from Arizona Department of Economic Security shall fund this initiative.

Evaluation

While each Access Point offers a unique set of resources (depending on the participating partners), all Access Points offer free computer and Internet access for the purpose of job searching. Access Point connect job seekers to both employment and community resources in a convenient location and close to home.

Gila County agrees to provide:

- access to employment resources;
- training to help job job seekers with job search;
- personal contacts in and connections to the One-Stop Centers, staff and key partners;
- inspection of the locations and signage for location;
- training of staff to help job seekers with job search activities;
- equipment maintenance;
- supplies, Access Point signage; and
- desktop computers (Microsoft Program with Internet access), printer, computer desk and chair
-
- **(Access Point) agrees to:**
- host a publicly accessible Access Point consisting of a computer with Internet access and Point of Contact trained by workforce system staff;
- help job seekers as needed and staff availability;
- publicize job seeker services to the Access Point's community;
- send staff to initial training;
- submit sign-in sheets monthly to document activities;
- assure that it will take reasonable precautions to ensure hardware, software, and/or other equipment remain secure and in good repair;
- abide by all applicable federal, state and local laws; and
- refer customers to the One-Stop and supportive services as needed.

Conclusion

The purpose of this Memorandum of Understanding is to establish a local Access Point at Empowerment Systems, Inc. in Apache Junction. Under the Workforce Investment Act, the "Access Point" model consists of local entities/organizations and/or businesses where job services can be provided, assisted by trained individuals.

Recommendation

The Gila County Community Services Division Director recommends that the Board of Supervisors approve the Memorandum of Understanding between Gila County and Empowerment Systems, Inc. to continue as an "Access Point" under the Workforce Investment Act for the period of November 1, 2014, through June 30, 2015.

Suggested Motion

Approval of a Memorandum of Understanding between Gila County and Empowerment Systems, Inc., whereby Empowerment Systems, Inc. will become a designated "Access Point" under the Workforce Investment Act for the period of November 1, 2014, through June 30, 2015.

Attachments

Memorandum of Understanding Between Gila County and Empowerment Systems, Inc

Legal Explanation

MEMORANDUM OF UNDERSTANDING
BETWEEN
GILA COUNTY AND EMPOWERMENT SYSTEMS, INC.

This Memorandum of Understanding is between Empowerment Systems Inc. (hereafter referred to as the Access Point) and Gila County (dba Gila/Pinal Workforce Investment Board).

WHEREAS Empowerment Systems Inc. (Access Point) is duly authorized to execute and administer contracts under A.R.S. §41-1954; and

WHEREAS Gila County is duly authorized to execute and administer contracts under A.R.S. §11-201; and

THEREFORE Empowerment Systems Inc. (Access Point) and Gila/Pinal Workforce Investment Board agree to abide by all the terms and conditions set forth in this Memorandum of Understanding. This Memorandum of Understanding shall constitute the entire Memorandum of Understanding between the parties and supersede all other understandings, oral or written.

1.0 Purpose of Memorandum of Understanding

The purpose of the Memorandum of Understanding is to establish a local Access Point in different areas throughout Gila and Pinal Counties. Under the Workforce Investment Act, the "Access Point" model consists of local entities, businesses and faith and community based organizations where job search services can be provided, assisted by trained individuals who connect them to the Arizona Job Connection website.

Access Points are places where people can go and look for jobs assisted by trained individuals who connect them to the One-Stop System via computer and direct referrals. Empowerment Systems Inc. (Access Point) will provide job seekers free access to a computer with internet access to further their job search. Job seekers can apply for jobs, create or update cover letters and resumes, apply for public assistance programs, and can get connected with One-Stop Center – all in one convenient location, and close to home.

2.0 Term of Memorandum of Understanding

2.1 This Memorandum of Understanding shall have an effective date of November 1, 2014 and end on June 30, 2015.

2.2 Either party may terminate the Memorandum of Understanding by providing thirty (30) days prior written notice to the other party.

2.3 The indemnification provisions of this Memorandum of Understanding shall survive the termination of the agreement.

3.0 Gila County agrees to provide Empowerment Systems Inc. (Access Point) with:

3.1 Access to employment resources;

3.2 Training to help job jobseekers with job search;

3.3 Personal contacts in and connections to the One-Stop Centers, staff and key partners;

3.4 Inspection of the locations and signage for location;

3.5 Training of staff to help job seekers with job search activities;

3.6 Equipment maintenance;
3.7 Access Point signage; and
3.8 Desktop computers (Microsoft Program with internet access), printer, computer desk and chair.

4.0 Equipment/Budget

4.1 All equipment purchased with Workforce Investment Act funds shall remain the property of Gila County.

Empowerment Systems Inc. (Access Point) agrees to:

5.1 Host a publicly accessible Access Point consisting of a computer with internet access and Point of Contact trained by workforce system staff;
5.2 Help job seekers as needed and staff availability;
5.3 Publicize job seeker services to the Access Point's community;
5.4 Send staff to initial training;
5.5 Submit sign-in sheets monthly to document activities;
5.6 Assures that it will take reasonable precautions to ensure hardware, software, and/or other equipment remain secure and in good repair;
5.7 Agrees to abide by all applicable federal, state and local laws; and
5.8 Refer customers to the One-Stop and supportive services as needed.

6.0 Indemnification

The parties agree that to the extent permitted by law, each party shall indemnify, defend, and save the other party harmless, including any of the party's departments, agencies, officers, employees, elected officials or agents, from and against all loss, expense, damage or claim of any nature whatsoever which is caused by any activity, condition or event arising out of the performance or nonperformance in whole or in part by the indemnifying party of any of the provisions of this Memorandum of Understanding. Each party hereby indemnifies the other party against all liability, losses and damages of any nature for or on account of any injuries or death of persons or damages to or destruction of property arising out of or in any way connected in whole or in part with the performance or nonperformance of this Memorandum of Understanding, except such injury or damage as shall have been occasioned solely by the negligence of that other party. The damages which are the subject of this indemnity shall include but not be limited to the damages incurred by any party, their departments, agencies, officers, employees, elected officials or agents shall include in the event of an action, court costs, expenses for litigation and reasonable attorney's fees.

7.0 NON-DISCRIMINATION & EQUAL OPPORTUNITY ASSURANCE

7.1 Empowerment Systems Inc. (Access Point) and Gila County shall comply with Executive Order 75-5, as modified 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, and all other applicable State and Federal employment laws, rules and regulations, including the Americans with Disabilities Act. Entity shall take affirmative action to ensure that applicants for employment and employees are not discriminated against due to race, creed, religion, sex, national origin or disability.

7.2 Empowerment Systems Inc. (Access Point) and Gila County shall comply with the Americans with Disabilities Act of 1990 (Public Law 101-336) and the Arizona Disability Act of

1992 (A.R.S. §41-1492 et seq.), which prohibits discrimination on the basis of physical or mental disabilities in delivering contract services or in the employment, or advance in employment, of qualified persons.

7.3 Empowerment Systems Inc. (Access Point) and Gila County shall comply with the following:
(1) 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 I B financially assisted program or activity;
(2) Title VI of the Civil Rights Act of 1964, as amended, which prohibits discrimination on the basis of race, color, and national origin;
(3) Section 504 of the Rehabilitation Act of 1973, as amended, which prohibits discrimination against qualified individuals with disabilities;
(4) The Age Discrimination Act of 1975, as amended, which prohibits discrimination on the basis of age; and
(5) Title IX of the Education Amendments of 1972, as amended, which prohibits discrimination on the basis of sex in educational programs.

9.0 AMENDMENTS OR MODIFICATIONS

9.1 This Memorandum of Understanding 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 Memorandum of Understanding, unless done in writing and signed by the authorized representative of the respective parties.

10.0 VETERANS' PRIORITY PROVISIONS

10.1 This program, funded by the U.S. Department of Labor is subject to the provisions of the "Jobs for Veterans Act" (JVA), Public Law 107-288 (38 USC 4215). The JVA provides priority of service to Veterans and spouses of certain Veterans for the receipt of employment, training, and placement services. Please note that to obtain priority of service; a Veteran must meet the program's eligibility requirements. Training and Employment Guidance Letter (TEGL) No. 5-03(September 16, 2003) provided general guidance on the scope of the Veterans priority statute and its effect on current employment and training programs. In addition to the TEGL, a series of questions and answers related to priority of service is posted at http://www.doleta.gov/programs/VETs/ for fifteen (15) programs administered by the Employment and Training Administration (ETA). The Planning Guidance (either the Stand-Alone Planning Guidance at 70 FR 19206 (April 12, 2005)) or the Unified Planning Guidance at 70 FR 19222 (April 12, 2005)) and TEGL 13-06 and TEGL 13-06, Change 1, entitled "Instructions for Workforce Investment Act and Wagner Peyser Act State Planning and Waiver Requests for Years 3 and 4 of the Strategic Five-Year State Plan (PY 2007 and 2008)" required states to describe the policies and strategies in place to ensure, pursuant to the Jobs for Veterans Act, that priority of service is provided to Veterans (and certain spouses) who otherwise meet the eligibility requirements for all employment and training programs funded by the U.S. Department of Labor and administered by ETA. In addition, the states were required to provide assurances that they will comply with the Veterans' Priority Provisions established by the Jobs for Veterans Act (38 USC 4215). States are bound by their approved state plans.

11. MISCELLANEOUS PROVISIONS

11.1 This Memorandum of Understanding shall not be construed to imply authority to perform any tasks or accept any responsibility not expressly set forth herein.

11.2 All notices or demands required under this Memorandum of Understanding from either party to the other shall be in writing and shall be deemed to have been given when the notice is delivered in person or deposited in a U.S. mailbox in a postage prepaid envelope addressed as follows:

Access Point Contact:
Empowerment Systems, Inc.
Georgina Morineau, Community Outreach Program Director
2066 W. Apache Trail #116
Apache Junction, Arizona 85120

Gila County
Malissa Buzan, Community Services Director
5515 S. Apache Avenue
Suite 200
Globe, AZ 85501

11.3 This Memorandum of Understanding is non-assignable in whole or in part by either party hereto without the written consent of both parties.

11.4 This Memorandum of Understanding shall inure solely to the benefit of Empowerment Systems Inc. (Access Point) and Gila County, and shall create no rights in any other person or entity.

11.6 In the event of any controversy which may arise out of this Memorandum of Understanding, the parties agree to abide by required arbitration as set forth in A.R.S. §12-1518. In addition to the forgoing, a party may file a complaint at any time to seek a preliminary injunction or other provisional judicial relief, if, in its sole judgment, such action is necessary to protect and preserve the rights of the party.

FOR AND ON BEHALF OF ACCESS POINT

Signature

Jack Beveridge
Printed Name

President and CEO
Title

Date

FOR AND ON BEHALF OF THE GILA COUNTY (dba GILA/PINAL WORKFORCE INVESTMENT BOARD)

Signature

Michael A. Pastor
Printed Name

Chairman, Gila County Board of Supervisors
Title

Date

APPROVED AS TO FORM

Bryan Chambers
Deputy County Attorney Civil/Bureau Chief

Date

ATTEST

Marian Sheppard, Clerk of the Board

Date

GILA COUNTY ATTORNEY

Bradley D. Beauchamp

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 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 the public agency requesting the County Attorney's Office review.

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 vendors, 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-2949 **Consent Agenda Item** **4. E.**

Regular BOS Meeting

Meeting Date:	01/06/2015		
Submitted For:	Malissa Buzan		
Submitted By:	Leitha Griffin, Administrative Assistant, Community Services Division		
Department:	Community Services Division	Division:	Administration
Fiscal Year:	FY 2014/15 & Program Year 2014-2015	Budgeted?:	Yes
Contract Dates Begin & End:	January 1, 2015- June 30, 2015	Grant?:	Yes
Matching Requirement?:	No	Fund?:	New

Information

Request/Subject

Memorandum of Understanding between Gila County and Maricopa Chamber of Commerce.

Background Information

Access Points are employment information centers which were launched by the Department of Labor under the Workforce Investment Act (WIA). The initiative was part of an effort to create local outreach centers where job seekers could access workforce development services in their local communities. This concept created a unique opportunity for community agencies and the WIA One-Stop System to engage and partner to promote access to the workforce system.

An incentive grant from Arizona Department of Economic Security shall fund this initiative.

Evaluation

While each Access Point offers a unique set of resources (depending on the participating partners), all Access Points offer free computer and Internet access for the purpose of job searching. Access Points connect job seekers to both employment and community resources in a convenient location and close to home.

Gila County agrees to provide:

- access to employment resources;
- training to help job seekers with job search;
- personal contacts in and connections to the One-Stop Centers, staff and key partners;
- inspection of the locations and signage for location;
- training of staff to help job seekers with job search activities;
- equipment maintenance;
- supplies, Access Point signage; and
- desktop computers (Microsoft Program with Internet access), printer, computer desk and chair
-
- **(Access Point) agrees to:**
- host a publicly accessible Access Point consisting of a computer with Internet access and Point of Contact trained by workforce system staff;
- help job seekers as needed and staff availability;
- publicize job seeker services to the Access Point's community;
- send staff to initial training;
- submit sign-in sheets monthly to document activities;
- assure that it will take reasonable precautions to ensure hardware, software, and/or other equipment remain secure and in good repair;
- abide by all applicable federal, state and local laws; and
- refer customers to the One-Stop and supportive services as needed.

Conclusion

The purpose of this Memorandum of Understanding is to establish a local Access Point at the Maricopa Chamber of Commerce. Under the Workforce Investment Act, the "Access Point" model consists of local entities/organizations and/or businesses where job services can be provided, assisted by trained individuals.

Recommendation

Recommendation to approve the Memorandum of Understanding between Gila County and Maricopa Chamber of Commerce to become an "Access Point" under the Workforce Investment Act for the period of July 1, 2014, through June 30, 2015.

Suggested Motion

Approval of a Memorandum of Understanding between Gila County and Maricopa Chamber of Commerce, whereby Maricopa Chamber of Commerce will become a designated "Access Point" under the Workforce Investment Act for the period of January 1, 2015, through June 30, 2015.

Attachments

Memorandum of Understanding Between Gila County and Maricopa Chamber of Commerce

Legal Explanation

MEMORANDUM OF UNDERSTANDING
BETWEEN
GILA COUNTY AND MARICOPA CHAMBER OF COMMERCE

This Memorandum of Understanding is between Maricopa Chamber of Commerce (hereafter referred to as the Access Point) and Gila County (dba Gila/Pinal Workforce Investment Board).

WHEREAS Maricopa Chamber of Commerce (Access Point) is duly authorized to execute and administer contracts under A.R.S. §41-1954; and

WHEREAS Gila County is duly authorized to execute and administer contracts under A.R.S. §11-201; and

THEREFORE Maricopa Chamber of Commerce _(Access Point) and Gila/Pinal Workforce Investment Board agree to abide by all the terms and conditions set forth in this Memorandum of Understanding. This Memorandum of Understanding shall constitute the entire Memorandum of Understanding between the parties and supersede all other understandings, oral or written.

1.0 Purpose of Memorandum of Understanding

The purpose of the Memorandum of Understanding is to establish a local Access Point in different areas throughout Gila and Pinal Counties. Under the Workforce Investment Act, the "Access Point" model consists of local entities, businesses and faith and community based organizations where job search services can be provided, assisted by trained individuals who connect them to the Arizona Job Connection website.

Access Points are places where people can go and look for jobs assisted by trained individuals who connect them to the One-Stop System via computer and direct referrals. Maricopa Chamber of Commerce (Access Point) will provide job seekers free access to a computer with internet access to further their job search. Job seekers can apply for jobs, create or update cover letters and resumes, apply for public assistance programs, and can get connected with One-Stop Center – all in one convenient location, and close to home.

2.0 Term of Memorandum of Understanding

2.1 This Memorandum of Understanding shall have an effective date of Jan 1, 2015 and end on June 30th 2015.

2.2 Either party may terminate the Memorandum of Understanding by providing thirty (30) days prior written notice to the other party.

2.3 The indemnification provisions of this Memorandum of Understanding shall survive the termination of the agreement.

3.0 Gila County agrees to provide Maricopa Chamber of Commerce **(Access Point) with:**

3.1 Access to employment resources;

3.2 Training to help job jobseekers with job search;

3.3 Personal contacts in and connections to the One-Stop Centers, staff and key partners;

3.4 Inspection of the locations and signage for location;

3.5 Training of staff to help job seekers with job search activities;

3.6 Equipment maintenance;

3.7 Supplies, Access Point signage; and

3.8 Desktop computers (Microsoft Program with internet access), printer, computer desk and chair.

4.0 Equipment/Budget

4.1 All equipment purchased with Workforce Investment Act funds shall remain the property of Gila County.

5.0 Maricopa Chamber of Commerce (Access Point) agrees to:

5.1 Host a publicly accessible Access Point consisting of a computer with internet access and Point of Contact trained by workforce system staff;

5.2 Help job seekers as needed and staff availability;

5.3 Publicize job seeker services to the Access Point's community;

5.4 Send staff to initial training;

5.5 Submit sign-in sheets monthly to document activities;

5.6 Assures that it will take reasonable precautions to ensure hardware, software, and/or other equipment remain secure and in good repair;

5.7 Agrees to abide by all applicable federal, state and local laws; and

5.8 Refer customers to the One-Stop and supportive services as needed.

6.0 Indemnification

The parties agree that to the extent permitted by law, each party shall indemnify, defend, and save the other party harmless, including any of the party's departments, agencies, officers, employees, elected officials or agents, from and against all loss, expense, damage or claim of any nature whatsoever which is caused by any activity, condition or event arising out of the performance or nonperformance in whole or in part by the indemnifying party of any of the provisions of this Memorandum of Understanding. Each party hereby indemnifies the other party against all liability, losses and damages of any nature for or on account of any injuries or death of persons or damages to or destruction of property arising out of or in any way connected in whole or in part with the performance or nonperformance of this Memorandum of Understanding, except such injury or damage as shall have been occasioned solely by the negligence of that other party. The damages which are the subject of this indemnity shall include but not be limited to the damages incurred by any party, their departments, agencies, officers, employees, elected officials or agents shall include in the event of an action, court costs, expenses for litigation and reasonable attorney's fees.

7.0 NON-DISCRIMINATION & EQUAL OPPORTUNITY ASSURANCE

7.1 Maricopa Chamber of Commerce (Access Point) and Gila County shall comply with Executive Order 75-5, as modified 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, and all other applicable State and Federal employment laws, rules and regulations, including the Americans with Disabilities Act. Entity shall take affirmative action to ensure that applicants for employment and employees are not discriminated against due to race, creed, religion, sex, national origin or disability.

7.2 Maricopa Chamber of Commerce (Access Point) and Gila County shall comply with the Americans with Disabilities Act of 1990 (Public Law 101-336) and the Arizona Disability Act of 1992 (A.R.S. §41-1492 et seq.), which prohibits discrimination on the basis of physical or mental

disabilities in delivering contract services or in the employment, or advance in employment, of qualified persons.

7.3 Maricopa Chamber of Commerce (Access Point) and Gila County shall comply with the following:

(1) 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 I B financially assisted program or activity;

(2) Title VI of the Civil Rights Act of 1964, as amended, which prohibits discrimination on the basis of race, color, and national origin;

(3) Section 504 of the Rehabilitation Act of 1973, as amended, which prohibits discrimination against qualified individuals with disabilities;

(4) The Age Discrimination Act of 1975, as amended, which prohibits discrimination on the basis of age; and

(5) Title IX of the Education Amendments of 1972, as amended, which prohibits discrimination on the basis of sex in educational programs.

9.0 AMENDMENTS OR MODIFICATIONS

9.1 This Memorandum of Understanding 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 Memorandum of Understanding, unless done in writing and signed by the authorized representative of the respective parties.

10.0 VETERANS' PRIORITY PROVISIONS

10.1 This program, funded by the U.S. Department of Labor is subject to the provisions of the "Jobs for Veterans Act" (JVA), Public Law 107-288 (38 USC 4215). The JVA provides priority of service to Veterans and spouses of certain Veterans for the receipt of employment, training, and placement services. Please note that to obtain priority of service; a Veteran must meet the program's eligibility requirements. Training and Employment Guidance Letter (TEGL) No. 5-03(September 16, 2003) provided general guidance on the scope of the Veterans priority statute and its effect on current employment and training programs. In addition to the TEGL, a series of questions and answers related to priority of service is posted at http://www.doleta.gov/programs/VETs/ for fifteen (15) programs administered by the Employment and Training Administration (ETA). The Planning Guidance (either the Stand-Alone Planning Guidance at 70 FR 19206 (April 12, 2005)) or the Unified Planning Guidance at 70 FR 19222 (April 12, 2005)) and TEGL 13-06 and TEGL 13-06, Change 1, entitled "Instructions for Workforce Investment Act and Wagner Peyser Act State Planning and Waiver Requests for Years 3 and 4 of the Strategic Five-Year State Plan (PY 2007 and 2008)" required states to describe the policies and strategies in place to ensure, pursuant to the Jobs for Veterans Act, that priority of service is provided to Veterans (and certain spouses) who otherwise meet the eligibility requirements for all employment and training programs funded by the U.S. Department of Labor and administered by ETA. In addition, the states were required to provide assurances that they will comply with the Veterans' Priority Provisions established by the Jobs for Veterans Act (38 USC 4215). States are bound by their approved state plans.

11. MISCELLANEOUS PROVISIONS

11.1 This Memorandum of Understanding shall not be construed to imply authority to perform any tasks or accept any responsibility not expressly set forth herein.

11.2 All notices or demands required under this Memorandum of Understanding from either party to the other shall be in writing and shall be deemed to have been given when the notice is delivered in person or deposited in a U.S. mailbox in a postage prepaid envelope addressed as follows:

Access Point Contact:
Maricopa Chamber of Commerce
Marla Lewis, CEO
44870 W. Hathaway Ave. Ste 5
Maricopa, AZ 85139

Gila County
Malissa Buzan, Community Services Director
5515 S. Apache Avenue
Suite 200
Globe, AZ 85501

11.3 This Memorandum of Understanding is non-assignable in whole or in part by either party hereto without the written consent of both parties.

11.4 This Memorandum of Understanding shall inure solely to the benefit of Maricopa Chamber of Commerce (Access Point) and Gila County, and shall create no rights in any other person or entity.

11.6 In the event of any controversy which may arise out of this Memorandum of Understanding, the parties agree to abide by required arbitration as set forth in A.R.S. §12-1518. In addition to the forgoing, a party may file a complaint at any time to seek a preliminary injunction or other provisional judicial relief, if, in its sole judgment, such action is necessary to protect and preserve the rights of the party.

FOR AND ON BEHALF OF ACCESS POINT

Signature

Marla Lewis
Printed Name

Chief Executive Officer
Title

12/5/2014
Date

FOR AND ON BEHALF OF THE GILA COUNTY (dba GILA/PINAL WORKFORCE INVESTMENT BOARD)

Signature

Marla Lewis
Printed Name

Chairman, Gila County Board of Supervisors
Title

Date

APPROVED AS TO FORM

Bryan Chambers
Deputy County Attorney Civil/Bureau Chief

Date

ATTEST

Marian Sheppard, Clerk of the Board

Date

GILA COUNTY ATTORNEY

Bradley D. Beauchamp

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 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 the public agency requesting the County Attorney's Office review.

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 vendors, 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-2948 **Consent Agenda Item** **4. F.**

Regular BOS Meeting

Meeting Date:	01/06/2015		
Submitted For:	Malissa Buzan		
Submitted By:	Leitha Griffin, Administrative Assistant, Community Services Division		
Department:	Community Services Division	Division:	Administration
Fiscal Year:	FY2014-15 & Program Year 2015	Budgeted?:	Yes
Contract Dates Begin & End:	January 20, 2015- June 30, 2015	Grant?:	Yes
Matching Requirement?:	No	Fund?:	New

Information

Request/Subject

Memorandum of Understanding between Gila County and Pinal Hispanic Council (PHC) located in Eloy, Arizona.

Background Information

Access Points are employment information centers which were launched by the Department of Labor under the Workforce Investment Act (WIA). The initiative was part of an effort to create local outreach centers where job seekers could access workforce development services in their local communities. This concept created a unique opportunity for community agencies and the WIA One-Stop System to engage and partner to promote access to the workforce system.

An incentive grant from Arizona Department of Economic Security shall fund this initiative.

Evaluation

While each Access Point offers a unique set of resources (depending on the participating partners), all Access Points offer free computer and Internet access for the purpose of job searching. Access Points connect job seekers to both employment and community resources in a convenient location and close to home.

Gila County agrees to provide:

- access to employment resources;
- training to help job seekers with job search;
- personal contacts in and connections to the One-Stop Centers, staff and key partners;
- inspection of the locations and signage for location;
- training of staff to help job seekers with job search activities;
- equipment maintenance;
- supplies, Access Point signage; and
- desktop computers (Microsoft Program with Internet access), printer, computer desk and chair
-
- **(Access Point) agrees to:**
- host a publicly accessible Access Point consisting of a computer with Internet access and Point of Contact trained by workforce system staff;
- help job seekers as needed and staff availability;
- publicize job seeker services to the Access Point's community;
- send staff to initial training;
- submit sign-in sheets monthly to document activities;
- assure that it will take reasonable precautions to ensure hardware, software, and/or other equipment remain secure and in good repair;
- abide by all applicable federal, state and local laws; and

- refer customers to the One-Stop and supportive services as needed.

Conclusion

The purpose of this Memorandum of Understanding is to establish a local Access Point at the Pinal Hispanic Council located in Eloy, Arizona. Under the Workforce Investment Act, the "Access Point" model consists of local entities/organizations and/or business where job services can be provided, assisted by trained individuals.

Recommendation

The Community Services Division Director recommends approval of the Memorandum of Understanding between Gila County and Pinal Hispanic Council to become an "Access Point" under the Workforce Investment Act for the period January 20, 2015, through June 30, 2015.

Suggested Motion

Approval of a Memorandum of Understanding between Gila County and the Pinal Hispanic Council, located in Eloy, Arizona, whereby the Pinal Hispanic Council will become a designated "Access Point" under the Workforce Investment Act for the period of January 20, 2015, through June 30, 2015.

Attachments

Memorandum of Understanding between Gila County and Pinal Hispanic Council

Legal Explanation

MEMORANDUM OF UNDERSTANDING
BETWEEN
GILA COUNTY AND PINAL HISPANIC COUNCIL (PHC)

This Memorandum of Understanding is between PHC (hereafter referred to as the Access Point) and Gila County (dba Gila/Pinal Workforce Investment Board).

WHEREAS PHC (Access Point) is duly authorized to execute and administer contracts under A.R.S. §41-1954; and

WHEREAS Gila County is duly authorized to execute and administer contracts under A.R.S. §11-201; and

THEREFORE PHC **(**Access Point**)** and Gila/Pinal Workforce Investment Board agree to abide by all the terms and conditions set forth in this Memorandum of Understanding. This Memorandum of Understanding shall constitute the entire Memorandum of Understanding between the parties and supersede all other understandings, oral or written.

1.0 Purpose of Memorandum of Understanding

The purpose of the Memorandum of Understanding is to establish a local Access Point in different areas throughout Gila and Pinal Counties. Under the Workforce Investment Act, the "Access Point" model consists of local entities, businesses and faith and community based organizations where job search services can be provided, assisted by trained individuals who connect them to the Arizona Job Connection website.

Access Points are places where people can go and look for jobs assisted by trained individuals who connect them to the One-Stop System via computer and direct referrals. PHC (Access Point) will provide job seekers free access to a computer with internet access to further their job search. Job seekers can apply for jobs, create or update cover letters and resumes, apply for public assistance programs, and can get connected with One-Stop Center – all in one convenient location, and close to home.

2.0 Term of Memorandum of Understanding

2.1 This Memorandum of Understanding shall have an effective date of Jan 20, 2015 and end on June 30, 2015.

2.2 Either party may terminate the Memorandum of Understanding by providing thirty (30) days prior written notice to the other party.

2.3 The indemnification provisions of this Memorandum of Understanding shall survive the termination of the agreement.

3.0 Gila County agrees to provide PHC **(Access Point) with:**

3.1 Access to employment resources;

3.2 Training to help job jobseekers with job search;

3.3 Personal contacts in and connections to the One-Stop Centers, staff and key partners;

3.4 Inspection of the locations and signage for location;

3.5 Training of staff to help job seekers with job search activities;

3.6 Equipment maintenance;

3.7 Supplies, Access Point signage; and

3.8 Desktop computers (Microsoft Program with internet access), printer, computer desk and chair.

4.0 Equipment/Budget

4.1 All equipment purchased with Workforce Investment Act funds shall remain the property of Gila County.

PHC **(Access Point) agrees to:**

5.1 Host a publicly accessible Access Point consisting of a computer with internet access and Point of Contact trained by workforce system staff;

5.2 Help job seekers as needed and staff availability;

5.3 Publicize job seeker services to the Access Point's community;

5.4 Send staff to initial training;

5.5 Submit sign-in sheets monthly to document activities;

5.6 Assures that it will take reasonable precautions to ensure hardware, software, and/or other equipment remain secure and in good repair;

5.7 Agrees to abide by all applicable federal, state and local laws; and

5.8 Refer customers to the One-Stop and supportive services as needed.

6.0 Indemnification

The parties agree that to the extent permitted by law, each party shall indemnify, defend, and save the other party harmless, including any of the party's departments, agencies, officers, employees, elected officials or agents, from and against all loss, expense, damage or claim of any nature whatsoever which is caused by any activity, condition or event arising out of the performance or nonperformance in whole or in part by the indemnifying party of any of the provisions of this Memorandum of Understanding. Each party hereby indemnifies the other party against all liability, losses and damages of any nature for or on account of any injuries or death of persons or damages to or destruction of property arising out of or in any way connected in whole or in part with the performance or nonperformance of this Memorandum of Understanding, except such injury or damage as shall have been occasioned solely by the negligence of that other party. The damages which are the subject of this indemnity shall include but not be limited to the damages incurred by any party, their departments, agencies, officers, employees, elected officials or agents shall include in the event of an action, court costs, expenses for litigation and reasonable attorney's fees.

7.0 NON-DISCRIMINATION & EQUAL OPPORTUNITY ASSURANCE

7.1 PHC (Access Point) and Gila County shall comply with Executive Order 75-5, as modified 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, and all other applicable State and Federal employment laws, rules and regulations, including the Americans with Disabilities Act. Entity shall take affirmative action to ensure that applicants for employment and employees are not discriminated against due to race, creed, religion, sex, national origin or disability.

7.2 PHC (Access Point) and Gila County shall comply with the Americans with Disabilities Act of 1990 (Public Law 101-336) and the Arizona Disability Act of

1992 (A.R.S. §41-1492 et seq.), which prohibits discrimination on the basis of physical or mental disabilities in delivering contract services or in the employment, or advance in employment, of qualified persons.

7.3 PHC (Access Point) and Gila County shall comply with the following:

(1) 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 I B financially assisted program or activity;

(2) Title VI of the Civil Rights Act of 1964, as amended, which prohibits discrimination on the basis of race, color, and national origin;

(3) Section 504 of the Rehabilitation Act of 1973, as amended, which prohibits discrimination against qualified individuals with disabilities;

(4) The Age Discrimination Act of 1975, as amended, which prohibits discrimination on the basis of age; and

(5) Title IX of the Education Amendments of 1972, as amended, which prohibits discrimination on the basis of sex in educational programs.

9.0 AMENDMENTS OR MODIFICATIONS

9.1 This Memorandum of Understanding 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 Memorandum of Understanding, unless done in writing and signed by the authorized representative of the respective parties.

10.0 VETERANS' PRIORITY PROVISIONS

10.1 This program, funded by the U.S. Department of Labor is subject to the provisions of the "Jobs for Veterans Act" (JVA), Public Law 107-288 (38 USC 4215). The JVA provides priority of service to Veterans and spouses of certain Veterans for the receipt of employment, training, and placement services. Please note that to obtain priority of service; a Veteran must meet the program's eligibility requirements. Training and Employment Guidance Letter (TEGL) No. 5-03(September 16, 2003) provided general guidance on the scope of the Veterans priority statute and its effect on current employment and training programs. In addition to the TEGL, a series of questions and answers related to priority of service is posted at http://www.doleta.gov/programs/VETs/ for fifteen (15) programs administered by the Employment and Training Administration (ETA). The Planning Guidance (either the Stand-Alone Planning Guidance at 70 FR 19206 (April 12, 2005)) or the Unified Planning Guidance at 70 FR 19222 (April 12, 2005)) and TEGL 13-06 and TEGL 13-06, Change 1, entitled "Instructions for Workforce Investment Act and Wagner Peyser Act State Planning and Waiver Requests for Years 3 and 4 of the Strategic Five-Year State Plan (PY 2007 and 2008)" required states to describe the policies and strategies in place to ensure, pursuant to the Jobs for Veterans Act, that priority of service is provided to Veterans (and certain spouses) who otherwise meet the eligibility requirements for all employment and training programs funded by the U.S. Department of Labor and administered by ETA. In addition, the states were required to provide assurances that they will comply with the Veterans' Priority Provisions established by the Jobs for Veterans Act (38 USC 4215). States are bound by their approved state plans.

11. MISCELLANEOUS PROVISIONS

11.1 This Memorandum of Understanding shall not be construed to imply authority to perform any tasks or accept any responsibility not expressly set forth herein.

11.2 All notices or demands required under this Memorandum of Understanding from either party to the other shall be in writing and shall be deemed to have been given when the notice is delivered in person or deposited in a U.S. mailbox in a postage prepaid envelope addressed as follows:

Access Point Contact:
PHC
RALPH VARELA
107 E. 4TH ST
ELOY, AZ 85131
Gila County
Malissa Buzan, Community Services Director
5515 S. Apache Avenue
Suite 200
Globe, AZ 85501

11.3 This Memorandum of Understanding is non-assignable in whole or in part by either party hereto without the written consent of both parties.

11.4 This Memorandum of Understanding shall inure solely to the benefit of PHC (Access Point) and Gila County, and shall create no rights in any other person or entity.

11.6 In the event of any controversy which may arise out of this Memorandum of Understanding, the parties agree to abide by required arbitration as set forth in A.R.S. §12-1518. In addition to the forgoing, a party may file a complaint at any time to seek a preliminary injunction or other provisional judicial relief, if, in its sole judgment, such action is necessary to protect and preserve the rights of the party.

FOR AND ON BEHALF OF ACCESS POINT

Signature

RALPH VARELA

Printed Name

CEO

Title

12/9/14

Date

FOR AND ON BEHALF OF THE GILA COUNTY (dba GILA/PINAL WORKFORCE INVESTMENT BOARD)

Signature

Printed Name

Chairman, Gila County Board of Supervisors

Title

Date

APPROVED AS TO FORM

Bryan Chambers
Deputy County Attorney Civil/Bureau Chief

Date

ATTEST

Marian Sheppard, Clerk of the Board

Date

GILA COUNTY ATTORNEY

Bradley D. Beauchamp

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 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 the public agency requesting the County Attorney's Office review.

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 vendors, 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-2945 **Consent Agenda Item** **4. G.**

Regular BOS Meeting

Meeting Date: 01/06/2015

Submitted For: Steve Sanders, Deputy Director

Submitted By: Steve Sanders, Deputy Director, Public Works Division

Department: Public Works Division Division: Engineering

Information

Request/Subject

Modification No. 001 to Federal Highway Administration, Federal Lands Highway Agreement No. DTFH68-13-E-00043.

Background Information

On June 4, 2013, the Board of Supervisors adopted Resolution No. 13-06-01 and entered into a project agreement with the Federal Highway Administration, Central Federal Lands Highway Division to construct two bridges on the Houston Mesa Road and one bridge on the Control Road. The reimbursable portion of this agreement (DTF68-13-E-00043) expires on December 31, 2014. This modification will extend the period of performance to March 31, 2015. There are no cost modifications associated with this extension.

Evaluation

The project should be complete prior to March 31, 2015. It is in the best interest of the County to sign the modification to extend the period of performance to March 31, 2015.

Conclusion

N/A

Recommendation

It is the recommendation of the Public Works Deputy Director to sign Modification No. 001 Federal Highway Administration, Federal Lands Highway Agreement No. DTFH68-13-E-00043.

Suggested Motion

Approval of Modification No. 1 to Federal Highway Administration, Federal Lands Highway Agreement No. DTFH68-13-E-00043 to extend the period of performance to March 31, 2015, for the reimbursable portion of this agreement; all of which is for the construction of two bridges on Houston Mesa Road and one bridge on Control Road.

Attachments

Modification #001 to Agreement DTFH68-13-E-00043

Agreement DTFH68-13-E-00043

Resolution No. 13-06-01

Legal Explanation

Federal Highway Administration
Federal Lands Highway
AGREEMENT

DTFH68-13-E-00043
Modification #001

PARTIES TO THE AGREEMENT

Reimbursing Organization	Organization to be Reimbursed
Gila County Public Works 1400 East Ash Street Globe, AZ 85501	Federal Highway Administration Central Federal Lands Highway Division 12300 West Dakota Ave Lakewood, CO 80228
DUNS Number: 147259191	DUNS Number 126129936

POINTS OF CONTACT FOR THE AGREEMENT

Reimbursing Organization	Organization to be Reimbursed
Finance Point of Contact Name: Finance Director Address: 1400 E. Ash Street Globe, AZ 85501 Phone: 928-402-8743 E-mail: accountsreceivable@gilacountyaz.gov	Finance Point of Contact Name: Suzanne Schmidt Address: 12300 West Dakota Ave Lakewood, CO 802 Phone: 720-963-3356 E-mail: suzanne.schmidt@dot.gov
Program Point of Contact Name: Shannon Coons Address: 745 N. Rose Mofford Way Globe, AZ 85501 Phone: 928-402-8521 E-mail: scoons@gilacountyaz.gov	Program Point of Contact Name: Ed Martinez Address: 12300 West Dakota Ave Lakewood, CO 80228 Phone: 720-9633731 E-mail: Edward.martinez@dot.gov

PERIOD OF PERFORMANCE	LEGAL AUTHORITY
From: July 1, 2013 To: March 31, 2015	23 U.S.C. 201 and 204
TOTAL AGREEMENT AMOUNT	**PAYMENT TERMS AND SCHEDULE**
TOTAL AGREEMENT AMOUNT: $396,155 Modification #001: $0.00	EFT

DESCRIPTION OF SUPPLIES, SERVICES, AND DELIVERABLES

This Modification #001 extends the period of performance to March 31, 2015. This is a no cost modification.

AUTHORIZED APPROVALS	
Reimbursing Organization Gila County _____ Michael A. Pastor, Chairman Date Attest: _____ Marian Sheppard, Clerk Approved as to form: _____ Bryan Chambers, Deputy Attorney Principal	For Organization to be Reimbursed Signature Date Title

Revised 3/2010

Federal Highway Administration
Federal Lands Highway
AGREEMENT

DTFH68-13-E-00043

PARTIES TO THE AGREEMENT

Reimbursing Organization	Organization to be Reimbursed
Gila County Public Works 1400 East Ash Street Globe, AZ 85501	Federal Highway Administration Central Federal Lands Highway Division 12300 West Dakota Ave Lakewood, CO 80228
DUNS Number: 147259191	DUNS Number 126129936

POINTS OF CONTACT FOR THE AGREEMENT

Reimbursing Organization	Organization to be Reimbursed
Finance Point of Contact Name: Finance Director Address: 1400 E. Ash Street Globe, AZ 85501 Phone: 928-402-8743 E-mail: accountsreceivable@gilacountyaz.gov	Finance Point of Contact Name: Suzanne Schmidt Address: 12300 West Dakota Ave Lakewood, CO 802 Phone: 720-963-3356 E-mail: suzanne.schmidt@dot.gov
Program Point of Contact Name: Shannon Coons Address: 749 N. Rose Mofford Way Globe, AZ 85501 Phone: 928-402-8521 E-mail: scoons@gilacountyaz.gov	Program Point of Contact Name: Ed Martinez Address: 12300 West Dakota Ave Lakewood, CO 80228 Phone: 720-9633731 E-mail: Edward.martinez@dot.gov

PERIOD OF PERFORMANCE	LEGAL AUTHORITY
From: July 1, 2013 To: December 31, 2014	23 U.S.C. 201 and 204
TOTAL AGREEMENT AMOUNT	**PAYMENT TERMS AND SCHEDULE**
TOTAL AGREEMENT AMOUNT: $396,155	EFT

DESCRIPTION OF SUPPLIES, SERVICES, AND DELIVERABLES

See attached SOW

AUTHORIZED APPROVALS	
Reimbursing Organization Gila County	For Organization to be Reimbursed
Michael A. Pastor, Chairman Date 7/29/13	
Attest: Marian Sheppard, Clerk	
Approved as to form: Bryan Chambers, Deputy Attorney Principal	
	Signature Date Title

Revised 3/2010

Statement of Work

Reimbursable Agreement No. DTFH68-13-E-00043

June 15, 2013

I. Introduction: Gila County, Arizona will provide match funding for construction contract and construction engineering to the Federal Highway Administration, Central Federal Lands Highway Division (CFLHD) for AZ FLAP 64(3), 199(1), 288(3), Control Road, Houston Mesa Road and Reynolds Creek project. Gila County shall be referred to as the Requesting Agency and the CFLHD shall be referred to as the Servicing Agency.

II. Location: Arizona AZ FLAP 64(3), 199(1), 288(3), Control Road, Houston Mesa Road and Reynolds Creek Project locations are all in Gila County Arizona but are located a distance from each other in four locations. The Control Road structure and the Houston Mesa structures are in close proximity and are located north of Payson, Arizona. The Reynolds Creek structure is north of Globe, Arizona.

III. Work Required: The project will construct bridge and structure replacements for low water crossings at all four locations. The improvements will include any walls, roadway alignments/ realignments, drainage, signing and safety improvements, excavation and permits necessary to build the structures and provide an appropriate roadway surface based on the existing approach roadway type.

Construction of the project will be completed by a contractor selected by CFLHD. Onsite oversight will be conducted by CFLHD and project design is nearing completion. Construction oversight will be in accordance with CFLHD project plans, specifications and policies.

IV. Non-Federal Share of Costs: Central Federal Lands Access Program funding will be used for finalizing preliminary engineering, construction contract and construction engineering as follows:

Estimated Project Costs

Construction Contract -	$ 5,991,000
Construction Engineering -	$ 898,650
Total estimated project funds required (for Houston Mesa and Control Road Structures only)	$ 6,889,650

Federal Lands Access Program Funds -	$ 6,493,495
County Match Funds -	$ 396,155

Regardless of the estimate, Gila County will provide 5.75% of the total AZ FLAP 64(3), 199(1), 288(3)126-1(9) project funding required for the project (for the Control Road Structure and the Houston Mesa Structures Only) through construction contract completion, closeout, and

resolution of any dispute in an amount not to exceed $ 396,155. The amount of the requesting agency funding shall not exceed $ 396,155 without amendment of this agreement.

V. Period of Performance: All work associated with this agreement will be completed no later than December 31, 2014.

VI. Technical Representative: The Technical Point of Contact for this reimbursable agreement is Ed Martinez, Project Manager and can be contacted at 720-963-3731 or edward.martinez@dot.gov.

VII. Financial Administration:

A. Total Agreement Amount: Not to exceed $ 396,155.

Funding Citations: 23 U.S. C. 204 & 201

B. Reimbursable Payment: The servicing agency will be billed monthly as work is performed and expenditures occur. The servicing agency is limited to recovery of actual costs only, with a progress report reflecting the progress to the date of the invoice. The servicing Agency shall not incur costs which exceed the maximum cost stated in this RA without authorization. Such authorization will be in the form of a modification to this agreement. Upon receipt of the invoice of costs incurred and authorized, the Requesting Agency will issue payment via one of the methods listed below.

C. Method of Billing: The servicing agency shall bill the Requesting Agency in accordance with the payment terms and schedule as agreed upon in the RA.

Billing for this agreement will be only on a monthly basis and the amount determined at 5.75% of the monthly progress payments and monthly construction engineering costs in accordance with the Federal Lands Access Program funding expended on the project. The 5.75% will be for those work elements associated with the Control Road Structure and the Houston Mesa Structures only.

The Servicing Agency will furnish monthly statements detailing the funding usage on the project, calculations used to determine match funding requirements, monthly contract progress estimates, and construction engineering cost details.

The Servicing Agency requests that these payments be made through the US Treasury's website https://pay.gov. Pay.gov can be used to make secure electronic payments to any Federal Government Agencies via credit card or direct debit.

Payment shall be submitted referencing the FHWA/CFLHD-ID,
Agreement Number: DTFH68-13-E-00043

Option 1 (Preferred Method)

Plastic Card or Automatic Clearing House Payment (ACH Direct Debit) Go to Treasury's website, https://pay.gov.

Search for agency Name

Select the appropriate Transportation Agency

Follow the form instructions to make your payment. Note: If making an ACH payment from your bank account, please select ACH Direct Debit as the payment type.

Option 2

Mail Check payment to the following address for Paper Check Conversion (PCC) processing:

Regular Mail	**Overnight Mail**
DOT/FHWA c/o ESC,AMZ-300 PO BOX 268865 OKLAHOMA CITY, OK 73125	DOT/FHWA c/o ESC, AMZ-300 6500 S. MACARTHUR BLVD HQS BLDG RM 181 OKLAHOMA CITY, OK 73169

Notice to Customers Mailing Payment by Check:

Please notify Regina Monroe at 720-963-3460 or regina.monroe@dot.gov if mailing a check.

When you provide a check as payment, you authorize us either to use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction.

When we use information from your check to make an electronic fund transfer, funds may be withdrawn from your account as soon as the same day we receive your payment, and you will not receive your check back from your financial institution.

Privacy Act-A Privacy Act Statement required by 5 U.S. C. § 552a(e)(3) stating our authority for soliciting and collecting the information from your check, and explaining the purposes and routine uses which will be make of your check information, is available from out internet site at (PCCOTC.GOV), or call toll free at (1-800-624-1373) to obtain a copy by mail. Furnishing the check information is voluntary, but a decision not to do so may require you to make payment by some other method.

VIII. Modifications: Any modifications to the Agreement must be made in writing and agreed to by both parties. Such modifications are not binding unless they are in writing and signed by personnel authorized to bind each of the agencies.

IX. Agreement Completion: When the Requesting Agency has accepted all deliverables, the Servicing Agency will provide a written project evaluation and final accounting of project costs to the requesting agency contact.

X. Termination: This agreement will terminate upon the date specified in Section V or upon 30-calendar day prior written notification to the other party prior to award of construction contract. If this agreement is terminated by the Requesting Agency prior to award of the construction contract, its liability shall extend only to pay for the actual and reasonable coast of the items/services rendered and the costs of any non-cancelable obligations incurred in accordance with the terms of this agreement prior to the effective date of termination. If this agreement is terminated by the Servicing Agency prior to award of the construction contract, its liability shall extend only to the release of its work products and related materials to the Requesting Agency by the effective date of termination. After award of the construction contract, this agreement may only be terminated upon the mutual written agreement of the parties.

RESOLUTION NO. 13-06-01

A RESOLUTION OF THE GILA COUNTY BOARD OF SUPERVISORS TO SIGN PROJECT AGREEMENT AZ FLAP64-1(3), 199-1(1) AND 288-1(3) WITH THE CENTRAL FEDERAL LANDS HIGHWAY DIVISION (CFLHD) OF THE FEDERAL HIGHWAY ADMINISTRATION (FHWA)

WHEREAS, the Board of Supervisors of Gila County is authorized to approve the expenditure of funds to improve the roadways of the County; and,

WHEREAS, Gila County agrees to provide the local match for the project in accordance with Moving Ahead for Progress in the 21st Century (MAP-21) in an amount not to exceed 5.75% of the total construction budget at the time of advertisement for the projects on Houston Mesa Road and Control Road.

NOW, THEREFORE, BE IT RESOLVED that the Gila County Board of Supervisors authorizes its Chairman's signature on Project Agreement AZ FLAP64-1(3), 199-1(1) and 288-1(3) with the CFLHD of the FHWA.

PASSED AND ADOPTED this 4th day of June 2013.

Attest:

Marian Sheppard, Clerk

GILA COUNTY BOARD OF SUPERVISORS

Michael A. Pastor, Chairman

Approved as to form:

Bryan Chambers
Deputy Attorney Principal

ARIZONA FOREST HIGHWAYS
FH 12- REYNOLDS CREEK BRIDGE,
FH 51 – CONTROL ROAD and
FH 52 – HOUSTON MESA ROAD

PROJECT AGREEMENT

AZ FLAP64-1(3), 199-1(1) and 288-1(3)
Date: April 29, 2013

This project agreement describes specific requirements to be fulfilled and duties to be performed by principal partners in order to produce the services and products described herein and agreed to below by their signatory representatives. The purpose of this project agreement is to identify and assign responsibilities for the environmental analysis, design, and construction required to deliver the final project using funds made available under the Forest Highway Program, and to ensure maintenance of the roadway for public use once improvements are made, in conformance with Title 23 CFR 660.105(d)(1) and 660.111(c)(1)&(4).

Neil Bosworth, Forest Supervisor Tonto National Forest	Date
Michael A. Pastor, Chairman Gila County Board of Supervisors	6-4-2013 Date
Marian Sheppard, Clerk Gila County Board of Supervisors	6-4-2013 Date
Approved as to form: Bryan Chambers, Deputy Attorney Principal Gila County Board of Supervisors	6-4-2013 Date

Edward Martinez, Project Manager
Federal Highway Administration (FHWA)
Central Federal Lands Highway Division (CFLHD)

Date

Mike Davies – Director of Project Delivery
Federal Highway Administration (FHWA)
Central Federal Lands Highway Division (CFLHD)

Date

ADOT Signature Authority

PROJECT LOCATION:

The Central Federal Lands Highway Division (CFLHD) of the Federal Highway Administration (FHWA), in cooperation with the Tonto National Forest (Tonto), Gila County Arizona, and the Arizona Department of Transportation (ADOT) are proposing improvements to three Arizona roadways in Gila County, Arizona. These locations are on SR 288 near Globe, Arizona; on CR 64 east of Payson, Arizona and on CR199 north of Payson, Arizona. These locations are identified in the location map below.

The SR 288 is under the jurisdiction of the Arizona Department of Transportation (ADOT) and runs north of Globe, Arizona and ending at SR 260 east of Payson. This project location will replace an outdated structure that crosses the Reynolds Creek at this location.

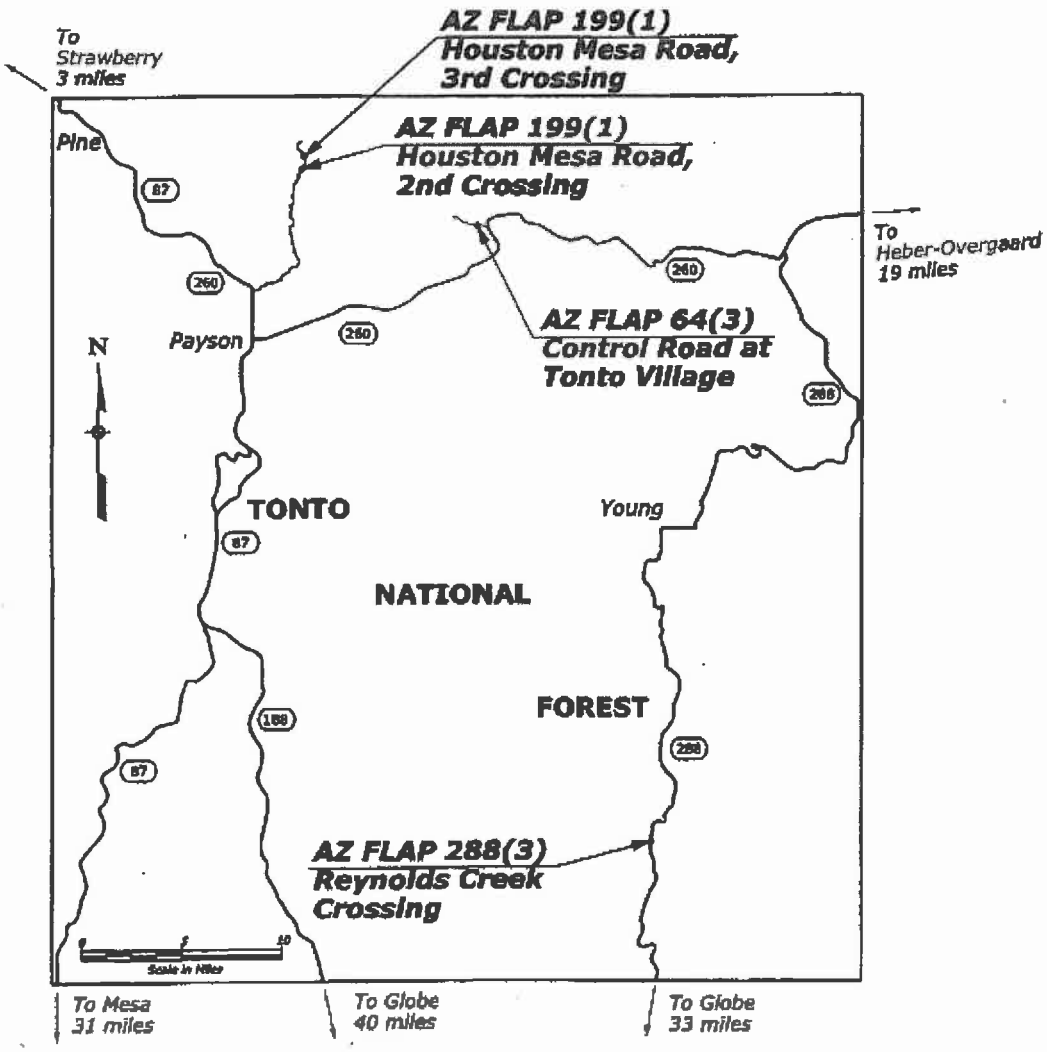
The CR 64 route is also commonly referred to as Control Road and runs from SR 87 on the north and ends on the south at SR 260. This is under the jurisdiction of Gila County and will replace a low water crossing structure adjacent to the Tonto Village.

The CR 199 route is commonly referred to as Houston Mesa Road and begins on SR 87 north of Payson and runs to a junction with CR 64 (Control Road). This route is under the jurisdiction of Gila County and will replace two low water crossings with new structures.

At the 2011 Arizona Forest Highway Tri-Agency meeting it was decided to program several new projects based on a recent call for projects that took place in Arizona. The applications for these locations included other work on the three routes for mainline roadway work, however, it was determined when putting the Arizona Forest Highway program together that the immediate need on all three of these routes was the replacement of the deteriorated and deteriorating structures that interrupted traffic periodically along these routes. Since the work was all structure work and in relatively close proximity to each other, the program funded four structure replacements only to initiate work on these routes and in alignment with the application requests that were received by the Tri-Agency. Since that time, the old Forest Highway Program was dismantled and replaced with the new MAP21-FLAP (Federal Lands Access Program). This project became a Legacy project into the new program and is fully supported by the new FLAP Program members.

The project scoping meeting and field review with the Tonto Forest, ADOT, FHWA and County representatives was held in mid February 2012. The group identified appropriate improvements that are detailed below.

Project Location Map



PROJECT PURPOSE:

This project was developed out of the Arizona "Call for Projects" that took place in the summer of 2011. The Arizona Forest Highway Program was lacking a fully developed program for the foreseeable future. The FHWA as the lead agency worked with the Arizona Department of Transportation (ADOT) and the U.S. Forest Service (FS) to develop a project call to fill the program. The three agencies (Tri Agency) worked together in reaching out to cities, counties and the Forest Service offices throughout Arizona to request applications for projects. This project was a result of three separate applications submitted through the Tri Agency from Gila County, ADOT and the FS. Those applications requested a far more extensive scope on these three routes but the common element in each application was a need for bridge replacement / low water crossing replacement and thus this project became whole with those elements only.

Since the most critical need on all these three applications was replacement of deficient low water crossings and structure, the FHWA worked with ADOT and the FS to pull the structure portions of these applications together to develop this combined project to replace those four structures on these routes. The purpose of this project is to bring these routes the necessary improvements to allow these routes to be full service year round facilities through the forest providing access for both forest usage and private property access.

OVERALL PROJECT SCOPE

The scope of this project is as follows by route:

Reynolds Creek (SR 288) - This location is closer to Globe, Arizona and is on a year round traveled forest roadway that links SR 188 on the south to SR 260 on the north. There are many private properties along this route and there is Forest Service usage along the route including logging and recreational usages. The Reynolds Creek location consists of a series of small pipes under the roadway at a very large channel crossing. The existing area experiences flooding at various times. The project will evaluate the appropriate type and location of a replacement structure and will initially construct a detour through the area to carry existing traffic needs. The new structure will be along the same alignment as the existing structure and will include some channel improvements to realign and narrow the channel through the new structure. Roadway improvements will consist only of improvements to tie the new structure and roadway back into the existing alignment matching the existing roadway surface.

FH 51 – Control Road – This route recently had 7 bridges added to replace deficient structures on the route. That project was completed in the Spring of 2012 and was developed and constructed by FHWA through the Central Federal Lands Highway Division. There is one remaining structure (a low water crossing) that is adjacent to the Tonto Village along the southern end of this route. The overall route serves private and forest use and begins on the south at SR 260 east of Payson, Arizona. The northern end is at SR 87 north of Payson, Arizona. The Tonto Village consists of a small community of homes and businesses along this route and is in very close proximity to the existing low water crossing. The scope of this project will identify a new alignment for the roadway and a new structure type to accommodate the flows along the channel to alleviate flooding of the area adjacent to the existing structure during significant storm events. The initial scoping plan calls for a realignment of the roadway on the west side of the roadway to a new structure downstream of the Tonto Village. This also allows for an improved roadway tie in to Johnson Blvd. which is the main access road to the Tonto Village. A severe skew angle at this location is not safe due to the limited sight distance to oncoming traffic. A new alignment of Johnson Blvd. will alleviate this problem and increase safety.

CR 199 -Houston Mesa – This route intersects SR 87 north of Payson and runs northeast to eventually tie into Control Road on the north. The route serves several communities, private residences, forest use and recreation use in the area. This route is also a commuter route that carries a significant amount of traffic and a year round usage is needed. There are two low water crossing on the route that interfere with the year round usage during peak storm events. The water carried in the low water crossings can force temporary closures of the route until the water level is low enough for safe travel across the low water crossings. The county worked to replace on low water crossing in previous years but did not have the means to construct the remaining two needed. This project will address those two remaining locations with a replacement structure appropriate for each location.

PROJECT RESPONSIBILITIES:

Tonto National Forest

During Project Development, the FS will:

1. Review and sign this Project Agreement.
2. Attend field reviews and meetings.
3. Review the plans and specifications at each phase of the design and provide project development support.
4. In coordination with the FHWA project manager, ensure that completed plans, specifications, and estimates (PS&E) are consistent with the intended outcome.
5. Provide overall direction regarding FS policy and administration for the project and concur with the final plans and specifications.
6. Provide a fire plan for incorporation into the Special Contract Requirements.
7. Provide support to FHWA (respond to question regarding environmental issues), as requested, for the development of environmental documents.
8. If required, collaborate with FHWA, ADOT and Gila Counties to develop a Draft Highway Easement Deed. Issue a letter of consent prior to construction.
9. Provide a Special Use permit for any lands within the National Forest used for material sources, waste areas, or as staging areas for the contractor.
10. Develop a public information program in coordination with FHWA and Gila County.
11. Enter into a reimbursable agreement with FHWA for support costs above and beyond normal reviews and for technical support with NEPA studies.

During Construction, the FS will:

1. If required, enter into a formal partnering work session and agreement with all parties involved in the construction contract (FHWA, ADOT, Gila County, contractor, etc.).
2. Designate a representative who will be the primary contact for the FHWA's Construction staff.
3. Continue to update and implement the public information program.
4. Consider proposed design changes, evaluate change impacts, and provide construction oversight as needed, ensuring that requests meet the requirements intended in the PS&E.

5. Attend final inspection with the FHWA, ADOT and Gila County upon completion of construction.

Gila County

During Project Development, Gila County:

1. Review and sign this Project Agreement.
2. Attend reviews and meetings.
3. Provide available data on traffic, accidents, material sources, construction costs, and other technical information, which may be helpful to the project development.
4. Review the plans and specifications at each phase of the design and provide project development support.
5. Provide ROW and utility information and coordination.
6. Responsible for private property acquisition if necessary. ***No property acquisition is anticipated.***
7. Responsible for utility relocations if necessary. ***No utility conflicts are anticipated.***
8. Collaborate with FHWA and FS to collectively develop Highway Easement Deed Stipulations.
9. Provide information on any current anticipated projects along these routes and schedule updates on any projects planned. Discussion during scoping included a water line project anticipated along the Houston Mesa route, however, this applies to any projects anticipated along the three routes in the anticipated work areas.
10. Agree to provide the local match for the project per MAP 21 guidelines in Arizona at 5.75% of the total construction budget at the time of Advertisement for the projects on CR 64 and CR 199 on the Houston Mesa Road and Control Road. These funds will need to be in place for the project to be advertised.

During Construction, Gila County will:

1. If required, enter into a formal partnering work session and agreement with all parties involved in the construction contract (FS, FHWA, contractor, etc.).
2. Designate a representative who will be the primary contact for FHWA's construction staff.
3. Consider proposed design changes, evaluate change impacts, and provide construction oversight as needed, ensuring that requests meet the requirements intended in the PS&E.
4. Attend a final inspection with the FHWA and FS upon completion of construction.

After Construction, Gila County will:

1. Assume responsibility of the NPDES permit until the Notice of Termination is filed and accepted.
2. Provide long-term maintenance and operation of FH 51 and FH 52 improvements.
3. Execute Highway Easement Deed with the assistance of FHWA.

ADOT

During Project Development, ADOT will:

1. Review and sign this Project Agreement.
2. Attend reviews and meetings.

3. Provide available data on traffic, accidents, material sources, construction costs, and other technical information, which may be helpful to the project development.
4. Review the plans and specifications at each phase of the design and provide project development support.
5. Provide ROW and utility information and coordination.
6. Responsible for private property acquisition if necessary. ***No property acquisition is anticipated.***
7. Responsible for utility relocations if necessary. ***No utility conflicts are anticipated.***
8. Collaborate with FHWA, Gila County and FS to collectively develop Highway Easement Deed Stipulations.
9. Expedite any reviews and approvals necessary to complete the project in the allotted schedule planned for development of the project.
10. Agree to provide the local match for the project per MAP 21 guidelines in Arizona at 5.75% of the total construction budget at the time of Advertisement for the Reynolds Creek work on SR 288. These funds will need to be in place for the project to be advertised.

During Construction, ADOT will:

1. If required, enter into a formal partnering work session and agreement with all parties involved in the construction contract (FS, ADOT, FHWA, contractor, etc.).
2. Designate a representative who will be the primary contact for FHWA's construction staff.
3. Consider proposed design changes, evaluate change impacts, and provide construction oversight as needed, ensuring that requests meet the requirements intended in the PS&E.
4. Attend a final inspection with the FHWA and FS upon completion of construction.

After Construction, ADOT will:

1. Assume responsibility of the NPDES permit until the Notice of Termination is filed and accepted.
2. Provide long-term maintenance and operation of FH 12 improvements.
3. Execute Highway Easement Deed with the assistance of FHWA.

Federal Highway Administration, Central Federal Lands Highway Division

During Project Development, the FHWA will:

1. Develop and sign this Project Agreement.
2. Manage project development schedule and preliminary engineering costs.
3. Perform pavement and geotechnical investigations.
4. Obtain all necessary permits.
5. Prepare the PS&E for the proposed project.
6. Prepare ROW plans for the Highway Easement Deed as necessary.
7. Advertise and award the contract. Bids will not be solicited by FHWA until the FS, ADOT and the County have concurred with the plans and specifications.
8. Collaborate with FS, ADOT and the County to Develop the Draft Highway Easement Deed.

9. Enter into a reimbursable agreement with the Forest Service for work effort above and beyond normal reviews and for Forest Service technical support for NEPA studies.

During Construction, the FHWA will:

1. Potentially enter into a formal partnering work session and agreement with all parties involved in the construction contract (FS, ADOT, Gila County and contractor, etc.).
2. Advertise and award project. Provide Project Engineer on site for construction administration.
3. Determine the need for any proposed changes to contract documents, evaluate change impacts, coordinate technical reviews as needed, and ensure that the construction meets the requirements intended in the PS&E.
4. Ensure that the contractor will bear all expense of maintaining traffic, other than snow removal and normal state maintenance work.
5. Verify adherence to environmental documents.
6. Attend final inspection with the FS and the Counties upon completion of construction.

PROJECT TEAM MEMBERS:

Tonto National Forest
Christine Crawford
Acting Forest Engineer
602-222-5279
2324 East McDowell Rd.
Phoenix, AZ 85006

cjcrawford@fs.fed.us

Joel Mona
Civil Engineer
928-978-1387
2324 East McDowell Rd.
Phoenix, AZ 85006

Jmona@fs.fed.us

Gila County
Steve Sanders
Deputy Director
Gila County Public Works
745 N. Rose Mofford Way
Globe, AZ. 85501
Phone 928-402-8530
ssanders@gilacountyaz.gov

Arizona Department of Transportation
Wayne Grainger
Development Branch
928-402-5615
wgrainger@azdot.gov

Matt Maul
Development Engineer
928-532-2316
mmaul@azdot.gov

Central Federal Lands Highway Division
12300 West Dakota Avenue
Lakewood, CO 80228

Ed Martinez	Phone:	720-963-3731	Fax:	
Project Manager	E-mail:	Edward.martinez@dot.gov		
Sebastian Guzman	Phone:	720-963-3642	Fax:	
Lead Designer	E-mail:	Sebastian.guzman@dot.gov		

PROJECT SCHEDULE:

Task	Responsible Lead	Schedule		Description of Critical Elements
		Start	Finish	
Project Development Planning	FHWA	February 2012	April 2012	Project Development Plan
Environmental Compliance	FHWA	April 2012	April 2013	NEPA Documents Completed and Signoff
Preliminary Design	FHWA	April 2012	September 2012	Development of Design Study Report (30% Design)
Design Structure and Hydraulic Recommendations	FHWA	May 2012	November 2012	Perform site investigation and provide pavements recommendations
Geotechnical Investigations	FHWA	Summer 2012	Summer 2012	Perform site investigation and provide geotechnical recommendations
Intermediate Design	FHWA	November 2012	February 2013	Development of 70% PS&E's
Letter of Consent	FHWA	April 2013	April 2013	Obtain Letter of Consent from the FS
Final Design	FHWA	February 2013	June 2013	Development of final contract documents
Advertisement/Award/NTP	FHWA	August 2013	August 2013	Dependent on FH funding

CONTRACTING AND PROCUREMENT:

FHWA, as the contracting office, will review the available contracting options, and with the concurrence of the Forest Highway, utilize the most effective contracting method. Where possible, A+B (Cost + Time) will be used to determine the lowest bidder, and minimize disruption due to construction operations.

The Contract Special Provisions will make an offer to the contractor to enter into a partnering work session with all parties involved in the contract. In addition, the contractor will be encouraged to develop, prepare, and submit value engineering change proposals (VECPs) and share in any contract savings realized from accepted VECPs.

ACCEPTABILITY AND CHANGES:

Unless this agreement is modified in writing, it is expected that this project will be delivered within the stated scope, schedule, and budget. If changes are required, the responsible team member will escalate the change needs, with justification for the change, to the team leaders. The team leaders will assure that additional funds are available to accommodate the change. It is the responsibility of the project

development team to recognize when changes are needed and to make timely notification to management in order to avoid project delivery delays.

ESCALATION MATRIX:

CFLHD	FS	Gila County	ADOT
Project Development Team	Project Development Team		
Project Manager: Ed Martinez (FHWA Team Lead)	Acting Forest Engineer: Christine Crawford (Forest Engineer)	Preconstruction Engineer: Steve Sanders (County Lead)	Preconstruction Engineer: Wayne Grainger (Development Lead)
Director, Project Delivery: Michael Davies	Forest Supervisor: Neil Bosworth	County Manager	Matt Maul Development Engineer
Division Engineer: Ricardo Suarez	Project Liaison: Joel Mona		

GILA COUNTY ATTORNEY

Bradley D. Beauchamp

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. § 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-2935 **Consent Agenda Item** **4. H.**

Regular BOS Meeting

Meeting Date:	01/06/2015		
Submitted For:	Jeffrey Hessenius, Finance Director		
Submitted By:	Jeannie Sgroi, Contracts Administrator, Finance Division		
Department:	Finance Division		
Fiscal Year:	FY 2014-2015	Budgeted?:	Yes
Contract Dates Begin & End:	7-1-2014 to 6-30-2015	Grant?:	No
Matching Requirement?:	No	Fund?:	Renewal

Information

Request/Subject

Increase Contract Award for Invitation for Bid No. 101314.

Background Information

On December 2, 2014, the Gila County Board of Supervisors awarded a contract for Invitation for Bid No. 101314 to McSpadden Ford, which was the lowest and most responsible bidder for the purchase of up to five new all wheel drive (AWD) utility police interceptors or equal for a unit price of $32,056.10 each.

Evaluation

Sealed bids were accepted in the Gila County Finance Department through 11:00 A.M. MST on November 19, 2014. The Finance Department received four competitive bids from vendors for Invitation for Bid No. 101314 to purchase up to five new all wheel drive (AWD) utility police interceptors or equal.

McSpadden Ford offered the low price at $32,056.10 each, for a total quantity of up to five 2015 Ford utility police interceptors with all wheel drive.

After award and upon ordering the vehicles, it was determined that additional lighting is required, which was not included in the original Invitation for Bid No. 101314. The additional lighting required is 1) Side Marker LED-Side-view Mirrors and 2) Rear Quarter Glass Side Marker Light.

Conclusion

Vehicle side lighting for the side-view mirrors and rear quarter side marker lights, were inadvertently omitted from the original Invitation to Bid No. 101314. McSpadden Ford was the low bidder for the purchase of up to five new police interceptors and it was awarded the contract on December 2, 2014. McSpadden Ford has provided a quote of $646.17 per car including sales tax to provide the additional lighting required on the new vehicles.

Recommendation

Staff recommends that the Board of Supervisors increase the contract awarded to McSpadden Ford for Invitation for Bid No. 101314 for the purchase of one or more new fleet vehicles as specified to include the additional cost for lighting.

Suggested Motion

Approval of a contract increase of up to $3,230.85 to Contract No. 101413 with McSpadden Ford to cover the additional cost for lighting, which was inadvertently omitted from the original Invitation to Bid for the purchase of five new police interceptors.

Attachments

McSpadden Ford quote for additional lighting

Contract No. 101314 with McSpadden Ford

Req 2015-0287

McSpadden Ford
601 N Broad
Globe, Az 85501

QUOTE 16252

December 8, 2014

Gila County
1400 Est Ash Street
Globe Az 85501
Attn John Root

(1) Side Marker LED- Sideview Mirrors	$197.00
(1) Rear Quarter Glass Side Marker Light	$398.00
8.6% Sales tax	$ 51.17
Total Invoice Amt	$646.17

If you have any questions please contact Roger @ (928) 425-3157

GILA COUNTY

NOTICE OF INVITATION FOR BID

BID NO. 101314

UP TO FIVE (5) NEW AWD UTILITY POLICE INTERCEPTORS OR EQUAL

BOARD OF SUPERVISORS
Michael A. Pastor, Chairman
Tommie C. Martin, Vice Chairman
John D. Marcanti, Member

COUNTY MANAGER
Don E. McDaniel Jr.

GILA COUNTY
PROCUREMENT GROUP
NOTICE OF INVITATION FOR BID

1400 E. Ash Street
Globe, Arizona
85501

SOLICITATION NUMBER
101314

BID DUE DATE: **November 19, 2014** **TIME: 11:00 AM**

DESCRIPTION: **Up to Five (5) New AWD Utility Police Interceptors or Equal**

Bid Opening Location: **GILA COUNTY FINANCE DEPARTMENT**
ATTN: JEANNIE SGROI
GUERRERO COMPLEX
1400 EAST ASH STREET, GLOBE, ARIZONA 85501

Bid Submittal Location: **GILA COUNTY FINANCE DEPARTMENT, 1400 E. Ash St., Globe, AZ 85501**

In accordance with A.R.S. §41-2533, Invitation for Bid for the materials and services specified will be received by the Gila County Procurement Group at the above specified location until the time and date cited.

Request for submittals after the specified date and time to the Procurement Group shall not be considered. To receive bid documents contact the Procurement Group at (928) 402-8612 or click on the following link to the County website . http://www.gilacountyaz.gov/government/finance/procurement/current_bids.php

Additional instructions for preparing a bid are provided on pages 4-6 of the bid documents to Offerors as contained within the solicitation.

The Board of Supervisors reserves the right to reject any or all bid proposals, or to accept any bid proposal, or to waive any informality in any bid proposal, 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 Deputy Clerk of the Board's office, Globe, AZ.

Arizona Silver Belt advertisement dates: November 05, 2014 and November 12, 2014

BIDDERS ARE STRONGLY ENCOURAGED TO CAREFULLY READ THE ENTIRE SOLICITATION.

Designated Department:	Gila County Fleet Management
Type of contract:	Term
Term of Contract:	Twelve Months
Phone Number:	(928) 200-1580

Signed: _____ Date: 10-28-14
Bryan B. Chambers, Deputy County Attorney, Civil Bureau Chief
for Bradley D. Beauchamp, County Attorney

Signed: _____ Date: 10-28-14
Michael A. Pastor, Chairman, Board of Supervisors

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GENERAL SCOPE

It is the intent of this solicitation to award a contract for the purchase of up to Five (5) New AWD Utility Police Interceptors or Equal, for departments in Gila County.

The County may choose to award this contract as a whole, or make multiple awards, depending on what is deemed to be in the County's best interest considering price, specifications, and delivery date. The request for price of an item does not guarantee a purchase but merely provides the County with the option if the need arises.

See attached: **Exhibit "C" Page 11, and Pages 13-17 as specified on Price Sheet for total price being proposed**.

Vendors who agree to provide the Minimum Bid Specifications for this Invitation for Bids shall be considered for award.

INSTRUCTIONS TO VENDORS

IMPORTANT: EXHIBIT "A", INSTRUCTIONS TO VENDORS AND EXHIBIT "B", VENDORS 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 EXHIBIT "C", MINIMUM PRODUCT SPECIFICATIONS AND INFORMATION AND TAKE PRECEDENCE OVER THE LANGUAGE APPEARING IN EXHIBITS "A" & "B".

EXHIBIT "A" INSTRUCTIONS TO VENDORS

Preparation of Sealed Bid Proposal

A. Sealed Bids will be received by the Gila County Finance Department, from individuals and vendors to deliver the product(s), goods and services contained to establish a contract for specified locations within Gila County. The County seeks sealed bid proposals only from qualified, experienced vendors able to provide services which are, in all respects, responsive to the specifications. All bid proposals shall be on the forms provided in this Invitation for Bid package. It is permissible to copy these forms if required.

B. Before submitting its Proposal, each vendor 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 vendor. There will be no subsequent financial adjustment, other than that provided for by the Contract, for lack of such familiarization.

C. Vendors must complete the Proposal and all 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 Qualification and Certification Form in evaluating the capacity of vendor(s) to perform the Scope of Services as set forth in the Contract. Failure of any Vendor to complete and submit the Price Sheet and Signature/Offer Page at time and place of opening shall be grounds for automatic disqualification of the vendor(s) from further consideration.

D. 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.

E. The full name of each person or company interested in the Invitation for Bids shall be listed on the Proposal.

F. 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 vendor; if initialed, the County may require the vendor to identify any alteration so initialed.

Amendments

Any addendum issued as a result of any change in this Invitation for Bids must be acknowledged by all Vendors in the following manner:

1. Completion of the Vendor Checklist & Addenda Acknowledgment form, page 20.

Failure to indicate receipt of addenda in the above manner may result in a bid proposal being rejected as non-responsive. If no addenda have been issued, please indicate so by writing "N/A" in the space provided under #1. The Vendor Checklist & Addenda Acknowledgment form must be signed and dated.

Inquiries

Any questions related to this IFB must be directed to those whose names appear on the Notice. Questions should be submitted in writing when time permits. The Gila County Supervisors, at their sole discretion, may require all questions be submitted in writing. Any correspondence related to an Invitation for Bids should refer to the appropriate Invitation for Bids number, page, and paragraph number. However, the Vendor(s) must not place the IFB 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 after the official IFB due date and time. Questions received less than five (5) working days prior to the date for opening Proposals will be answered only if time permits. Only questions answered by formal written addenda will be binding. Oral and other interpretations or clarifications will be without legal effect.

A. Bid results ARE NOT provided in response to telephone inquires or email requests. A tabulation of bids received is on file in the Gila County Board of Supervisors Office and will be available for review after contract award.

Late Bids

Any bid received later than the date and time specified on Notice for Sealed Bids shall not be considered.

Submittal Bid Format:

It is requested that One (1) Original and One (1) copy (2 TOTAL) with original signatures on both sets of the Qualification and Certification Form, Price Sheets, No Collusion Form, Legal AZ Workers Act Compliance Form, Checklist and Addenda Acknowledgment Form, and Offer Page shall be submitted on the forms and in the format specified in the Invitation for Bid. 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.

1. By signature in the offer section of the Offer and Acceptance page, Vendor certifies:

   A. The submission of the offer did not involve collusion or other anti-competitive practices.
   B. The Vendor 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, State, County, City, Town, etc., of the State of Arizona, will be allowed by the Vendor(s) awarded the contract to provide the same services, at the same prices stated in the bid proposal. Delivery charges may differentiate depending on geographical location.

2. Bid 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.

Instructions to Vendors continued...

3. The County is not responsible for any Vendor's errors or omissions. Negligence in preparing an offer confers no right to the Vendor unless the Vendor discovers and corrects such errors prior to the Proposal deadline.

All bids shall be submitted in a sealed envelope:

- **Minimum of Two (2) copies with original signatures shall be provided by the Vendor;**
- **The words "Invitation for Bid" with Title "Up to Five (5) AWD Utility Police Interceptors or Equal", "Bid No. 101314", "November 19, 2014" and "11:00 AM" shall be written on the face of the envelope;**
- **The Vendor shall assume full responsibility for timely delivery at the location designated in the Notice.**

GENERAL TERMS AND CONDITIONS

Award of Contract

1. The Gila County Board of Supervisors reserves the right to award any Bid 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.

   a. Notwithstanding any or other provisions of the Bid, 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.

2. It is the responsibility of the Gila County Board of Supervisors to let the County contracts to the lowest responsive and responsible Vendor(s). To ensure that all Vendors 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.

3. Further, the County reserves the right to reject the Bid of any Vendor(s) who has previously failed to perform adequately after having once been awarded a prior Bid for furnishing and installing materials similar in nature.

4. All submitted forms provided in this Invitation for Bids will be reviewed by the Gila County Board of Supervisors.

5. Those Vendor(s) who, in the opinion of the Gila County Board of Supervisors, are best qualified and whose Bids are most advantageous to the County <u>may</u> be invited to appear before the Board for an oral review.

6. The apparent successful Vendor(s) shall sign and file with the County, within ten (10) days after Notice of Intent to Award, all documents necessary to successfully execute the contract.

Protests

Only other Vendors who have submitted a bid proposal under this IFB 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. Firm shall maintain in current status all Federal, State and Local licenses and permits required for the operation of the business conducted by the Firm. The Firm 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.

EXHIBIT "B" VENDOR AWARD AGREEMENT

This exhibit shall serve as the contract agreement to any Vendor, their agents, subcontractors and/or representatives, awarded this or any portion of this contract by the County, by submitting Bid proposals to this or any other solicitation requiring sealed bids, does hereby agree to the following provisions. Proof of acceptance of these provisions will be the Vendor's signature(s) appearing on page 21, VENDORS OFFER PAGE, Exhibit "D" Vendors Qualification and Certification form page 12. This Contract shall include the Invitation for Bids No. 101314 and all exhibits attached to it, including but not limited to the Qualification and Certification Form, Price Sheets, No Collusion Form, Legal AZ Workers Act Compliance Form, Checklist and Addenda Acknowledgment Form, and Offer Page which are all incorporated into this agreement by this reference.

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 Vendor 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 shall be based upon the Invitation for Bids No. 101314, issued by the County, and the offer submitted by the Vendor in response to the IFB. The offer shall substantially conform to the terms, conditions, specifications and other requirements set forth within the text of the IFB which is incorporated by this reference into this agreement. The county reserves the right to clarify any contractual terms with the concurrence of the Vendor; 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 shall contain the entire agreement between Gila County and the Vendor relating to these requirements. The Contract 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 Vendor 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 Vendor.

Contract Amendments

The contract shall be modified only by a written contract amendment signed by the Gila County Board of Supervisors and persons duly authorized to enter into contracts on behalf of the Vendor.

Contract Default

A. The County, by written notice of default to the Vendor, may terminate the whole or any part of this contract in any one of the following circumstances:

1. If the Vendor fails to make delivery of the supplies or to perform the services within the times specified; or

2. If the Vendor 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.

B. 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 Vendor shall be liable to the County for any excess costs for such similar supplies or services.

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.

Costs and Payments

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 Vendor shall submit a complete and accurate invoice for payment.

IRS W9 Form: In order to receive payment the Vendor shall have a current IRS W9 Form on file with the County unless not required by law.

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 vendor(s) 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 vendor 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 Vendor.

Cancellation of County Contracts

This contract is subject to the cancellation provisions of **A.R.S. §38-511.**

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 Vendor(s) to carry out any term, promise, or condition of the contract. The County will issue a written ten (10) day notice of default to Vendor for acting or failing to act as in any of the following:

1. In the opinion of the County, the Vendor fails to perform adequately the stipulations, conditions or services/specifications required in the contract.
2. In the opinion of the County, the Vendor attempts to impose on the County material products, or workmanship, which is of unacceptable quality.
3. Vendor fails to furnish the required service and/or product within the time stipulated in the contract.
4. In the opinion of the County, the Vendor fails to make progress in the performance of the requirements of the contract and/or give the County a positive indication that Vendor 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 Vendor 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.

General

After receipt of all bid proposals, each submittal shall be screened to determine if any shall be deemed non-responsive. Unsigned proposals, unacknowledged Addenda, incomplete proposals, non-conformance with mandatory requirements, etc., may result in the determination of non-responsive.

MINIMUM SPECIFICATIONS

EXHIBIT "C" MINIMUM SPECIFICATIONS FOR: 101314

Purpose: It is the intent of Gila County to establish, by this Invitation for Bids, a contract to purchase up to Five (5) New AWD Utility Police Interceptors or Equal. This Invitation for Bid No. 101314 including the Qualification and Certification Form, Price Sheets, No Collusion Form, Legal AZ Workers Act Compliance Form, Checklist and Addenda Acknowledgment Form, and Offer Page constitutes the entire Bid package and by this reference is hereby incorporated into this agreement.

Note: This specification is intended to describe the type, size, and quality, which will best meet the demands of the using department. It is NOT intended to favor any one brand or make. The mention of brand names or components merely serves to specify the quality or general type required.

SECTION 1.0

General:

1.1 All product specifications are **minimum.** Vendor must provide product specification sheet.

1.2 Vendor should have adequate manufacturing / stock facilities to serve the needs of Gila County.

1.3 All proposals must represent the entire package.

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.

SECTION 2.0

Bid Pricing:

2.1 The Vendor shall submit the proposal in the form of a firm unit price for the contract period. Initial contract period is twelve (12) months. Vendor shall incorporate all freight, profit, and discount into their price. The exception will be any price reduction, which will be applied to the contract immediately upon the Vendor's or Gila County's discovery of any such price reduction.

2.2 **The term of the contract shall commence upon award and shall remain in effect for a period of one (1) year,** unless terminated, cancelled or extended as otherwise provided herein.

SECTION 3.0

Ordering and Delivery:

3.1 ORDERING: Gila County does not warrant the order quantity of any item prior to actual need. Gila County may re-order item as it becomes necessary or based on the required needs within the County during the term of this contract.

3.2 PRODUCT DELIVERY Location: Gila County Shop, 1400 East Ash Street, Globe, AZ. The Board of Supervisors may designate other or alternate delivery sites at any time during the term of the contract. These needs may be based on, but not limited to, seasonal, emergency, historical usage data.

3.3 DELIVERY TIME: Vehicles must be delivered no later than 12 weeks of receipt by Vendor of County Purchase Order. Failure to provide delivery within this time period may result in termination of this contract and award to the next lowest, responsible bidder.

PRICE SHEET

DESCRIPTION: One (1) New AWD Utility Police Interceptor or Equal *(Build Sheet Must Accompany Proposal)*

Vehicle Year, Make, & Model: 2015 Ford Utility Interceptor

MINIMUM SPECIFICATIONS One (1) New AWD utility police interceptor or equal	MEETS MINIIMUM SPECIFICATIONS YES	NO
Exterior: White	X	
Interior: Light Color Vinyl Covered Split Bench Seat	X	
Power Features: Door Locks	X	
Keyless entry	X	
Windows	X	
Mirrors	X	
Steering	X	
Tilt Steering Wheel	X	
Hands free phone feature, SYNC or equal	X	
Reverse sensing or equivalent	X	
Cruise Control	X	
AM / FM Clock (CD)Radio	X	
300 H.P. 6 Cylinder Gas Engine	X	
Ready for the road police package or equivalent	X	
Speed Management	X	
Locking gas cap	X	
4 remappable steering wheel switches	X	
Air Conditioning	X	
9" spacing between the front seats for police console	X	
Front Deflector Plate (Skid Plate)	X	
Drivers Side Factory Mounted LED Spot Light	X	

SUB – TOTAL AMOUNT	$29,789.96
OTHER COSTS	$ -0
SALES TAX	$2,266.14
TOTAL AMOUNT OF DELIVERED VEHICLE	$32,056.10

Delivery Location: Gila County Fleet Management, 1001 Besich Blvd., Globe, AZ.

Date of Delivery: 12-14 weeks from order.

Vendor Name: McSpadden Ford Inc **Vendor Phone Number:** (928)425-4491

CNGP530 VEHICLE ORDER CONFIRMATION 11/17/14 13:55:25

==> _____ _____ Dealer: F71480

2015 EXPLORER 4-DOOR Page: 1 of 2

Order No: 9999 Priority: A2 Ord FIN: QA521 Order Type: 5B Price Level: 525

Ord Code: 500A Cust/Flt Name: GILA CO PO Number:

		RETAIL
K8A	4DR AWD POLICE	$30405
	.112.6" WB	
YZ	OXFORD WHITE	
9	CLTH BKTS/VNL R	
W	BLACK INTERIOR	
500A	EQUIP GRP	
99R	.3.7L V6 TIVCT	NC
44C	.6-SPD AUTO TRAN	NC
53M	SYNC SYSTEM	295
67H	ROAD READY PKG	3415
	.DR LOCK PLUNGER	
	.100 WATT SIREN	
	.TAIL LAMP PKG	
	.REAR LIGHT PKG	
	.RR MOUNT PLATE	

		RETAIL
19L	EASY FUEL W/LK	$20
43S	MY FLT SPD MGMT	60
51R	DRV LED SPT LMP	395
595	KEYLESS W/O PAD	260
61S	CONFIG STR WHL	155
66A	FRONT HDLMP PKG	NC
	.GRILL WIRING	
76D	DEFLECTOR PLATE	335
TOTAL BASE AND OPTIONS		36510
TOTAL		36510

THIS IS NOT AN INVOICE

* MORE ORDER INFO NEXT PAGE *

F8=Next

F1=Help F2=Return to Order F3/F12=Veh Ord Menu

F4=Submit F5=Add to Library

S006 - MORE DATA IS AVAILABLE.

QC20389

Order No: 9999 Priority: A2 Ord FIN: QA521 Order Type: 5B Price Level: 525
Ord Code: 500A Cust/Flt Name: GILA CO PO Number:

		RETAIL	RETAIL
76R	REVERSE SENSING	$275	
	FLEX FUEL		
	SP DLR ACCT ADJ		
	SP FLT ACCT CR		
	FUEL CHARGE		
B4A	NET INV FLT OPT	NC	
	PRICED DORA	NC	
	DEST AND DELIV	895	

TOTAL BASE AND OPTIONS 36510
TOTAL 36510
THIS IS NOT AN INVOICE

F1=Help F2=Return to Order F7=Prev
F4=Submit F5=Add to Library F3/F12=Veh Ord Menu
S099 - PRESS F4 TO SUBMIT

QC20389

PRICE SHEET

DESCRIPTION: One (1) New AWD Utility Police Interceptor or Equal *(Build Sheet Must Accompany Proposal)*

Vehicle Year, Make, & Model: 2015 Ford Utility Interceptor

MINIMUM SPECIFICATIONS One (1) New AWD utility police interceptor or equal	MEETS MINIIMUM SPECIFICATIONS YES	NO
Exterior: White	X	
Interior: Light Color Vinyl Covered Split Bench Seat	X	
Power Features: Door Locks	X	
Keyless entry	X	
Windows	X	
Mirrors	X	
Steering	X	
Tilt Steering Wheel	X	
Hands free phone feature, SYNC or equal	X	
Reverse sensing or equivalent	X	
Cruise Control	X	
AM / FM Clock (CD)Radio	X	
300 H.P. 6 Cylinder Gas Engine	X	
Ready for the road police package or equivalent	X	
Speed Management	X	
Locking gas cap	X	
4 remappable steering wheel switches	X	
Air Conditioning	X	
9" spacing between the front seats for police console	X	
Front Deflector Plate (Skid Plate)	X	
Drivers Side Factory Mounted LED Spot Light	X	

SUB – TOTAL AMOUNT	$29,789.96
OTHER COSTS	$ -0
SALES TAX	$2,266.14
TOTAL AMOUNT OF DELIVERED VEHICLE	$32,056.10

Delivery Location: Gila County Fleet Management, 1001 Besich Blvd., Globe, AZ.

Date of Delivery: 12-14 weeks from order.

Vendor Name: McSpadden Ford Inc **Vendor Phone Number:** (928)425-4491

CNGP530 VEHICLE ORDER CONFIRMATION 11/17/14 13:55:25

==> _____ _____ Dealer: F71480

2015 EXPLORER 4-DOOR Page: 1 of 2

Order No: 9999 Priority: A2 Ord FIN: QA521 Order Type: 5B Price Level: 525

Ord Code: 500A Cust/Flt Name: GILA CO PO Number:

		RETAIL
K8A	4DR AWD POLICE	$30405
	.112.6" WB	
YZ	OXFORD WHITE	
9	CLTH BKTS/VNL R	
W	BLACK INTERIOR	
500A	EQUIP GRP	
99R	.3.7L V6 TIVCT	NC
44C	.6-SPD AUTO TRAN	NC
53M	SYNC SYSTEM	295
67H	ROAD READY PKG	3415
	.DR LOCK PLUNGER	
	.100 WATT SIREN	
	.TAIL LAMP PKG	
	.REAR LIGHT PKG	
	.RR MOUNT PLATE	

		RETAIL
19L	EASY FUEL W/LK	$20
43S	MY FLT SPD MGMT	60
51R	DRV LED SPT LMP	395
595	KEYLESS W/O PAD	260
61S	CONFIG STR WHL	155
66A	FRONT HDLMP PKG	NC
	.GRILL WIRING	
76D	DEFLECTOR PLATE	335

TOTAL BASE AND OPTIONS 36510

TOTAL 36510

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F4=Submit F5=Add to Library

3006 - MORE DATA IS AVAILABLE.

QC20389

Order No: 9999 Priority: A2 Ord FIN: QA521 Order Type: 5B Price Level: 525
Ord Code: 500A Cust/Flt Name: GILA CO PO Number:

		RETAIL	RETAIL
76R	REVERSE SENSING	$275	
	FLEX FUEL		
	SP DLR ACCT ADJ		
	SP FLT ACCT CR		
	FUEL CHARGE		
B4A	NET INV FLT OPT	NC	
	PRICED DORA	NC	
	DEST AND DELIV	895	

TOTAL BASE AND OPTIONS 36510
TOTAL 36510
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S099 - PRESS F4 TO SUBMIT

QC20389

PRICE SHEET

DESCRIPTION: One (1) New AWD Utility Police Interceptor or Equal *(Build Sheet Must Accompany Proposal)*

Vehicle Year, Make, & Model: 2015 Ford Utility Interceptor

MINIMUM SPECIFICATIONS One (1) New AWD utility police interceptor or equal	MEETS MINIIMUM SPECIFICATIONS YES	NO
Exterior: White	X	
Interior: Light Color Vinyl Covered Split Bench Seat	X	
Power Features: Door Locks	X	
Keyless entry	X	
Windows	X	
Mirrors	X	
Steering	X	
Tilt Steering Wheel	X	
Hands free phone feature, SYNC or equal	X	
Reverse sensing or equivalent	X	
Cruise Control	X	
AM / FM Clock (CD)Radio	X	
300 H.P. 6 Cylinder Gas Engine	X	
Ready for the road police package or equivalent	X	
Speed Management	X	
Locking gas cap	X	
4 remappable steering wheel switches	X	
Air Conditioning	X	
9" spacing between the front seats for police console	X	
Front Deflector Plate (Skid Plate)	X	
Drivers Side Factory Mounted LED Spot Light	X	

SUB – TOTAL AMOUNT	$29,789.96
OTHER COSTS	$ -0-
SALES TAX	$2,266.14
TOTAL AMOUNT OF DELIVERED VEHICLE	$32,056.10

Delivery Location: Gila County Fleet Management, 1001 Besich Blvd., Globe, AZ.

Date of Delivery: 12-14 weeks from order

Vendor Name: McSpadden Ford Inc **Vendor Phone Number:** (928) 425-4491

CNGP530 VEHICLE ORDER CONFIRMATION 11/17/14 13:55:25

==> _____ _____ Dealer: F71480

2015 EXPLORER 4-DOOR Page: 1 of 2

Order No: 9999 Priority: A2 Ord FIN: QA521 Order Type: 5B Price Level: 525

Ord Code: 500A Cust/Flt Name: GILA CO PO Number:

		RETAIL
K8A	4DR AWD POLICE	$30405
	.112.6" WB	
YZ	OXFORD WHITE	
9	CLTH BKTS/VNL R	
W	BLACK INTERIOR	
500A	EQUIP GRP	
99R	.3.7L V6 TIVCT	NC
44C	.6-SPD AUTO TRAN	NC
53M	SYNC SYSTEM	295
67H	ROAD READY PKG	3415
	.DR LOCK PLUNGER	
	.100 WATT SIREN	
	.TAIL LAMP PKG	
	.REAR LIGHT PKG	
	.RR MOUNT PLATE	

		RETAIL
19L	EASY FUEL W/LK	$20
43S	MY FLT SPD MGMT	60
51R	DRV LED SPT LMP	395
595	KEYLESS W/O PAD	260
61S	CONFIG STR WHL	155
66A	FRONT HDLMP PKG	NC
	.GRILL WIRING	
76D	DEFLECTOR PLATE	335
TOTAL BASE AND OPTIONS		36510
TOTAL		36510

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Order No: 9999 Priority: A2 Ord FIN: QA521 Order Type: 5B Price Level: 525
Ord Code: 500A Cust/Flt Name: GILA CO PO Number:

		RETAIL	RETAIL
76R	REVERSE SENSING	$275	
	FLEX FUEL		
	SP DLR ACCT ADJ		
	SP FLT ACCT CR		
	FUEL CHARGE		
B4A	NET INV FLT OPT	NC	
	PRICED DORA	NC	
	DEST AND DELIV	895	

TOTAL BASE AND OPTIONS 36510
TOTAL 36510
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QC20389

PRICE SHEET

DESCRIPTION: One (1) New AWD Utility Police Interceptor or Equal *(Build Sheet Must Accompany Proposal)*

Vehicle Year, Make, & Model: 2015 Ford Utility Interceptor

MINIMUM SPECIFICATIONS One (1) New AWD utility police interceptor or equal	MEETS MINIIMUM SPECIFICATIONS YES	NO
Exterior: White	X	
Interior: Light Color Vinyl Covered Split Bench Seat	X	
Power Features: Door Locks	X	
Keyless entry	X	
Windows	X	
Mirrors	X	
Steering	X	
Tilt Steering Wheel	X	
Hands free phone feature, SYNC or equal	X	
Reverse sensing or equivalent	X	
Cruise Control	X	
AM / FM Clock (CD)Radio	X	
300 H.P. 6 Cylinder Gas Engine	X	
Ready for the road police package or equivalent	X	
Speed Management	X	
Locking gas cap	X	
4 remappable steering wheel switches	X	
Air Conditioning	X	
9" spacing between the front seats for police console	X	
Front Deflector Plate (Skid Plate)	X	
Drivers Side Factory Mounted LED Spot Light	X	

SUB – TOTAL AMOUNT	$29,789.96
OTHER COSTS	$ -0-
SALES TAX	$2,266.14
TOTAL AMOUNT OF DELIVERED VEHICLE	$32,056.10

Delivery Location: Gila County Fleet Management, 1001 Besich Blvd., Globe, AZ.

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Order No: 9999 Priority: A2 Ord FIN: QA521 Order Type: 5B Price Level: 525

Ord Code: 500A Cust/Flt Name: GILA CO PO Number:

		RETAIL
K8A	4DR AWD POLICE	$30405
	.112.6" WB	
YZ	OXFORD WHITE	
9	CLTH BKTS/VNL R	
W	BLACK INTERIOR	
500A	EQUIP GRP	
99R	.3.7L V6 TIVCT	NC
44C	.6-SPD AUTO TRAN	NC
53M	SYNC SYSTEM	295
67H	ROAD READY PKG	3415
	.DR LOCK PLUNGER	
	.100 WATT SIREN	
	.TAIL LAMP PKG	
	.REAR LIGHT PKG	
	.RR MOUNT PLATE	

		RETAIL
19L	EASY FUEL W/LK	$20
43S	MY FLT SPD MGMT	60
51R	DRV LED SPT LMP	395
595	KEYLESS W/O PAD	260
61S	CONFIG STR WHL	155
66A	FRONT HDLMP PKG	NC
	.GRILL WIRING	
76D	DEFLECTOR PLATE	335
TOTAL BASE AND OPTIONS		36510
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Order No: 9999 Priority: A2 Ord FIN: QA521 Order Type: 5B Price Level: 525
Ord Code: 500A Cust/Flt Name: GILA CO PO Number:

		RETAIL	RETAIL
76R	REVERSE SENSING	$275	
	FLEX FUEL		
	SP DLR ACCT ADJ		
	SP FLT ACCT CR		
	FUEL CHARGE		
B4A	NET INV FLT OPT	NC	
	PRICED DORA	NC	
	DEST AND DELIV	895	

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QC20389

3.4 Vendor shall retain title and control of all goods until they are delivered and the contract of coverage has been completed. All risks of transportation and all related charges shall be the responsibility of the Vendor. All claims for visible or concealed damage shall be filed by the Vendor. The County will assist the Vendor in arranging for inspection.

QUALIFICATION AND CERTIFICATION FORM

EXHIBIT "D" VENDORS QUALIFICATION AND REFERENCE LIST

PURPOSE

This exhibit shall serve as a requirement to enable the evaluation team to assess the qualifications of Vendors under consideration for final award. The information may or may not be a determining factor in award.

CONTACT NUMBER 101314 Up to Five (5) New AWD Utility Police Interceptors or Equal

The applicant submitting this Bid Proposal warrants the following:

1. Name, Address, and Telephone Number of Principal Vendor:
   McSpadden Ford Inc
   600 N Broad Globe AZ 85501
   (928) 425-4491

2. Has Vendor (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 reason Vendor failed to perform in the narrative part of this Contract.

3. Has Vendor (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 Vendors disqualifications, 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 Vendor (under your firm's present or any previous name) prior to end of contract period? ______ Yes ___X___ No. If "Yes", give details including the date, the contracting agency, and the reasons offer was terminated in the narrative part of this Contract.

5. Vendor 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. Gila County reserves the right to request additional information.

Lisa Wielenge
Signature of Authorized Person to Sign

LISA WIELENGE
Printed Name

Sales/Finance Manager
Title

PRICE SHEET

DESCRIPTION: One (1) New AWD Utility Police Interceptor or Equal *(Build Sheet Must Accompany Proposal)*

Vehicle Year, Make, & Model: 2015 Ford Utility Interceptor

MINIMUM SPECIFICATIONS One (1) New AWD utility police interceptor or equal	MEETS MINIIMUM SPECIFICATIONS YES	NO
Exterior: White	X	
Interior: Light Color Vinyl Covered Split Bench Seat	X	
Power Features: Door Locks	X	
Keyless entry	X	
Windows	X	
Mirrors	X	
Steering	X	
Tilt Steering Wheel	X	
Hands free phone feature, SYNC or equal	X	
Reverse sensing or equivalent	X	
Cruise Control	X	
AM / FM Clock (CD)Radio	X	
300 H.P. 6 Cylinder Gas Engine	X	
Ready for the road police package or equivalent	X	
Speed Management	X	
Locking gas cap	X	
4 remappable steering wheel switches	X	
Air Conditioning	X	
9" spacing between the front seats for police console	X	
Front Deflector Plate (Skid Plate)	X	
Drivers Side Factory Mounted LED Spot Light	X	

SUB – TOTAL AMOUNT	$29,789.96
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2015 EXPLORER 4-DOOR Page: 1 of 2

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		RETAIL
K8A	4DR AWD POLICE	$30405
	.112.6" WB	
YZ	OXFORD WHITE	
9	CLTH BKTS/VNL R	
W	BLACK INTERIOR	
500A	EQUIP GRP	
99R	.3.7L V6 TIVCT	NC
44C	.6-SPD AUTO TRAN	NC
53M	SYNC SYSTEM	295
67H	ROAD READY PKG	3415
	.DR LOCK PLUNGER	
	.100 WATT SIREN	
	.TAIL LAMP PKG	
	.REAR LIGHT PKG	
	.RR MOUNT PLATE	

		RETAIL
19L	EASY FUEL W/LK	$20
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66A	FRONT HDLMP PKG	NC
	.GRILL WIRING	
76D	DEFLECTOR PLATE	335

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QC20389

Order No: 9999 Priority: A2 Ord FIN: QA521 Order Type: 5B Price Level: 525
Ord Code: 500A Cust/Flt Name: GILA CO PO Number:

		RETAIL	RETAIL
76R	REVERSE SENSING	$275	
	FLEX FUEL		
	SP DLR ACCT ADJ		
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	FUEL CHARGE		
B4A	NET INV FLT OPT	NC	
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S099 - PRESS F4 TO SUBMIT QC20389

AFFIDAVIT BY VENDOR
CERTIFYING THAT THERE WAS NO COLLUSION
IN BIDDING FOR CONTRACT

STATE OF ARIZONA)
)ss
COUNTY OF:)

Lisa Wielenga
(Name of Individual) being first duly sworn, deposes and says:

That he is
Sales/Finance Manager.
(Title)
of McSpadden Ford Inc and
(Name of Business)

That he is bidding on **Gila County Bid No. 101314 - Up to Five (5) New AWD Utility Police Interceptors or Equal** and,

That neither he nor anyone associated with the said
McSpadden Ford 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.

McSpadden Ford Inc
Name of Business

Lisa Wielenga
By

Sales/Finance Manager
Title

Subscribed and sworn to before me this 17 **day of** November, **20** 14.

Kim McSpadden
Notary Public

My Commission expires:
Jan 5, 2015

OFFICIAL SEAL
KIM McSPADDEN
NOTARY PUBLIC - State of Arizona
GILA COUNTY
My Comm. Expires Jan. 5, 2015

LEGAL ARIZONA WORKERS ACT COMPLIANCE

Vendor hereby warrants that it will at all times during the term of this Contract comply with all federal immigration laws applicable to Vendor's employment of its employees, and with the requirements of A.R.S. § 23-214 (A) (together the "State and Federal Immigration Laws"). Vendor shall further ensure that each subcontractor who performs any work for Vendor 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 Vendor and any subcontractor in order to verify such party's compliance with the State and Federal Immigration Laws.

Any breach of Vendor'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 Vendor 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, Vendor 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.

Vendor 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 Vendor. In the event that remedial action under this Article results in delay to one or more tasks on the critical path of Vendor's approved construction or critical milestones schedule, such period of delay shall be deemed excusable delay for which Vendor shall be entitled to an extension of time, but not costs.

Lisa Wielenga
Signature of Authorized Representative

Lisa Wielenga
Printed Name

Sales/Finance Manager
Title

BIDDERS CHECKLIST & ADDENDA ACKNOWLEDGEMENT

NOTICE IS HEREBY GIVEN that all Bid Documents shall be completed and/or executed and submitted with this IFB. If bidder fails to complete and/or execute any portion of the Bid Documents, this IFB will be determined to be "non-responsive" and rejected.

CHECKLIST:

REQUIRED DOCUMENT	COMPLETED / EXECUTED
QUALIFICATION & CERTIFICATION FORM	X
PRICE SHEET	X
NO COLLUSION AFFADAVIT	X
LEGAL ARIZONA WORKS ACT COMPLIANCE	X
OFFER PAGE	X

ACKNOWLEDGMENT OF RECEIPT OF ADDENDA:

	#1	#2	#3	#4	#5
Initials	DW	DW	DW	DW	DW
Date	11-17-14	11-17-14	11-17-14	11-17-14	11-17-14

Signed and dated this 17th day of November, 2014

McSpadden Ford Inc
VENDOR:

BY: (Signature)

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: **Invitation for Bids: Bid No. 101314 Up to Five (5) New AWD Utility Police Interceptors or Equal.** All proposals shall be filed with the Gila County Finance Department at the Guerrero Complex, 1400 E. Ash St., Globe, AZ on or before November 19, 2014, 11:00 AM.

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 Invitation for bids.

Signature also certifies the Vendors 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 Vendor submitting the bid proposal has not revealed the contents of the proposal to, or in any way colluded with, any other Vendor which may compete for the contract; and that no other Vendor which may compete for the contract has revealed the contents of a proposal to, or in any way colluded with, the Vendor submitting this proposal.

CONTRACT NUMBER: 101314 Up to Five (5) New AWD Utility Police Interceptors or Equal

Firm Submitting Proposal:

McSpadden Ford Inc
Company Name

600 N Broad.
Address

Globe AZ 85501
City State Zip

For clarification of this offer, contact:

Name: Lisa Wielenga

Phone No.: (928) 425-4491

Fax (928) 425-9390

Email: mcspaddensales@cableone.net

Lisa Wielenga
Signature of Authorized Person to Sign

Lisa Wielenga
Printed Name

Sales/Finance Manager
Title

Proposal must be signed by a duly authorized officer(s) eligible to sign contract documents for the Firm.

ACCEPTANCE OF OFFER

(For Gila County use only)

The Offer is hereby Accepted:

The Vendor McSpadden Ford is now bound to provide the materials or services listed in Invitation for Bid No.: 101314 including all terms and conditions, specifications, amendments, etc. and the Vendor's Offer as accepted by County/public entity.

The contract shall henceforth be referenced to as ***Contract No. 101314***. The Vendor has been cautioned not to commence any billable work or to provide any material or service under this Contract until Vendor receives written notice to proceed from Gila County.

Awarded this 2nd **day of** December, **2014**

GILA COUNTY BOARD OF SUPERVISORS:

Michael A. Pastor, Chairman, Board of Supervisors

ATTEST:

Marian Sheppard, Clerk of the Board

APPROVED AS TO FORM:

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

ARF-2953 **Consent Agenda Item** **4. I.**

Regular BOS Meeting

Meeting Date: 01/06/2015

Reporting Period: November 2014

Submitted For: Colt White, Payson Regional Constable

Submitted By: Michelle Keegan, Administrative Clerk Senior, Constable - Payson Regional

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Information

Subject

Payson Regional Constable's Office Monthly Report for November 2014

Suggested Motion

Acknowledgment of the November 2014 monthly activity report submitted by the Payson Regional Constable's Office

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Attachments

Payson Regional Constable's Office Monthly Report for November 2014

Deputy Constable

Michelle Keegan
Clerk of the Constable

Office of
Payson Regional Constable
Colt White

November 2014
MONTHLY REPORT

TABLE OF CONTENTS

MONTHLY ACTIVITY LETTER

MONTHLY COMPARISON SHEET

FEES COLLECTED

STATUS SUMMARY REPORT

SERVICE SUMMARY REPORT

MILEAGE CHART

TREASURER'S RECEIPT

108 WEST MAIN STREET, PAYSON, AZ 85541 – PHONE: (928) 474-3844/FAX: (928) 468-1509

Deputy Constable

Michelle Keegan
Clerk of the Constable

Office of
Payson Regional Constable
Colt White

December 4, 2014

Gila County Board of Supervisors
Gila County Courthouse
1400 East Ash Street
Globe, Arizona 85501

PAYSON REGIONAL CONSTABLE'S OFFICE MONTHLY ACTIVITY LETTER

For the month of **November, 2014**, the Payson Regional Constable's Office:

- Received a total of **158** papers for service
- Drove a total of **986** miles
- Collected a total of **$1,505.20** as follows:

• Check Total	$740.00
• Cash Total	$765.20
• Total Deposited	$1,505.20
• Williams, Zinman & Parham, refund overpayment	($2.00)
• Julia Jewell, refund writ deposit balance	($131.00)
• Less Writ Fee (4 @ $5.00/each) Collected (Check #2372/Treasurer's Receipt #98403)	($ 20.00)
• Paid to General Fund (Check #2373/Treasurer's Receipt #98404)	$1,352.20
• Additional funds from the Town of Payson paid into General Fund for process serving by the Payson Regional Constable	$ 875.00
Grand Total Paid to General Fund	**$2,227.20**

Respectfully submitted,

Colt White
Payson Regional Constable
Gila County, Payson, Arizona

108 WEST MAIN STREET, PAYSON, AZ 85541 – PHONE: (928) 474-3844/FAX: (928) 468-1509

Deputy Constable

Michelle Keegan
Clerk of the Constable

Office of
Payson Regional Constable
Colt White

PAYSON REGIONAL CONSTABLE'S OFFICE STATISTICS
MONTHLY TOTALS FOR FISCAL YEAR 2014-2015

2013-2014 MONTH	TOTAL PAPERS	MILES DRIVEN	FEES COLLECTED	CONTRACT INCOME	ADJUSTED TOTAL
JULY	182	1,396	$1,417.60	$875.00	$2,287.60
AUGUST	222	1,397	$1,749.80	$875.00	$2,624.80
SEPTEMBER	109	1,249	$1,360.40	$875.00	$2,235.40
OCTOBER	160	1,070	$1,307.00	$875.00	$2,182.00
NOVEMBER	159	986	$1,505.20	$875.00	$2,380.20
DECEMBER					
JANUARY					
FEBRUARY					
MARCH					
APRIL					
MAY					
JUNE					
YEAR TOTAL:	832	6,098	$7,340.00	$4,375.00	$11,715.00

108 WEST MAIN STREET, PAYSON, AZ 85541 – PHONE: (928) 474-3844/FAX: (928) 468-1509

Payson Regional Constable's Office

Cash Received Report, by Name

Name	Process #	Received	Receipt #	Amount Received
Accion NM-AZ-CO,	1411PR007	11/06/14	334	40.00
				40.00
Barnes, Shelly D	1411PR041	11/14/14	346	48.00
				48.00
Chavez, Jo	1411PR010	11/06/14	337	40.00
				40.00
Dorman, Janice	1411PR008	11/06/14	335	67.20
				67.20
Dorris, Bonnie Jo	1411PR063	11/19/14	348	48.00
				48.00
Epley, William "Bill"	1411PR004	11/04/14	332	48.00
				48.00
Evans Dove & Nelson PLC,	1411PR072	11/25/14	354	48.00
				48.00
Gregorich, Judy Louise	1411PR002	11/04/14	330	69.00
				69.00
JJL Process Corp,	1411PR003	11/04/14	331	40.00
	1407PR102	11/04/14	349	24.00
	1408PR042	11/04/14	350	5.00
	1411PR067	11/21/14	352	69.00
				138.00
Jewell, Julia	1411PR040	11/14/14	345	200.00
				200.00

Klee-Martinez, Kristin Michelle	1411PR009	11/06/14	336	74.00
				74.00
Koglmeier Law Group PLC,	1409PR081	11/24/14	353	40.00
				40.00
Law Office of Jo Ellen Vork,	1411PR025	11/10/14	341	142.00
				142.00
Law Office of Scott M Clark PC,	1411PR033	11/13/14	344	77.00
				77.00
Manning, Donese E	1411PR001	11/04/14	329	40.00
				40.00
Merrill, Duane Elwood III	1411PR026	11/10/14	342	40.00
				40.00
PJ Rental Properties LLC,	1411PR023	11/07/14	339	40.00
				40.00
Parker, Kacy J	1411PR024	11/07/14	340	48.00
				48.00
Prest Realty LLC,	1411PR078	11/26/14	358	48.00
				48.00
Preston-Lynch, Prestina	1411PR005	11/05/14	333	40.00
	1411PR032	11/12/14	343	40.00
				80.00
Schamber, Eugene "Gene" Ivan	1411PR066	11/20/14	351	40.00
				40.00
Turney, Kimberly Ann	1411PR013	11/07/14	338	40.00
				40.00
Williams,Zinman & Parham P.C.,	1411PR060	11/19/14	347	50.00
				50.00

Total Cash Received:	**1505.20**

Report Includes:
All transaction dates between `11/01/14` and `11/30/14`, All received by persons, All courts, All agencies matching `PRCO`, All transaction codes matching `CR, GR;`, All cptbproc action codes matching `1, 11`

Payson Regional Constable's Office

Process Status Report, by Process Type

Process Description	Total	Active		Served		Retd/Unsrvd	
Arrest Warrant	84	84	100.00	0	0.00	0	0.00
Criminal Subpoena	22	0	0.00	20	90.91	2	9.09
Civil Summons	9	0	0.00	5	55.56	4	44.44
Civil Subpoena	2	0	0.00	2	100.00	0	0.00
Divorce Packet	2	0	0.00	2	100.00	0	0.00
Injunction Against Harassment	3	0	0.00	3	100.00	0	0.00
Notice and Summons	3	0	0.00	3	100.00	0	0.00
Notice	2	0	0.00	2	100.00	0	0.00
Notice to Appear; Petition	8	0	0.00	8	100.00	0	0.00
Order of Protection	7	0	0.00	6	85.71	1	14.29
Order to Appear	1	0	0.00	1	100.00	0	0.00
Summons and Complaint	1	0	0.00	0	0.00	1	100.00
Summons Forcible Detainer	7	0	0.00	7	100.00	0	0.00
Criminal Summons	4	0	0.00	1	25.00	3	75.00
Writ of Execution	1	0	0.00	1	100.00	0	0.00
Writ of Garnishment Earnings	1	0	0.00	1	100.00	0	0.00
Writ of Garnishment Non Earnin	1	0	0.00	1	100.00	0	0.00
Writ of Restitution	1	0	0.00	1	100.00	0	0.00
Totals	**159**	**84**	**52.83**	**64**	**40.25**	**11**	**6.92**

Report Includes:
All receive dates between `00:00:00 11/01/14` and `23:59:59 11/30/14`, All process types, All officers, All courts, All agencies matching `PRCO`, All serve flags matching `1`

Payson Regional Constable's Office

Civil Process Service Attempts Summary

To Be Served: Atencio, Angelica M.

Service Attempt	Attempted By	Served On	Svd?
207 Longhorn St, Morencia	White, C		NO
Time/Date: 11:21:00 11/10/14			

To Be Served: Balesteri, Denise M.

Service Attempt	Attempted By	Served On	Svd?
1115 N Monte Rosa Lane, Payson	White, C		NO
Time/Date: 15:39:00 11/12/14			
1115 N Monte Rosa Lane, Payson	White, C		NO
Time/Date: 14:57:00 11/13/14			
611 E Eckles, Payson	White, C		NO
Time/Date: 15:14:00 11/13/14			
611 E Eckles, Payson	White, C		NO
Time/Date: 10:55:00 11/14/14			
611 E Eckles, Payson	White, C	Denise Balesteri	YES
Time/Date: 13:55:00 11/17/14			

To Be Served:

Service Attempt	Attempted By	Served On	Svd?
	White, C		NO
Time/Date: 14:30:00 11/17/14			
	White, C	Shannon Russell	YES
Time/Date: 15:02:00 11/20/14			

To Be Served: Boatman, Shane A.

Service Attempt	Attempted By	Served On	Svd?
8985 Stageline Lane, Payson	White, C		NO
Time/Date: 15:17:00 11/06/14			

To Be Served: Bogatko, Nick

Service Attempt	Attempted By	Served On	Svd?
303 N Beeline Highway, Payson	White, C	PPD Clipboard	YES
Time/Date: 14:52:00 11/14/14			

To Be Served: Byrum, Susan

Service Attempt	Attempted By	Served On	Svd?
714 S Beeline Highway, Payson	White, C		NO
Time/Date: 10:28:00 11/13/14			
714 S Beeline Highway, Payson	White, C	Susan Byrum	YES
Time/Date: 12:57:00 11/13/14			

To Be Served: Chagolla, Robert

Service Attempt	Attempted By	Served On	Svd?
108 W Main Street, Payson	White, C	GCSO Clipboard	YES
Time/Date: 12:17:00 11/03/14			

To Be Served: Child, Alana M.

Service Attempt	Attempted By	Served On	Svd?
600 N Woodhill Road, Payson	White, C		NO
Time/Date: 15:54:00 11/12/14			
600 N Woodhill Road, Payson	White, C		NO
Time/Date: 15:56:00 11/12/14			
203 E Forest #5, Payson	White, C	Alana Child	YES
Time/Date: 16:00:00 11/12/14			

To Be Served: Clark, Mark

Service Attempt	Attempted By	Served On	Svd?
108 W Main Street, Payson	White, C	GCSO Clipboard	YES
Time/Date: 10:35:00 11/20/14			

To Be Served: Connolly, Cubb P.

Service Attempt	Attempted By	Served On	Svd?

719 W Oxbow Tr, Payson	White, C	Posted and Mailed	YES
Time/Date: 10:43:00 11/10/14			

To Be Served: Conway, David E.

Service Attempt	Attempted By	Served On	Svd?
1007 S Ash Street, Payson	White, C	David E Conway	YES
Time/Date: 17:00:00 11/06/14			

To Be Served: Cumpton, Christopher W.

Service Attempt	Attempted By	Served On	Svd?
160 Deer Creek Drive, Payson	Engler, D B	Christopher William Cumpton	YES
Time/Date: 17:50:00 11/19/14			

To Be Served: Daly, Michele F.

Service Attempt	Attempted By	Served On	Svd?
108 W. Main St, Payson	White, C	GCSO Clipboard	YES
Time/Date: 15:57:00 11/13/14			

To Be Served: Deaton, Justin

Service Attempt	Attempted By	Served On	Svd?
303 N Beeline Hwy, Payson	White, C	PPD Clipboard	YES
Time/Date: 14:52:00 11/14/14			

To Be Served: DeBruyne, Rocio

Service Attempt	Attempted By	Served On	Svd?
1115 N Gila Drive, Payson	White, C		NO
Time/Date: 15:21:00 11/07/14			
1115 N Gila Drive, Payson	White, C		NO
Time/Date: 11:23:00 11/13/14			
1115 N Gila Drive, Payson	White, C		NO
Time/Date: 11:31:00 11/13/14			
1115 N Gila Drive, Payson	White, C		NO
Time/Date: 12:15:00 11/13/14			

To Be Served: Deschaaf, Chad

Service Attempt	Attempted By	Served On	Svd?
303 North Beeline Hwy, Payson	White, C	PPD CLipboard	YES
Time/Date: 14:52:00 11/14/14			

To Be Served: Diehn, Bodo

Service Attempt	Attempted By	Served On	Svd?
111 W Cedar Lane Suite C, Payson	White, C		NO
Time/Date: 16:06:00 11/06/14			
902 Rim Trail Road HC7 Box 353, Payson	White, C		NO
Time/Date: 17:00:00 11/24/14			
902 Rim Trail Road HC7 Box 353, Payson	White, C		NO
Time/Date: 17:02:00 11/24/14			
902 Rim Trail Road HC7 Box 353, Payson	White, C		NO
Time/Date: 10:30:00 11/25/14			
108 W Main Street, Payson	White, C	Bodo Diehn	YES
Time/Date: 13:52:00 11/26/14			

To Be Served: Dorsett, Wayne

Service Attempt	Attempted By	Served On	Svd?
108 W Main Street, Payson	White, C	GCSO Clipboard	YES
Time/Date: 12:17:00 11/03/14			

To Be Served: Duarte, Michelle L.

Service Attempt	Attempted By	Served On	Svd?
714 S Beeline Highway, Payson	White, C	Michelle Duarte	YES
Time/Date: 10:24:00 11/13/14			

To Be Served: Dufriend, James

Service Attempt	Attempted By	Served On	Svd?
1508 W Bravo Taxiway, Payson	White, C	James Dufriend	YES
Time/Date: 11:51:00 11/10/14			

To Be Served: Edwards, Jennifer

Service Attempt	Attempted By	Served On	Svd?
801 E Frontier Street #6, Payson	White, C	Posted on Door	YES
Time/Date: 11:33:00 11/25/14			

To Be Served:

Service Attempt	Attempted By	Served On	Svd?
	White, C		NO
Time/Date: 16:11:00 11/12/14			
	White, C		NO
Time/Date: 16:13:00 11/12/14			
	White, C		NO
Time/Date: 16:15:00 11/12/14			
	Bolinger, J E		YES
Time/Date: 10:20:00 11/17/14			

To Be Served: Fleischaker, Jerald N.

Service Attempt	Attempted By	Served On	Svd?
624 N Ponderosa Circle #A, Payson	White, C		NO
Time/Date: 16:11:00 11/12/14			
507 B Beeline Highway, Payson	White, C	Jerald Nichlos Fleischaker	YES
Time/Date: 16:22:00 11/12/14			

To Be Served: Fleischaker, Shiloh N.

Service Attempt	Attempted By	Served On	Svd?
624 Ponderosa Circle #A, Payson	White, C		NO
Time/Date: 16:31:00 11/05/14			
624 Ponderosa Circle #A, Payson	White, C	Shiloh Fleischaker	YES
Time/Date: 11:34:00 11/06/14			

To Be Served: Flores, Michelle

Service Attempt	Attempted By	Served On	Svd?

1308 W Fort McDonald Circle, Payson	White, C		NO
Time/Date: 16:17:00 11/06/14			
1308 W Fort McDonald Circle, Payson	White, C		NO
Time/Date: 16:18:00 11/06/14			

To Be Served: Friend, Margaret

Service Attempt	Attempted By	Served On	Svd?
96 N Starlight Drive, Star Valley	White, C	Margaret Friend	YES
Time/Date: 16:30:00 11/17/14			

To Be Served: Gibson, William K.

Service Attempt	Attempted By	Served On	Svd?
128 Buggy Wheel Court/Box 1063-M, Payson	White, C		NO
Time/Date: 16:44:00 11/20/14			
128 Buggy Wheel Court/Box 1063-M, Payson	White, C		NO
Time/Date: 10:35:00 11/21/14			
128 Buggy Wheel Court/Box 1063-M, Payson	White, C		NO
Time/Date: 12:00:00 11/24/14			

To Be Served: Gila County Superior Court

Service Attempt	Attempted By	Served On	Svd?
714 S Beeline Highway, Payson	White, C		NO
Time/Date: 10:28:00 11/13/14			
1400 E Ash, Globe	Bolinger, J E	Anita Escobedo	YES
Time/Date: 10:00:00 11/17/14			

To Be Served: Graham, Heather L.

Service Attempt	Attempted By	Served On	Svd?
314 E Acorn Cr, Star Valley	Chagolla, R	Posted on Door	YES
Time/Date: 12:48:00 11/26/14			

To Be Served: Hallman, Preston

Service Attempt	Attempted By	Served On	Svd?

Home (Protected),	White, C	Preston Hallman	YES
Time/Date: 11:42:00 11/04/14			

To Be Served: Hampshire, Charles D.

Service Attempt	Attempted By	Served On	Svd?
8569 W Buffalo Road, Pine	White, C		NO
Time/Date: 10:41:00 11/06/14			
4761 Pine Ln, Pine	White, C		NO
Time/Date: 10:43:00 11/06/14			
4761 Pine Ln, Pine	White, C		NO
Time/Date: 10:55:00 11/06/14			
715 N Highway 87, Payson	White, C	Chuck Hampshire	YES
Time/Date: 11:30:00 11/06/14			

To Be Served: Hansen, Michael

Service Attempt	Attempted By	Served On	Svd?
303 N Beeline Highway, Payson	White, C	PPD Clipboard	YES
Time/Date: 14:52:00 11/14/14			

To Be Served: Harmon, Tearsa R.

Service Attempt	Attempted By	Served On	Svd?
209 S Ponderosa #33, Payson	White, C	Tearsa Harmon	YES
Time/Date: 10:58:00 11/12/14			

To Be Served: Havey, Brian L.

Service Attempt	Attempted By	Served On	Svd?
108 W. Main St., Payson	White, C	GCSO Clipboard	YES
Time/Date: 12:17:00 11/03/14			

To Be Served: Hendley, Bryant D. II

Service Attempt	Attempted By	Served On	Svd?
3885 N Hwy AZ 87 #1, Pine	White, C		NO
Time/Date: 10:15:00 11/06/14			

3885 N Hwy AZ 87 #1, Pine	White, C		NO
Time/Date: 10:30:00 11/06/14			
3885 N Hwy AZ 87 #1, Pine	White, C		NO
Time/Date: 11:10:00 11/06/14			

To Be Served: Johnson, Tristan T.

Service Attempt	Attempted By	Served On	Svd?
21 B Milky Way Dr, Star Valley	White, C		NO
Time/Date: 11:55:00 11/20/14			
21 B Milky Way Dr, Star Valley	White, C		NO
Time/Date: 11:55:00 11/20/14			
21 B Milky Way Dr, Star Valley	White, C		NO
Time/Date: 09:30:00 11/21/14			
21 B Milky Way Dr, Star Valley	White, C		NO
Time/Date: 09:30:00 11/21/14			
21 B Milky Way Dr, Star Valley	White, C		NO
Time/Date: 10:50:00 11/21/14			
21 B Milky Way Dr, Star Valley	White, C		NO
Time/Date: 10:50:00 11/21/14			

To Be Served: JP Morgan Chase Bank NA

Service Attempt	Attempted By	Served On	Svd?
200 S Beeline Highway, Payson	White, C	Antonette Gay	YES
Time/Date: 12:25:00 11/24/14			

To Be Served: Kerszykowski, Leonard G.

Service Attempt	Attempted By	Served On	Svd?
108 W Main St -Work, Payson	White, C	GCSO Clipboard	YES
Time/Date: 11:45:00 11/12/14			

To Be Served: Leigh, Michael J.

Service Attempt	Attempted By	Served On	Svd?
600 Mayfield Canyon, Star Valley	White, C		NO

Time/Date: 10:21:00 11/05/14

600 Mayfield Canyon, Star Valley	White, C		NO

Time/Date: 12:18:00 11/06/14

600 Mayfield Canyon, Star Valley	White, C		NO

Time/Date: 15:46:00 11/06/14

To Be Served: Lemon, Linda

Service Attempt	Attempted By	Served On	Svd?
714 S Beeline Highway, Payson	White, C		NO

Time/Date: 10:28:00 11/13/14

714 S Beeline Highway, Payson	White, C	Linda Lemon	YES

Time/Date: 12:57:00 11/13/14

To Be Served: Leneberg, Leah M.

Service Attempt	Attempted By	Served On	Svd?
404 W Jones Drive, Payson	White, C		NO

Time/Date: 10:46:00 11/12/14

404 W Jones Drive, Payson	White, C		NO

Time/Date: 13:00:00 11/12/14

To Be Served: Lerma, Nancy

Service Attempt	Attempted By	Served On	Svd?
8291 W Arthurs Hollow, Payson	White, C		NO

Time/Date: 10:28:00 11/07/14

8291 W Arthurs Hollow, Payson	White, C		NO

Time/Date: 16:40:00 11/12/14

To Be Served: Maier, Brittany A.

Service Attempt	Attempted By	Served On	Svd?
300 W Frontier #23, Payson	White, C		NO

Time/Date: 15:28:00 11/17/14

general delivery, Payson	White, C		NO

Time/Date: 10:07:00 11/20/14

general delivery, Payson	White, C		NO
Time/Date: 16:05:00 11/20/14			

To Be Served: Manley, Douglas V.

Service Attempt	Attempted By	Served On	Svd?
4638 N Bear Flat Rd, Payson	White, C	Douglas V Manley	YES
Time/Date: 11:18:00 11/18/14			

To Be Served: Martinez, Ronald "Ronnie" G.

Service Attempt	Attempted By	Served On	Svd?
201 N Mogollon Trail, Payson	White, C	Ronald G Martinez	YES
Time/Date: 10:04:00 11/07/14			

To Be Served: Merrill, Duane E. III

Service Attempt	Attempted By	Served On	Svd?
301 N McLane Road, Payson	White, C	Duane Elwood Merrill III	YES
Time/Date: 16:13:00 11/05/14			

To Be Served: Molina, Tuli

Service Attempt	Attempted By	Served On	Svd?
600 W Forest, Payson	White, C	Posted	YES
Time/Date: 12:02:00 11/05/14			

To Be Served: Morrow, Jenee C.

Service Attempt	Attempted By	Served On	Svd?
712 S Running Elk Road, Payson	White, C	Devyn Morrow	YES
Time/Date: 14:32:00 11/07/14			

To Be Served: [redacted]

Service Attempt	Attempted By	Served On	Svd?
[redacted]	White, C	Tabitha Moss	YES
Time/Date: 15:07:00 11/17/14			

To Be Served: Moss, Tabitha L.

Service Attempt	Attempted By	Served On	Svd?
7985 Vista Del Norte, Mesa Del Caballo, Payson	White, C	Tabitha Moss	YES
Time/Date: 15:07:00 11/17/14			

To Be Served: Muell, Naomi L.

Service Attempt	Attempted By	Served On	Svd?
109 N Foothill Drive, Payson	White, C		NO
Time/Date: 11:08:00 11/17/14			
1209 Bolivar, Payson	White, C	Naomi L Muell	YES
Time/Date: 11:24:00 11/17/14			

To Be Served: Myers, Jeffery M.

Service Attempt	Attempted By	Served On	Svd?
300 W Frontier Street #21, Payson	White, C		NO
Time/Date: 14:18:00 11/17/14			
300 W Frontier Street #21, Payson	White, C		NO
Time/Date: 14:20:00 11/17/14			
300 W Frontier Street #21, Payson	White, C	Jeffery Myers	YES
Time/Date: 14:40:00 11/17/14			

To Be Served: Newman, William D.

Service Attempt	Attempted By	Served On	Svd?
108 W Main, Payson	White, C	GCSO Clipboard	YES
Time/Date: 14:35:00 11/24/14			

To Be Served: Pepera, Anthony M.

Service Attempt	Attempted By	Served On	Svd?
1103 W Crestview Drive, Payson	White, C	Anthony Pepera	YES
Time/Date: 11:34:00 11/06/14			

To Be Served: Powell, Ruth

Service Attempt	Attempted By	Served On	Svd?
600 S Oak Street #6, Payson	White, C	Ruth Powell	YES

Time/Date: 10:48:00 11/20/14

To Be Served: Roberts, Bryant C.

Service Attempt	Attempted By	Served On	Svd?
9085 Fossil Creek Rd, Strawberry	White, C		YES
Time/Date: 15:32:00 11/10/14			

To Be Served: Russell, Shannon L.

Service Attempt	Attempted By	Served On	Svd?
509 E McKamey Street, Payson	White, C		NO
Time/Date: 14:30:00 11/17/14			
509 E McKamey Street, Payson	White, C		NO
Time/Date: 09:46:00 11/18/14			
509 E McKamey Street, Payson	White, C		NO
Time/Date: 09:53:00 11/20/14			
509 E McKamey Street, Payson	White, C	Shannon Lee Russell	YES
Time/Date: 15:02:00 11/20/14			

To Be Served: Russell, Thomas E.

Service Attempt	Attempted By	Served On	Svd?
1304 W Stirrup Way (Rear), Payson	White, C		NO
Time/Date: 10:17:00 11/21/14			
1304 W Stirrup Way (Rear), Payson	White, C		NO
Time/Date: 10:56:00 11/24/14			
1322 #B Red Baron, Payson	White, C	Thomas Earl Russell	YES
Time/Date: 11:22:00 11/24/14			

To Be Served: Schiller, George W. IV

Service Attempt	Attempted By	Served On	Svd?
601 S Highland ST, Payson	White, C		NO
Time/Date: 10:48:00 11/07/14			
1304 Beeline Highway #7, Payson	White, C		NO
Time/Date: 11:40:00 11/07/14			

107 E Lone Pine Drive, Payson	White, C		NO
Time/Date: 11:52:00 11/07/14			
601 S Highland ST, Payson	White, C		NO
Time/Date: 12:00:00 11/07/14			
816 W Summit, Payson	White, C	George William Schiller IV	YES
Time/Date: 12:12:00 11/07/14			

To Be Served: Schmidtz, Michael

Service Attempt	Attempted By	Served On	Svd?
100 W Frontier, Payson	White, C		NO
Time/Date: 16:23:00 11/05/14			

To Be Served: Scholtz, Samuel R.

Service Attempt	Attempted By	Served On	Svd?
	Clark, M A	Sam Scholtz	YES
Time/Date: 17:09:00 11/22/14			

To Be Served: Schwartz, Allen

Service Attempt	Attempted By	Served On	Svd?
9361 W Juniper Rd, Strawberry	White, C	Allen Schwartz	YES
Time/Date: 15:21:00 11/10/14			

To Be Served: Steve Coury Ford

Service Attempt	Attempted By	Served On	Svd?
4397 E AZ Hwy 260/PO Box 620, Star Valley	White, C	Debra Babbitt	YES
Time/Date: 14:30:00 11/03/14			

To Be Served: Stewart, Joshua J.

Service Attempt	Attempted By	Served On	Svd?
435 Sycamore Ln, Gisela, Payson	White, C		NO
Time/Date: 11:21:00 11/10/14			

To Be Served: Stokes, Troy M.

Service Attempt	Attempted By	Served On	Svd?

807 S Ponderosa, Payson	White, C	Troy Michael Stokes	YES
Time/Date: 16:47:00 11/06/14			
807 S Ponderosa, Payson	White, C	Troy Michael Stokes	YES
Time/Date: 16:47:00 11/06/14			

To Be Served: Sullivan, Charles W. Jr

Service Attempt	Attempted By	Served On	Svd?
714 S Beeline Highway, Payson	Todd, Travis	Charles Sullivan	YES
Time/Date: 09:50:00 11/17/14			

To Be Served: Tanner, Sean W.

Service Attempt	Attempted By	Served On	Svd?
839 W Payson Parkway, Payson	White, C		NO
Time/Date: 16:23:00 11/10/14			
839 W Payson Parkway, Payson	White, C	Sean Walton Tanner	YES
Time/Date: 10:23:00 11/12/14			

To Be Served: Thomason, Henry A.

Service Attempt	Attempted By	Served On	Svd?
201 N Colcord, Payson	White, C	DPS Clipboard	YES
Time/Date: 11:09:00 11/20/14			

To Be Served: Thompson, Jessica

Service Attempt	Attempted By	Served On	Svd?
105 E Main Street #220, Payson	White, C	Placed on counter	YES
Time/Date: 10:35:00 11/14/14			

To Be Served: Tonto Apache Tribal Police

Service Attempt	Attempted By	Served On	Svd?
TAR #30, Payson	White, C	Marianne Foster	YES
Time/Date: 14:47:00 11/06/14			

To Be Served: Torres, Fernando

Service Attempt	Attempted By	Served On	Svd?
303 N Beeline Highway, Payson	White, C	PPD Clipboard	YES
Time/Date: 11:15:00 11/20/14			
303 N Beeline Highway, Payson	White, C	PPD Clipboard	YES
Time/Date: 11:15:00 11/20/14			

To Be Served: Tudor, December L.

Service Attempt	Attempted By	Served On	Svd?
1123 N Bavarian Way, Payson	White, C	Posted on Door	YES
Time/Date: 13:38:00 11/17/14			

To Be Served: Turlukis-Keeney, Stephanie M.

Service Attempt	Attempted By	Served On	Svd?
404 S Tonto Street, Payson	White, C	Stephanie M Turlukis-Keeney	YES
Time/Date: 11:43:00 11/25/14			

To Be Served: Turner, Joseph C.

Service Attempt	Attempted By	Served On	Svd?
703 E Fontier Street #9, Payson	White, C	Posted on Door	YES
Time/Date: 10:59:00 11/20/14			

To Be Served: Turney, Harley K.

Service Attempt	Attempted By	Served On	Svd?
9033 W Stageline, Payson	White, C	Ronnie Haught	YES
Time/Date: 17:42:00 11/07/14			

To Be Served: Turney, Kimberly A.

Service Attempt	Attempted By	Served On	Svd?
96 N Starlight Drive, Star Valley	White, C		NO
Time/Date: 16:30:00 11/17/14			
433 Pioneer Pass/HC1 Box 5269T, Payson	White, C		NO
Time/Date: 11:34:00 11/20/14			
1900 E Highway 260, Payson	White, C	Kimberly Turney	YES

Time/Date: 09:58:00 11/21/14

To Be Served: Varga, Mike

Service Attempt	Attempted By	Served On	Svd?
303 N Beeline Hwy, Payson	White, C	PPD Clipboard	YES

Time/Date: 14:52:00 11/14/14

To Be Served: Varner, Robert B. Jr

Service Attempt	Attempted By	Served On	Svd?
304 S Meadow Street, Payson	White, C		NO

Time/Date: 10:11:00 11/13/14

304 S Meadow Street, Payson	White, C	Robert Varner	YES

Time/Date: 11:11:00 11/13/14

To Be Served: Vaughn, Rory

Service Attempt	Attempted By	Served On	Svd?
303 N Beeline Highway, Payson	White, C	PPD Clipboard	YES

Time/Date: 15:26:00 11/12/14

To Be Served: Warren, Jennifer L.

Service Attempt	Attempted By	Served On	Svd?
1306 N Easy ST, Payson	White, C		NO

Time/Date: 11:53:00 11/05/14

1306 N Easy ST, Payson	White, C		NO

Time/Date: 12:45:00 11/05/14

1306 N Easy ST, Payson	White, C		NO

Time/Date: 12:18:00 11/06/14

1306 N Easy ST, Payson	White, C		NO

Time/Date: 15:00:00 11/07/14

1306 N Easy ST, Payson	Michelle Keegan		NO

Time/Date: 15:24:00 11/10/14

To Be Served: Zacharov, Nicole

Service Attempt	Attempted By	Served On	Svd?

207 E Aero Drive, Payson	White, C	NO

Time/Date: 13:00:00 11/20/14

207 E Aero Drive, Payson	White, C	NO

Time/Date: 15:08:00 11/20/14

207 E Aero Drive, Payson	White, C	NO

Time/Date: 07:41:00 11/24/14

Report Includes:
All dates between `00:00:00 11/01/14` and `23:59:59 11/30/14`, All locations, All cities, All persons served, All persons to be served, All officers, All courts, All agencies matching `PRCO`, All dispositions

MILEAGE FOR THE MONTH

November 2014

DATE	MILES DRIVEN BY B-185		MILES DRIVEN BY B-12	
11/3	34			
11/4	78			
11/5	46			
11/6	89			
11/7	121			
11/10	106			
11/12	54			
11/13	41			
11/14	47			
11/17	52			
11/18	38			
11/20	73			
11/21	46			
11/24	126			
11/25	35			
DAYS	**986**		**0**	

Total Miles Driven By The Constable's Office **986** **November 2014**

GILA COUNTY TREASURER'S RECEIPT
GILA COUNTY, ARIZONA

DATE 12/4/14

GRANT #

DEPOSIT TO FUND Gila County Treasurer FUND #

REMITTING DEPT Payson Regional Constable's Office

SERVICE RENDERED Constables Ethics, Standards + Training Board Writ fees collected

Account Code	Revenue Description	Amount	
T91620601	CESTB - writ fees collected	20	00
	November 2014		
	4 @ 5.00		
	Ck# 2372		
		20	00

Authorized Signature [signature] Constable Title PRCO # 324

SUMMARY OF DEPOSIT

Currency	
Coins	
Checks	
Total	

TREASURER By Date

TREASURER

98403

PAYSON CONSTABLE
108 W. MAIN ST. 928-474-3844
PAYSON, AZ 85541

2372
91-527/1221 6128
0703680454

DATE 12/4/14

PAY TO THE ORDER OF Gila County Treasurer $ 20.00

Twenty + no 100's DOLLARS

Security Features Details on Back

WELLS FARGO Wells Fargo Bank, N.A. Arizona wellsfargo.com

FOR Writ fees - November [signature] MP

⑈000002372⑈ ⑆122105278⑆ 0703680454⑈

GILA COUNTY TREASURER'S RECEIPT
GILA COUNTY, ARIZONA

DATE 12/4/14

GRANT # _____

DEPOSIT TO FUND Gila County Treasurer FUND # _____

REMITTING DEPT Payson Regional Constables Office

SERVICE RENDERED Service fees - November 2014

Account Code	Revenue Description	Amount	
1005.324.3405.80	Service fees collected	1352	20
	11/1/14 thru 11/30/14		
		1352	20

Authorized Signature [signature] Constable Title PRCO #324

SUMMARY OF DEPOSIT

Currency	
Coins	
Checks	
Total	

TREASURER By _____ Date _____

TREASURER

98404

PAYSON CONSTABLE
108 W. MAIN ST. 928-474-3844
PAYSON, AZ 85541

2373
91-527/1221 6128
0703680454

DATE 12/4/14

PAY TO THE ORDER OF Gila County Treasurer $ 1352.20

One thousand three hundred fifty-two & 20/100's DOLLARS

Security Features Details on Back

WELLS FARGO Wells Fargo Bank, N.A. Arizona wellsfargo.com

FOR Service fees - November [signature] 330 MP

⑈0000002373⑈ ⑆122105278⑆ 0703680454⑈

ARF-2938 **Consent Agenda Item** **4. J.**

Regular BOS Meeting

Meeting Date: 01/06/2015

Reporting Period: November 2014

Submitted For: Anita Escobedo, Clerk of the Superior Court

Submitted By: Vicki Aguilar, Chief Deputy Clerk of the Superior Court, Clerk of the Superior Court

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Information

Subject

Clerk of the Superior Court's Office Monthly Report for November 2014.

Suggested Motion

Acknowledgment of the November 2014 monthly activity report submitted by the Clerk of the Superior Court's Office.

Attachments

Clerk of Court November 2014

IN THE SUPERIOR COURT OF THE STATE OF ARIZONA

IN AND FOR THE COUNTY OF GILA

- - - - -

CLERK'S REPORT

FOR

NOVEMBER 2014

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
Clerk of the Superior Court
Of Gila County, Arizona

Summary Allocation by Agency Report

GILA COUNTY SUPERIOR COURT

Report generated on : 12/15/2014 9:29:08 AM

Criteria : From Date : 11/1/2014 To Date :11/30/2014

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	$3160.97		($5318.24)		($2157.27)	$0.00
Agency Name : BOND POSTED - THIS COURT									
ZBND	BOND POSTED - THIS COURT	ZBND	BOND POSTED - THIS COURT	$11050.96				$11050.96	$0.00
Agency Name : ELECTED OFFICIALS RETIRE. FUND									
ZEORF	ELECTED OFFICIALS RETIRE. FUND	ZEORF	ELECTED OFFICIALS RETIRE. FUND	$1785.55		$4.14		$1789.69	$89.48
Agency Name : GILA COUNTY TREASURER									
CTREAS	GILA COUNTY TREASURER	ZOS2	2011 ADDTNL ASSMNT -CNTY TRSR	$5.61		$2.00		$7.61	$0.38
		ZOS1	2011 ADDTNL ASSMNT -STATE TRSR	$44.93		$16.00		$60.93	$3.05
		ZVAPB	30% INTERSTATE COMPACT	$6.00				$6.00	$0.30
		ZIAAF	ADMINISTRATIVE INDIGENT ASSESSMENT	$70.00				$70.00	$0.00
		ZADR	ALTER. DISPUTE RESOLUTION FUND	$40.54		$0.09		$40.63	$2.03
		ZATT	ATTORNEY FEE REIMBURSEMENT	$85.00				$85.00	$0.00
		ZALTF	AZ LENGTHY TRIAL FUND	$242.52				$242.52	$12.13
		ZFEE	BASE FEES (GENERAL FUND)	$3690.13		$8.67		$3698.80	$184.94
		ZFINE	BASE FINES	$2872.47		$1109.25		$3981.72	$199.09

THIS REPORT IS FOR INTERNAL USE ONLY. DO NOT DISTRIBUTE OR SHARE !

Summary Allocation by Agency Report

GILA COUNTY SUPERIOR COURT

Agency Code	Agency Name	GL Account Num	GL Account Name	Receipt Amount	Dishonored Amount	Adjusted Amount	Bond Forfeiture Amount	Net Amount	5% Set Aside
CTREAS	GILA COUNTY TREASURER	ZCIEF	CHILDREN ISSUES EDUC FUND	$498.36				$498.36	$24.92
		ZCEF	CLEAN ELECTIONS FUND	$283.31		$104.17		$387.48	$0.00
		ZCAA1	CONFIDENTAL ADDRESS ASSESSMENT FUND-STATE	$6.65		$47.50		$54.15	$2.71
		ZCAA2	CONFIDENTIAL ADDRESS ASSESSMENT FUND-LOCAL	$0.35		$2.50		$2.85	$0.14
		ZCIF	CONFIDENTIAL INTERMEDIARY FUND	$30.14		$0.07		$30.21	$1.51
		ZJDET	COUNTY JUV DETENTION	$3.04		$85.00		$88.04	$4.40
		ZCLLF	COUNTY LAW LIBRARY FUND	$1784.31		$4.13		$1788.44	$89.42
		ZCJEF	CRIMINAL JUSTICE ENHANCE FUND	$1340.50		$489.58		$1830.08	$91.50
		ZDNAS	DNA STATE SURCHARGE	$173.99		$62.91		$236.90	$11.85
		ZDS	DOCUMENT STOR. & RETRIEVAL FND	$786.35		$15.00		$801.35	$40.07
		ZDVCA	DOM. VIOL.-CHLD ABUSE PREV FND	$224.71		$0.52		$225.23	$11.26
		ZDREF	DOMESTIC RELATIONS EDUCATION	$75.00				$75.00	$3.75
		ZDVSF	DOMESTIC VIOLENCE SHELTER FUND	$1034.00		$2.39		$1036.39	$51.82
		ZDECJ	DRUG & GANG ENFORCEMENT FINES	$19.79				$19.79	$0.99

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Summary Allocation by Agency Report

GILA COUNTY SUPERIOR COURT

Agency Code	Agency Name	GL Account Num	GL Account Name	Receipt Amount	Dishonored Amount	Adjusted Amount	Bond Forfeiture Amount	Net Amount	5% Set Aside
CTREAS	GILA COUNTY TREASURER	ZDGEF	DRUG & GANG ENFORCEMENT FUND	$152.33		$0.35		$152.68	$7.63
		ZDCRT	DRUG COURT FEE FUND	$380.00				$380.00	$19.00
		ZDUIA	DUI ABATEMENT FUND	$363.70				$363.70	$18.19
		ZCSVF	EXPEDITED CHILD SUPPORT AND	$258.75				$258.75	$12.94
		ZWITN	EXPERT WITNESS FUND	$720.00				$720.00	$0.00
		ZEXAP	EXTRA ADULT PROBATION ASMNT	$4.15				$4.15	$0.21
		ZEXJU	EXTRA JUV PROBATION ASMNT	$465.32				$465.32	$23.27
		ZEXT	EXTRADITION REIMBURSEMENT	$100.00				$100.00	$0.00
		ZFAR2	FARE DELINQUENCY FEE	$85.00				$85.00	$0.00
		ZFAR1	FARE SPEC COLLECTIONS	$102.60				$102.60	$0.00
		ZFTGS	FILL-THE-GAP SURCHARGE (7%)	$198.30		$72.92		$271.22	$13.56
		ZCC	GEN JURIS CONCILIATION COURT	$1102.46				$1102.46	$55.12
		ZGCAT	GILA COUNTY ATTORNEY - 60%	$2304.28		$862.20		$3166.48	$0.00
		ZGCLK	GILA COUNTY CLERK OF THE COURT - 10%	$384.03		$143.70		$527.73	$0.00
		ZGCSC	GILA COUNTY SUPERIOR COURT - 30%	$1152.15		$431.10		$1583.25	$0.00

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Summary Allocation by Agency Report

GILA COUNTY SUPERIOR COURT

Agency Code	Agency Name	GL Account Num	GL Account Name	Receipt Amount	Dishonored Amount	Adjusted Amount	Bond Forfeiture Amount	Net Amount	5% Set Aside
CTREAS	GILA COUNTY TREASURER	ZJCLF	JUDIC. COLLECT. ENHANCE. FUND - LOCAL	$876.39		$2.03		$878.42	$43.92
		ZJCSF	JUDIC. COLLECT. ENHANCE. FUND - STATE	$1990.96		$4.61		$1995.57	$99.78
		ZJCL	JUDICIAL COLLECT ENHANCE FUND - LOCAL	$55.37		$28.00		$83.37	$0.00
		ZJCS	JUDICIAL COLLECT ENHANCE FUND - STATE	$102.83		$52.00		$154.83	$0.00
		ZJDO	JUVENILE DIVERSN FUND OVER $40	$10.00		$50.00		$60.00	$3.00
		ZJDU	JUVENILE DIVERSN FUND UNDER $40	$71.10		$200.00		$271.10	$13.56
		ZJS	JUVENILE PROBATION SERV FEES	$347.96				$347.96	$17.40
		ZMSEF	MEDICAL SERVICES ENHANCE FUND	$370.37		$135.42		$505.79	$25.29
		ZMISC	MISCELLANEOUS FEES	$54.72				$54.72	$2.74
		ZOS3	OFFCR SAFETY EQUIP -CITY POLICE	$4.00				$4.00	$0.20
		ZOS4	OFFCR SAFETY EQUIP -SHERIFF	$18.46		$8.00		$26.46	$1.32
		ZPP	PASSPORT APPLICATION FEES	$675.00				$675.00	$33.75
		ZPCOF	PRISON CONSTRUCTION AND	$2079.13				$2079.13	$103.96
		ZPRS6	PROB SURCH 2006	$2.40				$2.40	$0.12

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Summary Allocation by Agency Report

GILA COUNTY SUPERIOR COURT

Agency Code	Agency Name	GL Account Num	GL Account Name	Receipt Amount	Dishonored Amount	Adjusted Amount	Bond Forfeiture Amount	Net Amount	5% Set Aside
CTREAS	GILA COUNTY TREASURER	ZPBA	PROBATION FEE ADULT	$10401.25		$854.96		$11256.21	$562.81
		ZPUBZ	PUBLIC DEFENDER FEES	$25.00				$25.00	$0.00
		ZPSEF	PUBLIC SAFETY EQUIPMENT FUND	$1644.45				$1644.45	$0.00
		ZSMEN	SPOUSAL MAINTENANCE FUND	$79.78				$79.78	$3.99
		ZSTAT	STATE TREASURER - GENERAL FUND	$20.00				$20.00	$1.00
		ZTECH	TECHNICAL REGISTRATION FUND	$30.00		$15.00		$45.00	$2.25
		ZVAF	VICTIMS ASSISTANCE FUND	$14.00				$14.00	$0.70
		ZVRIF	VICTIMS RIGHTS IMPLEMENTATION	$30.00		$50.00		$80.00	$4.00
		ZPRS9	ZPRS9	$75.00		$40.00		$115.00	$5.75
Agency Name : OVERPAYMENT FUND									
ZOVER	OVERPAYMENT FUND	ZOVER	OVERPAYMENT FUND	$126.00				$126.00	$0.00
Agency Name : RESTITUTION									
ZREST	RESTITUTION	ZREST	RESTITUTION	$6279.06		$414.03		$6693.09	$0.00
			Total:	**$62471.48**		**$0.00**		**$62471.48**	**$1901.20**

LESS SHADED AREAS:	-19,659.74
	$42,811.74
PLUS HOLD RECEIPTING:	2,157.27
	44,969.01
LESS FARE:	187.60
	$ 44,781.41

THIS REPORT IS FOR INTERNAL USE ONLY. DO NOT DISTRIBUTE OR SHARE !

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 November, 2014.

ANITA ESCOBEDO
Clerk of the Superior Court
Of Gila County, Arizona

SUBSCRIBED AND SWORN to before me this 8TH day of November 2014.

Chief Deputy

ARF-2939 **Consent Agenda Item** **4. K.**

Regular BOS Meeting

Meeting Date: 01/06/2015

Reporting Period: November 2014

Submitted For: Dorothy Little, Justice of the Peace-Payson Region

Submitted By: Dorothy Little, Justice of the Peace-Payson Region, Justice Court-Payson Regional

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Information

Subject

Payson Regional Justice of the Peace's Office Monthly Report for November 2014.

Suggested Motion

Acknowledgment of the November 2014 monthly activity report submitted by the Payson Regional Justice of the Peace's Office.

Attachments

Payson Regional Justice of the Peace Monthly Report for November 2014

PAYSON JUSTICE COURT TREASURER'S RECAP FY2013

NOVEMBER, 2013 FUND NAME	AZTEC CODE	ACCOUNT CODE	ACCOUNT CODE	TOTAL AMOUNT ALLOCATED	5% FILL THE GAP SET ASIDE	ADJUSTED BALANCE
Alternative Dispute Resolution	ZADR	0848000-000-000-2061-00	T848-2061	$ 65.40	$ 3.27	$ 62.13
Arson Detection Reward Fund 41-2167D	ZADRF	0901000-000-000-2061-00	T901-2061	$ -	$ -	$ -
Attorney Fee Reimbursement	ZATT	1005000-314-000-3400-00	X10501314004383	$ 15.91		$ 15.91
Confidential Address Assessment - State Treasurer	ZCAA1	0884000-000-000-2061-00		$ 23.75	$ 1.19	$ 22.56
Confidential Address Assessment - Local	ZCAA2	1005000-302-000-3800.30		$ 1.25	$ 0.06	$ 1.19
Citizens Clean Elections	ZCEF	0888000-000-000-2061-00	T888-2061	$ 813.43		$ 813.43
Criminal Justice Enhancement 67%	ZCJEF	0812000-000-000-2061-00	T812-2061	$ 3,822.94	$ 191.15	$ 3,631.79
Defensive Driving Diversion Fee	ZDDS	1005000-314-000-3400-90	X105-4609	$ 1,680.00	$ 84.00	$ 1,596.00
DNA State Surcharge 3% 12-116.01C	ZDNAS	0872000-000-000-2061-00	T872-2061	$ 505.27	$ 25.26	$ 480.01
Elected Officials Retirement Fund 15.30%	ZEORF	0801000-000-000-2061-00	T801-2061	$ 489.35	$ 24.47	$ 464.88
Base Fees (General Fund)	ZFEE	1005000-314-000-3400-15	X105-4615	$ 1,397.50	$ 69.88	$ 1,327.62
Base Fines (General Fund)	ZFINE	1005000-314-000-3510-10	X105-4831	$ 7,216.45	$ 360.82	$ 6,855.63
Fill the Gap Surcharge 7%	ZFTGS	0870000-000-000-2061-00	T870-2061	$ 569.29	$ 28.46	$ 540.83
Failure To Pay Warrant Surcharge 10%	ZFTPS	1005000-314-000-3400-17	X10501314004861	$ 226.14	$ 11.31	$ 214.83
Extra DUI Assessment $500	ZGFDU	0912000-000-000-2061-00	T912-2061	$ 270.78	$ 13.54	$ 257.24
Judicial Collection Enhancement $7	ZJCL	4741000-314-000-3400-15	X36001314004615	$ 343.70		$ 343.70
Judicial Collection Enhancement Local %	ZJCLF	4741000-314-000-3400-15	X36001314004615	$ 217.55	$ 10.88	$ 206.67
Judicial Collection Enhancement $13	ZJCS	0818000-000-000-2061-00	T818-2061	$ 638.30		$ 638.30
Judicial Collection Enhancement %PC	ZJCSF	0840000-000-000-2061-00	T840-2061	$ 498.35	$ 24.92	$ 473.43
Jail (Incarceration) Fees	ZJF	1005000-300-340-3405-40	X10502340004651	$ 412.00		$ 412.00
Local Costs	ZLCL	1005000-314-000-3510-10	X105-4831	$ -	$ -	$ -
Administrative Costs	ZMISC	1005000-314-000-3400-99	X105-4886	$ 604.85	$ 30.24	$ 574.61
Medical Services Enhancement 13%	ZMSEF	0813000-000-000-2061-00	T813-2061	$ 1,057.39	$ 52.87	$ 1,004.52
2011 Additional Assessment - State Treasurer	ZOS1	0930000-000-000-2061-00		$ 546.37	$ 27.32	$ 519.05
2011 Additional Assessment - County Treasurer	ZOS2	0931000-000-000-2061-00		$ 68.31	$ 3.42	$ 64.89
Officer Safety Equipment - City Police (CP)	ZOS3	0932000-000-000-2061-00		$ 2.84	$ 0.14	$ 2.70
Officer Safety Equipment - Sheriff (SHF)	ZOS4	0933000-000-000-2061-00		$ 46.85	$ 2.34	$ 44.51
Officer Safety Equipment - DPS (DPS)	ZOS5	0934000-000-000-2061-00		$ 207.29	$ 10.36	$ 196.93
Officer Safety Equipment - MVD/ADOT (MVD)	ZOS6	0935000-000-000-2061-00		$ -	$ -	$ -
Officer Safety Equipment - Game and Fish (GF)	ZOS7	0936000-000-000-2061-00		$ 4.00	$ 0.20	$ 3.80
Officer Safety - Registrar of Contractors (ROC)	ZOS8			$ 0.18	$ 0.01	$ 0.17
Officer Safety Equipment - Animal Control (AC)	ZOS10	0942000-000-000-2061-00		$ -	$ -	$ -
Officer Safety - Tonto Apache Police (TAR)	ZOS15	0950000-000-000-2061-00		$ 12.00	$ 0.60	$ 11.40
Officer Safety - Department of Agriculture	ZOS17	0951000-000-000-2061-00		$ -	$ -	$ -
Overpayment Forfeited	ZOVF	1005000-314-000-3510-10	X105-4831	$ 0.01	$ -	$ 0.01
Adult Probation Fee	ZPBA	4042000-335-000-3405-30	X25001335-4835	$ 25.00	$ 1.25	$ 23.75
Probation Surcharge 2006 ($10.00)	ZPRS6	0871000-000-000-2061-00	T871-2061	$ 76.73	$ 3.84	$ 72.89
Probation Surcharge 2009 ($20.00)	ZPRS9	0871000-000-000-2061-00	T871-2061	$ 1,455.53	$ 72.78	$ 1,382.75
Probation Surcharge $5.00	ZPRSU	0871000-000-000-2061-00	T871-2061	$ 0.98	$ 0.05	$ 0.93
Public Safety Equipment	ZPSEF	0912000-000-000-2061-00	T912-2061	$ 1,366.42	$ 68.32	$ 1,298.10
Reimbursement to County Attorney 60%	ZREIM	3544000-301-000-3400-11	X18201301004777	$ 1,150.07		$ 1,150.07
Reimbursement to Superior Court 40%	ZREIM	4574000-333-000-3400-16	X226333004864	$ 766.71		$ 766.71
Security Enhancement Fee (Local)	ZSECE			$ -	$ -	$ -
Technical Registration Fund ($15 Drug Offenses)	ZTECH	0833000-000-000-2061-00		$ 15.00	$ 0.75	$ 14.25
Warrant Fee (Local)	ZWAR	1005000-314-000-3510-10	X105-4831	$ 500.00	$ 25.00	$ 475.00
AZ Native Plant Fund	ZANP		STATE	$ -	$ -	$ -
Child Passenger Restraint	ZCPRF		STATE	$ 82.86	$ 4.14	$ 78.72
Drug and Gang Enforcement Fines	ZDECJ		STATE	$ 423.13	$ 21.16	$ 401.97
DUI Abatement	ZDUIA		STATE	$ 79.91	$ 4.00	$ 75.91
Domestic Violence Shelter Fund	ZDVSF		STATE	$ 25.00	$ 1.25	$ 23.75
FARE Special Collection Fee 19%	ZFAR1		STATE	$ 1,155.28		$ 1,155.28
FARE Delinquency Fee $35.00	ZFAR2		STATE	$ 655.00		$ 655.00
Game and Fish - Wildlife	ZGF		STATE	$ 174.32	$ 8.72	$ 165.60
HURF 1 28-5438, 2533C	ZHRF1		STATE	$ -	$ -	$ -
HURF 3 28-5433C, 4139	ZHRF3		STATE	$ -	$ -	$ -
HURF - to DPS	ZHRFD		STATE	$ -	$ -	$ -
Prison Construction Fund	ZPCOF		STATE	$ 1,453.14	$ 72.66	$ 1,380.48
Registrar of Contractors	ZRCA		STATE	$ 42.94	$ 2.15	$ 40.79
State Highway Fund	ZSHWY		STATE	$ -	$ -	$ -
State Highway Work Zone Fund	ZSHWZ		STATE	$ -	$ -	$ -
Display Suspended Plates (DPS)	ZSLPD		STATE	$ 121.11	$ 6.06	$ 115.05
State Photo Enforcement Base Fine	ZSPBF		STATE	$ -	$ -	$ -
State Photo Enforcement Clean Election Surcharge	ZSPCE		STATE	$ -	$ -	$ -
Bad Check Program - County Attorney	ZBAD		COUNTY ATTY	$ 66.00		$ 66.00
HURF - to Sheriff's Office 28-5533G	ZHRFS		SHERIFF	$ -	$ -	$ -
Display Suspended Plates (Sheriff's Office)	ZSLPS		SHERIFF	$ 66.22	$ 3.31	$ 62.91
HURF - to City Police	ZHRFC		CITY POLICE	$ -	$ -	$ -
Display Suspended Plates (City Police)	ZSLPC		CITY POLICE	$ -	$ -	$ -
TOTALS				**$ 31,458.80**	**$ 1,272.15**	**$ 30,186.65**
			TOTAL ADJUSTED BALANCE VERIFICATION			**$ 30,186.65**

DATE	CHECK NO.	AMOUNT	MONTHLY REMITTANCE TO:
12/2/14	5265	**$ 27,237.34**	GILA COUNTY TREASURER
	5266	**$ 4,092.55**	ARIZONA STATE TREASURER
	5267	**$ 66.00**	GILA COUNTY BAD CHECK PROGRAM
	5268	**$ 62.91**	SHERIFF SUSPENDED PLATES AND HURF
		$ -	CITY POLICE SUSPENDED PLATES AND HURF
		$ 31,458.80	**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 NOVEMBER, 2014.

DOROTHY A. LITTLE
Gila County Justice of the Peace

LIMITED JURISDICTION COURTS MONTHLY STATISTICAL REPORT

Page 1 Processing

Court ID: 404

County: PAYSON REGIONAL JUSTICE COURT Report Month/Year: November 2014

CRIMINAL TRAFFIC	D.U.I. (a)	Serious* Violations (b)	All Other Violations (c)	TOTAL (d)
Pending 1st of Month	72	3	125	200
Filed	2	0	18	20
Transferred In	0	0	0	0
SUBTOTAL	74	3	143	220
Transferred Out	0	0	0	0
Other Terminations	5	0	8	13
TOTAL TERMINATIONS	5	0	8	13
Statistical Correction	0	0	0	0
Pending End of Month	69	3	135	207

***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**
192	4	0	**196**	**0**	**5**	**5**	0	**191**

****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: **0**

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**
248	138	0	386	0	6	90	96	0	290

Civil Traffic Hearings Held: **3**

VIOLATIONS OF A.R.S. 28-702.01 AND 28-702.04 (Part of Civil Traffic Above)					
Filed	**13**	Trans In	**0**	**TOTAL**	**13**

LIMITED JURISDICTION COURTS MONTHLY STATISTICAL REPORT

Court ID: 404 **Page 2 Processing**

County: PAYSON REGIONAL JUSTICE COURT Report Month/Year: November 2014

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)	443	28	0	471	0	23	23	0	448
Failure to Appear (Non-Traffic)	45	1	0	46	0	0	0	0	46
TOTAL	488	29	0	517	0	23	23	0	494

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)
24	2	0	26	0	6	6	0	20

Felony Preliminary Hearings Held: 0 Felony, Misdemeanor, Criminal Traffic Initial: Appearances: 69

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	1	1	1	0	0
TOTAL	0	1	1	1	0	0

LIMITED JURISDICTION COURTS MONTHLY STATISTICAL REPORT

Page 3 Processing

Court ID: 404

County: PAYSON REGIONAL JUSTICE COURT Report Month/Year: November 2014

CIVIL COMPLAINTS

	Small Claims (a)	Forcible Detainer/ Eviction Action (b)	Other Civil (c)	TOTAL (d)
Pending 1st of Month	66	21	268	355
Filed	5	8	30	43
Transferred In	0	0	0	0
SUBTOTAL	71	29	298	398
Transferred Out	0	0	0	0
Other Terminations	3	9	23	35
TOTAL TERMINATIONS	3	9	23	35
Statistical Correction	0	0	0	0
Pending End of Month	68	20	275	363

Small Claims Hearings Held/Defaults: 3

Civil Court Trials Held: 8

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	8	0	8
Harassment	5	4	1	5

HEARINGS HELD TO REVOKE OR MODIFY ORDER OF PROTECTION INJUNCTION AGAINST HARASSMENT

Order of Protection: 2

Injunction Against: 1

SPECIAL PROCEEDINGS/ACTIVITIES

Peace Bond Complaints Filed: 0

Fugitive Complaints Filed: 0

Juvenile Hearings Held: 0

Search Warrants Issued: 5

LIMITED JURISDICTION COURTS MONTHLY STATISTICAL REPORT

Page 4 Processing

Court ID: 404

County: PAYSON REGIONAL JUSTICE COURT

Report Month/Year: November 2014

WARRANTS OUTSTANDING

TRAFFIC WARRANTS OUTSTANDING

D.U.I.	**146**
Serious Violations	**8**
All Other Violations	**470**
TRAFFIC TOTAL	**624**

CRIMINAL WARRANTS OUTSTANDING

Felony	**124**
Misdemeanor	**677**
CRIMINAL TOTAL	**801**

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

12-12-14

Date of Preparation

ARF-2940 **Consent Agenda Item** **4. L.**

Regular BOS Meeting

Meeting Date: 01/06/2015

Reporting Period: December 2, 2014, December 9, 2014, and December 16, 2014

Submitted For: Marian Sheppard

Submitted By: Laurie Kline, Deputy Clerk, Clerk of the Board of Supervisors

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Information

Subject

December 2, 2014, December 9, 2014, and December 16, 2014, Board of Supervisors' meeting minutes.

Suggested Motion

Approval of the December 2, 2014, December 9, 2014, and December 16, 2014, Board of Supervisors' meeting minutes.

Attachments

BOS 12-16-14 Meeting Minutes

BOS 12-09-14 Meeting Minutes

BOS 12-02-14 Meeting Minutes

BOARD OF SUPERVISORS MINUTES
GILA COUNTY, ARIZONA

Date: December 16, 2014

MICHAEL A. PASTOR Chairman	**MARIAN E. SHEPPARD** Clerk of the Board
TOMMIE C. MARTIN Vice-Chairman	By: Laurie J. Kline Deputy Clerk
JOHN D. MARCANTI Member	Gila County Courthouse Globe, Arizona

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PRESENT: Michael A. Pastor, Chairman; Tommie C. Martin, Vice-Chairman (via ITV); John D. Marcanti, Member; Don E. McDaniel, Jr., County Manager; Jacque Griffin, Assistant County Manager/Librarian; Bryan B. Chambers, Deputy County Attorney/Civil Bureau Chief; Marian E. Sheppard, Clerk of the Board; and Laurie J. Kline, Deputy Clerk.

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. Jeff Hessenius led the Pledge of Allegiance and Father Arnold Aurillo of Holy Angels Catholic Church in Globe delivered the invocation.

2. PRESENTATIONS:

A. Public recognition of one employee for December's "Spotlight on Employees" Program, as follows: Susan Pontel.

Erica Raymond, Human Resources Assistant Senior, read aloud the Program nomination form submitted by Gila County Assessor Deborah Hughes for Susan Pontel, Assessor's Office Mapping Technician. The nomination form briefly stated that Ms. Pontel spent her spare time, during work hours, entering land sizes for County parcels throughout the entire County and inputting the information into the Assessor's software system which is available to the public on the Gila County website. Ms. Pontel has been employed with Gila County for seven years and was unable to be present for this meeting. The Board members thanked Ms. Pontel, (in absentia) for her dedication and hard work.

B. Presentation by Erin Collins of Erin Collins and Associates and Kristen Davison of The Pharmacist Connection, Inc. updating Member County Boards of Supervisors about the Sweet Savings Diabetes Program.

Erin Collins provided background information regarding the progression and success of the Arizona Local Government Employee Benefit Trust (AZLGEBT) and stated that Gila County has been a member of AZLGEBT since 1998. He then gave an example of the success of early detection of breast cancer in Gila County stating that five years ago there were 13% of women who had abnormal mammograms and currently it is less than 1% of women who have abnormal mammograms. Over the last three years approximately $300,000 has been invested in the Sweet Savings Diabetes Program (Program).

Mr. Collins then introduced Kristen Davison who provided a slide presentation and highlights of the Program as follows:

- Face-to-face interactions with specially-trained pharmacists.
- Well-structured and personally managed program.
- Annual clinical and financial data reports completed by a third party.
- Ability to determine success quantitatively AND qualitatively.
- Proven successful at reducing medical costs AND improving clinical values in participants.

Ms. Davison explained that Program participants do not have to pay their insurance co-payments as long as there are face-to-face meetings between the pharmacist and the participant at least quarterly, and all other Program requirements are met.

Chairman Pastor shared his personal experience participating in this Program of which he stated that it has been very positive, especially being able to meet one-on-one with a pharmacist. He continually promotes this Program to other employees and encouraged County staff to promote the program. On behalf of the Board, Chairman Pastor thanked Mr. Collins and Ms. Davison for the presentation.

3. PUBLIC HEARINGS:

A. Information/Discussion/Action to adopt Resolution No. 14-12-01 to name a previously unnamed section of road in Tonto Basin as W. Sierra Ancha Way.

Steve Stratton, Public Works Division Director, provided information that the first proposed street name was rejected; however, the second proposed name was accepted via the signed petition. In accordance with Gila County Street Naming a Property Numbering Ordinance No. 11-03, a public notice was mailed to the affected property owners. Included in the public notice was the proposed name of W. Sierra Ancha Way, a map of the area, the date for filing objections, and the date of the public hearing before the Board of Supervisors. There have been no written objections received. Vice-Chairman Martin made a

motion to adopt Resolution No. 14-12-01 to name a previously unnamed section of road in Tonto Basin as W. Sierra Ancha Way, which was seconded by Supervisor Marcanti. Before the vote was taken, Chairman Pastor advised that this agenda item is scheduled as a public hearing; therefore, he opened the public hearing and there being no comments offered, he closed the public hearing and asked for the vote, which was unanimously in favor of adopting the Resolution. **(A copy of the Resolution is permanently on file in the Board of Supervisors' Office.)**

Chairman Pastor requested that Mr. Stratton notify the Sheriff's Office, Assessor's Office and all other relevant County departments as to this address change.

4. REGULAR AGENDA ITEMS:

A. Information/Discussion/Action to approve a request for a variance to Section 5.2.C of the Gila County Floodplain Management Ordinance to: 1) allow wet flood-proofing of a building larger than 600 square feet; and 2) to use the building for parking, storage and as a workshop, which is a use not normally allowed for a wet flood-proofed building.

Upon motion by Supervisor Marcanti, seconded by Vice-Chairman Martin, the Board unanimously adjourned as the Gila County Board of Supervisors and convened as the Gila County Flood Control District Board of Directors.

Darde de Roulhac, Flood Control District Chief Engineer, provided background information regarding the specifics of the variance request, as stated above, that was submitted by Jeff Daniels, the applicant. Mr. de Roulhac reviewed possible alternative options that Mr. Daniels could choose to accept in order to comply with the Gila County Floodplain Management Ordinance or to meet the requirements to be eligible to receive a variance.

Supervisor Marcanti inquired if the property was regulated in a 25-, 50-, or 100-year floodplain. Mr. de Roulhac replied that it is only the 100-year floodplain that is regulated by the County.

Mr. Daniels stated that he has submitted an explanatory letter, which was distributed to the Board, that described his needs and the course of action that would be best suited for him with regard to functionality and which would be financially feasible for him. Mr. Daniels advised that his variance request would not be based on a hardship; however, he is requesting the variance because he operates 8 water companies of which he owns 3 of them, and he needs a place to work on his equipment. Elevating the building would not allow him to work on a large piece of equipment. He further advised that his property is located next to a dry wash and for the past 25 years there have been no issues with flooding.

Vice-Chairman Martin asked about heavy rain and flooding occurring on his property and whether or not it would cause his building to move onto a neighbor's building and/or property. Mr. Daniels replied that if there was enough water to move his building, the water would also flood the neighboring buildings. Vice-Chairman Martin also clarified her understanding that the building would be used for personal use only to work on personally-owned equipment and that the building would not be used for commercial purposes.

Supervisor Marcanti stated that he agreed with the staff recommendation to deny the request for a variance.

Chairman Pastor requested that Mr. de Roulhac continue to work with Mr. Daniels to find an alternative solution that would meet the needs of Mr. Daniels as well as to be in accordance with the Gila County Floodplain Management Ordinance. Upon motion by Supervisor Marcanti, seconded by Vice-Chairman Martin, the Board unanimously denied a request for a variance to Section 5.2.C of the Gila County Floodplain Management Ordinance to: 1) allow wet flood-proofing of a building larger than 600 square feet; and 2) to use the building for parking, storage and as a workshop, which is a use not normally allowed for a wet flood-proofed building. Upon motion by Supervisor Marcanti, seconded by Vice-Chairman Martin the Board unanimously adjourned as the Gila County Flood Control District Board of Directors and reconvened as the Gila County Board of Supervisors.

B. Information/Discussion/Action to approve a Multi-Agency Public Safety Dive Team Mutual Aid Agreement between the Gila County Sheriff's Office and the City of Globe for a period of ten years from the date of the last signature.

John France, Deputy Sheriff Sergeant, stated that this agreement as described above will allow for the incorporation of personnel from the Globe City Fire Department, which currently does not have a functioning dive team, into the Gila County Sheriff's Office dive team. This agreement will allow for a quicker response within Gila County as well as from the cooperative forces outside Gila County. It will also provide a larger base of trained divers, who specialize in handling extraordinary situations, to provide the appropriate law enforcement responses. Mr. France stated that entering into this agreement is in the best interest of the County and it is at no cost to the County. Upon motion by Vice-Chairman Martin, seconded by Supervisor Marcanti, the Board unanimously approved a Multi-Agency Public Safety Dive Team Mutual Aid Agreement between the Gila County Sheriff's Office and the City of Globe for a period of ten years from the date of the last signature.

C. Information/Discussion/Action to approve a Memorandum of Understanding with Global Tel*Link Corporation to install an ATM style

kiosk, at no cost to the County, in the lobby of the Gila County Globe jail.

Matt Solberg, Sheriff's Office Detention Commander, explained that having an ATM style self-service kiosk installed at the Gila County Globe jail would be an additional option for the public to deposit funds into inmates' accounts. It would also reduce the amount of cash that is currently processed manually by staff. The kiosk would facilitate electronic monetary deposits; however, cash and money orders will continue to be accepted and processed by staff.

Supervisor Marcanti inquired of Jeff Hessenius, Finance Division Director, if he was in agreement with installing the ATM style kiosk. Mr. Hessenius replied that it seemed to be a win-win situation that would benefit the inmates and County staff.

Chairman Pastor inquired if there could be a kiosk installed at the Payson jail as well. Commander Solberg replied that currently there isn't room for a kiosk at the Payson jail, but if an inmate is transferred from the Payson jail to the Globe jail funds can be deposited in Payson for the benefit of an inmate in Globe.

Steve Stratton, Public Works Division Director, added that there are plans to construct video visitation at the Payson jail at the time of the remodel of the Payson jail, and it would be feasible to install the ATM style kiosk at that time. Upon motion by Supervisor Marcanti, seconded by Vice-Chairman Martin, the Board unanimously approved a Memorandum of Understanding with Global Tel*Link Corporation to install an ATM style kiosk, at no cost to the County, in the lobby of the Gila County Globe jail.

D. Information/Discussion/Action to authorize the advertisement of Invitation for Bid No. 112514 for the purchase of up to three, new 6/7 passenger mini-vans for the Gila County Sheriff's Office and the County Detention Department.

Jeff Hessenius, Finance Division Director, stated that this is a request to advertise an invitation for bid to purchase transport vehicles with high mileage that are in need of replacement and are to be used by the Sheriff's Office. Upon motion by Vice-Chairman Martin, seconded by Supervisor Marcanti, the Board unanimously authorized the advertisement of Invitation for Bid No. 112514 for the purchase of up to three, new 6/7 passenger mini-vans for the Gila County Sheriff's Office and the County Detention Department.

5. CONSENT AGENDA ACTION ITEMS: (Any matter on the Consent Agenda will be removed from the Consent Agenda and discussed and voted upon as a regular agenda item upon the request of any member of the Board of Supervisors.)

A. Approval of Amendment No. 3 to Professional Services Contract No. 062813-Medical Examiner Services between Gila County and Mark A. Fischione, M.D., PLC to extend the term of the contract from January 7, 2015, to January 6, 2016, and to increase the original contract amount from $30,000 to $70,000 for the new contract term.

B. Approval of a $50,000 contingency item to be used in the event of additional costs incurred by Modular Solutions, Ltd. in the transportation and set up of the used 20,160 square foot modular structure purchased by Gila County.

C. Approval of the Intergovernmental Agreement between Gila County and the Town of Superior, whereby the Town of Superior Library will become a designated "Access Point" under the Workforce Investment Act for the period of December 1, 2014, through June 30, 2015.
D. Approval of Amendment No. 2 to a Weatherization Low-Income Assistance Agreement (Contract No. EW-ESA-14-4181-02Y2) between the State of Arizona, Governor's Office of Energy Policy and the Gila County Community Services Division, Housing Services, which allows for carryover of an un-obligated balance of $4,213.67 from FY 2014 for the use in FY 2015 for the period of July 1, 2014, through June 30, 2015.

E. Approval of the following precinct committeemen appointments as submitted by the Gila County Republican Committee: Payson # 2 Jeff Loyd; Payson # 2-Pamela Kay Swain; Payson #3 Linda Ann Grau; Zane Grey-Stephen Leonard Ray; Zane Grey-Denise Ray; Star Valley-Joanne Gail Rowe; and Gisela-Frieda Ann Haught.

F. Acknowledgment of the November 2014 monthly activity report submitted by the Globe Regional Justice of the Peace's Office.

G. Acknowledgment of the September 2014 and October 2014 monthly activity reports submitted by the Recorder's Office.

H. Approval of the November 25, 2014, Board of Supervisors' Work Session meeting minutes.

I. Acknowledgment of contracts under $50,000 which have been approved by the County Manager for the weeks of November 17, 2014, to November 21, 2014; and November 24, 2014 to November 28, 2014.

J. Approval of finance reports/demands/transfers for the weeks of December 9, 2014, and December 16, 2014.

December 9, 2014
$2,132,984.73 was disbursed for County expenses by check numbers 266767 through 266966.

December 16, 2014
$448,742.61 was disbursed for County expenses by check numbers 266967 through 267105. **(An itemized list of disbursements is permanently on file in the Board of Supervisors' Office.)**

Upon motion by Supervisor Marcanti, seconded by Vice-Chairman Martin, the Board unanimously approved Consent Agenda action items 5-A through 5-J.

6. CALL TO THE PUBLIC: Call to the Public is held for public benefit to allow individuals to address the Board of Supervisors on any issue within the jurisdiction of the Board of Supervisors. Board members may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to Arizona Revised Statute §38-431.01(H), at the conclusion of an open call to the public, individual members of the Board of Supervisors may respond to criticism made by those who have addressed the Board, may ask staff to review a matter or may ask that a matter be put on a future agenda for further discussion and decision at a future date.

There were no comments from the public.

7. At any time during this meeting pursuant to A.R.S. §38-431.02(K), members of the Board of Supervisors and the County Manager 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 Pastor adjourned the meeting at 11:15 a.m.

APPROVED:

_____
Michael A. Pastor, Chairman

ATTEST:

_____
Marian Sheppard, Clerk of the Board

BOARD OF SUPERVISORS MINUTES
GILA COUNTY, ARIZONA

Date: December 9, 2014

MICHAEL A. PASTOR Chairman	**MARIAN E. SHEPPARD** Clerk of the Board
TOMMIE C. MARTIN Vice-Chairman	By: Marian Sheppard Clerk of the Board
JOHN D. MARCANTI Member	Gila County Courthouse Globe, Arizona

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PRESENT: Michael A. Pastor, Chairman; Tommie C. Martin, Vice-Chairman (via ITV); John D. Marcanti, Member; Don E. McDaniel, Jr., County Manager; Travis Shields, Deputy County Attorney; Marian E. Sheppard, Clerk of the Board; and Laurie J. Kline, Deputy Clerk.

COMMUNITY DEVELOPMENT DIVISION STAFF PRESENT: Bob Gould, Director; Scott Buzan, Chief Building Official; Jake Garrett, Environmental Engineering Manager; and Margie Chapman, Code Enforcement Supervisor (via ITV).

APPELLANT: David Wicks

Item 1 – CALL TO ORDER – PLEDGE OF ALLEGIANCE

The Gila County Board of Supervisors met in a special session at 10:00 a.m. this date in the Board of Supervisors' hearing room. Chairman Pastor called the meeting to order and asked Supervisor John Marcanti to lead the Pledge of Allegiance.

Item 2 - REGULAR AGENDA ITEMS:

A. Information/Discussion/Action to continue the Board of Supervisors' September 30, 2014, hearing to affirm, modify, or reverse the decision of the Gila County Hearing Officer regarding Community Development Division Complaint No. HCP1402-003.

Bob Gould, Community Development Division Director, advised the Board of Supervisors that an RV (recreational vehicle) is in use at the subject property as authorized by the Board of Supervisors during the Board's previous meeting regarding this case. A porta john is also temporarily located at the property, which was also authorized by the Board of Supervisors, and it is being emptied

and cleaned on a regular basis. Mr. Gould further advised that David Wicks, the appellant, has submitted the plans for the installation of a new septic system; however, he has not yet obtained his permit from the County because it was recently discovered that Arizona Public Service Company (APS) has an electrical line that runs through the intended path of the new septic system; therefore, the line needs to be relocated before the septic system can be installed. County staff has been advised that the line will be relocated by APS sometime between December 12th and 19th. Mr. Gould stated that if the Board of Supervisors chooses to continue this hearing to its January 6, 2015, meeting, he and his staff would not object.

Scott Buzan, Chief Building Official, advised that the APS line is a utility line that supplies power to the house next door to Mr. Wicks; it does not directly affect power to the subject property. An APS engineer will need to redesign the path of the electrical line and it will then be moved. The septic system may not be installed until the line has been moved. Jake Garrett, Environmental Engineering Manager, was assured by an APS representative that moving this electrical line would be a top priority for APS. Mr. Wicks, the Board and Community Development Division staff entered into a brief discussion regarding the details for moving the APS line. If the Board of Supervisors continues this agenda item to its January 6th meeting, Vice-Chairman Martin questioned if that would be ample time for Mr. Wicks to complete the installation of the new septic system. She also expressed a concern that a deadline for completion needs to be established by the Board so the Board can take a final action on the issues related to this case. Mr. Gould advised that he and Mr. Wicks discussed a timeline for completion of the septic system installation since the APS line issue was discovered. At that time, Mr. Gould advised Mr. Wicks that he was not agreeable to an extension of more than 4 weeks.

Margie Chapman, Code Enforcement Supervisor, advised that it is her understanding that Mr. Wicks needs to obtain a power of attorney form signed by Kelly Mahaffey, who owns the subject property, which needs to be submitted to the County in order for him to sign any County-required paperwork regarding this issue. The power of attorney form has not yet been submitted to the County; therefore, she stated that Mr. Wicks will not be able to sign the required paperwork. Mr. Garrett advised that on November 18, 2014, Barbara Mahaffey conveyed the subject property by quit claim deed to her daughter, Kelly Mahaffey, who lives with Mr. Wicks. Mr. Wicks has been given the papers for Kelly Mahaffey to sign or he is to have her sign a power of attorney, so that he can sign the required paperwork. Mr. Garrett advised that Mr. Wicks has not yet submitted to the County a power of attorney by Kelly Mahaffey or any paperwork that has been signed by Kelly Mahaffey. Mr. Wicks replied that Arizona recognizes “common law” relationships and he has been living with Ms. Mahaffey for 16 years. Mr. Wicks then advised that he has Ms. Mahaffey’s signature on a paper which authorizes him to sign any documents on her

behalf. Vice-Chairman Martin advised that Ms. Mahaffey either needs to come into the County office to sign the documents or sign a document in the presence of a notary public which gives Mr. Wicks power of attorney to sign any documents on behalf of Ms. Mahaffey. Chairman Pastor asked Travis Shields, Deputy County Attorney, to comment. Mr. Shields stated that he would like Ms. Mahaffey to be present for any type of documents that require her signature or any documents that require Ms. Mahaffey to attest that she is the owner of the subject property. He stated that if Ms. Mahaffey submits a signed power of attorney, it also must contain the signature of a notary public. Supervisor Marcanti acknowledged that this case needs to be continued by the Board of Supervisors in order to allow APS to move its electrical line. He commended the Community Development Division staff on their efforts to "stay on top" of the issues.

Chairman Pastor inquired whether or not Mr. Wicks has submitted the plans for the septic system to the County. Mr. Garrett replied that County staff reviewed the plans but he does not consider them as being submitted until the fee is also submitted with the plans, which has not yet been done. He reiterated that the County would only accept the plans at the time the fee has been paid. Mr. Garrett also advised that the plans were prepared by a professional engineer.

Mr. Wicks advised that Kelly Mahaffey's house was built first; however, her brother decided to place the septic system that provided service to both his house and Ms. Mahaffey's house on his side of the property. As a result of that situation, Mr. Wicks stated that there should have been a "grandfather" clause in place which would have prohibited Ms. Mahaffey's brother from capping the septic system to the house that is occupied by Ms. Mahaffey and Mr. Wicks. Chairman Pastor advised Mr. Wicks that he need not continue talking about "what should have been done" because that information had been presented to the Board at the previous hearing. Mr. Wicks proceeded to comment that he and Ms. Mahaffey did not cause the current situation; it was Ms. Mahaffey's brother that created it; therefore, the County should have assessed any fines to Ms. Mahaffey's brother. Chairman Pastor advised that should the Board proceed to grant Mr. Wicks an additional 4 weeks to install the septic system, which includes being officially approved by the County, and if the system has not been installed and approved by that time, Mr. Wicks will owe the fines and the County will take measures to vacate Mr. Wicks from the property. Chairman Pastor emphasized that he will only agree to an extension of an additional 4 weeks. He then asked for a motion from the Board on this agenda item. Vice-Chairman Martin also agreed that 4 weeks was a sufficient amount of time for the extension as long as APS completes the line relocation by no later than their committed date of December 19th. She also mentioned that the Board may want to consider adding additional time to the four-week extension period if there are issues related to bad weather which affect the installation of the septic system. Mr. Shields advised that it would be wise for

the motion to include a statement that the 4-week deadline is contingent on APS relocating the electric line by no later than December 19th.

Svanhildur (Svanna) Jafetsdottir, Community Development Division Environmental Engineering Specialist, asked for clarification on getting the permit issued. She stated that Mr. Wicks will be installing the system versus using a professional contractor, which will take longer. In order to provide Mr. Wicks as much time as possible to install the septic system, she would like to see that the permit gets issued by Friday, December 12th. If the permit is issued at that time and APS completes its line relocation, then Mr. Wicks only needs to focus on the installation.

Mr. Garrett anticipates Mr. Wicks submitting the plans and the required fees to the County by no later than noon on December 10th. The next step in the process would be for County staff to review the plans and Mr. Garrett anticipates the County permit could be issued to Mr. Wicks no later than Thursday afternoon (December 11th) or Friday morning (December 12th) at the latest, providing that the plans are complete and correct. Mr. Garrett also suggested that the Board's motion include an extension of time past the 4 weeks if APS has not completed its line relocation by December 19th and additional time if there are weather-related issues that delay the installation of the septic system because there have been moisture problems on the subject property. After the septic system has been installed, Mr. Garrett advised that the County would then need to issue a discharge authorization, which gives Mr. Wicks the authority to use the newly installed septic system.

Ms. Jafetsdottir advised that she also has reviewed the plans and she has spoken with the engineer. If Mr. Wicks wants to move the lines a little or move the tank a little, Ms. Jafetsdottir stated that would be agreeable to the engineer; however, she wanted it noted in the official record of this meeting that "the way the trenches are built and the way everything is installed - that cannot be changed." Mr. Garrett added that if locations are moved (for the lines or tank), there are two items that require submitting money to the County, which would be the as-built drawings and a water tightness test on the tank of which Mr. Wicks would be responsible to have a contractor perform that test.

Mr. Wicks advised that he talked with Mr. Garrett and there may be a possibility that Ms. Jafetsdottir would be able to perform the water tightness test, which could be verified by the County; thereby, it would reduce Mr. Wicks' expenses. Vice-Chairman Martin was not comfortable with having the water tightness test performed in-house because that is not done for others. Mr. Garrett added that he also mentioned to Mr. Wicks that would be a decision of Mr. Gould and the Board of Supervisors.

Don McDaniel, County Manager, offered the following motion: "I think, put simply, that the Board would want to continue this item for four weeks from this Friday, December 12th, subject to APS completing, by December 19th, the relocation of the electrical line and that any days beyond the 19th that APS takes to complete the relocation would be added to the four-week continuance regardless of where that 4 weeks ends. Rather than to a date certain; it would be four weeks from December 12th and any days that APS adds to that would be added to that deadline." Vice-Chairman Martin suggested that the motion should also address an extension for any weather-related issues to which Mr. McDaniel replied that the weather is an unknown, and at this time it is also unknown if APS will meet the December 19th deadline. If any unforeseen delays did occur, Mr. McDaniel advised that would cause the Board to consider a different action at that time.

Complete Motion as Approved: Upon motion by Vice-Chairman Martin, seconded by Supervisor Marcanti, the Board unanimously continued the Board's consideration of the appeal of the Hearing Officer's decision in the matter of Community Development Division Complaint No. HCP1402-003 for four weeks from Friday, December 12, 2014, subject to Arizona Public Service (APS) completing the power line relocation on the subject property by December 19, 2014, and further that any days beyond the 19th that are required by APS to complete the relocation will be added to the four-week continuance deadline for the appellant. The four weeks begins on Friday, December 12, 2014, and ends on Friday, January 9, 2015, at 5:00 p.m. unless extended by the number of days required by APS to relocate the electrical line.

Item 3 - CALL TO THE PUBLIC: Call to the Public is held for public benefit to allow individuals to address the Board of Supervisors on any issue within the jurisdiction of the Board of Supervisors. Board members may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to Arizona Revised Statute §38-431.01(H), at the conclusion of an open call to the public, individual members of the Board of Supervisors may respond to criticism made by those who have addressed the Board, may ask staff to review a matter or may ask that a matter be put on a future agenda for further discussion and decision at a future date.

There were no comments from the public.

Item 4 - At any time during this meeting pursuant to A.R.S. §38-431.02(K), members of the Board of Supervisors and the County Manager may present a brief summary of current events. No action may be taken on issues presented.

Each Board member and the County Manager provided brief comments on current events.

There being no further business to come before the Board of Supervisors, Chairman Pastor adjourned the meeting at 10:42 a.m.

APPROVED:

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Michael A. Pastor, Chairman

ATTEST:

_____

Marian Sheppard, Clerk of the Board

BOARD OF SUPERVISORS MINUTES
GILA COUNTY, ARIZONA

Date: December 2, 2014

MICHAEL A. PASTOR Chairman	**MARIAN E. SHEPPARD** Clerk of the Board
TOMMIE C. MARTIN Vice-Chairman	By: Laurie J. Kline Deputy Clerk
JOHN D. MARCANTI Member	Gila County Courthouse Globe, Arizona

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PRESENT: Michael A. Pastor, Chairman; Tommie C. Martin, Vice-Chairman (via ITV); John D. Marcanti, Member; Don E. McDaniel, Jr., County Manager; Jacque Griffin, Assistant County Manager/Librarian; Bryan B. Chambers, Deputy County Attorney/Civil Bureau Chief; Marian E. Sheppard, Clerk of the Board; and Laurie J. Kline, Deputy Clerk.

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. Bryan Chambers led the Pledge of Allegiance and Pastor Steve DeSanto of the Shepherd of the Pines Lutheran Church in Payson delivered the invocation.

Item 2 – PRESENTATIONS:

A. Presentation of a Certificate of Appreciation from the City of Globe and the Globe Fire Department to the Gila County Sheriff's Office and Commander Travis Baxley for their continued support of the Arson K-9 Program.

Joe Bracamonte, City of Globe Fire Marshall/Investigator, publicly recognized Sheriff Adam Shepherd and Commander Travis Baxley for the ongoing support from the Sheriff's Office with the K-9 Program. He stated that in 2011 it became necessary to retire K-9 Duke and that Freeport McMoRan, Inc. donated K-9 Evo and although she was untrained, Commander Baxley donated 250 hours (personal time) to train the new K-9 Evo.

Sheriff Adam Shepherd thanked Mr. Bracamonte and stated that the Sheriff's Office would not have Evo had it not been for the collaboration of the City of Globe Fire Department.

Commander Baxley briefly explained details regarding the training of Evo and stated that this canine is one of only two K-9s in the state of Arizona trained to detect accelerants. He added that Evo has been very successful in deployments and that the County is fortunate to have this K-9 in the community.

B. Presentation of the Gila County Teacher of the Year 2014 award to Mr. Erik Hertwig of Globe High School by Dr. Linda O'Dell, Gila County School Superintendent.

Dr. Linda O'Dell, Gila County School Superintendent, stated that this is the fourth year for the Teacher of the Year award. She acknowledged Holly Sow, School Superintendent's Community Outreach Specialist, who organizes and facilitates the Teacher of the Year award. Erik Hertwig was then introduced as the Teacher of the Year along with his wife Vanessa; the couple has been in the community for four years. Mr. Hertwig gave an overview of his background, involvement, and accomplishments within the community. Dr. O'Dell presented him with a plaque and a cash award and thanked him for his service and dedication.

Item 3 – REGULAR AGENDA ITEMS:

A. Information/Discussion/Action to give advance authorization for staff to advertise various Invitations for Bids in the local newspapers for construction projects directly related to the Copper Administration Building Project, thereby saving time and allowing a more accurate window for scheduling the projects. (A list of projects is attached to this agenda item.)

Jeff Hessenius, Finance Division Director, explained that the list of projects contains those projects that are estimated to be over $50,000 and each one is directly related to the Copper Administration Building Project. In an effort to expedite moving forward with the project without delay, it is recommended that the Board give preapproval for the bidding process only and then any proposed contract awards would require Board approval prior to commencement of any of the Copper Administration Building projects over $50,000. Upon motion by Vice-Chairman Martin, seconded by Supervisor Marcanti, the Board unanimously gave advance authorization for staff to advertise various Invitations for Bids in the local newspapers for construction projects directly related to the Copper Administration Building Project.

B. Information/Discussion/Action to allow the County Manager to sign the engagement letter with Stifel, Nicolaus & Company in an amount not to exceed $20,000 to explore the options for private placement of financing for the building and building/site improvements for the Copper Administration Building Project.

Mr. Hessenius stated that approval of this item would authorize the contractual agreement with Stifel, Nicolaus & Company (Stifel), a financial advisory firm, to assist with obtaining the financing for the Copper Administration Building Project. Stifel will be responsible for issuing the request for proposals, and reviewing those bids with County staff to ultimately award a contract to the winning bidder. The County is looking at financing approximately $1.65 million and not more than $2 million for the Copper Administration Building Project. Stifel's fee would be 1% of that amount and it shall not exceed $20,000. The Board's authorization of this agenda item will allow the County Manager to sign the agreement. Chairman Pastor inquired if a public hearing would be scheduled by the Board of Supervisors for Stifel to present the financial information to the Board, to which Mr. Hessenius affirmed that was correct. Upon motion by Supervisor Marcanti, seconded by Vice-Chairman Martin, the Board unanimously allowed the County Manager to sign the engagement letter with Stifel, Nicolaus & Company in an amount not to exceed $20,000 to explore the options for private placement of financing for the building and building/site improvements for the Copper Administration Building Project.

C. Information/Discussion/Action to review all bids submitted for Invitation for Bid No. 101413 for the purchase of up to five new all-wheel drive utility police interceptors or equal; award to the lowest, responsible and qualified bidder; and authorize the Chairman's signature on the award contract for the winning bidder.

Mr. Hessenius provided information that the bids received in November for the purchase of up to five new all-wheel drive utility police interceptors were very competitive and close in amounts at approximately $32,000 each. He stated that staff recommends McSpadden Ford be awarded the contract as the lowest, responsible and most qualified bidder. Additionally, there are four out of the five vehicles being requested to be purchased that have been allocated in this fiscal year budget and the intent would be to purchase the fifth vehicle next fiscal year.

Steve Stratton, Public Works Division Director, added that there have been some auto insurance claims made by the Sheriff's Office for which the County will receive payment. If there are sufficient capital funds available, Mr. Stratton advised that the County may want to purchase the fifth vehicle this fiscal year instead of waiting until the following fiscal year. Upon motion by Vice-Chairman Martin, seconded by Supervisor Marcanti, the Board unanimously awarded Contract No. 101413 to McSpadden Ford and authorized the Chairman's signature on the award contract for the winning bidder.

D. Information/Discussion/Action to review all bids submitted for Call for Bids No. 102414 to provide all advertising, publications and printing required to be done or made by all departments of Gila County for

calendar year 2015; award to the lowest, responsible and qualified bidder; and authorize the Chairman's signature on the contract for the winning bidder.

Mr. Hessenius referred to Arizona Revised Statute §11-255 (A) which states, "The board shall contract annually for all advertising, publications and printing required to be done or made by all departments of county government." He advised that the Arizona Silver Belt was awarded the contract for 2014 and it is recommended to award the contract to the Arizona Silver Belt for 2015 at a price of $3.40 per column inch for all of the County's advertising needs. Upon motion by Supervisor Marcanti, seconded by Vice-Chairman Martin, the Board unanimously awarded Contract No. 102414 to the Arizona Silver Belt to provide all advertising, publications and printing required to be done or made by all departments of Gila County for calendar year 2015 at a cost of $3.40 per column inch, and authorized the Chairman's signature on the contract.

E. Information/Discussion/Action to ratify the November 12, 2014, electronic submission of comments to the Environmental Protection Agency on the definition of "Waters of the United States" under the Clean Water Act, which were due no later than November 14, 2014.

Jacque Griffin, Assistant County Manager/Librarian, explained that the deadline for submitting the comment letter regarding the "Waters of the United States" to the Environmental Protection Agency was in between scheduled Board of Supervisors' meetings; therefore, it was necessary to request ratification of submission of said comments. Ms. Griffin advised that due to the potential negative impacts, including those to the citizens of Gila County, and the proposed changes to the "Waters of the Unites States" under the Clean Water Act, it is important to join the Eastern Arizona Counties Organization's (ECO's) analysis and summary which accurately reflect Gila Counties position with regard to this issue. The Board members were in agreement that this is an important issue to follow and provide comments that are in consort with ECO, which is comprised of Apache, Gila, Graham, Greenlee, and Navajo Counties, in an attempt to effect positive change. Upon motion by Vice-Chairman Martin, seconded by Supervisor Marcanti, the Board unanimously ratified the November 12, 2014, electronic submission of comments to the Environmental Protection Agency on the definition of "Waters of the United States" under the Clean Water Act, which were due no later than November 14, 2014.

F. Information/Discussion/Action regarding appointments or reappointments of members of the Board of Supervisors to the following boards, committees and organizations for calendar year 2015: 1) Correctional Officers Retirement Plan Local Board for Sheriff's Office Detention Officers & Non-Uniformed Officers; 2) Correctional Officers Retirement Plan Local Board for Sheriff's Office Dispatchers; 3) Public

Safety Personnel Retirement System Local Board; 4) Gila County Board of Health; 5) Gila County Local Emergency Planning Committee; 6) Central Arizona Governments Regional Council; 7) County Supervisors Association Legislative Policy Committee; 8) Eastern Arizona Counties Organization; 9) San Carlos Apache Tribe Partnership Steering Committee; 10) Coalition of Arizona/New Mexico Counties; and 11) Allied Health Care Advisory Committee.

Don McDaniel, County Manager, stated that each year the Board of Supervisors (BOS) designates the boards, committees, and organizations that each Supervisor will serve on respectively. Upon motion by Supervisor Marcanti, seconded by Vice-Chairman Martin, the Board unanimously re-appointed the BOS members to serve during 2015, as follows: 1) Correctional Officers Retirement Plan Local Board for Sheriff's Office Detention Officers & Non-Uniformed Officers-**Supervisor Pastor**; 2) Correctional Officers Retirement Plan Local Board for Sheriff's Office Dispatchers-**Supervisor Pastor**; 3) Public Safety Personnel Retirement System Local Board-**Supervisor Marcanti**; 4) Gila County Board of Health-**Supervisor Pastor**; 5) Gila County Local Emergency Planning Committee-**Supervisor Marcanti**; 6) Central Arizona Governments Regional Council-**Supervisor Pastor**; 7) County Supervisors Association Legislative Policy Committee-**Supervisor Martin**; 8) Eastern Arizona Counties Organization-**Supervisor Martin**; 9) San Carlos Apache Tribe Partnership Steering Committee-**Supervisor Marcanti**; 10) Coalition of Arizona/New Mexico Counties-**Supervisor Martin**; and 11) Allied Health Care Advisory Committee-**Supervisor Pastor**.

Chairman Pastor announced that Regular Agenda item 3-G would be addressed after remaining agenda items 4 through 6 were addressed by the Board.

Item 4 – CONSENT AGENDA ACTION ITEMS: (Any matter on the Consent Agenda will be removed from the Consent Agenda and discussed and voted upon as a regular agenda item upon the request of any member of the Board of Supervisors.)

Chairman Pastor asked the other Board members if they would like to discuss any of the Consent Agenda items before asking for a motion. Supervisor Marcanti replied that he wanted to address item 4-A; therefore, it was moved to the Regular Agenda and addressed separately.

A. Approval of Amendment No. 1 to Contract No. 050713 between Gila County and Vulcan Materials Company to extend the contract for 12 months, from September 7, 2014, to September 6, 2015, for the purchase of asphalt FOB plant in an amount not to exceed $100,000 that will be used for maintenance and repairs on various roads in the Copper Region

of Gila County; and to amend all references to Mesa Materials to Vulcan Materials Company.

Supervisor Marcanti explained that this vendor supplies asphalt made from petroleum and the current price of petroleum is less than when the contract was awarded to this vendor. He wanted to ensure that the County was being charged an amount for asphalt materials that corresponded to the current petroleum pricing.

Steve Stratton, Public Works Division Director, replied that the reason for this agenda item was that Vulcan Materials Company purchased Mesa Materials. He then explained that the pricing for materials in the original bid and contract award utilizes the Arizona Department of Transportation pricing index for oil and references a "sliding scale." Upon motion by Supervisor Marcanti, seconded by Vice-Chairman Martin, the Board unanimously approved Amendment No. 1 to Contract No. 050713 between Gila County and Vulcan Materials Company to extend the contract for 12 months, from September 7, 2014, to September 6, 2015, for the purchase of asphalt FOB plant in an amount not to exceed $100,000 that will be used for maintenance and repairs on various roads in the Copper Region of Gila County; and to amend all references to Mesa Materials to Vulcan Materials Company.

Chairman Pastor asked for a motion on the following Consent Agenda items:

B. Approval to reappoint or appoint the following individuals to the respective board, commission and committee, as follows: 1) Gila County Board of Adjustment and Appeals - Reappointment of Lori Brown and Travis Williams from 1/1/15 to 12/31/18, and appointment of Mickie Nye from 1/1/15 to 12/31/18; 2) Gila County Highway 60-70 Regional Design Review Committee - Reappointment of Jo Lynn Chase from 1/1/15 to 12/31/18; and 3) Gila County Planning and Zoning Commission - Reappointment of Randy Slapnicka, Lori Brown, Jay Spehar and Mickey Nye from 1/1/15 to 12/31/18, and reappointment of Travis Williams from 1/1/15 to 12/31/16.

C. Reappointment of David Lagunas to the Gila County Personnel Commission for four years, from January 1, 2015, through December 31, 2018.

D. Acknowledgment of the October 2014 monthly activity report submitted by the Payson Regional Constable's Office.

E. Acknowledgment of the October 2014 monthly activity report submitted by the Globe Regional Justice of the Peace's Office.

F. Acknowledgment of the October 2014 monthly activity report submitted by the Payson Regional Justice of the Peace's Office.

G. Acknowledgment of the October 2014 monthly activity report submitted by the Clerk of the Superior Court's Office.

H. Approval of the November 18, 2014, Board of Supervisors' Regular Meeting minutes.

I. Acknowledgment of the Human Resources reports for the weeks of November 4, 2014, November 11, 2014, November 18, 2014, and November 25, 2014.

NOVEMBER 4, 2014

DEPARTURES:

1. Meagan Hart – Recorder's Office – Recorder's Clerk – 11/07/14 – General Fund – DOH 08/18/14
2. Debra Williams – Health and Emergency Services – Emergency Services Manager – 10/31/14 – General Fund – DOH 10/21/96

DEPARTMENTAL TRANSFERS:

3. Clarissa Mata – Assessor's Office – From CAMA Program Administrator – To Chief Appraiser – 11/10/14 – General Fund – Replacing Larry Huffer
4. Amy Farley – From Health and Emergency Services – To Probation – From Medical Case Manager – To Deputy Probation Officer 1 – 11/10/14 – From HIV Consortium Fund – To Juvenile Standards Probation Fund – Replacing Alberta Lancieri

OTHER ACTIONS:

5. Alberta Lancieri – Probation – Deputy Probation Officer 2 – 11/10/14 – From Juvenile Intensive Probation Supervisor (.50)/Juvenile Standards Probation (.50) Funds – to Juvenile Standards Probation Fund – Change in fund codes

REQUEST TO POST:

6. Assessor's Office – Property Appraiser 1 – Vacated by Susan Aliprandini
7. Recorder's Office – Recorder's Clerk – Vacated by Meagan Hart
8. Assessor's Office – CAMA Program Administrator – Vacated by Clarissa Mata

NOVEMBER 11, 2014

DEPARTURES:

1. Mark Joerns – Probation – Deputy Probation Officer 2 – 10/31/14 – State Aid Enhancement Fund – DOH 06/08/98
2. Roberta Johnson – Health and Emergency Services – Public Health Nurse – 11/07/14 – Health Service Fund – DOH 07/15/13
3. Stephanie Gibson – Health and Emergency Services – Part-Time Breastfeeding Counselor – 09/01/14 – WIC Fund – DOH 05/21/12

NEW HIRES:

4. Jacqueline Tobin – Health and Emergency Services – Part-Time Breastfeeding Counselor – 11/17/14 – WIC Fund – Replacing Stephanie Gibson
5. Theresa Schaufer – Recorder's Office – Recorder's Clerk – 11/10/14 – General Fund – Replacing Frederick Hornung
DEPARTMENTAL TRANSFERS:
6. Susan Aliprandini – From Assessor's Office – To School Superintendent's Office – From Property Appraiser 1 – To Accounting Clerk – 11/17/14 – General Fund – Replacing Michelle Stemm
REQUEST TO POST:
7. Superior Court – Administrative Clerk Senior – Vacated by Patricia Keyworth

NOVEMBER 18, 2014
OTHER ACTIONS:
1. Lisa Dzera – Sheriff's Office – From Administrative Clerk (Temporary Assignment) – To Administrative Clerk – 11/24/14 – General Fund – End of temporary assignment
REQUEST TO POST:
2. Sheriff's Office – Temporary Accounting Clerk Specialist – Vacated by Ashlie Enfield-Goss (on temporary assignment)

NOVEMBER 25, 2014
DEPARTURES:
1. Kenneth Warden – Sheriff's Office – Detention Officer – 12/01/14 – General Fund – DOH 10/26/09
2. George Scott – Sheriff's Office – Deputy Sheriff Sgt. – 11/28/14 – General Fund – DOH 09/10/90
3. Susan O'Connor – School Superintendent's Office – Administrative Assistant – 11/14/14 – General Fund – DOH 05/27/14
4. Lauren Savaglio – Health and Emergency Services – Environmental Health Manager – 12/01/14 – Tobacco Free Environment (.78)/Health Service (.22) Funds – DOH 08/20/12
5. Brenda Van Haren – County Attorney's Office – Victim Witness Advocate – 11/14/14 – Crime Victim Assistance Program (.50)/General (.50) Funds – DOH 03/08/07
6. Andrew Hanna – County Attorney's Office - Paralegal – 12/01/14 – Diversion Program CA Fund – DOH 06/10/13
7. Sarayl Shunkamolah – Board of Supervisors – Management Associate – 12/09/14 – General Fund – DOH 12/09/13
8. John Park – Probation – Deputy Probation Officer 2 – 11/17/14 – Diversion Intake Fund – DOH 08/19/13
NEW HIRES:
9. James Cross – Sheriff's Office – Deputy Sheriff – 12/08/14 – General Fund – Replaces Layne Johnson

10. Kassandra Seaver – Recorder's Office – Recorder's Clerk – 12/15/14 – General Fund – Replaces Melanie Boyer
11. Caryn Garcia – Recorder's Office – Recorder's Clerk – 12/01/14 – General Fund – Replaces Meagan Hart

TEMPORARY HIRES TO COUNTY SERVICES:

12. Steve Burk – Globe Regional Justice Court – Judge Pro Tempore – 11/12/14 – General Fund

END PROBATIONARY PERIOD:

13. Brian Rogers – Public Works – Building Maintenance Technician – 12/02/14 – Facilities Management Fund
14. John McCrory – Public Works – Flood Control Technician – 12/02/14 - General Fund
15. Joel McDaniel – Public Works – Road Maintenance and Equipment Operator Senior – 11/26/14 – Public Works Fund
16. Cameron Cates – Sheriff's Office – 911 Dispatcher – 10/14/14 – General Fund
17. Allison Torres – Community Services – Social Services Case Manager – 12/02/14 – CAP Fund

DEPARTMENTAL TRANSFERS:

18. Alex Cunningham – Public Works – From Building Maintenance Technician – To Building Maintenance Technician Senior – 12/01/14 – Facilities Management Fund – Replaces Gary Denton
19. Jay Boyer – Probation – From Probation Manager – To Juvenile Detention Facility Manager – 01/05/15 – From Diversion Intake Fund – To General Fund – Replaces Kathy Coker
20. David Jones – Probation – From Probation Manager – To Deputy Probation Officer 2 – 12/01/14 – From Adult Intensive Probation Supervision (.50)/State Aid Enhancement (.50) Funds – Replaces Mark Joerns

NOVEMBER 25, 2014

OTHER ACTIONS:

21. Ronald Hanse – Sheriff's Office – From Deputy Sheriff Detective (Temporary Assignment) – To Deputy Sheriff – 12/01/14 – General Fund – End of temporary assignment

REQUEST TO POST:

22. Health and Emergency Services – Medical Case Manager – Vacated by Amy Farley
23. Health and Emergency Services – Environmental Health Manager – Vacated by Lauren Savaglio
24. County Attorney's Office – Victim Witness Advocate – Vacated by Brenda Van Haren
25. County Attorney's Office – Deputy Attorney – Vacated by Marc Stanley

J. Acknowledgment of contracts under $50,000 which have been approved by the County Manager for the weeks of November 3, 2014, to November 7, 2014; and November 10, 2014 to November 14, 2014.

K. Approval of finance reports/demands/transfers for the weeks of November 25, 2014, and December 2, 2014.

November 25, 2014
$2,759,097.00 was disbursed for County expenses by check numbers 266264 through 266675.

December 2, 2014
$463,851.89 was disbursed for County expenses by check numbers 266676 through 266766. **(An itemized list of disbursements is permanently on file in the Board of Supervisors' Office.)**

Upon motion by Vice-Chairman Martin, seconded by Supervisor Marcanti, the Board unanimously approved Consent Agenda action items 4-B through 4-K.

Item 5 – CALL TO THE PUBLIC: Call to the Public is held for public benefit to allow individuals to address the Board of Supervisors on any issue within the jurisdiction of the Board of Supervisors. Board members may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to Arizona Revised Statute §38-431.01(H), at the conclusion of an open call to the public, individual members of the Board of Supervisors may respond to criticism made by those who have addressed the Board, may ask staff to review a matter or may ask that a matter be put on a future agenda for further discussion and decision at a future date.

There were no comments 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 County Manager 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.

3-G – Move to go into executive session pursuant to A.R.S. § 38-431.03(A)(3) and 38-431.03(A)(4) in order to receive legal advice from its attorney regarding a Notice of Claim from Carson Construction regarding the Pine Creek Canyon Road Construction Project and to discuss or consult with the attorney of the public body in order to consider its position and instruct its attorney regarding the public body's position in order to avoid or resolve litigation. Then, after executive session has concluded move to direct the County Attorney's Office to proceed as directed in executive session.

Upon motion by Vice-Chairman Martin, seconded by Supervisor Marcanti, the Board unanimously voted to go into executive session to address item 3-G at 10:54 a.m.

Chairman Pastor reconvened the meeting at 11:40 a.m. and asked for a motion on this agenda item.

Upon motion by Supervisor Marcanti, seconded by Vice-Chairman Martin, the Board unanimously denied the claim from Carson Construction and directed the County Attorney's Office to proceed as directed in the executive session.

There being no further business to come before the Board of Supervisors, Chairman Pastor adjourned the meeting at 11:41 a.m.

APPROVED:

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Michael A. Pastor, Chairman

ATTEST:

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Marian Sheppard, Clerk of the Board

ARF-2930 **Consent Agenda Item** **4. M.**

Regular BOS Meeting

Meeting Date: 01/06/2015

Reporting Period: 12/02/14, 12/09/14, 12/16/14, 12/23/14, and 12/30/14

Submitted For: Shelley McPherson, HR and Risk Management Director

Submitted By: Erica Raymond, Human Resources Assistant, Human Resources Department

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Information

Subject

Human Resources reports for the weeks of December 2, 2014, December 9, 2014, and December 16, 2014, December 23, 2014, and December 30, 2014.

Suggested Motion

Acknowledgment of the Human Resources reports for the weeks of December 2, 2014, December 9, 2014, and December 16, 2014, December 23, 2014, and December 30, 2014.

Attachments

HR Summary Report
12/02/14 Human Resources Report
12/09/14 Human Resources Report
12/16/14 Human Resources Report
12/23/14 Human Resources Report
12/30/14 Human Resources Report

Summary

Human Resources Action Items

	Year To Date	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
DEPARTURES	**151**	10	8	12	16	9	10	19	12	23	5	13	14
NEW HIRES REGULAR STATUS	**87**	4	5	6	13	8	4	12	5	11	2	5	12
NEW HIRES TEMPORARY STATUS	**30**	6	0	2	0	2	2	7	0	2	5	1	3
NEW VOLUNTEERS	**0**	0	0	0	0	0	0	0	0	0	0	0	0
DEPARTMENTAL TRANSFERS	**52**	5	6	3	3	12	2	0	6	3	1	6	5
END PROBATIONARY PERIOD	**97**	14	10	5	9	10	5	9	4	11	7	5	8
OTHER ACTIONS	**70**	5	1	2	3	8	6	12	2	10	4	3	14
REQUEST TO POST	**91**	9	4	4	13	7	8	11	5	11	3	9	7
Total Transactions	**578**	**53**	**34**	**34**	**57**	**56**	**37**	**70**	**34**	**71**	**27**	**42**	**63**

HUMAN RESOURCES ACTION ITEMS
DECEMBER 2, 2014

DEPARTURES:

1. Alicia Santa Maria – Recorder's Office – Recorder's Clerk Senior – 11/25/14 – General Fund – DOH 08/04/14

NEW HIRES:

2. Kelly Jones – Public Works – Administrative Clerk Specialist – 12/08/14 – Facilities Management Fund – Replacing Nicole Weaver
3. Bianca Melford – Health and Emergency Services – Administrative Clerk Senior – 12/03/14 – Health Service Fund – Replacing Tracy Hamilton

DEPARTMENTAL TRANSFERS:

4. Richard Taylor – From Sheriff's Office – To Globe Regional Constable's Office – From Detention Officer – To Deputy Constable(.50) – 12/08/14 – General Fund – Replacing Ray Tarango

REQUEST TO POST:

5. Recorder's Office – Recorder's Clerk Senior – Vacated by Alicia Santa Maria
6. Public Works – Building Maintenance Technician – Vacated by Alex Cunningham

HUMAN RESOURCES ACTION ITEMS
DECEMBER 9, 2014

DEPARTURES:

1. Justin Newby – Public Works – Road Maintenance and Equipment Operator – 12/04/14 – Public Works Fund – DOH 08/05/13
2. Brian Martin – Probation – Juvenile Detention Officer – 12/03/14 – General Fund – DOH 08/13/12
3. Carol Branch – Assessor's Office – Property Appraiser 1 – 11/28/14 – General Fund – DOH 10/20/97

NEW HIRES:

4. Emily Leverance – Probation – Grant Project Assistant – 12/15/14 – Juvenile Evening/Weekend Resource Center Fund
5. Jordan Klabbatz – Sheriff's Office – 911 Dispatcher – 12/15/14 – General Fund – Replacing Chadwick Peters
6. Brittney Griego – Sheriff's Office – Detention Officer – 12/15/14 – General Fund – Replacing Jennifer Lisenbee

END PROBATIONARY PERIOD:

7. Gordon Gartner – Sheriff's Office – Professional Standards Investigator – 10/14/14 – General Fund
8. Amanda Olvera – Health and Emergency Services – Animal Care Worker – 12/02/14 – Rabies Control Fund

OTHER ACTIONS:

9. Lydia Morales – Community Services – Temporary WEX Participant – 12/15/14 – Workforce Investment Act Programs Fund – Extending temporary employment through 01/31/15

REQUEST TO POST:

10. Assessor's Office – Field Data Technician – Vacated by Carol Branch and Susan Aliprandini
11. Superior Court – CASA Coordinator – Vacated by Lyndsie Butler

HUMAN RESOURCES ACTION ITEMS
DECEMBER 16, 2014

DEPARTURES:

1. Lisa Romo – Assessor's Officer – Chief Deputy Assessor – 12/12/14 – General Fund – DOH 11/04/13
2. Virginia Mounce – Treasurer's Office – Temporary Treasurer Services Assistant – 12/04/14 – General Fund – DOH 10/15/14
3. Gary Goetteman – Globe Regional Justice Court –Justice of the Peace – 12/31/14 – General Fund – DOH 11/30/10
4. Robert Duber II – Superior Court Division II – Judge – 12/31/14 – General Fund – DOH 01/01/81
5. Lyndsie Butler – Superior Court – CASA Coordinator – 12/24/14 – Court Appointed Special Advocate Fund – DOH 10/07/13

NEW HIRES:

6. Ruben Mancha – Globe Regional Constable's Office – Constable – 01/01/15 – General Fund – Replacing Jesse Bolinger
7. Cassidy Smith – Sheriff's Office – Detention Officer – 12/22/14 – General Fund – Replacing Jeffrey Adams
8. Timothy Wright – Superior Court Division II – Judge – 01/01/15 – General Fund – Replacing Robert Duber II

END PROBATIONARY PERIOD:

9. Paul Coulombe – Superior Court – IT Admin and Support Specialist – 01/06/15 – General Fund
10. Dailynn Thomason – Sheriff's Office – 911 Dispatcher – 01/06/15 – General Fund
11. Sandra Pena – Health and Emergency Services – Communicable Disease Specialist – 09/10/14 – From Bio Terrorism Fund – To Bio Terrorism (.65)/Public Health in Action (.35) Funds

DEPARTMENTAL TRANSFERS:

12. Jesse Bolinger – From Globe Regional Constable's Office – To Globe Regional Justice Court – From Constable – To Justice of the Peace – 01/01/15 - General Fund – Replacing Gary Goetteman

OTHER ACTIONS:

13. Gary Eggert – Sheriff's Office – Deputy Sheriff – 12/29/14 – General Fund – Duty assignment change from Young to School Resource Officer
14. Vanessa Amairia – Sheriff's Office – Administrative Clerk – 12/12/14 – General Fund – Extending probationary period for an additional 6 months

REQUEST TO POST:

15. Clerk of Superior Court – Associate Jury Commissioner – Vacated by Sylvia Badilla

HUMAN RESOURCES ACTION ITEMS
DECEMBER 23, 2014

DEPARTURES:

1. Dustin Hawkins – Probation – Juvenile Detention Officer – 12/14/14 – General Fund – DOH 04/12/12
2. Mary Mendez – Globe Regional Justice Court - Justice Court Clerk Senior – 12/12/14 – General Fund – DOH 12/03/01
3. Sylvia Badilla – Clerk of Superior Court – Associate Jury Commissioner – 12/26/14 – General Fund – DOH 02/10/97

NEW HIRES:

4. Dezirae Williams – Health and Emergency Services – From Temporary Public Health Emergency Preparedness Assistant – To Public Health Emergency Preparedness Coordinator – 12/29/14 – Bio Terrorism Program Fund

TEMPORARY HIRES TO COUNTY SERVICES:

5. Julie Treadwell – Community Services – Temporary WEX Participant – 01/05/15 – Workforce Investment Act IV Fund – Temporary 90 day employment
6. Nawarut Marschke – Community Services – Temporary WEX Participant – 01/05/15 – Workforce Investment Act IV Fund – Temporary 90 day employment
7. Lynette Hale – Community Services – Temporary WEX Participant – 01/05/15 – Workforce Investment Act IV Fund – Temporary 90 day employment

END PROBATIONARY PERIOD:

8. Diana Simmes – Public Works – Scalehouse Attendant – 01/07/15 – Recycling and Landfill Management Fund
9. Mathew Gonzales – Probation – Juvenile Detention Officer – 01/06/15 – General Fund

DEPARTMENTAL TRANSFERS:

10. Shealene Stidham – Recorder's Office – Recorder's Clerk Senior – 12/22/14 – General Fund – Replacing Alicia Santa Maria

OTHER ACTIONS:

11. Daniel Sterling – Public Works – Automotive Mechanic – 12/23/14 – Public Works Fund – Extending probationary period an additional 3 months
12. Beverly Hawkins – Elections – Temporary Administrative Clerk – 01/01/15 – General Fund – Arizona minimum wage increase
13. Eric Butler – Community Services – Temporary Mobile Crew – 01/01/15 – GEST Fund – Arizona minimum wage increase
14. Ricky Cayouette Jr. – Community Services – Temporary Mobile Crew – 01/01/15 – GEST Fund – Arizona minimum wage increase
15. Shirley Jack – Community Services – Temporary Mobile Crew – 01/01/15 – GEST Fund – Arizona minimum wage increase
16. David Falquez – Community Services – Temporary Mobile Crew – 01/01/15 – GEST Fund – Arizona minimum wage increase

HUMAN RESOURCES ACTION ITEMS
DECEMBER 30, 2014

DEPARTURES:

1. Joy Riddle – County Attorney's Office – Deputy Attorney Senior – 12/22/14 – General Fund – DOH 01/28/13
2. Patricia Keyworth – Superior Court – Administrative Clerk Senior – 12/12/14 – Court Appointed Special Advocate Fund (.50)/Court improvement Project(.50) Funds – DOH 08/06/12

NEW HIRES:

3. Nichelle Ridenour – Superior Court - Administrative Clerk Senior – 12/22/14 – Court Appointed Special Advocate Fund (.50)/Court Improvement Project(.50) Funds – Replacing Patricia Keyworth
4. Marcos Diaz – Probation – Juvenile Detention Officer – 01/05/15 – General Fund – Replacing Clement Gamache
5. Margaret Meares – Sheriff's Office – 911 Dispatcher – 01/05/15 – General Fund – Replacing Lassandra LaFrance

OTHER ACTIONS:

6. Patrice Goodman – Probation – Probation Manager – 01/05/15 – From JPSF Treatment Fund – To JPSF Treatment(.78)/Juvenile Evening/Weekend Resource Center(.22) Funds – Change in fund codes
7. Michael Lemon – Health and Emergency Services – Environmental Health Specialist Senior – 12/29/14 – From Health Service Fund – To Health Service (.06)/Prop 201 Smoke Free AZ Act(.94) Funds – Change in fund codes
8. Debra Blevins – Health and Emergency Services – Accounting Clerk – 12/29/14 – Various Funds – Change in fund codes
9. Sarah Bennett – Superior Court – IT Support Technician – 12/24/14 – General Fund – Classification and Compensation Study grade and salary update
10. Forrest Bennett – Superior Court – IT Support Technician – 12/24/14 – General Fund – Classification and Compensation Study grade and salary update

REQUEST TO POST:

11. County Attorney's Office – Deputy County Attorney Senior – Vacated by Joy Riddle
12. Health and Emergency Services – Temporary Public Health Emergency Preparedness Planner – Grant funded position

ARF-2932 **Consent Agenda Item** **4. N.**

Regular BOS Meeting

Meeting Date: 01/06/2015

Reporting Period: December 5, 2014; December 12, 2014; and December 19, 2014

Submitted For: Jeffrey Hessenius, Finance Director

Submitted By: Jeannie Sgroi, Contracts Administrator, Finance Division

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Information

Subject

Report for County Manager Approved Contracts Under $50,000 for Weeks Ending 12-5-14; 12-12-14; and 12-19-14.

Suggested Motion

Acknowledgment of contracts under $50,000 which have been approved by the County Manager for weeks of December 1, 2014 to December 5, 2014; December 8, 2014 to December 12, 2014; and December 15, 2014 to December 19, 2014.

Attachments

Report for County Manager Approved Contracts Under $50,000 for weeks Ending 12-5-14; 12-12-14; and 12-19-14

Amendment No. 1 to Service Agreement No. 051214-1 with Pueblo Mechanical

Amendment No. 1 to Professional Service Agreement 010214 with Dr. Hayes

Amendment No 1 to Service Agreement 052314 with Miner Docks, Doors and More

Extended Warranty Plan for Voice Logging Recorder for Payson Jail with Goserco Inc.

Extended Warranty Plan for Voice Logging Recorder for Globe Jail with Goserco Inc.

Authorization to utilize State contract with Western Fence Co., Inc.

Service Agreement No. 110614 with Azteca Glass

Equipment Service Agreement with Griffin's Propane Inc.

Service Agreement No. 112414 with Quality Crane Services

Service Agreement No. 120214-1 with Rodriguez Constructions

Service Agreement No. 120114-1 with Mountain Retreat Builders

Amendment No 1 Mountain Retreat 110314-1 with Mountain Retreat Builders

Service Agreement No. 120114-2 with Arizona Style Construction, LLC

Service Agreement No. 110414 with Bridgers and Paxton Consulting Engineers

Service Agreement No. 102714 with Kwik Kool Refrigeration

Service Agreement No. 082814-1 with Durham Communications Inc.

Service Agreement No. 120414-2 with RC Upholstery
Service Agreement No. 120414-1 with Wrangler Plumbing and Pumping
Service Agreement No. 120414-3 with Service Plus, Inc.

COUNTY MANAGER APPROVED CONTRACTS UNDER $50,000

December 1, 2014 to December 5, 2014

Number/Vendor	Title	Amount	Term	Approved	Renewal Option	Summary
051214-1 Pueblo Mechanical	Amendment No. 1 to Service Agreement No. 051214-1 Gila County Jail Water Treatment	$2,000.00	05-21-14 to 5-20-15	12-3-14	Option to renew for two 1 year periods	The Sheriff's office had another emergency request for repairs to the boiler system. Public Works felt an amendment was in order, to increase the contract amount by $2,000 to cover the new emergency repair and any other repairs that may become necessary during the course of the contract.
010214 Dr. Michael Hayes, D.O.	Amendment No. 1 to Professional Services Contract No. 010214 Medical Director Services Sheriff's Office	$42,343.00	01-8-15 to 1-7-16	12-3-14	Option to renew for four 1 year periods	The Consultant will provide Medical Director Services for the Gila County Sheriff's Office Adult and Juvenile Detention Centers in Globe and Payson, Arizona. The services shall be provided on an "as need" basis as requested by the Sheriff's Office. Services shall be provided for a one year period with the County's option of four additional one year renewals. The contract expires 01-07-15. Amendment No. 1 will extend the contract for one additional year.
052314 Miner Docks, Doors & More	Amendment No. 1 to Service Agreement No. 052314 Security Gate for Courthouse 2nd Floor Security Area	$807.57	07-30-14 to 9-30-14	12-3-14	Option to renew for four 1 year periods	The contractor installed the security gate in the Courthouse. The original bid did not include the facia for the wall around the door or the sales tax. Amendment No. 1 has been issued to cover the additional costs of $807.57. The work was completed in July 2014.

December 1, 2014 to December 5, 2014

Number/Vendor	Title	Amount	Term	Approved	Renewal Option	Summary
Goserco, Inc.	Extended Warranty Plan for Voice Logging Recorder-Payson Sheriff's Office	$4,132.73	01-1-15 to 12-31-15	12-3-14	Expires	Extended Warranty Plan for Voice Logging Recorder for the Gila County Sheriff's Office/Jail Control Center in Payson, AZ.
Goserco, Inc.	Extended Warranty Plan for Voice Logging Recorder-Globe Sheriff's Office	$4,315.05	01-1-15 to 12-31-15	12-3-14	Expires	Extended Warranty Plan for Voice Logging Recorder for the Gila County Sheriff's Office/Jail Control Center in Globe, AZ.
ADSPO13-046426 Western Fence Co., Inc.	Authorization to utilize State Contract with Western Fence Co., Inc.	$35,739.00	12-3-14 to 2-28-15	12-3-14	Option to renew for four 1 year periods	For security purposes, fencing and gates need to be installed at the South side of the Globe Courthouse. This will restrict vehicle and pedestrian access to only those with an approved key card.

December 8, 2014 to December 12, 2014

Number/Vendor	Title	Amount	Term	Approved	Renewal Option	Summary
110614 Azteca Glass	Service Agreement No. 110614 Window Replacement Fairgrounds Exhibit Hall Building	$891.28	12-10-14 to 12-24-15	12-10-14	Expires	The glass panel in both doors of the Exhibit Hall at the Fairgrounds need to be replaced. They are cracked. Safety is compromised. The contractor will replace the glass in both doors with laminated glass for safety.
801386 Griffin's Propane, Inc.	Equipment/Service Agreement for lease of 500 Gallon Propane Tank	N/A	From date signed until terminated	12-10-14	N/A	The tank for the propane used for heating and water heater at the Young sub-station belonged to Pleasant Valley Propane. Griffin's Propane bought out that company. This agreement is necessary so that the tank will remain in the Young yard.

December 8, 2014 to December 12, 2014

Number/Vendor	Title	Amount	Term	Approved	Renewal Option	Summary
112414 Quality Crane Services	Service Agreement No. 112414 Annual Crane Inspections	$1,480.00	12-1-14 to 13-30-15	12-10-14	Expires	Annual OSHA inspections of the mobile cranes mounted on the service trucks and the fixed cranes in the Payson and Globe shops.
120214-1 Rodriguez Construction Inc.	Service Agreement No. 120214-1 Major Rehabilitation Project No. HH#131-01	$46,426.00	12-10-14 to 06-30-15	12-10-14	Expires	Contractor will provide all labor and materials for construction including, but not limited to, replace fascia/box eves, tear off existing roof and install new, upgrade electric to 200 amp service, electric repairs, install new vinyl replacement windows, exterior side walls, caulk house complete, install furnace a/c system, and blow fiberglass into open attic.
120114-1 Mountain Retreat Builders	Service Agreement No. 120114-1 Weatherization Project No. HH#6414	$10,750.00	12-10-14 to 06-30-15	12-10-14	Expires	Contractor shall perform the following scope of work: replace the refrigerator, install a furnace system complete with duct work, install a 1 ½ ton A/C unit, install duct work on belly of home, seal furnace cabinet, remove and/or seal up ceiling duct/vents, and remove single pane windows.
110314-1 Mountain Retreat Builders	Amendment No. 1 to Service Agreement No. 110314-1 Weatherization Project No. HH#7298	$950.00	12-10-14 to 06-30-15	12-10-14	Expires	Contractor shall perform roof repairs that were not part of the original scope of work. The unforeseen repairs are necessary to protect the insulation and air sealing.

December 8, 2014 to December 12, 2014

Number/Vendor	Title	Amount	Term	Approved	Renewal Option	Summary
120214-2 Arizona Style Construction, LLC	Service Agreement No. 120214-2 Major Rehabilitation Project No. HH#131-02	$49,156.00	12-10-14 to 06-30-15	12-10-14	Expires	Scope of work to include, but not limited to: replace/install facia, replace/install soffit, upgrade electric to 20 AMP service, install new vinyl replacement windows, install exterior door, install gas pack system complete with duct work, install base and wall cabinets and countertop, and paint house.
110414 Bridgers & Paxton Consulting Engineering, Inc.	Service Agreement No. 110414 Electrical Engineering Design Copper Administration Building	$2,506.00	12-10-15 to project completion, approximately 11 months	12-10-14	Expires	In order to bring electricity to the site for the Copper Administration Building at 1350 E. Monroe Street in Globe, AZ., we need a detailed electrical plan. APS will require drawings and electrical loads to determine transformer size and line placement.
102714 Kwik Kool Refrigeration	Service Agreement No. 102714 HVAC Repair & Maintenance Southern Gila County	$4,500.00	12-10-15 to 12-9-16	12-10-14	Option to renew for 2 one year periods	Facilities wants a blanket Purchase Order with an HVAC company that can respond to heating and cooling problems in Southern Gila County.

December 15, 2014 to December 19, 2014

Number/Vendor	Title	Amount	Term	Approved	Renewal Option	Summary
082814-1 Durham Communications, Inc.	Service Agreement No. 082814-1 Radio Communication Sheriff's Office/Task Force	$9,050.15	12-17-14 to 06-30-15	12-17-14	Expires	Radios are needed for communication with San Carlos, who are digital. Communication needed while out checking for marijuana grows and other details with the Task Force/Sheriff's Office.

December 15, 2014 to December 19, 2014

Number/Vendor	Title	Amount	Term	Approved	Renewal Option	Summary
120414-2 RC Upholstery	Service Agreement No. 120414-2 Re-Upholster Charis for County Assessor's Office	$350.00	12-17-14 to 03-16-15	12-17-14	Expires	Contractor will re-upholster six chairs that are used for customers. To save money, the Assessor chose to go with get the chairs re-upholstered as opposed to the expense of replacing them.
120414 Wrangler Plumbing & Pumping	Service Agreement No. 120414 Sewer and Toilet Repair Payson Sheriff's Office	$1,079.17	12-17-14 to 01-16-15	12-17-14	Expires	The Payson Sheriff's Office Jail sewer is regularly plugging and the toilets leak water and need a shut off valve for when the water is leaking.
120414-3 Service Plus, Inc.	Service Agreement No. 120414-3 Boiler Repair Sheriff's Office	$4,300.56	12-17-14 to 12-26-14	12-17-14	Expires	Contractor will replace all deteriorated copper and fittings on boiler plumbing, as well as replace left pump motor and housing at the Payson Sheriff's office.

AMENDMENT NO. 1 to SERVICE AGREEMENT NO. 051214-1

The following amendments are hereby incorporated into the agreement for the below project

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GILA COUNTY JAIL WATER TREATMENT

SHERIFF'S OFFICE

Effective May 21, 2014, Gila County and Pueblo Mechanical, Inc., Inc. entered into a contract whereby Pueblo Mechanical, Inc., Inc. agreed to provide water treatment services on the boiler at the boiler at the Globe jail every two months.

Service Agreement No. 051214-1 was issued for a total flat fee of $2,393.04. Amendment No 1 to Service Agreement 051214-1 is being issued to request an addition to the contract scope in the amount of Two Thousand dollars and no/100's ($2,000.00), to cover the added cost of emergency repairs to the Boiler system and any additional costs that may incur during the May 21, 2014 to May 20, 2015 term.

Consequently, the contract is amended to increase the contract amount by $2,000.00 for a new total contract amount of Four Thousand, Three Hundred Ninety-Three dollars and 04/100's (4,393.04).

All other terms, conditions and provisions of the original Contract, shall remain the same and apply during the May 21, 2014 to May 20, 2015 renewal period.

IN WITNESS WHEREOF, two (2) identical counterparts of this amendment, 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 this 3 day of December, 2014.

GILA COUNTY:

Don E. McDaniel Jr., County Manager

Date: 12/3/14

PUEBLO MECHANICAL, INC.

Signature

Mark R Christensen

Print Name

AMENDMENT NO. 1 TO PROFESSIONAL SERVICES CONTRACT NO. 010214

The following amendments are hereby incorporated into the contract documents for the below stated project:

PROFESSIONAL SERVICES CONTRACT 010214
MEDICAL DIRECTOR SERVICES

DR. MICHAEL HAYES, D.O.

Effective January 08, 2014, Gila County and Dr. Michael Hayes, D.O. entered into a contract whereby Dr. Michael Hayes, D.O. agreed to provide Medical Director Services to the Sheriff's Office Adult and Juvenile Detention Centers in Globe and Payson, Arizona.

Professional Service Contract No. 010214 will expire on January 07, 2015. Per Article IX – Term, Gila County shall have the right, at its sole option, to renew the contract for four (4) additional one (1) year periods.

Amendment No. 1 to Professional Services Contract No. 010214, will allow for Gila County to exercise the option to renew the term of the agreement for one (1) one (1) year term, from January 08, 2015 to January 07, 2016.

Consultant will continue to bill for services pursuant to Article X – Payment, of the original contract, but in no event shall charges for the January 08, 2015 to January 07, 2016 extension exceed $42,343.00 without prior written agreement of the County.

All other terms and conditions of the original agreement shall remain in full force and affect during the term of the contract.

IN WITNESS WHEREOF, two (2) identical counterparts of this amendment, 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 this 3 day of DECEMBER, 2014.

GILA COUNTY:

Don E. McDaniel Jr., County Manager

Date: 12/3/14

DR. MICHAEL HAYES D.O.

Signature

Michael Hayes
Print Name

AMENDMENT NO. 1 to SERVICE AGREEMENT NO. 052314

The following amendments are hereby incorporated into the agreement for the below project

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SECURITY GATE FOR COURTHOUSE 2ND FLOOR SECURITY AREA

SUPERIOR COURT

Effective July 30, 2014, Gila County and Miner Docks, Doors, & More entered into a contract whereby Miner Docks, Doors, & More agreed to provide the security gate for the 2nd floor area.

Service Agreement No. 052314 was issued for a total flat fee of $3,842.00. Amendment No 1 to Service Agreement 052314 is being issued to request an addition to the contract amount, in the amount of Eight Hundred dollars and 57/100's ($807.57), to cover the added cost of the facia for the wall around the door and the sales tax from the original contract. Refer to attached Attachment "A" to Amendment No. 1 to Service Agreement 052314 by mention made a binding part of this Amendment.

Consequently, the contract is amended to increase the contract amount by $807.57 for a new total contract amount of Four Thousand, Six Hundred Seven dollars and 57/100's ($4,649.57).

All other terms, conditions and provisions of the original Contract, shall remain the same and apply.

IN WITNESS WHEREOF, two (2) identical counterparts of this amendment, 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 this 21st day of November, 2014.

GILA COUNTY:

Don E. McDaniel Jr., County Manager

Date: 12/3/14

MINER DOCKS, DOORS & MORE

Signature

Robert Flecken

Print Name

MINER
Docks, Doors & More
Done Right. Right Now.
www.minercorp.com

Miner Southwest LLC
2848 N Omaha
Mesa, AZ 85215
602.426.1200 phone
602.426.0104 fax

INVOICE

Invoice No:	MSW-1407856-IN
Date:	7/30/2014

www.minercorp.com

BILL TO:

Customer Number: 07-0020728
GILA COUNTY FACILITY MGMNT
ATTN: ACCOUNTS PAYABLE
1400 E ASH STREET
Globe, AZ 85501

SHIP TO:

GILA COUNTY COURTHOUSE
1400 E ASH
GLOBE, AZ 85501

Order Number: 0060793

CUSTOMER P.O.	SHIP VIA	F.O.B.	TERMS
PO TO FOLLOW			NET 30 DAYS

ITEM NUMBER AND DESCRIPTION	ORDERED	SHIPPED	B/O	PRICE	TOTAL
INVOICE FOR MATERIAL AND INSTALLATION OF 1ea ESG10 7x7 ROLLING GRILLE					

Please remit to:
Miner Southwest
11827 Tech Com, Ste.115
San Antonio, TX 78233
830.627.8600

Net Invoice:	$3,842.00
Less Discount:	$0.00
Sales Tax:	$226.82
Invoice Total:	$4,068.82

MINER
Docks, Doors & More
Done Right. Right Now.
www.minercorp.com

Miner Southwest LLC
2848 N Omaha
Mesa, AZ 85215
602.426.1200 phone
602.426.0104 fax

INVOICE

Invoice No:	MSW-1407745-IN
Date:	7/28/2014

www.minercorp.com

BILL TO:

Customer Number: 07-0020728
GILA COUNTY FACILITY MGMNT
ATTN: ACCOUNTS PAYABLE
1400 E ASH STREET
Globe, AZ 85501

SHIP TO:

GILA COUNTY COURTHOUSE
1400 E ASH
GLOBE, AZ 85501

Order Number: 0061138

CUSTOMER P.O.	SHIP VIA	F.O.B.	TERMS
PER QUOTE			NET 30 DAYS

ITEM NUMBER AND DESCRIPTION	ORDERED	SHIPPED	B/O	PRICE	TOTAL
INVOICE FOR MATERIAL AND INSTALLATION OF 2ea 1.75x4.5x1.75x83.5" BRAKE METAL 1ea 4.5x4.5x4.5x84" BRAKE METAL					

Please remit to:
Miner Southwest
11827 Tech Com, Ste.115
San Antonio, TX 78233
830.627.8600

Net Invoice:	$550.00
Less Discount:	$0.00
Sales Tax:	$30.75
Invoice Total:	$580.75

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

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/PAYSON.** 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, 2015**, and terminates at 11:59 pm **DECEMBER 31, 2015**.

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

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	70000791	48 VOIP & 16 Analog	4,132.73
TAX				
TOTAL				4,132.73

Goserco, Inc.	Kit Ricci	Customer Name	GILA COUNTY SHERIFF/PAYSON
Authorized Signature		Authorized Signature	
Today's Date	November 07, 2014	Today's Date	12/3/14

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.

12/3/14

Date

GOSERCO, INC

Individual Authorized to Sign

CHRISTOPHER RICCI

Print Name

MAINTENANCE CONTRACTS ADMINISTRATOR

Title

11/7/14

Date

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

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, 2015**, and terminates at 11:59 pm **DECEMBER 31, 2015**.

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 afterhour's 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

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.).

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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	4,315.05
TAX				
TOTAL				4,315.05

Goserco, Inc.	Kit Ricci	Customer Name	GILA COUNTY SHERIFF/GLOBE-JAIL
Authorized Signature		Authorized Signature	
Today's Date	November 07, 2014	Today's Date	12/3/14

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.

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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.

12/3/14

Date

GOSERCO, INC

Individual Authorized to Sign

CHRISTOPHER RICCI

Print Name

MAINTENANCE CONTRACTS ADMINISTRATOR

Title

11/7/14

Date

EXECUTIVE SUMMARY FORM

Contract Name: Security Fence and Gates at Globe Courthouse **Contract No.:** ADSPO13-046426 Procure AZ

Statement of Purpose and Need (3-5 Sentences)
For security purposes, fencing and gates need to be installed at the South side of the courthouse. This will restrict vehicle and pedestrian access to only those with an approved key card.

Contract End Date: 12-03-14 to 02-28-15 **Renewal Option:** ☐ Yes ☒ No

Maximum Dollar Limit: $35,739.00

Contract Information

Firm Name: Western Fence Co., Inc. **Contact Person:** Bill Jenkins

Address: P.O. Box 5403 **Phone No:** 602-244-0368

City: Phoenix **State:** AZ **Fax:** **Email:** bill@westernfencecompany.net

Fund: Capital Improvements/PW/Globe Bldg Repair/Capital Outlay-Construction in Progress **Type of Funds:** ☐ Restricted

Fund Code: 1007.341.876.4500.19 ☐ Grant ☐ General Fund ☐ Other

Date Sent for Legal Review: n/a **Date Returned:**

Special Notes:
Gila County is part of the Arizona State Purchasing Cooperative for cooperative purchasing. By using the contract established between the State of Arizona and Western Fence Co., Inc., it will save the county in both time and money for a rate that already been established in the State Procurement Office bidding process.

Authorization to use a Cooperative Purchasing Agreement with the State of Arizona Procurement Office, Contract No. ADSPO13-0462426, for Fencing Materials approved this 03RD **day of** DECEMBER **. 2014.**

GILA COUNTY MANAGER

Don E. McDaniel, Jr.

GATE AUTOMATION
CHAINLINK FENCING
ORNAMENTAL IRON
CONSTRUCTION SITE FENCING
MATERIAL ONLY
SPLIT RAIL

ATTN: ROBERT

Western Fence Co., Inc.

K-14 ROC217412
Since 1947

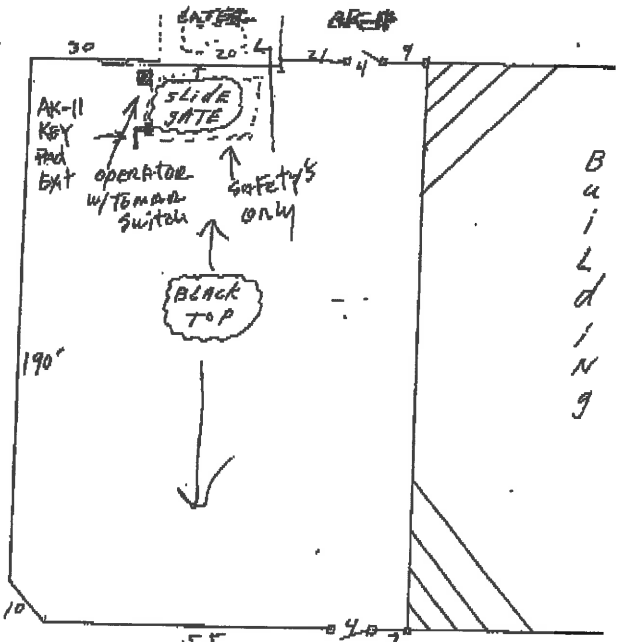
P.O. Box 5403
Phoenix, Arizona 85010
Phone 602-244-0368
Fax 602-244-0360
westernfence2004@yahoo.com
westernfencecompany.net

TO: GILA COUNTY PUBLIC WORKS DATE: 11-24-14 20____
ADDRESS: 745 N. ROSE MOFFORD WAY PHONE: 928-200-1643
GLOBE, AZ. 85501 EMAIL: RHICKMAN@GILACOUNTYAZ.GOV

We shall furnish and erect fence on property at 1400 E. ASH / GLOBE, AZ. as follows:

_____ Lineal feet of complete fence _____ feet high, overall, including _____ strands of barbed wire, using galvanized _____ wire fabric of No. _____ ga., _____" mesh. _____" OD line posts spaced approx. _____ apart and set in concrete footings _____ deep, with _____" OD top rail and No. _____ ga. tension wire. All framework to be _____

_____ End Posts _____" OD Set in _____' of concrete
_____ Corner Posts _____" OD Set in _____' of concrete
_____ Gate Posts _____" OD Set in _____' of concrete
_____ Gate Posts _____" OD Set in _____' of concrete
_____ Walk Gates _____' Wide of _____" OD frame
_____ Walk Gates _____' Wide of _____" OD frame
_____ Drive Gates _____' Wide of _____" OD frame
_____ Drive Gates _____' Wide of _____" OD frame



Decorative Metal:

Lineal Footage 322 Height 8' Post Sp. 8'
Line Post 3" ☐ Size 14 Ga. ____
Terminal Post 3" ☐ Size 14 Ga. ____
Gate Post 3" ☐ Size 14 Ga. ____
Rail Size 1½ ☐ Ga. 16 Top ✓
____ Mid ____ Bt ✓
Pickets Size 3/4" Ga. 16 Sp. 6" ¢
Curve? ✓ Point? ✓
Gates: Op Sz 2-4x8' Frame ____ Ga ____
Gates: Op Sz 1-20'x8' Frame ____ Ga ____
Gates: Op Sz ____ Frame ____ Ga ____
Concrete Footing 7'
Finish PAINT / ENDURING BRONZE SW7055 MATERIAL + LABOR

For the sum of ..... $ 35,739.00
Sales Tax ..... $ —
Building Permit (See Building Permit Below). $ ____
Total..... $ 35,739.00

BUILDING PERMIT: It is the customers responsibility to obtain building permits including fire department permit and to obtain any variances needed. INIT____

ACCEPTANCE: This Agreement when signed by the Buyers and **Western Fence Co.** and the Sellers at its office, becomes a Contract between the two parties, subject to credit approval by Seller and the Buyers' right to rescind under the "Truth in Lending Act." and is not otherwise subject to cancellation. The undersigned Buyers agree that if this Contract is cancelled or rescinded, except as heretofore provided, for any reason whatsoever, before Seller commences installation to pay to **Western Fence Co.** a sum of money equal to one-third (⅓rd) of the contract price agreed to be paid, as fixed, liquidated and ascertained damages without proof of loss or damage. **The Buyers further agree to furnish and be responsible for fence lines (location of fence) and grades.** INIT_____ This contract does not include any grading, surveying, nor the removal of any fence or plants unless specified in writing. Upon default in payment of any installment, the entire balance to be immediately due and payable with interest at the rate of 24% annum from date of default until paid. It is agreed that the seller shall have a lien on the fence or pipe corral installed until such time as the payment agreed upon herein shall have been made; it is further agreed that if payment in full shall not have been made within 60 days from the date hereof, the seller shall have the right at seller's option to enter buyer's premises and remove the installed fence, posts, gates and appurtenances, in which event seller will be relieved from any further obligation hereunder. In the event it becomes necessary to employ an attorney or collection agency to collect this account or any part thereof, Buyers shall pay all attorney's fees and/or collection costs incurred by Seller. **We assume no responsibility for underground utilities unless advised of their location.** INIT_____

TERMS: 50% DOWN PAYMENT & BALANCE ON COMPLETION UNLESS OTHERWISE SPECIFIED IN WRITING _____

Seller: **Western Fence Co., Inc.** Buyer [signature] 12-03-14
BY: [signature] JOB NO. _____ DATE _____
TITLE: _____ X BUYERS _____
SUBMITTED BY: _____ RER: _____

Tommie C. Martin, District I
610 E. Highway 260 Payson, AZ. 85547
(928) 474-2029

Michael A. Pastor, District II
1400 E. Ash St. Globe, AZ. 85501
(928) 425-3231 Ext. 8753

John D. Marcanti, 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

Jeff Hessenius, Finance Director
Phone (928) 425-3231 Ext. 8743

1400 E. Ash Street
Globe, AZ 85501

SERVICE AGREEMENT NO. 110614

WINDOW REPLACEMENT

FAIRGROUNDS EXHIBIT HALL BUILDING

THIS AGREEMENT, made and entered into this 10TH day of DECEMBER, **2014**, by and between Gila County, a political subdivision of the State of Arizona hereinafter designated the County, and Azteca Glass, 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 the services and products listed in the Scope of Work below and shall do so in a good, workmanlike and substantial manner and to the satisfaction of the County under the direction of the **Public Works Department** 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 Gila County guidelines.

Scope of Work: Refer to attached Attachment "A" to **Service Agreement 110614** by mention made a binding part of this agreement as set forth herein.

Contractor Fee's: Refer to Attachment "A" to **Service Agreement 110614** by mention made a binding part of this agreement as set forth herein. To the extent that the terms and conditions of this Service Agreement conflict with the Terms and Conditions of Attachment "A" to **Service Agreement 110614**, the terms and conditions of this service agreement will prevail and govern the contractual relationship between the parties.

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** or 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** or email to jsgroi@gilacountyaz.gov. 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 – WARRANTY: Contractor expressly warrants that all goods or services furnished under this agreement shall conform to all specifications and appropriate standards, will be new, and will be free from defects in material or workmanship. Contractor warrants that all such goods or services will conform to any statements made on the containers or labels or advertisements for such goods, or services, and that any goods will be adequately contained, packaged, marked and labeled. Contractor warrants that all goods or services furnished hereunder will be merchantable, and will be safe and appropriate for the purpose for which goods or services of that kind are normally used. If Contractor knows or has reason to know the particular purpose for which County intends to use the goods or services, Contractor warrants that such goods or services will be fit for such particular purpose. Contractor warrants that goods or services furnished will conform in all respects to samples. Inspection, test, acceptance of use of the goods or services furnished hereunder shall not affect the Contractor's obligation under this warranty, and such warranties shall survive inspection, test, acceptance and use. Contractor's warranty shall run to County, its

successors, and assigns. Contractor agrees to replace or correct, at Contractor's sole cost and expense, defects of any goods or services not conforming to the foregoing warranty, or improperly installed, as well as guarantee to the County and to the Owner, against liability, losses or damage to any or all parts of the work arising from said installation during a period of two (2) years from date of completion. All guarantees will inure to the benefit of the County and the Owner, their successors or assigns, including equipment warranties, ordinary wear and tear and unusual abuse or neglect excepted.

In the event of failure of Contractor to correct defects in or replace nonconforming goods or services promptly, County, after reasonable notice to Contractor, may make such corrections or replace such goods and services and charge Contractor for the cost incurred by the County in doing so. Contractor recognizes that County's requirements may require immediate repairs in reworking of defective goods, without notice to the Contractor. In such event, Contractor shall reimburse County for those costs, delays, or other damages which County has incurred.

ARTICLE 7 – 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 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 Contract commences on the date it is signed by the County Manager and remains in effect for a period of two weeks from that date.

ARTICLE 15 – PAYMENT/BILLING: Contractor shall be paid an amount not to exceed $891.28 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, Service Agreement No. 110614 has 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: 12/10/14

AZTECA GLASS, INC.

Signature

James R. Langley

Print Name

Proposal

Azteca Glass, Inc.
1138 W. Grant St. Phoenix, AZ 85007
Ph # 602-252-7597 FAX # 602-252-7304

PROPOSAL SUBMITTED TO: Gila County/ ATTN: Jeannie Sgroi	PHONE:	DATE: 11/12/2014
STREET: 1400 E. Ash Street	JOB NAME: Gila County Fairgrounds	
CITY, STATE, and ZIP Globe, AZ 85501	JOB LOCATION: 800 E. Fairgrounds Rd.	
FAX # 928-402-4386	jsgroi@gilacountyaz.gov	

RE: Gila County Fairgrounds

Estimate to furnish and install:
2- BI: 32 x 78 x 1/4" Clear Laminated Door lites

Material	$	590.50
Tax	$	50.78
Labor	$	250.00
	$	891.28

OPTION
Estimate to furnish and install 1/4" Clear Tempered in lieu of laminated

Material	$	473.50
Tax	$	40.72
Labor	$	250.00
	$	764.22

EXCLUSIONS: Bonds, Permits, Cleaning, Filming & Protection of glass
Only standard insurance coverage applies.

We Propose hereby to furnish material and labor - complete with above specifications, for the sum of.

SEE ABOVE Dollars $ SEE ABOVE

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 cost 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 Workmen's Compensation Insurance. No cleaning of glass is included.

1 ½% Interest charged on accounts that are past 30 days - Plus related collection fees and services if warranted.

Any insurance requirement other than the standard will be charged for accordingly.

Authorized Signature: _____

NOTE: This proposal may be withdrawn by us if not accepted within 30 days.

If this proposal is accepted by the contractor it becomes a binding part of the contract, and can not be altered for price or content regardless of whether it is signed or not.

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 _____

801386

Griffin's Propane, Inc.

www.griffinspropane.com

NPGA National PROPANE GAS Association

PROPANE EXCEPTIONAL ENERGY

EQUIPMENT / SERVICE AGREEMENT

"CUSTOMER" Name: Gila County Finance Dept. **Phone** 928-425-3231

Billing Address: 1400 E Ash ST (Street) Globe (City) AZ (State) 85501 (Zip)

Installation Address:

Administration (Street) Young (City) AZ (State) 85554 (Zip)

Directions to Installation Address: _____

GPS Reading: _____

Property Owner's Name: _____ Phone _____
(If different from Customer)

Property Owner's Address: (If different from installation address)

Street City State Zip

The "CUSTOMER", agrees to purchase from Griffin's Propane, Inc., the "COMPANY", all of the customer's requirements for LP-Gas for use at the installation address during the term of this agreement. The terms and conditions of the agreement are set forth below and upon the reverse side hereof.

The COMPANY further agrees to:

- provide dependable quality service by trained employees
- provide an emergency contact phone number
- provide gas deliveries on a regular delivery route
- provide maintenance of the storage container
- provide an easy Energy "Budget" Payment Plan
- provide safety and usage material
- provide an initial GAS Check or Pressure Test at the prevailing market price

The CUSTOMER further agrees to:

- allow the COMPANY access to equipment at all times
- promptly pay the COMPANY for all charges incurred under this agreement
- pay a service charge on all past due accounts
- pay a special off route delivery charge if not on "Keep Full" system
- not allow anyone to tamper of modify with the gas system
- read and follow all safety literature provided by the COMPANY
- pay a minimum service fee if annual propane volume purchased is less than twice the capacity of the tank

The COMPANY acknowledges the CUSTOMER has paid a refundable deposit in the amount of $_____ and the CUSTOMER agrees to pay the following fees for the use of the following equipment:

1. 500 GALLON TANK SERIAL # 574225 $ LOAN P/ YEAR
INCLUDING ANY BLOCKS, REGULATOR, AND PIGTAIL — Non-Refundable / Non-Transferable

2. OTHER: _____ SERIAL # _____ $ _____ P/ YEAR
Non-Refundable / Non-Transferable

IMPORTANT SAFETY INFORMATION

PROPANE IN ODORIZED. Learn to recognize the odor of propane gas. To become familiar with the smell of propane, on your next gas delivery, ask your serviceman to demonstrate the odor of propane so that you and your family members will be able to detect this odor.

IF YOU DETECT THE ODOR OF PROPANE, you should immediately:

1. Extinguish all smoking material and other open flames. Do not operate any switches, thermostats, appliances or telephones.
2. Immediately get everyone out of the building, vehicle, trailer, or area.
3. Close all gas tanks or cylinder supply valves.
4. Use your neighbor's telephone to call us.
5. Do not re-enter the building, vehicle, trailer, or area and leave the gas turned off until the leak is found and repaired.

HEATING WITH UNVENTED GAS APPLIANCES. There is a danger of asphyxiation if you use ranges, ovens and unvented heaters for warmth. Oxygen in the room can be depleted. Carbon Monoxide can build up in an inadequately ventilated building and cause headaches, nausea and even death. Heavy moisture build-up on walls and windows is an indicator. If these conditions exist, immediately ventilate with fresh air. Then call us to locate and fix the problem.

TAMPERING WITH GAS EQUIPMENT IS DANGEROUS. Never tamper with, apply force to or use tools on the gas controls of your gas appliances. If the control knob will not operate easily by hand, the gas control must be replaced. Repair must be made only by a trained gas service technician.

WARNING STATEMENT. Propane is an extremely flammable gas. Propane vapor reduces oxygen available for breathing and may cause suffocation in confined spaces. Propane liquid may cause freeze burn similar to frostbite. Propane can contain small quantities of chemicals known to cause cancer or birth defects.

IF YOU CAN'T LIGHT IT, DON'T FIGHT IT. Before attempting to ignite a pilot light, read all manufacturer's instructions. A pilot light is designed NOT TO LIGHT if there is a problem. If a pilot light will not light, shut off your gas and call us.

DON'T LET YOUR TANK RUN OUT OF GAS. When you allow the tank to run out of gas, you create a potential hazard. If a gas valve has been left open and an appliance is moved or a gas line left open, a leak could occur when the system is recharged for propane. For comfort and safety, never let your gas system run out of propane.

KNOW HOW TO CONNECT A PROPANE CYLINDER FOR USE. Read and follow all instructions on the propane cylinder label. Read the instructions supplied by the manufacturer of your gas grill or appliance. If you don't have instructions or need assistance, call us. We can provide you with the necessary instructions and training.

I have also read and understand the above safety information and the Terms and Conditions on the back of this form.

Customer Signature [signature] Date 12/10/14
DONE. McDANIEL, JR., COUNTY MANAGER

Company Representative Sandra Miles Date 11-19-14

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

John D. Marcanti, 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

Jeff Hessenius, Finance Director
Phone (928) 425-3231 Ext. 8743

1400 E. Ash Street
Globe, AZ 85501

SERVICE AGREEMENT NO. 112414

ANNUAL CRANE INSPECTIONS

THIS AGREEMENT, made and entered into this 10TH day of DECEMBER, **2014,** by and between Gila County, a political subdivision of the State of Arizona hereinafter designated the County, and **Quality Crane Services, Inc.**, of the City of **Peoria**, 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 the services and products listed in the Scope of Work below, and shall do so in a good, workmanlike, and substantial manner and to the satisfaction of the County under the direction of the Gila County Globe Shops Manager and the Timber Shop 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. All work must be performed in conformance with industry standards and best practices.

Scope of Work: Contractor shall all provide labor and materials, as identified on Attachment "A" to Service Agreement No. 112414, by mention made a binding part of this agreement as set forth herein.

Contractor Fee's: Refer to Attachment "A" to Service Agreement No. 112414, by mention made a binding part of this agreement as set forth herein.

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** or 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** or email to jsgroi@gilacountyaz.gov. 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 – 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 8 – 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 9 – 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 10 – 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 11 – 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 12– WARRANTY: Contractor expressly warrants that all goods or services furnished under this agreement shall conform to all specifications and appropriate standards, will be new, and will be free from defects in material or workmanship. Contractor warrants that all such goods or services will conform to any statements made on the containers or labels or advertisements for such goods, or services, and that any goods will be adequately contained, packaged, marked and labeled. Contractor warrants that all goods or services furnished hereunder will be merchantable, and will be safe and appropriate for the purpose for which goods or services of that kind are normally used. If Contractor knows or has reason to know the particular purpose for which County intends to use the goods or services, Contractor warrants that such goods or services will be fit for such particular purpose. Contractor warrants that goods or services furnished will conform in all respects to samples. Inspection, test, acceptance of use of the goods or services furnished hereunder shall not affect the Contractor's obligation under this warranty, and such warranties shall survive inspection, test, acceptance and use. Contractor's warranty shall run to County, its successors, and assigns. Contractor agrees to replace or correct, at Contractor's sole cost and expense, defects of any goods or services not conforming to the foregoing warranty, or improperly installed, as well as guarantee to the County and to the Owner, against liability, losses or damage to any or all parts of the work arising from said installation during a period of two (2) years from date of completion. All guarantees will inure to the benefit of the County and the Owner, their successors or assigns, including equipment warranties, ordinary wear and tear and unusual abuse or neglect excepted.

In the event of failure of Contractor to correct defects in or replace nonconforming goods or services promptly, County, after reasonable notice to Contractor, may make such corrections or replace such goods and services and charge Contractor for the cost incurred by the County in doing so. Contractor recognizes that County's requirements may require immediate repairs in reworking of defective goods, without notice to the Contractor. In such event, Contractor shall reimburse County for those costs, delays, or other damages which County has incurred.

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 December 01, 2014 and expires November 30, 2015.

ARTICLE 15 – PAYMENT/BILLING: Contractor shall be paid a flat fee of **$1,480.00** 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, Service Agreement No. 112414 has 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: 12/10/14

QUALITY CRANE SERVICES, INC.

Signature

HENRY BELA

Print Name

ATTACHMENT "A" TO SERVICE AGREEMENT NO. 112414

OSHA/MSHA Inspections *Preventive Maintenance* *Repair* *Engineering* *Parts*

QUALITY CRANE SERVICES, INC.

7227 W. MONTE CRISTO AVE. PEORIA, AZ 85382

(623) 773-2500 FAX (623) 486-0103 qualitycrane@cox.net

PROPOSAL NO. 1124-14

Date: 11/25/14

Attn: Jeannie Sgroi
Gila County

From: Henry Bela

Re: Annual Crane Inspection

==========

Globe Cranes: $800.00

Payson Cranes: $680.00

Inspection Report and decal will be provided for each crane.

Cost for both locations: $1,480.00

Tommie C. Martin, District I
610 E. Highway 260, Payson, AZ. 85547
(928) 474-2029

Michael A. Pastor, District II
1400 E. Ash St. Globe, AZ. 85501
(928) 425-3231 Ext. 8753

John D. Marcanti, 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

Jeff Hessenius, Finance Director
Phone (928) 425-3231 Ext. 8743
Fax: (928)425-7056

1400 E. Ash Street
Globe, AZ 85501

SERVICE AGREEMENT NO. 120214-1

MAJOR REHABILITATION HH#131-01

THIS AGREEMENT, made and entered into this 10TH day of DECEMBER, **2014,** by and between Gila County, a political subdivision of the State of Arizona hereinafter designated the County, and **Rodriguez Construction Inc.**, of the City of Miami, 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 the services and products listed in the Scope of Work below for Major Rehabilitation HH#131-01, and shall do so in a good, 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 Attachment "A" to **Service Agreement No. 120214-1,** by mention made a binding part of this agreement as set forth herein.

Contractor Fee's: Refer to Attachment "A" to Service Agreement No. 120214-1, by mention made a binding part of this agreement as set forth herein.

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,** or emailed to Jeannie Sgroi at jsgroi@gilacountyaz.gov . 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– WARRANTY

Contractor expressly warrants that all goods or services furnished under this agreement shall conform to all specifications and appropriate standards, will be new, and will be free from defects in material or workmanship. Contractor warrants that all such goods or services will conform to any statements made on the containers or labels or advertisements for such goods, or services, and that any goods will be adequately contained, packaged, marked and labeled. Contractor warrants that all goods or services furnished hereunder will be merchantable, and will be safe and appropriate for the purpose for which goods or services of that kind are normally used. If Contractor knows or has reason to know the particular purpose for which County intends to use the goods or services, Contractor warrants that such goods or services will be fit for such particular purpose. Contractor warrants that goods or services furnished will conform in all respects to samples. Inspection, test, acceptance of use of the goods or services furnished hereunder shall not affect the Contractor's obligation under this warranty, and such warranties shall survive inspection, test, acceptance and use. Contractor's warranty shall run to County, its successors, and assigns. Contractor agrees to replace or correct, at Contractor's sole cost and expense, defects of any goods or services not conforming to the foregoing warranty, or improperly installed, as well as guarantee to the County and to the Owner, against liability, losses or damage to any or all parts of the work arising from said installation during a period of two (2) years from date of completion. All guarantees will inure to the benefit of the County and the Owner, their successors or assigns, including equipment warranties, ordinary wear and tear and unusual abuse or neglect excepted.

In the event of failure of Contractor to correct defects in or replace nonconforming goods or services promptly, County, after reasonable notice to Contractor, may make such corrections or replace such goods

and services and charge Contractor for the cost incurred by the County in doing so. Contractor recognizes that County's requirements may require immediate repairs in reworking of defective goods, without notice to the Contractor. In such event, Contractor shall reimburse County for those costs, delays, or other damages which County has incurred.

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 June 30, 2015.

ARTICLE 15 - PAYMENT/BILLING: Contractor shall be paid in three separate increments. Contractor shall present an invoice to the Finance Department upon beginning the project for one third (1/3) of the total contract amount. The second invoice for one third (1/3) of the total contract amount shall be presented to the Finance Department by the Contractor upon fifty percent (50%) of project completion. The final invoice for one third (1/3) of the total contract amount shall be presented to the Finance Department by the Contractor upon one hundred percent (100%) completion of the project. This Service Agreement No. 120214-1 is for a total flat fee of **$46,426.00** 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 Service Agreement No. 120214-1, 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 this 10 day of DECEMBER 2014.

GILA COUNTY:

Don E. McDaniel, Jr., County Manager

RODRIGUEZ CONSTRUCTION INC.

Signature

Art Rodriguez

Print Name

Gila County Housing Services
5515 S. Apache Ave.
P.O. Box 1284
Globe Az. 85502
(928)425 - 7631

REVISED SCOPE

RESPEC
Work Write-up

Case Number: CDBG131-13-01

BID TOTAL $: 46 426.00

Property Information:

BID OPENING DATE 0

CONTRACTOR INFORMATION

Name: Rodriguez Const.

Address: P.O. Box 13
Miami AZ 85539

Owner:

Voice: 928.425-7244

Fax: 928-425-5337

email: Art@rodriguez-AZ.Com

Main Structure

Unit Info:

wner

Interior

Main Structure

Single Family

House

General Requirments

1 0000000000 0 NA 0 $_____

Permits and Fees

Contractor to provide all permits and fees required to complete the job to local codes and regulations, including IBC, OSHA, and County Codes. **Base this pricing only on permits you are obtaining. If no permits are needed this item is -0-.**

2 0000000001 0 NA 0 $_____

Alternates and Suggestions

Contractor is encouraged to suggest alternative and better methods to the rehabilitation specialist, and to notify him of items left out or discrepancies. Please use this section to show item and price. Do not add to total.

3 0000000002 0 ea 0 $_____

performance

All work is to comply with Current IBC, or State Building code, Performance Manual guidelines and or local building, electrical and plumbing codes with inspections and permits when applicable.
All work to be done in a quality and professional manner.
All work to include any items or components required for a complete and functional system. Incidental items not mentioned in the specifications or listed in RESPEC that can reasonably and legitimately be inferred to belong to the work described or be necessary, in good practice to provide a complete system shall be furnished and installed as though called out in every detail.

4 0000000003 0 1 0 $_____

ALL LEAD WORK

INTERIM CONTROLS, AND ABATEMENT CONTROLS, REMOVAL OR REPLACEMENT OF LEAD BASED PAINTED SURFACES OR COMPONENTS MUST BE DONE BY TRAINED, LICENSED CONTRACTORS AND WORKERS, AND MUST BE DONE IN ACCORDANCE WITH THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT GUIDELINES, 24 CFR Part 35,et.a.

Roof Repairs

5 0010060006 0 LF 0 $ 2400

Replace Fascia/ box eves

Remove and dispose of all existing fascia and box eves with new material chalk and prime all sides before installation. Caulk all seams and nail with galvanized nails. Finish to match existing.

6 0070010001 0 SF 0 $ 10,000

Tear Off Existing Roof and Install New

Remove existing roofing and pile neatly and haul away immediately. Replace any damaged or rotten roof sheathing, remove Evap cooler and Jack as well as all furnace vents or flue's
Replace all flashing at chimney and install 30# felt paper, aluminum drip edge, new valley metal, vent boots, and new 235 lb. composition 25-year fiberglas shingles.

NOTE: IF EXISTING SHEATHING OR STRUCTURAL MEMBERS ARE DETERIORATED, ROTTED

DAMAGED, THEN THEY MUST BE CALCULATED INTO BID.

-Roof Options: Shasta White or Light Desert Tan.

Drywall

7 0010020016 0 LF 0 $ 400

Repair as Specified

(List any other misc. trim repairs.) Remove the window casing and window jam in bedroom 04 interior per lead report and repair wall with sheet rock to eliminate the old opening leaving a smooth wall matching existing texture on wall.

8 0010120121 0 0 $ 600

Patch holes

Patch holes in the sheet rock in all walls, ceilings and specified areas. Tapped and textured to match existing. No painting unless approved. repair damaged area near main entrance, and all other holes and or gaps and voids.

Electrical

9 0110010006 0 Each 0 $ 2200

Upgrade Electric to (200) Amp Service

Disconnect existing service. Install new (200) amp 3 wire service and panel, complete with a main breaker, and breaker style circuits, with all circuits labeled and balanced. Square D, Cutler-Hammer, Westinghouse or approved equal. Upgrade to meet NEC.

10 0110030008 0 PER F 0 $ 800

Electrical repairs

Repair and dispose of all illegal and defective wiring and boxes. Replace with new wiring, outlets and boxes to code. All unused switches,receptacles,fixtures, and conductors must be removed.

Windows

11 0010100001 0 NO 0 $ 2900

Install New Vinyl Replacement Windows

Install new vinyl, double pane double hung or vertical sliding window in place of all existing windows unless otherwise specified. Make any repairs needed to insure the integrity of rough opening. Include all hardware and trim (exterior wood to to be wrapped). Include drip cap and aluminum screen. All interior and exterior wall repair to be included. Caulk as necessary.
Windows must have Energy Star rating. Central Zone Energy star ratings are u-factor 0.40 solar heat gain 0.55 as of August 2002. **Install new window where evap cooler was located on sidewall.**

Exterior Side Walls

12 0040030001 0 SF 0 $ 8000

Stucco

Prep all exterior walls removing existing siding if needed to install new stucco or repair existing
Install high density foam for insulation value install and screen and expansion and corner joints needed.
lath and two coats of stucco to a minimum of 5/8" with finished pattern matching the existing stucco with all repairs needed to existing.

13 0060020006 0 NO 0 $ 600

Caulk House Complete

Clean all surfaces and caulk to provide leak-free seal according to Performance Manual guidelines inside and out.

14 0100020001 0 SF 0 $ 4000

Paint House Complete

to all bare wood. Allow to dry, and apply finish coat of latex. Include all trim in complete house painting. Prime and paint with a approved quality paint from housing dept and of home owners selection body must meet emissivity requirements and trim may be any color of home owners preference. Interior walls and ceiling after primed and caulked from work repairs needed paint one color home owners choice.

Heating

15	0120010004	0 NO	0	$ 9000

Install Furnace A/C System Complete w/Duct etc.

Install new furnace as specified in wap guidlines including REMOVAL eside mounted evap cooler and, ductwork, thermostat, registers, flue liner and main disconnect to code.****(Flu liner as needed for orphaned gas appliances, water heater etc. If not necessary, indicate in writing.)
Install a new 90+% AFUE, *ENERGY STAR* rated furnace and thermostat as specified including, ductwork, thermostat, registers, and main disconnect to code.
1) size the new furnace to the home per ACCA Manual J, Residential Load Calculations, submit your load calculation form with your bid showing the sizing of the furnace for the design heat load (prior to installation of unit). Do not over size the unit.

This item will be considered incomplete and not paid without sizing specifications.

2) install and vent the unit per manufacturer's instructions (PMI)
3) electrical supply must be a dedicated circuit with a switch at the unit, and install new thermostat.
4) unit must have a minimum 30 inch front clearance, when installed.
5) check the gas input to the unit
6) check the temp. rise and match to the unit (PMI)
7) recheck for gas leaks
8) Check static pressures record and submit to rehab specialist.
All furnace work must meet or exceed NFPA #54, as well as any other local codes
Install the R-8 insulated ductwork for best possible efficiency, Use a reduced plenum system if possible. size all ducts for best performance (PMI) and manual "J" for sizing and number of registers.
1) all joints in return and supply air ducts must be sealed to meet wap standards for new system .5pa.
2) install a filter chamber with a cover and leave home owner 1 case of filters(standard size)
3) install new supply registers.
4) correct room pressures as needed to meet wap standeards of+ or - 3pa

Note: All attic installations of combined heating/cooling or condensing furnace equipment, requires the addition of a properly drained overflow pan.

Insulation

16	0060010001	0 SF	0	$ 2000

Blown fiberglass, Open Attic -(R-38)

Insulate attic. Coverage should be as level as possible and to the depth of material that corresponds with each R value. Each individual manufacturer's recommendation for initially installed thickness and settled density usually found in the coverage table on the material packaging. Material used will meet and conform to ASTM C739-91 and ISS 16 CFR, Part 1209. Note: maintain clearance from combustible materials in accordance with NFPA Requirements. (Install soffit baffles as needed.) make sure we get a picture of depth and also we leave a bag density label on raters and a measured rule installed properly in attic.

Must follow wap guidelines! which includes installing a insulation ruler and a bag density indication label.

Plumbing Repairs

17	0130010003	0 LF	0	$ 800

Repair Water Lines

Remove any defective lines and replace to current plumbing code. Gila County just adopted icc 2012 code.

Total for: House	$ 32500.00
Total for: Interior	$ 11,200
Job Total Cost:	$ 43,700
6.24% SALES TAX	2726.00
CONTRACT AMT	46,426.00

Tommie C. Martin, District I
610 E Highway 260, Payson, AZ. 85547
(928) 474-2029

Michael A. Pastor, District II
1400 E. Ash St. Globe, AZ. 85501
(928) 425-3231 Ext. 8753

John Marcanti, 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

Jeff Hessenius, Finance Director
Phone (928) 425-3231 Ext. 8743

1400 E. Ash Street
Globe, AZ 85501

SERVICE AGREEMENT NO. 120114-1

WEATHERIZATION PROJECT NO. HH#6414

THIS AGREEMENT, made and entered into this 10TH day of DECEMBER, **2014,** by and between Gila County, a political subdivision of the State of Arizona hereinafter designated the County, and **Mountain Retreat Builders**, 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 the services and products listed in the Scope of Work below for Weatherization Project HH#6414, and shall do so in a good, 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 Attachment "A" by mention made a binding part of this agreement as set forth herein.

Contractor Fee's: Refer to Attachment "A" by mention made a binding part of this agreement as set forth herein. Contractor will be paid fifty (50) percent upon presentation of an invoice at the beginning of the project, and the remaining fifty (50) percent upon presentation of an invoice upon completion of the project.

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** or 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** or email to jsgroi@gilacountyaz.gov. 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 – 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 8 – 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 9 – 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 10 – 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 11 – 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 12 – 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 13– TERM: Contract shall be effective date signed by the County Manager and expire on June 30, 2015.

ARTICLE 14 – PAYMENT/BILLING: Contractor shall be paid a flat fee of **$10,750.00** for completion of the projects as outlined in the Scope of Services, in two (2) increments. Contractor shall submit an invoice for fifty percent (50%) upon commencement of the project, followed by an invoice for the remaining fifty percent (50%) upon completion of the project.

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, Service Agreement No. 120114-1 has 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: 12/10/14

MOUNTAIN RETREAT BUILDERS

Signature

John DiDonetto

Print Name

Mountain Retreat Builders, LLC.
ROC #170186

745 E. Senita Dr.
Globe AZ 85502
Phone 928-606-4674

Estimate

DATE--- 11-20-2014

TO:
Gila County Community Services Division
Weatherization Program
5515 S. Apache Ave. Suite #200
Globe, AZ 85501
928-425-7631

FOR DONNA COLLINS
903 E GRANITE DELLS RD # 11
PAYSON, AZ

	DESCRIPTION		AMOUNT
	Per Scope of work		
	Tax included		
		TOTAL	$ 10,750.00

Donna Collins HH#6414

CHARGE THIS INVOICE/DEMAND/REGISTRATION/CC

STATEMENT AS FOLLOWS:

URRD

2000.171_____	URRD14_93 06_01	$_____	URRD Other (can use for anything)
2000.171_4320.81	URRD14_93 06_02	$__2,000.00_____	URRD VOUCHERS/INVOICES

PGCSC

2000.171_4320.81	PGC14_93 11_02	$_____	Minor repair – Srs./Cooler Program

DOE/WAP

2000.171_____	DOE14_93 01_01	$_____	DOE/WAP Admin
2000.171_4340.61	DOE14_93 01_02	$_____	DOE/WAP Training
2000.171_____	DOE14_93 01_03	$_____	DOE/WAP Program Operations
2000.171_____	DOE14_93 01_04	$_____	DOE/WAP Health & Safety

LIHEAP/WAP

2000.171_____	LHP14_93 02_01	$_____	LIHEAP/WAP Admin
2000.171_____	LHP14_93 02_03	$___2,750.00_____	LIHEAP/WAP Program Operations

SWG/WAP

2000.171_____	SWG14_93 03_01	$_____	SWG Admin
2000.171_4320.85	SWG14_93 03_03	$_____	SWG/WAP Program Operations
2000.171_4320.84	SWG14_93 03_03	$_____	SWG/WAP Health & Safety

APS/WAP

2000.171_____	APS14_03 04_01	$_____	APS Admin
2000.171_4320.84	APS14_03 04_03	$__6,000.00_____	APS Vouchers

HOME #309-13

2000.171_4240.10	OOHR13_04 1_03	$_____	HOME Travel
2000.171_4100.10	OOHR13_04 1_05	$_____	HOME Advertising
2000.171_4320.72	OOHR13_04 2_01	$_____	HOME Project 1 / Police
2000.171_4320.72	OOHR13_04 2_02	$_____	HOME Project 2 / Trujillo
2000.171_4320.72	OOHR13_04 2_03	$_____	HOME Project 3 / Smith

AMENDMENT NO. 1 to SERVICE AGREEMENT NO. 110314-1

The following amendments are hereby incorporated into the agreement for the below project

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WEATHERIZATION PROJECT HH#7298

COMMUNITY SERVICES-HOUSING

Effective November 5, 2014, Gila County and Mountain Retreat Builders entered into a contract whereby Mountain Retreat Builders agreed to provide the labor and materials required for performing all work for construction in Weatherization Project No. HH#7298 in Globe, AZ.

Service Agreement No. 110314-1 was issued for a total flat fee of $11,850.00. Amendment No 1 to Service Agreement 110314-1 is being issued to request an addition to the contract scope in the amount of Nine Hundred Fifty dollars and no/100's ($950.00), to cover the added cost of unforeseen additional roof repairs to protect the insulation and air sealing.

Consequently, the contract is amended to increase the contract amount by $950.00 for a new total contract amount of Twelve Thousand Eight Hundred dollars and no/100's ($12,800.00).

All other terms, conditions and provisions of the original Contract, shall remain the same and apply during the November 5, 2014 to June 30, 2015 period.

IN WITNESS WHEREOF, two (2) identical counterparts of this amendment, 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 this 10 day of DECEMBER, 2014.

GILA COUNTY:

Don E. McDaniel Jr., County Manager

Date: 12/10/14

MOUNTAIN RETREAT BUILDERS

Signature

John O'Donnetto

Print Name

Tommie C. Martin, District I
610 E. Highway 260, Payson, AZ. 85547
(928) 474-2029

Michael A. Pastor, District II
1400 E. Ash St. Globe, AZ. 85501
(928) 425-3231 Ext. 8753

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Don E. McDaniel Jr., County Manager
Phone (928) 425-3231 Ext.8761

Jeff Hessenius, Finance Director
Phone (928) 425-3231 Ext. 8743
Fax: (928)425-7056

1400 E. Ash Street
Globe, AZ 85501

SERVICE AGREEMENT NO. 120114-2

MAJOR REHABILITATION HH#131-02

THIS AGREEMENT, made and entered into this 10TH day of DECEMBER, **2014**, by and between Gila County, a political subdivision of the State of Arizona hereinafter designated the County, and **Arizona Style Construction LLC**, of the City of Tucson, 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 the services and products listed in the Scope of Work below for Major Rehabilitation HH#131-02, and shall do so in a good, 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 Attachment "A" to **Service Agreement No. 120114-2**, by mention made a binding part of this agreement as set forth herein.

Contractor Fee's: Refer to Attachment "A" to Service Agreement No. 120114-2, by mention made a binding part of this agreement as set forth herein.

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,** or emailed to Jeannie Sgroi at jsgroi@gilacountyaz.gov . 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– WARRANTY

Contractor expressly warrants that all goods or services furnished under this agreement shall conform to all specifications and appropriate standards, will be new, and will be free from defects in material or workmanship. Contractor warrants that all such goods or services will conform to any statements made on the containers or labels or advertisements for such goods, or services, and that any goods will be adequately contained, packaged, marked and labeled. Contractor warrants that all goods or services furnished hereunder will be merchantable, and will be safe and appropriate for the purpose for which goods or services of that kind are normally used. If Contractor knows or has reason to know the particular purpose for which County intends to use the goods or services, Contractor warrants that such goods or services will be fit for such particular purpose. Contractor warrants that goods or services furnished will conform in all respects to samples. Inspection, test, acceptance of use of the goods or services furnished hereunder shall not affect the Contractor's obligation under this warranty, and such warranties shall survive inspection, test, acceptance and use. Contractor's warranty shall run to County, its successors, and assigns. Contractor agrees to replace or correct, at Contractor's sole cost and expense, defects of any goods or services not conforming to the foregoing warranty, or improperly installed, as well as guarantee to the County and to the Owner, against liability, losses or damage to any or all parts of the work arising from said installation during a period of two (2) years from date of completion. All guarantees will inure to the benefit of the County and the Owner, their successors or assigns, including equipment warranties, ordinary wear and tear and unusual abuse or neglect excepted.

In the event of failure of Contractor to correct defects in or replace nonconforming goods or services promptly, County, after reasonable notice to Contractor, may make such corrections or replace such goods

and services and charge Contractor for the cost incurred by the County in doing so. Contractor recognizes that County's requirements may require immediate repairs in reworking of defective goods, without notice to the Contractor. In such event, Contractor shall reimburse County for those costs, delays, or other damages which County has incurred.

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 June 30, 2015.

ARTICLE 15 – PAYMENT/BILLING: Contractor shall be paid in three separate increments. Contractor shall present an invoice to the Finance Department upon beginning the project for one third (1/3) of the total contract amount. The second invoice for one third (1/3) of the total contract amount shall be presented to the Finance Department by the Contractor upon fifty percent (50%) of project completion. The final invoice for one third (1/3) of the total contract amount shall be presented to the Finance Department by the Contractor upon one hundred percent (100%) completion of the project. This Service Agreement No. 120114-2 is for a total flat fee of **$49,156.00** 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 Service Agreement No. 120114-2, 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 this 10 day of December, 2014.

GILA COUNTY:

Don E. McDaniel, Jr., County Manager

ARIZONA STYLE CONSTRUCTION LLC

Signature

Steve R Craig

Print Name

Gila County Housing Services
5515 S. Apache Ave.
P.O. Box 1254
Globe Az. 85502
(928)425 - 7631

ORIGINAL

RESPEC
Work Write-up

Case Number: 131-13-02

BID TOTAL $: 49,156.00

Property Information:

755 Canyon Drive
Hayden AZ 85135-

Jurisdiction: Town of Hayden
Target Area: General Area
Census: 1
Owner:

BID OPENING DATE 0

CONTRACTOR INFORMATION

Name: ARIZONA STYLE CONSTRUCTION, LLC
Address: 2626 S. CAMINO SECO
TUCSON, AZ 85730

Voice: 520-647-9127
Fax: 520-829-7293
email: azstyleconstruction@cox.net

Interior

Main Structure

Single Family

House

General Requirements

1	0000000000	0 NA	0	$ 1,000.00

Permits and Fees

Contractor to provide all permits and fees required to complete the job to local codes and regulations, including IBC, OSHA, and County Codes. **Base this pricing only on permits you are obtaining. If no permits are needed this item is -0-.**

2	0000000001	0 NA	0	$

Alternates and Suggestions

Contractor is encouraged to suggest alternative and better methods to the rehabilitation specialist, and to notify him of items left out or discrepancies. Please use this section to show item and price. Do not add toTotal.

3	0000000002	0 ea	0	$

performance

All work is to comply with Current IBC, or State Building code, Performance Manual guidelines and or local building, electrical and plumbing codes with inspections and permits when applicable.
All work to be done in a quality and professional manner.
All work to include any items or components required for a complete and functional system. Incidental items not mentioned in the specifications or listed in RESPEC that can reasonably and legitimately be inferred to belong to the work described or be necessary, in good practice to provide a complete system shall be furnished and installed as though called out in every detail.

4	0000000003	0 1	0	$

ALL LEAD WORK

INTERIM CONTROLS, AND ABATEMENT CONTROLS, REMOVAL OR REPLACEMENT OF LEAD BASED PAINTED SURFACES OR COMPONENTS MUST BE DONE BY TRAINED, LICENSED CONTRACTORS AND WORKERS, AND MUST BE DONE IN ACCORDANCE WITH THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT GUIDELINES, 24 CFR Part 35,et.a.

Fascia

5	0010060006	0 LF	0	$ 496.00

Replace/Install Fascia

Remove and dispose of damaged fascia and replace with new material to match existing, as necessary. Install any missing fascia. Prime all sides before installation. Caulk all seams and nail with galvanized screws.

6	0010060003	0 LF	0	$ 606.00

Replace/Install Soffit

Remove and dispose of all existing soffit and replace with new materials. Use galvanized screws, caulk

all seams and prime prior to install.

Exterior Side Walls

7	0040010004	0 SF.	0	$ 525.00

Install Masonry Wall

Install a new 6" wide concrete footing on South and West side of home to divert water run-off.

8	0040030002	0 SF	0	$ 581.00

Repair Stucco

Remove damaged materials to solid surface, wet surface and stucco to match existing surface. Two coat process shall be used.

Note: Repair damaged West & East side stucco. Also repair around gables (if necessary), windows, and doors.

9	0040030001	0 SF	0	$ 2,529.00

Stucco

Install 1" high density foam insulation, lath and two coats of stucco to a minimum of 5/8" on surrounding laundry room plywood finished exterior walls (West and South sides). Also install pop-outs around all windows, doors, and gable vents with existing stucco finish.

10	0040010002	0 NO.	0	$ 425.00

Repair Masonry Pier Post

Remove any damaged material and replace to meet code (Wood to earth replacement where wood rot is prevelant).

11	0060040002	0 NO	0	$ 690.00

Replace Gable Vent

Cut out and install aluminum or vinyl gable vents. If gable studs are cut head off opening.

Electrical

12	0110010006	0 Each	0	$ 1,785.00

Upgrade Electric to 200 Amp Service

Disconnect existing service. Install new 200 amp 3 wire service and panel, complete with a main breaker, and breaker style circuits, with all circuits labeled and balanced. Square D, Cutler-Hammer, Westinghouse or approved equal. Upgrade to meet NEC (2013, current Gila County - New Codes) codes.

13	0110030012	0 SF	0	$ 125.00

Test For/Replace Defective Wiring

Remove and dispose of all defective wiring and replace with new wiring to meet current 2013 NEC code requirements. Pre-approval from Rehab Special if replacement needed.

Plumbing Repairs

14	0130090090	0	0	$ 478.00

Remove/replace gas piping.

Replace all gas piping from meter to stove, water heater, and newly installed GasPak.

Note: Refer to new Gila County 2013 gas/plumbing codes.

15	0130010002	0 LF	0	$ 560.00

Replace Water Lines

Remove and dispose of existing lines, replace with copper lines according to new 2013 Gila County codes.

16	0250010010	0	0	$ 725.00

Replace water Heater & relocate

Replace the water heater as described. Relocate to South side exterior in new manufactured dog house w/ concrete base, and replumb as needed.

17	0130040008	0 NO	0	$ 485.00

Replace Vanity w/Sink

Remove old vanity w/sink and replace with new to code.
Install new vanity w/sink to code complete. (allowance of up to $240.00 for vanity and top, Customer is to have a choice in style and color)
Include trap, faucets, shut off valve, pop-up drain, caulk, etc.Faucet must be of water conserving type with max. flow rate of 2.2 GPM at 60 psi.

18	0130040024	0 NO	0	$ 330.00

Replace Toilet

Remove and dispose of old toilet;
Install new ADA toilet to code as per Performance Manual guidelines.(Manfield, Artisian,Kohler or approved equal)

19	0130050017	0 NO	0	$ 425.00

Install Grab Bars at toilet area

Install new metal grab bar, securely anchored to wall and or floor.
Grab bar must be of 18 gage steel tubing,with 14 gage steel mounting flange welded or brazed to the tube to form a single structural unit.
Rail shall comply with all applicable federal and local building and safty codes.
(Elcoma model 14-563330GTO1, model 01-2618ST01, model number may change with size and style or approved equal)
1) install an ADA approved grab bar at the rear of the toilet
2) install an ADA approved L shaped floor to wall grab bar on one side of the toilet as per manufactures specs.

20	0130050017	0 NO	0	$ 258.00

Install Grab Bars at tub

Install new metal grab bar, securely anchored to wall
Grab bar must be of 18 gage steel tubing,with 14 gage steel mounting flange welded or brazed to the tube to form a single structural unit.
Rail shall comply with all applicable federal and local building and safety codes.
(Elcoma model 14-563330GTO1, model 01-2618ST01, model number may change with size and style or approved equal)
1) install an ADA approved grab bar at the tub
2) install an ADA approved 2 grab on opposing wall as per manufactures specs.

Windows

21	0010100001	0 NO	0	$ 2,760.00

Install New Vinyl Replacement Windows

Install new vinyl, double pane double hung window in place of all existing windows unless size change specified. Make any repairs needed to insure the integrity of rough opening. Include all hardware and trim (stucco pop-outs as per stucco repair specs). All interior lead trim and wall repair to be included. Caulk

as necessary.

Windows must have Energy Star rating. Central Zone Energy star ratings are u-factor 0.40 solar heat gain 0.55 as of August 2002.

Doors

22	0010090002	0 NO	0	$ 2,235.00

Install Exterior Door including Storm

Remove existing sliding doors. Frame in new surrounding windows and new 36" centered door in demo opening. Provide and install white, preprimed steel insulated raised panel exterior 1-3/4" solid core, panel windowed door,(Pease, Thermatru, Stanley or approved equal). Set on 1-1/2 pair 3-1/2 x 3-1/2" butt hinges. Include keyed lockset, doorstop, deadbolt, and vinyl bubble weather-stripping. Owner to paint if desired. Provide and install white, prefinished metal security door. (Larson or approved equal).. Swing to compliment new exterior door. Caulk where necessary.

6'x 6'8"

23	0010090002	0 NO	0	$ 385.00

Install Front Exterior Security Door

Install new security door to East entrance with new hardware/ replace hardware on existing door to match all exterior doors.

24	0010090001	0 NO	0	$ 880.00

Install 2 Interior Door

Provide and install prefinished flush luan mahogany 1-3/8" hollow core door complete with privacy lockset and doorstop. Include any repair to walls to bring to original condition. bathroom door and laundry door.

Insulation

25	0060010006	0 S.F.	0	$ 750.00

Blown Fiberglass, Open Attic - R38

Coverage should be as level as possible, and to the depth of material must have a ruler installed in attic, with bag indication stapled to trusses, corresponding to R- value. According to each individual manufacturer's recommendations for initially installed thickness and settled density: usually found in the coverage table on the material packaging. Material shall meet and conform to ASTM C764-84.

Cooling system

26	0120010004	0 NO	0	$ 6,500.00

Install Gaspak System Complete w/Ductwork etc.

Install new Gaspak as specified including clean out, ductwork, thermostat, registers, flue liner and main disconnect to code.****(Roof mounted GasPak system on South side lean-to roof above laundry. Duct directly into attic gable with R8 insulated duct. Install a new 80% AFUE/14 seer A/C unit with new programmable themostat as specified including, ductwork, registers, and main disconnect to 2013 Gila County code/.WAP guidelines.

1) size the new furnace to the home per ACCA Manual J, Residential Load Calculations, submit your load calculation form with your bid showing the sizing of the furnace for the design heat load. Do not over size the unit. **This item will be considered incomplete and not paid without sizing specifications.**
2) install and vent the unit per manufacturer's instructions (PMI)
3) electrical supply must be a dedicated circut with a switch at the unit.
4) unit must have a minimum 30 inch front clearance, when installed.
5) check the gas input to the unit
6) check the temp. rise and match to the unit (PMI)
7) recheck for gas leaks

All furnace work must meet or exceed NFPA #54, as well as any other local codes
Install the ductwork for best possible efficiency. Use a reduced plenum system if possible.
size all ducts for best performance (PMI) and manual "J" for sizing and number of registers.
1) all joints in return air and supply ducts must be sealed
2) install a filter chamber with a cover

Note: All attic installations of combined heating/cooling or condensing furnace equipment, requires the addition of a properly drained overflow pan.

also: remove old wall heater and patch ext. and int. (insulate). dm

Floor

27	0030010001	0 SF	0	$ 1,765.00

Install Vinyl Tile

Scrape and clean floor free of all debris to ensure smooth uniform surface, set tiles in mastic and follow proper pattern or graining. Include chrome threshold strips at all exposed flooring edges. Tile shall be Armstrong, GAF or approved equal with a minimum five year wear warranty. $1.15 square foot material allowance.
Note: replace in the kitchen in the bathroom and laundry and install new base boards

28	0030010008	0 SF	0	$ 4,059.00

Replace Carpet

Remove and properly dispose of existing carpeting; prepare surface andinstall new carpet with backing and cushioning as per manufacturer's recommendation. Include needed chrome threshold strips. (Material allowance of $12.00 a square yard.)
Note: in bedrooms and in livingroom

Cabinets

29	0010030001	0 LF	0	$ 10,091.00

Install Base and Wall Cabinets and Countertop

Provide and install new mid line series "Kraft Line", "Kitchen Kompact", "American Woodmark", or approved equal base and wall cabinetry. All work to be level, plumb,and true. Cabinets are to be attached to studs in the wall. Seal all holes and openings where pipes, wires and other materials may come through cabinets with removable material such as "Thumb Gum" to keep out any rodents. (Cabinet fronts are to be made of the flat panel/rail design vs. the raised panel type, and wood fronts vs. particle board fronts.)

Install formica or Wilson art laminated counter tops, securely attached to cabinets. All work to be level, plumb, and true. Seal all holes and openings where pipes, wires and other materials may come through cabinets with removable material such as "Thumb Gum" to keep out any rodents. Also attach cabinets to studs in walls. Caulk all seams where counter top meets walls and around sink.

Note: Install base cabinets around entire kitchen and uppers on east and only portions of west walls.

30	0130040011	0 NO	0	$ 399.00

Install Kitchen Sink

Install new stainless steel double bowl sink with faucet assembly, trap, shut off valve, basket, and caulk seal at counter top. complete with low flow delta, Moen or approved equal faucet.

Painting

31	0100020001	0 SF	0	$ 7,309.00

Paint House Complete

Scrape all peeling and loose paint free from surface and apply one coat of breathable acrylic primer to all bare wood. Allow to dry, and apply finish coat of latex. Include all trim in complete house painting. base

of home gets one color light in nature trim of home owners choice, also interior one color of homeowners choice.

NOTE: see lead report must use lead incapsulant prime and paint Ramada, and carport areas positive for

Total for: House	$ 25,506.00
Total for: Interior	$ 23,650.00
Job Total Cost:	$ 49,156.00

Tommie C. Martin, District I
610 E. Highway 260 Payson, AZ. 85547
(928) 474-2029

Michael A. Pastor, District II
1400 E. Ash St. Globe, AZ. 85501
(928) 425-3231 Ext. 8753

John D. Marcanti, 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

Jeff Hessenius, Finance Director
Phone (928) 425-3231 Ext. 8743

1400 E. Ash Street
Globe, AZ 85501

SERVICE AGREEMENT NO. 110414

COPPER ADMINISTRATION BUILDING

ELECTRICAL ENGINEERING DESIGN

THIS AGREEMENT, made and entered into this 10TH day of DECEMBER, **2014,** by and between Gila County, a political subdivision of the State of Arizona hereinafter designated the County, and Bridgers & Paxton Consulting Engineering, Inc., of the City of Phoenix, State of Arizona, hereinafter designated the Engineer.

WITNESSETH: The Engineer, 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 Consultant agrees to provide Professional Engineering Consulting services of the electrical system located at the Copper Administration Building, 1350 E Monroe Street, Globe, Arizona.

Consultant will provide the following:

1. Site plan to include building outline, service entrance locations, primary and secondary feeder locations, connection point to utility.
2. Symbol legend sheet.
3. Drawing sheet with One-Line diagram, size feeders and panels.
4. Building load calculations and fault current calculations.
5. Prepare panel board schedules for new service.
6. Prepare specifications for electrical service work.
7. Site visit at substantial completion for observation of work and punch list preparation.
8. Review and comment on final close-out documents and review of record drawings with memorandum to the County.

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 Consultant 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: Consultant 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 Consultant 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 Consultant 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 Consultant from and against any and all claims. It is agreed that Consultant 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 Consultant 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 Consultant for the County.

ARTICLE 4 – INSURANCE REQUIREMENTS: Consultant 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 Consultant, 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 Consultant from liabilities that might arise out of the performance of the work under this contract by the Consultant, his agents, representatives, employees or subcontractors and Consultant is free to purchase additional insurance as may be determined necessary.

A. **MINIMUM SCOPE AND LIMITS OF INSURANCE:** Consultant 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 Consultant".**

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, Consultant 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 Consultant even if those limits of liability are in excess of those required by this Contract.
2. The Consultant's insurance coverage shall be primary insurance and non-contributory with respect to all other available sources.
3. Coverage provided by the Consultant 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** or 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 Consultant from potential insurer insolvency.

E. **VERIFICATION OF COVERAGE:** Consultant 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** or email to jsgroi@gilacountyaz.gov. 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:** Consultants' certificate(s) shall include all subcontractors as additional insured's under its policies **or** Consultant 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: Consultant hereby warrants that it will at all times during the term of this Contract comply with all federal immigration laws applicable to Consultant's employment of its employees, and with the requirements of A.R.S. § 23-214 (A) (together the "State and Federal Immigration Laws"). Consultant shall further ensure that each subcontractor who performs any work for Consultant 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 Consultant and any subcontractor in order to verify such party's compliance with the State and Federal Immigration Laws.

Any breach of Consultant'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 Consultant 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, Consultant 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.

Consultant 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 Consultant. In the event that remedial action under this Article results in delay to one or more tasks on the critical path of Consultant's approved construction or critical milestones schedule, such period of delay shall be deemed excusable delay for which Consultant shall be entitled to an extension of time, but not costs.

ARTICLE 6 – WARRANTY: Consultant expressly warrants that all goods or services furnished under this agreement shall conform to all specifications and appropriate standards, will be new, and will be free from defects in material or workmanship. Consultant warrants that all such goods or services will conform to any statements made on the containers or labels or advertisements for such goods, or services, and that any goods will be adequately contained, packaged, marked and labeled. Consultant warrants that all goods or services furnished hereunder will be merchantable, and will be safe and appropriate for the purpose for which goods or services of that kind are normally used. If Consultant knows or has reason to know the particular purpose for which County intends to use the goods or services, Consultant warrants that such goods or services will be fit for such particular purpose. Consultant warrants that goods or services furnished will conform in all respects to samples. Inspection, test, acceptance of use of the goods or services furnished hereunder shall not affect the Consultant's obligation under this warranty, and such warranties shall survive inspection, test, acceptance and use. Consultant's warranty shall run to County, its

successors, and assigns. Consultant agrees to replace or correct, at Consultant's sole cost and expense, defects of any goods or services not conforming to the foregoing warranty, or improperly installed, as well as guarantee to the County and to the Owner, against liability, losses or damage to any or all parts of the work arising from said installation during a period of two (2) years from date of completion. All guarantees will inure to the benefit of the County and the Owner, their successors or assigns, including equipment warranties, ordinary wear and tear and unusual abuse or neglect excepted.

In the event of failure of Consultant to correct defects in or replace nonconforming goods or services promptly, County, after reasonable notice to Consultant, may make such corrections or replace such goods and services and charge Consultant for the cost incurred by the County in doing so. Consultant recognizes that County's requirements may require immediate repairs in reworking of defective goods, without notice to the Consultant. In such event, Consultant shall reimburse County for those costs, delays, or other damages which County has incurred.

ARTICLE 7 – LAWS AND ORDINANCES: This agreement shall be enforced under the laws of the State of Arizona. Consultant shall maintain in current status all Federal, State and Local licenses and permits required for the operation of the business conducted by the Consultant. The Consultant 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 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: Consultant is an independent Consultant of the County. Consultant 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. Consultant 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 Consultant that he shall obey all state and federal statutes, rules, and regulations which are applicable to provisions of the services called for herein. Neither Consultant nor any employee of the Consultant shall be deemed an officer, employee, or agent of the County.

ARTICLE 10 – NON-APPROPRIATIONS CLAUSE: Consultant 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 Consultant 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 Consultant for the same supplies or services covered under this Addendum.

ARTICLE 11 – ENTIRE CONTRACT CLAUSE: The Consultant 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 Consultant 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 Contract commences on the date it is signed by the County Manager and remains in effect until final site visit at end of project, approximately eleven months.

ARTICLE 15 – PAYMENT/BILLING: Consultant shall be paid an amount not to exceed $2,506.00 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 Consultant. Purchase orders sent to the Consultant reflect these terms and conditions.

The Consultant 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 Consultant does not have a current W-9.

IN WITNESS WHEREOF, Service Agreement No. 110414 has 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: 12/10/14

BRIDGERS & PAXTON CONSULTING ENGINEERS

Signature

John Montano

Print Name

Tommie C. Martin, District I
610 E. Highway 260 Payson, AZ. 85547
(928) 474-2029

Michael A. Pastor, District II
1400 E. Ash St. Globe, AZ. 85501
(928) 425-3231 Ext. 8753

John D. Marcanti, 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

Jeff Hessenius, Finance Director
Phone (928) 425-3231 Ext. 8743

1400 E. Ash Street
Globe, AZ 85501

SERVICE AGREEMENT NO. 102714

HVAC REPAIR AND MAINTENANCE

SOUTHERN GILA COUNTY

THIS AGREEMENT, made and entered into this 10TH day of DECEMBER, **2014,** by and between Gila County, a political subdivision of the State of Arizona hereinafter designated the County, and Kwik Kool Refrigeration, 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 the services and products listed in the Scope of Work below and shall do so in a good, workmanlike and substantial manner and to the satisfaction of the County under the direction of the **Public Works Department** 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 Gila County guidelines.

Scope of Work: Refer to attached Attachment "A" to **Service Agreement 102714** by mention made a binding part of this agreement as set forth herein.

Contractor Fee's: Refer to Attachment "A" to **Service Agreement 102714** by mention made a binding part of this agreement as set forth herein. To the extent that the terms and conditions of this Service Agreement conflict with the Terms and Conditions of Attachment "A" to **Service Agreement 102714**, the terms and conditions of this service agreement will prevail and govern the contractual relationship between the parties.

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** or 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** or email to jsgroi@gilacountyaz.gov. 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 – WARRANTY: Contractor expressly warrants that all goods or services furnished under this agreement shall conform to all specifications and appropriate standards, will be new, and will be free from defects in material or workmanship. Contractor warrants that all such goods or services will conform to any statements made on the containers or labels or advertisements for such goods, or services, and that any goods will be adequately contained, packaged, marked and labeled. Contractor warrants that all goods or services furnished hereunder will be merchantable, and will be safe and appropriate for the purpose for which goods or services of that kind are normally used. If Contractor knows or has reason to know the particular purpose for which County intends to use the goods or services, Contractor warrants that such goods or services will be fit for such particular purpose. Contractor warrants that goods or services furnished will conform in all respects to samples. Inspection, test, acceptance of use of the goods or services furnished hereunder shall not affect the Contractor's obligation under this warranty, and such warranties shall survive inspection, test, acceptance and use. Contractor's warranty shall run to County, its

successors, and assigns. Contractor agrees to replace or correct, at Contractor's sole cost and expense, defects of any goods or services not conforming to the foregoing warranty, or improperly installed, as well as guarantee to the County and to the Owner, against liability, losses or damage to any or all parts of the work arising from said installation during a period of two (2) years from date of completion. All guarantees will inure to the benefit of the County and the Owner, their successors or assigns, including equipment warranties, ordinary wear and tear and unusual abuse or neglect excepted.

In the event of failure of Contractor to correct defects in or replace nonconforming goods or services promptly, County, after reasonable notice to Contractor, may make such corrections or replace such goods and services and charge Contractor for the cost incurred by the County in doing so. Contractor recognizes that County's requirements may require immediate repairs in reworking of defective goods, without notice to the Contractor. In such event, Contractor shall reimburse County for those costs, delays, or other damages which County has incurred.

ARTICLE 7 – 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 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 Contract commences on the date it is signed by the County Manager and remains in effect for a period of one year from that date, unless terminated earlier pursuant to this contract. The County shall have the option to renew the contract for two (2) additional one (1) year periods upon agreement of both parties.

ARTICLE 15 – PAYMENT/BILLING: Contractor shall be paid an amount not to exceed $4,500 for service and repairs, ***if required during the term of this contract,*** for a total blanket Purchase Order amount not to exceed $4,500.00.

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, Service Agreement No. 102714 has 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: 12/10/14

KWIK KOOL REFRIGERATION, INC

Signature

Kenneth W. Crick

Print Name

KWIK KOOL Refrigeration, Inc.
610 North Broad Street
Globe, Arizona 85501

November 4, 2014

Re: Gila County Quote 102714

KWIK KOOL Refrigeration, Inc. would like to submit this quote as follows:

KWIK KOOL Commercial Regular Hourly Rate		$65.00
Service Call Rate for Copper Region	65.00	
Holiday Rate	97.50	
After Hours Rate (Weekdays)	65.00	
After Hours Rate (Weekends)	97.50	

As noted in the Scope of Work and Specifications:

- 24 Hour Response time
- 3 Hour Response time for 911 or I.T. related issues
- Note major repairs and possible bid process
- Typical service call would be $130 which includes per hour and trip
- Includes Roosevelt facilities

Thank You,

Kenneth W. Crick

Kenneth W. Crick
KWIK KOOL Refrigeration, Inc.

Tommie C. Martin, District I
610 E. Highway 260 Payson, AZ. 85547
(928) 474-2029

Michael A. Pastor, District II
1400 E. Ash St. Globe, AZ. 85501
(928) 425-3231 Ext. 8753

John D. Marcanti, 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

Jeff Hessenius, Finance Director
Phone (928) 425-3231 Ext. 8743

1400 E. Ash Street
Globe, AZ 85501

SERVICE AGREEMENT NO. 082814-1

RADIO COMMUNICATION

SHERIFF'S DEPARTMENT/TASK FORCE

THIS AGREEMENT, made and entered into this 17TH day of DECEMBER, **2014,** by and between Gila County, a political subdivision of the State of Arizona hereinafter designated the County, and Durham Communications, Inc., 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 the services and products listed in the Scope of Work below and shall do so in a good, workmanlike and substantial manner and to the satisfaction of the County under the direction of the **Sheriff's Department** 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 Gila County guidelines.

Scope of Work: Refer to attached Attachment "A" to **Service Agreement 082814-1** by mention made a binding part of this agreement as set forth herein.

Contractor Fee's: Refer to Attachment "A" to **Service Agreement 082814-1** by mention made a binding part of this agreement as set forth herein. To the extent that the terms and conditions of this Service Agreement conflict with the Terms and Conditions of Attachment "A" to **Service Agreement 082814-1**, the terms and conditions of this service agreement will prevail and govern the contractual relationship between the parties.

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** or 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** or email to jsgroi@gilacountyaz.gov. 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 – WARRANTY: Contractor expressly warrants that all goods or services furnished under this agreement shall conform to all specifications and appropriate standards, will be new, and will be free from defects in material or workmanship. Contractor warrants that all such goods or services will conform to any statements made on the containers or labels or advertisements for such goods, or services, and that any goods will be adequately contained, packaged, marked and labeled. Contractor warrants that all goods or services furnished hereunder will be merchantable, and will be safe and appropriate for the purpose for which goods or services of that kind are normally used. If Contractor knows or has reason to know the particular purpose for which County intends to use the goods or services, Contractor warrants that such goods or services will be fit for such particular purpose. Contractor warrants that goods or services furnished will conform in all respects to samples. Inspection, test, acceptance of use of the goods or services furnished hereunder shall not affect the Contractor's obligation under this warranty, and such warranties shall survive inspection, test, acceptance and use. Contractor's warranty shall run to County,

its successors, and assigns. Contractor agrees to replace or correct, at Contractor's sole cost and expense, defects of any goods or services not conforming to the foregoing warranty, or improperly installed, as well as guarantee to the County and to the Owner, against liability, losses or damage to any or all parts of the work arising from said installation during a period of two (2) years from date of completion. All guarantees will inure to the benefit of the County and the Owner, their successors or assigns, including equipment warranties, ordinary wear and tear and unusual abuse or neglect excepted.

In the event of failure of Contractor to correct defects in or replace nonconforming goods or services promptly, County, after reasonable notice to Contractor, may make such corrections or replace such goods and services and charge Contractor for the cost incurred by the County in doing so. Contractor recognizes that County's requirements may require immediate repairs in reworking of defective goods, without notice to the Contractor. In such event, Contractor shall reimburse County for those costs, delays, or other damages which County has incurred.

ARTICLE 7 – 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 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 Contract commences on the date it is signed by the County Manager and remains in effect through June 30, 2015.

ARTICLE 15 – PAYMENT/BILLING: Contractor shall be paid an amount not to exceed $9,050.15 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, Service Agreement No. 082814-1 has 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: 12/12/14

DURHAM COMMUNICATIONS, INC.

Signature

Brian Durham

Print Name

Durham COMMUNICATIONS INC

4611 E. Virginia St.
Mesa, AZ 85215
(480)981-8875
Fax(480)-981-7146

Communication Integration & Solutions Since 1945

PRICE QUOTE 9/4/2014

PRESENTED TO: AZ ROC# 086328 L-67

Summary -
Gila County S.O. request for quote

Contact:	Jeannie Sgrol	Email:	
Organization:	Gila County	Phone:	
Department	S.O.	Fax:	928 402-4386
Address:		Cell:	
City, State Zip:			

Contract Number (State, WSCA, GSA, Other): Fix State contract | Salesperson: Larry Fitchett | Qte #: 09-04-2014-001

ITEM	DESCRIPTION	MODEL	PRICE	QTY	EXTENDED
1	Talt VHF P25 mobile radio package w/ handheld control and speaker	TM9155	$ 1,919.50	2	$ 3,839.00
2			$ -		$ -
3	Talt VHF P25 port. radio package w/ ant. Charger and battery	TP9155	$ 1,497.25	2	$ 2,994.50
4			$ -		$ -
5	VHF mobile antennas for Tahoe and trailer, NGP	ASPDCIVNGP	$ 79.75	2	$ 159.50
6			$ -		$ -
7	120VAC 12VDC 20amp power supply if required		$ 279.00		
8			$ -		$ -
9	Evolution lapel mic.	TPAAA203	$ 169.15	2	$ 338.30
10			$ -		$ -
11	Li-Ion batteries	TPABA206	$ 131.75	2	$ 263.50
12			$ -		$ -
13	Earphone	T952-051	$ 55.25	2	$ 110.50
14			$ -		$ -
15	Flex open ear insert (size and side tba)		$ 16.00	2	$ 32.00
16			$ -		$ -
17			$ -		$ -
18			$ -		$ -
19			$ -		$ -
20			$ -		$ -
21			$ -		$ -
22			$ -		$ -
23			$ -		$ -
24			$ -		$ -
25			$ -		$ -
26			$ -		$ -
27			$ -		$ -
28			$ -		$ -
29			$ -		$ -
30			$ -		$ -

Notes: Cost reflected in labor includes install and programming of mobile radios and programming of portable radios.

Hardware Total		$	7,737.30
TAX %	8.05	$	622.85
Freight			
Labor		$	690.00

Project Total: $ 9,050.15

Please FAX ALL pages back to Durham Communications to indicate your acceptance.

Customer Signature: DON E. McDANIEL, JR. COUNTY MANAGER — Date: 12/17/14 — PO Number:

TERMS AND CONDITIONS

All prices are expressed in US Dollars and are payable in US Dollars. Payment terms are Net 30 days. All prices are F.O.B. Mesa, AZ. Customer will be billed for shipping and insurance costs.All quotations are valid for 30 days from quotation date unless otherwise contracted. In the event that DCI retains the services of an attorney to collect any amounts due hereunder, the "CUSTOMER" will pay all charges for any effort to collect including, but not limited to, attorney's FEEs, court FEEs and agency FEEs. Project billing subject to incremental billings of 50% Notice to Proceed, 30% Equipment Delivery to DCI, 10% Installation/Labor Completed, 10% Acceptance unless otherwise contracted.

Tommie C. Martin, District I
610 E. Highway 260 Payson, AZ. 85547
(928) 474-2029

Michael A. Pastor, District II
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GILA COUNTY
www.gilacountyaz.gov

Don E. McDaniel Jr., County Manager
Phone (928) 425-3231 Ext.8761

Jeff Hessenius, Finance Director
Phone (928) 425-3231 Ext. 8743

1400 E. Ash Street
Globe, AZ 85501

SERVICE AGREEMENT NO. 120414-2

RE-UPHOLSTER CHAIRS for
COUNTY ASSESSOR'S OFFICE

THIS AGREEMENT, made and entered into this 17TH day of DECEMBER, **2014,** by and between Gila County, a political subdivision of the State of Arizona hereinafter designated the County, and RC Upholstery, of the City of Claypool, 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 the services and products listed in the Scope of Work below and shall do so in a good, workmanlike and substantial manner and to the satisfaction of the County under the direction of the **Assessor's Office** 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 Gila County guidelines.

Scope of Work: Refer to attached Attachment "A" to **Service Agreement 120414-2** by mention made a binding part of this agreement as set forth herein.

Contractor Fee's: Refer to Attachment "A" to **Service Agreement 120414-2** by mention made a binding part of this agreement as set forth herein. To the extent that the terms and conditions of this Service Agreement conflict with the Terms and Conditions of Attachment "A" to **Service Agreement 120414-2,** the terms and conditions of this service agreement will prevail and govern the contractual relationship between the parties.

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** or 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** or email to jsgroi@gilacountyaz.gov. 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.~~

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 Contract commences on the date it is signed by the County Manager and remains in effect for a period of ninety days from that date, unless terminated earlier pursuant to this contract.

ARTICLE 15 – PAYMENT/BILLING: Contractor shall be paid an amount up to, but not to exceed $350.00 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, Service Agreement No. 120414-2 has 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: 12/17/14

Colleen Beck
Signature

Colleen Beck
Print Name

ATTACHMENT "A" TO SERVICE AGREEMENT 120414-2

From: Colleen Beck [mailto:colleen_beck@hotmail.com]
Sent: Thursday, November 13, 2014 8:05 AM
To: Erwin, Joni
Subject: Estimate for Finance Dept. chairs

Vinyl fabric for six office chairs $107.00.
Labor for six office chairs $180.00.
Estimated total $287.00

Thank you, Colleen Beck/RC Upholstery
PO Box 1062
Claypool, AZ 85532
(928)425-0719

Tommie C. Martin, District I
610 E. Highway 260 Payson, AZ. 85547
(928) 474-2029

Michael A. Pastor, District II
1400 E. Ash St. Globe, AZ. 85501
(928) 425-3231 Ext. 8753

John D. Marcanti, 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

Jeff Hessenius, Finance Director
Phone (928) 425-3231 Ext. 8743

1400 E. Ash Street
Globe, AZ 85501

SERVICE AGREEMENT NO. 120414

SEWER AND TOILET REPAIR

PAYSON SHERIFF'S OFFICE

THIS AGREEMENT, made and entered into this 17TH day of DECEMBER, **2014,** by and between Gila County, a political subdivision of the State of Arizona hereinafter designated the County, and Wrangler Plumbing & Pumping, of the City 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 the services and products listed in the Scope of Work below and shall do so in a good, workmanlike and substantial manner and to the satisfaction of the County under the direction of the **Sheriff's Office** 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 Gila County guidelines.

Scope of Work: Refer to attached Attachment "A" to **Service Agreement 120414** by mention made a binding part of this agreement as set forth herein.

Contractor Fee's: Refer to Attachment "A" to **Service Agreement 120414** by mention made a binding part of this agreement as set forth herein. To the extent that the terms and conditions of this Service Agreement conflict with the Terms and Conditions of Attachment "A" to **Service Agreement 120414**, the terms and conditions of this service agreement will prevail and govern the contractual relationship between the parties.

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** or 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** or email to jsgroi@gilacountyaz.gov. 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 – WARRANTY: Contractor expressly warrants that all goods or services furnished under this agreement shall conform to all specifications and appropriate standards, will be new, and will be free from defects in material or workmanship. Contractor warrants that all such goods or services will conform to any statements made on the containers or labels or advertisements for such goods, or services, and that any goods will be adequately contained, packaged, marked and labeled. Contractor warrants that all goods or services furnished hereunder will be merchantable, and will be safe and appropriate for the purpose for which goods or services of that kind are normally used. If Contractor knows or has reason to know the particular purpose for which County intends to use the goods or services, Contractor warrants that such goods or services will be fit for such particular purpose. Contractor warrants that goods or services furnished will conform in all respects to samples. Inspection, test, acceptance of use of the goods or services furnished hereunder shall not affect the Contractor's obligation under this warranty, and such warranties shall survive inspection, test, acceptance and use. Contractor's warranty shall run to County, its successors, and assigns. Contractor agrees to replace or correct, at Contractor's sole cost and expense, defects of any goods or services not conforming to the foregoing warranty, or improperly installed, as well as guarantee to the County and to the Owner, against liability, losses or damage to any or all parts of the work arising from said installation during a period of two (2) years from date of completion. All guarantees will inure to the benefit of the County and the Owner, their successors or assigns, including equipment warranties, ordinary wear and tear and unusual abuse or neglect excepted.

In the event of failure of Contractor to correct defects in or replace nonconforming goods or services promptly, County, after reasonable notice to Contractor, may make such corrections or replace such goods and services and charge Contractor for the cost incurred by the County in doing so. Contractor recognizes

that County's requirements may require immediate repairs in reworking of defective goods, without notice to the Contractor. In such event, Contractor shall reimburse County for those costs, delays, or other damages which County has incurred.

ARTICLE 7 – 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 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 Contract commences on the date it is signed by the County Manager and remains in effect for a period 30 days from that date.

ARTICLE 15 – PAYMENT/BILLING: Contractor shall be paid an amount not to exceed $1,079.17 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, Service Agreement No. 120414 has 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: 12/17/14

WRANGLER PLUMBING & PUMPING

Signature

Charles Hall

Print Name

Shannon Coons - Estimate on S.O. Plumbing work 12-4-14
David L Buffington

CHARLIE HALL'S WRANGLER PLUMBING & PUMPING

P.O. Box 595 Payson, Arizona 85547
(928)474-4032
(928)476-3737
(928)474-1165 Fax
wranglerplumbing@hotmail.com

"SERVING PAYSON SINCE 1978"
"LICENSED-BONDED-INSURED"
LICENSE ROC180429

PROPOSAL DATE
DECEMBER 4, 2014

GILA COUNTY
SHERIFFS OFFICE (JAIL)
PAYSON, AZ 85541
DAVID BUFFINGTON 928-970-1640

SPECIAL NOTE: We hereby propose to furnish all the materials and perform all the labor necessary for the completion of the following:

FOR HYDRO JETTING MAIN SEWER @ JAIL.

FOR REPAIRING FLUSH VALVES @ HOLDING CELLS

FOR WORKING ON HOLDING CELLS TOILETS.

FOR INSTALLING NEW 1 1/2" FULLPORT BALL VALVE THAT ISOLATES THE WATER TO THE 4 HOLDING CELLS.

PRICE: $1,079.17

ALL fees and permits to be furnished by the homeowner.

All material is guaranteed to be as specified, and the above work will be performed in accordance with the specifications submitted for the above work and competed in a substantial workman like manner.

If hard rock or any other unforeseen obstacles are encountered this estimate becomes null and and contract negotiations will be required to resume work.

Payment to be made at completion of job.

Any alterations or deviation from above specifications involving extra cost, 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.

Respectfully Submitted,
CHARLES HALL

Charles S. Hall, Owner

** Note: This proposal may be withdrawn by Charlie Hall's Wrangler Plumbing & Pumping if not accepted within thirty (30) days of proposal date.

ACCEPTANCE OF PROPOSAL

The above prices, specifications and conditions are satisfactory and are hereby accepted. Charlie Hall's Wrangler Plumbing & Pumping is authorized to do the work as specified. Payment will be made as outlined above.

Accepted by DON E. McDANIEL, JR.
COUNTY MANAGER

Date 12/17/14

Tommie C. Martin, District I
610 E. Highway 260 Payson, AZ. 85547
(928) 474-2029

Michael A. Pastor, District II
1400 E. Ash St. Globe, AZ. 85501
(928) 425-3231 Ext. 8753

John D. Marcanti, 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

Jeff Hessenius, Finance Director
Phone (928) 425-3231 Ext. 8743

1400 E. Ash Street
Globe, AZ 85501

SERVICE AGREEMENT NO. 120414-3

BOILER REPAIR

SHERIFF'S OFFICE

THIS AGREEMENT, made and entered into this 17TH day of DECEMBER, **2014,** by and between Gila County, a political subdivision of the State of Arizona hereinafter designated the County, and Service Plus Inc, of the City 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 the services and products listed in the Scope of Work below and shall do so in a good, workmanlike and substantial manner and to the satisfaction of the County under the direction of the **Sheriff's Office** 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 Gila County guidelines.

Scope of Work: Refer to attached Attachment "A" to **Service Agreement 120414-3** by mention made a binding part of this agreement as set forth herein.

Contractor Fee's: Refer to Attachment "A" to **Service Agreement 120414-3** by mention made a binding part of this agreement as set forth herein. To the extent that the terms and conditions of this Service **Agreement conflict with the Terms and Conditions of Attachment "A"** to **Service Agreement 120414-3**, the terms and conditions of this service agreement will prevail and govern the contractual relationship between the parties.

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** or 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** or email to jsgroi@gilacountyaz.gov. 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 – WARRANTY: Contractor expressly warrants that all goods or services furnished under this agreement shall conform to all specifications and appropriate standards, will be new, and will be free from defects in material or workmanship. Contractor warrants that all such goods or services will conform to any statements made on the containers or labels or advertisements for such goods, or services, and that any goods will be adequately contained, packaged, marked and labeled. Contractor warrants that all goods or services furnished hereunder will be merchantable, and will be safe and appropriate for the purpose for which goods or services of that kind are normally used. If Contractor knows or has reason to know the particular purpose for which County intends to use the goods or services, Contractor warrants that such goods or services will be fit for such particular purpose. Contractor warrants that goods or services furnished will conform in all respects to samples. Inspection, test, acceptance of use of the goods or services furnished hereunder shall not affect the Contractor's obligation under this warranty, and such warranties shall survive inspection, test, acceptance and use. Contractor's warranty shall run to County, its successors, and assigns. Contractor agrees to replace or correct, at Contractor's sole cost and expense, defects of any goods or services not conforming to the foregoing warranty, or improperly installed, as well as guarantee to the County and to the Owner, against liability, losses or damage to any or all parts of the work arising from said installation during a period of two (2) years from date of completion. All guarantees

will inure to the benefit of the County and the Owner, their successors or assigns, including equipment warranties, ordinary wear and tear and unusual abuse or neglect excepted.

In the event of failure of Contractor to correct defects in or replace nonconforming goods or services promptly, County, after reasonable notice to Contractor, may make such corrections or replace such goods and services and charge Contractor for the cost incurred by the County in doing so. Contractor recognizes that County's requirements may require immediate repairs in reworking of defective goods, without notice to the Contractor. In such event, Contractor shall reimburse County for those costs, delays, or other damages which County has incurred.

ARTICLE 7 – 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 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 Contract commences on the date it is signed by the County Manager and remains in effect for a period 10 days from that date.

ARTICLE 15 – PAYMENT/BILLING: Contractor shall be paid an amount not to exceed $4,300.56 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, Service Agreement No. 120414-3 has 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: 12/17/14

SERVICE PLUS, INC.

Signature

DAVE KEENEY

Print Name

SERVICE PLUS

SERVICE PLUS, INC

200 W. AERO, PAYSON, AZ.85541
(928) 474-5664 • Fax: (928) 474-0059
1-888-399-PLUS

42555

30 YEARS

WO# 10936

BILL TO

NAME: Gila County Sherriff's Office
STREET ADDRESS:
CITY, ZIP: Payson, AZ
CONTRACT #:
CUSTOMER P.O.#:
PHONE:

EPA Data

RC Unit No _____ Refrigerant R-_____
Comments _____
_____# Recovered _____# Ref. Disposed
_____# Recycled _____# Old Ref. Charged
_____# Reclaimed _____# New Ref. Charged

SERVICE LOCATION

NAME: Same
STREET ADDRESS:
CITY:
PHONE:
WORK TO BE PERFORMED/PROBLEM: Boiler Repairs
CONTACT: David Buttington
DATE: 9-22-14
FAX:

EQUIPMENT DATA

MAKE:
MODEL:
SERIAL NUMBER:
AGE IF KNOWN:

QTY	MATERIALS & SERVICES	UNIT PRICE	AMOUNT
	REFRIGERANT R LBS		
	TOTAL MATERIALS		

DESCRIPTION OF WORK PERFORMED

* Performed all work per accepted proposal (attached).

☑ COMPLETE ☐ INCOMPLETE TIME ARRIVED _____ TIME COMPLETED _____

DATE	REG.	O.T.	DBL	TECHNICIAN
9-22	10.0			Nichelos
9-23	10.0			Nichelos

RECOMMENDATIONS

LIMITED WARRANTY. All Materials, parts and equipment are warranted by the manufacturers' or suppliers' written warranty only. All labor performed by the above named company is warranted for 30 days or as otherwise indicated in writing. The above named company makes no other warranties, express or implied, and its agents or technicians are not authorized to make any such warranties on behalf of above named company.

TOTAL SUMMARY

	TOTAL MATERIALS	2300	00
	SERVICE CALL		
LABOR	REG 20 HRS@ 90	1800	00
LABOR	OT HRS@		
LABOR	DBL HRS@		
	MAINTENANCE		
	RECOVERY CHARGE		
	OTHER		
	SALES TAX	200	56
	PREF DISCOUNT		
	TOTAL	4300	56

TERMS: NET 10

I have the authority to order the work outlined above. It has been satisfactorily completed. I agree that Sellar retains title to equipment/materials furnished until payment is made. If payment is not made as agreed, seller can remove said equipment/materials with Buyer's approval. Any damage resulting from said removal shall not be the responsibility of Seller.

☐ CHARGE ☐ WARRANTY
☐ SERVICE CONTRACT ☐ COD

CUSTOMER'S SIGNATURE: David Buttington DATE: 11-14-14

CK # _____ Thank You

Service Plus Inc.
200 West Aero Drive
Payson, AZ 85541

Service Plus Project Proposal

Date: 11/11/2014

JOB INFORMATION

Date	11/11/2014
Customer Name	Gila County Sheriff's Office
Billing Address	108 W. Main St
Billing Phone #	928-474-2208
Service Address	
Service Location Phone #	
Service Location Contact	David Buffington
PO#	
Work To Be Performed/Problem	Replace all deteriorated copper and fittings on boiler plumbing. Replace left pump motor and housing.
Proposed Start Date	09/22/2014
Job Duration	2 days

PROPOSED EQUIPMENT

Part Number	cop6887
PROPOSED EQUIPMENT (DETAIL)	
Quantity	1
Description	copper pipe, fittings & supplies
Price Each	800
Extended Price	800.00

Part Number	sol468
PROPOSED EQUIPMENT (DETAIL)	
Quantity	1
Description	solder and gas
Price Each	100
Extended Price	100.00

Part Number	pmot1501
PROPOSED EQUIPMENT (DETAIL)	
Quantity	1
Description	pump motor assembly
Price Each	1400
Extended Price	1400.00

SUMMARY

Service Plus Inc.
200 West Aero Drive
Payson, AZ 85541

Service Plus Project Proposal

Date: 11/11/2014

Parts Total	2300.00
Larbor Hours	20
Labor $/Hr	90
Total Labor	1800.00
Travel Charge	
Sub Total	4100.00
Tax Rate (%)	8.72
Tax	200.56
Total	4300.56

This is a proposal for immediate acceptance. It is based on our inspection and does not cover any additional parts or labor which may be realized after job is in progress. Because of this, the above total is not guaranteed unless stated.

CUSTOMER SIGNATURE

Customer Signature