

PURSUANT TO A.R.S. §38-431.01, THE GILA COUNTY BOARD OF SUPERVISORS WILL HOLD A MEETING AT THE GILA COUNTY COURTHOUSE, BOARD OF SUPERVISORS' HEARING ROOM, 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). THE MEETING IS ALSO TELEVISED TO THE GILA COUNTY TOMMIE CLINE MARTIN COMPLEX, BOARD OF SUPERVISORS' CONFERENCE ROOM, 707 S. COLCORD ROAD, PAYSON, ARIZONA.

Citizens may watch the Board meeting live-streamed at:

<https://www.youtube.com/channel/UCkCHWVqrI5AmJKbvYbO-k2A/live>

Citizens may submit written comments related to the February 28th Work Session agenda by no later than 5 p.m. on Monday, February 27th, by emailing the Chief Deputy Clerk of the Board at mhenderson@gilacountyaz.gov or calling 928-402-4390. Citizens may also submit written comments during the meeting through YouTube. Please include the meeting date, agenda item number, your name, and your residence address in the email.

WORK SESSION - TUESDAY, FEBRUARY 28, 2023 - 10:00 A.M.

1. **CALL TO ORDER - PLEDGE OF ALLEGIANCE**
2. **REGULAR AGENDA ITEMS:**
 - A. Information/Discussion regarding the regulations Discussed
of vacation rentals and short-term rentals.
(Randy Pluimer)
 - B. Information/Discussion of Public Works revenues Discussed
and project updates. **(Homero Vela)**
 - C. Information/Discussion regarding revised Policy Discussed
No. BOS-FIN-113 - *Procurement*. **(James Menlove)**
3. **CALL TO THE PUBLIC:** A call to the public is No
held for public benefit to allow individuals to Comments
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.

- | | | |
|----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| 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 the information presented. | Comments
Provided |
|----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|

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. §38-431.03(A)(3).

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

ARF-7827

2. A.

Work Session

Meeting Date: 02/28/2023

Submitted For: Randall Pluimer, Community Development Director

Submitted By: Kim Manfredi, Administrative Assistant

Department: Community Development Division: Planning and Zoning

Information

Request/Subject

Update on Senate Bill 1168 and seek the Board of Supervisors' discussion on drafting a potential vacation rental and short-term rental (STR) stand-alone ordinance relative to new A.R.S. § 11-269.17 provisions effective September 24, 2022.

Background Information

A vacation rental or short-term rental (STR) refers to the rental of part or all of a residential dwelling unit for fewer than 30 consecutive days.

Background and changes in state law:

Senate Bill - SB 1350 - In 2016, the Arizona Legislature passed its initial vacation rental and STR law which essentially preempted municipalities and counties from regulating or restricting vacation rentals or STRs, with the exception of enforcing public health and safety regulations.

House Bill - HB 2672 - In 2019, the Arizona Legislature passed a revised vacation rental and STR law requiring vacation rental and STR owners to include a lodging tax license number in advertisements and prohibiting vacation rentals and STRs from hosting non-residential uses/events. This revised law also allowed municipalities and counties to require vacation rentals and STR owners to provide contact information for someone who can respond to complaints about the vacation rental or STR in a timely manner.

In the 2022 legislative session, the Legislature passed Senate Bill 1168. Effective September 24, 2022, this new vacation rental and STR law allows for further regulations of vacation rentals or short-term rentals that municipalities and counties may impose, including the ability to create a license or permit to operate a vacation rental or STR, as well as defined criteria for when a municipality or county may deny or revoke a

license or permit. The legislation also outlines allowable regulations related to notification, civil penalties, and other areas.

Evaluation

Currently, Gila County does not regulate vacation rentals or short-term rentals. Staff recommends creating a stand-alone ordinance to regulate vacation rentals and short-term rentals following new requirements allowed by Senate Bill - SB 1168.

Conclusion

Staff is seeking discussion from the Board of Supervisors on regulating vacation rentals and short-term rentals following new requirements allowed by Senate Bill - SB 1168.

Recommendation

N/A

Suggested Motion

Information/Discussion regarding the regulations of vacation rentals and short-term rentals. **(Randy Pluimer)**

Attachments

STR Presentation

Staff Report

SB1168

ARS 11-269.17



Short-Term Rentals

BOARD OF SUPERVISORS WORK SESSION

FEBRUARY 28, 2023

Purpose of this work session

Provide information on short-term rentals (STRs)

Provide information regarding background and changes in state law

Receive direction on regulations of STRs

What is a short-term rental?

A short-term rental or vacation rental refers to the rental of part or all of a dwelling unit for fewer than 30 consecutive days.

Most are listed on an online lodging marketplace, like Airbnb and VRBO.



Concerns over short-term rentals

Noise

Traffic and parking congestion

Crime and safety

Sanitation problems (trash, bottles, cans, etc.)

Effecting the character of neighborhoods

Decline in available and affordable housing/supply of long-term rental units

Legislative Actions Background

SB 1350 - In 2016, the Arizona Legislature passed its initial STR law which essentially preempted municipalities and counties from regulating or restricting STRs, with the exception, of enforcing public health and safety regulations.

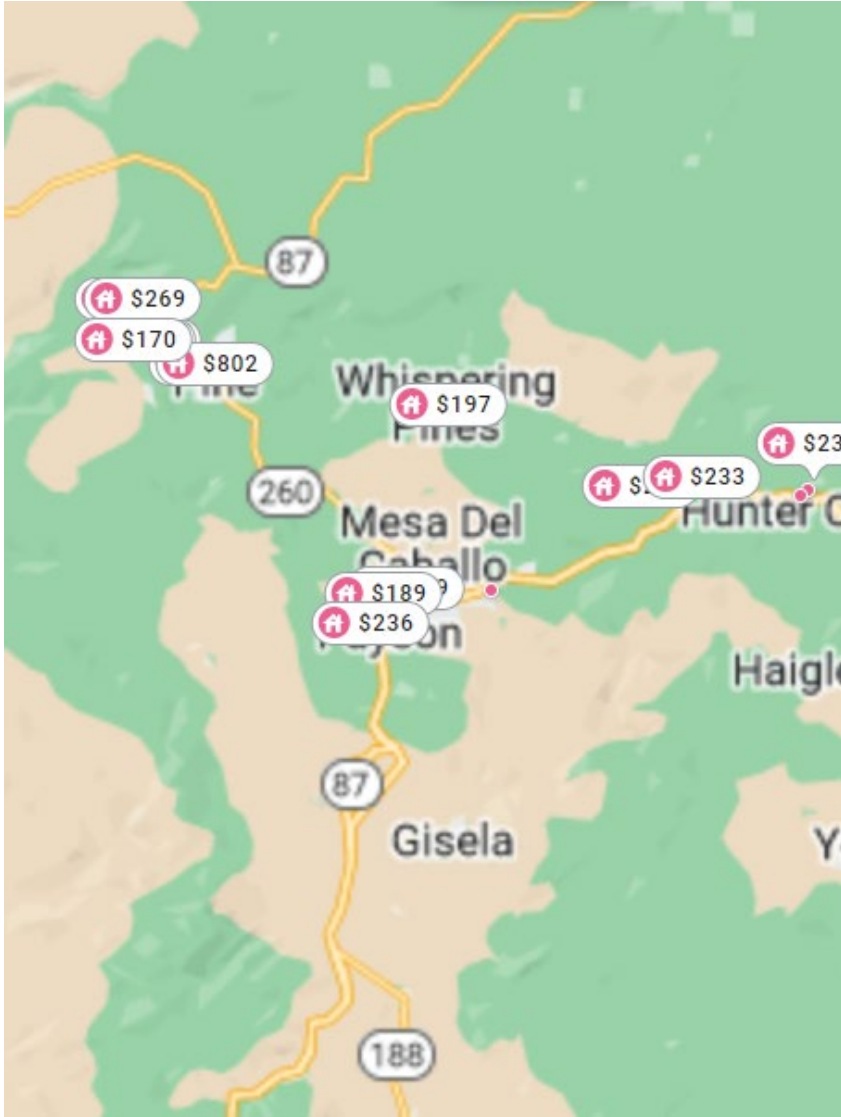
HB 2672 - In 2019, the Arizona Legislature passed a revised STR law requiring STR owners to include a lodging tax license number in advertisements and prohibiting STRs from hosting non-residential uses/events. This revised law also allowed municipalities and counties to require STR owners to provide contact information for someone who can respond to complaints about the STR in a timely manner.

SB 1168 - On July 6, 2022, the Governor signed a new revised STR law that became effective on September 24, 2022, that allows municipalities and counties more authority to enforce all applicable STR regulations.

New A.R.S.
§ 11-269.17
Provisions
Effective
9/24/22

Allows for:

- Permitting or License Regulations Process
- Emergency Contact Requirements and Penalties
- Neighborhood Notification
- Verified Violations and Penalties
- License/Permit Suspension up to 12 months if needed.
- Sex Offender Background Checks
- Liability Insurance Requirements
- License Number Displayed on Advertisements



FAQS

Currently Gila County does not regulate STRs, although we could require public health and safety regulations.

There are up to 1200 STRs in Gila County, most located in Pine and Strawberry area.

Gila County Code Enforcement receives complaints on a monthly basis regarding STRs.

The Gila County Sheriff's Department does not currently track violations specific to STRs.

Per the Gila County Assessor there are approximately 1900 rental accounts in the county. Currently they do not have an adequate way of distinguishing between short-term and long-term rentals.

Staff has reached out to the 14 other counties in Arizona. Currently, since SB 1168 became effective, all are looking at their needs on implementation of SB 1168.

Recommendations For A New STR Ordinance

❖ Permitting or License Regulation Process

Authorizes an annual STR license or permit be required and maintained by the owner

License or permit fee up to \$250.00

Allows applications to be denied for the following:

- Failure to provide required information or providing false information
- Failure to pay the permit or license fee
- Operation under a suspended permit or license
- Owner or owner's designee is a registered sex offender or been convicted of any felony act that results in death or serious physical injury or any felony use of a deadly weapon within the past five years

Recommendations For A New STR Ordinance

❖ Emergency Contact Requirements and Penalties

Designated emergency contact person shall respond within a timely manner (one hour).

Designated contact for non-emergency complaints shall respond within a timely manner (24 hours).

Civil penalties of up to \$1000 against the owner for every thirty days the owner fails to provide contact information.

❖ Neighborhood Notification

Statute allows for the County to require new STR owners to notify properties adjacent to, directly and diagonally across the street for single-family residential and those on the same floor of a multi-family residential building.

Recommendations For A New STR Ordinance

❖ Sex Offender Background Checks

Require sex offender background check if not already completed by STR owner through the online lodging marketplace such as (Airbnb or VRBO)

❖ Liability Insurance Requirements

Require STR owner to maintain liability insurance of \$500K or advertise and offer the STR through an online lodging marketplace such as (Airbnb or VRBO) that provides equal or greater coverage.

❖ License Number Displayed on Advertisements

Require STR owner to display permit or license number on all advertisements

Recommendations For A New STR Ordinance

❖ Verified Violations and Penalties

A “Verified Violation” – a civil responsibility court decision or a criminal conviction related to the STR.

Verified violations of the short-term rental ordinance within the same 12-month period.

First violation: Up to \$500 or up to an amount equal to one night’s rent for the STR as advertised, whichever is greater.

Second violation: Up to \$1000 or up to an amount equal two two nights’ rent for the STR as advertised, whichever is greater.

Third and subsequent violation: Up to \$3500 or up to an amount equal to three nights’ rent for the STR as advertised, whichever is greater.

Recommendations For A New STR Ordinance

❖ License/Permit Suspension up to 12 months if needed

Allows the County to adopt an “Administrative Process” to suspend a STR Permit for up to 12-months for:

Three (3) “Verified Violations” within the same twelve-month period that result in:

- A felony offense at a STR
- A serious physical injury or wrongful death at or related to a STR
- Housing a sexual offender
- Allowing offenses related to adult-oriented businesses or prostitution
- Operating or maintaining a sober living home
- STR owner knowingly or intentionally allows STR for a special event that would require a license or use permit or for a non-residential use.

Proposed Action Plan

If directed:

Staff would bring back a draft stand-alone ordinance to regulate STRs. The Board of Supervisors would then review, comment, and possibly approve.

Staff would create an internal process to permit short-term rentals in accordance with the stand-alone ordinance. Staff would recommend some form of a use permit, as there is no business license requirements in Gila County and determine a set grace period for obtaining this STR permit.

Staff would seek direction from the Board of Supervisors, on the time frame and on the implementation process for the permit.

Staff would begin tracking any issues or violations specific to short term rentals.

Staff recommendation is that we would regulate STRs as allowed by SB 1168.

An aerial photograph of a suburban neighborhood. The houses are mostly two-story, with varying roof colors (brown, grey, blue). The yards are green with many trees. A road winds through the center. In the background, there's a dense line of trees. The word "Questions" is written in large, white, sans-serif font across the middle of the image.

Questions



GILA COUNTY COMMUNITY DEVELOPMENT

STAFF REPORT

Date: February 7, 2023

To: Gila County Board of Supervisors

Re: Vacation Rentals and Short-Term Rental Work Session

PURPOSE:

The purpose of this work session is to provide Gila County Board of Supervisors with an update on Senate Bill 1168 and seek the Board of Supervisors direction on drafting a potential vacation rental and short-term rental (STR) stand-alone ordinance relative to new A.R.S. § 11-269.17 provisions effective 9/24/2022.

BACKGROUND INFORMATION:

In 2016, the Arizona State Legislature passed **Senate Bill 1350**, a bill that preempted municipalities and counties from:

- Prohibiting vacation rentals or short-term rentals.
- Restricting the use of vacation rentals or short-term rentals.
- Regulating vacation rentals or short-term rentals based solely on their classification, use or occupancy.

A municipality or county may regulate if the regulation is meant to protect public health and safety.

In the 2019 legislative session, the Legislature passed **House Bill 2672**, which made various changes to Senate Bill 1350 and allowed municipalities and counties to further regulate vacation rentals and short-term rentals under specific circumstances:

- Requiring vacation rental and short-term rental owners to include a lodging tax license number in advertisements.
- Prohibiting vacation rental and short-term rentals from hosting non-residential uses/ events.
- Allowed municipalities and counties to require vacation rental and short-term rental owners to provide contact information for someone who can respond to complaints about the vacation rental or short-term rentals in a timely manner.

Senate Bill 1168

In the 2022 legislative session, the Legislature passed **Senate Bill 1168**. Effective September 24, 2022, this new vacation rental and short-term rental law allows for:

- Permitting or License Regulations Process
- Emergency Contact Requirements and Penalties
- Neighborhood Notification
- Verified Violations and Penalties
- License/Permit Suspension up to 12 months if needed.
- Sex Offender Background Checks
- Liability Insurance Requirements
- License Number Displayed on Advertisements

RECOMMENDATION OR DIRECTION REQUESTED:

Currently Gila County does not regulate vacation rentals and short-term rentals. Staff recommends creating a stand-alone ordinance to regulate vacation rentals and short-term rentals following new requirements allowed by SB 1168.

NEXT STEPS:

Based on the Board of Supervisors direction, Staff would then develop a draft stand-alone ordinance for consideration and would create an internal process to permit vacation rentals and short term rentals in accordance.

vacation rentals; short-term rentals; enforcement

State of Arizona
Senate
Fifty-fifth Legislature
Second Regular Session
2022

CHAPTER 343

SENATE BILL 1168

AN ACT

AMENDING SECTIONS 9-500.39 AND 11-269.17, ARIZONA REVISED STATUTES;
REPEALING SECTION 42-1125.02, ARIZONA REVISED STATUTES; AMENDING SECTION
42-5042, ARIZONA REVISED STATUTES; RELATING TO VACATION RENTALS AND
SHORT-TERM RENTALS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 9-500.39, Arizona Revised Statutes, is amended
3 to read:

4 9-500.39. Limits on regulation of vacation rentals and
5 short-term rentals; state preemption; civil
6 penalties; transaction privilege tax license
7 suspension; definitions

8 A. A city or town may not prohibit vacation rentals or short-term
9 rentals.

10 B. A city or town may not restrict the use of or regulate vacation
11 rentals or short-term rentals based on their classification, use or
12 occupancy except as provided in this section. A city or town may regulate
13 vacation rentals or short-term rentals ~~for the following purposes~~ AS
14 FOLLOWS:

15 1. ~~Protecting~~ TO PROTECT the public's health and safety, including
16 rules and regulations related to fire and building codes, health and
17 sanitation, transportation or traffic control, ~~AND~~ solid or hazardous
18 waste and pollution control, ~~and designation of an emergency point of~~
19 ~~contact~~, if the city or town demonstrates that the rule or regulation is
20 for the primary purpose of protecting the public's health and safety.

21 2. ~~Adopting~~ TO ADOPT and ~~enforcing residential~~ ENFORCE use and
22 zoning ordinances, including ordinances related to noise, protection of
23 welfare, property maintenance and other nuisance issues, if the ordinance
24 is applied in the same manner as other property classified under sections
25 42-12003 and 42-12004.

26 3. ~~Limiting~~ TO LIMIT or ~~prohibiting~~ PROHIBIT the use of a vacation
27 rental or short-term rental for the purposes of housing sex offenders,
28 operating or maintaining a sober living home, selling illegal drugs,
29 liquor control or pornography, obscenity, nude or topless dancing and
30 other adult-oriented businesses.

31 4. ~~Requiring~~ TO REQUIRE the owner of a vacation rental or
32 short-term rental to provide the city or town ~~with~~ AN EMERGENCY POINT OF
33 contact information for the owner or the owner's designee who is
34 responsible for responding to complaints OR EMERGENCIES in a timely manner
35 in person IF REQUIRED BY PUBLIC SAFETY PERSONNEL, over the phone or by
36 email at any time of day before offering for rent or renting the vacation
37 rental or short-term rental. IN ADDITION TO ANY OTHER PENALTY PURSUANT TO
38 THIS SECTION, THE CITY OR TOWN MAY IMPOSE A CIVIL PENALTY OF UP TO \$1,000
39 AGAINST THE OWNER FOR EVERY THIRTY DAYS THE OWNER FAILS TO PROVIDE CONTACT
40 INFORMATION AS PRESCRIBED BY THIS PARAGRAPH. THE CITY OR TOWN SHALL
41 PROVIDE THIRTY DAYS' NOTICE TO THE OWNER BEFORE IMPOSING THE INITIAL CIVIL
42 PENALTY.

43 5. TO REQUIRE AN OWNER OF A VACATION RENTAL OR SHORT-TERM RENTAL TO
44 OBTAIN AND MAINTAIN A LOCAL REGULATORY PERMIT OR LICENSE PURSUANT TO TITLE
45 9, CHAPTER 7, ARTICLE 4. AS A CONDITION OF ISSUANCE OF A PERMIT OR

1 LICENSE, THE APPLICATION FOR THE PERMIT OR LICENSE MAY ONLY REQUIRE AN
2 APPLICANT TO PROVIDE THE FOLLOWING:

3 (a) NAME, ADDRESS, PHONE NUMBER AND EMAIL ADDRESS FOR THE OWNER OR
4 OWNER'S AGENT.

5 (b) ADDRESS OF THE VACATION RENTAL OR SHORT-TERM RENTAL.

6 (c) PROOF OF COMPLIANCE WITH SECTION 42-5005.

7 (d) CONTACT INFORMATION REQUIRED PURSUANT TO PARAGRAPH 4 OF THIS
8 SUBSECTION.

9 (e) ACKNOWLEDGMENT OF AN AGREEMENT TO COMPLY WITH ALL APPLICABLE
10 LAWS, REGULATIONS AND ORDINANCES.

11 (f) A FEE NOT TO EXCEED THE ACTUAL COST OF ISSUING THE PERMIT OR
12 LICENSE OR \$250, WHICHEVER IS LESS.

13 6. TO REQUIRE, BEFORE OFFERING A VACATION RENTAL OR SHORT-TERM
14 RENTAL FOR RENT FOR THE FIRST TIME, THE OWNER OR THE OWNER'S DESIGNEE OF A
15 VACATION RENTAL OR SHORT-TERM RENTAL TO NOTIFY ALL SINGLE-FAMILY
16 RESIDENTIAL PROPERTIES ADJACENT TO, DIRECTLY AND DIAGONALLY ACROSS THE
17 STREET FROM THE VACATION RENTAL OR SHORT-TERM RENTAL. NOTICE SHALL BE
18 DEEMED SUFFICIENT IN A MULTI-FAMILY RESIDENTIAL BUILDING IF GIVEN TO
19 RESIDENTS ON THE SAME BUILDING FLOOR. A CITY OR TOWN MAY REQUIRE
20 ADDITIONAL NOTIFICATION PURSUANT TO THIS PARAGRAPH IF THE CONTACT
21 INFORMATION PREVIOUSLY PROVIDED CHANGES. NOTIFICATION PROVIDED IN
22 COMPLIANCE WITH THIS PARAGRAPH SHALL INCLUDE THE PERMIT OR LICENSE NUMBER
23 IF REQUIRED BY THE CITY OR TOWN, THE ADDRESS, AND THE INFORMATION REQUIRED
24 PURSUANT TO PARAGRAPH 4 OF THIS SUBSECTION. THE OWNER OR THE OWNER'S
25 DESIGNEE SHALL DEMONSTRATE COMPLIANCE WITH THIS PARAGRAPH BY PROVIDING THE
26 CITY OR TOWN WITH AN ATTESTATION OF NOTIFICATION COMPLIANCE THAT CONSISTS
27 OF THE FOLLOWING INFORMATION:

28 (a) THE PERMIT OR LICENSE NUMBER OF THE VACATION RENTAL OR
29 SHORT-TERM RENTAL, IF REQUIRED BY THE CITY OR TOWN.

30 (b) THE ADDRESS OF EACH PROPERTY NOTIFIED.

31 (c) A DESCRIPTION OF THE MANNER IN WHICH THE OWNER OR OWNER'S
32 DESIGNEE CHOSE TO PROVIDE NOTIFICATION TO EACH PROPERTY SUBJECT TO
33 NOTIFICATION.

34 (d) THE NAME AND CONTACT INFORMATION OF THE PERSON ATTESTING TO
35 COMPLIANCE WITH THIS PARAGRAPH.

36 7. TO REQUIRE THE OWNER OR OWNER'S DESIGNEE OF A VACATION RENTAL OR
37 SHORT-TERM RENTAL TO DISPLAY THE LOCAL REGULATORY PERMIT NUMBER OR LICENSE
38 NUMBER, IF ANY, ON EACH ADVERTISEMENT FOR A VACATION RENTAL OR SHORT-TERM
39 RENTAL THAT THE OWNER OR OWNER'S DESIGNEE MAINTAINS. A CITY OR TOWN THAT
40 DOES NOT REQUIRE A LOCAL REGULATORY PERMIT OR LICENSE MAY REQUIRE THE
41 OWNER OR OWNER'S DESIGNEE OF A VACATION RENTAL OR SHORT-TERM RENTAL TO
42 DISPLAY THE TRANSACTION PRIVILEGE TAX LICENSE REQUIRED BY SECTION 42-5042
43 ON EACH ADVERTISEMENT FOR A VACATION RENTAL OR SHORT-TERM RENTAL THAT THE
44 OWNER OR OWNER'S DESIGNEE MAINTAINS.

1 8. TO REQUIRE THE VACATION RENTAL OR SHORT-TERM RENTAL TO MAINTAIN
2 LIABILITY INSURANCE APPROPRIATE TO COVER THE VACATION RENTAL OR SHORT-TERM
3 RENTAL IN THE AGGREGATE OF AT LEAST \$500,000 OR TO ADVERTISE AND OFFER
4 EACH VACATION RENTAL OR SHORT-TERM RENTAL THROUGH AN ONLINE LODGING
5 MARKETPLACE THAT PROVIDES EQUAL OR GREATER COVERAGE.

6 ~~C. Within thirty days after a verified violation, a city or town~~
7 ~~shall notify the department of revenue and the owner of the vacation~~
8 ~~rental or short-term rental of the verified violation of the city's or~~
9 ~~town's applicable laws, regulations or ordinances and, if the owner of the~~
10 ~~vacation rental or short-term rental received the verified violation,~~
11 ~~whether the city or town imposed a civil penalty on the owner of the~~
12 ~~vacation rental or short-term rental and the amount of the civil penalty,~~
13 ~~if assessed. If multiple verified violations arise out of the same~~
14 ~~response to an incident at a vacation rental or short-term rental, those~~
15 ~~verified violations are considered one verified violation for the purpose~~
16 ~~of assessing civil penalties pursuant to section 42-1125.02, subsection B.~~

17 C. A CITY OR TOWN THAT REQUIRES A LOCAL REGULATORY PERMIT OR
18 LICENSE PURSUANT TO THIS SECTION SHALL ISSUE OR DENY THE PERMIT OR LICENSE
19 WITHIN SEVEN BUSINESS DAYS OF RECEIPT OF THE INFORMATION REQUIRED BY
20 SUBSECTION B, PARAGRAPH 5 OF THIS SECTION AND OTHERWISE IN ACCORDANCE WITH
21 SECTION 9-835, EXCEPT THAT A CITY OR TOWN MAY DENY ISSUANCE OF A PERMIT OR
22 LICENSE ONLY FOR ANY OF THE FOLLOWING:

23 1. FAILURE TO PROVIDE THE INFORMATION REQUIRED BY SUBSECTION B,
24 PARAGRAPH 5, SUBDIVISIONS (a) THROUGH (e) OF THIS SECTION.

25 2. FAILURE TO PAY THE REQUIRED PERMIT OR LICENSE FEE.

26 3. AT THE TIME OF APPLICATION THE OWNER HAS A SUSPENDED PERMIT OR
27 LICENSE FOR THE SAME VACATION RENTAL OR SHORT-TERM RENTAL.

28 4. THE APPLICANT PROVIDES FALSE INFORMATION.

29 5. THE OWNER OR OWNER'S DESIGNEE OF A VACATION RENTAL OR SHORT-TERM
30 RENTAL IS A REGISTERED SEX OFFENDER OR HAS BEEN CONVICTED OF ANY FELONY
31 ACT THAT RESULTED IN DEATH OR SERIOUS PHYSICAL INJURY OR ANY FELONY USE OF
32 A DEADLY WEAPON WITHIN THE PAST FIVE YEARS.

33 D. A CITY OR TOWN THAT REQUIRES A LOCAL REGULATORY PERMIT OR
34 LICENSE PURSUANT TO THIS SECTION SHALL ADOPT AN ORDINANCE TO ALLOW THE
35 CITY OR TOWN TO INITIATE AN ADMINISTRATIVE PROCESS TO SUSPEND A LOCAL
36 REGULATORY PERMIT OR LICENSE FOR A PERIOD OF UP TO TWELVE MONTHS FOR THE
37 FOLLOWING VERIFIED VIOLATIONS ASSOCIATED WITH A PROPERTY:

38 1. THREE VERIFIED VIOLATIONS WITHIN A TWELVE MONTH PERIOD, NOT
39 INCLUDING ANY VERIFIED VIOLATION BASED ON AN AESTHETIC, SOLID WASTE
40 DISPOSAL OR VEHICLE PARKING VIOLATION THAT IS NOT ALSO A SERIOUS THREAT TO
41 PUBLIC HEALTH AND SAFETY.

42 2. ONE VERIFIED VIOLATION THAT RESULTS IN OR CONSTITUTES ANY OF THE
43 FOLLOWING:

1 (a) A FELONY OFFENSE COMMITTED AT OR IN THE VICINITY OF A VACATION
2 RENTAL OR SHORT-TERM RENTAL BY THE VACATION RENTAL OR SHORT-TERM RENTAL
3 OWNER OR OWNER'S DESIGNEE.

4 (b) A SERIOUS PHYSICAL INJURY OR WRONGFUL DEATH AT OR RELATED TO A
5 VACATION RENTAL OR SHORT-TERM RENTAL RESULTING FROM THE KNOWING,
6 INTENTIONAL OR RECKLESS CONDUCT OF THE VACATION RENTAL OR SHORT-TERM
7 RENTAL OWNER OR OWNER'S DESIGNEE.

8 (c) AN OWNER OR OWNER'S DESIGNEE KNOWINGLY OR INTENTIONALLY HOUSING
9 A SEX OFFENDER, ALLOWING OFFENSES RELATED TO ADULT-ORIENTED BUSINESSES,
10 SEXUAL OFFENSES OR PROSTITUTION, OR OPERATING OR MAINTAINING A SOBER
11 LIVING HOME, IN VIOLATION OF A REGULATION OR ORDINANCE ADOPTED PURSUANT TO
12 SUBSECTION B, PARAGRAPH 3 OF THIS SECTION.

13 (d) AN OWNER OR OWNER'S DESIGNEE KNOWINGLY OR INTENTIONALLY
14 ALLOWING THE USE OF A VACATION RENTAL OR SHORT-TERM RENTAL FOR A SPECIAL
15 EVENT THAT WOULD OTHERWISE REQUIRE A PERMIT OR LICENSE PURSUANT TO A CITY
16 OR TOWN ORDINANCE OR A STATE LAW OR RULE OR FOR A RETAIL, RESTAURANT,
17 BANQUET SPACE OR OTHER SIMILAR USE.

18 3. NOTWITHSTANDING PARAGRAPHS 1 AND 2 OF THIS SUBSECTION, ANY
19 ATTEMPTED OR COMPLETED FELONY ACT, ARISING FROM THE OCCUPANCY OR USE OF A
20 VACATION RENTAL OR SHORT-TERM RENTAL, THAT RESULTS IN A DEATH, OR ACTUAL
21 OR ATTEMPTED SERIOUS PHYSICAL INJURY, SHALL BE GROUNDS FOR JUDICIAL RELIEF
22 IN THE FORM OF A SUSPENSION OF THE PROPERTY'S USE AS A VACATION RENTAL OR
23 SHORT-TERM RENTAL FOR A PERIOD OF TIME THAT SHALL NOT EXCEED TWELVE
24 MONTHS.

25 E. A CITY OR TOWN THAT REQUIRES SEX OFFENDER BACKGROUND CHECKS ON A
26 VACATION RENTAL OR SHORT-TERM RENTAL GUEST SHALL WAIVE THE REQUIREMENT IF
27 AN ONLINE LODGING MARKETPLACE PERFORMS A SEX OFFENDER BACKGROUND CHECK OF
28 THE BOOKING GUEST.

29 F. NOTWITHSTANDING ANY OTHER LAW, A CITY OR TOWN MAY IMPOSE A CIVIL
30 PENALTY OF THE FOLLOWING AMOUNTS AGAINST AN OWNER OF A VACATION RENTAL OR
31 SHORT-TERM RENTAL IF THE OWNER RECEIVES ONE OR MORE VERIFIED VIOLATIONS
32 RELATED TO THE SAME VACATION RENTAL OR SHORT-TERM RENTAL PROPERTY WITHIN
33 THE SAME TWELVE-MONTH PERIOD:

34 1. UP TO \$500 OR UP TO AN AMOUNT EQUAL TO ONE NIGHT'S RENT FOR THE
35 VACATION RENTAL OR SHORT-TERM RENTAL AS ADVERTISED, WHICHEVER IS GREATER,
36 FOR THE FIRST VERIFIED VIOLATION.

37 2. UP TO \$1,000 OR UP TO AN AMOUNT EQUAL TO TWO NIGHTS' RENT FOR
38 THE VACATION RENTAL OR SHORT-TERM RENTAL AS ADVERTISED, WHICHEVER IS
39 GREATER, FOR THE SECOND VERIFIED VIOLATION.

40 3. UP TO \$3,500 OR UP TO AN AMOUNT EQUAL TO THREE NIGHTS' RENT FOR
41 THE VACATION RENTAL OR SHORT-TERM RENTAL AS ADVERTISED, WHICHEVER IS
42 GREATER, FOR A THIRD AND ANY SUBSEQUENT VERIFIED VIOLATION.

43 G. A VACATION RENTAL OR SHORT-TERM RENTAL THAT FAILS TO APPLY FOR A
44 LOCAL REGULATORY PERMIT OR LICENSE IN ACCORDANCE WITH SUBSECTION B,
45 PARAGRAPH 5 OF THIS SECTION, WITHIN 30 DAYS OF THE LOCAL REGULATORY PERMIT

1 OR LICENSE APPLICATION PROCESS BEING MADE AVAILABLE BY THE CITY OR TOWN
2 ISSUING SUCH PERMITS OR LICENSES, MUST CEASE OPERATIONS. IN ADDITION TO
3 ANY FINES IMPOSED PURSUANT TO SUBSECTION F OF THIS SECTION, A CITY OR TOWN
4 MAY IMPOSE A CIVIL PENALTY OF UP TO \$1,000 PER MONTH AGAINST THE OWNER IF
5 THE OWNER OR OWNER'S DESIGNEE FAILS TO APPLY FOR A REGULATORY PERMIT OR
6 LICENSE WITHIN 30 DAYS AFTER RECEIVING WRITTEN NOTICE OF THE FAILURE TO
7 COMPLY WITH SUBSECTION B, PARAGRAPH 5 OF THIS SECTION.

8 H. IF MULTIPLE VERIFIED VIOLATIONS ARISE OUT OF THE SAME RESPONSE
9 TO AN INCIDENT AT A VACATION RENTAL OR SHORT-TERM RENTAL, THOSE VERIFIED
10 VIOLATIONS ARE CONSIDERED ONE VERIFIED VIOLATION FOR THE PURPOSE OF
11 ASSESSING CIVIL PENALTIES OR SUSPENDING THE REGULATORY PERMIT OR LICENSE
12 OF THE OWNER OR OWNER'S DESIGNEE PURSUANT TO THIS SECTION.

13 ~~D.~~ I. If the owner of a vacation rental or short-term rental has
14 provided contact information to a city or town pursuant to subsection B,
15 paragraph 4 of this section and if the city or town issues a citation for
16 a violation of the city's or town's applicable laws, regulations or
17 ordinances or a state law that occurred on the owner's vacation rental or
18 short-term rental property, the city or town shall make a reasonable
19 attempt to notify the owner or the owner's designee of the citation within
20 seven business days after the citation is issued using the contact
21 information provided pursuant to subsection B, paragraph 4 of this
22 section. If the owner of a vacation rental or short-term rental has not
23 provided contact information pursuant to subsection B, paragraph 4 of this
24 section, the city or town is not required to provide such notice.

25 ~~E.~~ J. This section does not exempt an owner of a residential
26 rental property, as defined in section 33-1901, from maintaining with the
27 assessor of the county in which the property is located information
28 required under title 33, chapter 17, article 1.

29 ~~F.~~ K. A vacation rental or short-term rental may not be used for
30 nonresidential uses, including for a special event that would otherwise
31 require a permit or license pursuant to a city or town ordinance or a
32 state law or rule or for a retail, restaurant, banquet space or other
33 similar use.

34 ~~G.~~ L. For the purposes of this section:

35 1. "ONLINE LODGING MARKETPLACE" HAS THE SAME MEANING PRESCRIBED IN
36 SECTION 42-5076.

37 ~~I.~~ 2. "Transient" has the same meaning prescribed in section
38 42-5070.

39 ~~J.~~ 3. "Vacation rental" or "short-term rental":

40 (a) Means any individually or collectively owned single-family or
41 one-to-four-family house or dwelling unit or any unit or group of units in
42 a condominium, ~~OR cooperative or timeshare,~~ that is also a transient
43 public lodging establishment or owner-occupied residential home offered
44 for transient use if the accommodations are not classified for property
45 taxation under section 42-12001. ~~Vacation rental and short-term rental do~~

1 (b) DOES not include a unit that is used for any nonresidential
2 use, including retail, restaurant, banquet space, event center or another
3 similar use.

4 ~~3.~~ 4. "Verified violation" means a finding of guilt or civil
5 responsibility for violating any state law or local ordinance relating to
6 a purpose prescribed in subsection B or ~~F~~ K of this section that has been
7 finally adjudicated.

8 Sec. 2. Section 11-269.17, Arizona Revised Statutes, is amended to
9 read:

10 11-269.17. Limits on regulation of vacation rentals and
11 short-term rentals; state preemption; civil
12 penalties; transaction privilege tax license
13 suspension; definitions

14 A. A county may not prohibit vacation rentals or short-term
15 rentals.

16 B. A county may not restrict the use of or regulate vacation
17 rentals or short-term rentals based on their classification, use or
18 occupancy except as provided in this section. A county may regulate
19 vacation rentals or short-term rentals ~~for the following purposes~~ WITHIN
20 THE UNINCORPORATED AREAS OF THE COUNTY AS FOLLOWS:

21 1. ~~Protecting~~ TO PROTECT the public's health and safety, including
22 rules and regulations related to fire and building codes, health and
23 sanitation, transportation or traffic control, ~~AND~~ solid or hazardous
24 waste and pollution control, ~~and designation of an emergency point of~~
25 ~~contact~~, if the county demonstrates that the rule or regulation is for the
26 primary purpose of protecting the public's health and safety.

27 2. ~~Adopting~~ TO ADOPT and ~~enforcing residential~~ ENFORCE use and
28 zoning ordinances, including ordinances related to noise, protection of
29 welfare, property maintenance and other nuisance issues, if the ordinance
30 is applied in the same manner as other property classified under sections
31 42-12003 and 42-12004.

32 3. ~~Limiting~~ TO LIMIT or ~~prohibiting~~ PROHIBIT the use of a vacation
33 rental or short-term rental for the purposes of housing sex offenders,
34 operating or maintaining a sober living home, selling illegal drugs,
35 liquor control or pornography, obscenity, nude or topless dancing and
36 other adult-oriented businesses.

37 4. ~~Requiring~~ TO REQUIRE the owner of a vacation rental or
38 short-term rental to provide the county with contact information for the
39 owner or the owner's designee who is responsible for responding to
40 complaints OR EMERGENCIES in a timely manner in person IF REQUIRED BY
41 PUBLIC SAFETY PERSONNEL, over the phone or by email at any time of day
42 before offering for rent or renting the vacation rental or short-term
43 rental. IN ADDITION TO ANY OTHER PENALTY PURSUANT TO THIS SECTION, THE
44 COUNTY MAY IMPOSE A CIVIL PENALTY OF UP TO \$1,000 AGAINST THE OWNER FOR
45 EVERY THIRTY DAYS THE OWNER FAILS TO PROVIDE CONTACT INFORMATION AS

1 PRESCRIBED BY THIS PARAGRAPH. THE COUNTY SHALL PROVIDE THIRTY DAYS'
2 NOTICE TO THE OWNER BEFORE IMPOSING THE INITIAL CIVIL PENALTY.

3 5. TO REQUIRE AN OWNER OF A VACATION RENTAL OR SHORT-TERM RENTAL TO
4 OBTAIN AND MAINTAIN A LOCAL REGULATORY PERMIT OR LICENSE. AS A CONDITION
5 OF ISSUANCE OF A PERMIT OR LICENSE, THE APPLICATION FOR THE PERMIT OR
6 LICENSE MAY ONLY REQUIRE AN APPLICANT TO PROVIDE THE FOLLOWING:

7 (a) NAME, ADDRESS, PHONE NUMBER AND EMAIL ADDRESS FOR THE OWNER OR
8 OWNER'S AGENT.

9 (b) ADDRESS OF THE VACATION RENTAL OR SHORT-TERM RENTAL.

10 (c) PROOF OF COMPLIANCE WITH SECTION 42-5005.

11 (d) CONTACT INFORMATION REQUIRED PURSUANT TO PARAGRAPH 4 OF THIS
12 SUBSECTION.

13 (e) ACKNOWLEDGMENT OF AN AGREEMENT TO COMPLY WITH ALL APPLICABLE
14 LAWS, REGULATIONS AND ORDINANCES.

15 (f) A FEE NOT TO EXCEED THE ACTUAL COST OF ISSUING THE PERMIT OR
16 LICENSE OR \$250, WHICHEVER IS LESS.

17 6. TO REQUIRE, BEFORE OFFERING A VACATION RENTAL OR SHORT-TERM
18 RENTAL FOR RENT FOR THE FIRST TIME, THE OWNER OR THE OWNER'S DESIGNEE OF A
19 VACATION RENTAL OR SHORT-TERM RENTAL TO NOTIFY ALL SINGLE-FAMILY
20 RESIDENTIAL PROPERTIES ADJACENT TO, DIRECTLY AND DIAGONALLY ACROSS THE
21 STREET FROM THE VACATION RENTAL OR SHORT-TERM RENTAL. NOTICE SHALL BE
22 DEEMED SUFFICIENT IN A MULTI-FAMILY RESIDENTIAL BUILDING IF GIVEN TO
23 RESIDENTS ON THE SAME BUILDING FLOOR. A COUNTY MAY REQUIRE ADDITIONAL
24 NOTIFICATION PURSUANT TO THIS PARAGRAPH IF THE CONTACT INFORMATION
25 PREVIOUSLY PROVIDED CHANGES. NOTIFICATION PROVIDED IN COMPLIANCE WITH
26 THIS PARAGRAPH SHALL INCLUDE THE PERMIT OR LICENSE NUMBER IF REQUIRED BY
27 THE COUNTY, THE ADDRESS, AND THE INFORMATION REQUIRED PURSUANT TO
28 PARAGRAPH 4 OF THIS SUBSECTION. THE OWNER OR THE OWNER'S DESIGNEE SHALL
29 DEMONSTRATE COMPLIANCE WITH THIS PARAGRAPH BY PROVIDING THE COUNTY WITH AN
30 ATTESTATION OF NOTIFICATION COMPLIANCE THAT CONSISTS OF THE FOLLOWING
31 INFORMATION:

32 (a) THE PERMIT OR LICENSE NUMBER OF THE VACATION RENTAL OR
33 SHORT-TERM RENTAL, IF REQUIRED BY THE COUNTY.

34 (b) THE ADDRESS OF EACH PROPERTY NOTIFIED.

35 (c) A DESCRIPTION OF THE MANNER IN WHICH THE OWNER OR OWNER'S
36 DESIGNEE CHOSE TO PROVIDE NOTIFICATION TO EACH PROPERTY SUBJECT TO
37 NOTIFICATION.

38 (d) THE NAME AND CONTACT INFORMATION OF THE PERSON ATTESTING TO
39 COMPLIANCE WITH THIS PARAGRAPH.

40 7. TO REQUIRE THE OWNER OR OWNER'S DESIGNEE OF A VACATION RENTAL OR
41 SHORT-TERM RENTAL TO DISPLAY THE LOCAL REGULATORY PERMIT NUMBER OR LICENSE
42 NUMBER, IF ANY, ON EACH ADVERTISEMENT FOR A VACATION RENTAL OR SHORT-TERM
43 RENTAL THAT THE OWNER OR OWNER'S DESIGNEE MAINTAINS. A COUNTY THAT DOES
44 NOT REQUIRE A LOCAL REGULATORY PERMIT OR LICENSE MAY REQUIRE THE OWNER OR
45 OWNER'S DESIGNEE OF A VACATION RENTAL OR SHORT-TERM RENTAL TO DISPLAY THE

1 TRANSACTION PRIVILEGE TAX LICENSE REQUIRED BY SECTION 42-5042 ON EACH
2 ADVERTISEMENT FOR A VACATION RENTAL OR SHORT-TERM RENTAL THAT THE OWNER OR
3 OWNER'S DESIGNEE MAINTAINS.

4 8. TO REQUIRE THE VACATION RENTAL OR SHORT-TERM RENTAL TO MAINTAIN
5 LIABILITY INSURANCE APPROPRIATE TO COVER THE VACATION RENTAL OR SHORT-TERM
6 RENTAL IN THE AGGREGATE OF AT LEAST \$500,000 OR TO ADVERTISE AND OFFER
7 EACH VACATION RENTAL OR SHORT-TERM RENTAL THROUGH AN ONLINE LODGING
8 MARKETPLACE THAT PROVIDES EQUAL OR GREATER COVERAGE.

9 ~~C. Within thirty days after a verified violation, a county shall~~
10 ~~notify the department of revenue and the owner of the vacation rental or~~
11 ~~short-term rental of the verified violation of the county's applicable~~
12 ~~laws, regulations or ordinances and, if the property owner received the~~
13 ~~verified violation, whether the county imposed a civil penalty on the~~
14 ~~owner of the vacation rental or short-term rental and the amount of the~~
15 ~~civil penalty, if assessed. If multiple verified violations arise out of~~
16 ~~the same response to an incident at a vacation rental or short-term~~
17 ~~rental, those verified violations are considered one verified violation~~
18 ~~for the purpose of assessing civil penalties pursuant to section~~
19 ~~42-1125.02, subsection B.~~

20 C. A COUNTY THAT REQUIRES A LOCAL REGULATORY PERMIT OR LICENSE
21 PURSUANT TO THIS SECTION SHALL ISSUE OR DENY THE PERMIT OR LICENSE WITHIN
22 SEVEN BUSINESS DAYS OF RECEIPT OF THE INFORMATION REQUIRED BY SUBSECTION
23 B, PARAGRAPH 5 OF THIS SECTION AND OTHERWISE IN ACCORDANCE WITH SECTION
24 11-1602, EXCEPT THAT A COUNTY MAY DENY ISSUANCE OF A PERMIT OR LICENSE
25 ONLY FOR ANY OF THE FOLLOWING:

- 26 1. FAILURE TO PROVIDE THE INFORMATION REQUIRED BY SUBSECTION B,
27 PARAGRAPH 5, SUBDIVISIONS (a) THROUGH (e) OF THIS SECTION.
- 28 2. FAILURE TO PAY THE REQUIRED PERMIT OR LICENSE FEE.
- 29 3. AT THE TIME OF APPLICATION THE OWNER HAS A SUSPENDED PERMIT OR
30 LICENSE FOR THE SAME VACATION RENTAL OR SHORT-TERM RENTAL.
- 31 4. THE APPLICANT PROVIDES FALSE INFORMATION.
- 32 5. THE OWNER OR OWNER'S DESIGNEE OF A VACATION RENTAL OR SHORT-TERM
33 RENTAL IS A REGISTERED SEX OFFENDER OR HAS BEEN CONVICTED OF ANY FELONY
34 ACT THAT RESULTS IN DEATH OR SERIOUS PHYSICAL INJURY OR ANY FELONY USE OF
35 A DEADLY WEAPON WITHIN THE PAST FIVE YEARS.

36 D. A COUNTY THAT REQUIRES A LOCAL REGULATORY PERMIT OR LICENSE
37 PURSUANT TO THIS SECTION SHALL ADOPT AN ORDINANCE TO ALLOW THE COUNTY TO
38 INITIATE AN ADMINISTRATIVE PROCESS TO SUSPEND A LOCAL REGULATORY PERMIT OR
39 LICENSE FOR A PERIOD OF UP TO TWELVE MONTHS FOR THE FOLLOWING VERIFIED
40 VIOLATIONS ASSOCIATED WITH A PROPERTY:

- 41 1. THREE VERIFIED VIOLATIONS WITHIN A TWELVE MONTH PERIOD, NOT
42 INCLUDING ANY VERIFIED VIOLATION BASED ON AN AESTHETIC, SOLID WASTE
43 DISPOSAL OR VEHICLE PARKING VIOLATION THAT IS NOT ALSO A SERIOUS THREAT TO
44 PUBLIC HEALTH OR SAFETY.

1 2. ONE VERIFIED VIOLATION THAT RESULTS IN OR CONSTITUTES ANY OF THE
2 FOLLOWING:

3 (a) A FELONY OFFENSE COMMITTED AT OR IN THE VICINITY OF A VACATION
4 RENTAL OR SHORT-TERM RENTAL BY THE VACATION RENTAL OR SHORT-TERM RENTAL
5 OWNER OR OWNER'S DESIGNEE.

6 (b) A SERIOUS PHYSICAL INJURY OR WRONGFUL DEATH AT OR RELATED TO A
7 VACATION RENTAL OR SHORT-TERM RENTAL RESULTING FROM THE KNOWING,
8 INTENTIONAL OR RECKLESS CONDUCT OF THE VACATION RENTAL OR SHORT-TERM
9 RENTAL OWNER OR OWNER'S DESIGNEE.

10 (c) AN OWNER OR OWNER'S DESIGNEE KNOWINGLY OR INTENTIONALLY HOUSING
11 A SEX OFFENDER, ALLOWING OFFENSES RELATED TO ADULT-ORIENTED BUSINESSES,
12 SEXUAL OFFENSES OR PROSTITUTION, OR OPERATING OR MAINTAINING A SOBER
13 LIVING HOME, IN VIOLATION OF REGULATION OR ORDINANCE ADOPTED PURSUANT TO
14 SUBSECTION B, PARAGRAPH 3 OF THIS SECTION.

15 (d) AN OWNER OR OWNER'S DESIGNEE KNOWINGLY OR INTENTIONALLY
16 ALLOWING THE USE OF A VACATION RENTAL OR SHORT-TERM RENTAL FOR A SPECIAL
17 EVENT THAT WOULD OTHERWISE REQUIRE A PERMIT OR LICENSE PURSUANT TO A
18 COUNTY OR A STATE LAW OR RULE OR FOR A RETAIL, RESTAURANT, BANQUET SPACE
19 OR OTHER SIMILAR USE.

20 3. NOTWITHSTANDING PARAGRAPHS 1 AND 2 OF THIS SUBSECTION, ANY
21 ATTEMPTED OR COMPLETED FELONY ACT, ARISING FROM THE OCCUPANCY OR USE OF A
22 VACATION RENTAL OR SHORT-TERM RENTAL, THAT RESULTS IN A DEATH, OR ACTUAL
23 OR ATTEMPTED SERIOUS PHYSICAL INJURY, SHALL BE GROUNDS FOR JUDICIAL RELIEF
24 IN THE FORM OF A SUSPENSION OF THE PROPERTY'S USE AS A VACATION RENTAL OR
25 SHORT-TERM RENTAL FOR A PERIOD OF TIME THAT SHALL NOT EXCEED TWELVE
26 MONTHS.

27 E. A COUNTY THAT REQUIRES SEX OFFENDER BACKGROUND CHECKS ON A
28 VACATION RENTAL OR SHORT-TERM RENTAL GUEST SHALL WAIVE THE REQUIREMENT IF
29 AN ONLINE LODGING MARKETPLACE PERFORMS A SEX OFFENDER BACKGROUND CHECK OF
30 THE BOOKING GUEST.

31 F. NOTWITHSTANDING ANY OTHER LAW, A COUNTY MAY IMPOSE A CIVIL
32 PENALTY OF THE FOLLOWING AMOUNTS AGAINST AN OWNER OF A VACATION RENTAL OR
33 SHORT-TERM RENTAL IF THE OWNER RECEIVES ONE OR MORE VERIFIED VIOLATIONS
34 RELATED TO THE SAME VACATION RENTAL OR SHORT-TERM RENTAL PROPERTY WITHIN
35 THE SAME TWELVE-MONTH PERIOD:

36 1. UP TO \$500 OR UP TO AN AMOUNT EQUAL TO ONE NIGHT'S RENT FOR THE
37 VACATION RENTAL OR SHORT-TERM RENTAL AS ADVERTISED, WHICHEVER IS GREATER,
38 FOR THE FIRST VERIFIED VIOLATION.

39 2. UP TO \$1,000 OR UP TO AN AMOUNT EQUAL TO TWO NIGHTS' RENT FOR
40 THE VACATION RENTAL OR SHORT-TERM RENTAL AS ADVERTISED, WHICHEVER IS
41 GREATER, FOR THE SECOND VERIFIED VIOLATION.

42 3. UP TO \$3,500 OR UP TO AN AMOUNT EQUAL TO THREE NIGHTS' RENT FOR
43 THE VACATION RENTAL OR SHORT-TERM RENTAL AS ADVERTISED, WHICHEVER IS
44 GREATER, FOR A THIRD AND ANY SUBSEQUENT VERIFIED VIOLATION.

1 G. A VACATION RENTAL OR SHORT-TERM RENTAL THAT FAILS TO APPLY FOR A
2 LOCAL REGULATORY PERMIT OR LICENSE IN ACCORDANCE WITH SUBSECTION B,
3 PARAGRAPH 5 OF THIS SECTION, WITHIN 30 DAYS OF THE LOCAL REGULATORY PERMIT
4 OR LICENSE APPLICATION PROCESS BEING MADE AVAILABLE BY THE COUNTY ISSUING
5 SUCH PERMITS OR LICENSES, MUST CEASE OPERATIONS. IN ADDITION TO ANY FINES
6 IMPOSED PURSUANT TO SUBSECTION F OF THIS SECTION, A COUNTY MAY IMPOSE A
7 CIVIL PENALTY OF UP TO \$1,000 PER MONTH AGAINST THE OWNER IF THE OWNER OR
8 OWNER'S DESIGNEE FAILS TO APPLY FOR A REGULATORY PERMIT OR LICENSE WITHIN
9 30 DAYS AFTER RECEIVING WRITTEN NOTICE OF THE FAILURE TO COMPLY WITH
10 SUBSECTION B, PARAGRAPH 5 OF THIS SECTION.

11 H. IF MULTIPLE VERIFIED VIOLATIONS ARISE OUT OF THE SAME RESPONSE
12 TO AN INCIDENT AT A VACATION RENTAL OR SHORT-TERM RENTAL, THOSE VERIFIED
13 VIOLATIONS ARE CONSIDERED ONE VERIFIED VIOLATION FOR THE PURPOSE OF
14 ASSESSING CIVIL PENALTIES OR SUSPENDING THE REGULATORY PERMIT OR LICENSE
15 OF THE OWNER OR OWNER'S DESIGNEE PURSUANT TO THIS SECTION.

16 ~~I.~~ I. If the owner of a vacation rental or short-term rental has
17 provided contact information to a county pursuant to subsection B,
18 paragraph 4 of this section and if the county issues a citation for a
19 violation of the county's applicable laws, regulations or ordinances or a
20 state law that occurred on the owner's vacation rental or short-term
21 rental property, the county shall make a reasonable attempt to notify the
22 owner or the owner's designee of the citation within seven business days
23 after the citation is issued using the contact information provided
24 pursuant to subsection B, paragraph 4 of this section. If the owner of a
25 vacation rental or short-term rental has not provided contact information
26 pursuant to subsection B, paragraph 4 of this section, the county is not
27 required to provide such notice.

28 ~~J.~~ J. This section does not exempt an owner of a residential
29 rental property, as defined in section 33-1901, from maintaining with the
30 assessor of the county in which the property is located information
31 required under title 33, chapter 17, article 1.

32 ~~K.~~ K. A vacation rental or short-term rental may not be used for
33 nonresidential uses, including for a special event that would otherwise
34 require a permit or license pursuant to a county ordinance or a state law
35 or rule or for a retail, restaurant, banquet space or other similar use.

36 ~~L.~~ L. For the purposes of this section:

37 1. "ONLINE LODGING MARKETPLACE" HAS THE SAME MEANING PRESCRIBED IN
38 SECTION 42-5076.

39 ~~2.~~ 2. "Transient" has the same meaning prescribed in section
40 42-5070.

41 ~~3.~~ 3. "Vacation rental" or "short-term rental":

42 (a) Means any individually or collectively owned single-family or
43 one-to-four-family house or dwelling unit or any unit or group of units in
44 a condominium, ~~OR cooperative or timeshare,~~ that is also a transient
45 public lodging establishment or owner-occupied residential home offered

1 for transient use if the accommodations are not classified for property
2 taxation under section 42-12001. ~~Vacation rental and short-term rental do~~

3 (b) DOES not include a unit that is used for any nonresidential
4 use, including retail, restaurant, banquet space, event center or another
5 similar use.

6 ~~3.~~ 4. "Verified violation" means a finding of guilt or civil
7 responsibility for violating any state law or local ordinance relating to
8 a purpose prescribed in subsection B or ~~F~~ K of this section that has been
9 finally adjudicated.

10 Sec. 3. Repeal

11 Section 42-1125.02, Arizona Revised Statutes, is repealed.

12 Sec. 4. Section 42-5042, Arizona Revised Statutes, is amended to
13 read:

14 42-5042. Online lodging operators: requirements: civil
15 penalty: definitions

16 A. An online lodging operator may not offer for rent or rent a
17 lodging accommodation without a current transaction privilege tax license.
18 The online lodging operator shall list the transaction privilege tax
19 license number on each advertisement for each lodging accommodation the
20 online lodging operator maintains, including online lodging marketplace
21 postings. AN ONLINE LODGING OPERATOR THAT FAILS TO COMPLY WITH THIS
22 SUBSECTION SHALL PAY A CIVIL PENALTY OF \$250 FOR A FIRST OFFENSE AND
23 \$1,000 FOR A SECOND OR ANY SUBSEQUENT OFFENSE.

24 B. For the purposes of this section:

25 1. "Lodging accommodation" has the same meaning prescribed in
26 section 42-5076.

27 2. "Online lodging marketplace" has the same meaning prescribed in
28 section 42-5076.

29 3. "Online lodging operator" has the same meaning prescribed in
30 section 42-5076 and includes an owner of a vacation rental or short-term
31 rental, ~~as defined in section 9-500.39 or 11-269.17,~~ that is not offered
32 through an online lodging marketplace.

33 4. "VACATION RENTAL" AND "SHORT-TERM RENTAL" HAVE THE SAME MEANINGS
34 PRESCRIBED IN SECTION 9-500.39 OR 11-269.17.

35 5. "VERIFIED VIOLATION" HAS THE SAME MEANING PRESCRIBED IN SECTION
36 9-500.39 OR 11-269.17.

APPROVED BY THE GOVERNOR JULY 6, 2022.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JULY 6, 2022.

11-269.17. Limits on regulation of vacation rentals and short-term rentals; state preemption; civil penalties; transaction privilege tax license suspension; definitions

A. A county may not prohibit vacation rentals or short-term rentals.

B. A county may not restrict the use of or regulate vacation rentals or short-term rentals based on their classification, use or occupancy except as provided in this section. A county may regulate vacation rentals or short-term rentals within the unincorporated areas of the county as follows:

1. To protect the public's health and safety, including rules and regulations related to fire and building codes, health and sanitation, transportation or traffic control and solid or hazardous waste and pollution control, if the county demonstrates that the rule or regulation is for the primary purpose of protecting the public's health and safety.
2. To adopt and enforce use and zoning ordinances, including ordinances related to noise, protection of welfare, property maintenance and other nuisance issues, if the ordinance is applied in the same manner as other property classified under sections 42-12003 and 42-12004.
3. To limit or prohibit the use of a vacation rental or short-term rental for the purposes of housing sex offenders, operating or maintaining a sober living home, selling illegal drugs, liquor control or pornography, obscenity, nude or topless dancing and other adult-oriented businesses.
4. To require the owner of a vacation rental or short-term rental to provide the county with contact information for the owner or the owner's designee who is responsible for responding to complaints or emergencies in a timely manner in person if required by public safety personnel, over the phone or by email at any time of day before offering for rent or renting the vacation rental or short-term rental. In addition to any other penalty pursuant to this section, the county may impose a civil penalty of up to \$1,000 against the owner for every thirty days the owner fails to provide contact information as prescribed by this paragraph. The county shall provide thirty days' notice to the owner before imposing the initial civil penalty.
5. To require an owner of a vacation rental or short-term rental to obtain and maintain a local regulatory permit or license. As a condition of issuance of a permit or license, the application for the permit or license may require an applicant to provide only the following:
 - (a) Name, address, phone number and email address for the owner or owner's agent.
 - (b) Address of the vacation rental or short-term rental.
 - (c) Proof of compliance with section 42-5005.
 - (d) Contact information required pursuant to paragraph 4 of this subsection.
 - (e) Acknowledgment of an agreement to comply with all applicable laws, regulations and ordinances.
 - (f) A fee not to exceed the actual cost of issuing the permit or license or \$250, whichever is less.
6. To require, before offering a vacation rental or short-term rental for rent for the first time, the owner or the owner's designee of a vacation rental or short-term rental to notify all single-family residential properties adjacent to, directly and diagonally across the street from the vacation rental or short-term rental. Notice shall be deemed sufficient in a multifamily residential building if given to residents on the

same building floor. A county may require additional notification pursuant to this paragraph if the contact information previously provided changes. Notification provided in compliance with this paragraph shall include the permit or license number if required by the county, the address, and the information required pursuant to paragraph 4 of this subsection. The owner or the owner's designee shall demonstrate compliance with this paragraph by providing the county with an attestation of notification compliance that consists of the following information:

- (a) The permit or license number of the vacation rental or short-term rental, if required by the county.
- (b) The address of each property notified.
- (c) A description of the manner in which the owner or owner's designee chose to provide notification to each property subject to notification.
- (d) The name and contact information of the person attesting to compliance with this paragraph.

7. To require the owner or owner's designee of a vacation rental or short-term rental to display the local regulatory permit number or license number, if any, on each advertisement for a vacation rental or short-term rental that the owner or owner's designee maintains. A county that does not require a local regulatory permit or license may require the owner or owner's designee of a vacation rental or short-term rental to display the transaction privilege tax license required by section 42-5042 on each advertisement for a vacation rental or short-term rental that the owner or owner's designee maintains.

8. To require the vacation rental or short-term rental to maintain liability insurance appropriate to cover the vacation rental or short-term rental in the aggregate of at least \$500,000 or to advertise and offer each vacation rental or short-term rental through an online lodging marketplace that provides equal or greater coverage.

C. A county that requires a local regulatory permit or license pursuant to this section shall issue or deny the permit or license within seven business days of receipt of the information required by subsection B, paragraph 5 of this section and otherwise in accordance with section 11-1602, except that a county may deny issuance of a permit or license only for any of the following:

- 1. Failure to provide the information required by subsection B, paragraph 5, subdivisions (a) through (e) of this section.
- 2. Failure to pay the required permit or license fee.
- 3. At the time of application the owner has a suspended permit or license for the same vacation rental or short-term rental.
- 4. The applicant provides false information.
- 5. The owner or owner's designee of a vacation rental or short-term rental is a registered sex offender or has been convicted of any felony act that results in death or serious physical injury or any felony use of a deadly weapon within the past five years.

D. A county that requires a local regulatory permit or license pursuant to this section shall adopt an ordinance to allow the county to initiate an administrative process to suspend a local regulatory permit or license for a period of up to twelve months for the following verified violations associated with a property:

1. Three verified violations within a twelve-month period, not including any verified violation based on an aesthetic, solid waste disposal or vehicle parking violation that is not also a serious threat to public health or safety.

2. One verified violation that results in or constitutes any of the following:

(a) A felony offense committed at or in the vicinity of a vacation rental or short-term rental by the vacation rental or short-term rental owner or owner's designee.

(b) A serious physical injury or wrongful death at or related to a vacation rental or short-term rental resulting from the knowing, intentional or reckless conduct of the vacation rental or short-term rental owner or owner's designee.

(c) An owner or owner's designee knowingly or intentionally housing a sex offender, allowing offenses related to adult-oriented businesses, sexual offenses or prostitution, or operating or maintaining a sober living home, in violation of regulation or ordinance adopted pursuant to subsection B, paragraph 3 of this section.

(d) An owner or owner's designee knowingly or intentionally allowing the use of a vacation rental or short-term rental for a special event that would otherwise require a permit or license pursuant to a county or a state law or rule or for a retail, restaurant, banquet space or other similar use.

3. Notwithstanding paragraphs 1 and 2 of this subsection, any attempted or completed felony act, arising from the occupancy or use of a vacation rental or short-term rental, that results in a death, or actual or attempted serious physical injury, shall be grounds for judicial relief in the form of a suspension of the property's use as a vacation rental or short-term rental for a period of time that shall not exceed twelve months.

E. A county that requires sex offender background checks on a vacation rental or short-term rental guest shall waive the requirement if an online lodging marketplace performs a sex offender background check of the booking guest.

F. Notwithstanding any other law, a county may impose a civil penalty of the following amounts against an owner of a vacation rental or short-term rental if the owner receives one or more verified violations related to the same vacation rental or short-term rental property within the same twelve-month period:

1. Up to \$500 or up to an amount equal to one night's rent for the vacation rental or short-term rental as advertised, whichever is greater, for the first verified violation.

2. Up to \$1,000 or up to an amount equal to two nights' rent for the vacation rental or short-term rental as advertised, whichever is greater, for the second verified violation.

3. Up to \$3,500 or up to an amount equal to three nights' rent for the vacation rental or short-term rental as advertised, whichever is greater, for a third and any subsequent verified violation.

G. A vacation rental or short-term rental that fails to apply for a local regulatory permit or license in accordance with subsection B, paragraph 5 of this section, within thirty days of the local regulatory permit or license application process being made available by the county issuing such permits or licenses, must cease operations. In addition to any fines imposed pursuant to subsection F of this section, a county may impose a civil penalty of up to \$1,000 per month against the owner if the owner or owner's designee fails to apply for a regulatory permit or license within thirty days after receiving written notice of the failure to comply with subsection B, paragraph 5 of this section.

H. If multiple verified violations arise out of the same response to an incident at a vacation rental or short-term rental, those verified violations are considered one verified violation for the purpose of assessing civil penalties or suspending the regulatory permit or license of the owner or owner's designee pursuant to this section.

I. If the owner of a vacation rental or short-term rental has provided contact information to a county pursuant to subsection B, paragraph 4 of this section and if the county issues a citation for a violation of the county's applicable laws, regulations or ordinances or a state law that occurred on the owner's vacation rental or short-term rental property, the county shall make a reasonable attempt to notify the owner or the owner's designee of the citation within seven business days after the citation is issued using the contact information provided pursuant to subsection B, paragraph 4 of this section. If the owner of a vacation rental or short-term rental has not provided contact information pursuant to subsection B, paragraph 4 of this section, the county is not required to provide such notice.

J. This section does not exempt an owner of a residential rental property, as defined in section 33-1901, from maintaining with the assessor of the county in which the property is located information required under title 33, chapter 17, article 1.

K. A vacation rental or short-term rental may not be used for nonresidential uses, including for a special event that would otherwise require a permit or license pursuant to a county ordinance or a state law or rule or for a retail, restaurant, banquet space or other similar use.

L. For the purposes of this section:

1. "Online lodging marketplace" has the same meaning prescribed in section 42-5076.

2. "Transient" has the same meaning prescribed in section 42-5070.

3. "Vacation rental" or "short-term rental":

(a) Means any individually or collectively owned single-family or one-to-four-family house or dwelling unit or any unit or group of units in a condominium or cooperative that is also a transient public lodging establishment or owner-occupied residential home offered for transient use if the accommodations are not classified for property taxation under section 42-12001.

(b) Does not include a unit that is used for any nonresidential use, including retail, restaurant, banquet space, event center or another similar use.

4. "Verified violation" means a finding of guilt or civil responsibility for violating any state law or local ordinance relating to a purpose prescribed in subsection B or K of this section that has been finally adjudicated.

ARF-7866

2. B.

Work Session

Meeting Date: 02/28/2023

Submitted For: Homero Vela, Director

Submitted By: Shannon Boyer, Executive Administrative Asst.

Department: Public Works

Information

Request/Subject

Update Board on Public Works revenues and projects.

Background Information

The update will provide information regarding the performance of the Public Works Department funding sources, recently completed capital projects, and future/planned capital projects. Including topics on road improvement plans, landfill projects, drainage projects, GIS, and floodplains.

Evaluation

The purpose of the update is to share current revenue levels and provide current project plans and invite discussion from the Board of Supervisors on current and future Public Works projects.

Conclusion

N/A

Recommendation

The Public Work Department requests discussion from the Board of Supervisors on the ongoing planned and future Public Works Department's revenues and projects.

Suggested Motion

Information/Discussion of Public Works revenues and project updates.

(Homero Vela)

Attachments

Public Works Presentation- ADDED AFTER MEETING

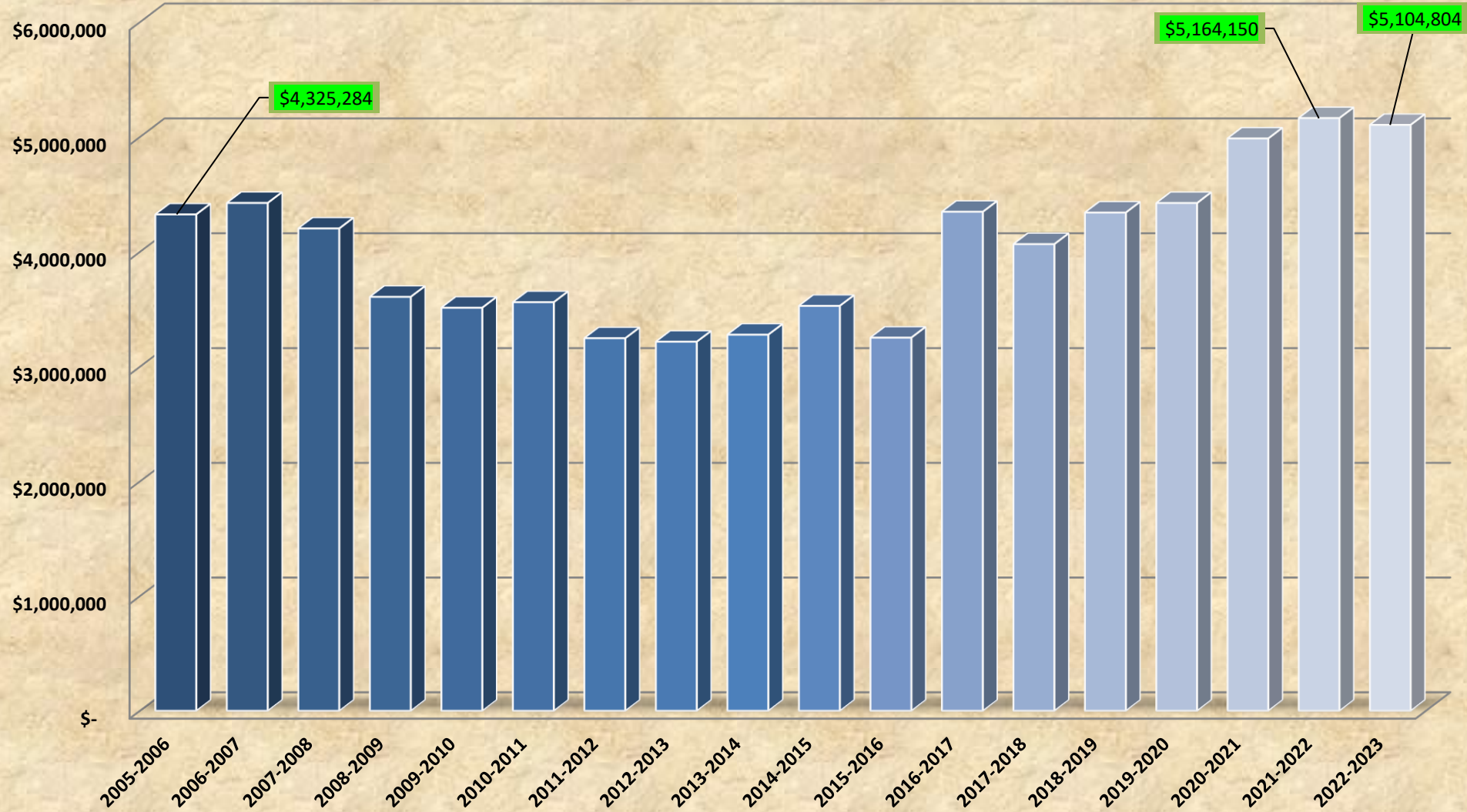
PUBLIC WORKS

Consolidated Roads Maintenance
Flood Plain Management
Landfill Operations
General Services
Engineering
Survey
GIS

Feb 28, 2023



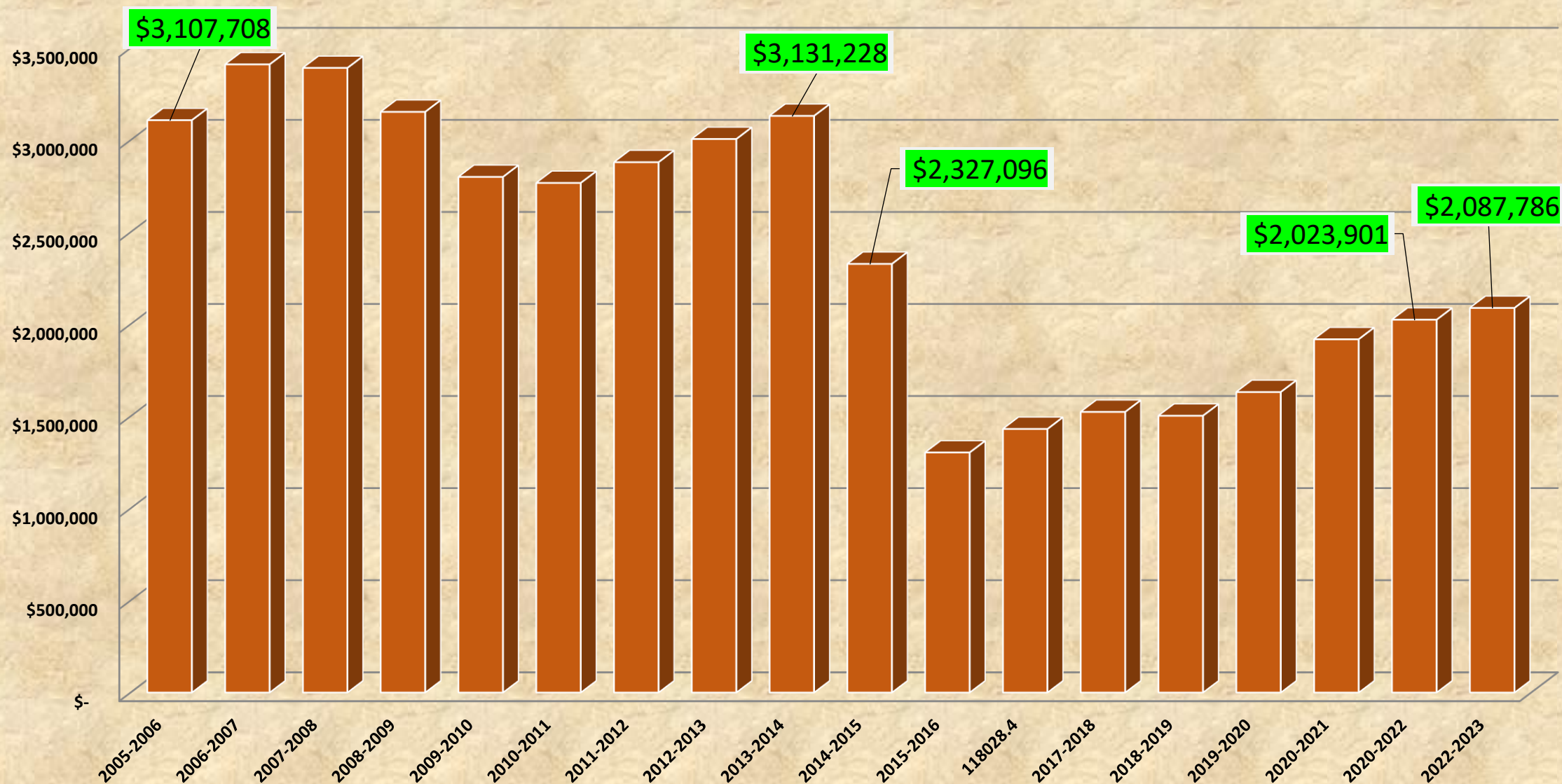
Highway User Revenue Fund



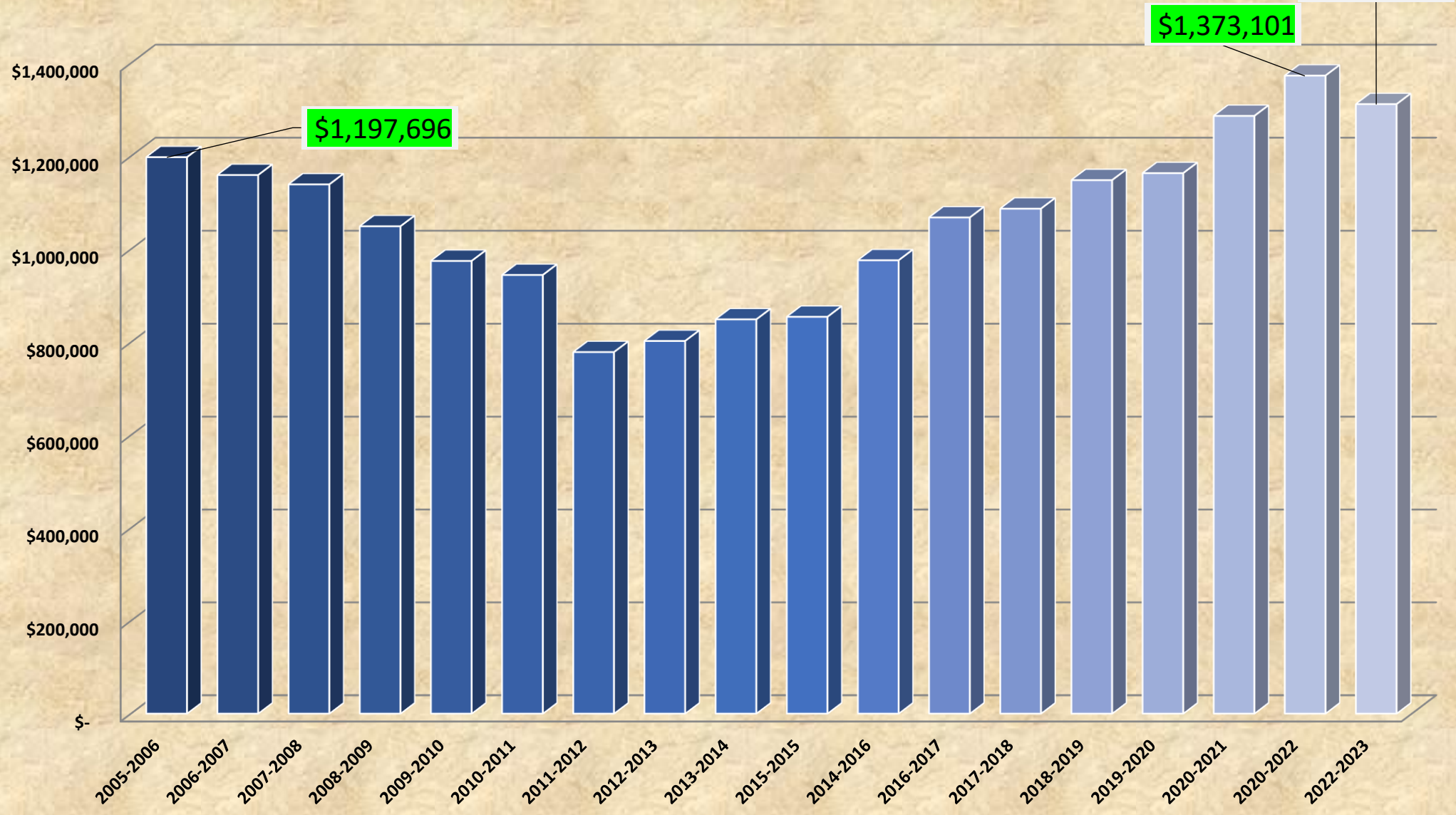
Note: 2022-2023
Extrapolated based
on previous year
trend

Note: 2022-2023 Extrapolated based on previous year trend

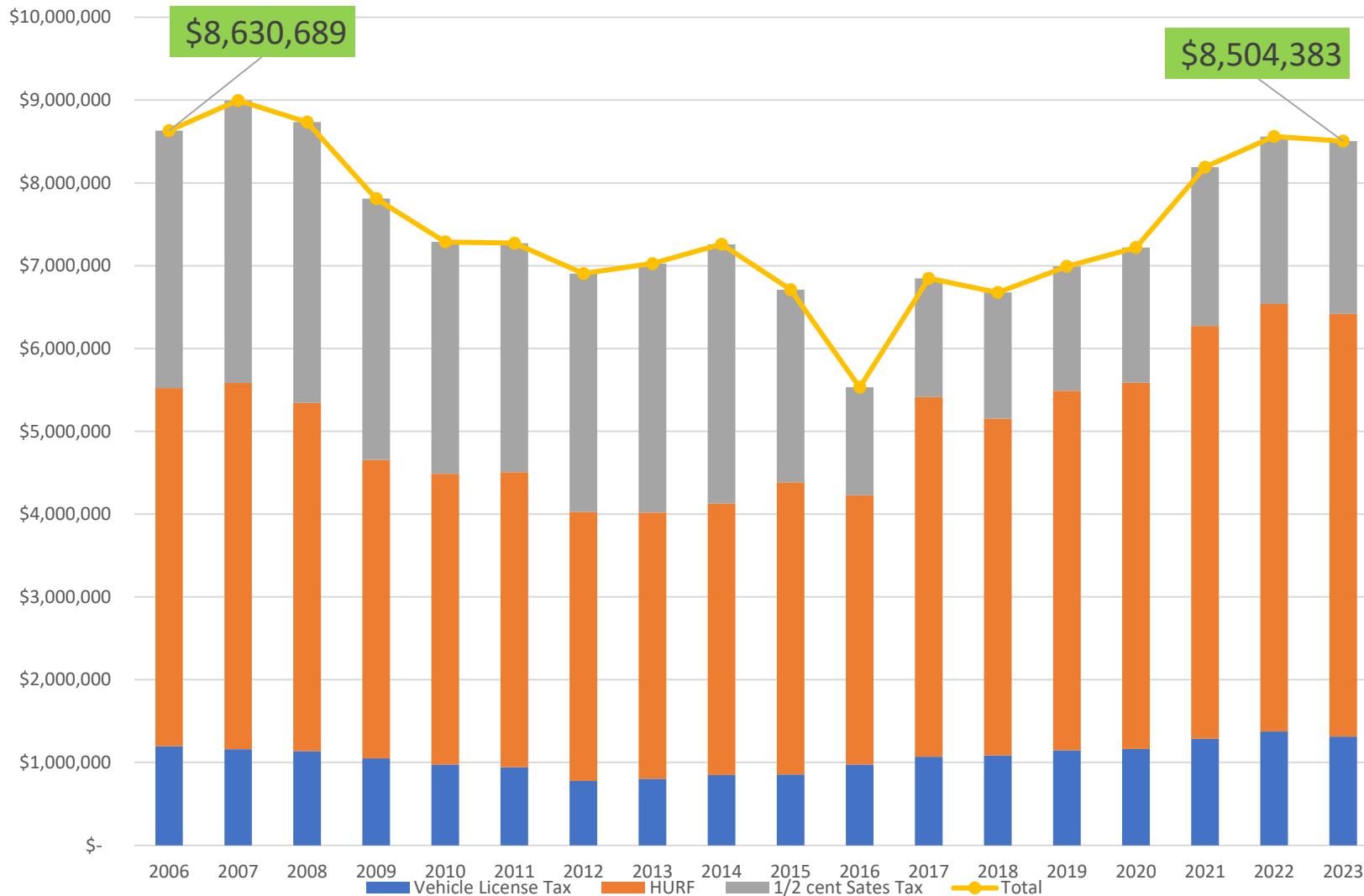
Transportation 1/2 cent Excise Tax



Vehicle License Tax



Road Maintenance Revenues 2006 – 2023



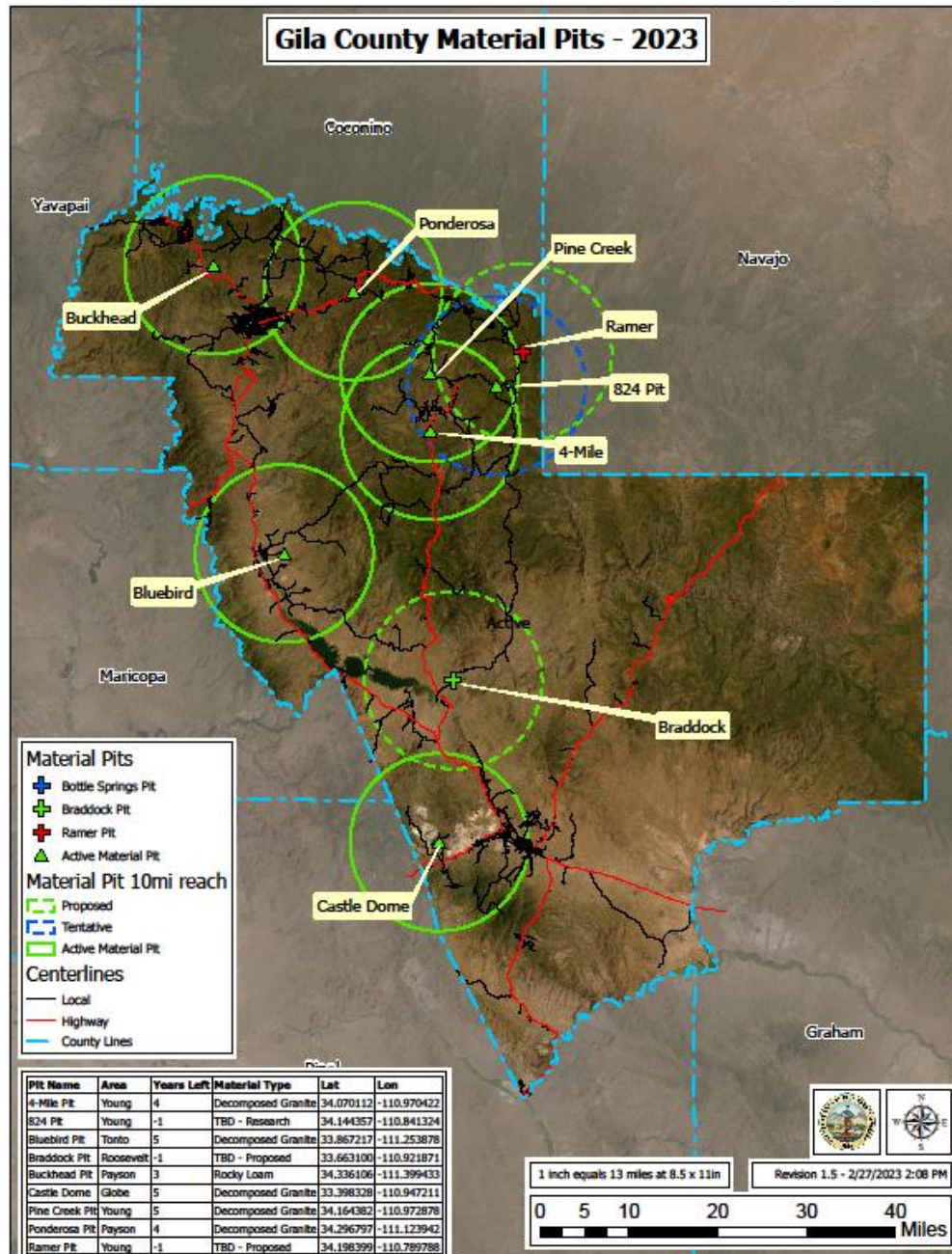
HURF Mileage

- 2006 –715
- 2022 -756

Inflation 2006-2022

- Annual Average – 2.3%
- Total 45%

What took \$1 to buy then,
now requires \$1.45



- Working on three new pits with Forest Service
 - Ramer
 - Braddock
 - 824 Pit
- Testing all material pits
 - Objective – maximize effectiveness of pit material

Chip Seals – Pavement Preservation

Spring of 2023	
Globe Area Chip Seal Date 4/24-27	Mileage
Bandy Heights	0.35
Six Shooter Canyon Area - Cherokee from Winchester RD to Six Shooter Canyon	0.55
Pinal View Subdivision- Ice House Canyon Area Pinal View Dr Grand View Dr Weaver Circle	0.72
Wilbanks Dr and all roads in subdivision. Wilbanks Green Saffron Cobalt Bighorn	0.88
Wheatfields Area - Hicks Rd from Wheatfields Rd to first cattle guard.	0.87
Tonto Basin Chip Seal Date 5/2 thru 5/4	
Ewing Trail	3.81
Greenback road from Ewing Trail to Tonto Creek.	0.68
Strawberry Chip Seal Date 5/9 thru 5/11	
Louthian Ln from Hwy 87 to Wing Field Wy. Nash Tr. Cleonna Dr. Lufkin Dr. Strawberry lane to LufkinDr. Wingfield Wy to Rimwood Dr. Rimwood Road.	2.48
Total Mileage	10.34

Road Miles	Total	Forest Service
HURF Funded Road Miles	756	458
Paved	179	39
Unpaved	577	419

Survey & GIS - County Drone Program



- First drone Sep 2021 – DFFM funded
- Second Jan 2023 – County purchased
- Optimizing limited funds/quicker response
 - Buckhead Mesa Landfill 2015 Contractor \$2800/4 weeks delivery. County staff set control so ~\$800.
Total \$3600
 - Same project by staff in 2022 with drone - **\$1300/3 day delivery**
- 30 flight projects completed since 10/2021
 - Typically collaboration between Survey and GIS
 - Various projects construction pre & post
 - Both landfills multiple times with 2x/year planned
 - Material pits
 - Fairgrounds
 - Veterans center pending

Post-Fire Drainage Projects

EWP Projects - Extension denied and NRCS proposes to use Watershed and Flood Prevention Operations Program (WFPO)

Telegraph Fire

- Bloody Tank Wash - Complete Nov 2022
- Six Shooter Canyon - WFPO
- Ice House Canyon - WFPO
- Russell Gulch - WFPO

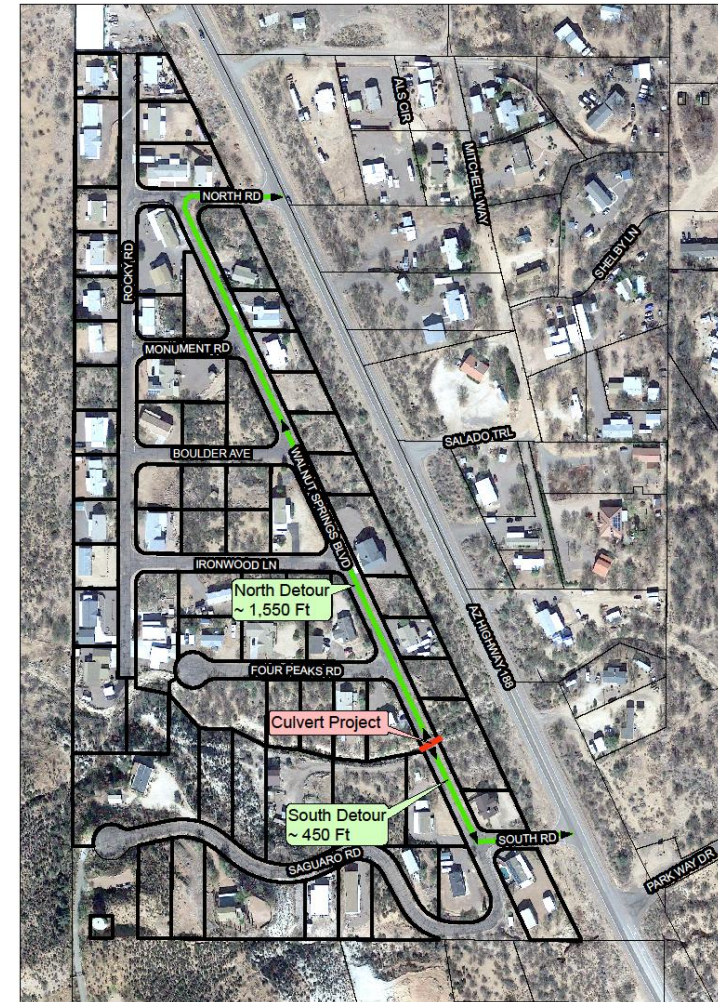
Bush Fire

- Landing Wash - WFPO
- Sycamore Creek- WFPO
- Butcher Hook Wash - WFPO

Road Related Post Fire Drainage Project

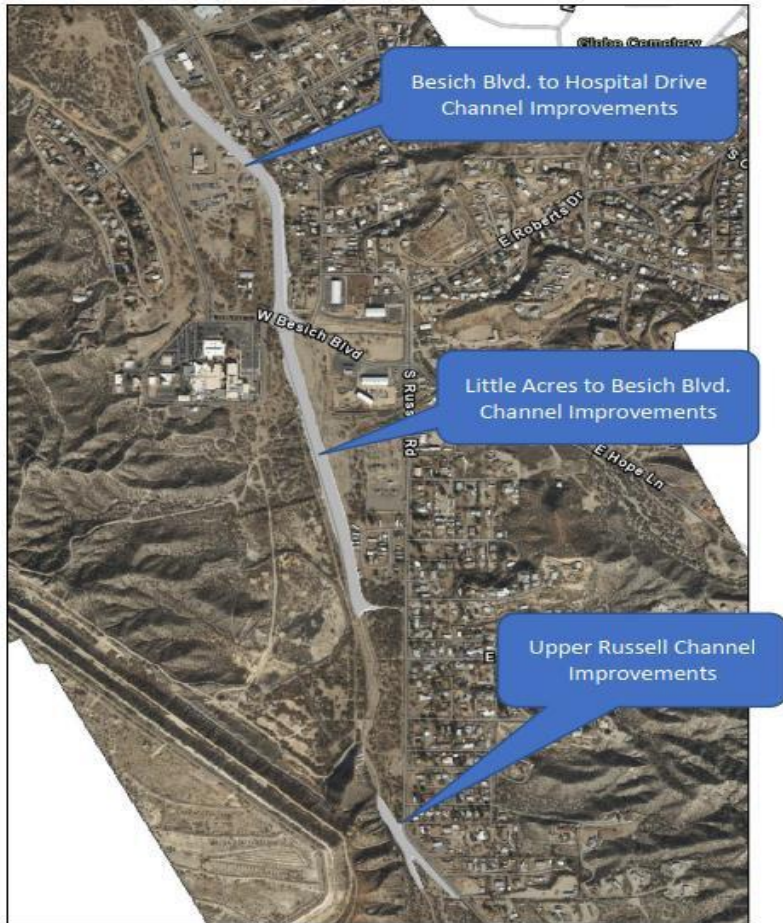
- Walnut Canyon Box Culvert - DFFM
- Russell Road - Will submit for DFFM, waiting for costs based on 10- year event

Walnut Canyon - Replace CMPs with Box Culvert



Activity	Cost	Funding Source	Vendor	Start Date	Completion Date
Design	\$30,000	DFFM	Kimley-Horn	Fall 2022	Spring 2023
Construct	\$350,000	DFFM	Advertise –April 2023	Late Summer 2023	100 working days - 2023

Russell Gulch Drainage Improvement Estimate - \$15,754,428 Shovel Ready Design Feasibility Study



Upper Russell Gulch Channel \$2,004,428

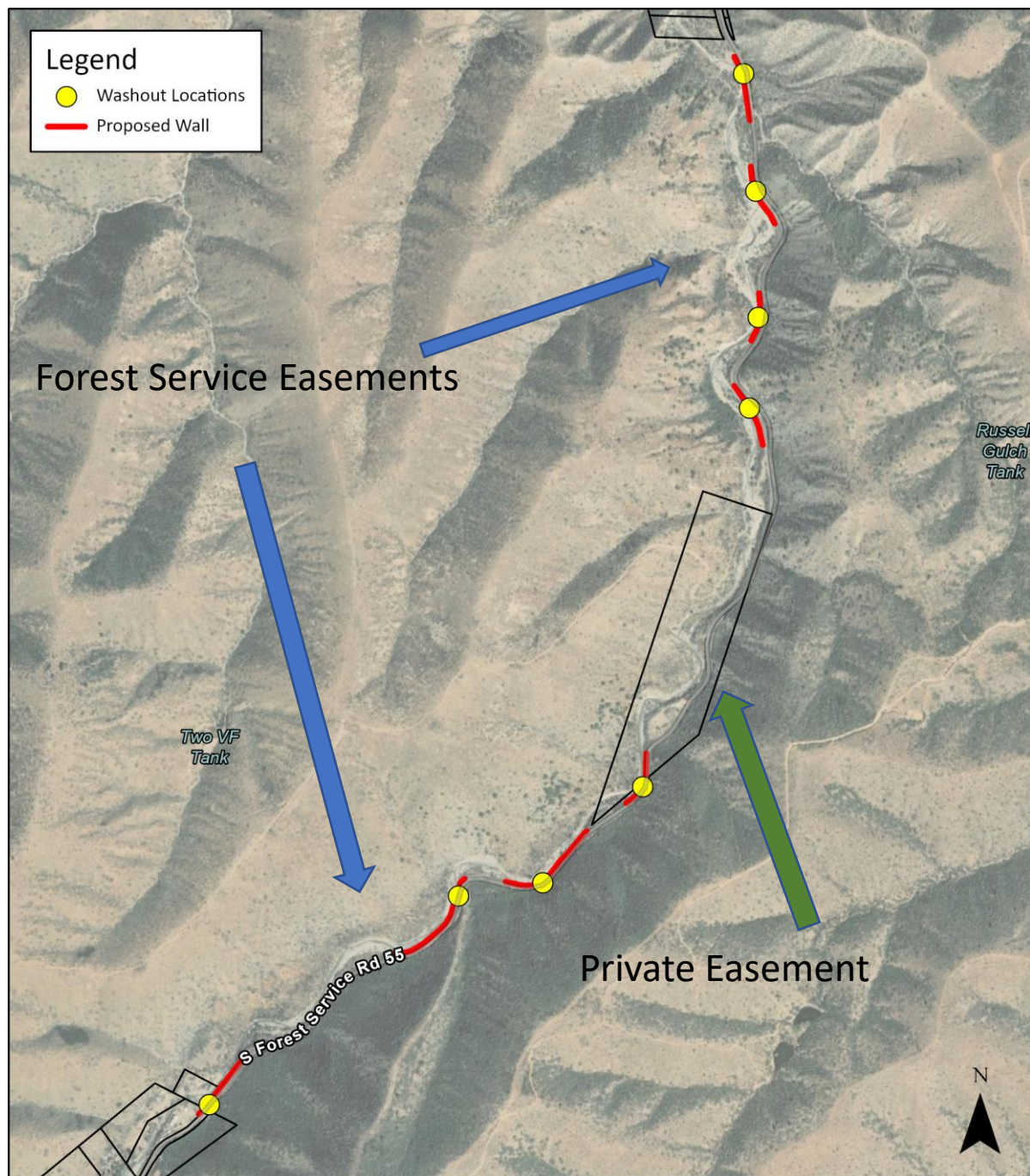
Located directly east of Russell Road and a distance of approximately 1,100 feet. Since the Telegraph Fire, this segment has experienced overtopping on to the road and severe flooding of the adjacent residences. The improvements in this segment consist of channel grading to allow a capacity for the 10-year event. Other major design components include soil cement (CSA) roadway embankment protection and grading of the adjacent overflow channel.

Little Acres \$6,250,000

The improvements from Little Acres to Besich Boulevard includes major channel grading to increase the main channel capacity such that it can convey the 10-year post-fire event. Additionally, a hardened embankment will be constructed to mitigate channel migration and reduce the risk of the adjacent residences, businesses, and facilities (including the Cobre Valley Regional Medical Center) from being flooded under the modeled storm conditions.

Cobre Valley Hospital to US 60 \$7,500,000

The final segment, directly north of Besich would utilize articulated concrete blocks (ACBs) to mitigate potential scour in the channel and banks. The main channel north of Besich Boulevard will be an improved CSA lined channel and will have capacity for the 10-year post-fire event (the current channel is severely undersized).

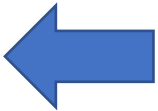
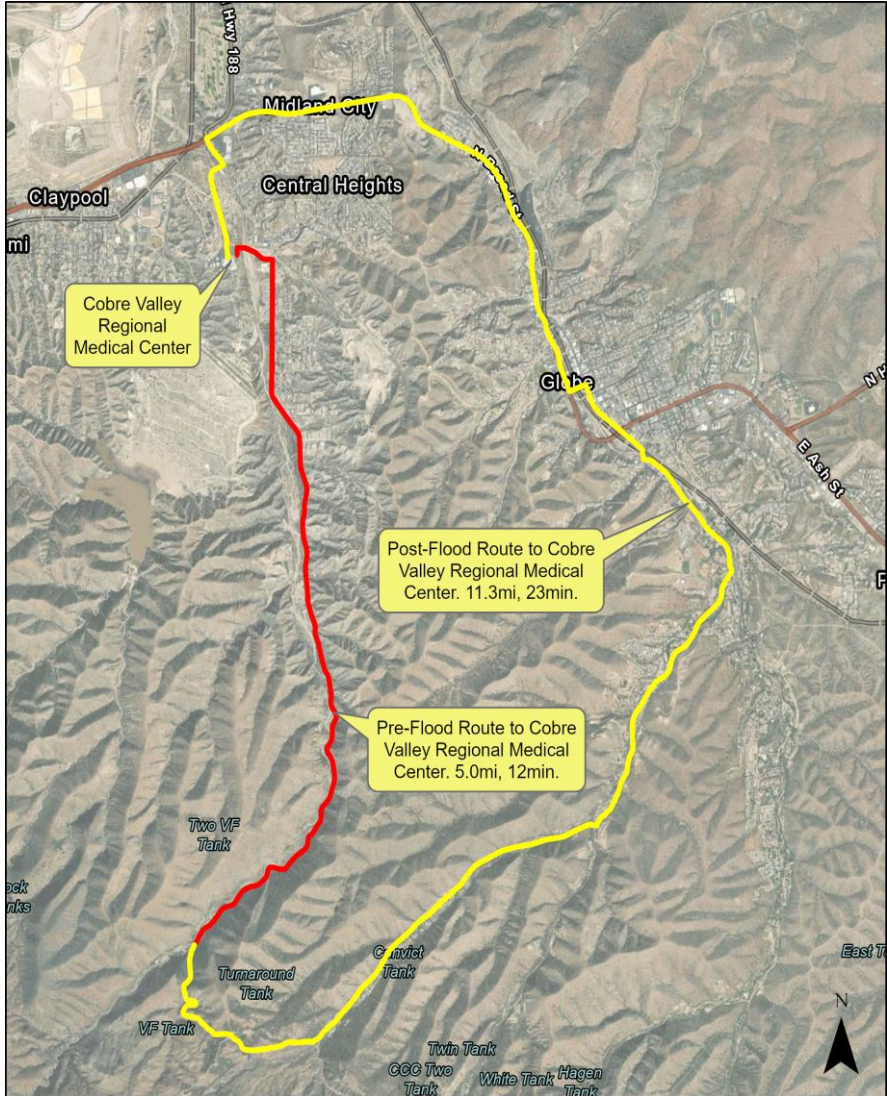


RUSSELL ROAD RECONSTRUCTION

- 1.8 miles of existing roadway was damaged stretching from milepost 3.4 to milepost 8.3
- Approximately 2,200 linear feet of 10' high concrete wall measured from stream bottom
- Approximately 2,100 linear feet of 20' high concrete wall measured from stream bottom
- ADOT guard rail installed at all wall sections
- Rebuild and repave roadway
- Restore access to Forest Service roads, corral and facilities and utilities.
- Medical and Emergency response would be restored to pre-flood status.
- Estimated project cost \$20 million, based on engineering conceptual plan for a 100- year post event

EMERGENCY RESPONSE FROM UPPER RUSSELL RD

- Distance to Cobre Valley Regional Medical Center increased from 5.0 mi. to 11.3 mi.
- Travel Time to Cobre Valley Regional Medical Center increased from 12min. To 23min.



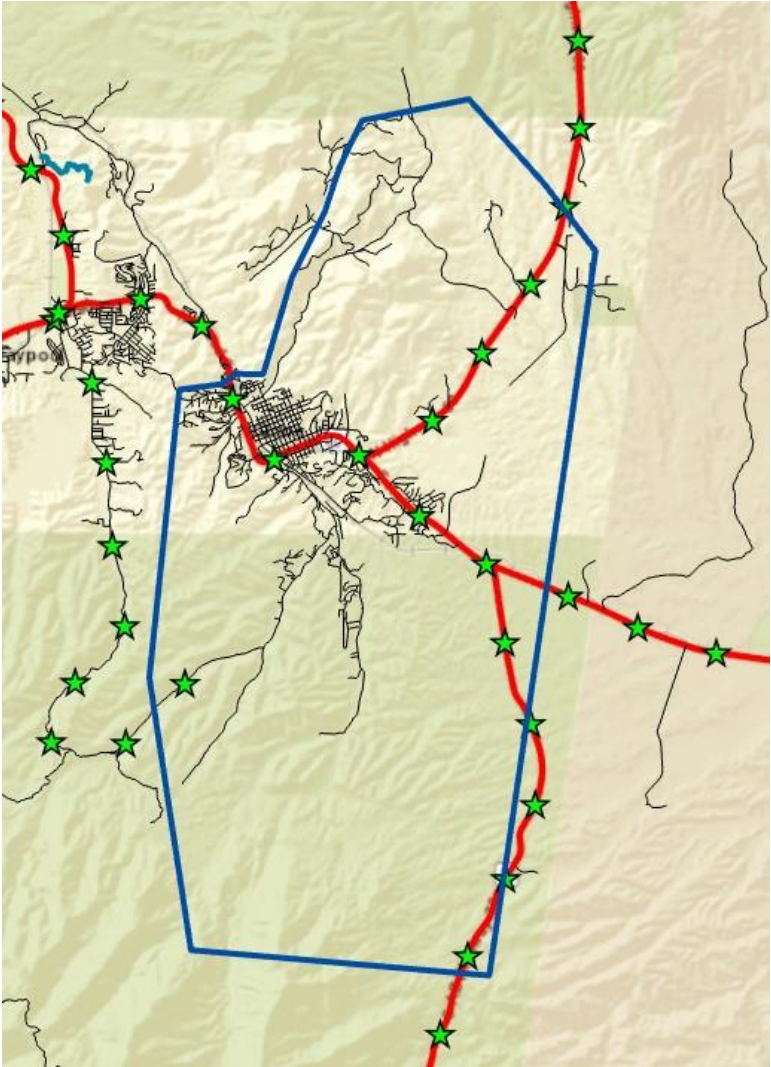
Upper Russell Road residents face extended travel time for emergency response

In the event of US 60 closed Russel Road does not offer the alternate route



US 60 CLOSURE – Loss of alternate access

- No all-weather alternate access from East Globe to Cobre Valley Regional Medical Center



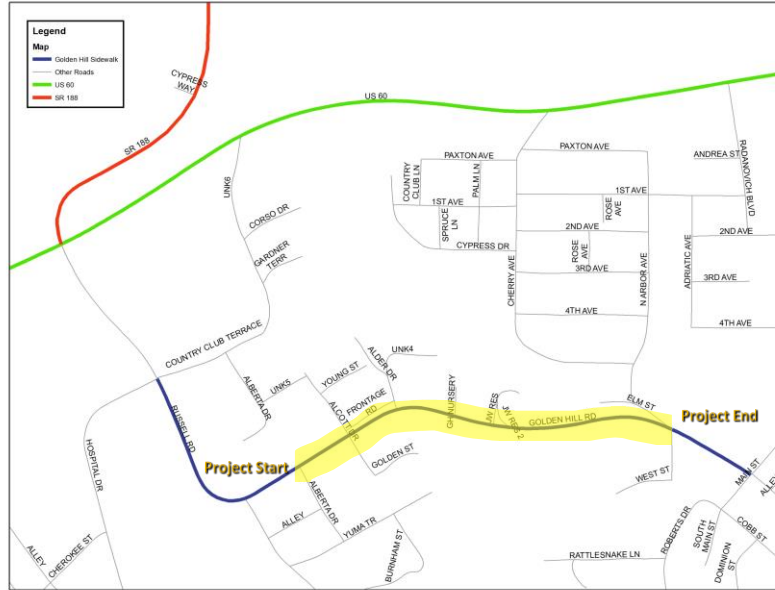
2022 PROJECTS/DESIGN COMPLETED

Project	Completed Activity	Date
Bloody Tanks Wash	Design & Construction	November 2022
Russell Gulch	Design	October 2022
Six Shooter Canyon	Design	October 2022
Ice House Canyon Albany Drive	Design	October 2022
Sycamore Creek	Design	October 2022
Landing Wash	Design	October 2022
Butcher Hook Wash	Design	October 2022
Walnut Springs Blvd Walnut Canyon Culvert Replacement	Design	October 2022
Tonto Creek Bridge	Design & Start of Construction	September 2022
Golden Hill & Main Street	Design & Advertise Project	September 2022

ROADWAY PROJECTS

Activity	2023	2024	2025
Main Street & Golden Hill Sidewalk & Pedestrian Pathway	\$1,846,000 Under Construction		
Walnut Springs Blvd Walnut Canyon Culvert Replacement	\$382,262 Construction	Note: Details on previous slide	
Roosevelt Lake Resort Stagecoach Trail Drainage	\$500,000 Construction Pending Water Main Relocations		
Young Road Paving Project Design & Construction	\$472,000 Environmental Analysis		
Gisela Road Paving Project Design & Construction	\$1,152,000 Design & Construction		
Control Road Safety Improvements Design & Const	\$159,000 Scoping/Design	\$442,293 Construction	
Houston Mesa Road Safety Improvements Design & Construction	\$159,000 Scoping/Design	\$4,231,867 Construction	
Control Road Whispering Pines Area Design & Construction	\$150,000 Scoping/Design	\$1,350,000 Construction	
Walliman Road Design & Construction		\$120,000 Scoping/Design	Construction
Round Valley – Gibson Ranch Road Design & Construction		\$120,000 Scoping/Design	Construction

Golden Hill Sidewalk Project



Main St Pathway Project



Projects are federally funded. Gila County is responsible for approximately 7% of design and construction costs.

ADOT will administer the projects. AZ State Transportation Board awarded on 1/20/2023 to Whelcon Contractors

Whelcon Contractors out of Tucson is the contractor at \$1,022,133 bid price.

Whelcon was \$320,000 lower than ADOT estimate of \$1,342,000.



Main Street (0.57 miles) from US 60 to Golden Hill Road – Pedestrian Pathway made from asphalt

Golden Hill (0.45 miles) from Alberta Drive to West Street) – Concrete sidewalk with curb and gutter and handrails in some locations.

100 Working Days on contract (time starts on or before 2/22/2023) and will finish in early July 2023

Main Street (US 60 to Golden Hill Road) – Original contract was canceled in August 2017 due to utility conflicts at a cost of nearly \$200,000 to Gila County

Roosevelt Resort – Stagecoach Trail

Summary:

Reconstruction of Stagecoach Trail to provide positive drainage flow.

Current status: Design completed. Utility relocation coordination on-going.



Activity	Cost	Funding Source	Vendor	Start Date	Complete Date
Design	\$50,000	HURF	Dibble	Summer 2020	Completed
Construction	\$500,000	HURF	Contractor	Pending	

Young Road

EA Update Required

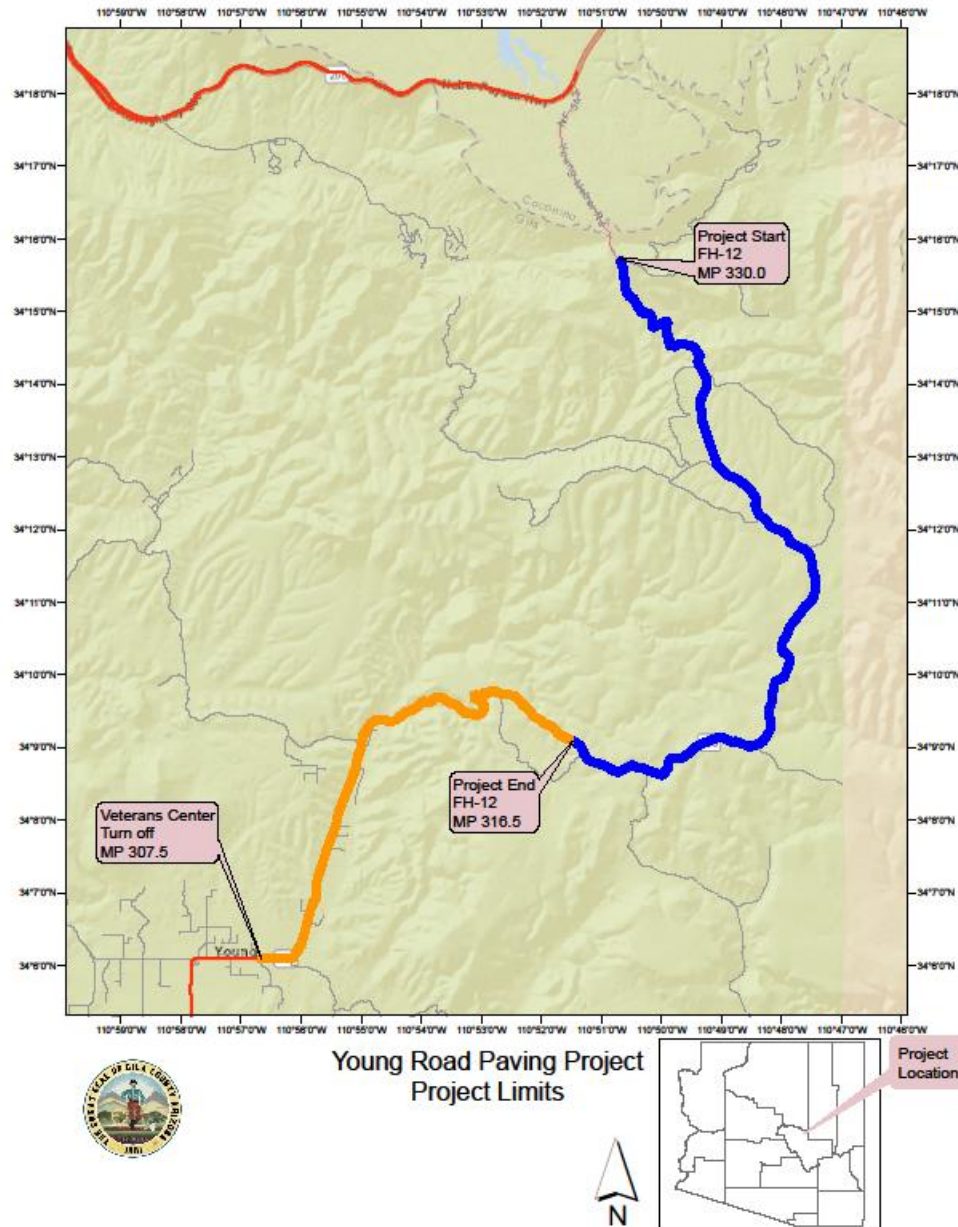
Mileage =13.5

Road Alignment Available, Survey
429

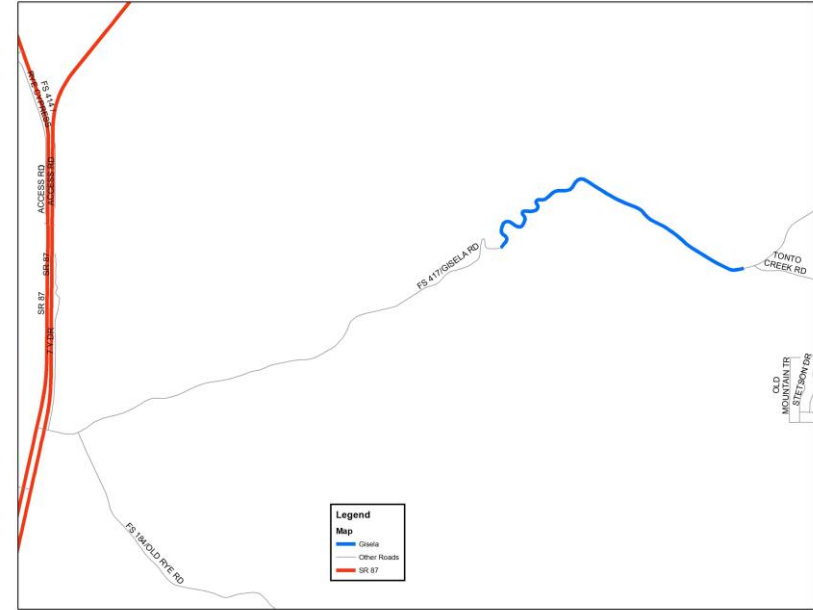
FS provided \$472,000 Funds for EA

Conceptual Cost Estimate - \$15M

Next step – Conceptual Design and
Cost



Gisela Road



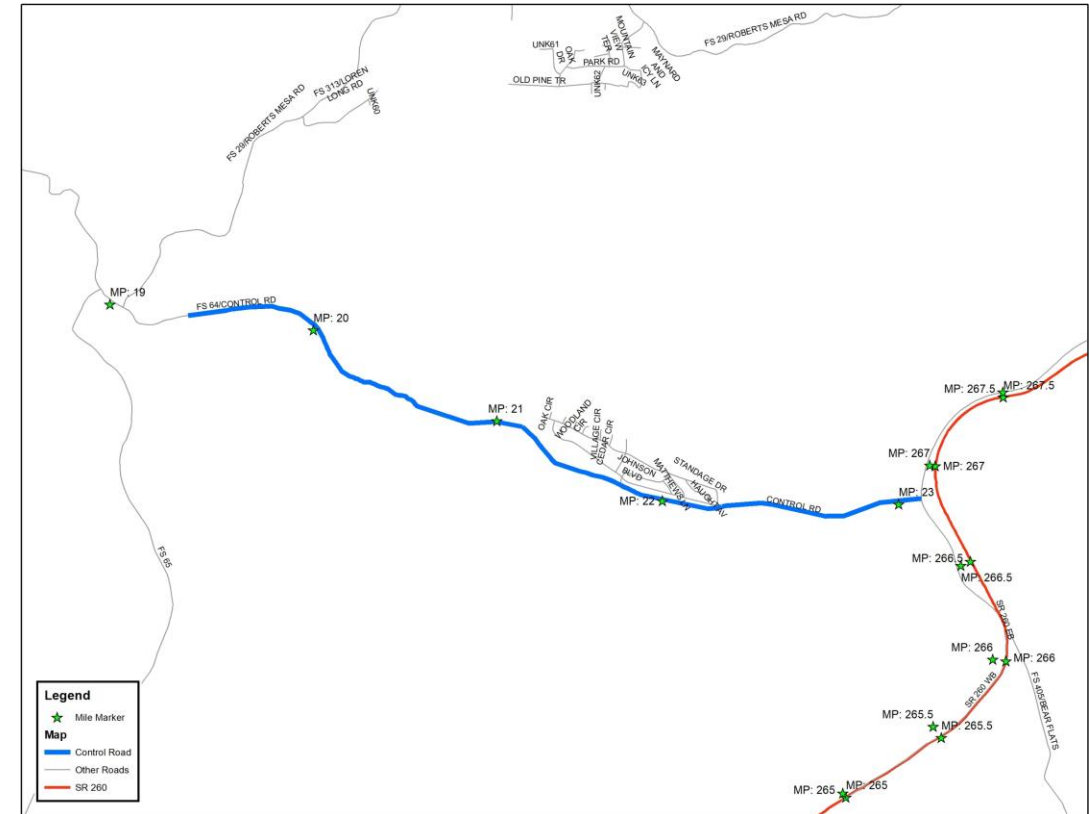
The pavement on a portion of Gisela Road, 1.06 miles, needs to be replaced. The road will likely need to be reconstructed due to its age and condition. This project will complete repaving of Gisela Road

Activity	Funding Source	Vendor	Start Date	Complete Date
Design	Transportation Excise Tax	Consultant	Spring 2023	Summer 2023
Construction	Transportation Excise Tax	Contractor	Fall 2023	Winter 2023

Control Road



Beginning at SR 260 the existing paved portion of the road will have centerline and edgeline rumble strips added. The next 1.75 miles of gravel road will be a double chip seal (24' wide).

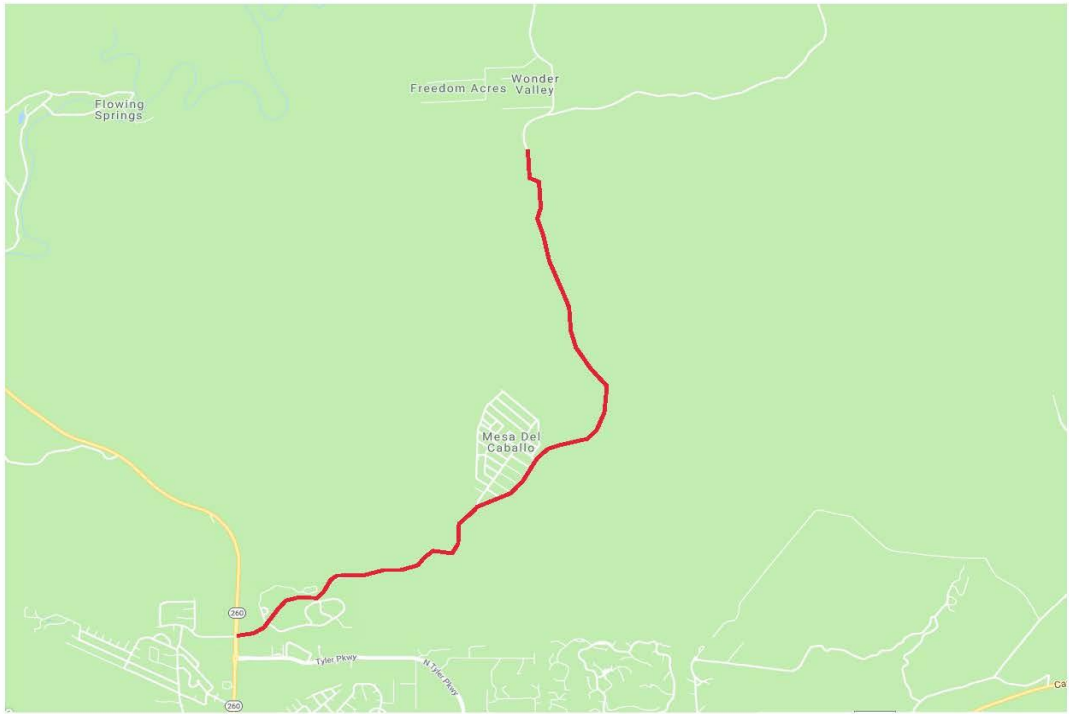


Activity	Funding Source	Vendor	Start Date	Complete Date
Design	Local and Federal Funds	Kimley-Horn	Winter 2022	Spring 2023
Construction	Local and Federal Funds	Contractor	Spring 2024	Fall 2024

Houston Mesa Road

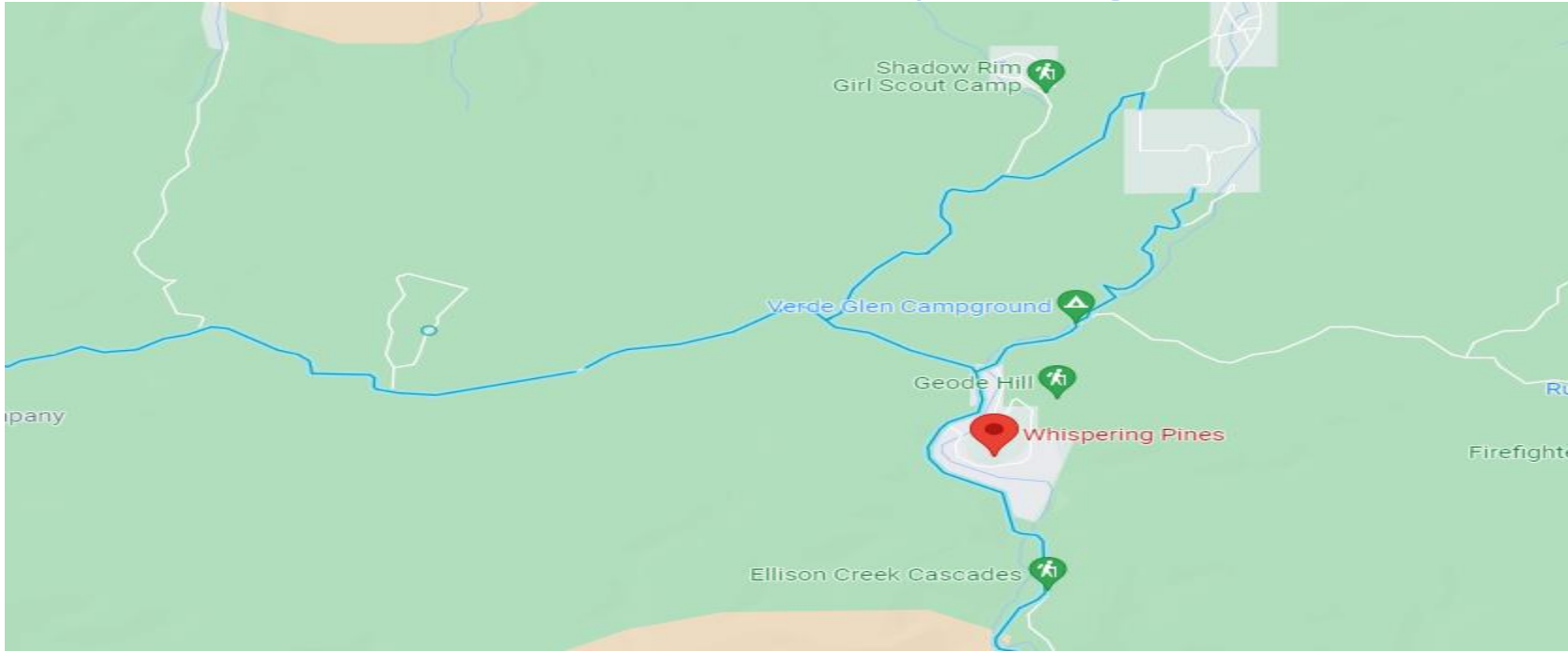


Add 5' wide paved shoulders, install centerline and shoulder rumble strips. Add curve warning signs.



Activity	Funding Source	Vendor	Start Date	Complete Date
Design	Local and Federal Funds	Kimley-Horn	2023	2023
Construction	Local and Federal Funds	TBD	2024	2024

Control Road/Whispering Pines



Design and construct a section of Control Road with paving from FSR 32 to FSR 1190. Approximately 1.03 miles.

Activity	Funding Source	Vendor	Start Date	Complete Date
Design	USDA/TNF	TBD	2023	2023
Construction	USDA/TNF	TBD	2024	2024

Tonto Creek Bridge



Activity	Funding Source	Vendor	Start Date	Complete Date
Design	Federal and Local Funds	Kimley-Horn		Spring 2022
Construction	Federal and Local Funds	Ames	Fall 2022	Spring 2024

ARF-7868

2. C.

Work Session

Meeting Date: 02/28/2023

Submitted For: Maryn Belling, Finance Director

Submitted By: James Menlove, County Manager/County Clerk of the Board

Department: County Manager

Information

Request/Subject

Discussion on revising Policy No. BOS-FIN-113 - *Procurement*

Background Information

Gila County Policy No. BOS-FIN-113 was adopted on November 20, 2018, and last revised on November 15, 2022.

The revisions that the staff is requesting at this time are as follows:

Gila County Policy No. BOS-FIN-113.2.c. states that a "County credit card" may be used "as payment method" for purchases up to \$100,000.

Gila County Policy No. BOS-FIN-113.11.a. states that a "Contract Awards **shall** be made by the County Manager or designee."

Gila County Policy No. BOS-FIN-113.11.a. states "Contract Awards shall be made by the County manager or designee for those under \$50,000, or if above \$50,000 by the Board, ..."

Gila County Policy No. BOS-FIN-113.8.11.i. states "Each month a report will be compiled by the Finance Department for contracts signed by the County Manager under \$50,000.00..."

Evaluation

N/A

Conclusion

N/A

Recommendation

Staff recommends the adoption of the revised Policy No. BOS FIN-113 - Procurement with the following changes.

Gila County Policy No. BOS-FIN-113.2.C - Eliminate "may use County credit card as payment method."

Gila County Policy No. BOS-FIN-113.11.a. - Amend the policy to read "Awards may be made by the County Manager ..."

As written Policy No. BOS-FIN-113.8.11.a. - Amend the policy to read "Awards may be made by the County Manager for contracts of \$100,000 or less, to the responsible offeror whose proposal is determined in writing to be the most advantageous to the County taking into consideration price and the other evaluation criteria set forth in the request for proposals."

As written Policy No. BOS-FIN-113.8.11.i. - Amend the statement to read as "Each month a report will be compiled by the Finance Department of contracts \$100,000 or less signed by the County Manager and presented to the Board on the consent agenda in the following month regularly scheduled Board meeting."

Suggested Motion

Information/Discussion regarding revised Policy No. BOS-FIN-113 - *Procurement*. **(James Menlove)**

Attachments

BOS-FIN-113 - Procurement Policy (Redline)

Gila County Policy - Finance Procurement	Policy Number: BOS-FIN-113	Page 1 of 36
	Replaces: Adopted: 11-20-2018 Revised: 5/7/2019, 6/25/2019, 11/15/2022	

1. LEGAL AUTHORITY

The Gila County Board of Supervisors (the "Board") in accordance with A.R.S. §11-254.01 adopts this Procurement Policy (the "Procurement Policy") in compliance with the uniform accounting system prescribed by the auditor general under A.R.S. §41-1279.21.

2. PURPOSE

- A. This Procurement Policy provides for a uniform system of control to enhance accountability and transparency and increase public confidence in Gila County (the "County") procurement. The Procurement Policy identifies procedures for the acquisition of supplies and services, including construction, research and development, architect-engineer and commercial items. This Procurement Policy applies to expenditure of public funds irrespective of funding source, including state and federal assistance monies. The County shall comply with terms and conditions of any grant, gift, bequest, cooperative agreement, or federal or state guideline. In those cases where this Procurement Policy does not address a procurement situation, the Arizona State Procurement Code found in Title 41, Chapter 23 of the Arizona Revised Statutes will be followed.
- B. This is a general guide to the supplier selection techniques and level of competition required for procurement by the County in compliance with the Arizona Revised Statutes and are generally based upon the dollar value (threshold) of the estimated or projected dollar amount of the entire procurement.
- C.

Type	Dollar Amount	Supplier Selection Method
Under Existing Vendor Contract	Any Amount	No competition required. May request level of effort costs from several contracted vendors and accept the lowest estimate.
Small Dollar Procurement	\$0.01 to <\$5,000	Use adequate and reasonable competition. May use County credit card as payment method.
Informal Solicitations	\$5,000 to ≤\$100,000	A minimum of three documented written quotes required. May use County credit card as payment method.
Formal Solicitations	More than \$100,000	Formal Bid Process

Gila County Policy - Finance Procurement	Policy Number: BOS-FIN-113 Replaces:	Page
	Adopted: 11-20-2018 Revised: 5/7/2019, 6/25/2019, 11/15/2022	2 of 36

Gila County Policy - Finance Procurement	Policy Number: BOS-FIN-113 Replaces:	Page
	Adopted: 11-20-2018 Revised: 5/7/2019, 6/25/2019, 11/15/2022	3 of 36

3. SUPPLEMENTARY GENERAL PRINCIPLES OF LAW APPLICABLE

- A. Unless expressly provided otherwise by a particular provision of this Procurement Policy, the principles of law and equity, including the Uniform Commercial Code as adopted by the State of Arizona, the common law of contracts as applied in the state of Arizona and law relative to agency, fraud, misrepresentation, duress, coercion and mistake or other applicable laws supplement the provisions of this Procurement Policy.

4. REQUIREMENT OF GOOD FAITH

- A. This Procurement Policy and the Uniform Commercial Code adopted by the State of Arizona requires all parties involved in the negotiation, performance, or administration of County contracts to act with utmost good faith.

5. PROCUREMENT ETHICS

- A. It is the policy of the County to promote the County's reputation for courtesy, fairness, impartiality, integrity, service economy, and government by law. The responsibility for implementing this Procurement Policy rests with each individual who participates in the procurement process, including the using department, suppliers, and procurement staff.

1. Employee Ethics

- a. No County employee, having official responsibility for a procurement transaction, shall represent the County in that transaction when the employee is contemporaneously employed by a bidder, offeror or contractor involved in the procurement transaction.
- b. The employee, or any member of the employee's immediate family holds a position with a bidder, offeror or contractor such as an officer, director, trustee or partner, has a personal and substantial participation in the transaction, or owns or controls more than five (5%) of the firm.
- c. The employee, or any member of the employee's immediate family has a pecuniary interest arising from the transaction.
- d. The employee or any member of the employee's immediate family is negotiating or has an arrangement concerning prospective employment with a bidder, offeror or contractor.

Gila County Policy • Finance Procurement	Policy Number: BOS-FIN-113 Replaces:	Page 4of36
	Adopted: 11-20-2018 Revised: 5/7/2019, 6/25/2019, 11/15/2022	

- e. No employee having official responsibility for a procurement transaction shall solicit, demand, accept, or agree to accept any payment, loan, subscription, advance deposit of money, services, entertainment, gift or anything of more than a nominal value from any bidder, offeror, contractor or subcontractor.

2. Vendor Ethics

- a. No bidder, offeror, contractor or subcontractor shall confer upon any public employee having official responsibility for a procurement transaction any payment, loan, subscription, advance deposit of money, services or anything of more than nominal value, present or promised.
- b. No bidder, offeror, contractor or subcontractor shall give, demand or receive from any supplier, subcontractor, or competitor any bribe, kickback, or anything of value in return for participation in a procurement transaction or agreeing not to compete in a transaction.
- c. Reporting of Anticompetitive Practices. If for any reason collusion or other anticompetitive practices are suspected among any bidders or offerors, a notice of the relevant facts shall be transmitted to the Procurement Officer and the County Attorney. This section does not require a law enforcement agency to investigate such practices to convey such notice to the Procurement Officer.

6. CONFIDENTIAL INFORMATION

A. Confidential information shall be designated as follows:

1. If a person or legal entity (the "Disclosing Party") asserts that a bid, proposal, offer, specification, or protest contains trade secret or other proprietary information (the "Confidential Information") should be held in confidence by the County, the Disclosing Party shall include a statement with the submission supporting the assertion and advising the Procurement Officer or his/her designee of this fact. In addition, the Disclosing Party shall clearly mark any Confidential Information disclosed as "Confidential" wherever it appears. In no event shall contract terms and conditions, pricing, and information generally available to the public be considered Confidential Information.
2. The Confidential Information identified by the Disclosing Party as Confidential may not be disclosed until the Procurement Officer or designee makes a written determination.

Gila County Policy - Finance Procurement	Policy Number: BOS-FIN-113	Page 5 of 36
	Replaces: Adopted: 11-20-2018 Revised: 5/7/2019, 6/25/2019, 11/15/2022	

3. The Procurement Officer or designee shall review the statement and the Confidential Information and determine in writing whether the Confidential Information shall be retained by the County and treated as Confidential Information or returned to the Disclosing Party. In making the determination, the Procurement Officer or designee may consult with the County Attorney. In either case, the Procurement Officer or designee shall inform the Disclosing Party in writing of such determination. Determinations are retained by the Procurement Group.
4. If the Confidential Information is retained by the County, the County shall use reasonable efforts to maintain the secrecy of the Confidential Information and disclose such Confidential Information only to County employees with a need to know for the purposes of evaluating the bid, proposal, offer, specification or protest of the Disclosing Party.
5. At the conclusion of the process (bid, protest or otherwise) for which the Confidential Information was disclosed the Confidential Information shall be returned to Disclosing Party or destroyed at the discretion of the Procurement Officer or designee.

7. AUTHORITY OF THE FINANCE DIRECTOR

- A. The Finance Director shall serve as the Procurement Officer for the County and shall be responsible for the following:
 1. The purchase, renting, leasing or otherwise acquiring of all materials, services and construction, including all functions that pertain to the obtaining of any material, service or construction, including description of requirements, selection and solicitation of sources, preparation and award of contract, and all phases of contract administration.
 2. Establishment of policies and procedures for the management of all inventories of materials.
 3. The sale, trade, or disposal of surplus materials belonging to the County in compliance with A.R.S. §11-251(9).
 4. Establish and maintain programs for the inspection, testing and acceptance of materials, services and construction.

Gila County Policy - Finance Procurement	Policy Number: BOS-FIN-113 Replaces:	Page
	Adopted: 11-20-2018 Revised: 5/7/2019, 6/25/2019, 11/15/2022	6 of 36

5. Supervise the County Procurement Group (the "Procurement Group") consisting of employees within the County that generally performs the following functions:
 - a. Research and request bid proposals and maintain vendor relationships to facilitate the preparation of all contractual agreements on behalf of the County;
 - b. Work with and supports all elected offices and departments within the County;
 - c. Operate as the point through which all County contracts will be processed to ensure proper administrative review prior to being submitted to the Procurement Officer, County Attorney's Office, County Manager or Board for approval.
 - d. Maintenance of a central file for all County contracts under an indexing system that will provide positive identification of all documents and facilitate document retrieval.
6. Delegate procurement authority to designees within the Procurement Group or other County governmental departments as may be required at the discretion of the Procurement Officer, provided that the delegation or any modification of authority shall be in writing and shall specify:
 - a. The scope and type of authority delegated or modified;
 - b. Any limits or restrictions on the exercise of the delegated authority; and
 - c. The duration of the delegation.

8. SOURCE SELECTION & CONTRACT FORMATION

- A. In accordance with A.R.S. § 41-2535 paragraphs A through D, except as otherwise provided hereafter in paragraph C. (Sole Source Procurement); paragraph D. (Emergency Procurements); paragraph E. (Other Non-Procurement Contracts); and paragraph F. (Professional Services), all purchases of supplies, materials, equipment and contractual services, except professional services, made by the County having an estimated cost of more than ~~One~~ ~~H~~ hundred thousand (\$100,000) dollars per transaction shall be based on sealed, competitive bids.

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8. Competitive Sealed Bidding or Competitive Sealed Proposals

1. Invitation for Bids or Proposals. An Invitation for Bids shall be issued and shall include specifications, any applicable evaluation criteria, and all contractual terms and conditions specifically applicable to the procurement. Standard contractual terms and conditions may be included within the solicitation document or incorporated by reference.
2. Public Notice. Adequate public notice of the Invitation for Bids shall be given not less than twenty-one (21) days prior to the date set forth therein for the opening of bids. A shorter time may be deemed necessary for a procurement as determined in writing by the Procurement Group. The public notice shall state the place, date, and time of bid opening. Notice of the Invitation for Bids shall be posted on the County website, and a copy of the invitation for bids shall be available for public inspection.
3. Late Bids. A bid is late if it is received at the location designated in the Invitation for Bids after the time and date set for bid opening. The Procurement Group shall designate the governing clock. A late bid shall be rejected. A late bid shall not be opened except for, if necessary, identification purposes. Such bids shall be returned to the bidder. Bidders submitting bids that are rejected as late shall be so notified.
4. Bid Opening. Bids shall be opened publicly in the presence of one or more witnesses at the time and place designated in the Invitation for Bids. The amount of each bid and such other relevant information as the Procurement Officer deems appropriate, together with the name of each bidder, shall be recorded. In the event no attendees are present for bid opening, the sealed bids shall be opened by the Procurement Group and a "bid" or "no bid" may be recorded on the tabulation sheet. The bid may then be given to the appropriate person for recording. The attendance sheets shall indicate that there were no attendees present. Bids shall not be open for public inspection until after a contract is awarded. After contract award, the bids shall be available for public inspection, except to the extent that the withholding of information is permitted or required by law.
5. Bid Acceptance and Bid Evaluation. Bids shall be unconditionally accepted without alteration or correction, except as authorized in this Procurement Policy. Bids shall be evaluated based on the requirements set forth in the Invitations for Bids, which may include criteria to determine acceptability such as inspection, testing, quality, workmanship, delivery and suitability for a particular purpose. The Invitation for Bids shall set forth the evaluation

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criteria to be used. No criteria may be used in bid evaluation that is not set forth in the Invitation for Bids.

6. Discussion with Offerors. Discussions may be conducted with responsible offerors.
7. Negotiations with Responsible Offerors and Revisions to Proposals. Negotiations may be conducted with responsible offerors. Offerors shall be accorded fair and equal treatment in conducting negotiations and there shall be no disclosure of any information derived from proposals submitted by competing offerors.
 - a. Concurrent Negotiations. Negotiations may be conducted concurrently with responsible offerors for the purpose of determining source selection and/or contract award.
8. Exclusive Negotiations. Exclusive negotiations may be conducted with the responsible offeror whose proposal is determined in the selection process to be most advantageous to the County. Exclusive negotiations may be conducted subsequent to concurrent negotiations or may be conducted without requiring previous concurrent negotiations. Exclusive negotiations shall not constitute a contract award, nor shall it confer any property rights to the successful offeror. If exclusive negotiations are conducted and an agreement is not reached, the County may enter exclusive negotiations with the next highest ranked offeror without the need to repeat the formal solicitation process.
9. Evaluation of Proposals
 - a. Selection Committee. The Procurement Officer or designee shall appoint a selection committee to evaluate the proposals and make a recommendation based on the criteria set forth in the request for proposals. No other factors or criteria may be used in the evaluation.
10. Correction or Withdrawal of Bids; Cancellation of Awards. Correction or withdrawal of inadvertently erroneous bids before or after bid opening, or cancellation of awards or contracts based on such bid mistakes, may be permitted where appropriate. Mistakes discovered before bid opening may be modified or withdrawn by written notice received in the Procurement Group prior to the time set for bid opening. After bid opening, corrections in bids shall be permitted only to the extent that the bidder can show by clear and convincing evidence that a mistake of a nonjudgmental character

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was made, the nature of the mistake, and the bid price actually intended. After bid opening, no changes in bid prices or other provisions of bids prejudicial to the interests of the County or fair competition shall be permitted. In lieu of bid correction, a low bidder alleging a material mistake of fact may be permitted to withdraw its bid if:

- a. The mistake is clearly evident on the face of the bid document, but the intended correct bid is not similarly evident; or
- b. The bidder submits evidence that clearly and convincingly demonstrates that a mistake was made. All decisions to permit the correction or withdrawal of bids, or to cancel awards or contracts based on bid mistakes, shall be supported by a written determination made by the Procurement Officer.

11. Contract Awards

- a. ~~Contract Awards shall~~ **may** be made by the County Manager ~~or designee for these contracts of \$100,000 or less under \$50,000.00, or if above \$50,000.00 by the Board~~, to the responsible offeror whose proposal is determined in writing to be the most advantageous to the County taking into consideration price and the other evaluation criteria set forth in the request for proposals.
- b. The contract file shall contain the basis on which the award is made.
- c. Contracts that are awarded with Federal grant funding shall require a search for debarment prior to contract award. The search shall be conducted on the System for Award Management, <https://sam.gov/content/exclusions>.
- d. General. The contract shall be awarded by appropriate notice to the lowest responsible and responsive bidder whose bid conforms in all material respects to the requirements and criteria set forth in the Invitation for Bids.
- e. Contract Award Based on Best Value. The contract may be awarded on best value analysis provided that the criteria for analysis were included in the Invitation for Bids. The contract shall be awarded by appropriate written notice to the response bidder determined to be the best value to the County and whose bid conforms in all material

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respects to requirements and criteria set forth in the Invitation for Bids.

- f. Exceeding Available Funds. In the event the low responsive and responsible bid for a construction project exceeds available funds and such bid does not exceed such funds by more than five (5%) percent, the Procurement Officer or designee is authorized, when time or economic considerations preclude re-solicitation of work of a reduced scope, to negotiate an adjustment of the bid price with the low responsive and responsible bidder, in order to bring the bid within the amount of available funds.
 - g. Public Record. After the County approves a contract execution, the bids shall be available for public inspection.
 - h. Low Tie Bids. If there are two or more low responsive bids from responsible bidders that are identical in price and that meet all of the requirements and criteria set forth in the Invitation for Bids, preference may be given to the bidder who's business resides in Gila County, if no local bidders submitted bids, then award may be made by random selection in a manner prescribed by the Procurement Officer.
 - i. Each month a report will be compiled by the Finance Department ~~for~~ of contracts \$100,000 or less signed by the County Manager ~~under~~ \$50,000.00 and presented to the Board on the consent agenda in the following month regularly scheduled Board meeting.
- C. Sole Source Procurement. A contract may be awarded without competition when the Procurement Officer determines in writing, after conducting a good faith review of available sources, that there is only one source for the required material, service or construction item. The requesting department shall provide written evidence to support a sole source determination. The Procurement Officer may require that negotiations are conducted as to price, delivery and terms. The Procurement Officer may require the submission of cost or pricing data in connection with an award under this section. Sole source procurement shall be avoided, except when no reasonable alternative sources exist, or time is of the essence.
- D. Emergency Procurements. The Procurement Officer may make or authorize others to make emergency procurements of materials, services or construction items when there exists a threat to public health, welfare, property or safety or if a situation exists which makes compliance contrary to the public interest; provided that such emergency procurements shall be made with such competition as is

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practicable under the circumstances. An emergency procurement shall be limited to those materials, services or construction necessary to satisfy the emergency need. A written determination of the basis for the emergency and for the selection of the particular contractor shall be included in the contract file.

E. Other Non-Procurement Contracts. The County may enter into other types of contractual arrangements which do not involve the acquisition of materials, services, equipment or construction. The County Manager or designee may approve these contracts if they do not obligate the County for more than two (2) years or involve expenditures to the other party of more than \$50,000.00. Examples of contractual arrangements include but are not limited to:

1. Acquisition and leasing of interests in real property
2. Subordination agreements
3. Lien Releases
4. Franchises
5. Licenses
6. Software license agreements
7. Use permits
8. Revenue agreements
9. Excise tax certification

F. Professional Services. Professional services are those services rendered by a person/firm engaging in a recognized discipline that necessarily requires advanced training and specialized knowledge to perform. Such services typically result from the predominant use in intellectual skills rather than physical skills. Professional services for the purposes of this Procurement Policy include but are not limited to:

1. Attorneys
2. Contractual services used by counties when issuing bonds, including consultants, underwriters, and bond servicing companies
3. Architects
4. Court reporters
5. Physicians, nurse practitioners, physical therapists
6. Mental health therapists and psychiatrists
7. Engineers

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8. Land surveyors
9. Geologists
10. Hydrologists
11. Real estate appraisers
12. Financial advising services
13. Auditors, except for the State Auditor General

As authorized by A.R.S. § 41-2581, the contract for professional services may be awarded without competitive bids pursuant to the following policies:

- a. The Procurement Officer shall encourage persons or firms engaged in the lawful practice of the professional services listed above desiring to provide the services to the County submit annually a statement of qualifications and experience on a prescribed form which shall include, but not be limited to the following information:
 - Technical education and training;
 - General or special experience, certifications, licenses, and memberships in professional associations, societies, or boards; and;
 - Any other relevant information requested by the purchasing agency.
- b. Persons or firms who have submitted statement of qualifications may submit additional information or change information that was previously submitted at any time.
- c. A County department requiring professional services will prepare a scope of work and purchase requisition and forward it to the Procurement Officer for processing. Based on the scope of work and the professional services required, the Procurement Officer shall provide a notice of the need for such professional services to persons or firms who have submitted statement of qualifications for those professional services. The Procurement Officer or designee of such officer may conduct discussions with any offerors who submit a proposal to provide the professional services to determine the offeror's qualifications for further consideration. Discussions shall not disclose any information derived from proposals submitted by other

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offerors.

- d. The contract award shall be made to the offeror determined in writing by the Procurement Officer to be best qualified based on the evaluation factors set forth in the request for qualifications and after a written determination that the compensation is fair and reasonable. Selection may be made pursuant to the provisions of this section without requiring pricing proposals, but if price is included in proposals submitted, no contract may be awarded solely on the basis of price.

G. Cancellation of Solicitations

1. Cancellation of Solicitation. An invitation for bids, a request for proposals, a request for qualifications or other solicitation may be cancelled, or any or all bids, proposals or statement of qualifications may be rejected in whole or in part as may be specified in the solicitation, when it is in the best interests of the County. Each solicitation issued by the County shall state that the solicitation may be cancelled and that any bid, proposal or statement of qualification may be rejected in whole or in part when in the best interests of the County.
2. Prior to Opening
 - a. As used in this Section, "opening" means the date and time set for opening of bids, receipt of statements of qualifications or receipt of proposals in competitive sealed proposals.
 - b. Prior to opening, a solicitation may be cancelled in whole or in part when the Procurement Group determines in writing that such action is in the County's best interest for reasons including but not limited to:
 - 1) The County no longer requires the materials, services, or construction;
 - 2) The County no longer can reasonably expect to fund the procurement; or
 - 3) Proposed amendments to the solicitation would be of such magnitude that a new solicitation is desirable.

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- c. When a solicitation is cancelled prior to opening, notice of cancellation shall be sent to all persons solicited.
- d. The notice of cancellation shall:
 - 1) Identify the solicitation;
 - 2) Briefly explain the reason for cancellation; and
 - 3) Where appropriate, explain that an opportunity will be given to compete on any re-solicitation or any future procurements of similar materials, services or construction.

3. After Opening

- a. After opening but prior to award, all bids, proposals or requests for qualifications may be rejected in whole or in part when the Procurement Officer or designee determines in writing that such action is in the County's best interest for reasons including but not limited to:
 - 1) The materials, services, or construction being procured are no longer required;
 - 2) Ambiguous or otherwise inadequate specifications or scopes of work were part of the solicitation;
 - 3) The solicitation did not provide for consideration of all factors of significance to the County;
 - 4) Prices exceed available funds and it would not be appropriate to adjust quantities to come within available funds;
 - 5) All otherwise acceptable bids, statements of qualifications or proposals received are at clearly unreasonable prices; or
- i. There is reason to believe that the bids, statements of qualifications or proposals may not have been independently arrived at in open competition, may have been collusive, or may have been submitted in bad faith. A notice of rejection shall be sent to all persons that submitted bids, statements of qualifications or proposals.

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- ii. If all bids, proposals, or request for qualifications are rejected, all bids, proposals or statements received shall remain, to the extent possible, confidential.
- 4. Documentation. The reasons for cancellation or rejection shall be made a part of the procurement file and shall be available for public inspection.

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H. Rejection of Individual Bids, Proposals or Statements of Qualifications

1. A bid or proposal may be rejected if:
 - a. The bidder is determined to be non-responsive;
 - b. The bid is nonresponsive;
 - c. The proposed price, unless prohibited, is unreasonable; or
 - d. It is otherwise not advantageous to the County.
2. Reasons for rejection shall be provided to the unsuccessful bidders or offerors.

I. Responsibility of Bidders and Offerors

1. Factors to be considered in determining if a prospective bidder or offeror is responsible include:
 - a. The proposed bidder or offeror 's financial, physical, personnel or other resources, including subcontracts;
 - b. The proposed bidder or offeror's record of performance and integrity;
 - c. Whether the proposed bidder or offeror is qualified legally to contract with the County; and
 - d. Whether the proposed bidder or offeror supplied all necessary information concerning its responsibility;
 - e. Whether the proposed bidder or offerer is currently on a debarment list.
2. The Procurement Officer or designee may establish specific responsibility criteria for a particular procurement. Any specific responsibility criteria shall be set forth in the solicitation.
3. Determination of Non-responsibility. If a bidder or offeror who otherwise would have been awarded a contract is found non-responsive, a written finding of non-responsibility, setting forth the basis of the finding, shall be prepared by the Procurement Officer. The unreasonable failure of a bidder or offeror to promptly supply information in connection with an inquiry with respect to responsibility may be grounds for a finding of non-responsibility

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with respect to such bidder or offeror. The final determination shall be made part of the contract file and be made a public record.

J. Bid and Contract Security, Material or Service Contracts

1. The Procurement Officer or designee may require the submission of security to guarantee faithful bid and contract performance. In determining the amount and type of security required for each contract, the Procurement Officer or designee shall consider the nature of the performance and the need for future protection to the County. The requirement for security must be included in the invitation for bids or request for proposals. Failure to submit security in the amount and type of security required may result in the rejection of the bid, statement of qualifications or proposal.

K. Contract Term

1. Subject to the following guidelines, unless otherwise provided by law, a contract for materials or services may be entered into for any period of time deemed to be in the best interest of the County, if the term of the contract and conditions of renewal or extension, if any, are included in the solicitation and monies are available for the first fiscal period at the time of contracting. Payment and performance obligations for succeeding fiscal periods are subject to the availability and appropriation of monies.
 - a. Contracts for materials and services shall have a specific term (date of commencement and expiration date).
 - b. A contract that does not exceed one (1) year may be approved by the County Manager or designee, if it is also for a contract amount less than \$50,000.
 - c. A contract that exceeds one (1) year in duration shall be approved by the Board and should not obligate the County for more than four (4) years.
 - d. Contracts between the County and a state or federal agency using a contract form that was developed by that agency and that the agency uses in its ordinary course of business may be for longer than four (4) years and will not require separate Board approval.

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- e. With Board approval, other contracts may exceed four (4) years. Examples of such contracts include real-property lease agreements, rights-of-way agreements for utility companies, and contracts that allow the County to use limited financial resources in the most effective and efficient manner. Contracts may have a provision that allows for renewal if the County has the option not to renew.
 2. Prior to use of a multi-term contract, it shall be determined that:
 - a. Estimated requirements cover the period of the contract and are reasonably firm and continuing;
 - b. The contract will serve the best interests of the County by encouraging effective competition or otherwise promoting economies in County procurement.
 3. When funds are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal year, the contract may be cancelled by the County and the contractor may be reimbursed for the reasonable value of any nonrecurring costs incurred but not amortized in the price of the supplies or services delivered under the contract.
- L. Right to Inspect. The County may, at reasonable times, inspect the part of the plant or place of business of a contractor, consultant or any subcontractor or sub-consultant that is related to the performance of any contract awarded or to be awarded by the County.
- M. Right to Audit Records
1. The County may, at reasonable times and places, audit the books and records of any person who submits cost or pricing data to the extent that the books and records relate to the awarded contract. Any person who receives a contract, change order or contract modification for which cost or pricing data is required shall maintain the books and records that relate to the cost or pricing data for three years from the date of final payment under the contract, unless a shorter period is otherwise authorized in writing by the Procurement Officer.
 2. The County is entitled to audit the books and records of a contractor, consultant or any subcontractor or sub-consultant under any contract or subcontract to the extent that the books and records relate to the

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performance of the contract or subcontract. The books and records shall be maintained by the contractor for a period of five (5) years from the date of final payment under the prime contractor or consultant, and by the subcontractor or sub-consultant for a period of five (5) years from the date of final payment under the subcontract, unless a shorter period is otherwise authorized in writing by the Procurement Officer.

N. Prospective Vendors Lists

1. The Procurement Group shall maintain a prospective vendors list. Inclusion of the name of a person shall not indicate whether the person is responsible concerning a particular procurement or otherwise capable of successfully performing a County contract.
 2. Persons desiring to be included on the prospective vendors list may notify the Procurement Group or may register with the Procurement Group in-person. The Procurement Group may remove a person from the prospective vendors list if it is determined that inclusion is not advantageous to the County.
 3. It shall be the vendor's sole responsibility to ensure that vendor registration information is current and active.
0. **Contract Form and Execution.** All contracts and amendments, regardless of value shall be approved by the appropriate authority in the County prior to authorization to proceed. All contracts entered into under this Procurement Policy shall be executed in the name of the County by the County Manager or designee for contracts under \$50,000.00 or if above \$50,000.00 by the Board. The County Manager or designee may execute an amendment to any contract initially approved by the Board as long as the amendment does not alter the scope of the contract or the monetary commitment of the original Board award.
1. **Grant Contracts.** Grant Contracts due to the various complexities and time requirements, often necessitate immediate approval to take advantage of available funds. Based on the requirements/restrictions imposed by the grantor it may not always possible to follow the approved Procurement Policy. As such, grant contracts may be expedited by requesting that, with the approval of the Procurement Officer and County Manager, the Chairman of the Board of Supervisors execute the contract to be subsequently ratified by the Board, regardless of value. Grant applications submitted and approved by the County Manager which automatically become contracts must be submitted to the Board of Supervisors for ratification.

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- P. Assignment of Rights and Duties - The rights and duties of a County contract are not transferable or otherwise assignable without the written consent of the Procurement Officer.

9. SPECIFICATIONS

A Maximum Practicable Competition

1. All specifications shall seek to promote overall economy for the purposes intended and encourage competition in satisfying the County's needs and shall not be unduly restrictive.
 - a. To the extent practicable and unless otherwise permitted by this Procurement Policy, all specifications shall describe the County's requirements in a manner that does not unnecessarily exclude a material, service or construction item.
 - b. Proprietary specifications shall not be used unless the Procurement Officer determines in writing that such specifications are required by demonstrable technological justification and that it is not practicable or advantageous to use a less restrictive specification. Past success in the material's performance, traditional purchasing practices or inconvenience of drawing specifications do not justify the use of proprietary specifications.
2. When practicable, the County shall use accepted commercial specifications and shall procure standard commercial materials.
3. Brand Name
 - a. A brand name or equal specification may be used when the Procurement staff determines that use of brand name or equal specifications is advantageous to the County.
 - b. A brand name specification may be prepared and utilized only if the Procurement staff makes a written determination that only the identified brand name item will satisfy the County's needs.

10. PROCUREMENT OF CONSTRUCTION

- A. All contracts entered into under this section shall be executed in the name of the County by the County Manager for contracts under \$50,000.00 or if above

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\$50,000.00 by the Board in accordance with the requirements of A.R.S. §Title 34 and this Procurement Policy.

- B. Procurement of Construction. Contracts for construction shall be solicited through a competitive sealed bid process for the procurement of Construction Services, Small Purchases, Sole Source Procurement, Emergency Procurements and Special Procurements in accordance with the requirements of A.R.S. §Title 34 and this Procurement Policy.
- C. Procurement of Professional Design Services. Contracts for professional design services with an estimated contract amount not to exceed (\$250,000) shall be solicited through a request for qualifications Small Purchases, Sole Source Procurement, Emergency Procurements, Special Procurements, and Direct Selection of Pre-Qualified Technical Registrants
- D. Procurement of Construction Services. Contracts for construction services shall be solicited through a build, design- build, and construction-manager-at-risk or job-order-contracting selection process utilizing a request for qualifications Small Purchases, Sole Source Procurement, Emergency Procurement and Special Procurements process.
- E. Construction by County Employees. A building, structure, addition or alteration of a public facility may be constructed by the County internal labor force if the cost does not exceed the amount established and adjusted each year in accordance with A.R.S. §34-201 Section 4 Paragraph C(2).
- F. Direct Selection of Pre-Qualified Technical Registrants
 - 1. If the procurement is by direct selection, a written determination by the County Engineer citing the basis of award and for the selection of the particular technical registrant shall be included in the contract file. The best interests of the County shall be considered in each instance.
 - 2. The Procurement Group shall maintain a list of technical registrants who are properly licensed with the State of Arizona Board of Technical Registration, that have expressed an interest in performing work for the County and have provided evidence of their professional qualifications for such work. The list may be categorized to reflect the person or firm's primary field of expertise. Persons or firms desiring to be included on the pre-qualified list may notify the Procurement Group or may register with the Procurement Group in-person.

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3. The Procurement Officer will notify each person or firm listed on the register annually of their status. An invitation published in the local publication inviting the updating of their professional qualifications.
 4. Firms who have failed to provide satisfactory evidence of qualifications or have performed unsatisfactorily during the past twelve (12) months may be removed from the pre-qualified vendor list.
- F. Non-substantial Failure to Comply. The Procurement Officer may determine that noncompliance with any provision of this section is non-substantial and may allow for correction or may waive minor informalities or irregularities.

11. CONTRACT CLAUSES

- A. Contract Clauses. All County contracts for supplies, services and construction shall include provisions necessary to define the responsibilities and rights of the parties to the contract. The Procurement Group, after consultation with the County Attorney, may issue clauses appropriate for material, service or construction contracts, addressing among others the following subjects:
1. The unilateral right of the County to order in-writing changes in the work within the scope of the contract;
 2. The unilateral right of the County to order in writing temporary stopping of the work or delaying performance that does not alter the scope of the contract;
 3. Variations occurring between estimated quantities of work in contract and actual quantities;
 4. Defective pricing;
 5. Liquidated damages;
 6. Specified excuses for delay or nonperformance;
 7. Termination of the contract for default;
 8. Termination of the contract in whole or in part for the convenience of the County;
 9. Suspension of work on a construction project ordered by the County;

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10. Site conditions differing from those indicated in the contract, or ordinarily encountered, except that a differing site conditions clause need not be included in a contract;
11. When the contract is negotiated;
12. When the contractor provides the site or design; or
13. When the parties have otherwise agreed with respect to the risk of differing site conditions.

B. Price Adjustments.

Adjustments in price resulting from the use of contract clauses shall be computed in one or more of the following ways:

1. The agreement on a fixed price adjustment before commencement of the pertinent performance or as soon as practicable;
2. The modification to the unit prices specified in the contract;
3. The costs attributable to the events or situations under the clauses;
4. In other manner as the contracting parties may mutually agree;
5. In the absence of agreement by the parties, by a unilateral determination by the County of the costs attributable to the events or situations under such clauses with adjustment of profit or fee as computed by the County.

12. COST PRINCIPLES

The Procurement Officer or designee may establish cost principles that will be used to determine the allowable incurred costs for the purpose of reimbursing costs pursuant to written contract provisions that provide for the reimbursement of costs.

A. Price Adjusting

1. A contractor may be required to submit cost or pricing data if any adjustment in contract price is requested to the provisions.
2. Written adjustment of pricing may contain any of the following:

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- a. The contract price is based on adequate price competition.
- b. The contract price is based on established catalogue prices or market prices.
- c. Contract prices are set by law or regulation.

13. LEGAL AND CONTRACTUAL REMEDIES

- A. Right to Protest Solicitations and Contract Awards. Any actual or prospective bidder, respondent, offeror or contractor who is aggrieved in connection with the solicitation or award of a contract may file a protest with the Procurement Officer and appeal the protest decision of the Procurement Officer to the County Manager.
- B. Resolution of Protests. The Procurement Officer shall have authority to resolve protests.
- C. Appeals from the decisions of the Procurement Officer may be made to the County Manager.
- D. Filing of a Protest
 1. Content of Protest: The protest shall be in writing and shall include the following information:
 - a. The name, address and telephone number of the protestant;
 - b. The signature of the protestant or its representative;
 - c. Identification of the solicitation or contract number;
 - d. A detailed statement of the legal and factual grounds of the protest including copies of relevant documents; and
 - e. The form of relief requested.
- E. Time for Filing Protests
 1. Protests Concerning Improprieties in a Solicitation.

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- a. Protests based upon alleged improprieties in a solicitation that are apparent before the solicitation due date shall be filed not less than five (5) working days before the solicitation due date.
2. Protests shall be filed within ten (10) days after issuance of notification of award or issuance of notice of intent to award.
3. The Procurement Officer, without waiving the County's right to dismiss the protest for lack of timeliness, may consider any protest that is not filed timely.
4. The Procurement Officer shall give notice of the protest to the successful contractor if award has been made or, if no award has been made, to all interested parties. Interested parties have the right to intervene.
5. Stay of Procurements during the Protest. In the event of a timely protest, the County may proceed further with the solicitation or with the award of the contract unless the Procurement Officer makes a written determination that there is a reasonable probability that the protest will be sustained or that the stay of procurement is not contrary to the substantial interests of the County.
6. Confidential Information
 - a. Material submitted by a protestant shall not be withheld from any interested party except to the extent that the withholding of information is permitted or required by law.
 - b. If the protestant believes that the protest contains Confidential Information, the provisions of Section 6 shall apply.
7. Decision by the Procurement Officer
 - a. The Procurement Officer shall issue a written decision within fourteen (14) days after a protest has been filed. The decision shall contain an explanation of the basis of the decision. The time for the Procurement Officer's response may be extended for good cause up to thirty (30) calendar days. The Procurement Officer shall notify the protestant in writing that the time for the issuance of a decision has been extended, and the date by which a decision will be issued.
 - b. The Procurement Officer shall furnish a copy of the decision to the protestant, by certified mail, return receipt requested, or by any other

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method including facsimile or electronically, that provides evidence of receipt.

- c. If the Procurement Officer fails to issue a decision within the time limits, the protestant may proceed as if the Procurement Officer had issued an adverse decision.

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8. Protest Remedies

- a. If the Procurement Officer sustains the protest in whole or part and determines that a solicitation, evaluation process, proposed contract award or contract award does not comply with this Procurement Policy, the Procurement Officer shall implement an appropriate remedy.
- b. In determining an appropriate remedy, the Procurement Officer shall consider all the circumstances surrounding the procurement or proposed procurement including, but not limited to, the seriousness of the procurement deficiency, the degree of prejudice to other interested parties or to the integrity of the procurement system, the good faith of the parties, the extent of performance, costs to the County, the urgency of the procurement and the impact of the relief on the using agency's mission.
- c. An appropriate remedy may include one or more of the following:
 - 1) Decline to exercise an option to renew under the contract;
 - 2) Reject all bids, responses or proposals;
 - 3) Terminate the contract;
 - 4) Reissue the solicitation;
 - 5) Issue a new solicitation;
 - 6) Award a contract consistent with the procurement code; or
 - 7) Such other relief as is determined necessary to ensure compliance with this Procurement Policy.

9. Appeals to the County Manager

- a. An appeal from a decision entered or deemed to be entered by the Procurement Officer shall be filed with the County Manager within seven (7) days from the date the decision is issued. The appellant shall also file a copy of the appeal with the Procurement Officer.

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- b. Content of Appeal. The appeal shall contain:
 - 1) Content of the protest;
 - 2) A copy of the decision of the Procurement Officer; and
 - 3) The precise factual or legal error in the decision of the Procurement Officer from which an appeal is taken.

10. Notice of Appeal

- a. The Procurement Director shall give notice of the appeal to the successful contractor if award has been made or, if no award has been made, to interested parties. Such interested parties shall have the right to request copies of the appeal and to intervene in the proceedings.
- b. The Procurement Officer shall, upon request, furnish copies of the appeal to those interested parties.

11. Stay of Procurement during Appeal. If an appeal is filed during the procurement and before an award of a contract and the procurement or award of the contract was stayed by the Procurement Officer, the filing of an appeal shall automatically continue the stay unless the Procurement Officer makes a written determination that the procurement or award of the contract without delay is necessary to protect substantial interests of the County.

12. Procurement Officer Report. The Procurement Officer shall file a report on the appeal with the County Manager within seven (7) days from the date the appeal is filed. At the same time, the Procurement Officer shall furnish a copy of the report to the appellant by certified mail, return receipt requested, and to any interested parties. The report shall contain copies of:

- a. The appeal;
- b. Any other documents that are relevant to the protest; and
- c. A statement by the Procurement Officer setting forth findings, actions, recommendations and any additional evidence or information necessary to determine the validity of the appeal.

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13. Comments on Report

- a. The appellant shall file comments on the Procurement Officer's report with the County Manager within seven (7) days after receipt of the report. Copies of the comments shall be provided by the appellant to the Procurement Director and all other interested parties. The comments must contain a statement or confirmation as to the appellant's requested form of relief.

14. County Manager's Decision on Appeal

- a. After review of the Procurement Officer's report and the appellant's comments, the County Manager shall make a decision on the appeal and notify the appellant in writing of such decision within seven (7) days after the decision. The decision of the County Manager shall provide an explanation of the decision and a response to appellant's requested form of relief. The decision of the County Manager shall be final.

15. Filing of Contract Claims and Controversies

- a. Content of Claim: The claim shall be in writing and shall include the following information:
 - 1) The name, address and telephone number of the claimant;
 - 2) The signature of the claimant or its representative;
 - 3) Identification of the solicitation or contract number;
 - 4) A detailed statement of the legal and factual grounds of the claim including copies of relevant documents; and
 - 5) The form of relief requested.

16. Resolution of Contract Claims and Controversies. The Procurement Officer or designee administering a contract in consultation with the County Manager and County Attorney shall have the authority to settle and resolve any contract claims and controversies. If a contract claim or controversy cannot be resolved by mutual agreement of the parties, the County or the contractor may pursue any legal remedy set forth in the contract or authorized by law.

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14. DEBARMENT

- A. Authority to Debar or Suspend: The Procurement Officer in consultation with the County Manager and County Attorney shall have the authority to debar or suspend a person from participating in County procurements.
- B. Initiation of Debarment. Upon receipt of information concerning a possible cause for debarment the Procurement Officer may investigate the possible cause and make a determination. If after investigation, the Procurement Officer has a reasonable basis to believe that a cause for debarment exists, the Procurement Officer may debar a person in accordance with this Procurement Policy.
- C. Debarment or suspension causes shall be limited to:
 1. Conviction of any person or any affiliate of any person for commission of a criminal offense arising out of obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of such contract or subcontract.
 2. Conviction of any person or any affiliate of any person under any statute of the federal government, this state or any other state for embezzlement, theft, fraudulent schemes and artifices, fraudulent schemes and practices, bid rigging, perjury, forgery, bribery, falsification or destruction of records, or receiving stolen property; or any other offense indicating a lack of business integrity or business honesty that currently seriously and directly affects responsibility as a County contractor and which conviction arises out of or obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of such contract or subcontract.
 3. Conviction or civil judgment finding a violation by any person or affiliate of any person under state or federal antitrust statutes arising out of the response to a solicitation.
 4. Violations of contract provisions within three (3) years of current debarment action, as set forth below, of a character that is reasonably deemed to be so serious as to justify debarment action:
 - a. Abandonment of a contract without good cause;
 - b. Knowingly fails without good cause to perform in accordance with the specifications or within the time limit provided in the contract; or

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- c. Failure to perform or unsatisfactory performance in accordance with the terms of one or more contracts, except that failure to perform or unsatisfactory performance caused by acts beyond the control of the contractor shall not be considered to be a basis for debarment.
 - d. Additionally, any other cause that the Procurement Officer reasonably determines to be so serious and compelling as to affect responsibility as a County contractor, including suspension or debarment of such person or any affiliate of such person by another governmental entity for any cause listed in this section.
- D. Matters Not Proper for Debarment or Suspension - any conviction or judgment dated more than three (3) years prior to the notice of suspension or notice of debarment shall not be a basis for any debarment or suspension of a person or an affiliate of a person.
- E. Period of Debarment
 - 1. The period of time for a debarment shall not exceed three (3) years from the date of the debarment determination.
 - 2. If debarment is based solely upon debarment by another governmental agency, the period of debarment may run concurrently with the period established by that other debarring agency.
- F. Notice. The Procurement Officer shall notify the person in writing within seven (7) days by certified mail, return receipt requested, of the debarment action. The person may submit a request in writing to the Procurement Officer for reconsideration of the debarment action hearing within fourteen (14) days of issuance of the debarment action.
- G. Notice to Affiliates
 - 1. If the Procurement Officer proposes to debar an affiliate, the affiliate shall have a right to provide the Procurement Officer with mitigating circumstances.
 - 2. The affiliate shall advise the Procurement Officer in writing within thirty (30) days of receipt of the notice of a hearing of its intention to appear. Failure to provide written notice of appearance within the thirty (30) day period shall be a waiver of the right to appear in the hearing.

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H. Imputed Knowledge

1. Improper conduct by a person may be imputed to an affiliate for purposes of debarment where the impropriety occurred in connection with the affiliate's duties for or on behalf of, or with the knowledge or approval of, the contractor.
2. The improper conduct of a person or its affiliate having a contract with a contractor may be imputed to the contractor for purposes of debarment where the impropriety occurred in connection with the person's duties for or on behalf of, or with the knowledge, or approval of the contractor.

I. Reinstatement

1. The Procurement Officer may at any time after a final decision on debarment reinstate a debarred person or rescind the debarment upon a determination that the cause upon which the debarment is based no longer exists.
2. Any debarred person may request reinstatement by submitting a petition to the County Manager supported by documentary evidence showing that the cause for debarment no longer exists or has been substantially mitigated.
3. The decision on reinstatement shall be in writing and specify the factors on which it is based.

J. Limited Participation. The Procurement Officer may allow a debarred person to participate in County contracts on a limited basis during the debarment period upon a written determination that participation is advantageous to the County. The determination shall specify the factors on which it is based and define the extent of the limits imposed.

K. Suspension. The Procurement Officer may suspend a person from receiving any award in order to protect the County's interests.

L. Period and Scope of Suspension. The period of suspension shall not be more than sixty (60) days unless the Procurement Officer is informed of compelling reasons to extend the period of suspension.

M. Suspension Notice

1. The Procurement Officer shall notify the person suspended by certified mail, return receipt requested.

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2. The notice of suspension shall state:

- a. The basis for suspension;
- b. The period, including dates, of the suspension; and
- c. That bids or proposals shall not be solicited or accepted from the person and, if received, will not be considered.

N. Master List for Suspension and Debarment.

1. The Procurement Officer or designee shall maintain a Master List of debarments and suspensions.
2. The Master List shall show at a minimum the following information:
 - a. The names and vendor number of those persons whom the County has debarred or suspended.
 - b. The basis of authority for the action.
 - c. The period of debarment or suspension, including the expiration date.
 - d. The name of the debarring or suspending agency, if the County's debarment or suspension is based on debarment or suspension by another governmental agency.
3. The Master List shall include a separate section listing persons voluntarily excluded from participation in County contracts.

O. Judicial Review of Protests, Claims or Controversies, Debarments or Suspensions. Any final decision of the Procurement Officer of a protest, claim or controversy, debarment or suspension under this Procurement Policy is subject to judicial review by any party to the proceeding. Exhaustion of the procedures set forth in this Procurement Policy shall be a condition precedent to seeking judicial review and the complaint seeking review shall be filed within thirty (30) days of the final decision. by the Board

P. Exclusive Remedy. With exception to a law to the contrary, this Procurement Policy shall provide the exclusive procedure for asserting a claim or cause of action

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against the County arising in relation to any procurement conducted under this Procurement Policy.

15. COOPERATIVE PROCUREMENT

- A. The Procurement Officer shall have the authority to participate in, sponsor, conduct or administer a cooperative purchasing agreement for the procurement of any materials, services, or construction with one or more eligible procurement units in accordance with an agreement entered into between the participants when it is in the best interest of the County.

1. Cooperative Purchasing Authorized.

- a. The County may participate in, sponsor, conduct or administer a cooperative purchasing agreement for the procurement of any materials, services, or construction with one or more eligible procurement units in accordance with an agreement entered into between the participants. Parties under a cooperative purchasing agreement may:
1. Sponsor, conduct or administer a cooperative agreement for the procurement or disposal of any materials, services, or construction.
 2. Cooperatively use materials or services.
 3. Commonly use or share warehousing facilities, capital equipment and other facilities.
 4. Provide personnel, except that the requesting eligible procurement unit may pay the public procurement unit providing the personnel the direct and indirect cost of providing the personnel, in accordance with the agreement.
 5. Upon request, make available to other public procurement units informational, technical or other services that may assist in improving the efficiency or economy of procurement. The public procurement unit furnishing the informational or technical services has the right to request

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reimbursement for the reasonable and necessary costs of providing such services.

2. General Services Administration (GSA) Purchasing Authorized.

- a. The Procurement Officer may authorize purchases under the GSA contracts which specifically allow cooperative purchases by other governmental agencies if it is in the County's best interest to do so.

16. PROCUREMENT OF CAPITAL ASSETS

- A The Counties may record capital assets on the capital assets list as items are received or at fiscal year-end. A separate acquisitions list should be maintained during the year to help support the reconciliation of the previous year's capital assets list to the current year's -capital assets list and the reconciliation of capital assets acquisitions to total capital expenditures. Counties may receive federal, state or local grants, contracts or other programs to acquire capital assets. Title to such assets may transfer to the county under the terms of the program agreement. The assets should be capitalized and reported in the county's financial statements until the agreement requires their return. Counties should dispose of assets under such programs in accordance with program requirements.
8. Disposal of capital assets requires the using department to complete a County Property Disposition Request Form, so the asset can be removed from the capital asset list and properly accounted for in the County's financial statements. The Finance Department will determine the appropriate disposal method and any monetary value received from the disposal of capital assets will be returned to the appropriate fund.

17. DISPOSAL OF CAPITAL ASSETS.

Counties may record capital assets on the capital assets list as items are received or at fiscal year-end. A separate acquisitions list should be maintained during the year to help support the reconciliation of the previous year's capital assets list to the current year's capital assets list and the reconciliation of capital assets acquisitions to total capital expenditures. Counties may receive federal, state or local grants, contracts or other programs to acquire capital assets. Title to such assets may transfer to the county under the terms of the program agreement. The assets should be capitalized and reported in the county's financial stat_ements until the agreement requires their return. Counties should dispose of assets under such programs in accordance with program requirements.

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CHAIRMAN, BOARD OF SUPERVISORS

1-15-22

 DATE