



City of Glendale

5850 West Glendale Avenue
Glendale, AZ 85301

Voting Meeting Agenda City Council

Mayor Jerry Weiers
Councilmember Jamie Aldama
Councilmember Samuel Chavira
Councilmember Ian Hugh
Councilmember Gary Sherwood
Councilmember Lauren Tolmachoff
Councilmember Bart Turner

Thursday, December 18, 2014

6:00 PM

Council Chambers

Voting Meeting

One or more members of the City Council may be unable to attend the Council Meeting in person and may participate telephonically, pursuant to A.R.S. § 38-431(4).

CALL TO ORDER

PLEDGE OF ALLEGIANCE

PRAYER/INVOCATION

Any prayer/invocation that may be offered before the start of regular Council business shall be the voluntary offering of a private citizen, for the benefit of the Council and the citizens present. The views or beliefs expressed by the prayer/invocation speaker have not been previously reviewed or approved by the Council, and the Council does not endorse the religious beliefs or views of this, or any other speaker. A list of volunteers is maintained by the Mayor's Office and interested persons should contact the Mayor's Office for further information.

APPROVAL OF THE MINUTES OF NOVEMBER 24, 2014

1. **14-503** APPROVAL OF THE MINUTES OF NOVEMBER 24, 2014
Staff Contact: Pamela Hanna, City Clerk

Attachments: [Minutes of November 24, 2014](#)

CONSENT AGENDA

Items on the consent agenda are of a routine nature or have been previously studied by the City Council. Items on the consent agenda are intended to be acted upon in one motion unless the Council wishes to hear any of the items separately.

2. **14-467** APPROVE SPECIAL EVENT LIQUOR LICENSE, GLENDALE ARTS COUNCIL
Staff Contact: Susan Matousek, Revenue Administrator

Attachments: [Application](#)
[Calls for Service](#)

3. **14-468** APPROVE SPECIAL EVENT LIQUOR LICENSE, HEART FOR THE CITY
Staff Contact: Susan Matousek, Revenue Administrator

 Attachments: [Application](#)
 [Calls for Service](#)
4. **14-492** APPROVE SPECIAL EVENT LIQUOR LICENSE, 100 CLUB OF ARIZONA
Staff Contact: Susan Matousek, Revenue Administrator

 Attachments: [Application](#)
 [Calls for Service](#)
5. **14-469** APPROVE LIQUOR LICENSE NO. 5-14835, JIMBO'S SPORTS BAR & GRILL
Staff Contact: Susan Matousek, Revenue Administrator

 Attachments: [Map](#)
 [Calls for Service](#)
6. **14-470** APPROVE LIQUOR LICENSE NO. 5-15092, HOT N JUICY CRAWFISH
Staff Contact: Susan Matousek, Revenue Administrator

 Attachments: [Map](#)
 [Calls for Service](#)
7. **14-471** APPROVE LIQUOR LICENSE NO. 3-1131, WAL-MART SUPERCENTER #1532
Staff Contact: Susan Matousek, Revenue Administrator

 Attachments: [Map](#)
 [Calls for Service](#)
8. **14-483** AUTHORIZATION TO ENTER INTO A LINKING AGREEMENT WITH QCM
TECHNOLOGIES, INC. FOR SERVER AND DATA STORAGE HARDWARE,
SOFTWARE, MAINTENANCE AND SUPPORT
Staff Contact: Tom Duensing, Director, Finance and Technology

 Attachments: [QCM_Signed Linking Agreement_updated](#)
9. **14-484** AUTHORIZATION FOR A CONTRACT AMENDMENT WITH COPPER STATE
COMMUNICATIONS, INC. FOR CITYWIDE TELEPHONE UPGRADE FOR CITY
TELEPHONE EQUIPMENT, MAINTENANCE AND SUPPORT
Staff Contact: Tom Duensing, Director, Finance and Technology

 Attachments: [Copper State signed contract amendment](#)
 [Copper State Contract_C-8103](#)
 [City of Glendale - ShoreTel Voicemail Project - FINAL Scope of Work 10 20 14](#)
 [City of Glendale - BCM to ShoreTel Migration - FINAL General Scope of Work](#)
 [BCM and Voicemails quotes](#)
10. **14-495** AUTHORIZATION FOR A CONTRACT AMENDMENT WITH CHERRYROAD
FOR THE CITYWIDE HCM UPGRADE
Staff Contact: Tom Duensing, Director, Finance and Technology

- Attachments:** [Signed Contract Amendment_CherryRoad](#)
[C-8670_Cherry Road](#)
11. 14-381 AGREEMENT EXTENSION WITH BAKER, DONELSON, BEARMAN,
CALDWELL & BERKOWITZ, PC FOR FEDERAL LEGISLATIVE
REPRESENTATIVE SERVICE OF LUKE AIR FORCE BASE
Staff Contact: Brent Stoddard, Director, Intergovernmental Programs
- Attachments:** [WVP Luke Extension Hyjek Signed 2014](#)
12. 14-482 POSITION RECLASSIFICATIONS
Staff Contact: Jim Brown, Director, Human Resources and Risk
Management
- Attachments:** [Classification Study Status Report for Council Meeting 12-18-14 excel](#)
13. 14-491 AUTHORIZATION TO ENTER INTO AN AGREEMENT WITH STRENGTH
TRAINING INCORPORATED FOR OCCUPATIONAL HEALTH MEDICAL
SERVICES
Staff Contact: Mark Burdick, Fire Chief
- Attachments:** [STI Agreement Final -11.25.14](#)
14. 14-493 AUTHORIZATION TO ENTER INTO A LINKING AGREEMENT WITH
PANASONIC CORPORATION OF NORTH AMERICA AND APPROVE THE
PURCHASE OF MOBILE DATA COMPUTERS FOR THE GLENDALE POLICE
DEPARTMENT UTILIZING A CITY OF TUCSON PURCHASING COOPERATIVE
CONTRACT
Staff Contact: Debora Black, Police Chief
- Attachments:** [Linking Agreement](#)
15. 14-494 EXPENDITURE AUTHORIZATION FROM THE MUNICIPAL ARTS FUND FOR
"ART OF FIRST RESPONSE" PROJECT
Staff Contact: Debora Black, Police Chief
16. 14-502 AUTHORIZATION TO AMEND A PROFESSIONAL SERVICES AGREEMENT
WITH BLACK AND VEATCH CORPORATION FOR PYRAMID PEAK WATER
TREATMENT PLANT FACILITY ASSESSMENT
Staff Contact: Craig Johnson, P.E., Director, Water Services
- Attachments:** [Agreement for Professional Services](#)
[Pyramid Peak WaterTreatment Plant_attachment.docx](#)
17. 14-412 APPROVE EXPENDITURE OF FUNDS FOR ANNUAL SOFTWARE
MAINTENANCE FOR THE SUPERVISORY CONTROL AND DATA
ACQUISITION SYSTEMS FROM GE INTELLIGENT PLATFORMS, INC.
Staff Contact: Craig Johnson, P.E., Director, Water Services
- Attachments:** [2014 Quote Conditions](#)
18. 14-454 EXPENDITURE AUTHORIZATION FOR THE REPAIR OF PUMPS LOCATED
AT THE OASIS WATER TREATMENT FACILITY WITH PUMP SYSTEMS, INC.

Staff Contact: Craig Johnson, P.E., Director, Water Services

Attachments: [OWC Pump System repair docs.pdf](#)

19. 14-451 AUTHORIZATION TO ENTER INTO A PROFESSIONAL SERVICES AGREEMENT WITH STANTEC CONSULTING SERVICES INC. FOR WATERLINE IMPROVEMENTS

Staff Contact: Craig Johnson, P.E., Director, Water Services

Attachments: [Professional Services Agreement](#)

20. 14-458 EXPENDITURE AUTHORIZATION FOR THE PURCHASE OF PARTS AND SUPPLIES FROM A SOLE SOURCE VENDOR, CP MANUFACTURING, INC.

Staff Contact: Jack Friedline, Director, Public Works

Attachments: [Sole Source Documents - CP Manufacturing, Inc.](#)

21. 14-459 AUTHORIZATION TO ENTER INTO AN AGREEMENT WITH PARADIGM SOFTWARE, LLC, TO PURCHASE LICENSES AND UPGRADE THE LANDFILL WEIGH SCALE SOFTWARE

Staff Contact: Jack Friedline, Director, Public Works

Attachments: [System Implementation & License Agreement](#)
[Special Procurement Letter of Approval - Paradigm](#)

22. 14-464 AUTHORIZATION TO ENTER INTO AN AGREEMENT WITH PARADIGM SOFTWARE, LLC, TO PURCHASE WEIGH SCALE SOFTWARE SUPPORT SERVICES FOR THE LANDFILL

Staff Contact: Jack Friedline, Director, Public Works

Attachments: [Standard Support Services Agreement](#)
[Special Procurement Letter of Approval - Paradigm](#)

23. 14-465 AUTHORIZATION TO ENTER INTO AN AGREEMENT WITH FCI CONSTRUCTORS, INC., FOR CONSTRUCTION OF PHASE ONE OF THE GLENDALE LANDFILL SCALE HOUSE RELOCATION PROJECT

Staff Contact: Jack Friedline, Director, Public Works

Attachments: [FCI Guaranteed Maximum Price Contract No. 1](#)

24. 14-476 AUTHORIZATION TO ENTER INTO AMENDMENT NUMBER ONE TO EXTEND THE CURRENT AGREEMENT WITH STANLEY CONSULTANTS, INC. FOR THE DESIGN OF INTELLIGENT TRANSPORTATION SYSTEMS INFRASTRUCTURE ON 67TH AVENUE, FROM GLENDALE AVENUE TO CHOLLA STREET

Staff Contact: Jack Friedline, Director, Public Works

Attachments: [Signed Contract Amendment](#)

CONSENT RESOLUTIONS

25. 14-440 AUTHORIZATION TO TERMINATE AIRPORT LEASE AND DEVELOPMENT AGREEMENT

Staff Contact: Jack Friedline, Director, Public Works

Attachments: [Resolution 4901](#)
[2011 Lease Amendment - C-6125-2](#)

26. 14-447 AUTHORIZATION TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE CENTRAL ARIZONA WATER CONSERVATION DISTRICT TO STORE WATER AT THE SUPERSTITION MOUNTAINS RECHARGE PROJECT

Staff Contact: Craig Johnson, P.E., Director, Water Services

Attachments: [Resolution 4902](#)
[Agreement](#)

27. 14-448 AUTHORIZATION TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE CENTRAL ARIZONA WATER CONSERVATION DISTRICT TO STORE WATER AT THE HIEROGLYPHIC MOUNTAINS RECHARGE PROJECT

Staff Contact: Craig Johnson, P.E., Director, Water Services

Attachments: [Resolution 4903](#)
[Agreement](#)

28. 14-449 AUTHORIZATION TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE CENTRAL ARIZONA WATER CONSERVATION DISTRICT TO STORE WATER AT THE AGUA FRIA RECHARGE PROJECT

Staff Contact: Craig Johnson, P.E., Director, Water Services

Attachments: [Resolution 4904](#)
[Agreement](#)

29. 14-488 ADOPT A RESOLUTION APPROVING THE GLENDALE INDUSTRIAL DEVELOPMENT AUTHORITY'S ISSUANCE OF REVENUE BONDS NOT TO EXCEED \$15,000,000 IN SUPPORT OF THE MIDWESTERN UNIVERSITY FOUNDATION'S STUDENT LOAN PROGRAM

Staff Contact: Brian Friedman, Director, Office of Economic Development

Attachments: [Resolution 4905](#)
[IDA Letter](#)

30. 14-501 A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AFFIRMING GLENDALE'S COMMITMENT TO INCLUSION AND DIVERSITY IN ITS WORKFORCE, AND SIGNING ONE COMMUNITY'S UNITY PLEDGE

Staff Contact: Brian Friedman, Director, Office of Economic Development

Staff Contact: Jim Brown, Director, Human Resources and Risk Management

Staff Contact: Nancy Mangone, Assistant City Attorney

Attachments: [Resolution 4906](#)
 [UNITY Pledge Packet](#)

31. **14-498** AUTHORIZATION TO ENTER INTO A LICENSE AGREEMENT WITH SP PLUS CORPORATION TO USE CITY-OWNED PROPERTY FOR PARKING ASSOCIATED WITH NATIONAL FOOTBALL LEAGUE GAMES TAKING PLACE AFTER JANUARY 1, 2015 THROUGH FEBRUARY 1, 2015
Staff Contact: Jean Moreno, Program Administrator, Office of Economic Development

Attachments: [Resolution 4907](#)
 [Agreement](#)

32. **14-490** AUTHORIZATION TO ENTER INTO GRANT AGREEMENT DUIAC-I-016 WITH THE ARIZONA GOVERNOR'S OFFICE OF HIGHWAY SAFETY OVERSIGHT COUNCIL ON DRIVING OR OPERATING UNDER THE INFLUENCE ABATEMENT
Staff Contact: Debora Black, Police Chief

Attachments: [Resolution 4908](#)
 [Grant Agreement - GOHS DUI Abatement Grant - Know Your Limit](#)

33. **14-487** AUTHORIZATION TO ENTER INTO A MODIFICATION TO THE INTERGOVERNMENTAL AGREEMENT WITH THE ARIZONA DEPARTMENT OF REVENUE REGARDING ADMINISTRATION OF TAXES
Staff Contact: Tom Duensing, Director, Finance and Technology

Attachments: [Resolution 4909](#)
 [Agreement](#)

34. **14-443** AUTHORIZATION TO ENTER INTO AN AGREEMENT WITH THE ARIZONA DEPARTMENT OF REVENUE FOR ISSUANCE OF ANNUAL AND RENEWAL MUNICIPAL PRIVILEGE TAX LICENSES
Staff Contact: Tom Duensing, Director, Finance and Technology

Attachments: [Resolution 4910](#)
 [Agreement](#)

35. **14-485** ADOPT A RESOLUTION DECLARING AS A PUBLIC RECORD THAT CERTAIN DOCUMENT ENTITLED "2014 AMENDMENTS TO CHAPTER 21.1 (MODEL CITY PRIVILEGE (SALES) TAX CODE), ARTICLE III - LICENSING AND RECORDKEEPING, SEC. 21.1-300 THRU 21.1-380"
Staff Contact: Tom Duensing, Director, Finance and Technology

Attachments: [Resolution 4911](#)

PUBLIC HEARING - ORDINANCES

36. **14-444** ADOPT AN ORDINANCE AMENDING THE MODEL CITY PRIVILEGE (SALES) TAX CODE, CHAPTER 21.1, ARTICLE III - LICENSING AND

RECORDKEEPING AND DELETING CERTAIN PROVISIONS IN ARTICLE VII
(ORDINANCE) (PUBLIC HEARING REQUIRED)

Staff Contact: Tom Duensing, Director, Finance and Technology

Attachments: [Ordinance 2925](#)

ORDINANCES

37. 14-477 AUTHORIZATION TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE ARIZONA DEPARTMENT OF TRANSPORTATION FOR PROPERTY EXCHANGES ALONG GRAND AVENUE
Staff Contact: Jack Friedline, Director, Public Works

Attachments: [Ordinance 2926](#)
[Grand Property Exchanges - Agreement & Exhibits A-E \(combined\)](#)

REQUEST FOR FUTURE WORKSHOP AND EXECUTIVE SESSION

CITIZEN COMMENTS

If you wish to speak on a matter concerning Glendale city government that is not on the printed agenda, please fill out a Citizen Comments Card located in the back of the Council Chambers and give it to the City Clerk before the meeting starts. The City Council can only act on matters that are on the printed agenda, but may refer the matter to the City Manager for follow up. When your name is called by the Mayor, please proceed to the podium. State your name and the city in which you reside for the record. If you reside in the City of Glendale, please state the Council District you live in (if known) and begin speaking. Please limit your comments to a period of three minutes or less.

COUNCIL COMMENTS AND SUGGESTIONS

ADJOURNMENT

Upon a public majority vote of a quorum of the City Council, the Council may hold an executive session, which will not be open to the public, regarding any item listed on the agenda but only for the following purposes:

- (i) discussion or consideration of personnel matters (A.R.S. § 38-431.03(A)(1));
- (ii) discussion or consideration of records exempt by law from public inspection (A.R.S. § 38-431.03(A)(2));
- (iii) discussion or consultation for legal advice with the city's attorneys (A.R.S. § 38-431.03(A)(3));
- (iv) discussion or consultation with the city's attorneys regarding the city's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation, or in settlement discussions conducted in order to avoid or resolve litigation (A.R.S. § 38-431.03(A)(4));
- (v) discussion or consultation with designated representatives of the city in order to consider its position and instruct its representatives regarding negotiations with employee organizations (A.R.S. § 38-431.03(A)(5)); or
- (vi) discussing or consulting with designated representatives of the city in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property (A.R.S. § 38-431.03(A)(7)).

**This agenda has been reviewed and approved for posting by Brenda S. Fischer, ICMA-CM,
City Manager.**



City of Glendale

5850 West Glendale Avenue
Glendale, AZ 85301

Legislation Description

File #: 14-503, **Version:** 1

APPROVAL OF THE MINUTES OF NOVEMBER 24, 2014
Staff Contact: Pamela Hanna, City Clerk

City of Glendale

5850 West Glendale Avenue
Glendale, AZ 85301



Meeting Minutes - Draft

Monday, November 24, 2014

6:00 PM

Voting Meeting

Council Chambers

City Council

Mayor Jerry Weiers
Vice Mayor Yvonne J. Knaack
Councilmember Norma Alvarez
Councilmember Samuel Chavira
Councilmember Ian Hugh
Councilmember Manny Martinez
Councilmember Gary Sherwood

CALL TO ORDER

- Present:** 6 - Mayor Jerry Weiers, Vice Mayor Yvonne J. Knaack, Councilmember Samuel Chavira, Councilmember Ian Hugh, Councilmember Manny Martinez, and Councilmember Gary Sherwood
- Absent:** 1 - Councilmember Norma Alvarez

Also present were Brenda Fischer, City Manager; Julie Frisoni, Assistant City Manager; Jennifer Campbell, Assistant City Manager; Michael Bailey, City Attorney; Pamela Hanna, City Clerk; and Darcie McCracken, Deputy City Clerk.

PLEDGE OF ALLEGIANCE**PRAYER/INVOCATION**

Pastor David Clark from Grace Lutheran Church offered the invocation.

APPROVAL OF THE MINUTES OF OCTOBER 28, 2014

1. **14-438** APPROVAL OF THE MINUTES OF OCTOBER 28, 2014
 Staff Contact: Pamela Hanna, City Clerk
- A motion was made by Councilmember Chavira, seconded by Vice Mayor Knaack, that this agenda item be approved. The motion carried by the following vote:**
- Aye:** 6 - Mayor Weiers, Vice Mayor Knaack, Councilmember Chavira, Councilmember Hugh, Councilmember Martinez, and Councilmember Sherwood
- Absent:** 1 - Councilmember Alvarez

BOARDS, COMMISSIONS AND OTHER BODIES**APPROVE CORRECTED RECOMMENDED APPOINTMENTS TO BOARDS, COMMISSIONS AND OTHER BODIES**

2. **14-442** APPROVE CORRECTED BOARDS AND COMMISSIONS
 APPOINTMENTS
 Staff Contact: Brent Stoddard, Director, Intergovernmental Programs
- A motion was made by Councilmember Hugh, seconded by Councilmember Martinez, that this agenda item be approved. The motion carried by the following vote:**
- Aye:** 6 - Mayor Weiers, Vice Mayor Knaack, Councilmember Chavira, Councilmember Hugh, Councilmember Martinez, and Councilmember Sherwood
- Absent:** 1 - Councilmember Alvarez

PROCLAMATIONS AND AWARDS

3. **14-415** PROCLAMATION RECOGNIZING THE ACCOMPLISHMENTS OF
 GLENDALE UNION HIGH SCHOOL DISTRICT
 Staff Contact: Office of the Mayor
 Presented By: Office of the Mayor
 Accepted By: Superintendent Eugene Dudo and Glendale Union High
 School Board members
4. **14-422** AWARD PRESENTATION OF PARKS AND RECREATION AGENCY
 ACCREDITATION
 Staff Contact: Erik Strunk, Director, Community Services
 Presenter: John Krystek, Chairman of the Parks and Recreation Advisory
 Commission

CONSENT AGENDA

Agenda Item #16, 14-429, AUTHORIZATION TO ENTER INTO AN AGREEMENT SUBSTANTIALLY IN THE FORM ATTACHED TO THE COUNCIL REPORT WITH STRENGTH TRAINING INCORPORATED FOR OCCUPATIONAL HEALTH MEDICAL SERVICES, was pulled from the agenda administratively.

Ms. Brenda Fischer, City Manager, read agenda item numbers 5 through 30.

Ms. Pamela Hanna, City Clerk, read consent agenda resolution item numbers 31 through 36 by number and title.

5. **14-385** APPROVE SPECIAL EVENT LIQUOR LICENSE, ARIZONA SPORTS
 FOUNDATION
 Staff Contact: Susan Matousek, Revenue Administrator

 This agenda item was approved.
6. **14-387** APPROVE SPECIAL EVENT LIQUOR LICENSE, LUMP BUSTERS
 Staff Contact: Susan Matousek, Revenue Administrator

 This agenda item was approved.
7. **14-362** APPROVE LIQUOR LICENSE NO. 5-14745, OPA LIFE GREEK CAFE
 Staff Contact: Susan Matousek, Revenue Administrator

 This agenda item was approved.
8. **14-383** APPROVE LIQUOR LICENSE NO. 5-14663, FIRED PIE
 Staff Contact: Susan Matousek, Revenue Administrator

 This agenda item was approved.
9. **14-367** AUTHORIZATION TO ENTER INTO A LINKING AGREEMENT WITH
 TERRA VERDE, LLC FOR SECURITY RELATED CONSULTING,
 EQUIPMENT, AND SERVICES UTILIZING A CITY OF AVONDALE
 COOPERATIVE CONTRACT

Staff Contact: Tom Duensing, Director, Finance and Technology

This agenda item was approved.

- 10. 14-354** EXPENDITURE AUTHORIZATION FOR SERVICE AND MAINTENANCE OF THE CITY'S HANSEN INFORMATION TECHNOLOGIES BUSINESS MANAGEMENT SOFTWARE
Staff Contact: Tom Duensing, Director, Finance & Technology
This agenda item was approved.
- 11. 14-368** AUTHORIZATION TO ENTER INTO A USER AGREEMENT WITH VERIZON WIRELESS FOR CELLULAR SERVICES UTILIZING A WESTERN STATES CONTRACTING ALLIANCE COOPERATIVE CONTRACT
Staff Contact: Tom Duensing, Director, Finance and Technology
This agenda item was approved.
- 12. 14-386** AUTHORIZATION TO ENTER INTO A LINKING AGREEMENT WITH GREENBERG TRAUIG, LLP FOR THE PROVISION OF BOND COUNSEL SERVICES UTILIZING AN ARIZONA STATE AND GREENBERG TRAUIG, LLP PURCHASING COOPERATIVE CONTRACT
Staff Contact: Tom Duensing, Director, Finance and Technology
This agenda item was approved.
- 13. 14-377** EXPENDITURE AUTHORIZATION FOR PRISONER DETENTION SERVICES FROM MARICOPA COUNTY
Staff Contact: Debora Black, Police Chief
This agenda item was approved.
- 14. 14-436** AUTHORIZATION TO RENEW THE SOFTWARE MAINTENANCE SERVICE CONTRACT WITH INTERGRAPH CORPORATION FOR THE GLENDALE POLICE DEPARTMENT COMPUTER AIDED DISPATCH SYSTEM
Staff Contact: Debora Black, Police Chief
This agenda item was approved.
- 15. 14-426** AUTHORIZATION TO ENTER INTO LINKING AGREEMENT WITH KRONOS, INC. FOR TELESTAFF, A FIRE STAFF AND SCHEDULING SOFTWARE
Staff Contact: Mark Burdick, Fire Chief
This agenda item was approved.
- 16. 14-429** AUTHORIZATION TO ENTER INTO AN AGREEMENT SUBSTANTIALLY IN THE FORM ATTACHED TO THE COUNCIL REPORT WITH

STRENGTH TRAINING INCORPORATED FOR OCCUPATIONAL HEALTH MEDICAL SERVICES.

This agenda item was pulled administratively.

17. **14-407** RATIFICATION OF EXPENDITURE OF FUNDS FOR FESTIVAL ADVERTISING, SPONSORSHIP AND OTHER PROMOTIONAL SERVICES FROM SCRIPPS MEDIA, INC.
Staff Contact: Julie Watters, Director, Communications

This agenda item was approved.
18. **14-423** AUTHORIZATION TO ENTER INTO A CONSTRUCTION AGREEMENT WITH SUNBURST LANDSCAPING, INC. FOR INSTALLATION OF XERISCAPING AT GLENDALE PUBLIC HOUSING
Staff Contact: Erik Strunk, Director, Community Services

This agenda item was approved.
19. **14-401** AUTHORIZATION TO ENTER INTO A LINKING AGREEMENT WITH VERTECH INDUSTRIAL SYSTEMS FOR ENGINEERING SUPPORT AND SERVICES FOR WATER AND WASTEWATER PROCESS CONTROL SYSTEMS UTILIZING A CITY OF BUCKEYE COOPERATIVE PURCHASING CONTRACT
Staff Contact: Craig Johnson, P.E., Director, Water Services

This agenda item was approved.
20. **14-402** AWARD OF BID IFB 15-18, AUTHORIZATION TO ENTER INTO AN AGREEMENT AND EXPENDITURE OF FUNDS TO REYES & SONS LANDSCAPING, LLC FOR AQUIFER RECHARGE FACILITY MAINTENANCE SERVICES
Staff Contact: Craig Johnson, P.E., Director, Water Services

This agenda item was approved.
21. **14-403** AUTHORIZATION TO ENTER INTO A PROFESSIONAL SERVICES AGREEMENT WITH PRIMATECH L.L.C. FOR PHASE IV OF THE WASTEWATER COLLECTION SYSTEM AND MANHOLE REHABILITATION PROJECT
Staff Contact: Craig Johnson, P.E., Director, Water Services

This agenda item was approved.
22. **14-406** AUTHORIZATION TO ENTER INTO A PROFESSIONAL SERVICES AGREEMENT WITH CH2M HILL ENGINEERS, INC. FOR THUNDERBIRD RESERVOIR IMPROVEMENTS
Staff Contact: Craig Johnson, P.E., Director, Water Services

This agenda item was approved.

- 23. 14-380** AUTHORIZATION TO ENTER INTO A CONSTRUCTION AGREEMENT WITH COMBS CONSTRUCTION COMPANY, INC. FOR AIRPORT APRON AND LIGHTING IMPROVEMENTS
Staff Contact: Jack Friedline, Director, Public Works
This agenda item was approved.
- 24. 14-400** AUTHORIZATION TO ENTER INTO A PROFESSIONAL SERVICES AGREEMENT WITH C & S ENGINEERS, INC. FOR CONSTRUCTION ADMINISTRATION SERVICES FOR GLENDALE MUNICIPAL AIRPORT IMPROVEMENTS
Staff Contact: Jack Friedline, Director, Public Works
This agenda item was approved.
- 25. 14-394** AUTHORIZATION TO ENTER INTO A PROFESSIONAL SERVICES AGREEMENT WITH RITTOCH-POWELL & ASSOCIATES CONSULTING ENGINEERS, INC. FOR DESIGN AND CONSTRUCTION SERVICES FOR THE FISCAL YEAR 2014-15 PAVEMENT MANAGEMENT PROGRAM
Staff Contact: Jack Friedline, Director, Public Works
This agenda item was approved.
- 26. 14-397** AUTHORIZATION FOR THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH TRUCK REPAIR PHOENIX, LLC FOR LANDFILL HEAVY EQUIPMENT MAINTENANCE AND REPAIR SERVICE
Staff Contact: Jack Friedline, Director, Public Works
This agenda item was approved.
- 27. 14-399** AUTHORIZATION TO ENTER INTO AMENDMENT NUMBER FOUR TO EXTEND THE CURRENT CONTRACT WITH SOUTHWEST FABRICATION, LLC
Staff Contact: Jack Friedline, Director, Public Works
This agenda item was approved.
- 28. 14-409** AUTHORIZATION FOR A BUDGET APPROPRIATION CONTINGENCY TRANSFER TO CAPITAL PROJECTS BUILDING MAINTENANCE RESERVE FOR VARIOUS CRITICAL OR SAFETY-RELATED REPAIR AND REPLACEMENT PROJECTS AT CITY FACILITIES
Staff Contact: Jack Friedline, Director, Public Works
This agenda item was approved.
- 29. 14-413** APPROVAL OF THE FISCAL YEAR 2014-15 GILA RIVER ARENA CAPITAL REPAIRS / REPLACEMENT PROGRAM AND AUTHORIZATION FOR THE CITY MANAGER TO RELEASE ESCROW

ACCOUNT FUNDS TO ICEARIZONA MANAGER CO., LP FOR THE FISCAL YEAR 2014-15 GILA RIVER ARENA CAPITAL REPAIRS/ REPLACEMENT PROGRAM

Staff Contact: Jack Friedline, Director, Public Works

William Demski, a Sahuaro resident, spoke about examples of corporate welfare, property taxes and a sales tax increase. He detailed many expenses the city will pay for the arena.

This agenda item was approved.

30. 14-414

APPROVAL OF THE FISCAL YEAR 2014-15 CAMELBACK RANCH SPRING TRAINING FACILITY CAPITAL REPAIRS/ REPLACEMENT PROGRAM AND RATIFICATION OF EXPENDITURES OF FUNDS AND AUTHORIZATION FOR THE CITY MANAGER TO EXPEND FUNDS TO REIMBURSE CAMELBACK SPRING TRAINING, LLC FOR CAPITAL REPAIRS MADE AT CAMELBACK RANCH SPRING TRAINING FACILITY IN FISCAL YEAR 2014-15

Staff Contact: Jack Friedline, Director, Public Works

William Demski, a Sahuaro resident, spoke about the repairs necessary on Camelback Ranch. He said the taxpayers get a \$1 a year from the sports teams and the taxpayers' dollars pay for this. He spoke about more corporate welfare and the deals the city has entered into.

Andrew Marwick, a Phoenix resident, spoke about Camelback Ranch. He said the city is spending over \$800,000 for nothing that will benefit the city. He said for example, the city is not getting new fire trucks. He spoke about the repairs that needed to be done at Camelback Ranch facilities. He detailed many of the repairs that needed to be done and the cost.

This agenda item was approved.

CONSENT RESOLUTIONS

31. 14-391

AUTHORIZATION TO ENTER INTO A TEMPORARY LICENSE AGREEMENT WITH SPRINT SPECTRUM REALTY COMPANY, L.P. FOR THE INSTALLATION OF A MOBILE CELL SITE LOCATED AT GRAND CANAL LINEAR PARK

Staff Contact: Jack Friedline, Director, Public Works

RESOLUTION NO. 4892 NEW SERIES WAS READ BY NUMBER AND TITLE ONLY, IT BEING A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE CITY MANAGER TO EXECUTE A COMMUNICATIONS SITE TEMPORARY LICENSE AGREEMENT FOR A MOBILE CELL SITE ON WHEELS WIRELESS COMMUNICATIONS FACILITY ON CITY PROPERTY LOCATED ON GRAND CANAL LINEAR PARK AT APPROXIMATELY THE NORTHWEST CORNER OF BETHANY HOME ROAD AND 95TH AVENUE WITH SPRINT SPECTRUM REALTY COMPANY, L.P.

This agenda item was approved.

32. 14-379

AUTHORIZATION TO ENTER INTO A MEMORANDUM OF

UNDERSTANDING WITH MARICOPA COUNTY ADULT PROBATION
DEPARTMENT FOR EXCHANGE OF PROBATION DATA AND LAW
ENFORCEMENT INFORMATION

Staff Contact: Debora Black, Police Chief

RESOLUTION NO. 4893 NEW SERIES WAS READ BY NUMBER AND TITLE ONLY, IT BEING A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE ENTERING INTO OF A MEMORANDUM OF UNDERSTANDING FOR DATA EXCHANGE WITH THE MARICOPA COUNTY ADULT PROBATION DEPARTMENT.

This agenda item was approved.

33. 14-396

EXPENDITURE AUTHORIZATION FOR ANNUAL AMORTIZED
EQUIPMENT AND DISPATCH COSTS FOR FISCAL YEAR 2014-15
WITH THE CITY OF PHOENIX FOR COMPUTER AIDED DISPATCH
SERVICES

Staff Contact: Mark Burdick, Fire Chief

RESOLUTION NO. 4894 NEW SERIES WAS READ BY NUMBER AND TITLE ONLY, IT BEING A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING PAYMENT OF THE ANNUAL AMORTIZED EQUIPMENT AND DISPATCH COSTS FOR FISCAL YEAR 2014-2015 PURSUANT TO INTERGOVERNMENTAL AGREEMENT NO. 106007 WITH THE CITY OF PHOENIX PERTAINING TO PARTICIPATION IN THE PHOENIX FIRE DEPARTMENT REGIONAL SERVICE SYSTEM IN ORDER TO MORE EFFECTIVELY PROVIDE EMERGENCY FIRE, MEDICAL AND OTHER SERVICES.

This agenda item was approved.

34. 14-393

AMENDMENTS TO CITY COUNCIL GUIDELINES

Staff Contact: Brent Stoddard, Director, Intergovernmental Programs

RESOLUTION NO. 4895 NEW SERIES WAS READ BY NUMBER AND TITLE ONLY, IT BEING A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, ADOPTING THE "THIRD AMENDMENT TO GLENDALE, AZ CITY COUNCIL GUIDELINES."

This agenda item was approved.

35. 14-430

INDUSTRIAL COMMISSION OF ARIZONA SELF-INSURANCE
RENEWAL AND SECURITY DEPOSIT EXEMPTION

Staff Contact: Jim Brown, Director, Human Resources & Risk
Management

RESOLUTION NO. 4896 NEW SERIES WAS READ BY NUMBER AND TITLE ONLY, IT BEING A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, REQUESTING EXEMPTION FROM THE REQUIREMENT BY THE INDUSTRIAL COMMISSION OF ARIZONA TO POST SECURITY FOR THE CITY OF GLENDALE'S SELF-INSURED WORKERS' COMPENSATION CLAIMS.

This agenda item was approved.

36. 14-425

AUTHORIZATION TO ENTER INTO A SETTLEMENT AGREEMENT WITH

WOOLF FAMILY ENTERPRISES FOR UNPAID INVOICES

Staff Contact: Deborah Robberson, Chief Deputy City Attorney

Brian Friedman, Director, Economic Development

Staff Presenter: Deborah Robberson, Chief Deputy City Attorney

RESOLUTION NO. 4897 NEW SERIES WAS READ BY NUMBER AND TITLE ONLY, IT BEING A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING ENTERING INTO A SETTLEMENT AGREEMENT AND MUTUAL RELEASE WITH WOOLF FAMILY ENTERPRISE LIMITED PARTNERSHIP FOR PAYMENT OF FEES FOR CITY SERVICES PREVIOUSLY RENDERED FOR THE REAL PROPERTY LOCATED IN THE AREA BOUNDED BY OLIVE AVENUE, REEMS ROAD, NORTHERN AVENUE, AND SARIVAL AVENUE IN GLENDALE, ARIZONA.

This agenda item was approved.

A motion was made by Knaack, seconded by Chavira, to approve the recommended actions on Consent Agenda Item Numbers 5 through 15 and 17 through 36. The motion carried by the following vote:

Aye: 6 - Mayor Weiers, Vice Mayor Knaack, Councilmember Chavira, Councilmember Hugh, Councilmember Martinez, and Councilmember Sherwood

Absent: 1 - Councilmember Alvarez

PUBLIC HEARING - LAND DEVELOPMENT ACTIONS**37. 14-417 REZONING APPLICATION ZON14-02 (ORDINANCE) Copper Cove 4 (PUBLIC HEARING REQUIRED)**

Staff Contact: Jon M. Froke, AICP, Planning Director

ORDINANCE NO. 2916 NEW SERIES, WAS READ BY NUMBER AND TITLE ONLY, IT BEING, AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, REZONING PROPERTY LOCATED APPROXIMATELY 1,320 FEET NORTH OF THE NORTHEAST CORNER OF 95TH AVENUE AND CAMELBACK ROAD FROM A-1 (AGRICULTURAL DISTRICT) TO R1-4 PRD (SINGLE RESIDENCE, PLANNED RESIDENTIAL DEVELOPMENT OVERLAY); AMENDING THE ZONING MAP; AND PROVIDING FOR AN EFFECTIVE DATE.

Mr. Froke said this is a one acre parcel recently acquired by Dr. Horton. He said the action tonight is to rezone this parcel to match the rest of the adjacent development. He said four lots would be developed on this parcel as Copper Cove Phase 4. Mr. Froke showed additional aerial photographs where the lots would be.

Mayor Weiers said the map showed 95th Avenue and said currently there is no 95th Avenue, but the map represents where 95th Avenue would be in the future. Mr. Froke said that portion of 95th Avenue which is adjacent to the site was recently completed. He said 95th Avenue does end right at that site. He spoke about a future school site also near that location north of Copper Cove.

Mr. Froke said they were not able to include this in some of the recent land actions that were taken. Staff's recommendation is to approve the rezoning application.

Mayor Weiers opened the public hearing on ZON14-02. He said there were no speakers on this issue. Mayor Weiers closed the public hearing.

Ms. Hanna read Ordinance 2916 by number and title.

A motion was made by Councilmember Chavira, seconded by Councilmember Hugh, that this agenda item be approved. The motion carried by the following vote:

Aye: 6 - Mayor Weiers, Vice Mayor Knaack, Councilmember Chavira, Councilmember Hugh, Councilmember Martinez, and Councilmember Sherwood

Absent: 1 - Councilmember Alvarez

38. 14-418 ANNEXATION APPLICATION AN-173 (ORDINANCE): SABRE BUSINESS PARK (PUBLIC HEARING REQUIRED)
Staff Contact: Jon M. Froke, AICP, Planning Director

ORDINANCE NO. 2917 NEW SERIES, WAS READ BY NUMBER AND TITLE ONLY, IT BEING, AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, EXTENDING AND INCREASING THE CORPORATE LIMITS OF THE CITY OF GLENDALE, MARICOPA COUNTY, STATE OF ARIZONA, PURSUANT TO THE PROVISIONS OF TITLE 9, CHAPTER 4, SECTION 9-471, ARIZONA REVISED STATUTES AND AMENDMENTS THERETO, BY ANNEXING THERETO CERTAIN TERRITORY LOCATED WITHIN AN EXISTING COUNTY ISLAND OF THE CITY OF GLENDALE CONSISTING OF APPROXIMATELY 147 ACRES AT THE NORTHEAST CORNER OF STATE ROUTE 303 AND BETHANY HOME ROAD TO BE KNOWN AS ANNEXATION AREA NO. 173.

Mr. Froke said this item is finishing up an annexation for a future industrial park known as Sabre Business Park on the east side of Loop 303 on both sides of Bethany Home Road. He said staff does recommend including this property in the city limits and to develop it under the city's jurisdiction, rather than the county's jurisdiction.

Mayor Weiers opened the public hearing AN-173. He said there were no speakers on the issue. Mayor Weiers closed the public hearing.

Ms. Hanna read Ordinance 2917 by number and title.

A motion was made by Councilmember Hugh, seconded by Councilmember Martinez, that this agenda item be approved. The motion carried by the following vote:

Aye: 6 - Mayor Weiers, Vice Mayor Knaack, Councilmember Chavira, Councilmember Hugh, Councilmember Martinez, and Councilmember Sherwood

Absent: 1 - Councilmember Alvarez

39. 14-419 ANNEXATION POLICY UPDATE (RESOLUTION) (PUBLIC HEARING REQUIRED)
Staff Contact: Jon M. Froke, AICP, Planning Director

RESOLUTION NO. 4898 NEW SERIES WAS READ BY NUMBER AND TITLE ONLY, IT BEING A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AMENDING THE "ANNEXATION POLICY FOR THE CITY OF GLENDALE"; AND SETTING FORTH AN EFFECTIVE DATE.

Mr. Froke said this was a request for City Council to consider updating the city's annexation policy. He provided a short history of the annexation policy and said the policy hasn't been updated since 2005. He said proposed amendments focus on reflecting current conditions in the city relative to existing development patterns; reflect present annexation practices as policy provided by City Council at past council workshops, and revises the text of the internal annexation process. He said staff recommends updating the policy.

There were no questions from City Council.

Mayor Weiers opened the public hearing to update the annexation policy. He said there were no speakers on the issue.

Mayor Weiers closed the public hearing.

Ms. Hanna read Resolution 4898 by number and title.

A motion was made by Councilmember Martinez, seconded by Vice Mayor Knaack, that this agenda item be approved. The motion carried by the following vote:

Aye: 6 - Mayor Weiers, Vice Mayor Knaack, Councilmember Chavira, Councilmember Hugh, Councilmember Martinez, and Councilmember Sherwood

Absent: 1 - Councilmember Alvarez

LAND DEVELOPMENT ACTIONS

40. 14-416 PRE-ANNEXATION DEVELOPMENT AGREEMENT: ZANJERO PASS (RESOLUTION)

Staff Contact: Jon M. Froke, AICP, Planning Director

RESOLUTION NO. 4899 NEW SERIES WAS READ BY NUMBER AND TITLE ONLY, IT BEING A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE ENTERING INTO OF THE FOLLOWING AGREEMENT TO FACILITATE THE ANNEXATION AND DEVELOPMENT OF PROPERTY WITHIN THE LOOP 303 CORRIDOR: (1) PRE-ANNEXATION DEVELOPMENT AGREEMENT BETWEEN THE CITY OF GLENDALE AND MARICOPA COUNTY MUNICIPAL WATER CONSERVATION DISTRICT NO. ONE; AND (2) DIRECTING THAT THE CITY CLERK RECORD ANY AND ALL NECESSARY DOCUMENTS.

Mr. Froke said this is a request to enter into a preannexation development agreement with the Maricopa Water District (MWD). They would like to develop this land into a project known as Zanjero Pass, consisting of single family lots and a small commercial development. He said this action will establish some parameters for future development. The property owner does want to be included in the Glendale city limits. He said the annexation will be completed sometime next year along with the land use applications. Staff recommends approving this pre-annexation development agreement.

There were no questions from City Council.

Ms. Hanna read Resolution 4899 by number and title.

A motion was made by Councilmember Chavira, seconded by Councilmember Martinez, that this agenda item be approved. The motion carried by the following

vote:

Aye: 6 - Mayor Weiers, Vice Mayor Knaack, Councilmember Chavira, Councilmember Hugh, Councilmember Martinez, and Councilmember Sherwood

Absent: 1 - Councilmember Alvarez

ORDINANCES**41. 14-432**

ADOPT AN ORDINANCE TO AUTHORIZE THE CITY MANAGER OR CHIEF FINANCIAL OFFICER TO EXECUTE DOCUMENTS AND TAKE THE NECESSARY ACTION TO REFINANCE A PORTION OF GLENDALE MUNICIPAL PROPERTY CORPORATION BONDS WITH CITY OF GLENDALE, ARIZONA EXCISE TAX REVENUE REFUNDING OBLIGATIONS AND PLEDGE CERTAIN EXCISE TAXES AND RECEIPTS TOWARD THE REFUNDING OBLIGATIONS

Staff Contact: Tom Duensing, Director, Finance and Technology

Presenter: Tom Duensing, Director, Finance and Technology

Presenter: Kurt Freund, Managing Director, RBC Capital Markets, LLC

Presenter: Bill DeHaan, Shareholder, Greenberg Traurig, LLP

ORDINANCE NO. 2918 NEW SERIES, WAS READ BY NUMBER AND TITLE ONLY, IT BEING, AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA (1) AUTHORIZING THE EXECUTION AND DELIVERY OF A FIRST PURCHASE AGREEMENT, A FIRST TRUST AGREEMENT, A DEPOSITORY TRUST AGREEMENT, A CONTINUING DISCLOSURE UNDERTAKING AND AN OBLIGATION PURCHASE CONTRACT; (2) APPROVING THE SALE, EXECUTION AND DELIVERY OF EXCISE TAX REVENUE REFUNDING OBLIGATIONS IN ONE OR MORE SERIES IN ORDER TO REFUND EXCISE TAX REVENUE BONDS ISSUED ON BEHALF OF THE CITY BY THE CITY OF GLENDALE MUNICIPAL PROPERTY CORPORATION; (3) PLEDGING CERTAIN EXCISE TAXES AND RECEIPTS IMPOSED OR RECEIVED BY THE CITY TO THE PAYMENT OF SUCH OBLIGATIONS; (4) DELEGATING TO THE CITY MANAGER OR THE CHIEF FINANCIAL OFFICER OF THE CITY THE LIMITED AUTHORITY TO DESIGNATE BY SERIES THE FINAL PRINCIPAL AMOUNT, MATURITIES, INTEREST RATES AND OTHER MATTERS WITH RESPECT TO SUCH OBLIGATIONS; AND (5) AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS ORDINANCE, INCLUDING THE EXECUTION OF CERTAIN DOCUMENTS AND THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND AN OFFICIAL STATEMENT.

Mr. Duensing said this is the first of four refinancing ordinances before City Council tonight. He explained this request is allowing the city manager or chief financial officer to execute documents to refinance a portion of the city's municipal property corporation excise tax revenue bonds with the city's excise tax refunding obligations, which under current market conditions net present value savings is estimated to be between \$7.8 and \$14 million. Mr. Duensing said on October 14th, City Council approved a contract with RBC Capital Markets. On October 16, 2014, RBC Capital Markets met with city staff for possible refinancing opportunities. Staff from RBC, Greenburg Traurig and city staff worked diligently to bring the items before City Council. Mr. Duensing introduced Kurt Freund, Manager Director, RBC Capital Markets, LLC, and he recognized Bill DeHaan, Shareholder, Greenberg Traurig, the city's bond counsel, and Nick Dodd with RBC

Capital Markets.

Mr. Freund said in their capacity as the city's financial advisor, they regularly review all of the outstanding debt of the city, looking for opportunities for refunding savings for outstanding bonds. He said after looking at the city's financial status, it makes sense to refinance a number of the city's bonds. He said refinancings are based on market interest rates, and the city will replace higher interest rate debt with lower interest rate debt. He explained where refinancing makes sense, the city can obtain savings from the various bonds. He explained that the level of savings is dependent upon interest rates, which are currently at historically low levels. He said the goal is to move forward as quickly as possible to take advantage of the low interest rates. He said if this item is approved, all parties will work together to get the necessary documents prepared, obtaining bond credit ratings, preparing an offering prospectus and all other parts to complete this process. He quickly reviewed the four different refinancings they were talking about. He explained if the refinance savings is at 2.5 percent or better, that is considered a very viable refinancing level, and the savings percentages are very high in this case. He also said the estimated sale date would be mid-January. He said refinancing these excise tax bonds saves money for the general fund.

Mr. Freund also talked about the general obligation bond refinancing. He discussed the interest rates on these as well. The third refinancing for the city to consider is a water and sewer revenue refunding issue and lastly, the transportation excise tax bonds. He went over the details of each of these. He said the City should take advantage of the low interest rates and try to get to market as quickly as possible. He also discussed the ordinances before City Council for approval that would authorize the issuance of the refunding as described to refinance all or a portion of the bonds.

Councilmember Sherwood asked about the \$100 million in the water and sewer revenue bonds mentioned and asked if Mr. Freund had the figures on the other three, about what the city was going to be refinancing.

Mr. Dodd with RBC said on the general obligation bonds, they were looking at \$25 million, on the water and sewer, it was \$100 million, and on the excise tax it is approximately \$125 million and on the transportation excise tax it is approximately \$35 million.

Mr. Andrew Marwick, a Phoenix resident said he hoped buyers were found for the bonds and to save the city some money. He said this appeared to be from the municipal property corporation refinancing municipal property corporation debt with city debt. He said he was not sure of the distinction, but it seemed to be putting more of an obligation directly on the city. He said they were pushing out the maturity dates and said in 20 or 30 years, he wasn't sure how many of the sports teams would still be here. He also spoke about sales tax issues regarding this transaction. He said the increase in the sales tax is all going into paying off this kind of a bond issue and this wasn't what the Councilmembers voted for. He was concerned this debt was going to be on the backs of the children and grandchildren of the residents.

Ms. Hanna read Ordinance 2918 by number and title.

A motion was made by Councilmember Chavira, seconded by Councilmember Sherwood, that this agenda item be approved. The motion carried by the following vote:

Aye: 6 - Mayor Weiers, Vice Mayor Knaack, Councilmember Chavira, Councilmember Hugh, Councilmember Martinez, and Councilmember Sherwood

Absent: 1 - Councilmember Alvarez

42. 14-433

ADOPT AN ORDINANCE TO AUTHORIZE THE CITY MANAGER OR CHIEF FINANCIAL OFFICER TO EXECUTE DOCUMENTS AND TAKE THE NECESSARY ACTION TO REFINANCE A PORTION OF CITY OF GLENDALE, ARIZONA GENERAL OBLIGATION BONDS WITH THE SALE AND ISSUANCE OF CITY OF GLENDALE, ARIZONA GENERAL OBLIGATION REFUNDING BONDS

Staff Contact: Tom Duensing, Director, Finance and Technology

Presenter: Tom Duensing, Director, Finance and Technology

Presenter: Kurt Freund, Managing Director, RBC Capital Markets, LLC

Presenter: Bill DeHaan, Shareholder, Greenberg Traurig, LLP

ORDINANCE NO. 2919 NEW SERIES, WAS READ BY NUMBER AND TITLE ONLY, IT BEING, AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA AUTHORIZ-ING AND PROVIDING FOR THE ISSUANCE AND SALE OF CITY OF GLENDALE, ARIZONA GENERAL OBLIGATION REFUNDING BONDS IN ONE OR MORE SERIES FOR THE PURPOSE OF PROVIDING FUNDS TO REFUND CERTAIN OUTSTANDING BONDS AND TO PAY ALL NECESSARY LEGAL, FINANCIAL AND OTHER COSTS IN CONNECTION THEREWITH; PROVIDING FOR THE SALE OF SAID BONDS; AUTHORIZING THE EXECUTION OF A BOND REGISTRAR AND PAYING AGENT AGREEMENT; AUTHORIZING AN OFFICIAL STATEMENT; AUTHORIZING THE EXECUTION OF A CONTINUING DISCLOSURE UNDERTAKING, DEPOSITORY TRUST AGREEMENT AND CERTAIN OTHER DOCUMENTS AND THE TAKING OF CERTAIN OTHER ACTIONS IN CONNECTION WITH THE ISSUANCE.

Mr. Duensing said this action is to refinance general obligation bonds with the sale and issuance of city general obligation refunding bonds. He explained this can save \$1 to \$1.8 million net present value. He wanted to point out that these refundings do not extend the terms of any of the bonds and there is no new security on these.

Councilmember Martinez said in the information provided, it said in the proposed ordinance, it is required that the refinance and savings net of all costs are equal to at least 2.5 percent of the bonds being refinanced. He said these bonds would have to be sold at a certain rate in order to meet that. He said there is no way these are going to be put on the market and the city will take a loss on it.

Mr. Duensing said that was correct. He said if the city does not achieve at least 2.5 percent savings, this transaction will not go forward. He also reminded City Council that savings is inclusive of any costs the city would incur.

Ms. Hanna read Ordinance 2919 by number and title.

A motion was made by Councilmember Sherwood, seconded by Vice Mayor Knaack, that this agenda item be approved. The motion carried by the following vote:

Aye: 6 - Mayor Weiers, Vice Mayor Knaack, Councilmember Chavira, Councilmember Hugh, Councilmember Martinez, and Councilmember Sherwood

Absent: 1 - Councilmember Alvarez

43. 14-434

ADOPT AN ORDINANCE TO AUTHORIZE THE CITY MANAGER OR CHIEF FINANCIAL OFFICER TO EXECUTE DOCUMENTS AND TAKE

THE NECESSARY ACTION TO REFINANCE A PORTION OF CITY OF GLENDALE, ARIZONA WATER AND SEWER REVENUE BONDS AND OBLIGATIONS WITH THE SALE AND ISSUANCE OF CITY OF GLENDALE, ARIZONA WATER AND SEWER REVENUE REFUNDING OBLIGATIONS AND PLEDGE WATER AND SEWER REVENUES TOWARD THE REFUNDING OBLIGATIONS

Staff Contact: Tom Duensing, Director, Finance and Technology

Presenter: Tom Duensing, Director, Finance and Technology

Presenter: Kurt Freund, Managing Director, RBC Capital Markets, LLC

Presenter: Bill DeHaan, Shareholder, Greenberg Traurig, LLP

ORDINANCE NO. 2920 NEW SERIES, WAS READ BY NUMBER AND TITLE ONLY, IT BEING, AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA (1) AUTHORIZING THE EXECUTION AND DELIVERY OF A PURCHASE AGREEMENT, A TRUST AGREEMENT, A DEPOSITORY TRUST AGREEMENT, A CONTINUING DISCLOSURE UNDERTAKING AND AN OBLIGATION PURCHASE CONTRACT; (2) APPROVING THE SALE, EXECUTION AND DELIVERY OF WATER AND SEWER REVENUE REFUNDING OBLIGATIONS IN ONE OR MORE SERIES IN ORDER TO REFUND WATER AND SEWER TAX REVENUE OBLIGATIONS PREVIOUSLY DELIVERED TO FINANCE IMPROVEMENTS OF THE CITY'S WATER AND SEWER SYSTEM; (3) PLEDGING CERTAIN WATER AND SEWER SYSTEM REVENUES IMPOSED OR RECEIVED BY THE CITY TO THE PAYMENT OF SUCH OBLIGATIONS; (4) DELEGATING TO THE CITY MANAGER OR THE CHIEF FINANCIAL OFFICER OF THE CITY THE LIMITED AUTHORITY TO DESIGNATE BY SERIES THE FINAL PRINCIPAL AMOUNT, MATURITIES, INTEREST RATES AND OTHER MATTERS WITH RESPECT TO SUCH OBLIGATIONS; AND (5) AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS ORDINANCE, INCLUDING THE EXECUTION OF CERTAIN DOCUMENTS AND THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND AN OFFICIAL STATEMENT.

Mr. Duensing said this action is to refund water and sewer revenue bonds and obligations with the sale and issuance of city water and sewer revenue refunding obligations and pledge water and sewer revenues toward the refunding obligations. He said net present value savings are estimated between \$5 million and \$8.6 million in current market conditions.

Ms. Hanna read Ordinance 2920 by number and title.

A motion was made by Councilmember Hugh, seconded by Councilmember Chavira, that this agenda item be approved. The motion carried by the following vote:

Aye: 6 - Mayor Weiers, Vice Mayor Knaack, Councilmember Chavira, Councilmember Hugh, Councilmember Martinez, and Councilmember Sherwood

Absent: 1 - Councilmember Alvarez

- 44. 14-435** ADOPT AN ORDINANCE TO AUTHORIZE THE CITY MANAGER OR CHIEF FINANCIAL OFFICER TO EXECUTE DOCUMENTS AND TAKE THE NECESSARY ACTION TO REFINANCE A PORTION OF CITY OF GLENDALE, ARIZONA TRANSPORTATION EXCISE TAX REVENUE

OBLIGATIONS WITH THE SALE AND ISSUANCE OF CITY OF GLENDALE, ARIZONA TRANSPORTATION EXCISE TAX REVENUE REFUNDING OBLIGATIONS AND PLEDGE TRANSPORTATION EXCISE TAX REVENUES TOWARD THE REFUNDING OBLIGATIONS
 Staff Contact: Tom Duensing, Director, Finance and Technology
 Presenter: Tom Duensing, Director, Finance and Technology
 Presenter: Kurt Freund, Managing Director, RBC Capital Markets, LLC
 Presenter: Bill DeHaan, Shareholder, Greenberg Traurig, LLP

ORDINANCE NO. 2921 NEW SERIES, WAS READ BY NUMBER AND TITLE ONLY, IT BEING, AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA (1) AUTHORIZING THE EXECUTION AND DELIVERY OF A SECOND PURCHASE AGREEMENT, A SECOND TRUST AGREEMENT, A DEPOSITORY TRUST AGREEMENT, A CONTINUING DISCLOSURE UNDERTAKING AND AN OBLIGATION PURCHASE CONTRACT; (2) APPROVING THE SALE, EXECUTION AND DELIVERY OF TRANSPORTATION EXCISE TAX REVENUE REFUNDING OBLIGATIONS IN ONE OR MORE SERIES IN ORDER TO REFUND TRANSPORTATION EXCISE TAX REVENUE OBLIGATIONS PREVIOUSLY DELIVERED TO FINANCE TRANSPORTATION IMPROVEMENTS OF THE CITY; (3) PLEDGING CERTAIN TRANSPORTATION EXCISE TAXES AND RECEIPTS IMPOSED OR RECEIVED BY THE CITY TO THE PAYMENT OF SUCH OBLIGATIONS; (4) DELEGATING TO THE CITY MANAGER OR THE CHIEF FINANCIAL OFFICER OF THE CITY THE LIMITED AUTHORITY TO DESIGNATE BY SERIES THE FINAL PRINCIPAL AMOUNT, MATURITIES, INTEREST RATES AND OTHER MATTERS WITH RESPECT TO SUCH OBLIGATIONS; AND (5) AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS ORDINANCE, INCLUDING THE EXECUTION OF CERTAIN DOCUMENTS AND THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND AN OFFICIAL STATEMENT.

Mr. Duensing said this action was to refinance a portion of the city transportation excise tax revenue obligations with the sale and issuance of city transportation excise tax revenue refunding obligations and pledge transportation excise tax revenues toward the refunding obligations. He said net present value savings are estimated between \$1 million and \$2.4 million in current market conditions.

Ms. Hanna read Ordinance 2921 by number and title.

A motion was made by Councilmember Martinez, seconded by Councilmember Hugh, that this agenda item be approved. The motion carried by the following vote:

Aye: 6 - Mayor Weiers, Vice Mayor Knaack, Councilmember Chavira, Councilmember Hugh, Councilmember Martinez, and Councilmember Sherwood

Absent: 1 - Councilmember Alvarez

45. 14-479 ABANDONMENT OF A PUBLIC SEWER LINE EASEMENT AT ASPERA
 Staff Contact: Jack Friedline, Director, Public Works

ORDINANCE NO. 2922 NEW SERIES, WAS READ BY NUMBER AND TITLE ONLY, IT BEING, AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE ABANDONMENT OF A SEWER LINE EASEMENT AT 20250 NORTH 75TH AVENUE; AND DIRECTING THE CITY CLERK TO RECORD A CERTIFIED COPY OF THIS ORDINANCE.

Mr. Friedline said the developer of Aspera is requesting the city abandon this sewer line easement due to conflicts with their buildings. He said the existing city sewer line will be removed and disposed of by the developer and a new public sewer line and easement will be designed to avoid any conflicts with the buildings.

Ms. Hanna read Ordinance 2922 by number and title.

A motion was made by Councilmember Sherwood, seconded by Councilmember Chavira, that this agenda item be approved. The motion carried by the following vote:

Aye: 6 - Mayor Weiers, Vice Mayor Knaack, Councilmember Chavira, Councilmember Hugh, Councilmember Martinez, and Councilmember Sherwood

Absent: 1 - Councilmember Alvarez

46. 14-480 ABANDONMENT OF A PUBLIC WATER LINE EASEMENT AT ASPERA
Staff Contact: Jack Friedline, Director, Public Works

ORDINANCE NO. 2923 NEW SERIES, WAS READ BY NUMBER AND TITLE ONLY, IT BEING, AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE ABANDONMENT OF A WATER LINE EASEMENT AT 20250 NORTH 75TH AVENUE; AND DIRECTING THE CITY CLERK TO RECORD A CERTIFIED COPY OF THIS ORDINANCE.

Mr. Friedline said the developer of Aspera is requesting the city abandon this water line easement due to conflicts with their buildings. He said the existing city water line will be removed and disposed of by the developer and a new public water line and easement has been designed to avoid any conflicts with the buildings.

Ms. Hanna read Ordinance 2923 by number and title.

A motion was made by Councilmember Martinez, seconded by Councilmember Hugh, that this agenda item be approved. The motion carried by the following vote:

Aye: 6 - Mayor Weiers, Vice Mayor Knaack, Councilmember Chavira, Councilmember Hugh, Councilmember Martinez, and Councilmember Sherwood

Absent: 1 - Councilmember Alvarez

47. 14-481 ABANDONMENT OF PATENT EASEMENTS WEST OF 75TH AVENUE AND SOUTH OF ROSE GARDEN LANE
Staff Contact: Jack Friedline, Director, Public Works

ORDINANCE NO. 2924 NEW SERIES, WAS READ BY NUMBER AND TITLE ONLY, IT BEING, AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE ABANDONMENT OF PATENT EASEMENTS LOCATED APPROXIMATELY 1000 FEET WEST OF 75TH AVENUE AND SOUTH OF ROSE GARDEN LANE; AND DIRECTING THE CITY CLERK TO RECORD A CERTIFIED COPY OF THIS ORDINANCE.

Mr. Friedline asked to abandon four federal patent easements west of 75th Avenue and south of Rose Garden Lane alignment. The easements were never used by the city for access or utility installation and are not needed for use by the city. The Aspera developer has requested abandonment of these easements to avoid conflicts with the

proposed buildings and infrastructure.

Ms. Hanna read Ordinance 2924 by number and title.

A motion was made by Vice Mayor Knaack, seconded by Councilmember Chavira, that this agenda item be approved. The motion carried by the following vote:

Aye: 6 - Mayor Weiers, Vice Mayor Knaack, Councilmember Chavira, Councilmember Hugh, Councilmember Martinez, and Councilmember Sherwood

Absent: 1 - Councilmember Alvarez

RESOLUTIONS

48. 14-395 2014 GENERAL ELECTION CANVASS OF VOTE
Staff Contact: Pamela Hanna, City Clerk

RESOLUTION NO. 4900 NEW SERIES WAS READ BY NUMBER AND TITLE ONLY, IT BEING A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, DECLARING THE OFFICIAL CANVASS OF VOTES CAST IN THE CITY OF GLENDALE GENERAL ELECTION HELD NOVEMBER 4, 2014; DECLARING THE ELECTION OF THREE COUNCILMEMBERS; AND ORDERING THAT A CERTIFIED COPY OF THIS RESOLUTION BE RECORDED.

Ms. Hanna presented the canvass of votes from the November 4, 2014 general election.

Ms. Hanna read Resolution 4800 by number and title.

A motion was made by Councilmember Sherwood, seconded by Vice Mayor Knaack, that this agenda item be approved. The motion carried by the following vote:

Aye: 6 - Mayor Weiers, Vice Mayor Knaack, Councilmember Chavira, Councilmember Hugh, Councilmember Martinez, and Councilmember Sherwood

Absent: 1 - Councilmember Alvarez

REQUEST FOR FUTURE WORKSHOP AND EXECUTIVE SESSION

A motion was made by Vice Mayor Knaack, seconded by Councilmember Martinez, to hold the next regularly scheduled City Council workshop on Tuesday, December 2, 2014 at 1:30 p.m. in Room B-3 of the City Council Chambers to be followed by an executive session pursuant to ARS 38-431.03. She also moved to vacate the next regularly scheduled City Council voting meeting on Tuesday, December 9, 2014 in order to conduct the Council installation ceremony at 6 p.m. in Council Chambers. Vice Mayor Knaack further moved to hold the next regularly scheduled City Council workshop on Tuesday, December 16, 2014, at 1:30 p.m. in Room B-3 of the City Council chambers to be followed by an executive session pursuant to ARS 38-431.03. Vice Mayor Knaack also moved to vacate the next regularly scheduled City Council voting meeting on Tuesday, December 23, 2014 at 6 p.m. and called for a special voting meeting on Thursday, December 18, 2014 at 6 p.m. in the Council Chambers. The motion carried by the following vote:

Aye: 6 - Mayor Weiers, Vice Mayor Knaack, Councilmember Chavira, Councilmember Hugh, Councilmember Martinez, and Councilmember Sherwood

Absent: 1 - Councilmember Alvarez

CITIZEN COMMENTS

Darcy Marwick, a Phoenix resident, spoke about the sales tax increase and using it for sports facilities. She also spoke about the casino and the Super Bowl. She said it was the last meeting for Vice Mayor Knaack and Councilmember Martinez. She said Councilmember Alvarez should not have been voted out of office. She said Councilmember Alvarez cared about Glendale more than some of the people on the Council.

Arthur Thruston, a Cactus resident, wished everyone a Merry Christmas and a Happy New Year. He challenged the new voting system tonight as every vote was a yes vote. He congratulated Ms. Tolmachoff, Mr. Turner and Mr. Aldama as the new elected representatives. He asked those representatives to continue the efforts of Councilmember Alvarez to help save money and lower taxes. He also thanked Councilmember Alvarez for the job she did. He also said he would miss Vice Mayor Knaack and Councilmember Martinez.

William Demski, a Sahuaro resident, spoke about an incident he had at the Thunderbird Graduate School. He was riding his bike near the school and got injured. He ended up having to go to small claims court to obtain reimbursement for his injuries and damage to his bike. He spoke about the police department and the private property issues he came up against during this incident. He suggested the police department gets lapel video cameras.

Andrew Marwick, a Phoenix resident, spoke about Monday night football. He said Glendale was not mentioned when they were talking about the upcoming Super Bowl. He spoke about stadiums that were built in other cities and the agreements that were made. He spoke about the Coyotes and the money the city is spending.

COUNCIL COMMENTS AND SUGGESTIONS

Councilmember Sherwood said tonight the City Council is losing another 30 years of experience. He congratulated Councilmember Martinez, Vice Mayor Knaack and Councilmember Alvarez for their years of service. He said it was a pleasure to serve with them and wished them the best. He also congratulated the newly-elected Councilmembers and wished everyone a happy Thanksgiving.

Councilmember Martinez said he retired in 1990 after 40 years working for the state and never dreamed he would end up as an elected official with the city. He thanked Robert Hoffman who was serving on the council when a Cholla Councilmember resigned mid-term. He said Councilmember Hoffman called him and asked if he had applied for the Cholla Councilmember position. Councilmember Martinez said he would think about it. He said he ended up writing a letter and was one of eight finalists. He thanked Mr. Hoffman and the Council that was in place at that time. He also thanked the citizens of the Cholla district who have elected him over the years. He also thanked neighborhood leaders and the homeowners' associations for the participation and support on issues. He thanked city staff for their efforts over the years and wanted to single out his staff assistant, Nan Robinson, who has always been his first line of defense. He thanked Ms. Fischer and said she has done a great job. He mentioned the names of several city employees who have done such a good job. He said Ms. Fischer has brought in several new staff members who have helped turn the city around. He also congratulated the new Councilmembers. He also thanked his wife and his children for their patience and

understanding. He also thanked past and present Councilmembers for their service and said they all do what they think is best for the city.

Councilmember Hugh said he served with Councilmember Alvarez and will miss having her on the Council. He said it has been a pleasure serving with her and Councilmember Martinez and Vice Mayor Knaack.

Councilmember Chavira said he was thankful for the city and wanted to thank Councilmember Alvarez, Vice Mayor Knaack and Councilmember Martinez for their service. He said their families have sacrificed for their service. He also wanted to thank city management, staff and public safety for everything they do. He congratulated the newly-elected Councilmembers.

Vice Mayor Knaack said she would not miss the council books. She congratulated the newly-elected Councilmembers and said she and Councilmember Martinez felt good about leaving. She said they are leaving at a good time, when the city is on the upswing. She thanked her family for their patience during her years of service. She thanked her staff at State Farm for putting up with all her absences. She thanked the city staff and said she has learned so much from each and every one she has come into contact with. She thanked her fellow Councilmembers and said she was going to watch the first council meeting. She also thanked the citizens of the Barrel district as well as the rest of the city. She said the citizens care so much about the city and have high expectations. She said it has been an honor and privilege to serve. She wished everyone a happy Thanksgiving.

Mayor Weiers said he wished Councilmember Alvarez was at the meeting tonight. He said all the Councilmembers' personalities are so different, but they all find a way to connect. He said his words of wisdom to the Councilmembers elect were to fight for what they believe in and never allow it to become a personal issue. He said even though the Councilmembers who are leaving are so very different, they all fought for what they believed in. He thanked Councilmember Martinez for his years of service at the state and the city. He said Councilmember Alvarez is about the most passionate person about what she believes in and he will miss her passion. He said they will all continue to be involved. He said even Vice Mayor Knaack is able to laugh to ease the tension. He will miss the retiring Councilmembers and has high hopes for the Councilmembers elect.

ADJOURNMENT

The meeting adjourned at 8:07 p.m.



Legislation Description

File #: 14-467, Version: 1

APPROVE SPECIAL EVENT LIQUOR LICENSE, GLENDALE ARTS COUNCIL

Staff Contact: Susan Matousek, Revenue Administrator

Purpose and Recommended Action

This is a request for City Council to recommend approval to the Arizona Department of Liquor Licenses and Control of a special event liquor license for the Glendale Arts Council, submitted by Janet Wandrey. The event will be held at Sahuaro Ranch Park inside the Fruit Packing Shed located at 9802 North 59th Avenue on Friday, January 9, 2015, from 7 p.m. to 9 p.m. The purpose of this special event liquor license is for a fundraiser at the art exhibition.

Background Summary

Sahuaro Ranch Park is zoned A-1 (Agricultural District) HP (Historical Preservation) and located in the Barrel District. If this application is approved, the total number of days expended by this applicant will be one of the allowed 12 days per calendar year. Under the provisions of A.R.S. § 4-203.02, the Arizona Department of Liquor Licenses and Control may issue a special event liquor license only if the Council recommends approval of such license.

The City of Glendale Development Services, Police, and Fire Departments have reviewed the application and determined that it meets all technical requirements.

APPLICATION FOR SPECIAL EVENT LICENSE
Fee= \$25.00 per day for 1-10 days (consecutive)
A service fee of \$25.00 will be charged for all dishonored checks (A.R.S. §44-6852)

IMPORTANT INFORMATION: This document must be fully completed or it will be returned.

The Department of Liquor Licenses and Control must receive this application ten (10) business days prior to the event. If the special event will be held at a location without a permanent liquor license or if the event will be on any portion of a location that is not covered by the existing liquor license, this application must be approved by the local government before submission to the Department of Liquor Licenses and Control (see Section 15).

SECTION 1 Name of Organization: GLENDALE ARTS COUNCIL

SECTION 2 Non-Profit/IRS Tax Exempt Number: [REDACTED]

SECTION 3 The organization is a: (check one box only)

- Charitable (501.C) Fraternal (must have regular membership and have been in existence for over five (5) years)
 Religious Civic (Rotary, College Scholarship) Political Party, Ballot Measure or Campaign Committee

SECTION 4 Will this event be held on a currently licensed premise and within the already approved premises?
 Yes No

Name of Business

License Number

Phone (include Area Code)

SECTION 5 How is this special event going to conduct all dispensing, serving, and selling of spirituous liquors? Please read R-19-318 for explanation (look in special event planning guide) and check one of the following boxes.

- Place license in non-use
 Dispense and serve all spirituous liquors under retailer's license
 Dispense and serve all spirituous liquors under special event
 Split premise between special event and retail location

(If not using retail license, submit a letter of agreement from the agent/owner of the licensed premise to suspend the license during the event. If the special event is only using a portion of premise, agent/owner will need to suspend that portion of the premise.)

SECTION 6 What is the purpose of this event? On-site consumption Off-site (auction) Both

SECTION 7 Location of the Event: SATAURO RANCH PARK FRUIT PACKING HOUSE
Address of Location: 9802 N. 59TH AVE GLENDALE AZ 85302
Street City County/State Zip

SECTION 8 Will this be stacked with a wine festival/craft distiller festival? Yes No

SECTION 9 Applicant must be a member of the qualifying organization and authorized by an Officer, Director or Chairperson of the Organization named in Section 1. (Authorizing signature is required in Section 13.)

1. Applicant: Waudrey Janet [REDACTED]
Last First Middle Date of Birth

2. Applicant's mailing address: [REDACTED]
Street City State Zip

3. Applicant's home/cell phone: [REDACTED] Applicant's business phone: ()

4. Applicant's email address: [REDACTED]

SECTION 10

1. Has the applicant been convicted of a felony, or had a liquor license revoked within the last five (5) years?

Yes No (If yes, attach explanation.)

2. How many special event licenses have been issued to this location this year? 1 ^{for} January 2014
 (The number cannot exceed 12 events per year; exceptions under A.R.S. §4-203.02(D).)

3. Is the organization using the services of a promoter or other person to manage the event? Yes No
 (If yes, attach a copy of the agreement.)

4. List all people and organizations who will receive the proceeds. Account for 100% of the proceeds. The organization applying must receive 25% of the gross revenues of the special event liquor sales. Attach an additional page if necessary.

Name GLENDALE ARTS COUNCIL Percentage 100%
 Address PO BOX 428 GLENDALE, AZ 85311
Street City State Zip

Name _____ Percentage _____
 Address _____
Street City State Zip

5. Please read A.R.S. §4-203.02 Special event license; rules and R19-1-205 Requirements for a Special Event License.

Note: ALL ALCOHOLIC BEVERAGE SALES MUST BE FOR CONSUMPTION AT THE EVENT SITE ONLY.

"NO ALCOHOLIC BEVERAGES SHALL LEAVE SPECIAL EVENT UNLESS THEY ARE IN AUCTION SEALED CONTAINERS OR THE SPECIAL EVENT LICENSE IS STACKED WITH WINE /CRAFT DISTILLERY FESTIVAL LICENSE"

6. What type of security and control measures will you take to prevent violations of liquor laws at this event?
 (List type and number of police/security personnel and type of fencing or control barriers, if applicable.)

0 Number of Police 1 Number of Security Personnel Fencing Barriers

Explanation: SECURITY PERSONNEL - CITY OF GLENDALE PARK RANGER,
MEMBERS OF GLENDALE ARTS COUNCIL SERVE THE WINE, GROUNDS
SITE ARE FENCED

SECTION 11 Date(s) and Hours of Event. May not exceed 10 consecutive days.
 See A.R.S. §4-244(15) and (17) for legal hours of service.

	Date	Day of Week	Event Start Time AM/PM	License End Time AM/PM
DAY 1:	<u>1-9-15</u>	<u>FRIDAY</u>	<u>7:00 pm</u>	<u>9:00 pm</u>
DAY 2:	_____	_____	_____	_____
DAY 3:	_____	_____	_____	_____
DAY 4:	_____	_____	_____	_____
DAY 5:	_____	_____	_____	_____
DAY 6:	_____	_____	_____	_____
DAY 7:	_____	_____	_____	_____
DAY 8:	_____	_____	_____	_____
DAY 9:	_____	_____	_____	_____
DAY 10:	_____	_____	_____	_____

SAHUARO RANCH PARK HISTORIC AREA MAP

- 1 Parks & Recreation Office
- 2 Glendale Historical Society Office
- 3 Park Ranger Office

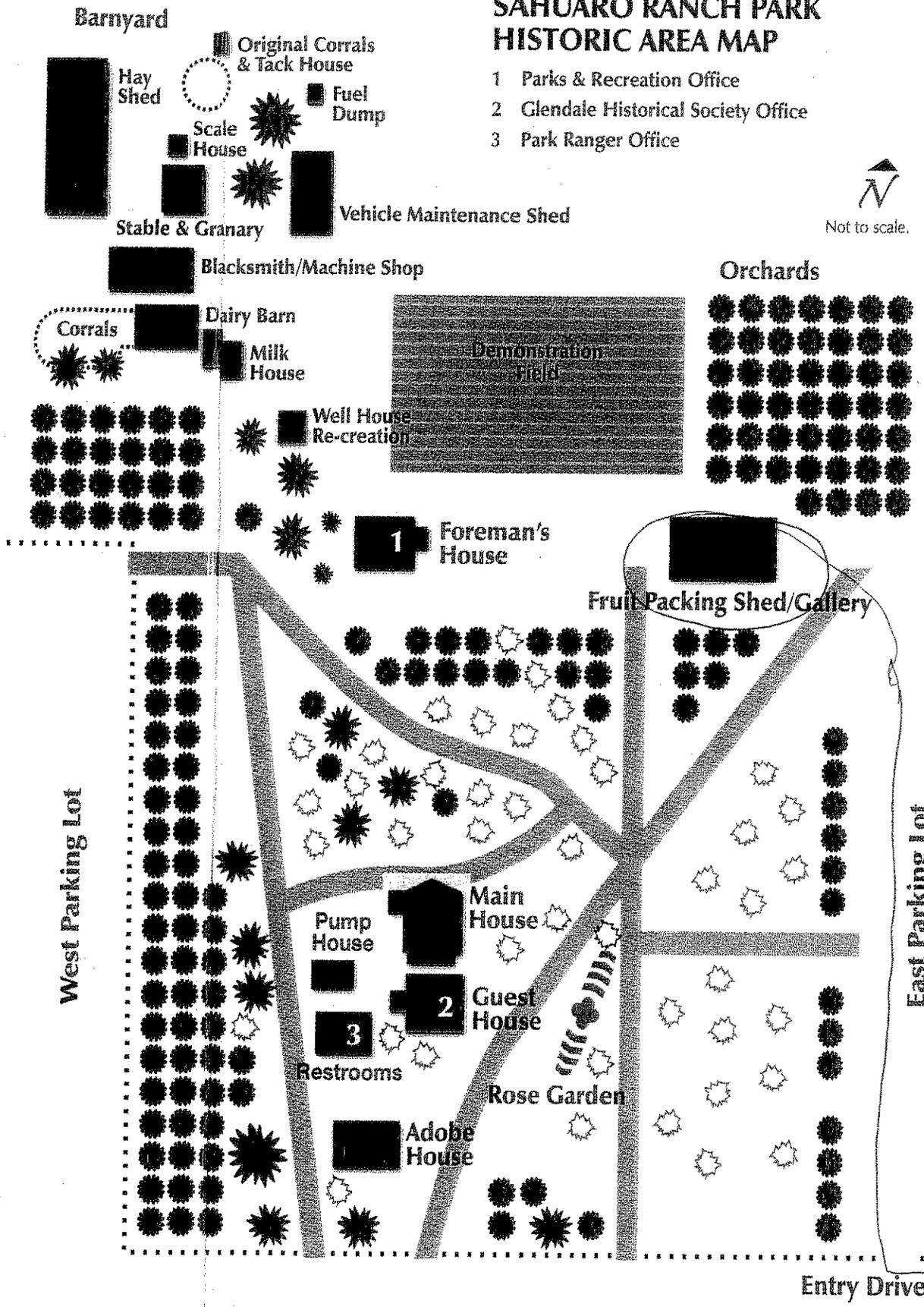


Not to scale.

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59th Avenue

SECTION 13 This section is to be completed only by an Officer, Director or Chairperson of the organization named in Section 1.

I, JANET WANDREY declare that I am an OFFICER, DIRECTOR, or CHAIRPERSON
(Print full name)
appointing the applicant listed in Section 9, to apply on behalf of the foregoing organization for a Special Event
Liquor License.

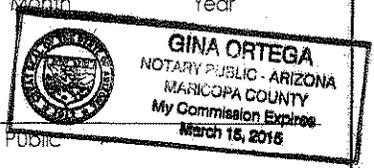
X Janet Wandrey EXHIBITION CHAIRPERSON 10-27-14 623-561-8526
(Signature) Title/ Position Date Phone #

The foregoing instrument was acknowledged before me this 28th October 2014
Day Month Year

State Arizona County of Maricopa

My Commission Expires on: 3/15/15
Date

Clitza
Signature of Notary Public



SECTION 14 This section is to be completed only by the applicant named in Section 9.

I, JANET WANDREY declare that I am the APPLICANT filing this application as
(Print full name)
listed in Section 9. I have read the application and the contents and all statements are true, correct and
complete.

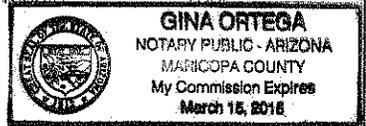
X Janet Wandrey EXHIBITION CHAIRPERSON 10-27-14 623-561-8526
(Signature) Title/ Position Date Phone #

The foregoing instrument was acknowledged before me this 28th October 2014
Day Month Year

State Arizona County of Maricopa

My Commission Expires on: 3/15/15
Date

Clitza
Signature of Notary Public



The local governing body may require additional applications to be completed and submitted. Please check with local government as to how far in advance they require these applications to be submitted. Additional licensing fees may also be required before approval may be granted. For more information, please contact your local jurisdiction: http://www.azliquor.gov/assets/documents/homepage_docs/spec_event_links.pdf.

SECTION 15 Local Governing Body Approval Section

I, _____ recommend APPROVAL DISAPPROVAL
(government official) (Title)

on behalf of _____
(City, Town, County) Signature Date Phone

FOR DEPARTMENT OF LIQUOR LICENSES AND CONTROL USE ONLY

APPROVAL DISAPPROVAL BY: _____ DATE: _____

14-166

GLENDALE POLICE DEPARTMENT

Liquor Application Worksheet

Date: 10-31-14

License Type: **Series 15 Special Event (Temporary License)**

Definition: Allows a charitable, civic, fraternal, political or religious organization to sell and serve spirituous liquor for consumption only on the premises where the spirituous liquor is sold, and only for the period authorized on the license. This is a temporary license.

Application Type: **New License**

Definition: New license

Business Name: **Glendale Arts Council**

Business Address: **P. O. Box 428, Glendale, AZ 85311 (Event at Sahuaro Ranch Park 9802 N. 59th Ave)**

Applicant/s Information

Name: **Wandrey, Janet**

Name:

Name:

Name:

Background investigation of applicant/s completed.

Calls for Service History:	Call history for location beginning: 10/31/2013	Other Suites	New ownership call history beginning:
Liquor Related			
Vice Related			
Drug Related	1		
Fights / Assaults	3		
Robberies	1		
Burglary / Theft	6		
911 calls			
Trespassing	2		
Accidents			
Fraud / Forgery			
Threats			
Criminal damage	4		
Other non-criminal*	74		
Other criminal	1		
Total calls for service	92	N/A	N/A

* Other non-criminal includes calls such as suspicious persons, juveniles disturbing and other information only reports that required Police response or phone call.

GLENDALE POLICE DEPARTMENT

Liquor Application Worksheet

Applicant Background Synopsis:

None of the listed applicant(s) have any known felony convictions within the past five years or any other known criminal history that would lead to police department recommendation for denial.

Current License Holder:

N/A

Location History:

No significant Calls for Service history at this location.

Special Concerns:

None found

Background investigation complete:

Police Department recommendation has No Cause for Denial.

		Date
Investigating Officer – M. Ervin	<u>M. ERVIN</u>	<u>10-31-14</u>
CID Lieutenant or Commander	_____	_____
Deputy City Attorney	_____	_____
Chief of Police or designee	<u>Matt Lively AC</u>	<u>11-6-14</u>



Legislation Description

File #: 14-468, **Version:** 1

APPROVE SPECIAL EVENT LIQUOR LICENSE, HEART FOR THE CITY

Staff Contact: Susan Matousek, Revenue Administrator

Purpose and Recommended Action

This is a request for City Council to recommend approval to the Arizona Department of Liquor Licenses and Control of a special event liquor license for Heart for the City, submitted by Joe Eriquez. The event will be held at Pendergast Farm located at 9500 West Bethany Home Road on Wednesday, January 28 through Friday, January 30, 2015 from 5 p.m. to midnight. The purpose of this special event liquor license is for the 2015 DIRECTV Super Fan Festival.

Background Summary

The Pendergast Farm is zoned PAD (Planned Area Development) and located in the Yucca District. If this application is approved, the total number of days expended by this applicant will be three of the allowed 12 days per calendar year. Under the provisions of A.R.S. § 4-203.02, the Arizona Department of Liquor Licenses and Control may issue a special event liquor license only if the Council recommends approval of such license.

The City of Glendale Development Services, Police, and Fire Departments have reviewed the application and determined that it meets all technical requirements.

Arizona Department of Liquor Licenses and Control
800 W Washington 5th Floor
Phoenix AZ 85007-2934
www.azliquor.gov
(602) 542-5141

FOR DLLC USE ONLY

Event date(s):

Event time start/end:

APPLICATION FOR SPECIAL EVENT LICENSE

Fee= \$25.00 per day for 1-10 days (consecutive)
A service fee of \$25.00 will be charged for all dishonored checks (A.R.S. §44-6852)

IMPORTANT INFORMATION: This document must be fully completed or it will be returned.

The Department of Liquor Licenses and Control must receive this application ten (10) business days prior to the event. If the special event will be held at a location without a permanent liquor license or if the event will be on any portion of a location that is not covered by the existing liquor license, this application must be approved by the local government before submission to the Department of Liquor Licenses and Control (see Section 15).

SECTION 1 Name of Organization: Heart for the City

SECTION 2 Non-Profit/IRS Tax Exempt Number: [REDACTED]

SECTION 3 The organization is a: (check one box only)

- Charitable (501.C) Fraternal (must have regular membership and have been in existence for over five (5) years)
 Religious Civic (Rotary, College Scholarship) Political Party, Ballot Measure or Campaign Committee

SECTION 4 Will this event be held on a currently licensed premise and within the already approved premises?
 Yes No

Name of Business

License Number

Phone (include Area Code)

SECTION 5 How is this special event going to conduct all dispensing, serving, and selling of spirituous liquors? Please read R-19-318 for explanation (look in special event planning guide) and check one of the following boxes.

- Place license in non-use
 Dispense and serve all spirituous liquors under retailer's license
 Dispense and serve all spirituous liquors under special event
 Split premise between special event and retail location

(If not using retail license, submit a letter of agreement from the agent/owner of the licensed premise to suspend the license during the event. If the special event is only using a portion of premise, agent/owner will need to suspend that portion of the premise.)

SECTION 6 What is the purpose of this event? On-site consumption Off-site (auction) Both

SECTION 7 Location of the Event: Pendergast Farm (SE Corner of W.Bethany Home Road and 95th Ave.)
Address of Location: 9500 West Bethany Home Road, Glendale, AZ 85305

Street

City

County/State

Zip

SECTION 8 Will this be stacked with a wine festival/craft distiller festival? Yes No

SECTION 9 Applicant must be a member of the qualifying organization and authorized by an Officer, Director or Chairperson of the Organization named in Section 1. (Authorizing signature is required in Section 13.)

1. Applicant: Erriquez Joe

Last

First

Middle

Date of Birth

2. Applicant's mailing address: P.O. Box 2, Glendale, AZ 85311

Street

City

State

Zip

3. Applicant's home/cell phone: () [REDACTED] Applicant's business phone: () (602)499-5059

4. Applicant's email address: [REDACTED]

SECTION 10

- Has the applicant been convicted of a felony, or had a liquor license revoked within the last five (5) years?
 Yes No (If yes, attach explanation.)
- How many special event licenses have been issued to this location this year? 0
 (The number cannot exceed 12 events per year, exceptions under A.R.S. §4-203.02(D).)
- Is the organization using the services of a promoter or other person to manage the event? Yes No
 (If yes, attach a copy of the agreement.)
- List all people and organizations who will receive the proceeds. Account for 100% of the proceeds. The organization applying must receive 25% of the gross revenues of the special event liquor sales. Attach an additional page if necessary.

Name HEART FOR THE CITY Percentage 100%
 Address P.O. Box 2, GLENDALE, AZ 85311
Street City State Zip

Name _____ Percentage _____
 Address _____
Street City State Zip

5. Please read A.R.S. §4-203.02 Special event license rules and R19-1-205 Requirements for a Special Event License.
Note: ALL ALCOHOLIC BEVERAGE SALES MUST BE FOR CONSUMPTION AT THE EVENT SITE ONLY.
"NO ALCOHOLIC BEVERAGES SHALL LEAVE SPECIAL EVENT UNLESS THEY ARE IN AUCTION SEALED CONTAINERS OR THE SPECIAL EVENT LICENSE IS STACKED WITH WINE /CRAFT DISTILLERY FESTIVAL LICENSE"

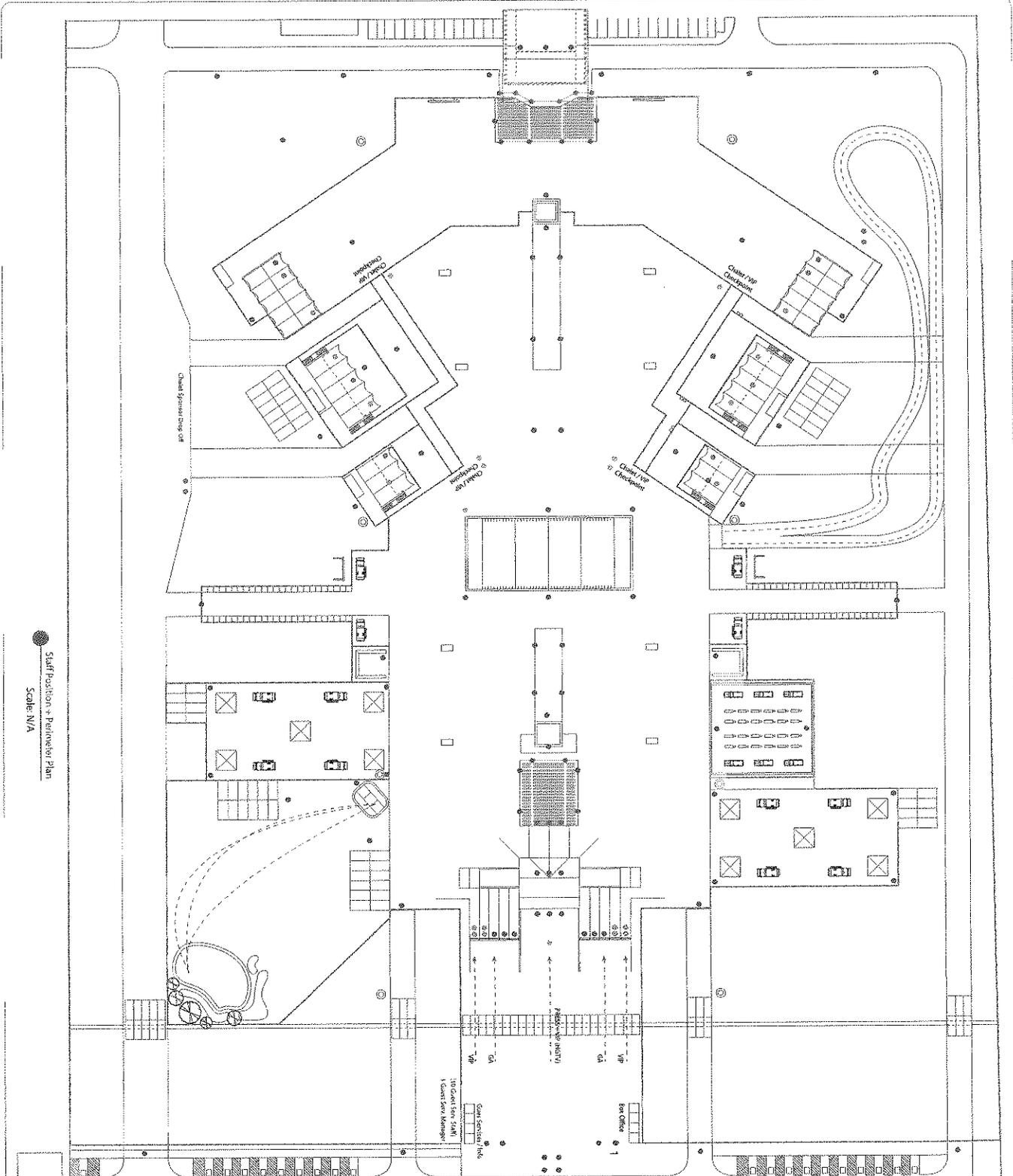
6. What type of security and control measures will you take to prevent violations of liquor laws at this event?
 (List type and number of police/security personnel and type of fencing or control barriers, if applicable.)

16 Number of Police 125 Number of Security Personnel Fencing Barriers

Explanation: SECURITY - (7) POLICE OFFICERS, (1) POLICE SERGEANT, (1) POLICE LIEUTENANT
TRAFFIC - (5) POLICE OFFICERS, (1) POLICE SERGEANT, (1) POLICE LIEUTENANT
EVENT SECURITY - (10) SUPERVISORS, (118) SECURITY GUARDS, 6' FENCE AROUND PERIMETER

SECTION 11 Date(s) and Hours of Event. May not exceed 10 consecutive days. 6' FENCE AND BARRICADE FOR SAFETY INSIDE PERIMETER
 See A.R.S. §4-244(15) and (17) for legal hours of service.

	Date	Day of Week	Event Start Time AM/PM	License End Time AM/PM
DAY 1:	<u>1-28-15</u>	<u>WEDNESDAY</u>	<u>5:00PM</u>	<u>12:00AM</u>
DAY 2:	<u>1-29-15</u>	<u>THURSDAY</u>	<u>5:00PM</u>	<u>12:00AM</u>
DAY 3:	<u>1-30-15</u>	<u>FRIDAY</u>	<u>5:00PM</u>	<u>12:00AM</u>
DAY 4:	_____	_____	_____	_____
DAY 5:	_____	_____	_____	_____
DAY 6:	_____	_____	_____	_____
DAY 7:	_____	_____	_____	_____
DAY 8:	_____	_____	_____	_____
DAY 9:	_____	_____	_____	_____
DAY 10:	_____	_____	_____	_____



Staff Position - Perimeter Plan
Scale: N/A

PRELIMINARY

A-101

LEGEND:	QTY
FBI Manager	1
Entrance Coordinator	4
Bag Check	4
Ushers	TBD
Band Leaders	10
Activation Leaders	10
Security	TBD
VIP Liaisons	10
Perimeter Fence	
Circulation	

NOTES:

- (10) Guards in Ball and Green Room
- (10) Guards in Office Compound
- (8) Guards for VIP parking
- (10) General Parking Managers
- ** Perimeter Guards At All Breaks

DTV Super Bowl Program 2015
Pendergrats Farm
W Bethany Home Rd. & 95th Ave
Glendale, AZ 85305

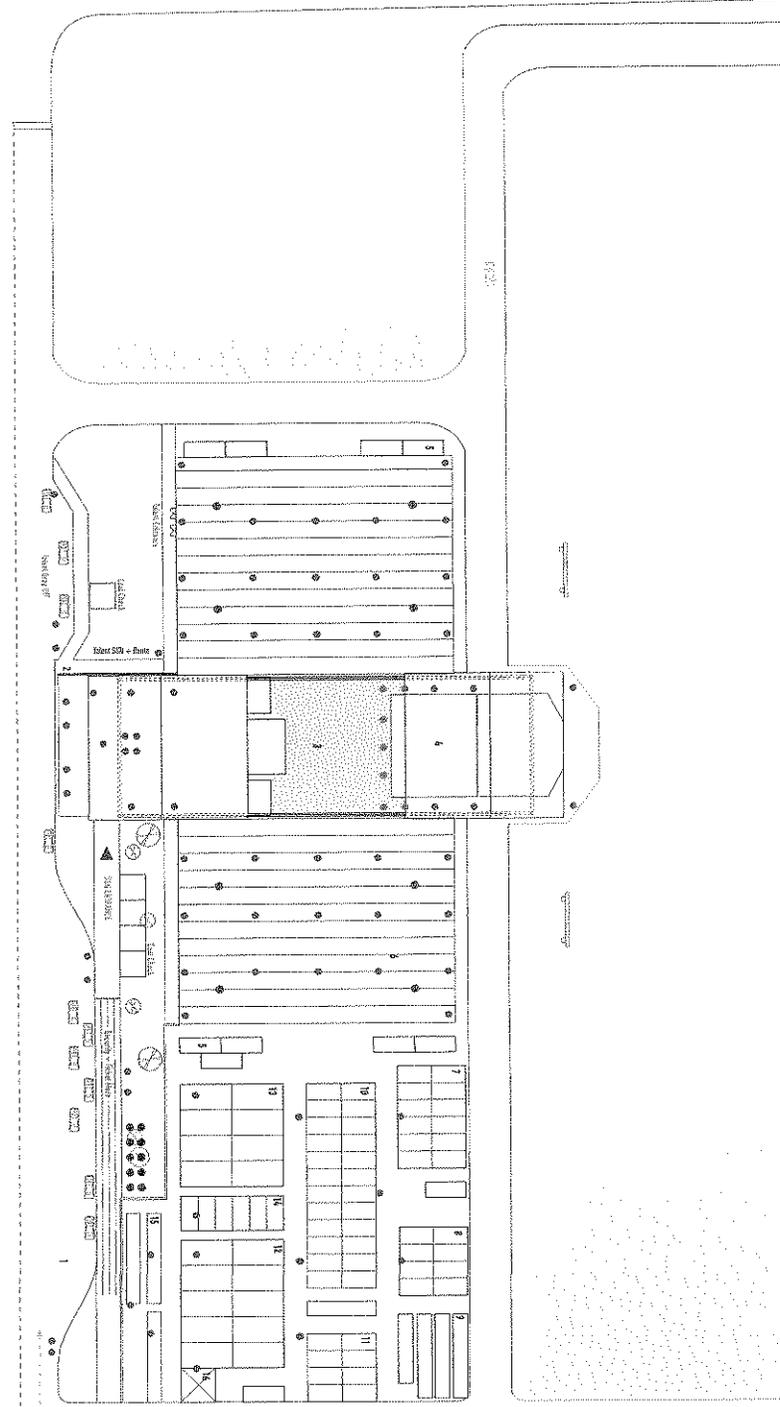


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MURPHY
PRODUCTION
413 West 14th Street
New York, New York 10014
Office: 212-222-2888
Fax: 212-222-2889

CORR 9/22/14
VIP Project no. 001043
Drawn By: MTR
Staff - Perimeter Plan



SSN Site Plan
 Scale: 1" = 1/32"

LEGEND:	QTY
FOH Manager	1
Entrance Coordinator	4
Bag Check	TBD
Ushers	TBD
Brand Liaisons	TBD
Activation Liaisons	TBD
Security	TBD
VIP Liaisons	TBD
Guest Services	TBD

NOTES:
 (10) Guards: Big Green Room
 (3) Guards: In Office Compound
 (6) Guards: for VIP Parking
 (10) General Parking Managers
 ** Perimeter Guards At All Breaks

- Legend
- 1. Sign Post (1x3x3)
 - 2. Sign (1x3x3)
 - 3. Sign (1x3x3)
 - 4. Sign (1x3x3)
 - 5. Sign (1x3x3)
 - 6. Sign (1x3x3)
 - 7. Sign (1x3x3)
 - 8. Sign (1x3x3)
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 - 14. Sign (1x3x3)
 - 15. Sign (1x3x3)
 - 16. Sign (1x3x3)
 - 17. Sign (1x3x3)
 - 18. Sign (1x3x3)
 - 19. Sign (1x3x3)
 - 20. Sign (1x3x3)

PRELIMINARY



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DTV Super Bowl Program 2015
Pendergrats Farm
W Bethany Home Rd. & 95th Ave
Glendale, AZ 85305

Issue/Revisions
1

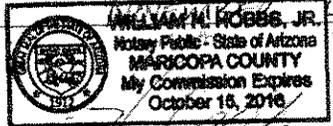
Date: 8/1/14
 Project No.: 001410
 Drawn By: STUL
 SSN Site Plan

SECTION 13 This section is to be completed only by an Officer, Director or Chairperson of the organization named in Section 1.

I, Joseph S. Eriquez Sr declare that I am an OFFICER, DIRECTOR, or CHAIRPERSON
(Print full name)
appointing the applicant listed in Section 9, to apply on behalf of the foregoing organization for a Special Event
Liquor License.

X [Signature] CEO/President 10/11/14 6024995255
(Signature) Title/Position Date Phone #

The foregoing instrument was acknowledged before me this 11th Day
State AZ County of MARICOPA Year 2014



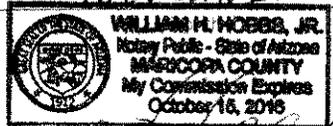
My Commission Expires on: OCTOBER 15, 16 Date
[Signature] Signature of Notary Public

SECTION 14 This section is to be completed only by the applicant named in Section 9.

I, Joseph S. Eriquez declare that I am the APPLICANT filing this application as
(Print full name)
listed in Section 9. I have read the application and the contents and all statements are true, correct and
complete.

X [Signature] CEO/President 10/11/14 6024995255
(Signature) Title/Position Date Phone #

The foregoing instrument was acknowledged before me this 11 Day NOVEMBER 2014 Year
State AZ County of MARICOPA



My Commission Expires on: OCTOBER 15, 16 Date
[Signature] Signature of Notary Public

The local governing body may require additional applications to be completed and submitted. Please check with local government as to how far in advance they require these applications to be submitted. Additional licensing fees may also be required before approval may be granted. For more information, please contact your local jurisdiction: http://www.azliquor.gov/assets/documents/homepage_docs/spec_event_links.pdf.

SECTION 15 Local Governing Body Approval Section

I, _____ recommend APPROVAL DISAPPROVAL
(government official) (Title)

on behalf of _____
(City, Town, County) Signature Date Phone

FOR DEPARTMENT OF LIQUOR, LICENSES AND CONTROL USE ONLY

APPROVAL DISAPPROVAL BY: _____ DATE: _____

14-170

GLENDALE POLICE DEPARTMENT

Liquor Application Worksheet

Date: 11-12-14

License Type: **Series 15 Special Event (Temporary License)**

Definition: Allows a charitable, civic, fraternal, political or religious organization to sell and serve spirituous liquor for consumption only on the premises where the spirituous liquor is sold, and only for the period authorized on the license. This is a temporary license.

Application Type: **New License**

Definition: New license

Business Name: **Heart for the City**

Business Address: **P.O.Box 2, Glendale, AZ 85311**

Applicant/s Information

Name: **Eriquez, Joe**

Name:

Name:

Name:

Background investigation of applicant/s completed.

Calls for Service History:	Call history for location beginning:	Other Suites: 11/12/2013	New ownership call history beginning:
Liquor Related		1	
Vice Related			
Drug Related			
Fights / Assaults			
Robberies			
Burglary / Theft			
911 calls			
Trespassing			
Accidents		5	
Fraud / Forgery			
Threats			
Criminal damage			
Other non-criminal*		12	
Total calls for service	N/A	18	N/A

* Other non-criminal includes calls such as suspicious persons, juveniles disturbing and other information only reports that required Police response or phone call.

GLENDALE POLICE DEPARTMENT

Liquor Application Worksheet

Applicant Background Synopsis:

None of the listed applicant(s) have any known felony convictions within the past five years or any other known criminal history that would lead to police department recommendation for denial.

Current License Holder:

N/A

Location History:

No significant Calls for Service history at this location.

Calls for Service are for the immediate area of the event (9500 W. Bethany Home RD.) because the event is being held on undeveloped farm land that has no exact address.

Special Concerns:

None found

Background investigation complete:

Police Department recommendation has No Cause for Denial.

		Date
Investigating Officer – M. Ervin	<u>M. ERVIN</u>	<u>11-12-14</u>
CID Lieutenant or Commander	_____	_____
Deputy City Attorney	_____	_____
Chief of Police or designee	<u>AC Matt Lively</u>	<u>11-13-14</u>



Legislation Description

File #: 14-492, **Version:** 1

APPROVE SPECIAL EVENT LIQUOR LICENSE, 100 CLUB OF ARIZONA

Staff Contact: Susan Matousek, Revenue Administrator

Purpose and Recommended Action

This is a request for City Council to recommend approval to the Arizona Department of Liquor Licenses and Control of a special event liquor license for the 100 Club of Arizona, submitted by Steve Horrell. The event will be held at Westgate's WaterDance Plaza located at 6751 North Sunset Boulevard. The purpose of this special event liquor license is for a fundraiser at the Super Bowl Super Music Series on Wednesday, January 28 through Saturday, January 31, 2015 from 6 p.m. to 10 p.m.

Background Summary

Westgate is zoned PAD (Planned Area Development) and located in the Yucca District. If this application is approved, the total number of days expended by this applicant will be four of the allowed 12 days per calendar year. Under the provisions of A.R.S. § 4-203.02, the Arizona Department of Liquor Licenses and Control may issue a special event liquor license only if the Council recommends approval of such license.

The City of Glendale Development Services, Police, and Fire Departments have reviewed the application and determined that it meets all technical requirements.

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

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

APPLICATION FOR SPECIAL EVENT LICENSE

Fee = \$25.00 per day for 1-10 day events only
A service fee of \$25.00 will be charged for all dishonored checks (A.R.S. § 44-6852)

NOTE: THIS DOCUMENT MUST BE FULLY COMPLETED OR IT WILL BE RETURNED.
PLEASE ALLOW 10 BUSINESS DAYS FOR PROCESSING.

**Application must be approved by local government before submission to Department of Liquor Licenses and Control. (Section #20)

DLLC USE ONLY LICENSE #

1. Name of Organization: 100 Club of Arizona
2. Non-Profit/I.R.S. Tax Exempt Number: [REDACTED]
3. The organization is a: (check one box only)
 - Charitable Fraternal (must have regular membership and in existence for over 5 years)
 - Civic Religious Political Party, Ballot Measure, or Campaign Committee
4. What is the purpose of this event? on-site consumption off-site consumption (auction) both
Super Music Series for Super Bowl

5. Location of the event: 6761 North Sunset Blvd - Westgate Entertainment District Glendale Maricopa 85305
Address of physical location (Not P.O. Box) City County Zip

Applicant must be a member of the qualifying organization and authorized by an Officer, Director or Chairperson of the Organization named in Question #1. (Signature required in section #18)

6. Applicant: Horrell Steve [REDACTED]
Last First Middle Date of Birth

7. Applicant's Mailing Address: [REDACTED]
Street City State Zip

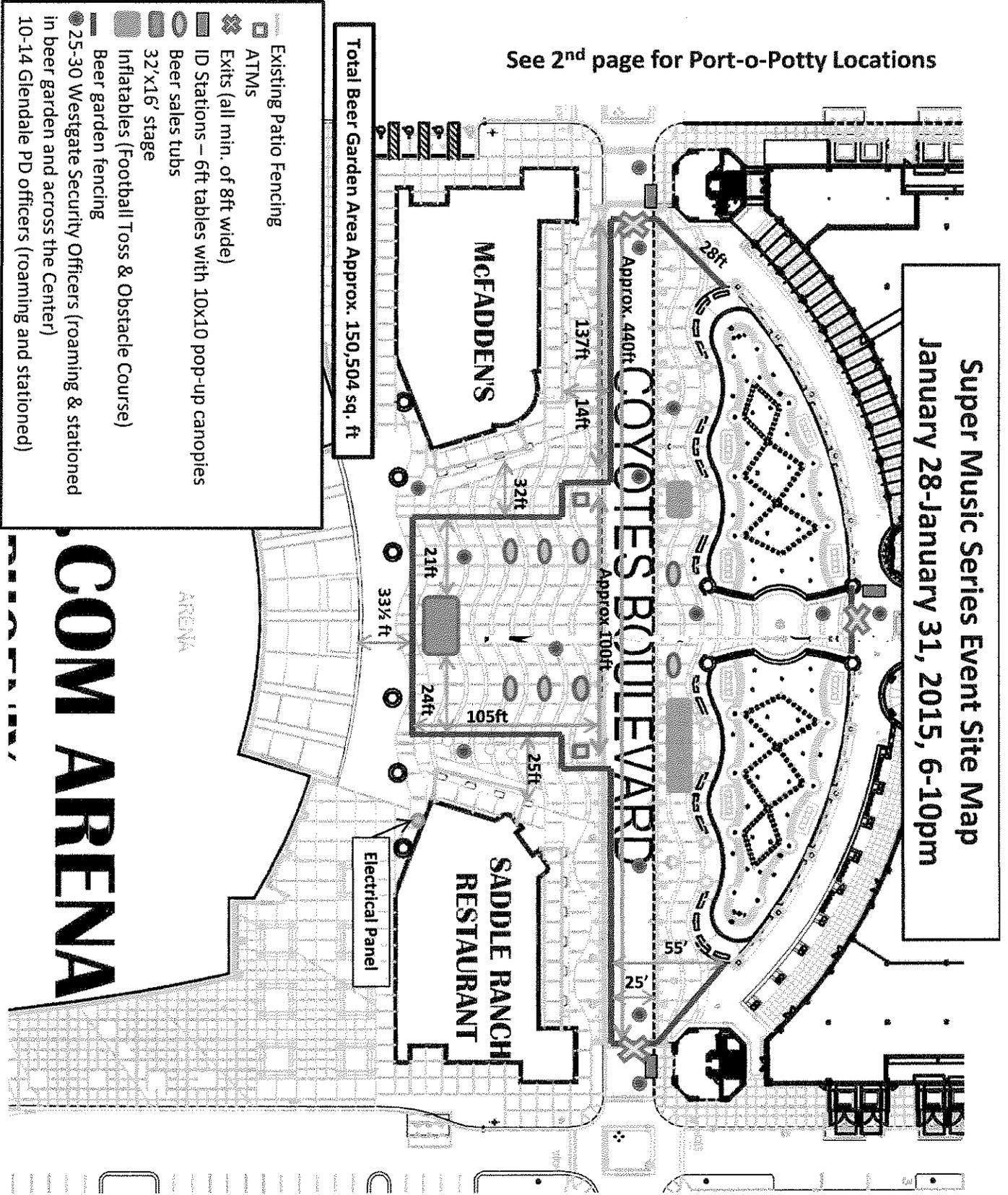
8. Phone Numbers: (623) 385 7500 (480) 538 2927 [REDACTED]
Site Owner # Applicant's Business # Applicant's Home #

9. Date(s) & Hours of Event: (see A.R.S. 4-244(15) and (17) for legal hours of service)

	Date	Day of Week	Hours from A.M./P.M.	To A.M./P.M.
Day 1:	<u>January 28</u>	<u>Wednesday</u>	<u>6 PM</u>	<u>10 PM</u>
Day 2:	<u>January 29</u>	<u>Thursday</u>	<u>6 PM</u>	<u>10 PM</u>
Day 3:	<u>January 30</u>	<u>Friday</u>	<u>6 PM</u>	<u>10 PM</u>
Day 4:	<u>January 31</u>	<u>Saturday</u>	<u>6 PM</u>	<u>10 PM</u>
Day 5:	_____	_____	_____	_____
Day 6:	_____	_____	_____	_____
Day 7:	_____	_____	_____	_____
Day 8:	_____	_____	_____	_____
Day 9:	_____	_____	_____	_____
Day 10:	_____	_____	_____	_____

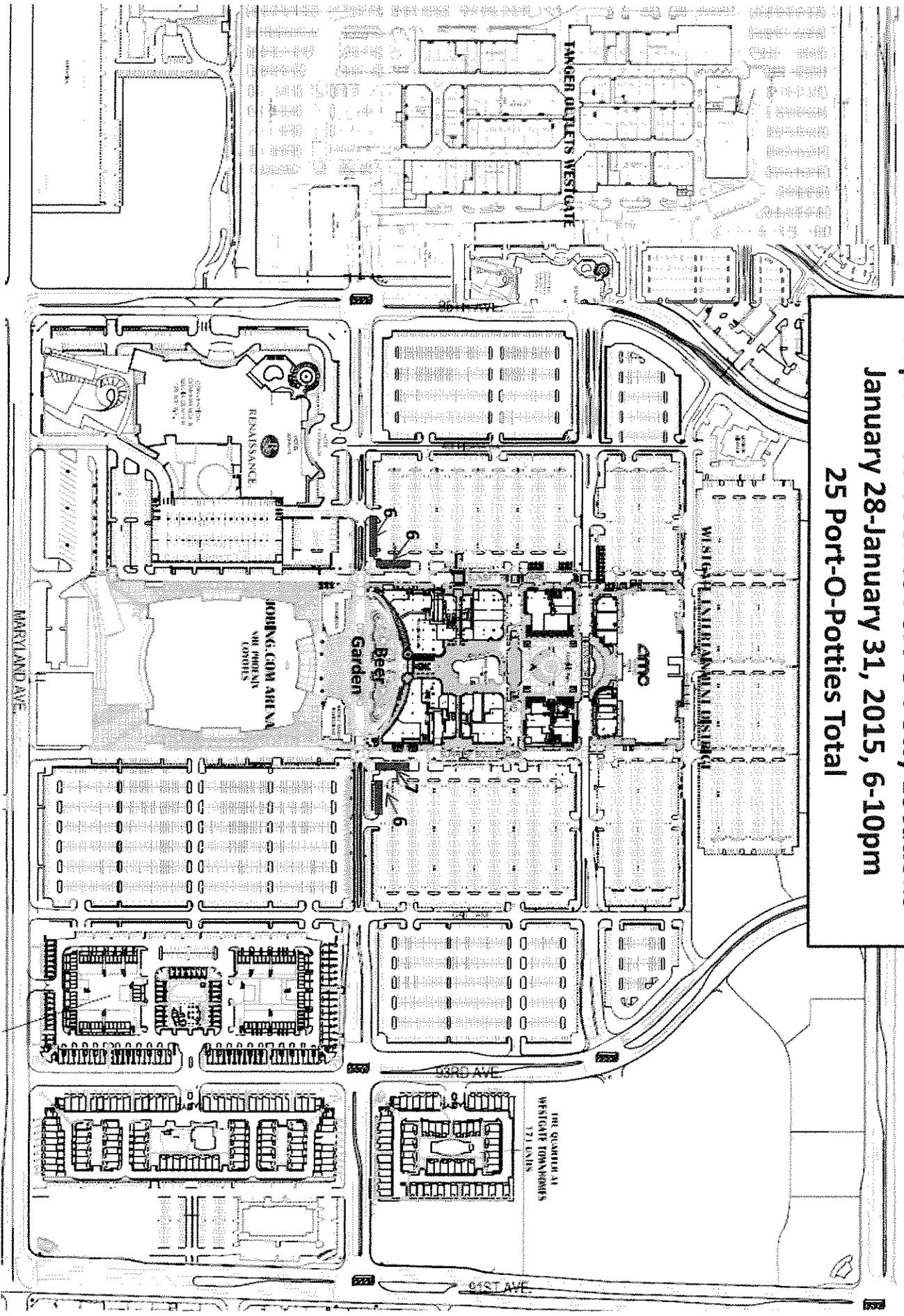
Super Music Series Event Site Map
January 28-January 31, 2015, 6-10pm

See 2nd page for Port-o-Potty Locations



See 2nd page for Port-o-Potty Locations

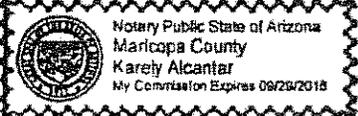
Super Music Series Port-O-Potty Locations
January 28-January 31, 2015, 6-10pm
25 Port-O-Potties Total



THIS SECTION TO BE COMPLETED ONLY BY AN OFFICER, DIRECTOR OR CHAIRPERSON OF THE ORGANIZATION NAMED IN QUESTION #1

18. I, Steve Horrell declare that I am an Officer/Director/Chairperson appointing the applicant listed in Question 6, to apply on behalf of the foregoing organization for a Special Event Liquor License.

X [Signature] Board of Directors Secretary 10/14/2014 (602) 466-4622
 (Signature) (Title/Position) (Date) (Phone #)



State of Arizona County of Maricopa

The foregoing instrument was acknowledged before me this 14 October 2014
 Day Month Year

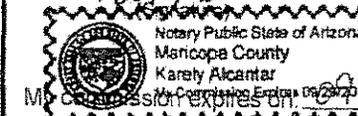
My Commission expires on: 09/29/2016
 (Date)

Karelly Alcantar
 (Signature of NOTARY PUBLIC)

THIS SECTION TO BE COMPLETED ONLY BY THE APPLICANT NAMED IN QUESTION #6

19. I, Steve Horrell declare that I am the APPLICANT filing this application as listed in Question 6. I have read the application and the contents and all statements are true, correct and complete

X [Signature] State of Arizona County of Maricopa
 The foregoing instrument was acknowledged before me this



14 October 2014
 Day Month Year

My Commission expires on: 09/29/2016
 (Date)

Karelly Alcantar
 (Signature of NOTARY PUBLIC)

You must obtain local government approval. City or County MUST recommend event and complete item #20. The local governing body may require additional applications to be completed and submitted 60 days in advance of the event. Additional licensing fees may also be required before approval may be granted.

LOCAL GOVERNING BODY APPROVAL SECTION

20. I, _____ hereby recommend this special event application
 (Government Official) (Title)
 on behalf of _____
 (City, Town or County) (Signature of OFFICIAL) (Date)

FOR DLLC DEPARTMENT USE ONLY

Department Comment Section:

 (Employee) (Date)

APPROVED DISAPPROVED BY: _____

 (Title) (Date)

14-162

GLENDALE POLICE DEPARTMENT

Liquor Application Worksheet

Date: 10-21-14

License Type: **Series 15 Special Event (Temporary License)**

Definition: Allows a charitable, civic, fraternal, political or religious organization to sell and serve spirituous liquor for consumption only on the premises where the spirituous liquor is sold, and only for the period authorized on the license. This is a temporary license.

Application Type: **New License**

Definition: New license

Business Name: **100 Club of Arizona**

Business Address: **5033 N. 19th Ave Ste-123 (Event at Westgate 6751 N. Sunset Blvd.)**

Applicant/s Information

Name: **Horrell, Steve**

Name:

Name:

Name:

Background investigation of applicant/s completed.

Calls for Service History:	Call history for location beginning: 10/21/2013	Other Suites	New ownership call history beginning:
Liquor Related		4	
Vice Related			
Drug Related		1	
Fights / Assaults		18	
Robberies			
Burglary / Theft		21	
911 calls		1	
Trespassing		3	
Accidents		4	
Fraud / Forgery		4	
Threats			
Criminal damage		5	
Other non-criminal*		36	
Other criminal		1	
Total calls for service	N/A	98	N/A

* Other non-criminal includes calls such as suspicious persons, juveniles disturbing and other information only reports that required Police response or phone call.

GLENDALE POLICE DEPARTMENT

Liquor Application Worksheet

Applicant Background Synopsis:

All proceeds from this event go to the 100 Club of Arizona and Westgate Entertainment District.

Event is scheduled for 01-28-15 (Wed), 01-29-15 (Thur), 01-30-15 (Fri), 01-31-15 (Sat),

None of the listed applicant(s) have any known felony convictions within the past five years or any other known criminal history that would lead to police department recommendation for denial.

Current License Holder:

N/A

Location History:

No significant Calls for Service history at this location.

Calls for Service are for all Suites that share the address.

Special Concerns:

None found

Background investigation complete:

Police Department recommendation has No Cause for Denial.

Investigating Officer – M. Ervin

CID Lieutenant or Commander

Deputy City Attorney

Chief of Police or designee

Date

Debra Clark

10-23-14



Legislation Description

File #: 14-469, **Version:** 1

APPROVE LIQUOR LICENSE NO. 5-14835, JIMBO'S SPORTS BAR & GRILL

Staff Contact: Susan Matousek, Revenue Administrator

Purpose and Recommended Action

This is a request for City Council to recommend approval to the Arizona Department of Liquor Licenses and Control of a person-to-person transferable series 6 (Bar - All Liquor) license for Jimbo's Sports Bar & Grill located at 12224 North 51st Avenue. The Arizona Department of Liquor Licenses and Control application (No. 06070627) was submitted by Eric Dwight Knox.

Background Summary

The location of the establishment is in the Sahuaro District and is over 300 feet from any church or school. The property is zoned PAD (Planned Area Development). The population density within a one-mile radius is 16,429. Jimbo's Sports Bar & Grill is currently operating with an interim permit, therefore, the approval of this license will not increase the number of liquor licenses in the area by one. The current number of liquor licenses within a one-mile radius is as listed below.

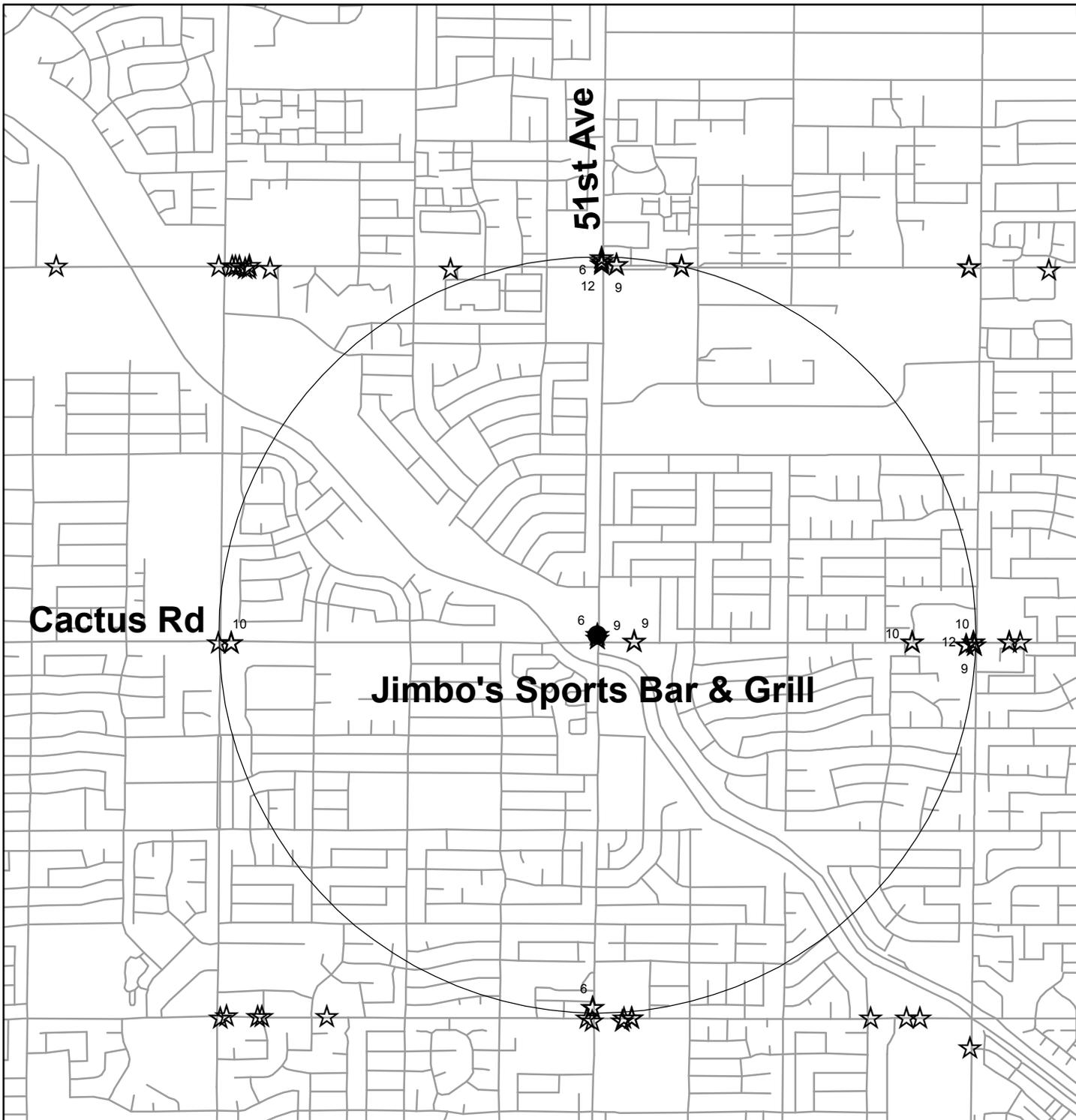
Series	Type	Quantity
06	Bar - All Liquor	3
09	Liquor Store - All Liquor	4
10	Liquor Store - Beer and Wine	3
12	Restaurant	<u>2</u>
	Total	12

Pursuant to A.R.S. § 4-203 (A), when considering this person-to-person transferable series 6 license, Council may take into consideration the applicant's capability, qualifications, and reliability.

The City of Glendale Development Services, Police, and Fire Departments have reviewed the application and determined that it meets all technical requirements.

Community Benefit/Public Involvement

No public protests were received during the 20-day posting period, October 16 thru November 5, 2014.



BUSINESS NAME: Jimbo's Sports Bar & Grill

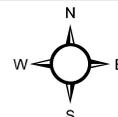
LOCATION: 12224 N. 51st Avenue

ZONING: PAD

APPLICANT: Eric Dwight Knox

APPLICATION NO: 5-14835

**SALES TAX AND LICENSE DIVISION
CITY OF GLENDALE, AZ**



14-154

GLENDALE POLICE DEPARTMENT

Liquor Application Worksheet

Date: 11-05-14

License Type: **Series 6 Bar (All Spiritous Liquor)**

Definition: Allows for the sale of all types of liquor, on-premise consumption and allows the bar to sell packaged goods to go. Delivery service is allowed.

Application Type: **Person-to-Person Transfer**

Definition: The application process for conveying the ownership of a license from one person to another, within the same county.

Business Name: **Jimbo's Sports Bar & Grill**

Business Address: **12224 N. 51st Ave**

Applicant/s Information

Name: **Knox, Eric Dwight**

Name:

Name:

Name:

Background investigation of applicant/s completed.

Calls for Service History:	Call history for location beginning: 11/5/2009	Other Suites	New ownership call history beginning: 10/10/2014
Liquor Related	3		
Vice Related			
Drug Related			
Fights / Assaults	14		
Robberies			
Burglary / Theft	9		
911 calls			
Trespassing			
Accidents	3		
Fraud / Forgery			
Threats	4		
Criminal damage	1		
Other non-criminal*	16		
Other criminal	1		
Total calls for service	51	N/A	0

* Other non-criminal includes calls such as suspicious persons, juveniles disturbing and other information only reports that required Police response or phone call.

GLENDALE POLICE DEPARTMENT

Liquor Application Worksheet

Applicant Background Synopsis:

None of the listed applicant(s) have any known felony convictions within the past five years or any other known criminal history that would lead to police department recommendation for denial.

Current License Holder:

Randall Jay Herbison (Agent)
ADW Promotions Inc. (Owner)

There are no known concerns with the current license holder.

Location History:

No significant Calls for Service history at this location.

*The State Liquor Board does not consider Calls for Service information involving the previous license holder during their decision making process on "Person-to-Person" license transfers.

Special Concerns:

None found

Background investigation complete:

Police Department recommendation has No Cause for Denial.

		Date
Investigating Officer – M. Ervin	<u>M. ERVIN</u>	<u>11-5-14</u>
CID Lieutenant or Commander	_____	_____
Deputy City Attorney	_____	_____
Chief of Police or designee	<u>Mark Luey AC</u>	<u>11-6-14</u>



Legislation Description

File #: 14-470, **Version:** 1

APPROVE LIQUOR LICENSE NO. 5-15092, HOT N JUICY CRAWFISH

Staff Contact: Susan Matousek, Revenue Administrator

Purpose and Recommended Action

This is a request for City Council to recommend approval to the Arizona Department of Liquor Licenses and Control of a new, non-transferable series 12 (Restaurant) license for Hot N Juicy Crawfish located at 6751 North Sunset Boulevard, Suite E101. The Arizona Department of Liquor Licenses and Control application (No. 1207A089) was submitted by Lauren Kay Merrett.

Background Summary

The location of the establishment is in the Yucca district. The property is zoned PAD (Planned Area Development). The population density within a one-mile radius is 3,689. This series 12 is a new license to this location, therefore, the approval of this license will increase the number of liquor licenses in the area by one. The current number of liquor licenses within a one-mile radius is as listed below.

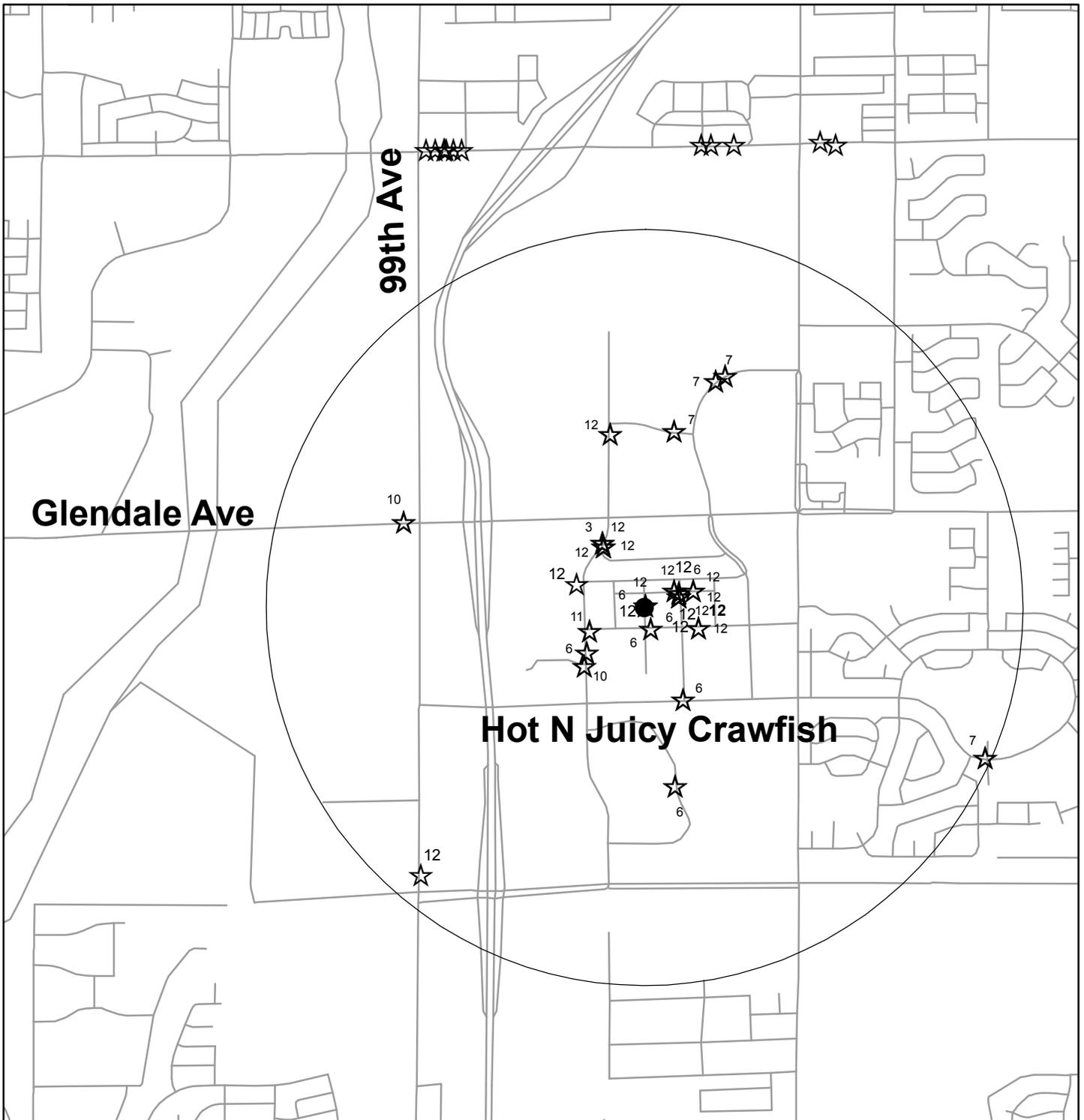
Series	Type	Quantity
03	Domestic Microbrewery	1
06	Bar - All Liquor	7
07	Bar - Beer and Wine	4
10	Liquor Store - Beer and Wine	2
11	Hotel/Motel	1
12	Restaurant	<u>17</u>
	Total	32

In accordance with A.R.S. § 4-201(G), the applicant bears the burden of showing that the public convenience requires and that the best interest of the community will be substantially served by the issuance of a license. Pursuant to A.R.S. § 4-203, when considering this new, non-transferable series 12 license, Council may take into consideration the location, as well as the applicant's capability, qualifications, and reliability.

The City of Glendale Development Services, Police, and Fire Departments have reviewed the application and determined that it meets all technical requirements.

Community Benefit/Public Involvement

No public protests were received during the 20-day posting period, November 6 thru November 26, 2014.



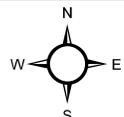
BUSINESS NAME: Hot N Juicy Crawfish

LOCATION: 6751 N. Sunset Blvd. Suite E101 **ZONING:** PAD

APPLICANT: Lauren Kay Merrett

APPLICATION NO: 5-15092

**SALES TAX AND LICENSE DIVISION
CITY OF GLENDALE, AZ**



1471

GLENDALE POLICE DEPARTMENT

Liquor Application Worksheet

Date: 11-18-14

License Type: **Series 12 Restaurant**

Definition: Allows the holder of a restaurant license to sell and serve spirituous liquor solely for consumption on the premises of an establishment which derives at least forty percent (40%) of its gross revenue from the sale of food.

Application Type: **New License**

Definition: New license

Business Name: **Hot N Juicy Crawfish**

Business Address: **6751 N Sunset Blvd., Ste-E101**

Applicant/s Information

Name: **Merrett, Lauren Kay (Agent)**

Name: **Avalos, Noemy**

Name: **Vo, Luyen Thi**

Name:

Background investigation of applicant/s completed.

Calls for Service History:	Call history for location beginning: 11/18/2009	Other Suites	New ownership call history beginning:
Liquor Related		10	
Vice Related			
Drug Related		4	
Fights / Assaults	1	98	
Robberies			
Burglary / Theft		72	
911 calls		4	
Trespassing	1	38	
Accidents		12	
Fraud / Forgery		7	
Threats		5	
Criminal damage		13	
Other non-criminal*		64	
Other criminal		30	
Total calls for service	2	357	N/A

* Other non-criminal includes calls such as suspicious persons, juveniles disturbing and other information only reports that required Police response or phone call.

GLENDALE POLICE DEPARTMENT

Liquor Application Worksheet

Applicant Background Synopsis:

None of the listed applicant(s) have any known felony convictions within the past five years or any other known criminal history that would lead to police department recommendation for denial.

Current License Holder:

None

Location History:

No significant Calls for Service history at this location.

Special Concerns:

None found.

Background investigation complete:

Police Department recommendation has No Cause for Denial.

		Date
Investigating Officer – M. Ervin	<u>M. ERVIN</u>	<u>11-19-14</u>
CID Lieutenant or Commander	_____	_____
Deputy City Attorney	_____	_____
Chief of Police or designee	<u>[Signature]</u>	<u>11-19-14</u>



Legislation Description

File #: 14-471, Version: 1

APPROVE LIQUOR LICENSE NO. 3-1131, WAL-MART SUPERCENTER #1532

Staff Contact: Susan Matousek, Revenue Administrator

Purpose and Recommended Action

This is a request for City Council to recommend approval to the Arizona Department of Liquor Licenses and Control of Sampling Privileges to an active series 9 (Liquor Store) license for Wal-Mart Supercenter #1532 located at 5845 West Bell Road. The Arizona Department of Liquor Licenses and Control application (No. 09074004 S) was submitted by Clare Hollie Abel.

Background Summary

The location of the establishment is in the Sahuaro District and is over 300 feet from any church or school. The property is zoned PAD (Planned Area Development). The population density within a one-mile radius is 11,841. Approval of this application will add sampling privileges to Wal-Mart Supercenter's existing series 9 (Liquor Store) license and will not increase the number of liquor licenses in the area by one. The current number of liquor licenses within a one-mile radius is as listed below.

Series	Type	Quantity
06	Bar - All Liquor	7
07	Bar - Beer and Wine	3
09	Liquor Store - All Liquor	4
10	Liquor Store - Beer and Wine	4
12	Restaurant	<u>20</u>
	Total	38

Sampling privileges are subject to the following rules which are regulated by the Arizona Department of Liquor Licenses and Control pursuant to A.R.S. §4-206.01(J):

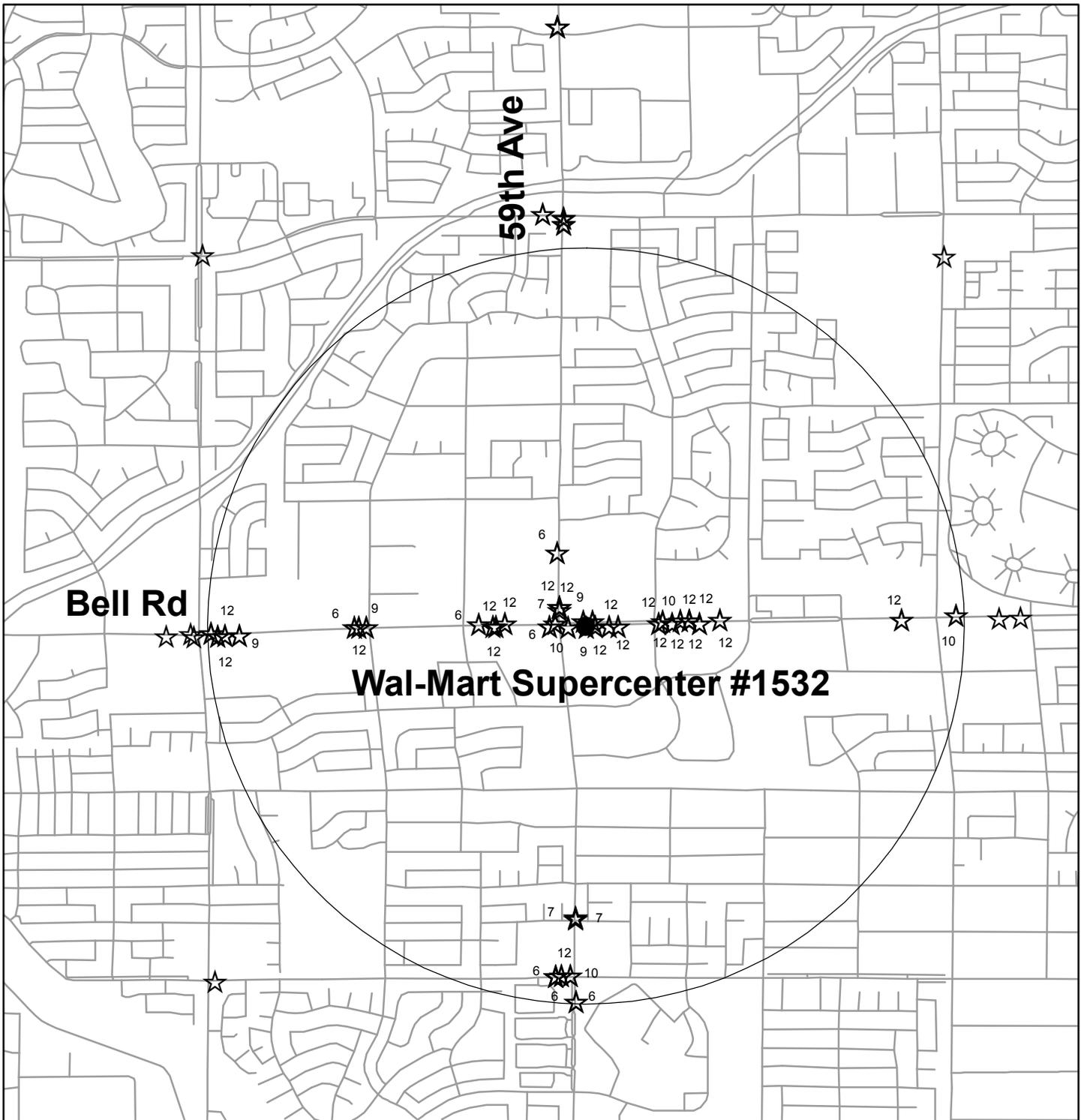
1. Any open product shall be kept locked by the licensee when the sampling area is not staffed.
2. The licensee is otherwise subject to all other provisions of this title. The licensee is liable for any violation of this title committed in connection with the sampling.
3. The licensed retailer shall make sales of sampled products from the licensed retail premises.
4. The licensee shall not charge any customer for the sampling of any products.
5. The sampling shall be conducted under the supervision of an employee of a sponsoring distiller, vintner, brewer, wholesaler or retail licensee.
6. Accurate records of sampling products dispensed shall be retained by the licensee.

7. Sampling shall be limited to three ounces of beer or cooler-type products, one and one-half ounces of wine and one ounce of distilled spirits per person, per brand, per day.
8. The sampling shall be conducted only on the licensed premise.

The City of Glendale Development Services, Police, and Fire Departments have reviewed the application and determined that it meets all technical requirements.

Community Benefit/Public Involvement

No public protests were received during the 20-day posting period, October 22 thru November 11, 2014.



BUSINESS NAME: Wal-Mart Supercenter #1532

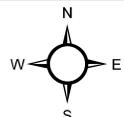
LOCATION: 5845 W. Bell Road

ZONING: PAD

APPLICANT: Clare Hollie Abel

APPLICATION NO: 3-1131

**SALES TAX AND LICENSE DIVISION
CITY OF GLENDALE, AZ**



14-159

GLENDALE POLICE DEPARTMENT

Liquor Application Worksheet

Date: **10-28-14**

License Type: **Series 9 - Sampling Privileges**

Definition: Allows a spirituous liquor store retailer to provide samples of spirituous liquors to customers, only under the supervision of an employee of a sponsoring distiller, vintner, brewer, wholesaler or retail licensee, in the original unbroken package, to be consumed on the premises.

Application Type: **Sampling Privileges**

Definition: Add "Sampling Privileges" to an existing Series 9 - Liquor Store (All spirituous liquor) license.

Business Name: **Wal-Mart Supercenter #1532**

Business Address: **5845 W. Bell Rd**

Applicant/s Information

Name: **Abel, Clare Hollie**

Name:

Name:

Name:

Background investigation of applicant/s completed.

Calls for Service History:	Call history for location beginning: 10/28/2013	Other Suites	New ownership call history beginning:
Liquor Related	4		
Vice Related			
Drug Related	4		
Fights / Assaults	4		
Robberies	1		
Burglary / Theft	237		
911 calls			
Trespassing	46		
Accidents	16		
Fraud / Forgery	10		
Threats			
Criminal damage	5		
Other non-criminal*	198		
Other criminal	7		
Total calls for service	532	N/A	N/A

* Other non-criminal includes calls such as suspicious persons, juveniles disturbing and other information only reports that required Police response or phone call.

GLENDALE POLICE DEPARTMENT

Liquor Application Worksheet

Applicant Background Synopsis:

None of the listed applicant(s) have any known felony convictions within the past five years or any other known criminal history that would lead to police department recommendation for denial.

Current License Holder:

Clare Abel (Agent)
Wal-Mart Stores Inc (Owner)

There are no known concerns with the current license holder.

Location History:

No significant Calls for Service history at this location.

Special Concerns:

None found

Background investigation complete:

Police Department recommendation has No Cause for Denial.

		Date
Investigating Officer – M. Ervin	<u>M. ERVIN</u>	<u>10-30-14</u>
Chief of Police or designee	<u>R. S. [Signature]</u>	<u>10-31-14</u>



Legislation Description

File #: 14-483, Version: 1

AUTHORIZATION TO ENTER INTO A LINKING AGREEMENT WITH QCM TECHNOLOGIES, INC. FOR SERVER AND DATA STORAGE HARDWARE, SOFTWARE, MAINTENANCE AND SUPPORT

Staff Contact: Tom Duensing, Director, Finance and Technology

Purpose and Recommended Action

This is a request for City Council to authorize the City Manager to enter into a linking agreement through January 29, 2015 and approve up to four, one-year renewal options through January 29, 2019 with QCM Technologies, Inc. (QCM) for the purchase of hardware, software, maintenance, support, and technology services in an amount not to exceed \$600,000 over the life of the agreement. This cooperative purchase is available through an agreement between Mohave Educational Services and QCM, contract 13U-QCM-0129, and is effective through January 29, 2015 with up to four additional, one-year renewal options through January 29, 2019.

Background

QCM is a provider of technology hardware, software, maintenance, support, and technical services. The City utilizes IBM (now Lenovo) servers and storage systems in its data centers and QCM is the authorized vendor for those products. QCM also provides technical consulting and services related to servers, networking and configuration assistance with hardware and software components.

Cooperative purchasing allows counties, municipalities, schools, colleges and universities in Arizona to use a contract that was competitively procured by another governmental entity or purchasing cooperative. Such purchasing helps reduce the cost of procurement, allows access to a multitude of competitively bid contracts, and provides the opportunity to take advantage of volume pricing. The Glendale City Code authorizes cooperative purchases when the solicitation process utilized complies with the intent of Glendale's procurement processes. This cooperative purchase is compliant with Chapter 2, Article V, Division 2, Section 2-149 of the Glendale City Code, per review by Materials Management.

QCM was awarded their contract by Mohave County through a competitive bid process. Materials Management has reviewed and approved the utilization of the cooperative purchasing agreement of the Mohave Contract for products and services. Materials Management concurs the cooperative purchase is in the City's best interest.

Community Benefit/Public Involvement

Purchasing from cooperative contracts provides both competitive and optimal pricing for equipment and services.

Budget and Financial Impacts

The planned expenditure for FY 2014-15 for QCM will be funded from the Technology Fund and is approximately \$133,531 with the remaining amounts to be funded in subsequent fiscal years subject to Council budget approval. The amount budgeted in future fiscal years will fluctuate based on organization needs and replacement schedules.

Cost	Fund-Department-Account
\$133,531	1140-11530-521000 - Technology Replacement Fund

Capital Expense? No

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?

**LINKING AGREEMENT
BETWEEN
THE CITY OF GLENDALE, ARIZONA
AND
QCM**

THIS LINKING AGREEMENT (this "Agreement") is entered into as of _____, 2014, between the City of Glendale, an Arizona municipal corporation (the "City"), and QCM Technologies, a ARIZONA corporation authorized to do business in Arizona ("Contractor"), collectively, the "Parties."

RECITALS

A. Mohave Educational Services Cooperative ("Mohave") on January 29 , 2014 entered into Contract Number 13U-QCM-0129, (the "Mohave Contract"), a copy of which is incorporated into this Agreement by this reference.

B. The City is permitted to purchase the goods and services described in the Mohave Contract without further public bidding, and the Mohave Contract permits its cooperative use by other governmental agencies, including the City.

C. Section 2-149 of the City's Procurement Code permits the Materials Manager to authorize procurement through the use of a contract initiated by another governmental entity when that government entity's procurement actions complied with the intent of the City's purchasing procedures in City Code Sections 2-145 and 2-146 and such purchase is in the best interest of the City. The City believes these conditions are met for purposes of the Mohave Contract.

D. The City desires to contract with Contractor for supplies, goods or services identical, or nearly identical, to the supplies, goods or services Contractor is providing Mohave under the Mohave Contract, Contractor consents to the City's utilization of the Mohave Contract as the basis of this Agreement, and Contractor desires to enter into this Agreement to provide the goods and services set forth in this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated by reference, and the covenants and promises contained in this Agreement, the parties agree as follows:

1. Term of Agreement. This Agreement is effective as of the date first set forth above and expires on January 29, 2019.
2. Scope of Work; Terms, Conditions, and Specifications.
 - a) Contractor will provide City the supplies, goods or services Contractor provided Mohave under the Mohave Contract, as described in the price

sheet attached as Exhibit "A." The parties agree that the prices contained in Exhibit A may change from time to time pursuant to the Mohave Contract, and that the prices City pays for any supplies, goods or services will match the prices Mohave pays for such items (at the time the City makes any purchases) under the Mohave Contract.

- b) Contractor agrees to comply with all the terms, conditions and specifications of the Mohave Contract for the purposes of this Agreement, and the terms, conditions, and specifications are incorporated in this Linking Agreement by this reference. The "City of Glendale" shall be substituted for "Mohave Educational Services Cooperative" or similar reference to Mohave throughout the Mohave Contract.

3. Compensation.

- a) The total purchase price for the goods and services authorized in this Agreement is not to exceed Six Hundred Thousand Dollars and No Cents (\$600,000)

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year set forth above.

“City”

City of Glendale, an Arizona
municipal corporation

By: _____

“Contractor”

QCM,
a ARIZONA corporation

By: Jorge Quintero

Name: Jorge Quintero

Title: President / CEO

Exhibit A
[Mohave Price Sheet – Updated May 19, 2014]

The Mohave Price Sheet is on file with the City and is available for inspection upon request.



Legislation Description

File #: 14-484, Version: 1

AUTHORIZATION FOR A CONTRACT AMENDMENT WITH COPPER STATE COMMUNICATIONS, INC. FOR CITYWIDE TELEPHONE UPGRADE FOR CITY TELEPHONE EQUIPMENT, MAINTENANCE AND SUPPORT

Staff Contact: Tom Duensing, Director, Finance and Technology

Purpose and Recommended Action

This is a request for Council to approve an amendment increasing the contract amount with Copper State Communications Inc. (Copper State) by \$217,000, bringing the total not to exceed amount to \$372,060 annually for the two remaining years of the agreement. The original contract with Copper State Communications (C-8103) was approved by Council on 6/26/2012. This additional funding will be used for citywide telephone projects which include, but are not limited to, replacement of the citywide voicemail system, hardware and software upgrades, telephone replacements and maintenance fees.

Background

Copper State Communications Inc. is the provider of telephone equipment, maintenance and services for the City of Glendale. On 6/26/2012, Council approved a multi-year agreement with Copper State (C-8103) establishing an annual not to exceed amount of \$155,060.00 to cover planned equipment purchases, maintenance and services. The request is to increase this amount to \$372,060.00 to accommodate the replacement of City telephone components and related services.

The City's enterprise phone system (EPS) is comprised of two primary Nortel phone systems and a collection of smaller interconnected phone systems which provide service throughout the city. Avaya acquired Nortel in 2009 and subsequently made the decision to phase out and discontinue support of Nortel's equipment beginning in 2014. The city needed to identify a path forward that would work within budgetary and technical constraints. The scope of work for this initial project will be the replacement of the City's voicemail system in addition to the replacement of end of life local communication systems.

After review and testing of available options, ShoreTel was selected as the preferred technology and the city will use Copper State Communications Inc. as the sourcing and implementation vendor.

Copper State Communications Inc. was selected as the city's provider of telephone service through the RFP process and was approved by council on June 26, 2012 for a period of 1 year with an option for the city manager to renew the contract for an additional four years.

Analysis

Implementation options included a complete EPS one time flash replacement, or an incremental approach that would replace the EPS over time. An incremental approach requires a replacement technology that will

integrate with the existing Nortel equipment, but in time provide a stand-alone solution. That technology (ShoreTel) was identified and has been in operational testing within the city over the past two years.

Staff recommends the incremental approach as it spreads the cost and resource demand over a longer period of time, plus retains the full use of the existing supported hardware and focuses only on those components that are in end-of-life status. End of life means that the equipment will no longer be supported by the equipment manufacturer leaving the city at risk of having no phone systems if a problem occurs. The spending authorization requested in this report would facilitate the replacement of current end of life equipment and allow the City to move forward with a phased replacement of the EPS over the next five years.

Previous Related Council Action

On 06/26/2012, City Council awarded the RFP for the City’s telephone system maintenance to Copper State Communication (C-8103). This agreement remains in effect until 07/01/2017.

Budget and Financial Impacts

Funding for the FY15 expenditures is available in the following departmental budgets:

Cost	Fund-Department-Account
\$372,060	1100-11520-516400 - Telephone Fund

Capital Expense? No

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?

**FIRST AMENDMENT TO
SERVICE AGREEMENT
BETWEEN THE CITY OF GLENDALE AND
COPPER STATE COMMUNICATIONS, INC.**

This First Amendment to that certain Service Agreement between the City of Glendale (the "City") and Copper State Communications, Inc., ("Copper State"), dated June 26, 2012, is made and entered into this _____ day of _____ ("Execution Date"), by and between the City, an Arizona municipal corporation, and Copper State, a _____ corporation.

RECITALS:

WHEREAS the City and Copper State entered into the Service Agreement to provide telephone service to the City; and,

WHEREAS the City wishes to engage Copper State for additional telephone projects; and,

WHEREAS the City and Copper State desire to amend the Service Agreement in order to accommodate the additional telephone projects Copper State will perform.

NOW, THEREFORE, in consideration of the promises, conditions and covenants contained herein, the City and Copper State mutually agree that the Agreement shall be amended as follows:

AGREEMENT:

- 1. Compensation.** The amount paid by City to Copper State for its work performed pursuant to the Service Agreement is not to exceed Seven Hundred Forty-Four Thousand One Hundred Twenty Dollars (\$744,120).
- 2. Other Terms Unmodified.** Except as provided in this First Amendment, all provisions, terms, and conditions of the Service Agreement will remain unmodified and in effect.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have executed this agreement on the day and year first written above.

Copper State

City of Glendale

By:



By:

Its:

Manager

Its:



Business-Voting Agenda

06/26/2012

TO: Honorable Mayor and City Council

FROM: Horatio Skeete, Interim City Manager

PRESENTED BY: Chuck Murphy, Executive Director, Information Technology & Innovation

SUBJECT: **AWARD OF PROPOSAL FOR TELEPHONE SYSTEM MAINTENANCE**

Purpose

This is a request for City Council to award request for proposal (RFP) 12-28 and authorize the City Manager to enter into a one year contract with Copper State Communications, Inc. for the city's annual telephone system maintenance and service in an amount not to exceed \$155,060.

Background

The city utilizes Shore Tel and Avaya's Nortel phone systems and telecommunications software to provide telephone service to all city office locations. To ensure optimal performance, these systems require an annual maintenance contract that provides hardware and software updates, system configuration, and assistance with technical changes which are outside the scope of normal maintenance and repair.

In February of 2012, the city issued RFP 12-28 "Nortel Telephone System Maintenance" to select a phone system maintenance vendor. Two offers were received and a cross-departmental evaluation committee consisting of staff from Information Technology, Library, Utilities and Transportation reviewed the offers and Copper State Communications, Inc. was selected due to their price and ability to meet the requirements of the RFP.

Budget Impacts & Costs

Funding is available in the FY 2012-13 operating budget of the Technology and Innovation's Telephone Fund.

lease

2
06/26/2012

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
			X		\$155,060

<u>Account Name, Fund, Account and Line Item Number:</u>					
Telephones, Account No. 1100-11520-514600, \$105,060					
Telephones, Account No. 1100-11520-516400, \$30,000					
Telephones, Account No. 1100-11520-518200, \$20,000					

Recommendation

Award RFP 12-28 and authorize the City Manager to enter into a one year contract with Copper State Communications, Inc. to provide telephone hardware and software maintenance and service in an amount not to exceed \$155,060 and to renew the contract, at his discretion, for an additional four years, in one-year increments.



 Horatio Skeete
 Interim City Manager

SERVICE AGREEMENT FOR CITY OF GLENDALE

6830 North 57th Drive
Glendale, Arizona 85301

City of Glendale, to be referred to herein as "Customer", and Copper State Communications Inc., to be referred to herein as "Company", enter into this Agreement for the equipment listed on the attached Exhibit(s), to be referred to as "System", from the effective date of Agreement through its termination.

AGREEMENT PRICE AND PAYMENT TERMS: The total price for Agreement is \$ 65,186.00 (plus any applicable sales taxes)

Customer's Preferred Payment Terms
(please select your desired payment terms)

<input checked="" type="checkbox"/> Annual: \$65,186.00 (plus any applicable sales taxes)	<input type="checkbox"/> Semi-Annual: \$32,593.00 (plus any applicable sales taxes)
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Copper State Communications Inc shall not be bound by any term of Agreement if Customer's payment is not current

TERM OF AGREEMENT: Agreement shall become effective on Sunday, July 01, 2012, and shall remain in effect under the current price, terms, and conditions for twelve months. Upon the anniversary date of Agreement, Company shall automatically renew Agreement for another twelve months at a price based upon then current rates and inventory, to include any additions and deletions made throughout the year, and bill Customer based on Customer's preferred payment term checked above in accordance with the terms of the RFP response and award. All terms and conditions of Agreement shall remain in effect as long as Company continues to send invoices for Agreement and Customer continues to pay the invoices pertaining to the same. Both parties have the option of canceling this contract after the initial term, as long as thirty (30) days written notice is given to Company. In the case of non-payment, Company shall reserve the right to retroactively cancel Agreement back to the end of the last period paid and invoice Customer for any work performed under the cancelled term of Agreement or cancel Agreement and collect for the pro-rated portion of Agreement's price through the cancellation date.

SERVICES PROVIDED UNDER AGREEMENT (SBB): Company agrees to provide the following services at no charge under the terms of this Agreement:

- Respond to requests for emergency service according to our company practices [i.e. within two (2) hours for customers with the Tucson, Phoenix, and Flagstaff metro regions and four (4) hours for all others]. Emergency service is defined as services that are required due to a complete system failure.
- Respond to requests for non-emergency services within 24 hours of notification, excluding weekends, holidays, and non-business days.
- Repair services shall include the parts and labor necessary to restore System to normal operation.

Customer and Company further agree to the following:

- Parts and equipment replaced under Agreement may be new, remanufactured, or refurbished (at Company's option) but will be equivalent to new in performance. Removed parts and/or equipment will become the property of Company. Replacement parts become the property of Customer upon installation as long as Customer is current in its payment for Agreement;
- Company may, at its discretion, electronically or otherwise monitor System for the purposes of providing accurate remote diagnostics and correcting actions and for determining the applicable renewal charges on the respective anniversary dates of Agreement. Customer agrees to cooperate with Company in such data collection, including making remote access available to Company for this purpose;
- Agreement does not cover the costs of labor or materials to provide additions to, moves of, changes to, or the rearrangement of System listed in the attached Exhibit(s), and charges for these services will be billed separately on a time and materials or quoted basis. In the event that any work (adds, moves, changes, or service) is done by any party other than Company and damages or expenses are incurred, Company reserves the right to charge to repair these damages and/or cancel Agreement;
- Agreement shall not cover the cost to replace batteries or other wear-and-tear items;
- Agreement shall only cover peripheral devices specifically identified in the attached Exhibit(s).


Purchaser's Initials


Seller's Initials

LIMITATIONS & EXCLUSIONS

- I. Any equipment added by Customer to System or any other additions electronically identified pursuant to the above shall be automatically added to Agreement either upon warranty expiration of such additional equipment or on the anniversary date of the purchase of such equipment. Equipment purchased from a party other than Company or an authorized agent of Company ("Third Party Equipment") is subject to certification by Company at Company's then current rate for such certification. Coverage will be effective immediately after Company certifies the Third Party Equipment. Coverage for any such additional equipment shall be charged at the Company's standard rates for such equipment;
- II. Agreement does not cover any work on System when it is determined that damage occurred due to abuse, tampering, negligence, fire, flood, or act of nature or damage due to loss or theft. Company shall not be liable for incidental or consequential damages for commercial loss or otherwise. Company shall not be responsible for failure to render service due to strikes, fire, flood, or causes beyond its control;

CUSTOMER'S OBLIGATIONS: In connection with the services provided under Agreement, Customer agrees to provide the following:

- I. A suitable equipment environment, easy to work in and not hazardous to the health of Company's employees;
- II. Notification to Company of the presence of any hazardous material prior to commencement of services;
- III. Permit Company's employees and agents access in and to the premises at reasonable hours;
- IV. Sufficient conduit, ductwork, electrical current, and other amenities of the premises which are required for the maintenance and operation of the equipment;
- V. Obtain and pay for all licenses, permits, and authorizations necessary or required in connection with the installation, use, and maintenance of the equipment.

TCP/IP, LOCAL AND WIDE AREA NETWORK: If System supports telephony over Transmission Control Protocol / Internet Protocol (TCP/IP) facilities, Customer may experience certain compromises in performance, reliability, and security, even when System performs as warranted. Customer acknowledges that it is aware of these risks and that it has determined that they are acceptable for its application of System. Customer acknowledges that their TCP/IP Local and Wide Area Network must be designed or redesigned for voice traffic with priority over data. Customer also acknowledges that, unless expressly provided in another agreement, Customer is solely responsible for (i) ensuring that its networks and systems are adequately secured against unauthorized intrusion and (ii) backing up its data and files. Customer further agrees that it is completely and solely responsible for its network, infrastructure, application load, and any network quality of service repairs or modifications as needed for satisfactory Voice Over Internet Protocol (VOIP) transmissions and expressly releases Company from any responsibility for same. Customer agrees to modify its work network to Company's satisfaction or to fully accept the operation of all VOIP elements and functionality as provided by Company.

SOFTWARE CLIENTS: Company will maintain any software clients, as listed on the attached Exhibit(s), on one workstation and test for proper operation. Any additional workstation software client maintenance will be at Company's prevailing rates unless provided for under a separate written agreement. Customer must provide and maintain client workstations that meet the minimum software provider's specification for the maintained application.

EQUIPMENT PASSWORD / CUSTOMER ACCESS: Customer acknowledges that passwords for the system administration and maintenance of maintained equipment will only be provided by Company when Customer is current with payment for Agreement. Customer further acknowledges that the services provided under Agreement shall not extend to software changes performed by other than Company's personnel, and any repairs necessitated by software changes made by other than Company are billable at Company's prevailing rates.

UTILITY SERVICE: Customer acknowledges it is responsible for the payment of all charges to any telephone company for the installation and use of trunk lines, business, and private lines and all special equipment relating to the connection of the equipment with any telephone company and that Company is not responsible for the provision or sufficiency thereof.

LIMITATION OF LIABILITY AND FORCE MAJEURE: Company shall not be liable for any damages or losses sustained by Customer directly or indirectly caused by the equipment nor shall Company be liable for any direct, special, incidental, or consequential damages or losses resulting from any delay in Customer's use or inability to use the equipment or resulting from Company's failure to perform any of the terms of Agreement caused by any event beyond the reasonable control of Company.

ADDITIONAL LIMITATIONS OF LIABILITY AND INDEMNIFICATION: In no event shall Company be liable for any special, incidental, direct or consequential damages, loss or expense (hereinafter "damages") for personal injury, loss, or destruction of property arising from Customer's use of the equipment; nor shall Company be liable for damages resulting from routing and programming errors, and trespass of programming, software, or equipment and modem lines and long distance carrier service. Company makes no express or implied warranty that equipment is immune from or prevents fraudulent intrusion, unauthorized use or disclosure or loss of proprietary information. Certain features of equipment could be improperly used in violation of privacy laws. By ordering equipment with these features or separately ordering such features, Customer assumes all responsibility for assuring their proper and lawful use. Customer agrees to indemnify and hold Company harmless from all claims, suits and actions for damages, including reasonable attorneys' fees, arising out of or in connection with the equipment, the maintenance thereof, and its use, operation and condition.

NON-SOLICITATION: Neither party shall solicit for employment any personnel of the other party who has performed work for or received services from the other party under Agreement during or within twelve (12) months of the performance of such services.

WARRANTY-REMEDY: Company warrants that it will provide services as specified herein and that all parts furnished hereunder will be free of defects in materials and workmanship at the time of installation. In the event of any equipment failure, provided Agreement is still in effect as to the system involved, Company will make all necessary adjustments, repairs, and replacements, subject to the terms and conditions of Agreement, and replace any parts which were installed hereunder and found to be defective as of the time of installation. Company's warranty does not cover failure of network carriers or transmission errors experienced over the Internet or other facilities. Company does not warrant uninterrupted or error free operation of equipment. NO OTHER WARRANTIES, EXPRESSED OR IMPLIED, SHALL APPLY TO SERVICE OR PARTS.

ADDITIONAL TERMS & CONDITIONS: Company accepts no responsibility for Customer's LAN/WAN network and Customer understands that any and all configuration of the data network is the responsibility of Customer. This includes all Quality of Service ("QOS") issues. Agreement does not include any soft IP telephones located at sites other than those sites listed within Agreement. Customer is responsible for all data traffic on the network (including server traffic, network applications, e-mail, etc.). The end responsibility of network applications and performance lies with Customer. Customer is responsible for any and all existing data equipment. All repair or reconfiguration of customer-owned equipment not specifically listed on the attached Exhibit(s) shall be billable at Company's current rates. Company shall not be responsible for Customer's use of remote applications which may impact the performance of any voice application. Customer may need to modify its use of remote applications when utilized in conjunction with a voice application. Customer will assist Company with any issues on customer-owned LAN/WAN and incur any cost associated with getting voice applications to function properly on Customer's LAN.

ACCEPTANCE: Agreement shall not be binding on seller until it is approved in writing by a corporate officer.

GENERAL: Agreement constitutes the entire contract between Company and Customer with respect to service of System and no representation or statement not expressed herein shall be binding on Company.

Customer's Signature

By CM
Signature

Charles Murphy CIO
Name & Title

Approved by Officer, Copper State Communications Inc

By: [Signature]
Signature

Approved as to form: STEVEN SUTTON Pres.
Name & Title

6/18/12
Date

ATTEST:

[Signature]
City Clerk

[Signature]
Craig Tindall

EXHIBIT A

CITY OF GLENDALE
6830 North 57th Drive
Glendale, Arizona 85301

1. This Exhibit describes the equipment and software to be covered by Company under Agreement at the above referenced address and further defines obligations and requirements which shall become part of Agreement.
2. Additional provisions herewith agreed to, supplementing the maintenance agreement are: Maintenance contract is based upon City of Glendale providing basic repair interface to its end users. Maintenance Agreement also covers monthly system monitoring, as equipped. Further, City of Glendale will provide basic repair troubleshooting and resolution. CSC will resolve any repair unresolved by City of Glendale that is covered by this Maintenance Agreement. City of Glendale agrees to provide all troubleshooting and replacement of all station apparatus covered by this agreement. CSC will provide pool stock replacement or repair of defective station apparatus via picking up said defective product at City of Glendale Telecom Department. Cost associated with the pool stock replacement or repair of defective station apparatus is covered by this Maintenance Agreement. Maintenance Agreement is "Switch Only". CSCs repairs are considered complete when problem is resolved at the MDF; no station cabling is included in the Agreement. Protracted isolation, negotiation and repair of PSTN (CenturyLink Telephone Network) are not covered by this Agreement.
3. Equipment Itemization:

Please see attached site and equipment list provided by City of Glendale for locations and equipment covered by this Agreement.

This Exhibit is verified as correct on this 19th day of June, 2012.

Customer's Signature

Approved by Officer, Copper State Communications Inc

By [Signature] 6-19-12
Signature Date
Charles Murphy CIO
Name & Title

By: [Signature] 6/19/12
Signature Date
STEVEN SUTTON Pres
Name & Title

EXHIBIT B

CITY OF GLENDALE
6830 North 57th Drive
Glendale, Arizona 85301

1. Copper State has registered with and will continue to participate in the E-Verify program established by the United States Department of Homeland Security and Social Security Administration or any successor program; that it warrants compliance with all federal immigration laws and understands that any breach of this warranty subjects Copper State to penalties, including termination of this Agreement; and finally, understands that Customer has the right to inspect the papers of Copper State or any of its employees participating in this Maintenance Agreement to ensure compliance with this paragraph.
2. Copper State certifies, to the extent applicable under A.R.S §§ 35-391 *et seq.* and 35-393 *et seq.*, that it does not have "scrutinized" business operations, as defined in the preceding statutory authority, in the countries of Sudan or Iran.
3. All agreements with Customer are subject to cancellation for conflicts of interest under the provision of A.R.S. §38-511.

EXHIBIT C

CITY OF GLENDALE
6830 North 57th Drive
Glendale, Arizona 85301

1. COST OF ADDS, MOVES & CHANGES/MAC SERVICES:

On-site technical service rate is \$95.00/hour with a 1-hour minimum charge and then billable in 15-minutes increments. Remote access is billable at the same rate with a 30-minutes minimum charge and then billable in 15-minutes increments.

2. The terms of this agreement will be complied with in conjunction with the terms, conditions and specific responses to RFP 12-28 for the, up to 5-years, term of the agreement.

5.0

PRICE SHEET

SERVICES		COST	
Provide Initial Year Maintenance Cost Based on Equipment Listed in the RFP.		\$ 65,186.00	
Services	Est. Annual Number of hrs per Service	Hourly Rate Per Service (On Site)	Hourly Rate Per Service (Remote)
Moves, adds and changes	120 hours	\$ 95.00/hour	\$ 47.50
Minimum Charge (remote access & on-site)	N/A	\$ 95.00 1-hour	\$ 47.50 30-mins.
Remote Access, moves, adds and changes AMC/MAC	60 hours	\$ 95.00 1-hour	\$ 47.50 30-mins.
Normal Business Hours (8-5, M-F)	200 hours	\$ 95.00	\$ 47.50 30-mins.
Overtime (Evening and Weekends)	30 hours	\$ 142.50	\$ 71.25 30-mins.
Holidays	20 hours	\$ 190.00	\$ 95.00 30-mins.
Telecom. Data	N/A	\$ 140.00	\$ 70.00 30-mins.
Services	Est. Annual Number of Hours per Service	Hourly Rate Per Service (On Site)	Hourly Rate Per Service
Trip Charge	20 hours	\$ n/a	\$
Project Mgr	N/A	\$ 80.00	\$
Trainer	N/A	\$ 80.00	\$
Consultation/Engineering/Design	N/A	\$ No charge	\$

5.0 PRICE SHEET (Continued)

Additional Pricing																	
<p>Provide percent discount off Avaya MSRP for any Avaya parts, software and services; are all Nortel price book items eligible, If not, describe What categories are not eligible for discount?</p> <p>The percentage off the Avaya list price varies by product family and service offering.</p> <p>Avaya "Heritage" products are those which were previously sold under the name</p> <p>Nortel. Avaya Enterprise and Heritage products have different discounts and services</p> <p>have a different discount level. Pricing discounts are provided to the right.</p>	<table> <tr> <td>Avaya Heritage</td> <td></td> </tr> <tr> <td>Parts</td> <td>34%</td> </tr> <tr> <td>Support</td> <td>4%</td> </tr> <tr> <td>IP Office</td> <td>34%</td> </tr> <tr> <td>Avaya Enterprise</td> <td>%</td> </tr> <tr> <td>Parts</td> <td>36%</td> </tr> <tr> <td>Support</td> <td>4%</td> </tr> <tr> <td>*PASS</td> <td>0%</td> </tr> </table>	Avaya Heritage		Parts	34%	Support	4%	IP Office	34%	Avaya Enterprise	%	Parts	36%	Support	4%	*PASS	0%
Avaya Heritage																	
Parts	34%																
Support	4%																
IP Office	34%																
Avaya Enterprise	%																
Parts	36%																
Support	4%																
*PASS	0%																
<p>Specify price book or catalog discount is being taken from:</p> <p>Avaya publishes a List Price catalog for all their hardware, software and managed services offerings. This list is available to you from an authorized Avaya dealer and</p> <p>we will provide one upon your request.</p>	%																
<p>*Avaya PASS Services are NOT discountable from Avaya List Price</p>																	
<p>Initial Year Maintenance Cost</p>	<p>\$ 65,186.00</p>																

**RFP Response Special Terms and Conditions
Paragraph 2.4**

To provide the City of Glendale, and other S.A.V.E. members, with the most comprehensive and beneficial telecommunications contract, Copper State Communications is including the following additional items. These items and labor rates are offered in addition to the Avaya products and support requested in the RFP.

ShoreTel Voice Over IP unified communication solutions at the following price structure:
 ShoreTel Hardware and Software: 23% off MSRP
 ShoreTel Support/Services: 9% off MSRP
 Technical Labor Rate: Same as Avaya Price Sheet

Voice & Data Cable/Fiber Optic Infrastructure components and labor services:
 AllenTel
 Chatsworth racks, ladders and cabinets
 Hubbell
 Leviton
 Miscellaneous Installation Components
 Panduit

Cable component pricing is a "Fixed Price" format and will be updated periodically during the term of the contract based on current cost variances. For submittal purposes, a separate cable component price sheet is attached to the "Original" response and included on the response CD.
 Cable Labor Rate \$ 60.00/hour - regular hours
 \$ 90.00/hour - over-time hours



Purchase Order

COPY

Dispatch via Print

City of Glendale, Arizona
MATERIALS MANAGEMENT
5850 WEST GLENDALE AVENUE, SUITE 330
Glendale AZ 85301-2563
United States

Vendor: 0000005741
COPPER STATE COMMUNICATIONS INC.
2820 N 36TH AVE
PHOENIX AZ 85009

Purchase Order	Date	Revision	Page
COGA2-0000019453	07/25/2012		1
Payment Terms	Freight Terms	Ship Via	
Net 30	Destination	Standard	
Buyer	Phone	Currency	
Robert Schoepe	623/930-2866	USD	
Ship To:	INFO TECH INFORMATION TECHNOLOGY 6830 N. 57TH DRIVE GLENDALE AZ 85301 United States		
Bill To:	INFORMATION TECHNOLOGY 6830 N. 57TH DRIVE GLENDALE AZ 85301 United States		

Line-Sch	Item/Description	Mfg ID	Quantity UOM	PO Price	Extended Amt	Due Date
1- 1	Telephone HW & SW Maintenance 07/01/12 thru 06/30/2013 Attn: Maria Villasano		1.00 EA	65,186.00	65,186.00	07/27/2012
Schedule Total					<u>65,186.00</u>	
Item Total					<u>65,186.00</u>	
2- 1	Avaya Partner Assurance Support Services PASS Attn: Maria Villasano		1.00 EA	22,099.00	22,099.00	07/27/2012
Schedule Total					<u>22,099.00</u>	
Item Total					<u>22,099.00</u>	

COOP AWARD TERM PURCHASE ORDER INFORMATION

ORDERING --- Material or service is to be supplied on an "as needed" basis, as per award # 11D-CSC-0722 with Mohave. Verbal releases will be made against this purchase order number by the following department or individual(s): Maria Villasano.

GENERAL TERMS & CONDITIONS --- Applicable terms & conditions to this purchase order are as incorporated under the cooperative contract award referenced in this order.

BILLING --- A statement, referencing the purchase order number, is to be submitted monthly, and sent to the "Bill To" address above.

The monthly statement must have the following supporting documents attached:
Signed and dated and priced individual invoices, and delivery or pickup receipts for the items delivered or services provided during the billing period.

FOR INTERNAL USE ONLY: RECEIVING AUTHORIZATION

Final Payment Yes No

Department Payment Authorization Maria Villasano 2483 9/17/12 Date

Receiving Department M. Elyarraran 15067 Emp# 9/17/12 Date

For further information call Victoria Jackson, Contract Analyst, at (623) 930-2867. Purchase Requisition # 6956 requisitioner Maria Villasano account # 1100-11520-514600.

Invoices 3046821 in the amount of \$65,186.00 & 3045283 in the amount of \$22,099.00.

ORDERING --- Material and service is to be supplied per CONTRACT # MOHAVE 11D-CSC-0722 approval CC 06/26/2012.

PAYMENT TERMS - Unless otherwise stated, payment terms of NET 30 DAYS shall be applied by the City. Payment terms to apply after receipt of invoice or final acceptance of the product/service, whichever is later.

Authorized Signature

page 1 of 2



Purchase Order

Dispatch via Print

City of Glendale, Arizona
 MATERIALS MANAGEMENT
 5850 WEST GLENDALE AVENUE, SUITE 330
 Glendale AZ 85301-2563
 United States

Vendor: 0000005741
 COPPER STATE COMMUNICATIONS, INC.
 2820 N 36TH AVE
 PHOENIX AZ 85009

Purchase Order	Date	Revision	Page
COGAZ-0000019453	07/25/2012		2
Payment Terms	Freight Terms	Ship Via	
Net 30	Destination	Standard	
Buyer	Phone	Currency	
Robert Schoeppe	623/930-2866	USD	

Ship To: INFO TECH
 INFORMATION TECHNOLOGY
 6830 N. 57TH DRIVE
 GLENDALE AZ 85301
 United States

Bill To: INFORMATION TECHNOLOGY
 6830 N. 57TH DRIVE
 GLENDALE AZ 85301
 United States

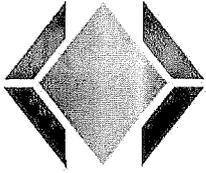
Tax Exempt? N	Tax Exempt ID:	Replenishment Option: Standard			
Line-Sch	Item/Description	Mfg ID	Quantity UOM	PO Price	Extended Amt Due Date

GENERAL TERMS & CONDITIONS - Applicable terms & conditions to this purchase order are available for review and downloading at the city of Glendale's Internet page, www.glendaleaz.com/purchasing.

Total PO Amount 87,285.00

Authorized Signature

Page 2 of 2



Copper State Communications

P.O. Box 27287
Tucson, Arizona 85726
www.copper-state.com

Contract Invoice 3046821

Customer P.O.: C-8103
Contract Number: 34122
Account ID : P25076
Phone # : (623) 930-2886
Invoice Date: 07/02/2012
Terms: Net 30

Tucson (520) 795-1877 Phoenix (602) 272-2800 Flagstaff (928) 774-8733
For information regarding this invoice : accounting@copper-state.com

Bill To

City of Glendale - Information Technologies
6830 N. 57th Drive

Glendale, AZ 85301

Ship To

City of Glendale - Information Technolog
6830 N. 57th Drive
Glendale, AZ 85301

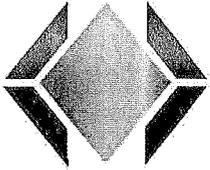
Rep	Contract Start Date	Contract Expiration Date		Type
Bart Corbett	07/01/2012	06/30/2013	Bart Corbett	3) Service Agreement

Invoice Period: 07/01/2012 Through 06/30/2013

Item Description	Quantity	Unit Price	Total
Annual maintenance charges.	1.00	\$65,186.00	\$ 65,186.00

Labor	Material	Other	SubTotal	Tax	Total
\$ 0.00	\$ 0.00	\$65,186.00	\$65,186.00	\$0.00	\$65,186.00

Remit to: Copper State Communications, Inc. - P.O.Box 27287 - Tucson, AZ - 85726
To guarantee proper posting of your payment, please reference the invoice number on your check.
Commercial Lic. # 084382L-67 - Residential Lic.# 110535C-12 - ROC # 187332-L05
Invoices not paid within terms as specified above may be assessed late fees at a rate of 1.5% per month



Copper State Communications

P.O. Box 27287
Tucson, Arizona 85726
www.copper-state.com

Invoice 3045283

Customer P.O.:
Service Order: 335190
Account ID: P25076
Phone #: (623) 930-2886
Invoice Date: 07/02/2012
Terms: Net 30

Tucson (520) 795-1877 Phoenix (602) 272-2800 Flagstaff (928) 774-8733
For information regarding this invoice : accounting@copper-state.com

Bill To

City of Glendale - Information Technologies
6830 N. 57th Drive
Glendale, AZ 85301

Ship To

City of Glendale - Information Technolog
6830 N. 57th Drive
Glendale, AZ 85301

Account Rep

Bart Corbett

Type

Maint Cont

Work Requested:

Invoice Period 07/01/2012 Through 6/30/2013

Avaya Partner Assurance Support Services (PASS) Program

Item Description			Quantity	Unit Price	Total
Contract maintenance charges.			1.00	\$22,099.00	\$ 22,099.00
Labor	Material	Other	SubTotal	Tax	Total
\$ 0.00	\$ 0.00	\$ 22,099.00	\$ 22,099.00	\$ 0.00	\$22,099.00

Need IT help? Want to save money? How about Copper State Communications Managed Services?
Visit www.copper-state.com/managed

Remit to: Copper State Communications, Inc. - P.O. Box 27287 - Tucson, AZ - 85726
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Invoices not paid within terms as specified above may be assessed late fees at a rate of 1.5% per month

This Statement of Work (SOW) is made and entered into between Copper State Communications, with offices at 1919 S. Country Club Rd., Tucson, Arizona, 85713 (Copper State) and "City of Glendale" (Customer), with its facility located at "6835 N. 57th Drive Glendale, AZ 85301" as of the date last written below ("Effective Date").

This SOW is governed by, incorporated into, and made part of the **Copper State Communications Purchase and Installation Agreement** (Agreement) between Copper State and Customer. This SOW defines the services and deliverables that Copper State shall provide to Customer under the terms of the Agreement. The terms of this SOW are limited to the scope of this SOW, activities not expressly included in this SOW are to be considered outside this SOW.

Customer also understands that by signing this document Customer acknowledges that in the event an issue is discovered which adversely affects the performance of the system which Copper State or its partners determine is related to customer's network or network infrastructure including third party issues such as Telco, network configuration, network design, network equipment and cabling. Customer may be charged an hourly rate as set forth in Copper State's then current price list for professional services required to remedy the problem.

In the event of a system impacting problem, resolution of the problem may require Copper State to perform network or network infrastructure modifications or upgrades which the customer will be responsible for any and all additional costs. All support and maintenance performed by Copper State will be billable on a time and materials basis at an hourly rate set forth in Copper State's then current price list. I am also aware that there is no guaranteed response time associated with this time and materials service.

This SOW consists of this signature page and the following Exhibits and Appendices which are incorporated in this SOW by this reference:

1. Exhibit 1 - Project Scope, Pricing and Responsibilities of the Parties
2. Exhibit 2 - Standard SOW Terms
3. Appendix A – Change Request
4. Appendix B – Additional Customer Location Sheet

IN WITNESS WHEREOF, the duly authorized representatives of the parties hereto have caused this SOW to be duly executed.

COPPER STATE COMMUNICATIONS

"City of Glendale"

BY: _____

BY: _____

NAME: _____

NAME: _____

TITLE: _____

TITLE: _____

DATE: _____

DATE: _____

EXHIBIT 1

PROJECT SCOPE AND RESPONSIBILITIES OF THE PARTIES

1.0 PROJECT SCOPE:

1.1 Definitions: Standard Definitions are provided in Section 1 of Exhibit 2. Definitions specific to the Services provided herein are as follows:

1.1.1 “Systems” or the CSC provided equipment consisting of equipment on Schedule A of the purchase and Installation agreement.

1.1.2 “Data System Configuration” – the infrastructure switches, routers, VPN Gateways, protocols, routing & feature configurations which allow voice & data transport on the proposed infrastructure.

1.1.3 “Voice Layout” - the process of interviewing and collecting customer telephony requirements.

1.1.4 “Fabrication” – the process of infrastructure build and burn-in.

1.1.5 “Implementation” - the installation & testing of the infrastructure and solution components.

1.1.6 “Cutover” - the process of moving from the existing infrastructure to the proposed infrastructure supporting a production user community.

1.1.7 “Training” – the process of training a defined user community on the use of new telephony instruments, voicemail and basic administrative tasks.

1.2 Services:

1.2.1 Copper State shall provide Services for the implementation of the Systems at the Customer site(s) and equipment listed in Exhibit A of the Purchase and Installation Agreement. As described in Section 2 Responsibilities of the Parties, Services shall include:

- **Project Management.**
- **Voice Layout**
- **Data System Configuration**
- **Fabrication**
- **Implementation**
- **Cutover**
- **Training**

This SOW does not cover additional services such as network audit & network security.

1.3 Deliverables:

Upon completion of the implementation Copper State shall provide the as built configuration documentation (electronic copy) to the Customer.

1.4 Project Schedule:

Once approved by Council, City and Copper State will develop a mutually acceptable implementation schedule.

Task	Start Date	End Date
Award Of Contract	TBD	
Project Kickoff Meeting to launch the project.	TBD	
Equipment Ordering	TBD	
Voice Layout	TBD	
Database Sign Off	TBD	
Infrastructure Equipment Fabrication	TBD	
Communication to City staff of impending migration	TBD	
Database Upload	TBD	
Data Infrastructure Install	TBD	
Voice Infrastructure Install	TBD	
Infrastructure Cutover	TBD	
Train the Trainer by CSC Project Manager	TBD	
City Trainer coordinates training process with City staff	TBD	
Post Cutover Helpdesk	TBD	
System Acceptance	TBD	

Schedule dates are estimates only

1.5 Primary Contacts: Unless specified otherwise in writing, the primary contacts for Customer and Copper State shall be:

Customer Contact:	<u>Linda Colantro</u>	Copper State Contact:	<u>Matt Wilson</u>
Telephone Number:	<u>623-930-2113</u>	Telephone Number:	<u>602-455-3243</u>
Facsimile Number:	<u>623-939-8113</u>	Facsimile Number:	<u>602-272-2828</u>
E-mail address:	<u>lcolantro@glendaleaz.com</u>	E-mail address:	<u>mawilson@copper-state.com</u>

2.0 RESPONSIBILITIES OF THE PARTIES.

2.1 Project Management:

2.1.1 Copper State Responsibilities:

- 1.) Provide a single point of contact ("Copper State Project Manager") for all issues relating to the Implementation Services. Such person shall be identified in Section 1.5 and shall be available during Normal Business Hours & Scheduled Project Hours outside of the business day.
- 2.) Designate a backup contact when the Copper State Project Manager is not available. The backup is can be reached at or @copper-state.com
- 3.) Maintain Current (Proposed) Project Plan.
- 4.) Manage escalation procedures & process with Manufacturer.
- 5.) Participate in regularly scheduled meetings with the Customer to discuss the status of the Implementation.
- 6.) Review floor plans and facilities documentation received from Customer.
- 7.) Ensure Copper State employees and any subcontractors conform to Customer's reasonable workplace policies, conditions and safety regulations that are consistent with Copper State's obligations herein and that are provided to Copper State in writing prior to commencement of the Services; provided, however, that Copper State's personnel or subcontractors shall not be required to sign individual agreements with Customer or waive any personal rights.

2.1.2 Customer Responsibilities:

- 1.) Designate a single point of contact to whom all Copper State communications may be addressed and who has authority to act on all aspects of the Services. Such primary contact shall be identified in Section 1.5 and shall be available during Normal Business Hours & Scheduled project hours outside of the business day.
- 2.) Designate a back per site up when the Customer contact is not available who has the authority to act on all aspects of the Services in the absence of the primary contact.
- 3.) Unless otherwise agreed to by the parties, provide information and documentation required by Copper State within two (2) business days of Copper State's request.
- 4.) Notify Copper State of any hardware and/or software upgrades or any other changes within the Customer's Network at least thirty (30) business days prior to the upgrade.
- 5.) Notify Copper State of any Installation scheduling change at least seventy-two (72) hours prior to the originally scheduled installation date. Scheduling changes and/or cancellations made after this 72-hour window may be subject to Copper State's then current cancellation penalty charge.
- 6.) Provide Customer Site building layouts, including the floor plans, location of cables, power sources intermediate distribution frames, main distribution frames and demarcation points.
- 7.) Supply the workplace policies, conditions and environment in effect at the Customer Site. Implementation.
- 8.) Customer must adhere to the equipment manufacturer's published power and environmental specifications and conform to all local electrical code requirements, Customer will provide power to purchased equipment via an adequate number of circuits provisioned according to the equipment manufacturer's specifications, customer will assume responsibility for the cost to supply and install any infrastructure required to accommodate.
- 9.) The area in front of the servers, routers, and switches should remain clear and unobstructed for a distance of (2) two feet.
- 10.) Servers, routers, and switches should be located in a physically securable area.
- 11.) Servers, routers, switches, and any other rack mountable equipment should be mounted in a rack at a minimum of 3 ft. and a maximum of 6 ft. above floor level.
- 12.) Extend all required network demarcation points to within five (5) feet of the equipment that is to be installed.

- 13.) Extend proper electrical power to within five (5) feet of the equipment to be installed
- 14.) This implementation assumes the customer is running IP only on the network. IPX, SNA, and other protocols will not be included in any configuration.
- 15.) The customer is responsible to provide all required rack space. Any required rearranging or removing existing equipment to provide rack space will be the responsibility of the customer.
- 16.) IP Data and IP Voice will be converged onto the same cabling infrastructure
- 17.) The environment of the intended installation point of the equipment must be free of:
 - Moisture (Both humidity and standing water)
 - Large Particulate Matter
 - Any Sized Airborne Particulate Matter
 - Excessive Temperatures
- 18.) Any building alterations necessary to meet wiring and other site requirements.
- 19.) Environmental modifications as required for the hardware.
- 20.) Customer acknowledges that while Copper State maintains overall responsibility for the management and delivery of the services requested, Copper State may utilize an authorized subcontractor(s) to perform some or all of the specific services defined herein.
- 21.) Copper State shall not be responsible for any delays in the implementation of the proposed equipment that result from incomplete or inaccurate information supplied by customer, faulty cabling or site access restrictions.
- 22.) In the event a UPS (uninterruptable power supply) is not provided, Copper State shall not be responsible for any damages directly or indirectly related to power related problems.

2.2 Voice Layout:

2.2.1 Copper State Responsibilities:

- 1.) Copper State will provide personnel to review dialing patterns on both the ShoreTel and Avaya systems.
- 2.) Information collected includes Dialing Plan, VM boxes and ring-no-answer, busy destinations for each mailbox user and message waiting key configuration.
- 3.) Download all current "large" AA recordings from Call Pilot

2.2.2 Customer Responsibilities

- 1.) Ensuring availability to participate in layout process.
- 2.) Identifying areas and personnel to participate in layout process.
- 3.) Provide written scripts and voice recordings for all auto attendant menus and information mailboxes that will be changed from current AA recordings and information mailboxes that reside on the Avaya Call Pilot.
- 4.) Identify auto attendant menus, schedules as required

2.7 Data System Configuration:

2.7.1: Copper State Responsibilities:

1. None

2.7.2: Customer Responsibilities:

- 1.) Will provide Copper State all static IP addresses for the new system, servers and pc's with telephony applications being implemented on the networks.
- 2.) Customer is responsible for all data traffic on the network (including server traffic, network applications, email, etc.). The end responsibility of network applications will lie with the customer.
- 3.) Customer will provide assistance in trouble shooting any potential issues within their LAN/WAN and will bear any costs associated exclusive of any Copper State provided equipment.
- 4.) Customer will also need to enable QOS and prioritize voice traffic on this existing network equipment including all switches and routers if applicable. Copper State will send all voice traffic out with an expedited forwarding Diffserv Code point of 40 or 46 depending on system type
- 5.) Provide Network and Systems Administrators on an as needed basis for solution integration. These resources need to be available during all implementation, design and planning phases.
- 6.) Customer is responsible for ensuring Power over Ethernet infrastructure in place or have ordered power adaptors to power IP telephones.

- 7.) With proper authorization from the customer, vendor is to understand in the event that an issue is discovered which adversely affects the performance of the ShoreTel System which Copper State determines is related to the customer's network or network infrastructure including Telco, network configuration, network design and cabling. Customer may be charged at Copper State's then prevailing rates to remedy the problem.
- 8.) With proper authorization from the customer the customer may have a network assessment done for a fee. If customer chooses to waive a network assessment then the customer understands that if necessary Copper State may perform an assessment to aid in diagnosing a problem on the network and would then bill customer at current prevailing rates for this service.
- 9.) It is the Customer's responsibility to make sure that both the Customers Legacy Network LAN and WAN infrastructure will meet and support VoIP specifications that provide acceptable VoIP quality. **Network reconfiguration and/or upgrades of the data network (including LAN/WAN hardware/software) are the responsibility of the Customer and are outside this SOW. Below are Listed some things that are required to assure a successful deployment.**
 - Switched media (no hubs)
 - Non-Blocking Ethernet switch architecture
 - Minimum 100MB Ethernet LAN (no Token Ring)
 - Category 5E or better cabling for all telephone stations
 - Adequate bandwidth to support voice, video and data traffic volume demands over the network. Each VoIP call can consume approximately 96Kbps of bandwidth.
 - Low delay to ensure a good quality voice conversation (< 125ms is recommended)
 - Minimal packet loss must be three (3)% or less between endpoints to ensure parts of a conversation are not distorted or lost, especially during bursty data traffic flows.
 - Low jitter (less than 20ms) to ensure that the next IP packet can be played at the destination CODEC without requiring large jitter buffers.
 - Separate VLAN for voice traffic is strongly recommended
 - Quality of Service (QoS) throughout the VoIP path by placing only voice in the highest priority queue to ensure voice gets the bandwidth and latency required for effective voice communication is strongly recommended.

2.8: Fabrication:

2.8.1: Copper State Responsibilities:

- 1.) Build and load the distributed voice server software on VM servers that currently reside at the City Site.
- 2.) Load all new ShoreTel Licensing on existing HQ server
- 3.) Build database import files for ShoreTel VM users
- 4.) Convert all Current "large" AA greetings into ShoreTel required format.
- 5.) Provide customer with written instructions on conversion process

2.8.2: Customer Responsibilities

- 1.) Provide two additional VM Ware servers for loading up of two additional distributed voice server on the ShoreTel system.
- 1.) Build database import files for ShoreTel VM users
- 2.) Build all AA with options in excel format for implementation
- 3.) Work with Copper state to test conversion instructions

2.9: Implementation:

2.9.1: Copper State Responsibilities:

- 1.) Load Database import file for ShoreTel System as built in fabrication.
- 2.) Train existing City of Glendale Voice Administrator in the conversion process

2.9.2: Customer Responsibilities:

- 1.) Copper State will coordinate equipment delivery with Customer based on a mutually agreed delivery schedule. Customer should be aware that equipment may be delivered to the site in stages, and Customer is responsible for equipment once it is delivered to the site.

- 2.) Customer will test the conversion process and provide acceptance to Copper State for the process.
- 3.) Build all AA with options within the ShoreTel system
- 4.) Upload all converted greetings to newly built AA within ShoreTel

2.10: Cutover:

2.10.1: Copper State Responsibilities:

- 1.) Migration schedules will be set based on input from COG Voice Administrator with a maximum of 300 mail boxes moved per business day
- 2.) Change user Profiles on ShoreTel
- 3.) Change hunt and fdn on Avaya system users
- 4.) Change MSG Waiting key on Avaya extensions
- 5.) Repoint CDP and ACD DN's as needed on the Avaya system.
- 6.) Test call routing from ShoreTel to Avaya and Avaya to ShoreTel and ensure forwarding to mailbox is correct.
- 7.) Point DID to AA menus as needed and test.
- 8.) Provide cutover team consisting of engineers, & Project Management.
- 9.) Copper State will also provide post cut support including a help desk and trained personnel for up to 8 hours the day after entire conversion is complete.

2.10.2: Customer Responsibilities:

- 1.) Identify at-least one customer individual to be available during cutover if needed.
- 2.) COG Voice administrator will assist with cutover and VM box conversions
- 3.) Issues and problems will be reported to the customer Single Point of Contact for resolution or transfer to Copper State

2.11: Training:

2.11.1: Copper State Responsibilities:

- 1.) Copper State will provide a soft copy of a voice mail end user training guides to city personnel to train end users.

2.11.2: Customer Responsibilities:

- 1.) Train all users on setup and use of new ShoreTel VM system.

EXHIBIT 2

STANDARD SOW TERMS

STANDARD DEFINITIONS.

- 1.1 **“Customer Site(s)” or “Site(s)”** - the physical site(s) designated by the Customer (other than Copper State sites) where the Services may be performed.
- 1.2 **“Deliverable”** - all documentation, whether in hard copy or electronic form, such as analyses, reports, manuals, test results, or any other item other than Product provided by one party to the other pursuant to the terms of this SOW.
- 1.3 **“Professional Services”** - the activities specified in this SOW such as project management, Voice & Data design, Voice & Data configuration, Fabrication, Implementation, Cutover, and Training performed by Copper State.
- 1.4 **“Installation”** - the physical activity required to place a Product into a Customer Site.
- 1.5 **“Network”** - a connection of Products and other equipment and devices that communicate with each other.
- 1.6 **“Normal Business Hours”** - the hours of Monday through Friday 8:00am to 5:00pm local time, excluding any Copper State observed holidays. A list of Copper State observed holidays will be provided upon request.
- 1.8 **“Product(s)”** means hardware and/or software in connection with which Services are being provided herein.
- 1.9 **“Project Plan”** - a plan documenting all aspects of the Services.
- 1.10 **“Professional Services” or “Services”** - the services provided by Copper State to Customer under this SOW.
- 1.11 **“Site Survey”** - an assessment by Copper State of the readiness of the Customer Site for the Implementation of the Product as further defined below.
- 1.12 **“Staging”** - the assembly and software loading of Product prior to Installation at Customer Site.

2.0 SERVICES:

- 2.1 Copper State shall provide Professional Services to Customer as set forth in Exhibit 1.

3.0 COMPLETION.

Upon completion Copper State will notify the customer of completion by providing a delivery and acceptance certificate. In order to refuse acceptance of the Services performed, Customer must provide Copper State with full details that show that Services do not conform to the SOW. Copper State shall address such non-conformance in a timely manner. Copper State shall compile an action plan to correct any deficiencies and the process for acceptance detailed herein shall be repeated until such time as all deficiencies have been resolved and the Services meet the requirements of the SOW. Acceptance may not be withheld due to defects in Services that do not represent a material non-conformance with the requirements of the SOW.

4.0 **ASSUMPTIONS.**

The following assumptions together with those detailed elsewhere were made to create this Statement of Work. Should any of these assumptions prove to be incorrect or incomplete then Copper State may modify the price, scope of work or Milestones. Any such modifications shall be managed by the Change Management Procedure set forth in Section 5.

- 4.1 Where applicable, Customer's Site shall be ready prior to the date scheduled for Copper State to perform the Services. Costs associated with Customer's failure to (1) make the Customer Site ready (as determined by Copper State); or (2) meet any of the other responsibilities specified in this SOW shall be billed at Copper State 's then-current time. Any additional costs incurred by Customer as a result of delays shall be the sole responsibility of the Customer.
- 4.2 Unless specified otherwise in this SOW, Services shall be performed during Normal Business Hours. Customer is responsible for any additional labor costs associated with Services performed outside Normal Business Hours which are above and beyond the scope of this SOW.
- 4.3 This SOW defines exclusively the scope of the Services that Copper State shall provide to the Customer. This SOW shall not apply to any purchase, support or maintenance of the Product, the terms of which will be agreed upon under a separate agreement.
- 4.5 Any acceptance tests conducted in respect of the Services detailed in this SOW shall apply only to the Services detailed herein and shall not constitute acceptance or rejection of any Product purchased or licensed separately by Customer.
- 4.6 Copper State shall have a lead-time of up to 30 days from acceptance of Customer's purchase order to begin Services.
- 4.7 Copper State will require a schedule extension of up to 30 days for any personnel change requests made by Customer.
- 4.8 Union labor is not required.
- 4.9 **Services not covered under this SOW:**
 - 4.9.1 Support or replacement of Product that is altered, modified, mishandled, destroyed or damaged by natural causes or damaged due to a negligent or willful act or omission by Customer or a third party or use by Customer or a third party other than as specified in the applicable manufacture-supplied documentation.
 - 4.9.2 Copper State Services to resolve software or hardware problems resulting from third party equipment or services beyond the scope of this SOW.
 - 4.9.4 Any hardware upgrade required to run new or updated software.
 - 4.9.5 Activities not expressly included in the SOW are outside the scope of this SOW.

5.0 CHANGE MANAGEMENT PROCEDURES.

- 5.1 It may become necessary to amend this SOW for reasons including, but not limited to, the following:
 - 5.1.1 Customer's changes to the scope of work and/or specifications for the Services,
 - 5.1.2 Customer's changes to the Project Plan,
 - 5.1.3 Unavailability of resources which are beyond either party's control; and/or,
 - 5.1.4 Environmental or architectural conditions not previously identified.

- 5.2 In the event either party desires to change this SOW, the following procedures shall apply:
 - 5.2.1 The party requesting the change will deliver a "Change Request" (attached as Appendix A) to the other party. The Change Request will describe the nature of the change, the reason for the change, and the effect the change will have on the scope of work, which may include changes to the Deliverables and/or the schedule.
 - 5.2.2 A Change Request may be initiated either by the Customer or by Copper State for any changes to the SOW. The Project Manager of the requesting party will review the proposed change with his/her counterpart. The parties will evaluate the Change Request and negotiate in good faith the changes to the Services and the additional charges, if any, required to implement the Change Request. If both parties agree to implement the Change Request, the appropriate authorized representatives of the parties will sign the Change Request, indicating the acceptance of the changes by the parties.
 - 5.2.3 Upon execution of the Change Request, said Change Request will be incorporated into, and made a part of, this SOW.
 - 5.2.4 Copper State is under no obligation to proceed with the Change Request until such time as the Change Request has been agreed upon by both parties.

- 5.3 Whenever there is a conflict between the terms and conditions set forth in a fully executed Change Request and those set forth in the original SOW, or previous fully executed Change Request, the terms and conditions of the most recent fully executed Change Request shall prevail.

**APPENDIX A
CHANGE REQUEST**

In reference to the Section titled Change Management Procedures of the above referenced Statement of Work between Copper State Communications ("Copper State") and **City of Glendale**, ("City of Glendale"), both parties hereby certify, by the signature of an authorized representative, that this Change Management Request will amend and be fully incorporated into the existing Statement of Work (SOW).

1. **Change Request Number:**

2. **Reason for Change Request:**

3. **Changes to SOW:**

4. **Schedule Impact:**

5. **Cost Impact:**

<i>SOW/Change Request</i>	Services/Product	T&E	Total
a.			
b.			
c.			

6. **Purchase Order Issuance (if applicable):** Customer shall issue a written Purchase Order to Copper State, or shall issue an amendment to its original Purchase Order issued under this SOW, for the total amount of **\$0.00**, or shall deposit additional funds as requested by Copper State.

Except as changed herein, all terms and conditions of the SOW remain in full force and effect.

IN WITNESS WHEREOF, the duly authorized representatives of the parties hereto have caused this Change Management Request to be fully executed.

COPPER STATE COMMUNICATIONS

Customer: City of Glendale

BY: _____

BY: _____

NAME: _____

NAME: _____

TITLE: _____

TITLE: _____

DATE: _____

DATE: _____

This Statement of Work (SOW) is made and entered into between Copper State Communications, with offices at 1919 S. Country Club Rd., Tucson, Arizona, 85713 (Copper State) and CITY OF GLENDALE, with its facility located at 6835 N. 57th Drive, Glendale, AZ 85301 as of the date last written below ("Effective Date").

BCM to ShoreTel Migration Projects. Generally applicable to each site project with potential minor changes on a per site basis depending on specific site requirements.

This SOW is governed by, incorporated into, and made part of the **Copper State Communications Purchase and Installation Agreement** (Agreement) between Copper State and CITY OF GLENDALE. This SOW defines the services and deliverables that Copper State shall provide to CITY OF GLENDALE under the terms of the Agreement. The terms of this SOW are limited to the scope of this SOW; activities not expressly included in this SOW are to be considered outside this SOW.

Customer also understands that by signing this document, customer acknowledges that in the event an issue is discovered which adversely affects the performance of the system which Copper State or its partners determine is related to CITY OF GLENDALE's network or network infrastructure including third party issues such as Telco, network configuration, network design, and network equipment and cabling. CITY OF GLENDALE may be charged an hourly rate as set forth in Copper State's then current price list for professional services required to remedy the problem.

In the event of a system impacting problem, resolution of the problem may require Copper State to perform network or network infrastructure modifications or upgrades which the CITY OF GLENDALE will be responsible for any and all additional costs. All support and maintenance performed by Copper State will be billable on a time and materials basis at an hourly rate set forth in Copper State's then current price list. I am also aware that there is no guaranteed response time associated with this time and materials service.

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IN WITNESS WHEREOF, the duly authorized representatives of the parties hereto have caused this SOW to be duly executed.

COPPER STATE COMMUNICATIONS

CITY OF GLENDALE

BY: _____

BY: _____

NAME: _____

NAME: _____

TITLE: _____

TITLE: _____

DATE: _____

DATE: _____

EXHIBIT 1

PROJECT SCOPE AND RESPONSIBILITIES OF THE PARTIES

1.0 PROJECT SCOPE:

1.1 Definitions: Standard Definitions are provided in Section 1 of Exhibit 2. Definitions specific to the Services provided herein are as follows:

1.1.1 “Systems” or the CSC provided equipment consisting of equipment on Schedule A of the purchase and Installation agreement.

1.1.2 “Voice System Configuration” –Phone system, gateways, phones, voice QoS, route plan, dial plan, voicemail, automatic call distribution and feature configuration information which enables call processing.

1.1.3 “Data Network Configuration” – the infrastructure switches, routers, VPN Gateways, protocols, routing & feature configurations which allow voice & data transport on the proposed infrastructure.

1.1.4 “Voice Layout” - the process of interviewing and collecting CITY OF GLENDALE telephony requirements.

1.1.5 “Voice Design” - the creation and documentation of the telephony database

1.1.6 “Data Layout” – the process of interviewing and collecting information technology staff’s requirements for soft configuration of the infrastructure.

1.1.7 “Data Design” – the creation and documentation of the infrastructure components configurations necessary to support the solution.

1.1.8 “Fabrication” – the process of infrastructure builds and burn-in.

1.1.9 “Implementation” - the installation & testing of the infrastructure and solution components.

1.1.10 “Cutover” - the process of moving from the existing infrastructure to the proposed infrastructure supporting a production user community.

1.1.11 “Site Survey” - the process of discovering the location for placement of proposed infrastructure equipment. Communicating to CITY OF GLENDALE additional facilities requirements to support the proposed infrastructure (ex. Power, Environmental, etc.)

1.1.12 “Training” – the process of training a defined user community on the use of new telephony instruments, voicemail and basic administrative tasks.

1.2 Services:

1.2.1 Copper State shall provide Services for the implementation of the Systems at the CITY OF GLENDALE site(s) and equipment listed in Exhibit A of the Purchase and Installation Agreement. As described in Section 2 Responsibilities of the Parties, Services shall include:

- **Project Management.**
- **Site Survey**
- **Voice Layout**
- **Voice Design**
- **Data Layout**
- **Data Design**
- **Voice System Configuration**
- **Data System Configuration**
- **On-Site Staging**
- **Fabrication**
- **Installation**
- **Training**
- **Cutover**
- **Post Cutover Help Desk**
- **Post Cutover, Onsite problem response team**

This SOW does not cover additional services such as network audit & network security.

1.3 Deliverables:

Upon completion of the implementation Copper State shall provide the as built configuration documentation (electronic copy) to the CITY OF GLENDALE.

1.4 Project Schedule:

Once approved by Council, City and Copper State will develop a mutually acceptable implementation schedule.

Task	Start Date	End Date
Award Of Contract	TBD	
Project Kickoff Meeting to launch the project.	TBD	
Equipment Ordering	TBD	
Voice & Data Layout Meetings	TBD	
Database Sign Off	TBD	
Infrastructure Equipment Fabrication	TBD	
Communication to City staff of impending migration	TBD	
Database Insert	TBD	
Data Infrastructure Install	TBD	
Voice Infrastructure Install	TBD	
Data Infrastructure Cutover	TBD	
End User Training (Use of Phones, Voicemail Access etc.)	TBD	
Telco Install (add/change circuits, as necessary)	TBD	
Voice Infrastructure Cutover	TBD	
Post Cutover Helpdesk	TBD	
System Acceptance	TBD	

Schedule dates are estimates only

1.5 Primary Contacts: Unless specified otherwise in writing, the primary contacts for CITY OF GLENDALE and Copper State shall be:

**CITY OF
GLENDALE
Contact:**

**Telephone
Number:**

**Copper State
Contact:**

**Telephone
Number:**

Facsimile
Number:

Facsimile
Number:

E-mail address:

E-mail address:

2.0 RESPONSIBILITIES OF THE PARTIES.

2.1 Project Management:

2.1.1 Copper State responsibilities:

- 1.) Provide a single point of contact ("Copper State Project Manager") for all issues relating to the Implementation Services. Such person shall be identified in Section 1.5 and shall be available during Normal Business Hours & Scheduled Project Hours outside of the business day.
- 2.) Designate a backup contact when the Copper State Project Manager is not available. The backup is can be reached at or @copper-state.com
- 3.) Maintain Current (Proposed) Project Plan.
- 4.) Manage escalation procedures & process with Manufacturer.
- 5.) Participate in regularly scheduled meetings with the CITY OF GLENDALE to discuss the status of the Implementation.
- 6.) Review floor plans and facilities documentation received from CITY OF GLENDALE.
- 7.) Ensure Copper State employees and any subcontractors conform to CITY OF GLENDALE's reasonable workplace policies, conditions and safety regulations that are consistent with Copper State's obligations herein and that are provided to Copper State in writing prior to commencement of the Services; provided, however, that Copper State's personnel or subcontractors shall not be required to sign individual agreements with CITY OF GLENDALE or waive any personal rights.
- 8.) Schedule network analyses for sites.

2.1.2 CITY OF GLENDALE responsibilities:

- 1.) Designate a single point of contact for each site to whom all Copper State communications may be addressed and who has authority to act on all aspects of the Services. Such primary contact shall be identified in Section 1.5 and shall be available during Normal Business Hours & Scheduled project hours outside of the business day.
- 2.) Designate a back per site up when the CITY OF GLENDALE contact is not available who has the authority to act on all aspects of the Services in the absence of the primary contact.
- 3.) Unless otherwise agreed to by the parties, provide information and documentation required by Copper State within two (2) business days of Copper State's request.
- 4.) Notify Copper State of any hardware and/or software upgrades or any other changes within the CITY OF GLENDALE's Network at least thirty (30) business days prior to the upgrade.
- 5.) Notify Copper State of any Installation scheduling change at least seventy-two (72) hours prior to the originally scheduled installation date. Scheduling changes and/or cancellations made after this 72-hour window may be subject to Copper State's then current cancellation penalty charge.
- 6.) Provide CITY OF GLENDALE Site building layouts, including the floor plans, location of cables, power sources intermediate distribution frames, main distribution frames and demarcation points.
- 7.) Supply the workplace policies, conditions and environment in effect at the CITY OF GLENDALE Site.

2.2 Site Survey:

2.2.1 Copper State responsibilities:

- 1.) Identify locations to which new infrastructure components will be installed.
- 2.) Notify CITY OF GLENDALE of power & environmental needs of equipment install locations as defined by equipment manufactures specification.

2.2.2 CITY OF GLENDALE responsibilities:

- 1.) Provide Copper State access to equipment & wiring locations throughout the duration of project.

- 2.) If CITY OF GLENDALE's policy requires escort to certain or all locations, that escort is available through the duration of the project. For remote installations CITY OF GLENDALE must provide Copper State with remote access to systems.
- 3.) Provide Copper State with building prints of all facilities receiving new service as defined by this Statement of work. If CITY OF GLENDALE requests generation of required floor plans by Copper State, a Change Order for additional labor will be required.
- 4.) Provide Copper State Installation location for equipment.
- 5.) CITY OF GLENDALE will be responsible for any additional costs that may be incurred for the supply and installation of any infrastructure that is required for the installation of cable as necessary for this implementation; this infrastructure includes but is not limited to conduits, floor ducts, overhead troughs, floor access, drilling holes, monuments, moving equipment and furniture, etc. It is assumed that any existing cable ducts, troughs and/or conduits have sufficient space remaining to install new cabling as required for this implementation.
- 6.) CITY OF GLENDALE must adhere to the equipment manufacturer's published power and environmental specifications and conform to all local electrical code requirements, CITY OF GLENDALE will provide power to purchased equipment via an adequate number of circuits provisioned according to the equipment manufacturer's specifications, CITY OF GLENDALE will assume responsibility for the cost to supply and install any infrastructure required to accommodate.
- 7.) The area in front of the servers, routers, and switches should remain clear and unobstructed for a distance of (2) two feet.
- 8.) Servers, routers, and switches should be located in a physically securable area.
- 9.) Servers, routers, switches, and any other rack mountable equipment should be mounted in a rack at a minimum of 3 ft. and a maximum of 6 ft. above floor level.
- 10.) Extend all required network demarcation points to within five (5) feet of the equipment that is to be installed.
- 11.) Extend proper electrical power to within five (5) feet of the equipment to be installed
- 12.) This implementation assumes the CITY OF GLENDALE is running IP only on the network. IPX, SNA, and other protocols will not be included in any configuration.
- 13.) The CITY OF GLENDALE is responsible to provide all required rack space. Any required rearranging or removing existing equipment to provide rack space will be the responsibility of the CITY OF GLENDALE.
- 14.) IP Data and IP Voice will be converged onto the same cabling infrastructure
- 15.) The environment of the intended installation point of the equipment must be free of:
 - Moisture (Both humidity and standing water)
 - Large Particulate Matter
 - Any Sized Airborne Particulate Matter
 - Excessive Temperatures
- 16.) Any building alterations necessary to meet wiring and other site requirements.
- 17.) Environmental modifications as required for the hardware.
- 18.) CITY OF GLENDALE acknowledges that while Copper State maintains overall responsibility for the management and delivery of the services requested, Copper State may utilize an authorized subcontractor(s) to perform some or all of the specific services defined herein.
- 19.) Copper State shall not be responsible for any delays in the implementation of the proposed equipment that result from incomplete or inaccurate information supplied by CITY OF GLENDALE, faulty cabling or site access restrictions.
- 20.) In the event a UPS (uninterruptable power supply) is not provided, Copper State shall not be responsible for any damages directly or indirectly related to power related problems.

2.3 Voice Layout:

2.3.1 Copper State Responsibilities:

- 1.) N/A

2.3.2 CITY OF GLENDALE Responsibilities

- 1.) Ensuring availability of user community to participate in layout process.
- 2.) Identifying areas and personnel to participate in layout process.
- 3.) Ensure Copper State has access to areas where interviews will take place.
- 4.) Schedule availability of user community for layout process.

- 5.) Provide written scripts and voice recordings for all auto attendant menus and information mailboxes.

2.4 Voice System Configuration:

2.4.1 Copper State responsibilities:

- 1.) Copper State shall be responsible for installing the equipment identified above with all published patches necessary to provide a system functioning to the requirements identified within this SOW.
- 2.) Copper State shall program telephony database to support all outbound and intercampus dialing as identified through voice layout process.
- 3.) Copper State shall program full inbound call receipt programming with Auto-Attendant Functionality as identified through voice layout process.
- 4.) Copper State shall program all campus based system phones to route 911 emergency calls to 911 center.
- 5.) Copper State shall program all telephony features associated with each respective facility/location based on the voice layout process. These features, such as call pickup, music on-hold, Caller-id, Call-Waiting, Call Park, Multiple lines, Shared Lines, Speed Dials, Extension Mobility, Auto-Answer, Forward Busy, Forward All, Forward No Answer.
- 6.) Copper State shall be responsible for the assembly and placement of all hardware necessary to support the System. Copper State has currently priced the installation of 1 (one) physical new system
- 7.) Copper State shall program dialing restrictions as specified by CITY OF GLENDALE.
- 8.) Copper State will install Telco lines into the system. They should be on site and functioning at time of installation.

2.4.2: CITY OF GLENDALE Responsibilities:

- 1.) CITY OF GLENDALE will need to provide dedicated power and an environmentally controlled room for the system to be installed in.
- 2.) List of all users with extension number, first name, last name and email address.
- 3.) Provide a script for and record each voice-greeting file (in the proper format required by the system)

2.5: The Voice Messaging System:

2.5.1: Copper State Responsibilities:

- 1.) Copper State shall be responsible for installing the above with all published patches necessary to provide a system functioning to the requirements identified within this SOW.
- 2.) Copper State shall program the voicemail database to support up to # Voice Messaging Mailboxes at CITY OF GLENDALE site. Mailboxes programming currently includes all staff identified during voice layout process.
- 3.) Copper State shall program auto-attendant menus and messages as identified through the voice layout process.

2.5.2: CITY OF GLENDALE Responsibilities:

- 1.) List of all users with extension number, first name, last name and email address.

2.6: Unified Messaging

2.6.1: Copper State Responsibilities:

- 1.) Load up to 2 clients on CPE machines and show CITY OF GLENDALE contact how to load remaining.

2.6.2: CITY OF GLENDALE Responsibilities:

- 1.) CITY OF GLENDALE will provide all PC's in which to load the unified messaging clients on.
- 2.) CITY OF GLENDALE will provide assistance in trouble shooting any potential issues within their PC's/Servers and will bear any costs associated exclusive of any Copper State provided equipment.
- 3.) CITY OF GLENDALE is responsible for insuring all PC software and patches are up to date.

2.7 Data System Configuration:

2.7.1: Copper State responsibilities:

- 1.) Do network analyses for sites; provide results to CITY OF GLENDALE make recommendations of areas that need improvement.
- 2.) Provide inline power injectors at location of set.

2.7.2: CITY OF GLENDALE responsibilities:

- 1.) Provide diagrams and documents of the current data infrastructure configuration.
- 2.) Will provide Copper State all static IP addresses for the new system, servers and pc's with telephony applications being implemented on the networks.
- 3.) Will provide DHCP services for phones utilizing scope options for NTP, VLAN and TFTP server.
- 4.) CITY OF GLENDALE is responsible for all data traffic on the network (including server traffic, network applications, email, etc.). The end responsibility of network applications will lie with the CITY OF GLENDALE.
- 5.) CITY OF GLENDALE will provide assistance in trouble shooting any potential issues within their LAN/WAN and will bear any costs associated exclusive of any Copper State provided equipment.
- 6.) CITY OF GLENDALE will also need to enable QOS and prioritize voice traffic on this existing network equipment including all switches and routers if applicable. Copper State will send all voice traffic out with an expedited forwarding Diffserv Codepoint of 40 or 46 depending on system type
- 7.) CITY OF GLENDALE will provide Copper State all required information about the integration between the proposed equipment and all CITY OF GLENDALE-supplied OEM equipment (including existing PBXs and Voice Messaging systems). CITY OF GLENDALE will assume responsibility for all OEM equipment vendor coordination as applicable.
- 8.) Remote system access will provide the timeliest and efficient manner of performing remote database changes as well as diagnostics and/or proactive remote system monitoring, CITY OF GLENDALE will provide access for remote system monitoring if remote system access and/or monitoring functionality is desired. Remote system diagnostics/proactive remote monitoring services are available at additional charge and are not included in this statement of work. Remote access needs to allow over a high speed data connection or internet. CITY OF GLENDALE will specify any required client applications necessary for CSC to have access.
- 9.) Provide Network and Systems Administrators on an as needed basis for solution integration. These resources need to be available during all implementation, design and planning phases.
- 10.) Assume responsibility for the network infrastructure upon completion of the services provided in this SOW.
- 11.) CITY OF GLENDALE understands in the event that an issue is discovered which adversely affects the performance of the ShoreTel System which Copper State determines is related to the CITY OF GLENDALE's network or network infrastructure including Telco, network configuration, and network design and cabling. With proper authorization from the CITY OF GLENDALE, the customer may be charged at Copper State's then prevailing rates to remedy the problem.
- 12.) It is the CITY OF GLENDALE's responsibility to make sure that both the CITY OF GLENDALE's Legacy Network LAN and WAN infrastructure will meet and support VoIP specifications that provide acceptable VoIP quality. **Network reconfiguration and/or upgrades of the data network (including LAN/WAN hardware/software) are the responsibility of the CITY OF GLENDALE and are outside this SOW. Below are Listed some things that are required to assure a successful deployment.**

- Switched media (no hubs)
- Non-Blocking Ethernet switch architecture
- Minimum 100MB Ethernet LAN (no Token Ring)
- Category 5E or better cabling for all telephone stations
- Adequate bandwidth to support voice, video and data traffic volume demands over the network. Each VoIP call can consume approximately 96Kbps of bandwidth.
- Low delay to ensure a good quality voice conversation (< 125ms is recommended)
- Minimal packet loss must be three (3) % or less between endpoints to ensure parts of a conversation are not distorted or lost, especially during bursts of data traffic flows.
- Low jitter (less than 20ms) to ensure that the next IP packet can be played at the destination CODEC without requiring large jitter buffers.
- Separate VLAN for voice traffic is strongly recommended
- Quality of Service (QoS) throughout the VoIP path by placing only voice in the highest priority queue to ensure voice gets the bandwidth and latency required for effective voice communication is strongly recommended.

2.8: Fabrication:

2.8.1: Copper State responsibilities:

- 1.) Build and Program the proposed infrastructure (voice/data) in a staging area at Copper State Communications facilities.

2.9: Implementation:

2.9.1: Copper State responsibilities:

- 1.) Deliver the Product from staging facility to the designated Installation locations at CITY OF GLENDALE locations.

2.9.2: CITY OF GLENDALE responsibilities:

- 1.) Identify a local and backup contact per site.
- 2.) CITY OF GLENDALE will assume responsibility for all Network Service Provider liaison activities, including the ordering and delivery coordination of network services, unless otherwise stated, CITY OF GLENDALE will provide Copper State with accurate Network Service Provider records identifying all existing network services and any new network services that are being ordered, including the expected delivery date(s) of the new services. The delivery date of new network services will be mutually agreed by Copper State, the Network Services Provider and CITY OF GLENDALE, and this date will be documented as a milestone in the master project schedule. In the event that the Network Service Provider documentation given to Copper State proves to be inaccurate or unavailable, all Copper State labor required to verify and document the existing network services and/or coordinate the delivery of new services with the CITY OF GLENDALE's Network Service Provider(s) is subject to an additional charge. Alternatively, Copper State can provide CITY OF GLENDALE with an additional quote for Network Service Provider "Audit, Verification and Liaison" services.
- 3.) Copper State will coordinate equipment delivery with CITY OF GLENDALE based on a mutually agreed delivery schedule. CITY OF GLENDALE should be aware that equipment may be delivered to the site in stages, and CITY OF GLENDALE is responsible for equipment once it is delivered to the site.
- 4.) Removal, disposal and cleanup of all existing cable, telephony and associated equipment (e.g., power supplies, racks, blocks, etc.) are not included, unless otherwise stated. Removal of existing equipment and infrastructure will require a separate quote, which can be provided at the CITY OF GLENDALE's request

2.10: Cutover:

2.10.1: Copper State responsibilities:

- 1.) Provide personnel to place each new desk phone.
- 2.) Provide personnel to cross-connect and label all analog drops.
- 3.) Test each handset for ability to dial and receive calls.
- 4.) Provide cutover team consisting of engineers, & Project Management.
- 5.) Copper State will also provide post cut support including a help desk and trained personnel campus wide assisting the user's for up to 4 hours the day after cutover.

2.10.2: CITY OF GLENDALE responsibilities:

- 1.) Identify at-least one CITY OF GLENDALE individual to be available if cutover is done after business hours.

2.11: Training:

2.11.1: Copper State responsibilities:

- 1.) Copper State will provide end user training for phone instruments and voicemail access.
- 2.) The classes currently planned are (2) at the CITY OF GLENDALE locations supporting a maximum of twenty (20) persons per class.
- 3.) Copper State will provide customized training guides for all users in regards to usage of Telephone and Voice Mail systems. User guides will customized to the particular set type (analog digital or IP set).
- 4.) The training class schedules will be published to CITY OF GLENDALE staff for dissemination to interested parties.

2.11.2: CITY OF GLENDALE responsibilities:

- 1.) Schedule and ensure the staff attends their designated training class.
- 2.) Provide access to training facilities at least a day prior to training to setup training phones
- 3.) Provide facilities to conduct the planned 20 user training courses with instructor access 1 hour prior to start of session.

EXHIBIT 2

STANDARD SOW TERMS

STANDARD DEFINITIONS.

- 1.1 **“CITY OF GLENDALE Site(s)” or “Site(s)”** - the physical site(s) designated by the CITY OF GLENDALE (other than Copper State sites) where the Services may be performed.
- 1.2 **“Deliverable”** - all documentation, whether in hard copy or electronic form, such as analyses, reports, manuals, test results, or any other item other than Product provided by one party to the other pursuant to the terms of this SOW.
- 1.3 **“Professional Services”** - the activities specified in this SOW such as project management, Voice & Data design, Voice & Data configuration, Fabrication, Implementation, Cutover, and Training performed by Copper State.
- 1.4 **“Installation”** - the physical activity required to place a Product into a CITY OF GLENDALE Site.
- 1.5 **“Network”** - a connection of Products and other equipment and devices that communicate with each other.
- 1.6 **“Normal Business Hours”** - the hours of Monday through Friday 8:00am to 5:00pm local time, excluding any Copper State observed holidays. A list of Copper State observed holidays will be provided upon request.
- 1.8 **“Product(s)”** means hardware and/or software in connection with which Services are being provided herein.
- 1.9 **“Project Plan”** - a plan documenting all aspects of the Services.
- 1.10 **“Professional Services” or “Services”** - the services provided by Copper State to CITY OF GLENDALE under this SOW.
- 1.11 **“Site Survey”** - an assessment by Copper State of the readiness of the CITY OF GLENDALE Site for the Implementation of the Product as further defined below.
- 1.12 **“Staging”** - the assembly and software loading of Product prior to Installation at CITY OF GLENDALE Site.

2.0 SERVICES:

- 2.1 Copper State shall provide Professional Services to CITY OF GLENDALE as set forth in Exhibit 1.

3.0 COMPLETION.

Upon completion Copper State will notify the CITY OF GLENDALE of completion by providing a delivery and acceptance certificate. In order to refuse acceptance of the Services performed, CITY OF GLENDALE must provide Copper State with full details that show that Services do not conform to the SOW. Copper State shall address such non-conformance in a timely manner. Copper State shall compile an action plan to correct any deficiencies and the process for acceptance detailed herein shall be repeated until such time as all deficiencies have been resolved and the Services meet the requirements of the SOW. Acceptance may not be withheld due to defects in Services that do not represent a material non-conformance with the requirements of the SOW.

4.0 ASSUMPTIONS.

The following assumptions together with those detailed elsewhere were made to create this Statement of Work. Should any of these assumptions prove to be incorrect or incomplete then Copper State may modify the price, scope of work or Milestones. Any such modifications shall be managed by the Change Management Procedure set forth in Section 5.

- 4.1 Where applicable, CITY OF GLENDALE's Site shall be ready prior to the date scheduled for Copper State to perform the Services. Costs associated with CITY OF GLENDALE's failure to (1) make the CITY OF GLENDALE Site ready (as determined by Copper State); or (2) meet any of the other responsibilities specified in this SOW shall be billed at Copper State 's then-current time. Any additional costs incurred by CITY OF GLENDALE as a result of delays shall be the sole responsibility of the CITY OF GLENDALE.
- 4.2 Unless specified otherwise in this SOW, Services shall be performed during Normal Business Hours. CITY OF GLENDALE is responsible for any additional labor costs associated with Services performed outside Normal Business Hours which are above and beyond the scope of this SOW.
- 4.3 This SOW defines exclusively the scope of the Services that Copper State shall provide to the CITY OF GLENDALE. This SOW shall not apply to any purchase, support or maintenance of the Product, the terms of which will be agreed upon under a separate agreement.
- 4.5 Any acceptance tests conducted in respect of the Services detailed in this SOW shall apply only to the Services detailed herein and shall not constitute acceptance or rejection of any Product purchased or licensed separately by CITY OF GLENDALE.
- 4.6 Copper State shall have a lead-time of up to 30 days from acceptance of CITY OF GLENDALE's purchase order to begin Services.
- 4.7 Copper State will require a schedule extension of up to 30 days for any personnel change requests made by CITY OF GLENDALE.
- 4.8 Union labor is not required.
- 4.9 **Services not covered under this SOW:**
 - 4.9.1 Support or replacement of Product that is altered, modified, mishandled, destroyed or damaged by natural causes or damaged due to a negligent or willful act or omission by CITY OF GLENDALE or a third party or use by CITY OF GLENDALE or a third party other than as specified in the applicable manufacture-supplied documentation.
 - 4.9.2 Copper State Services to resolve software or hardware problems resulting from third party equipment or services beyond the scope of this SOW.
 - 4.9.4 Any hardware upgrade required to run new or updated software.
 - 4.9.5 Activities not expressly included in the SOW are outside the scope of this SOW.

5.0 CHANGE MANAGEMENT PROCEDURES.

- 5.1 It may become necessary to amend this SOW for reasons including, but not limited to, the following:
 - 5.1.1 CITY OF GLENDALE's changes to the scope of work and/or specifications for the Services,
 - 5.1.2 CITY OF GLENDALE's changes to the Project Plan,
 - 5.1.3 Unavailability of resources which are beyond either party's control; and/or,
 - 5.1.4 Environmental or architectural conditions not previously identified.
- 5.2 In the event either party desires to change this SOW, the following procedures shall apply:
 - 5.2.1 The party requesting the change will deliver a "Change Request" (attached as Appendix A) to the other party. The Change Request will describe the nature of the change, the reason for the change, and the effect the change will have on the scope of work, which may include changes to the Deliverables and/or the schedule.
 - 5.2.2 A Change Request may be initiated either by the CITY OF GLENDALE or by Copper State for any changes to the SOW. The Project Manager of the requesting party will review the proposed change with his/her counterpart. The parties will evaluate the Change Request and negotiate in good faith the changes to the Services and the additional charges, if any, required to implement the

Change Request. If both parties agree to implement the Change Request, the appropriate authorized representatives of the parties will sign the Change Request, indicating the acceptance of the changes by the parties.

5.2.3 Upon execution of the Change Request, said Change Request will be incorporated into, and made a part of, this SOW.

5.2.4 Copper State is under no obligation to proceed with the Change Request until such time as the Change Request has been agreed upon by both parties.

5.3 Whenever there is a conflict between the terms and conditions set forth in a fully executed Change Request and those set forth in the original SOW, or previous fully executed Change Request, the terms and conditions of the most recent fully executed Change Request shall prevail.

**APPENDIX A
CHANGE REQUEST**

In reference to the Section titled Change Management Procedures of the above referenced Statement of Work between Copper State Communications ("Copper State") and **CITY OF GLENDALE**, ("CITY OF GLENDALE"), both parties hereby certify, by the signature of an authorized representative, that this Change Management Request will amend and be fully incorporated into the existing Statement of Work (SOW).

1. **Change Request Number:**

2. **Reason for Change Request:**

3. **Changes to SOW:**

4. **Schedule Impact:**

5. **Cost Impact:**

<i>SOW/Change Request</i>	Services/Product	T&E	Total
a.			
b.			
c.			

6. **Purchase Order Issuance (if applicable):** CITY OF GLENDALE shall issue a written Purchase Order to Copper State, or shall issue an amendment to its original Purchase Order issued under this SOW, for the total amount of **\$0.00**, or shall deposit additional funds as requested by Copper State.

Except as changed herein, all terms and conditions of the SOW remain in full force and effect.

IN WITNESS WHEREOF, the duly authorized representatives of the parties hereto have caused this Change Management Request to be fully executed.

COPPER STATE COMMUNICATIONS

CITY OF GLENDALE

BY: _____

BY: _____

NAME: _____

NAME: _____

TITLE: _____

TITLE: _____

DATE:

DATE:

Appendix B – Additional CITY OF GLENDALE Location Sheet

Sites included in this general Scope of Work are:

Community Housing
Media Center
Aquatic Center
Fire Station #151

Copper State Communications Price Quotation for:

Date

City of Glendale - Community Housing - Migration to ShoreTel

10/16/2014

Pricing Based on Glendale Telecommunications Contract #C-8103 6/26/2012

Labor operations per the signed Scope of Work

Hardware & Software Price

Qty	Product #	Description:	MSRP	MSRP Extended Price	% Disc	Unit Sell Price	Extended Sell Price
1	SHO-10260	ShoreGear 90	\$ 2,995.00	\$ 2,995.00	23%	\$ 2,306.15	\$ 2,306.15
1	SHO-10322	ShoreGear T1k	\$ 3,495.00	\$ 3,495.00	23%	\$ 2,691.15	\$ 2,691.15
22	SHO-10496	ShorePhone IP480 - Black	\$ 299.00	\$ 6,578.00	23%	\$ 230.23	\$ 5,065.06
24	SHO-10269	ShoreTel 10/100/1000 Power Adapter	\$ 35.00	\$ 840.00	23%	\$ 26.95	\$ 646.80
2	SHO-10495	ShorePhone IP420 - Black	\$ 189.00	\$ 378.00	23%	\$ 145.53	\$ 291.06
22	SHO-30035	Extension & Mailbox License for ShoreTel	\$ 200.00	\$ 4,400.00	23%	\$ 154.00	\$ 3,388.00
2	SHO-30039	Extension Only License for ShoreTel	\$ 140.00	\$ 280.00	23%	\$ 107.80	\$ 215.60
1	SHO-30044	Additional Site License	\$ 495.00	\$ 495.00	23%	\$ 381.15	\$ 381.15
24	SHO-40005	Personal Access License	\$ -	\$ -		\$ -	\$ -
1	SHO-10223	ShoreGear Rack Mount Tray Gen4	\$ 95.00	\$ 95.00	23%	\$ 73.15	\$ 73.15
		Call Recording Solution	\$ -	\$ -		\$ -	\$ -
1	CTI-TMENT-SOF	OAISYS Talkument Small Office System (record up to 20-users)	\$ 5,500.00	\$ 5,500.00		\$ 5,500.00	\$ 5,500.00
1	CTI-TMENT-2003/8	OAISYS Tracer/Talkument Windows Server OS	\$ 2,235.00	\$ 2,235.00	0%	\$ 2,235.00	\$ 2,235.00
1	CTI-TMENT-DSOF	Diamond Support for Talkument Small Office	\$ 600.00	\$ 600.00		\$ 600.00	\$ 600.00
1	CTI-OAISYS-SUST	Oaisys Pre-Confugration Remote Installation Service	\$ 1,200.00	\$ 1,200.00		\$ 1,200.00	\$ 1,200.00
1	CTI-OAISYS-SUAD	Oaisys Advanced Support Service Units	\$ 267.00	\$ 267.00		\$ 267.00	\$ 267.00
			\$ -	\$ -		\$ -	\$ -
Sub-Total Host Hardware/Software MSRP				\$ 26,363.00		Sub-Total Sell Price	\$ 24,860.12

Project Labor Hours

Hours / Miles	Labor			
24	Telecom Labor	Regular Hours	\$ 95.00	\$ 2,280.00
6	Advanced Applications/PBX	Regular Hours (Call Recording Application Integration)	\$ 120.00	\$ 720.00
	Travel - based on 55.5c/mile	Enter Miles	\$ -	\$ -
Sub-Total Labor Price			\$ 3,000.00	

Copper State Communications Warranty

1 Year	5.65% of Total Hardware/Software MSRP & Fixed Price - Annually	\$ 1,495.16
1 Year	2.75% of Support MSRP - Annually	\$ 33.83

Support Price

Qty	Product #	Description:	MSRP	MSRP Extended Price	% Disc	Unit Sell Price	Extended Sell Price
1230	SHO-94111	ShoreCare Partner Support - No Phones	\$ 1.00	\$ 1,230.00	9%	\$ 0.91	\$ 1,119.30
			\$ -	\$ -		\$ -	\$ -
				\$ 1,230.00		Sub-Total Sell Price	\$ 1,119.30

Fixed Price Items

(First year parts warranty is included in purchase price)

Qty	Product #	Description:	Unit Sell Price	Extended Sell Price
		Customer to provide power conditioning and battery backup	\$ -	\$ -
1	MohaveMisc3	Misc. Installation Materials	\$ 100.00	\$ 100.00
				\$ 100.00

Project Total Pricing

Host Hardware/Software Sell Price		\$ 24,860.12
Labor Price		\$ 3,000.00
CSC Hardware/Software Warranty		\$ 1,495.16
CSC Support Warranty		\$ 33.83
Product Support		\$ 1,119.30
Fixed Price Equipment and Services		\$ 100.00
Sub-Total Project (Parts, Labor, Warranty)		\$ 30,608.41
Sales Tax (based on City of Origin)		9.30% \$ 2,425.39
Total Project - Customer NET		8.30% \$ 33,033.80
<i>(First year parts warranty is included in purchase price)</i>		

Copper State Communications Price Quotation for:
City of Glendale - Aquatic Center - Migration to ShoreTel

Date
10/16/2014

Pricing Based on Glendale Telecommunications Contract #C-8103 6/26/2012

Labor operations per the signed Scope of Work

Hardware & Software Price

Qty	Product #	Description:	MSRP	MSRP Extended Price	% Disc	Unit Sell Price	Extended Sell Price
1	SHO-10260	ShoreGear 90	\$ 2,995.00	\$ 2,995.00	23%	\$ 2,306.15	\$ 2,306.15
1	SHO-10322	ShoreGear T1k	\$ 3,495.00	\$ 3,495.00	23%	\$ 2,691.15	\$ 2,691.15
32	SHO-10496	ShorePhone IP480 - Black	\$ 299.00	\$ 9,568.00	23%	\$ 230.23	\$ 7,367.36
22	SHO-30035	Extension & Mailbox License for ShoreTel	\$ 200.00	\$ 4,400.00	23%	\$ 154.00	\$ 3,388.00
14	SHO-30039	Extension Only License for ShoreTel	\$ 140.00	\$ 1,960.00	23%	\$ 107.80	\$ 1,509.20
1	SHO-30044	Additional Site License	\$ 495.00	\$ 495.00	23%	\$ 381.15	\$ 381.15
36	SHO-40005	Personal Access License	\$ -	\$ -		\$ -	\$ -
1	SHO-60047	Analog Harmonica and Telco cable (FF)	\$ 99.00	\$ 99.00	23%	\$ 76.23	\$ 76.23
1	SHO-10223	ShoreGear Rack Mount Tray Gen4	\$ 95.00	\$ 95.00	23%	\$ 73.15	\$ 73.15
34	SHO-10269	ShoreTel 10/100/1000 Power Adapter	\$ 35.00	\$ 1,190.00	23%	\$ 26.95	\$ 916.30
Sub-Total Host Hardware/Software MSRP				\$ 21,302.00		Sub-Total Sell Price	\$ 18,708.69

Project Labor Hours

Hours / Miles	Labor		
36	Telecom Labor Regular Hours	\$ 95.00	\$ 3,420.00
	Telecom Labor O/T Hours	\$ 142.50	\$ -
	Travel - based on 55.5c/mile	Enter Miles	\$ -
Sub-Total Labor Price			\$ 3,420.00

Copper State Communications Warranty

1 Year	5.65% of Total Hardware/Software MSRP & Fixed Price - Annually	\$ 1,209.21
1 Year	2.75% of Support MSRP - Annually	\$ 38.69

Support Price

Qty	Product #	Description:	MSRP	MSRP Extended Price	% Disc	Unit Sell Price	Extended Sell Price
1407	SHO-94111	ShoreCare Partner Support - No Phones	\$ 1.00	\$ 1,407.00	9%	\$ 0.91	\$ 1,280.37
			\$ -	\$ -		\$ -	\$ -
Sub-Total Sell Price				\$ 1,407.00		Sub-Total Sell Price	\$ 1,280.37

Fixed Price Items (First year parts warranty is included in purchase price)

Qty	Product #	Description:	Unit Sell Price	Extended Sell Price
		Customer to provide power conditioning and battery backup		\$ -
1	MohaveMisc3	Misc. Installation Materials	\$ 100.00	\$ 100.00
Sub-Total				\$ 100.00

Project Total Pricing

Host Hardware/Software Sell Price	\$ 18,708.69
Labor Price	\$ 3,420.00
CSC Hardware/Software Warranty	\$ 1,209.21
CSC Support Warranty	\$ 38.69
Product Support	\$ 1,280.37
Fixed Price Equipment and Services	\$ 100.00
Sub-Total Project (Parts, Labor, Warranty)	\$ 24,756.96
Sales Tax (based on City of Origin)	8.30% \$ 1,667.39
Total Project - Customer NET	\$ 26,424.35

(First year parts warranty is included in purchase price)

**Copper State Communications Price Quotation for:
City of Glendale - Media Center - Migration to ShoreTel**

Date
10/16/2014

Pricing Based on Glendale Telecommunications Contract #C-8103 6/26/2012

Labor operations per the signed Scope of Work

Hardware & Software Price

Qty	Product #	Description:	MSRP	MSRP Extended Price	% Disc	Unit Sell Price	Extended Sell Price
1	SHO-10260	ShoreGear 90	\$ 2,995.00	\$ 2,995.00	23%	\$ 2,306.15	\$ 2,306.15
1	SHO-10322	ShoreGear T1k	\$ 3,495.00	\$ 3,495.00	23%	\$ 2,691.15	\$ 2,691.15
37	SHO-10496	ShorePhone IP480 - Black	\$ 299.00	\$ 11,063.00	23%	\$ 230.23	\$ 8,518.51
38	SHO-10269	ShoreTel 10/100/1000 Power Adapter	\$ 35.00	\$ 1,330.00	23%	\$ 26.95	\$ 1,024.10
36	SHO-30035	Extension & Mailbox License for ShoreTel	\$ 200.00	\$ 7,200.00	23%	\$ 154.00	\$ 5,544.00
6	SHO-30039	Extension Only License for ShoreTel	\$ 140.00	\$ 840.00	23%	\$ 107.80	\$ 646.80
1	SHO-30044	Additional Site License	\$ 495.00	\$ 495.00	23%	\$ 381.15	\$ 381.15
42	SHO-40005	Personal Access License	\$ -	\$ -		\$ -	\$ -
1	SHO-60047	Analog Harmonica and Telco cable (FF)	\$ 99.00	\$ 99.00	23%	\$ 76.23	\$ 76.23
1	SHO-10223	ShoreGear Rack Mount Tray Gen4	\$ 95.00	\$ 95.00	23%	\$ 73.15	\$ 73.15
1	SHO-10368	ShorePhone IP655	\$ 695.00	\$ 695.00	23%	\$ 535.15	\$ 535.15
Sub-Total Host Hardware/Software MSRP				\$ 25,312.00		Sub-Total Sell Price	\$ 21,796.39

Project Labor Hours

Hours / Miles	Labor			
42	Telecom Labor	Regular Hours	\$ 95.00	\$ 3,990.00
	Telecom Labor	O/T Hours	\$ 142.50	\$ -
	Travel - based on 55.5c/mile	Enter Miles	\$ -	\$ -
Sub-Total Labor Price			\$ 3,990.00	

Copper State Communications Warranty

1 Year	5.65% of Total Hardware/Software MSRP & Fixed Price - Annually	\$ 1,441.43
1 Year	2.75% of Support MSRP - Annually	\$ 44.08

Support Price

Qty	Product #	Description:	MSRP	MSRP Extended Price	% Disc	Unit Sell Price	Extended Sell Price
1603	SHO-94111	ShoreCare Partner Support - No Phones	\$ 1.00	\$ 1,603.00	9%	\$ 0.91	\$ 1,458.73
			\$ -	\$ -		\$ -	\$ -
Sub-Total Support Price				\$ 1,603.00		Sub-Total Sell Price	\$ 1,458.73

Fixed Price Items (First year parts warranty is included in purchase price)

Qty	Product #	Description:	Unit Sell Price	Extended Sell Price
		Customer to provide power conditioning and battery backup		\$ -
1	MohaveMisc3	Misc. Installation Materials	\$ 100.00	\$ 100.00
Sub-Total Fixed Price Items Price				\$ 200.00

Project Total Pricing

Host Hardware/Software Sell Price	\$ 21,796.39
Labor Price	\$ 3,990.00
CSC Hardware/Software Warranty	\$ 1,441.43
CSC Support Warranty	\$ 44.08
Product Support	\$ 1,458.73
Fixed Price Equipment and Services	\$ 200.00
Sub-Total Project (Parts, Labor, Warranty)	\$ 28,930.63
Sales Tax (based on City of Origin)	8.30% \$ 1,946.77
Total Project - Customer NET	\$ 30,877.40
<i>(First year parts warranty is included in purchase price)</i>	

Copper State Communications Price Quotation for:
City of Glendale - Fire Station 151 - Migration to ShoreTel

Date
10/16/2014

Pricing Based on Glendale Telecommunications Contract #C-8103 6/26/2012

Labor operations per the signed Scope of Work

Hardware & Software Price

Qty	Product #	Description:	MSRP	MSRP Extended Price	% Disc	Unit Sell Price	Extended Sell Price
1	SHO-10260	ShoreGear 90	\$ 2,995.00	\$ 2,995.00	23%	\$ 2,306.15	\$ 2,306.15
27	SHO-10198	ShorePhone IP212	\$ 299.00	\$ 8,073.00	23%	\$ 230.23	\$ 6,216.21
2	SHO-30035	Extension & Mailbox License for ShoreTel	\$ 200.00	\$ 400.00	23%	\$ 154.00	\$ 308.00
25	SHO-30039	Extension Only License for ShoreTel	\$ 140.00	\$ 3,500.00	23%	\$ 107.80	\$ 2,695.00
1	SHO-30044	Additional Site License	\$ 495.00	\$ 495.00	23%	\$ 381.15	\$ 381.15
27	SHO-40005	Personal Access License	\$ -	\$ -		\$ -	\$ -
1	SHO-60047	Analog Harmonica and Telco cable (FF)	\$ 99.00	\$ 99.00	23%	\$ 76.23	\$ 76.23
1	SHO-10223	ShoreGear Rack Mount Tray Gen4	\$ 95.00	\$ 95.00	23%	\$ 73.15	\$ 73.15
27	SHO-10269	ShoreTel 10/100/1000 Power Adapter	\$ 35.00	\$ 945.00	23%	\$ 26.95	\$ 727.65
Sub-Total Host Hardware/Software MSRP				\$ 13,607.00		Sub-Total Sell Price	\$ 12,783.54

Project Labor Hours

Hours / Miles	Labor			
27	Telecom Labor	Regular Hours	\$ 95.00	\$ 2,565.00
	Telecom Labor	O/T Hours	\$ 142.50	\$ -
	Travel - based on 55.5c/mile	Enter Miles	\$ -	\$ -
Sub-Total Labor Price			\$ 2,565.00	

Copper State Communications Warranty

1 Year	5.65% of Total Hardware/Software MSRP & Fixed Price - Annually	\$ 774.45
1 Year	2.75% of Support MSRP - Annually	\$ 21.42

Support Price

Qty	Product #	Description:	MSRP	MSRP Extended Price	% Disc	Unit Sell Price	Extended Sell Price
779	SHO-94111	ShoreCare Partner Support - No Phones	\$ 1.00	\$ 779.00	9%	\$ 0.91	\$ 708.89
			\$ -	\$ -		\$ -	\$ -
Sub-Total Support Price				\$ 779.00		Sub-Total Sell Price	\$ 708.89

Fixed Price Items

(First year parts warranty is included in purchase price)

Qty	Product #	Description:	Unit Sell Price	Extended Sell Price
		Customer to provide power conditioning and battery backup		\$ -
1	MohaveMisc3	Misc. Installation Materials	\$ 100.00	\$ 100.00
Sub-Total Fixed Price Items Price				\$ 100.00

Project Total Pricing

Host Hardware/Software Sell Price	\$ 12,783.54
Labor Price	\$ 2,565.00
CSC Hardware/Software Warranty	\$ 774.45
CSC Support Warranty	\$ 21.42
Product Support	\$ 708.89
Fixed Price Equipment and Services	\$ 100.00
Sub-Total Project (Parts, Labor, Warranty)	\$ 16,953.30
Sales Tax (based on City of Origin)	8.30% \$ 1,128.17
Total Project - Customer NET	\$ 18,081.47

(First year parts warranty is included in purchase price)

Copper State Communications Price Quotation for:

Date

City of Glendale - ShoreTel Voice Messaging to replace CallPilot Messaging

10/16/2014

Pricing Based on Glendale Telecommunications Contract #C-8103 6/26/2012

Hardware & Software Price

Qty	Product #	Description:	MSRP	MSRP Extended Price	% Disc	Unit Sell Price	Extended Sell Price
1	SHO-10322	ShoreGear T1K Appliance (additional connection to the CS1000MMG)	\$ 3,495.00	\$ 3,495.00	23%	\$ 2,691.15	\$ 2,691.15
1500	SHO-30079	Mailbox Only License (Special Pricing SKU - CallPilot to ShoreTel Migration)	\$ 30.00	\$ 45,000.00	23%	\$ 23.10	\$ 34,650.00
2	SHO-21020	Distributed Voice Services License (On City Vmware instances)	\$ 995.00	\$ 1,990.00	23%	\$ 766.15	\$ 1,532.30
1	SHO-10223	ShoreGear Rack Mount Tray Gen4 (for T1 Appliance)	\$ 95.00	\$ 95.00	23%	\$ 73.15	\$ 73.15
		Will require (1) available PRI port on the CS1000MMG PBX	\$ -	\$ -		\$ -	\$ -
		Customer to supply (2) VMWare instances or Servers for DVS units	\$ -	\$ -		\$ -	\$ -
Sub-Total Host Hardware/Software MSRP				\$ 50,580.00		Sub-Total Sell Price	\$ 38,946.60

Project Labor Hours

Hours / Miles	Labor			
150	Advanced Applications/PBX	Regular Hours	\$ 120.00	\$ 18,000.00
10	Advanced Applications/PBX	O/T Hours	\$ 180.00	\$ 1,800.00
16	Trainer	Regular Hours (Train-the-Trainer)	\$ 80.00	\$ 1,280.00
	Labor operations per the signed Scope of Work			\$ -
Sub-Total Labor Price				\$ 21,080.00

Copper State Communications Warranty

1 Year	5.65% of Total Hardware/Software MSRP & Fixed Price - Annually	\$ 2,857.77
1 Year	2.75% of Support MSRP - Annually	\$ 146.36

Support Price

Qty	Product #	Description:	MSRP	MSRP Extended Price	% Disc	Unit Sell Price	Extended Sell Price
5322	94111	ShoreCare Partner Support - No Phones - 1 Year	\$ 1.00	\$ 5,322.00	9%	\$ 0.91	\$ 4,843.02
			\$ -	\$ -		\$ -	\$ -
Sub-Total Support Price				\$ 5,322.00		Sub-Total Sell Price	\$ 4,843.02

Fixed Price Items

(First year parts warranty is included in purchase price)

Qty	Product #	Description:	Unit Sell Price	Extended Sell Price
	MohaveMisc3	Misc Installation Materials	\$ -	\$ -
Sub-Total Fixed Price Items Price				\$ -

Project Total Pricing

Host Hardware/Software Sell Price	\$ 38,946.60
Labor Price	\$ 21,080.00
CSC Hardware/Software Warranty	\$ 2,857.77
CSC Support Warranty	\$ 146.36
Product Support	\$ 4,843.02
Fixed Price Equipment and Services	\$ -
Sub-Total Project (Parts, Labor, Warranty)	\$ 67,873.75
Sales Tax (based on City of Origin)	8.30% \$ 3,634.54
Total Project - Customer NET	\$ 71,508.29
<i>(First year parts warranty is included in purchase price)</i>	



Insight Public Sector SLED
 6820 S HARL AVE
 TEMPE AZ 85283-4318
 Tel: 800-467-4448

SOLD-TO PARTY

City Of Glendale
 6830 N 57TH DR
 GLENDALE AZ 85301-3219
 USA

SHIP-TO ADDRESS

City of Glendale
 6830 N 57TH DR
 GLENDALE AZ 85301-3219
 USA

Quotation	
Quotation Number 216093457	Creation Date 01-OCT-2014
PO Number :	
PO Release :	
Customer No. :	10268122
Sales Rep :	John Briggs
Email :	jbriggs@insight.com
Telephone :	800-467-4448 X 5190
Sales Rep 2 :	Teresa Fredericks
Email :	tfrederi@insight.com
Telephone :	800-467-4448 X 5856

We deliver according to the following terms:

Payment Terms : Net 30 days
Ship Via : Insight Assigned Carrier / Ground
Terms of Delivery : FOB DESTINATION
Currency : USD

Material	Description	Quantity	Unit Price	Extended Price
WS-C2960X-48FPD-L	Cisco Catalyst 2960X-48FPD-L - switch - 48 ports - managed - desktop, rack-mountable Lead Time(days): 14	4	4,797.00	19,188.00

STATE OF ARIZONA - NETWORK EQUIPMENT AND SERVICES(# ADSP012-024652)
 MSRP: 7995.00
 Discount Off: 40.00%

Material	Description	Quantity	Unit Price	Extended Price
CON-SNT-WSC296XL	Cisco SMARTnet extended service agreement	4	386.40	1,545.60
STATE OF ARIZONA - NETWORK EQUIPMENT AND SERVICES(# ADSP012-024652) MSRP: 480.00 Discount Off: 19.50% Duration (months): 12.00				
CAB-16AWG-AC	Cisco power cable - 8 ft	4	0.00	0.00
STATE OF ARIZONA - NETWORK EQUIPMENT AND SERVICES(# ADSP012-024652) MSRP: 0.00 Discount Off: 0.00% Lead Time(days): 14				
SFP-10G-LR=	Cisco - SFP+ transceiver module	4	2,397.00	9,588.00
STATE OF ARIZONA - NETWORK EQUIPMENT AND SERVICES(# ADSP012-024652) MSRP: 3995.00 Discount Off: 40.00% Lead Time(days): 24				
SFP-10G-SR=	Cisco - SFP+ transceiver module	4	597.00	2,388.00
STATE OF ARIZONA - NETWORK EQUIPMENT AND SERVICES(# ADSP012-024652) MSRP: 995.00 Discount Off: 40.00% Lead Time(days): 24				

Product Subtotal	31,164.00
Services Subtotal	1,545.60
Tax	2,649.48
Total	35,359.08

Thank you for considering Insight. Please contact us with any questions or for additional information about Insight's complete IT solution offering.

Sincerely,

John Briggs
 800-467-4448 Ex 5190
jbriggs@insight.com
 Fax: 480-760-8513



Quotation Number/ Creation Date

216093457 / 01-OCT-2014

Teresa Fredericks

800-467-4448 Ex 5856

tfrederi@insight.com

Fax: 480-760-6641

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<https://www.ips.insight.com/us/en/terms-conditions/terms-of-sale-products.html>



Pricing Proposal
 Quotation #: 8664095
 Created On: 10/10/2014
 Valid Until: 11/9/2014

City of Glendale AZ

John Schoenstein

6830 N. 57th Dr.
 Glendale, AZ 85301
 United States
 Phone: (623) 930-2165
 Fax:
 Email: jschoenstein@glendaleaz.com

IAM

Gregory Gonedes

290 Davidson Avenue
 Somerset, NJ 08873
 Phone: 7326527408
 Fax: 7326527409
 Email: Gregory_Gonedes@shi.com

All Prices are in US Dollar (USD)

Product	Qty	Your Price	Total
1 Microsoft Windows Server 2012 R2 Standard - License - 2 processors - Select, Select Plus - Single Language Microsoft - Part#: P73-06309	2	\$576.00	\$1,152.00
2 Microsoft System Center Client Management Suite - License & software assurance - 1 user - Select, Select Plus - Win - Single Language Microsoft - Part#: MFF-00542	2	\$96.00	\$192.00
		Subtotal	\$1,344.00
		*Tax	\$84.67
		Total	\$1,428.67

*Tax is estimated. Invoice will include the full and final tax due.

Additional Comments

SHI acknowledges that the City of Glendale is purchasing the products, services, or licenses included in this invoice pursuant to Arizona State Contract No. ADSPO 11-007500. The will enjoy all the rights and remedies available to the State of Arizona under the above-referenced State contract.

First time user for SHI Direct website? Please use the following information when registering.

Arizona Gov't:
<http://www.publicsector.shidirect.com/slg/az>
 Token: 8496
 Access Key: BWB!UPBWYA

Arizona Hi-Ed:
<http://www.publicsector.shidirect.com/hied/az>
 Token:8393
 Access Key:UW9R45KM3!

Colorado Gov't:
<http://www.publicsector.shidirect.com/slg/co>
 Token:8499
 Access Key:3PQT94B6WZ

Colorado Hi-Ed:

<http://www.publicsector.shidirect.com/hied/co>

Token:8396

Access Key:HNN2I33U65

Colorado K-12

<http://www.publicsector.shidirect.com/k12/co>

Token: 8445

Access Key: 45KMYUXE8X

The Products offered under this proposal are subject to the SHI Return Policy posted at www.shi.com/returnpolicy, unless there is an existing agreement between SHI and the Customer.



Legislation Description

File #: 14-495, Version: 1

AUTHORIZATION FOR A CONTRACT AMENDMENT WITH CHERRYROAD FOR THE CITYWIDE HCM UPGRADE

Staff Contact: Tom Duensing, Director, Finance and Technology

Purpose and Recommended Action

This is a request for City Council to approve Contract Amendment No. 1 (C-8670-1) with CherryRoad, Inc. for an operational upgrade and efficiency enhancements to the PeopleSoft Human Capital Management software for an additional \$437,200, bringing the total contract amount to \$1,205,160, and approve a General Fund contingency request in the amount of \$387,410. Funding for the project will be allocated to multiple funds consistent with the original project funding allocation. Consistent with the City Charter, Council is also being requested to provide authorization to exceed appropriation in the PeopleSoft HRMS Updates project budget until the 4th quarter of the fiscal year, at which time the budget transfers from the General Fund and other funds can be processed.

Background

The city has been using PeopleSoft Human Capital Management (HCM) software to provide necessary operational support for managing staff and generating payroll. The city also pays for software maintenance which covers problem resolutions and software upgrades to address changes in employment regulations, and tax updates which comply with state and federal payroll tax rates.

Required software upgrades are common in order to remain on the most current version of business software applications. This upgrade is required in order to receive necessary tax updates that otherwise would no longer be available after December 2016. Payroll tax updates are required to properly calculate payroll taxes. In 2012, a request for proposal (RFP 13-06) was issued to seek assistance in upgrading the HCM system due to its complexity and a lack of sufficient internal resources to complete the project.

Analysis

In order to keep costs at a minimum, the main focus of the original agreement with CherryRoad was on upgrading the system for basic functionality and the agreement did not include any system enhancements. During the discovery period of the project, key items which use existing HCM functionality were identified that, if implemented, would improve Glendale's processes, provide efficiencies, and ultimately save staff resources. Some examples include:

- Eliminating several Access databases that are currently being used to capture data that should be stored in the HCM system such as managing benefit information for COBRA, survivors, and retirees. Duplicative work is created since staff is currently re-entering data. Additionally, there is risk to the city since the creator of the databases is no longer with the city and existing staff don't have the knowledge to fix the Access databases if they break.

- Expansion of employee self-service functionality including enabling employees to view W-2 data and benefit summary information on-line. Also the enhancements will allow employees to update their own payroll information such as direct deposit, W-4 tax data, etc. Currently, these processes are done manually and require employees to complete paper forms that must be routed to payroll staff and entered into the system.
- Automate processes for generating final and retroactive pay. Currently, these processes are manual and staff spends extensive time on these tasks.
- Increase the use of workflow, which automates forms and allows them to be routed and approved through the HCM system. Using workflow will replace current paper processes that require data to be manually routed and entered into the system.

Previous Related Council Action

On October 22, 2013, Council approved \$813,465 for the Human Capital Management upgrade which included Contract No. C-8670, with CherryRoad, Inc., and other project costs to upgrade the PeopleSoft Human Capital Management System.

Budget and Financial Impacts

A total of \$813,465 was approved by Council in October of 2013, and the expansion of the project requires an additional \$578,670. This brings total project costs to \$1,392,135 which includes CherryRoad contract costs to \$1,205,160 and other project costs to \$186,975. The additional \$578,670 funding for the project will be allocated to multiple funds consistent with the original project funding allocation. City Charter limits transfers between funds to the 4th quarter of a fiscal year. Staff is requesting a General Fund contingency transfer of \$387,410 and authorization to exceed appropriation in the project until the fourth quarter of the fiscal year, at which time transfers to the Technology Replacement Fund can then be processed consistent with the following funding allocation. The current budget transfer request is a budget transfer from General Fund, Contingency (1000-11901-510200) to General Fund, CIP Reserve, Misc. CIP (1000-81013-551000) for \$387,410 to reserve the funds. During the 4th quarter of the fiscal year, staff will then request an inter-fund transfer from General Fund, Misc. CIP (1000-81013-551000), and transfers from the additional funds totaling \$191,260, to the Technology Replacement Fund, PeopleSoft HRMS Update, Misc. CIP (1140-84700-551000).

The funding allocation, by fund, for this request is outlined below. Again, transfers from the funds to the Technology Replacement Fund, will be requested during the 4th quarter of the fiscal year.

Cost	Fund
\$387,410	1000 - General
\$11,882	1040 - General Services
\$383	1100 - Telephone Services
\$383	1140 - PC Replacement
\$383	1220 - Arts Commission Fund
\$766	1281 - Stadium Events Operations
\$766	1282 - Arena Event Operations
\$14,949	1340 - Highway User Gas Tax

\$18,877	1660 - Transportation Sales Tax
\$1,533	1740 - Civic Center
\$958	1750 - City Sales Tax-Bed Tax
\$2,300	1760 - Airport Special Revenue
\$1,916	1880 - Recreation/Marketing Self Sust.
\$89,402	2360+ - Water & Sewer
\$14,949	2440 - Landfill
\$28,364	2480 - Sanitation
\$3,449	2530 - Training Facility Revenue Fund
\$578,670	Total

Cost	Fund-Department-Account
\$387,410	1000-11901-551200 - General Fund, Contingency

Capital Expense? Yes

Budgeted? Yes

Requesting Budget or Appropriation Transfer? Yes

If yes, where will the transfer be taken from? 1000-11901-510200 General Fund Contingency

AMENDMENT NO. 1
to
CHERRY ROAD TECHNOLOGIES AGREEMENT
(Contract No. C-8670)

This Amendment to the Service Agreement is made this 18th day of December, 2014 (“Effective Date”), by and between the City of Glendale, an Arizona municipal corporation (“City”) and Cherry Road Technologies, Inc., a Florida corporation authorized to do business in Arizona (“Consultant”).

RECITALS

- A. City and Consultant previously entered into a Service Agreement, Contract No. C-8670, dated October 22, 2013 (“Agreement”); and
- B. City and Consultant wish to modify and amend the Agreement subject to and strictly in accordance with the terms of this Amendment.

AGREEMENT

In consideration of the mutual promises set forth and other good and valuable consideration, the receipt and sufficiency of which are acknowledged by the parties, the City and Consultant hereby agree as follows:

- 1. **Recitals.** The recitals set forth above are not merely recitals, but form an integral part of this Amendment.
- 2. **Scope Of Work.** Consultant’s scope of work is amended as of the Effective Date of this Amendment and Exhibit A of the original Agreement is amended as set forth in Exhibit A-Amendment No. 1, attached to this Amendment.
- 3. **Compensation.** Section 11.0 of the Statement of Work is deleted and replaced by the Schedule of Deliverables in Exhibit A-Amendment No. 1. All references to compensation in the Agreement are deleted and replaced by the following:

“Client agrees to pay all costs as outlined in the Statement of Work attached to the Agreement as Exhibit A, and the costs of the Amended Statement of Work (Change Order #02) which is attached to the First Amendment to the Agreement as Exhibit A- Amendment 1, and incorporated by reference. The maximum amount of Amendment 1 shall not exceed Four Hundred Thirty Seven Thousand and Two Hundred Dollars (\$437,200) and the total cost of the work performed by Consultant shall not exceed One Million Two Hundred Five Thousand One Hundred Sixty Dollars (\$1,205,160). The parties acknowledge that the total cost

described in the preceding sentence includes money for contingencies that may arise during the course of the project, and that the actual total cost may be less than the total cost described in the preceding sentence.”

4. **Other Terms Unmodified.** Except as provided in this Amendment, all provisions, terms, and conditions of the Agreement remain unmodified and in effect. In the event any provision of this Amendment conflicts with the Agreement, the provisions of this Amendment prevail.

CITY OF GLENDALE, an Arizona
municipal corporation

Brenda S. Fischer, City Manager

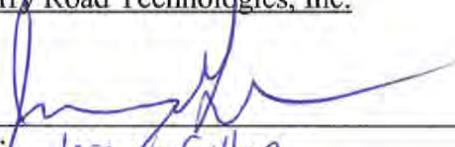
ATTEST:

Pamela Hanna, City Clerk (SEAL)

APPROVED AS TO FORM:

Michael D. Bailey, City Attorney

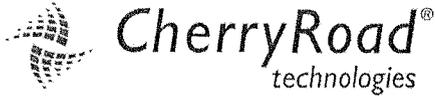
Cherry Road Technologies, Inc.



By: Jeremy Gulbin
Its: President

EXHIBIT A-AMENDMENT NO. 1

Phase ID	Description	Completed / Planned	Contract Amount	CO #01 Platform Migration	CO #02 Modernization	Deliverable Total	Paid
1	P1.1 Preliminary Project Plan	11/18/2013	\$52,032.00			\$52,032.00	\$52,032.00
1	P1.2 Project Standards & Procedures	11/18/2013	\$19,512.00			\$19,512.00	\$19,512.00
1	O1.2 Project Team Kickoff / Weekly Status Meeting	11/25/2013	\$39,024.00			\$39,024.00	\$39,024.00
1	F2.1 Requirements Document	12/13/2013	\$52,032.00			\$52,032.00	\$52,032.00
1	F2.2 Fit/Gap Analysis Document	12/20/2013	\$39,024.00			\$39,024.00	\$39,024.00
1	F2.3 Gap Resolution Document	12/20/2013	\$6,504.00			\$6,504.00	\$6,504.00
2	P2.1 Project Scope Document	10/4/2014	\$45,528.00			\$45,528.00	
2	P2.2 Project Plan Updated	10/4/2014	\$45,528.00			\$45,528.00	
2	P3.1 Test Plan	11/30/2014	\$32,520.00			\$32,520.00	
2	A3.1 Test Move 1 Completed	12/14/2014	\$97,560.00	\$9,000.00		\$106,560.00	
2	F3.3 Functionality Unit Tested	12/28/2014	\$26,016.00			\$26,016.00	
2	D3.7 Development Unit Tested	1/31/2015	\$26,016.00			\$26,016.00	
2	O3.5 End User Training Curriculum Plan	1/25/2015	\$26,016.00			\$26,016.00	
2	F4.1 Test Scripts	12/28/2014	\$26,016.00			\$26,016.00	
2	A4.1 Test Move 2 Completed	2/1/2015	\$6,504.00		\$83,040.00	\$89,544.00	
2	A4.2 Test Move 3 Completed	5/24/2015	\$6,504.00	\$9,000.00		\$15,504.00	
2	P4.1 Deployment Plan	3/1/2015	\$32,520.00		\$83,040.00	\$115,560.00	
2	P5.1 Execute Deployment Plan	5/1/2015	\$32,520.00		\$83,040.00	\$115,560.00	
2	F4.4 Final Application Configuration Document	4/1/2015	\$3,252.00			\$86,292.00	
2	D4.2 Final Interface Retrofit Specifications	6/1/2015	\$3,252.00			\$3,252.00	
2	D4.3 Final Customization Retrofit Specifications	6/1/2015	\$3,252.00			\$3,252.00	
2	S4.3 Final Workflow Specifications	6/1/2015	\$3,252.00		\$83,040.00	\$86,292.00	
2	S4.4 Final Security Specifications	6/1/2015	\$3,252.00			\$3,252.00	
2	D4.4 Final Report Retrofit Specifications	6/1/2015	\$3,252.00			\$3,252.00	
2	F5.1 Production Support	6/1/2015	\$6,504.00			\$6,504.00	
2	F5.2 Final Acceptance	6/19/2015	\$13,008.00			\$13,008.00	
	Total Cost		\$650,400.00	\$18,000.00	\$415,200.00	\$1,083,600.00	\$208,128.00



THIS AGREEMENT made the 22 day of October, 2013, by and between the City of Glendale, Arizona having its principal offices at Glendale Arizona, hereinafter referred to as "CLIENT," and CherryRoad Technologies Inc., a Florida corporation, authorized to do business in the State of Arizona with offices located at 301 Gibraltar Drive, Suite 2C, Morris Plains, NJ 07950, hereinafter referred to as "CONSULTANT" in the following manner:

WITNESSETH:

WHEREAS, the CLIENT is desirous of entering into an agreement with CONSULTANT for work requested by the CLIENT; and

NOW THEREFORE, the parties hereto, in consideration of the covenants, agreements, terms and conditions herein contained, do agree as follows:

1. **Scope of Services; Term of Agreement:** The Statement of Work, attached as Exhibit A and incorporated as part of this Agreement, shall define the scope of services for this engagement. Both parties agree to fully cooperate with each other in the performance of the services and to meet the obligations assigned to each party in Exhibit A. Each party shall be responsible for the acts and omissions of its own employees and agents. All services to be performed by both parties identified in Exhibit A must be completed within two (2) years of the date of this Agreement unless otherwise mutually agreed by the parties in writing.
2. **Payment Terms:** This is a fixed price contract. A schedule of progress payments has been defined based on the pricing outlined in Exhibit A to this Agreement, which is the Statement of Work. Exhibit A explicitly supersedes any prior quote or negotiations between the parties including any pricing and payment schedules referenced in CONSULTANT's original proposal. CONSULTANT will invoice CLIENT as identified in Exhibit A. CLIENT agrees to remit payment for properly submitted invoices within thirty (30) days of receipt of an invoice, unless CLIENT disputes in good faith any invoice. Any disputes shall be submitted to resolution pursuant to the dispute resolution process in Exhibit B. The total cost of the work described in this Agreement will not exceed Seven Hundred Forty Seven Thousand Nine Hundred Sixty Dollars (\$747,960). The parties acknowledge and agree that the total cost described in the preceding sentence includes money for contingencies that may arise during the course of the project, and that the actual total cost may be less than the total cost described in the preceding sentence.
3. **Order of Precedence:** If there is a conflict between the provisions of this Agreement, and the Statement of Work, the provision(s) of this Agreement shall prevail.
4. **Work Stoppage:** In the event CLIENT fails to pay CONSULTANT for work successfully completed in accordance with the terms of this Agreement, or if CLIENT fails to meet its obligations identified in Exhibit A of this Agreement CONSULTANT may temporarily cease any and all work under this Agreement ("Work Stoppage"), provided CONSULTANT gives CLIENT at least thirty (30) calendar-days-notice and CLIENT fails to cure within such thirty

(30) calendar days and any disputes related to this agreement are submitted to resolution pursuant to the dispute resolution process in Exhibit B. In such event, if the period of time for such Work Stoppage is more than thirty (30) calendar days, CONSULTANT shall have the right to terminate the Agreement. In the event CLIENT cures by making full payment after the Work Stoppage and/or demonstrates to CONSULTANT's satisfaction its ability to meet its obligations prior to any termination, CONSULTANT will return to work within a reasonable time, but in no event more than thirty (30) calendar days thereafter.

In the event the matter is resolved either between the parties or through dispute resolution in accordance with Exhibit B of this Agreement and CONSULTANT agrees to return to work hereunder, then CONSULTANT shall have no liability for any changes, modifications or alterations made during the Work Stoppage by non-CONSULTANT employees or subcontractors to the work previously performed prior to the Work Stoppage, unless such liability is addressed in writing as part of the Dispute Resolution process.

- 5. Warranty:** For a period of three months from the date of Final Acceptance of each module, described in Exhibit A, CONSULTANT warrants that: (A) ALL WORK PERFORMED IN CONNECTION WITH THIS AGREEMENT SHALL BE PERFORMED IN A COMPETENT, PROFESSIONAL AND WORKMANLIKE MANNER, AND SHALL BE OF INDUSTRY STANDARD OR BETTER QUALITY; (B) ALL WORK PERFORMED SHALL COMPLY WITH APPLICABLE LAWS; AND (C) ALL WORK PERFORMED SHALL BE PROVIDED IN ACCORDANCE WITH AND SHALL CONFORM IN ALL MATERIAL RESPECTS TO ANY SPECIFICATIONS AND REQUIREMENTS SET FORTH IN THIS AGREEMENT.

THE ABOVE IS CONSULTANT'S SOLE AND EXCLUSIVE WARRANTY. CONSULTANT AFFIRMATIVELY EXCLUDES ANY AND ALL OTHER WARRANTIES, CONDITIONS, OR REPRESENTATIONS (EXPRESS OR IMPLIED, ORAL OR WRITTEN), WITH RESPECT TO THE SERVICES PROVIDED INCLUDING ANY AND ALL IMPLIED WARRANTIES OR CONDITIONS OF TITLE, MERCHANTABILITY, OR FITNESS OR SUITABILITY FOR ANY PURPOSE (WHETHER OR NOT THE CONSULTANT KNOWS, HAS REASON TO KNOW, HAS BEEN ADVISED, OR IS OTHERWISE IN FACT AWARE OF ANY SUCH PURPOSE) WHETHER ARISING BY LAW OR BY REASON OF CUSTOM OF THE TRADE.

6. Indemnification:

CONSULTANT shall indemnify, defend, save and hold harmless the CLIENT and its officers, elected officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of CONSULTANT or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such CONSULTANT to conform to any Federal, State or local law, statute, ordinance, rule, regulation or court decree. It is agreed that CONSULTANT will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. In consideration of the award of this contract, CONSULTANT agrees to waive all rights of subrogation against the CLIENT, its officers, elected officials, agents, and employees for losses arising from the work performed by CONSULTANT for the CLIENT.

CLIENT shall fully cooperate with CONSULTANT in the course of any such defense, including, without cost, providing resources, information and individuals deemed reasonably necessary by CONSULTANT to effectively defend any such action. CLIENT agrees not to intentionally interfere or otherwise undermine any defense, negotiations or settlement conducted by CONSULTANT to resolve any such matter.

7. Termination: This Agreement may be terminated upon the following events:

Termination by Mutual Agreement. In the event the parties mutually agree in writing, this Agreement may be terminated on the terms and dates stipulated therein.

Termination Without Cause. CLIENT shall have the right to terminate this Agreement without cause by providing CONSULTANT with thirty (30) calendar days' written notice via certified mail, return receipt requested or via hand delivery with proof of delivery. CLIENT will be responsible only for those services which have been delivered and accepted prior to termination. If the items are unique and not saleable or useable for any other application, the CLIENT will reimburse the CONSULTANT for actual labor, material, and burden costs, plus a profit not to exceed 8%. Title to all materials, work-in-process, and completed but undelivered goods will pass to the CLIENT after costs are claimed and allowed and payment has been made to CONSULTANT.

Termination for Cause. In the event of a material breach, either party may provide the other party with written notice of the material breach, with such sufficient detail so the party can readily understand the claim for material breach. The other party shall have thirty (30) calendar days from the date of its receipt of such notification to cure such material breach. If the material breach is not cured within that time period, the non-breaching party may terminate this Agreement immediately.

In case of Termination for Cause, the CLIENT may, by written notice repurchase from another source and may recover the reasonable excess costs by a deduction from an unpaid balance due or through any other remedies as provided by law.

Termination for Lack of Funds. CONSULTANT and the CLIENT recognize that the continuation of any contract after the close of any given fiscal year of the CLIENT, which ends on June 30, shall be subject to the approval of the budget of the CLIENT providing the contract item is an expenditure therein. The CLIENT does not guarantee that the budget item will be actually adopted, as it is the determination of the City Council at the time of the adoption of the budget.

Upon termination of this Agreement for any reason, including expiration, CONSULTANT shall place no further orders nor enter into subcontracts for materials or services unless it is necessary in accordance with agreed upon wind-down disentanglement procedures. In accordance with the terms of this Agreement, CONSULTANT and CLIENT shall satisfy all of their debts and obligations arising under this Agreement or during the term of this Agreement. Moneys due and owing CONSULTANT pursuant to the terms of this Agreement shall be deemed a continuing obligation, surviving termination of this Agreement. CONSULTANT shall not be obligated to provide CLIENT all or any services, or any support therefore or satisfy any other obligations hereunder until and unless all moneys due and owing pursuant to the terms of this Agreement are fully paid or unless otherwise agreed upon in writing by the parties.

Neither the expected termination nor the expiration of this Agreement shall relieve CONSULTANT, its employees and independent contractors from their contractual duty and ethical obligation to provide or arrange for services under this Agreement until the effective date of termination. Notwithstanding the above, until and unless moneys due and owing pursuant to the terms of this Agreement are fully paid or unless otherwise agreed upon in writing by the parties, CONSULTANT shall not be obligated to provide any further services at or after the effective date of the termination or expiration of this Agreement.

In the event of Termination by Mutual Agreement, Termination Without Cause by CLIENT, Termination for Cause by CONSULTANT, or Termination for Lack of Funds, CLIENT shall pay for services performed by CONSULTANT prior to termination. Upon payment for such services, CLIENT shall be entitled to all completed services and any work product associated with any uncompleted services. Such services shall be paid on a time and materials basis at the rates listed in this Agreement.

In the event of any termination, CLIENT and CONSULTANT shall mutually agree upon "wind-down" disentanglement procedures to include, without limitation, the scope, staffing and costs required by such procedures. CONSULTANT shall, upon receipt of termination notice, unless otherwise directed by the CLIENT: (i) take such action as may be necessary for the protection and preservation of the CLIENT's materials and property; (ii) shall act in good faith to mitigate costs to CLIENT; and (iii) take no action which will increase the amounts payable by the CLIENT under this Agreement.

Notwithstanding any other provisions of this Agreement, the provisions regarding insurance, indemnification, confidentiality, limitation of liability, non-solicitation shall survive the termination or expiration of this Agreement. In addition, any and all money due and owing CONSULTANT pursuant to the terms of this Agreement shall be deemed a continuing obligation, surviving termination of this Agreement.

8. **Insurance:** CONSULTANT is performing as an independent contractor hereunder. CONSULTANT shall be fully responsible for providing Workers' Compensation or other applicable insurance coverage for itself and its employees and the CLIENT shall have no responsibility of liability for such insurance coverage.

CONSULTANT shall provide to the CLIENT a copy of all insurance policies it has in effect during the term of this contract, including a General Liability Insurance policy, automobile, professional malpractice and errors and omissions policies. The coverage limits of such insurance shall not be less than those listed below.

The insurance company issuing the policy required above shall have an AM Best financial rating of "A-" or better and be authorized by the State of Arizona Department of Insurance to transact business within the State. **The certificate and policy shall name the CLIENT as an additional insured and shall be primary and non-contributory coverage. The CLIENT shall also be an additional insured to the full limits of the liability insurance purchased by the CONSULTANT even if those limits are in excess of those required by this contract.**

The CLIENT reserves the right to terminate this Agreement pursuant to Section 7 if the CONSULTANT fails to maintain such insurance coverage.

CONSULTANT must provide certification of insurance compliance within ten (10) calendar days after the date of this Agreement. Certification must include: name and address of insurance company; policy number; liability coverage amounts; a statement the policy will not be canceled or failed to be renewed without thirty (30) days written notice to the CLIENT.

Certification to be submitted to: Materials Management, 5850 West Glendale Avenue, Suite 317, Glendale, Arizona 85301.

<u>Type of Insurance</u> <u>(Minimum)</u>	<u>Limits of Liability</u>
Workers' Compensation	Statutory
Employer's Liability	
Each Accident	\$100,000
Disease-Each Employee	\$100,000
Disease-Policy Limit	\$500,000

Commercial General Liability shall cover liability arising from bodily injury, property damage, products-completed operations, personal and advertising injury, independent Contractors, and broad form contractual coverage.

Each Occurrence	\$1,000,000
Personal and Advertising	\$1,000,000
General Aggregate	\$2,000,000
Products-Completed Operations	\$1,000,000

Automobile Liability – Including bodily injury and property damage for any owned, hired and non-owned vehicles used in the performance of the services.

Combined Single Limit (CSL)	\$1,000,000
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Professional Liability (Errors and Omissions) coverage shall apply to liability for a professional error, act or omission arising out of the scope of services as defined.

Per Claim	\$1,000,000
Policy Aggregate	\$2,000,000

CONSULTANT shall be in full compliance with the provisions of the Arizona Workers' Compensation Law (Title 23, Chapter 6, Arizona Revised Statutes) as amended, and all rules and regulations of the Industrial Commission of Arizona made in pursuance thereof. CONSULTANT shall secure payment of compensation to employees by insuring the payment of such compensation with the State Compensation Fund or any insurance company authorized by the Insurance Department of Arizona to transact business in the State of Arizona.

CONSULTANT further agrees that it shall require any and all subcontractors performing work under the Agreement to comply with said Workers' Compensation Law. It is expressly understood and agreed that all persons employed directly or indirectly by the CONSULTANT, or any of his subcontractors, shall be considered the employees of such CONSULTANT, or his subcontractor(s), and not the employees of the CLIENT.

- 9. Subcontractors:** Performance of any work required under this Agreement, or any portion thereof, shall not be sub-contracted by CONSULTANT without the prior written approval of the Materials Manager, which approval shall not be unreasonably withheld. No such approval will be construed as making the CLIENT a party to such sub-contract, or subjecting the CLIENT to liability of any kind to any sub-contractor. No sub-contract shall, under any circumstances, relieve CONSULTANT of any liability and obligation under this Agreement and, despite any such subcontracting, the CLIENT shall deal through CONSULTANT. Sub-contractors will be dealt with as workmen and representatives of the CONSULTANT.
- 10. Records to be kept by CONSULTANT:** CONSULTANT will maintain all records created in the course of CONSULTANT's work for CLIENT for a minimum of one (1) year following the CLIENT's final acceptance of the work as described in Paragraph 11.5.2 of the Statement of Work attached as Exhibit A. CONSULTANT will open such records to inspection and audit during normal business hours by the CLIENT upon CLIENT's reasonable request. CONSULTANT may only dispose of such records thirty (30) days after notifying CLIENT of its intent to dispose of such records, and will in lieu of disposal of the records, CONSULTANT will provide all such records to CLIENT upon CLIENT's request.
- 11. Force Majeure:** Neither party shall be liable to the other for any failure or delay in performance hereunder due to circumstances beyond its reasonable control including, but not limited to: acts of God; accident; labor disputes; and governmental and judicial action not the fault of the party causing such failure or delay in performance. Upon receipt of notice of failure or delay in performance caused by the foregoing, performance time shall be considered extended for a period of time equivalent to the time lost as a result of any such force majeure, within reasonable limits. If either party is unable to continue to perform for a period of greater than thirty (30) calendar days from the date such notice was issued, then either party may terminate this Agreement.
- 12. CONSULTANT'S Staff:** If for any reason CLIENT believes an assigned resource is not suited for the CLIENT or project, CLIENT reserves the right to request replacement. Any change of assignment or responsibility for employees identified as key personnel in this project are subject to prior notification and approval by the CLIENT, which approval shall not be unreasonably withheld.

At the reasonable request of CLIENT, CONSULTANT shall remove from the project any assigned employee or subcontractor, provided CONSULTANT does not consider such removal to impede its ability to meet its performance obligations under this Agreement. Upon receiving CLIENT's request to remove an assigned employee or subcontractor from the project, CONSULTANT shall immediately notify CLIENT if there is an objection to the removal on the grounds that it may impede CONSULTANT's ability to perform. CLIENT may insist on such removal; however any such removal over the objection of CONSULTANT shall result in a thirty (30) day extension to CONSULTANT's critical delivery dates as defined in this Agreement.

CLIENT shall not otherwise disrupt or interfere with CONSULTANT's management of its staff in the course of performing under this Agreement. CONSULTANT shall not be responsible for the removal of any assigned employee or subcontractor for reasons beyond its reasonable control.

CONSULTANT agrees that it will at all times employ, maintain and assign a sufficient number of competent and qualified professionals and other personnel CONSULTANT deems necessary to meet the progress schedule set forth herein.

13. Non-Disclosure: During the term of this Agreement, CLIENT will have access to and become acquainted with CONSULTANT's written and oral confidential and proprietary Information. Such information shall not be disclosed by CLIENT to any third party without the prior written consent of CONSULTANT, or as required by law, including the Arizona Public Records Act, subject to compliance with the procedure set forth in this Section.

During the term of this Agreement, CONSULTANT will have access to and become acquainted with CLIENT's written and oral confidential and proprietary Information. Such information shall not be disclosed by CONSULTANT to any third party without the prior written consent of CLIENT, or as required by law, subject to compliance with the procedure set forth in this Section.

The following information shall not be considered confidential and proprietary information for the purposes of this Agreement: information previously known when received from the other party; information freely available to the general public; information which is now or hereafter becomes publicly known by other than a breach hereof; information which is developed by one party independently of any disclosures made by the other party of such information; or information which is disclosed by a party pursuant to subpoena or other legal process and which as a result becomes lawfully obtainable by the general public.

If either party is confronted with legal action or believes applicable law requires it to disclose any portion of the other party's confidential and proprietary information protected hereunder, that party shall promptly notify and assist the other (at the other party's expense) in obtaining a protective order or other similar order, and shall thereafter disclose only the minimum of the other party's confidential and proprietary information that is required to be disclosed in order to comply with the legal action, whether or not a protective order or other order has been obtained.

The parties acknowledge that a breach of the provisions of this Section will result in immediate irreparable harm to the aggrieved party, and the aggrieved party may be entitled to immediate temporary, preliminary, and permanent injunctive or other equitable relief.

14. Non-Discrimination: CONSULTANT agrees that it will not discriminate against any person(s) because of age, race, color, creed, religion, disability, national origin, citizenship or sex.

15. Notice: Any notice hereunder by one party to the other party shall be given in writing by personal delivery, facsimile, regular mail, or certified mail with proper postage, to the party at the addresses designated in this Agreement. Any notice shall be effective on the date it is received by the addressee. Either party may change its address for notice purposes by giving the other party notice of such change in accordance with this paragraph.

Notices shall be addressed as follows:

CLIENT:

Contract Administrator
Attn: Steve Szymanski
Accounting Department
5850 W. Glendale Ave.
Glendale, AZ 85301

With a copy to:
Glendale City Attorney's Office
5850 W. Glendale Ave.
Suite 450
Glendale, AZ 85301

CONSULTANT:

CherryRoad Technologies Inc.
301 Gibraltar Drive, Suite 2C
Morris Plains, NJ 07950
Attn: Barbara M. Robinson
Phone: (973) 541-4212
Fax: (973) 541-2545

16. Waiver or Modification of Agreement:

- a) Any and all changes and modifications to the terms and conditions of this Agreement, including the exhibits, shall be by written agreement signed by both parties.
- b) No waiver by either party of any default, breach or condition precedent, shall be construed as a continuing waiver of any provision of this Agreement nor as a waiver of any other default, breach, condition precedent, or any other right hereunder.

17. Governing Law: The validity, performance and enforcement of this Agreement shall be governed by and be construed in accordance with the laws of the State of Arizona without regard to the conflicts of law rules thereof. Maricopa County, Arizona shall have exclusive jurisdiction and venue over the parties with respect to any dispute arising under this Agreement. By signing this Agreement, each party consents to personal jurisdiction in Maricopa County, Arizona and agrees to not raise any defense to same.

18. Non-Solicitation of Employees: CONSULTANT and CLIENT agree that neither party shall directly or indirectly solicit for employment any employee of the other party. This clause shall remain in effect during the term of this Agreement and for a period of one year after the termination of this Agreement, unless prior written consent of the other party is first obtained.

19. Independent Contractor Status: CLIENT expressly acknowledges that CONSULTANT is an "independent contractor", and nothing in this Agreement is intended nor shall be construed to create an agency relationship, an employer/employee relationship, a joint venture relationship, or any other relationship allowing CLIENT to exercise control or direction over the manner or method by which CONSULTANT or its subcontractor performs hereunder. CLIENT shall neither have nor exercise any control or direction over the methods by which the CONSULTANT shall perform its work and functions other than as provided in this Agreement. No party shall have the authority to bind the other or otherwise incur liability on behalf of each other.

20. Change Orders: Changes in scope to the work contained in Exhibit A will be dealt with on a time and materials basis using rates consistent with the roles identified in Exhibit A and will result in the issuance of a Change Order by CLIENT. CONSULTANT shall not be

obligated to provide the work required by the change in the Statement of Work until such time as the Change Order is agreed to in writing by both CONSULTANT and CLIENT.

- 21. Severability:** A determination for any reason that any provision of this Agreement is void, invalid or unenforceable by a court of appropriate jurisdiction shall not affect the enforceability or validity of any other provision of this Agreement.

Each party, and each person signing on behalf of a party, represents and warrants that it, he or she has full legal capacity and authority on that party's behalf, to enter into and perform the respective obligations under this Agreement without any additional consent or approval.

- 22. Headings or Captions:** The paragraph headings or captions used in this Agreement are for identification purposes only and do not limit or construe the contents of the paragraphs.

- 23. Limitation on Liability:** EXCEPT WITH RESPECT TO CONSULTANT'S INDEMNIFICATION OBLIGATIONS SET FORTH HEREIN AND NOTWITHSTANDING ANYTHING CONTAINED IN THIS AGREEMENT TO THE CONTRARY, IN NO EVENT SHALL EITHER PARTY BE RESPONSIBLE FOR SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES OF ANY KIND OR NATURE, INCLUDING WITHOUT LIMITATION, LOST PROFITS, LOST REVENUES OR OTHER MONETARY LOSS, ARISING OUT OF OR RELATED TO THIS AGREEMENT AND ANY ACTIONS OR OMISSIONS WITH RESPECT THERETO, WHETHER OR NOT ANY SUCH MATTERS OR CAUSES ARE WITHIN A PARTY'S CONTROL OR DUE TO NEGLIGENCE OR OTHER FAULT ON THE PART OF A PARTY, ITS AGENTS, AFFILIATES, EMPLOYEES OR OTHER REPRESENTATIVES, AND REGARDLESS OF WHETHER SUCH LIABILITY ARISES IN TORT, CONTRACT, BREACH OF WARRANTY OR OTHERWISE. ANY LIABILITY INCURRED BY CONSULTANT IN CONNECTION WITH THIS AGREEMENT SHALL BE LIMITED TO THE AGGREGATE AMOUNT OF ALL FEES AND EXPENSES ACTUALLY PAID BY CLIENT TO CONSULTANT UNDER THIS AGREEMENT.

- 24. Work Products:** All work product created by CONSULTANT specifically for CLIENT under this Agreement shall be owned by CLIENT, along with all proprietary, including intellectual property, rights pertaining thereto. Such ownership rights shall vest upon CLIENT'S full payment to CONSULTANT for the services applicable to each work product. This Agreement shall be considered to be a work-for-hire agreement. To the extent that this Agreement should be deemed to not be a work-for-hire agreement, CONSULTANT agrees to, and hereby does, assign, subject to CONSULTANT receiving payment as specified above, to CLIENT all ownership and all other proprietary rights, including intellectual property rights, in and to all work products. CONSULTANT agrees to execute any documents necessary to document such assignment.

Notwithstanding the foregoing, CONSULTANT will retain ownership of all knowledge, techniques, procedures, routines, templates and methods which have been developed by CONSULTANT in its regular course of business and not for specific use in performance of this Contract, and used in the provision of services ("Consultant Tools"). CONSULTANT shall grant CLIENT, upon full payment, a perpetual, irrevocable, non-assignable, non-exclusive license to all Consultant Tools that CONSULTANT embeds in or provides with any work product or that are otherwise used in connection with the services.

25. Contract Administrator: The staff member identified as the Contract Administrator for a solicitation serves as the liaison between Materials Management, the CLIENT and CONSULTANT. The Contract Administrator manages the contract, overseeing the daily operations, scheduling, performance and compliance of the agreement by all parties.

The Contract Administrator is responsible for:

- Establishing and maintaining records and documentation
- Monitoring the CONSULTANT's performance
- Handling issues and disputes
- Exercising extension options
- Initiating contract modifications
- Initiating rebids or new solicitations

26. Entire Agreement: This Agreement, together with the exhibits constitutes the entire agreement between the parties and is a complete and exclusive statement, and all prior agreements, discussions and understandings are merged herein.

27. Binding Effect: This Agreement shall be binding upon, and inure to the benefit of the parties, their representatives, employees, agents, independent contractors, successors and assigns.

28. Counterparts: This Agreement may be executed in one or more counterparts. All executed counterparts, each of which shall be deemed an original and all such counterparts shall constitute one and the same instrument.

29. Responsibility for Compliance with Legal Requirements: CONSULTANT's products, services, and facilities shall be in full compliance with all applicable Federal, State, and city code provisions, regulations, standards, and ordinances, regardless of whether or not they are referred to by the CLIENT.

30. Tax Exemption: The CLIENT is exempt from paying Federal Excise Taxes and will furnish an exemption certificate upon request.

31. Late Submission of Claim: The CLIENT will not honor any invoices or claims which are tendered one year after the last item of the account accrued.

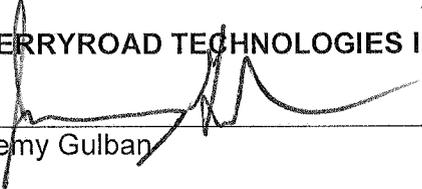
32. Assignment: Neither an order nor monies due thereunder shall be assigned in whole or in part without the CLIENT's prior written consent, which shall not be unreasonably withheld.

33. Immigration Law Compliance CONTRACTOR, on its own behalf and on behalf any subcontractor, warrants, to the extent applicable under A.R.S. § 41-4401, compliance with all federal immigration laws and regulations that relate to their employees as well as compliance with A.R.S. § 23-214(A) which requires registration and participation with the E-Verify Program. Any breach of warranty described above is considered a material breach of this Agreement and is subject to penalties up to and including termination of this Agreement. CLIENT retains the legal right to inspect the papers of CONSULTANT or any of CONTRACTOR'S subcontractor's employee(s) who perform work under this Agreement to ensure that CONSULTANT or its subcontractor(s) are compliant with the warranty described above. CLIENT may conduct random inspections, and upon request of the CLIENT,

CONSULTANT shall provide copies of papers and records demonstrating continued compliance with the warranty described above. CONSULTANT agrees to keep papers and records available for inspection by the CLIENT during normal business hours and will cooperate with CLIENT in exercise of its statutory duties and not deny access to its business premises or applicable papers or records for the purposes of enforcement of this Section. CONSULTANT agrees to incorporate into any subcontracts under this Agreement the same obligations imposed upon itself and expressly accrue those obligations directly to the benefit of the CLIENT. CONSULTANT also agrees to require any subcontractor to incorporate into each of its own subcontracts under this Agreement the same obligations above and expressly accrue those obligations to the benefit of the CLIENT. CONSULTANT's warranty and obligations under this Section are continuing throughout the term of this Agreement or until such time as the CLIENT determines, in its sole discretion, that Arizona law has been modified so that compliance with this section is no longer a requirement. The "E-Verify Program" above means the employment verification program administered by the United States Department of Homeland Security, the Social Security Administration, or any successor program.

Agreed to by:

CHERRYROAD TECHNOLOGIES INC.



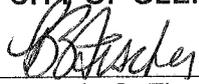
Jeremy Gulban

(President)

(Date)

October 14, 2013

CITY OF GLENDALE, ARIZONA



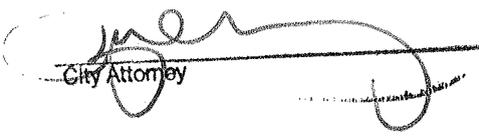
Brenda S. Fischer

City Manager

(Date)

10/23/13

Approved as to form



City Attorney

ATTEST:



City Clerk

Exhibit A

STATEMENT OF WORK

(See Attached)



Statement of Work

Upgrade of PeopleSoft HCM

City of Glendale, AZ

October 9, 2013

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1.0 Statement of Work Introduction

1.1 Introduction

CherryRoad has contracted with the City of Glendale Arizona, known as the ("City") to upgrade the City's PeopleSoft Human Capital Management (HCM) system from version 8.9 to version 9.2.

The City of Glendale is planning to upgrade their PeopleSoft HCM application from version 8.9 to 9.2. As part of this upgrade and implementation effort, the City intends to take advantage of new, delivered functionality and to rationalize or eliminate existing customizations whenever possible. The functional improvements delivered in PeopleSoft 9.2 are substantial. So, it should be possible to implement this functionality to improve the City's business processes and to improve the efficacy of HCM operations as a whole. Currently installed modules that will be upgraded as part of the Project are Human Resources, Base Benefits, Payroll for North America, and Time & Labor.

The proposed project schedule that follows is consistent with what the City has specified in its RFP and updated as a result of conversations after the award of the contract. The overall project is scheduled to commence in January 2014. Due to the following regular annual year-end Human Resources changes (Open Enrollment, Performance Evaluations, Memos of Understanding with the PD and Fire departments, PSUM amount changes); we project a go live of July 31st, 2014.

This Scope of Work is Exhibit A to the Services Agreement and is incorporated by reference therein. To the extent that any statement or term set forth in this document is inconsistent with the terms and conditions in the Services Agreement, the terms and conditions of the Services Agreement shall govern the relationship of the parties.

High-Level Project Plan

Task Name	Duration	Start	Finish	Predecessors	Timeline												
					Q4 '13	Q1 '14			Q2 '14			Q3 '14					
					Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
City of Glendale High-Level Project Plan	235 days	Mon 11/4/13	Fri 9/26/14		[Gantt bar spanning from Mon 11/4/13 to Fri 9/26/14]												
HCM Upgrade	235 days	Mon 11/4/13	Fri 9/26/14		[Gantt bar spanning from Mon 11/4/13 to Fri 9/26/14]												
Stage I: Initiation	15 days	Mon 11/4/13	Fri 11/22/13		[Gantt bar spanning from Mon 11/4/13 to Fri 11/22/13]												
Stage II: Planning & Analysis	25 days	Mon 11/25/13	Fri 12/27/13	3	[Gantt bar spanning from Mon 11/25/13 to Fri 12/27/13]												
Stage III: Design & Development	55 days	Mon 12/30/13	Fri 3/14/14	4	[Gantt bar spanning from Mon 12/30/13 to Fri 3/14/14]												
Stage IV: Testing & Training	120 days	Mon 3/17/14	Fri 8/29/14	5	[Gantt bar spanning from Mon 3/17/14 to Fri 8/29/14]												
Stage V: Deployment	20 days	Mon 9/1/14	Fri 9/26/14	6	[Gantt bar spanning from Mon 9/1/14 to Fri 9/26/14]												

The Statement of Work herein guides the primary activities and responsibilities to upgrade the HCM system. It documents project implementation requirements, identifies each major task within the implementation process, sets expectations for each party and identifies the criteria by which a task will be considered complete. The Statement of Work herein is tailored to accommodate the City's-specific requirements. CherryRoad will upgrade the HCM system as



detailed in this Statement of Work and the Preliminary Project Plan deliverable, as identified in Section 3.2.1 of this document. As stated in the Request for Proposal Response and their Best and Final Offer, CherryRoad will perform work on the upgrade the HCM system in the following manner:

- CherryRoad will staff the Project Manager/Time and Labor/Payroll Lead Role with a fully dedicated, on-site resource. This methodology allows for the following:
 - The City will have access to an on-site resource that is fully accountable for all CherryRoad activities.
 - Time and Labor is often one of the most visible components to an upgrade, so putting special emphasis on this role mitigates risk.
 - The CherryRoad Time and Labor Lead will understand the inner-workings of all associated modules and will be the correct conduit to other CherryRoad staff members
- CherryRoad will supply a Customization Retrofit Resource (Technical Development) to perform work throughout the project.
- CherryRoad will supply a Technical Upgrade Specialist to assist the City when needed.
- CherryRoad will utilize a Functional Resource Bank to supplement HR tasks throughout the project.
- The Functional Resource Bank accomplishes the functional needed tasks for the upgrade while giving the City and CherryRoad latitude for travel expenses.
- Includes functional diversification to the team and allows the CherryRoad Project Manager to include functional resources on an as-needed basis.

2.0 Technical Architecture

The City of Glendale has decided to use their existing infrastructure during this upgrade project. The upgraded 9.2 HCM database will run on the same set of servers that are currently in place today. As a result, CherryRoad will not need to assist the City with an infrastructure assessment or load testing effort. However, CherryRoad will provide recommendations and quality assurance services to ensure that the infrastructure provided by the City is properly sized, installed and configured.

2.1 Recommended Technical Architecture

2.1.1 Recommended Architecture Configuration

CherryRoad recommends that the City's final production architecture is optimized to best practice standards to ensure performance, scalability and high availability

2.1.2 Database Instances

In order to ensure that the project is supported and that the system is properly managed after go-live, the City must implement, with CherryRoad assistance, a database environment that meets the following objectives.

- Represents each major project activity through a separate, discrete database environment
- Incorporates a unified development, testing and training methodology
- Creates a baseline database for storing critical data and metadata
- Eliminates redundancy of data entry and validation by establishing single points of entry and utilizing predefined data and metadata migration paths to other databases
- Synchronizes all databases on the same release of PeopleSoft Applications and PeopleTools for consistency
- Imposes a strict process of change, version and migration control
- Ensures that each database is recoverable for a specific timeframe through periodic backups
- Incorporates application (HCM) migration paths
- Enables accessibility to all current and future databases
- Facilitates the creation of the final production environment
- Is transferable to future initiatives of the upgrade

CherryRoad recommends that the City formulate a comprehensive Database Strategy that will meet the City's implementation and production requirements. At a minimum, it will incorporate the following databases:

- **Demo** – Vanilla database installed and certified by Oracle, which serves as the baseline for delivered PeopleSoft functionality. Also serves as the first point of entry for updates and fixes via the Environment Manager (EM) Hub, and is kept in a pristine state.
- **Sandbox** – Copy of the Demo database, used by both functional and technical team members for testing out basic functionality of the modules.
- **Development** – Copy of a Staging (STG) database for the development of customizations. Access to this database will be restricted to technical team members.
- **Test** – Copy of a STG database for the functional testing of configurations and customizations. Access to this database will be restricted to functional team members.
- **Staging** – Database containing all tested and approved customizations and modifications. This database is where all modifications will be staged prior to being migrated to the final production environment.
- **Conversion** – Conversion database for the migration of data from legacy systems used for validation and reconciliation of the data conversion process, as well as staging of any transaction data to be used for testing.
- **Training** – Training database containing predefined application data that corresponds to Training Manuals. Generally a copy of the latest version of the STG database. May be more than one instance.
- **Production** – Final Production database, created from the Staging database. Used to execute any Load Testing prior to go-live.

CherryRoad will need the City to provide these environments prior to the start of the Design/Development phase of the project. The City's failure to provide such instances by this date will cause project delays, and initiate a change order process to redefine the remainder of the project, along with associated cost increases as a result of the delay.

2.2 Technology Architecture Roles and Responsibilities

2.2.1 The City of Glendale Technology Architecture Roles

Database Administrator – The Database Administrator (DBA) has overall responsibility over the relational database management system (RDBMS). This includes the creation and configuration of the databases and instances, administration of the RDBMS components (e.g., sizing, tablespaces, security, profiles, etc.), database and SQL tuning, backups, restores and recovery. The DBA is also responsible for leveraging native database tools as well as applicable third-party products in the management of the database environment.

System Administrator – The System Administrator has overall responsibility over the installation, configuration and maintenance of the hardware for the PeopleSoft Internet Architecture (PIA). This includes all servers, network, storage, switches, firewalls and all other components supporting the applications.

System Architect – The System Architect (SA) is responsible for the high-level design of the technical solution. This individual proposes the use of appropriate technology to meet the needs of the organization. The SA also determines hardware configurations and the number of databases, and the criteria for data sharing and storage.

2.2.2 Project Team Technology Architecture Responsibilities

Task	Lead	Assist	Comments
Infrastructure Installation	City	CherryRoad	Jointly agree on hardware specifications, project support and resources during and after upgrade.
PeopleSoft Installation	City	N/A	The City will install and certify the PeopleSoft demo environments. The City is responsible for funding as well as contract administration.
Database Instances	City	CherryRoad	City will provide the database instances that will be required for the project and production environments, with support from CherryRoad
Redundancy Testing	City	N/A	The City's production HCM system is on one Database server and one App server. Redundancy could be provided by the City's Disaster Recovery site.
PIA Performance Tuning	City	CherryRoad	City will tune the PIA environment, with the support of CherryRoad.

2.3 Performance Monitoring

CherryRoad will use the native performance monitoring tools delivered with PeopleSoft to monitor the PIA components. CherryRoad will also formulate and deliver a set of policies and procedures surrounding the use of these tools. In addition, CherryRoad will work with the City DBA in the use of native database tools to monitor the RDBMS, as well as the City System Administrator for monitoring the PIA hardware components.

2.4 System Performance Goals

2.4.1 User Experience Performance Goals

The City understands that impact of change on their user community will be great due to the version 9.2 look and feel of the ERP system across the City.

The City and CherryRoad will establish user experience performance goals for key application functions as part of the Initiative Scope Document for each project initiative. The primary user experience performance goal will be to avoid additional challenges at the time of deployment by providing the user community with an application that performs efficiently and provides satisfactory operation.

User Experience Performance Tuning

The City DBA resource will be responsible for conducting database tuning to meet the City's online and batch performance goals. The City requires that scheduled processing for nightly, weekly, and monthly cycles be completed in acceptable processing windows. In the Initiative Scope Document for each project initiative, the scheduled batch processing goal will be defined. In addition, the City requires that ad-hoc reporting and as-needed batch processing can be executed during working hours and not create an unmanageable degradation of application performance for the user community. The CherryRoad technical staff will assist in the database tuning effort by providing feedback and guidance to the City DBA. DBA performance tuning activities include:

- Monitor Database for long running SQLs
- Tune long running SQLs using virtual indexes and index tuning wizards
- Monitor Database for IO
- Administer Table/Index partitioning (for large tables)

The City System Administrator will be responsible for conducting PIA Tuning to meet the City's online and batch performance goals. The City requires that scheduled processing for nightly, weekly, and monthly cycles be completed in acceptable processing windows. In the Initiative Scope Document for each project initiative, the scheduled processing goal will be defined. In addition, the City requires that ad-hoc reporting and as-needed batch processing can be executed during working hours and not create an unmanageable degradation of application performance for the user community. CherryRoad technical staff will assist in the PIA tuning effort by providing feedback and guidance to the City System Administrator. System performance tuning activities include:

- Monitoring Web Server for Heap Size (Garbage Collection), and Threads
- Monitoring Application Server for Queuing and Idle processes
- Right sizing Application server domains

It is the responsibility of the City's Technical Architecture team (City DBA, City System Administrator) to monitor system performance issues and identify opportunities to improve performance throughout the project lifecycle.

2.5 Active Directory Integration

In the current City of Glendale's architecture, all PeopleSoft domains, other than DEMO, are fully integrated with Active Directory, using signon PeopleCode to authenticate PS application access.

CherryRoad will integrate with City's directory servers with the following assumptions:

- All directory servers to be integrated must be able to connect to PeopleSoft and not have any access restrictions that prevent full LDAP integration with PeopleSoft, including but not limited to network firewalls and/or compatibility issues. The City is responsible for resolving any LDAP issues before the LDAP integration is implemented.
- The City will provide a SME responsible for the integration to Active Directory.
- The Active Directory Servers must be on a version supported by PeopleSoft at all times.
- The City is responsible to ensure that the user information contained in the Active Directory Servers are properly scrubbed to be consistent in format, having the same User ID convention and contain all the necessary attributes to ensure proper LDAP integration.

3.0 Upgrade Scope

3.1 Implementation Deliverable Matrix Detail

The deliverable matrix provides a description and acceptance criteria for each deliverable. For each deliverable, both CherryRoad and the City will review the representative content to be included in the deliverable as well as the format the document will follow. Should the City or CherryRoad wish to change the content or format of the document, the change must be mutually agreed upon by both parties.

Both parties agree to make the necessary individuals available in order to satisfy and complete each of the deliverables listed below. The City and CherryRoad will act in an expedient fashion to make decisions involving all aspects of these deliverables. CherryRoad holds primary responsibility for the completion of all the deliverables identified in this SOW.

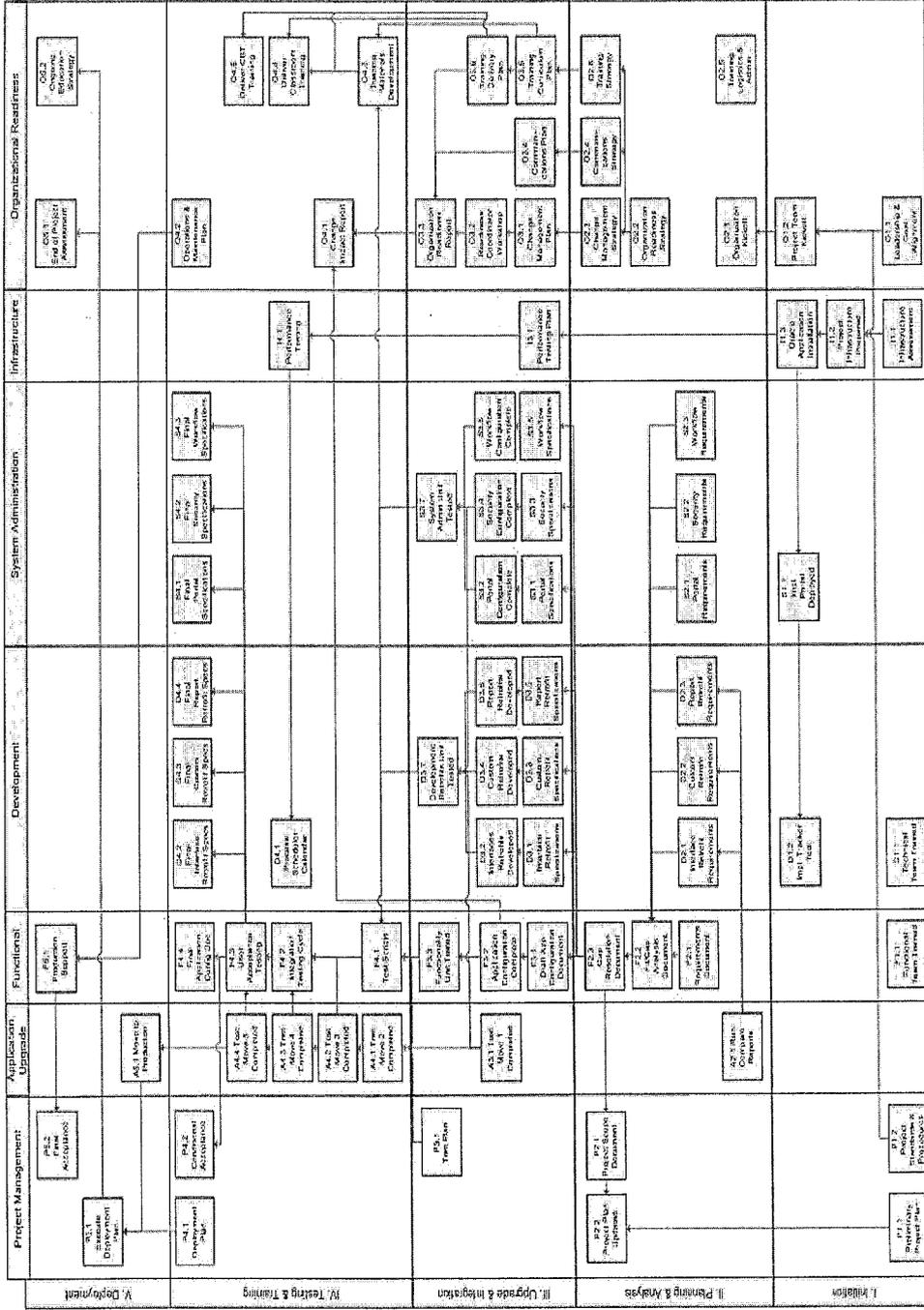
For each deliverable, the following acceptance criteria should be met:

1. An Executive Summary section which defines the content and objectives of each deliverable
2. All of the elements identified in the deliverable description section are included in the deliverable submission
3. The deliverable is complete and reviewed by the City
4. The content of the deliverable is internally consistent as well as consistent with the SOW, other contract documents, and the project plan
5. The deliverable is free from defects, errors, and misstatements

3.2 Work Breakdown Structure and related deliverables

CherryRoad Implementation Work Breakdown Structure (WBS)

The following Work Breakdown Structure (WBS) deliverable matrix provides a deliverable ID, predecessor ID, name, description, acceptance criteria, client role, and consultant role for all deliverables that are a part of CherryRoad's WBS methodology. The entire CherryRoad WBS was evaluated to determine which deliverables were relevant and important to the City of Glendale. In the following illustration, the entire CherryRoad WBS is presented, followed by a table of the relevant deliverables that will be produced. Some of the deliverables identified in this section are the City of Glendale's responsibility to deliver as part of the project. All CherryRoad deliverables with associated costs will be defined in the Cost section of this document.



3.2.1 Initiation

ID	Predecessor	Deliverable Name	Deliverable Description	Deliverable Acceptance Criteria	Client Role	CherryRoad Role
P1.1		Preliminary Project Plan	<p>The Preliminary Project Plan is the initial MS Projects project plan. This document establishes the project team work plan based upon the project scope, approach, resources, and timeline established by the Statement of Work. The Preliminary Project Plan establishes the structure of the work plan. Where project task requirements have not been finalized, the Preliminary Project Plan will provide placeholders for those tasks to be added to later on (i.e. Reports).</p>	<p>The Preliminary Project Plan is developed in MS Project, and will include the following data elements for each project task:</p> <ul style="list-style-type: none"> • Description • Duration • % Complete • Start Date • End Date • Assigned Resource(s) • Baseline Start Date • Baseline End Date <p>The Preliminary Project Plan will be organized to reflect the Work Break Down structure defined by the SOW. The project plan will be maintained in accordance with the procedures defined by the SOW.</p>	<p>Accountable during the initiation stage of the project to review and approve the Preliminary Project Plan document following submission by consultant.</p>	<p>Responsible for development and submission of the Preliminary Project Plan during the initiation stage.</p> <p>Responsible to distribute Preliminary Project Plan to all consultant staff at the time staff members join the project.</p>
P1.2		Project Standards and Procedures	<p>The Project Standards and Procedures deliverable will define the procedures and project governance regarding the day to day operations of the project team. The deliverable will address documentation standards, network directory structure, IT resource utilization guidelines, communication protocols, and risk & issues management. The deliverable will define the weekly cycle of project meetings, status updates, and communications to be followed by the project team.</p>	<p>Document will establish guidelines and procedures for overall project governance and controls. Minimally the following topics will be defined and implemented:</p> <ul style="list-style-type: none"> • Documentation Standards • Network Access • Issue management • Risk management • Version control procedure • Organization chart • Contact list • Communication standards • Status report standards • Status reporting cycle • Project meeting standards • Project meeting cycle • Project plan update standards • Project plan maintenance cycle 	<p>Responsible for collaborating with the CherryRoad project management to establish project standards and procedures, and ensuring those guidelines are followed by Client staff.</p> <p>The COG Team members will establish a SharePoint site for the project to use as a document repository.</p> <p>Responsible to maintain the implementation SharePoint site post-implementation.</p>	<p>Responsible for collaborating with COG TAC team to establish project standards and procedures.</p> <p>Provide a recommended structure for the SharePoint site.</p> <p>Responsible for documenting project standards and procedures, distributing those guidelines to consultant team members, and for ensuring those guidelines are followed by consultant team members.</p>



ID	Predecessor	Deliverable Name	Deliverable Description	Deliverable Acceptance Criteria	Client Role	CherryRoad Role
O1.2	O1.1 P1.2	Project Team Kickoff and Workshop	<p>During the Initiation stage, the project team is assembled and completes a one day Project Team Kickoff and Workshop addressing the following topics within the Statement of Work and the Project Standards and Procedures deliverable document.</p> <ul style="list-style-type: none"> • Project Scope • Project Timeline • Project Deliverables • Team Member Roles and Responsibilities • Project Rules • Project Expectations • Communications • Project Administration and Logistics 	<p>The Project Team Kickoff Workshop presentation materials will be based upon the content outlined in both the Statement of Work and the Project Standards and Procedures deliverable document. The presentation will be developed in MS PowerPoint and will include the following topics:</p> <ul style="list-style-type: none"> • Project Scope • Project Timeline • Project Deliverables • Team Member Roles and Responsibilities • Project Rules • Project Expectations • Communications • Project Administration and Logistics <p>This deliverable is considered complete at the conclusion of the Project Team Kickoff workshop.</p>	<p>Responsible for communicating and scheduling the Project Team Kickoff and Workshop, and for presenting the content to the project team audience.</p>	<p>Responsible for scheduling the Project Team Kickoff and Workshop.</p> <p>Accountable for providing content input to the presentation and for participating in and presenting topics according to areas of expertise.</p>



3.2.2 Planning & Analysis

ID	Predecessor	Deliverable Name	Deliverable Description	Deliverable Acceptance Criteria	Client Role	CherryRoad Role
Project Management Track						
P2.1	F2.3	Project Scope Document	The Project Scope Document defines each element of project scope to be included in the project phase. The Scope Document will replace the descriptions of project scope contained in the Statement of Work. The Project Scope Document is updated for each project phase by the project management team, following the Fit/Gap Analysis process.	The Project Scope Document is an MS Word document that categorizes the key components of project scope into the following: <ul style="list-style-type: none"> • Oracle application functions • Data Conversions • Interfaces • Customizations • Reports • Portal • Security • Workflow <p>Within each of these categories, the document will list the specific project requirements that will be completed within the project phase.</p>	Responsible for reviewing and approving the Project Scope Document.	Responsible for developing and submitting the Project Scope Document. Upon approval, the CherryRoad Project Manager will update the Project Plan to reflect any variances between the Project Scope Document and the Statement of Work.
P2.2	P1.1 P2.1	Project Plan Updated	The Project Plan is a detailed MS Projects project plan. This document builds on the Preliminary Project Plan developed during the initiation stage of the project phase and refines dates and resources outlined in the earlier version. The Project Plan is updated in each project stage to reflect changes in scope, approach, resources, and timeline.	The Project Plan is developed in MS Projects, and will include the following data elements for each project task: <ul style="list-style-type: none"> • Description • Duration • % Complete • Start Date • End Date • Assigned Resource(s) • Baseline Start Date • Baseline End Date <p>The Project Plan will be organized to reflect the Work Break Down structure defined by the SOW. The project plan will be maintained in accordance with the procedures defined in the SOW.</p>	Accountable throughout the life of the project to review and approve the Project Plan document following submission of updates by CherryRoad.	Responsible for maintaining the Project Plan throughout the project phase, providing weekly updates to the data elements within the plan.

ID	Predecessor	Deliverable Name	Deliverable Description	Deliverable Acceptance Criteria	Client Role	CherryRoad Role
F2.1	Functional Track	Requirements Document	<p>The project team will conduct work sessions to analyze the PeopleSoft 9.2 application functionality for the purpose of identifying opportunities to replace existing customizations and to deploy application functionality which can improve Client business processes.</p>	<p>This deliverable is prepared following the Oracle 9.2 application functionality analysis work sessions. From those work sessions all business requirements will be captured in the Requirements Document. This Requirements Document will evolve into the Fit/Gap Analysis Document.</p>	<p>Accountable to participate in the PeopleSoft 9.2 Application Functionality review work sessions.</p> <p>Responsible for review and approval of scope of new application functions to be implemented, and approve business processes to be changed.</p> <p>Responsible for explaining the Client's use of the current Oracle application functionality.</p>	<p>Responsible to lead the PeopleSoft 9.2 application functionality review work sessions.</p> <p>Responsible for recommending application functions to be implemented, business processes to be changed.</p> <p>Responsible for defining the final scope of new application functions to be implemented and incorporates results into the Fit/Gap Analysis deliverable.</p>



ID	Predecessor	Deliverable Name	Deliverable Description	Deliverable Acceptance Criteria	Client Role	CherryRoad Role
F2.2	F2.1 D2.1 D2.2 D2.3 S2.1 S2.2 S2.3	Fit/Gap Analysis Document	<p>The Fit/Gap Analysis will involve reviewing the Client's current utilization of the Oracle 8.9 applications and comparing that to the delivered software capabilities in the Oracle release 9.2. The project team will review delivered Oracle application functionality. For each Client requirement, the consultant will document whether there is a fit or gap between the requirement and the delivered software. The assessment will also identify delivered application functionality that may be deployed as a means of improving business processes.</p> <p>CherryRoad and the Client will mutually agree upon the final list of additional application functions to be implemented. The final scope of Oracle application functionality to be implemented will be consistent with the scope as it is defined by this SOW.</p>	<p>This deliverable is prepared following the Fit/Gap Analysis work sessions.</p> <p>The document will list the following elements impacted by the upgrade and how the project team will handle these elements in the Oracle 9.2 environment:</p> <ul style="list-style-type: none"> • Application Functions • Customizations • Interfaces • Reports • Portal • Security • Workflow <p>This deliverable is considered complete when the following information has been determined and documented for each of the requirements identified in the Requirements Document deliverable:</p> <ul style="list-style-type: none"> • Fit/Gap Designation • Clarifying Comments for designated gaps <p>The document itself is an update of the Requirements Document.</p>	<p>Accountable to participate in the Fit/Gap Analysis work sessions. Review and approve scope of new application functions to be implemented, and approve business processes to be changed.</p> <p>Responsible for reviewing and approving the Fit/Gap Analysis Document.</p>	<p>Responsible to lead the Fit/Gap Analysis work sessions.</p> <p>Responsible for recommending application functions to be implemented and business processes to be changed.</p> <p>Responsible for incorporating results of the Fit/Gap Analysis work sessions into the Fit/Gap Analysis deliverable.</p>

ID	Predecessor	Deliverable Name	Deliverable Description	Deliverable Acceptance Criteria	Client Role	CherryRoad Role
F2.2	F2.2	Gap Resolution Document	<p>Following the Fit/Gap Analysis the consultants will work with the Client and provide resolution to the gaps found between business requirements and functionality delivered in the Oracle applications. The consultant will provide and present up to three options to each gap:</p> <ul style="list-style-type: none"> • Recommend change in the Client Business Process • Workaround that will meet business objective • Retrofit a Customization to meet the business requirement <p>The objective is to discuss options to resolve gaps, and determine how those gaps will be addressed in the Project Scope Document and Project Plan.</p>	<p>The deliverable is prepared following the Gap Resolution work sessions. The deliverable is complete when the results of the work sessions are documented in the Gap Resolution Document, and corresponding issues have been documented in the issues database.</p> <p>This deliverable is considered complete when the following information has been determined and documented for each of the identified gaps:</p> <ul style="list-style-type: none"> • The gap resolution options have been documented. • The final resolutions have been agreed upon for each identified gap. <p>The document itself is an update of the Fit/Gap Analysis document.</p>	<p>Responsible to participate in gap resolution work sessions, provide input on whether potential resolutions are suitable, and approve the final resolution for each identified gap.</p>	<p>For all identified gaps, responsible to identify and present to the Client gap resolution options and to update the Gap Resolution Document with findings.</p>

Organizational Readiness Track



ID	Predecessor	Deliverable Name	Deliverable Description	Deliverable Acceptance Criteria	Client Role	CherryRoad Role
O2.1	O1.2	Organization Kickoff	<p>The Organization Kickoff deliverable is a presentation to representatives from all affected user groups and includes the following topics.</p> <ul style="list-style-type: none"> • Project Business Case • Project Benefits • Project Timeline • Project Expectations <p>A question and answer session with attendees follows the presentation. The session can be repeated several times if the size of the client user population or geographic locations warrants. The format for this session can be repeated in quarterly updates to the larger user audience.</p>	<p>The Organization Kickoff presentation materials will be developed in MS PowerPoint and will include the following topics:</p> <ul style="list-style-type: none"> • Project Business Case • Project Benefits • Project Timeline • Project Expectations <p>The deliverable is considered complete at the conclusion of the Organization Kickoff presentation.</p>	<p>Responsible for communicating and scheduling the Organization Kickoff, and for presenting the content of the kickoff to the Organization.</p> <p>The COG team will schedule this meeting with City senior management and City T&L Liaisons. HR will prepare and facilitate the meeting.</p>	<p>CherryRoad will be available to provide advice and guidance.</p>



ID	Predecessor	Deliverable Name	Deliverable Description	Deliverable Acceptance Criteria	Client Role	CherryRoad Role
O2.3	O2.2	Change Management Strategy	<p>Change management activities are designed to maximize readiness and minimize the disruption the Software implementation will create among the targeted populations. The Change Management Strategy deliverable describes the approach for involving project team members, as well as resources from critical stakeholder groups, in specific activities designed to create awareness, build advocacy, manage resistance, and bridge knowledge gaps among the affected audiences. A key focus of this strategy is to make change management activities tangible and relevant.</p> <p>The Change Management Strategy is the foundation for preparing the change management plan during the Design and Development Stage of the project.</p>	<p>The Change Management Strategy document will be created in MS Word. The deliverable content establishes the initial framework for the Change Management Plan by stating the Change Management vision, mission and objectives. The deliverable establishes strategies for each of the following key variables:</p> <ul style="list-style-type: none"> • Change Analysis • Change Leadership • Change Communications 	<p>The COG team will establish a plan to keep the City informed of changes coming to the HCM module and how these impact City staff.</p> <p>NOTE: COG may choose to combine Change Management, Communications Strategy and Training Strategy into one effort.</p>	<p>CherryRoad will be available to provide advice and guidance.</p>



ID	Predecessor	Deliverable Name	Deliverable Description	Deliverable Acceptance Criteria	Client Role	CherryRoad Role
O2.4	O2.2	Communications Strategy	<p>The Communications Strategy is a component of the overall Organizational Readiness Strategy. This document is an outline of communication elements that enhance collaboration within the project team and combine to inform stakeholders of project progress and the activities that will affect them. The Communications Strategy combines these elements into a cohesive approach that integrates project decisions with strategies for managing change and training end users.</p> <p>The Communications Strategy is the foundation for preparing the Communications Plan during the Design and Development Stage of the project.</p>	<p>The Communications Strategy document will be created in MS Word. The deliverable content establishes the initial framework for the Communication Plan by stating the Communication vision, mission and objectives. The deliverable establishes strategies for each of the following key variables:</p> <ul style="list-style-type: none"> • Communication Approach • Communication Analysis • Communication Approvals • Communication Principles 	<p>The COG team will establish a plan to keep the City informed of changes coming to the HCM module and how these impact City staff.</p> <p>NOTE: COG may choose to combine Change Management, Comm. Strategy and Training Strategy into one effort.</p>	CherryRoad will be available to provide advice and guidance.
O2.6	O2.2	End User Training Strategy	<p>The End User Training Strategy is a component of the overall Organizational Readiness Strategy. This document is a preliminary outline of the end user training approach for the project.</p> <p>The End User Training Strategy is the foundation for preparing the End User Training Plan during the Design and Development Stage of the project.</p>	<p>The End User Training Strategy document will be created in MS Word. The deliverable content establishes the initial framework for the End User Training vision, mission and objectives. The deliverable establishes a strategy for each of the following key variables:</p> <ul style="list-style-type: none"> • Training Planning • Training Preparations • Training Delivery • Training Evaluation 	<p>The COG team will establish a plan to train City staff of the HCM module features.</p> <p>NOTE: COG may choose to combine Change Management, Comm. Strategy and Training Strategy into one effort.</p>	CherryRoad will be available to provide advice and guidance.

3.2.3 Upgrade and Integration

ID	Predecessor	Deliverable Name	Deliverable Description	Deliverable Acceptance Criteria	Client Role	Cherry/Road Role
Project Management Track						
P3.1		Test Plan	The Test Plan will outline the timing and tasks to accomplish full system testing. This deliverable does not include test scripts, but rather is a plan for the testing effort needed to successfully deploy the application. The deliverable will lay out, in detail, all the requisite steps necessary to fully test the application. This includes planning for all integration and user acceptance testing. This document will also identify the internal and external testing participants and testing environments to be utilized, and the timing, logistics, etc. of the testing.	The Test Plan is an MS Word document that outlines a detailed plan to complete Integration and User Acceptance testing. The document will include the following: <ul style="list-style-type: none"> • Test planning and execution • Testing scope • Testing strategy • Testing environment • Issue reporting, tracking, and resolution • Testing risks and assumptions 	Accountable to review and approve the Test Plan deliverable document.	Responsible to develop and submit the Test Plan deliverable document.
Application Upgrade Track						
A3.1		Test Move 1 Completed	The project team will conduct a series of successive test moves to refine the upgrade test scripts and processes to properly migrate the Client's Oracle applications to the Oracle 9.2 environment. With each test move the upgrade scripts are executed, timings recorded, upgrade scripts tuned, and issues are recorded and resolved. Test Move 1 Acceptance Template will be the final document repository of the Test Move 1 results.	Acceptance Criteria includes the following: <ul style="list-style-type: none"> • All identified issues and fixes documented within the Test Move 1 Acceptance Template • Data converted with explainable errors <p>The test move acceptance template is reviewed and updated in preparation for the next move</p>	Accountable to participate in the Execute Test Move 1 project tasks. Also accountable to review and approve the Test Move 1 milestone document.	Responsible to execute Test Move 1 and complete the Test Move 1 milestone document.



ID	Predecessor	Deliverable Name	Deliverable Description	Deliverable Acceptance Criteria	Client Role	CherryRoad Role
Functional Track						
F3.3	F3.2	Functionality Unit Tested	The project team will conduct functionality unit testing to confirm the accuracy of the application configuration and serve as entrance criteria for the application configuration to be included in integration testing.	This deliverable is considered complete following the completion of the functionality unit test work sessions. The Functionality Unit Test deliverable is considered complete when all unit testing issues uncovered during functionality unit testing have been resolved, and the corresponding application configuration has been updated.	Accountable to participate in Functionality Unit Tested work sessions.	Responsible to lead the Functionality Unit Tested work sessions. Responsible to conduct Functionality Unit Tested work sessions.
Development Track						
D3.7	D3.2 D3.4 D3.6 A3.1	Development Unit Tested	The project team will conduct Development Unit Testing to confirm the accuracy of the technical programming and to serve as entrance criteria for all development items to be included in Integration Testing.	This deliverable is considered complete following the completion of the Development Unit Testing work sessions. The Development Unit Test work sessions are considered complete when all unit testing issues uncovered during the testing sessions have been resolved.	Accountable for participating in the Development Unit Testing work sessions. Responsible for executing unit test scripts for those development items the Client is responsible for developing.	Responsible for leading the Development Unit Testing work sessions and executing the unit test scripts for those development items the consultants are responsible for developing.
Organizational Readiness Track						
O3.1	O2.3	Change Management Plan	The Change Management Plan outlines activities and general timelines for analysis and change leadership.	This plan will be created in MS Word and will be based on the Change Management Strategy. The client change management lead and project manager will be expected to sign off on this deliverable.	The COG team will schedule activities to keep the City informed of changes coming to the HCM module and how these impact City staff. NOTE: COG may choose to combine Change Management, Communications Strategy and Training Strategy into one effort.	CherryRoad will be available to provide advice and guidance.



ID	Predecessor	Deliverable Name	Deliverable Description	Deliverable Acceptance Criteria	Client Role	CherryRoad Role
O3.2	O3.1	Readiness Coordinator Workshop	<p>Informal leaders from among the user community are identified and trained to be advocates for the project. These leaders become trusted liaisons between the project team and the affected populations.</p> <p>The Readiness Coordinator Workshop is a half day work session that explains the role of the readiness coordinator and how the network will be used prior to, during, and after deployment.</p>	<p>The presentation materials for this workshop will be developed using MS PowerPoint and MS Word. The presentation will minimally address the following:</p> <ul style="list-style-type: none"> • Objectives of the Readiness Coordinator Network • Readiness Coordinator responsibilities • Readiness Coordinator assigned project tasks • Readiness Coordinator participation timeline <p>The deliverable is considered complete at the conclusion of the Readiness Coordinator Workshop.</p>	<p>The COG team may choose to incorporate advanced training of T&L Liaisons into the Change Management, Communications Strategy and Training Strategy efforts.</p>	<p>CherryRoad will be available to provide advice and guidance.</p>
O3.4	O2.4	Communications Plan	<p>The Communications Plan lists tactical communication activities and the anticipated timelines for conducting each of the communications components described in the Communication Strategy.</p>	<p>The Communications Plan will be created in MS Word and will establish the Communication Audiences, vehicles, and approval process. The plan will define the scheduled One-Way and Two-Way communications and will minimally include the following key variables associated with each form of communication:</p> <ul style="list-style-type: none"> • Activity • Target Audience • Objective • Key Inputs • Key Outputs • Development Owner • Delivery Owner • Transmittal Option(s) • Frequency 	<p>The COG team may choose to incorporate this activity with the Change Management, Communications Strategy and Training Strategy efforts.</p>	<p>CherryRoad will be available to provide advice and guidance.</p>

ID	Predecessor	Deliverable Name	Deliverable Description	Deliverable Acceptance Criteria	Client Role	CherryRoad Role
O3.5	O2.6	End User Training Curriculum Plan	The End User Training Curriculum Plan outlines which PeopleSoft training courses to be developed and delivered. In addition to a description of each course, the deliverable includes a class overview, the user audiences who will be trained, course objectives, prerequisites, and any support requirements.	<p>The End User Training Curriculum Plan is an MS Word document that will minimally include the following information:</p> <ul style="list-style-type: none"> • Course list • Course descriptions • Course prerequisites (if needed) • Course objectives • Target audience for the course • Course duration • Listing of material to support course delivery 	Accountable for participating in the development of the End User Training Curriculum Plan, and provides change management guidance as input to the training plan.	CherryRoad will be available to provide advice and provide guidance.
O3.6	O3.5	End User Training Delivery Plan	CherryRoad conducts a training assessment during the initial phase of the project to determine the user audiences and the best methods for increasing their ability to effectively use the software applications being deployed within their organization. The delivery plan will include a training schedule of the courses that will be delivered, who will be trained along with instructional strategies and guidelines on trainer selection.	<p>The training delivery plan will minimally contain the following information:</p> <ul style="list-style-type: none"> • Course delivery method • Class schedule • Class instructors • Registration process • Trainer preparation activities 	The COG team will determine course delivery method, training locations, schedule of classes and trainers, and registering students.	CherryRoad will be available to provide advice and guidance.

3.2.4 Testing and Training

ID	Predecessor	Deliverable Name	Deliverable Description	Deliverable Acceptance Criteria	Client Role	CherryRoad Role
P4.1		Deployment Plan	The deployment plan outlines the required steps for the organization to transition to the final production application implementation. The plan will identify all of the pre-requisite steps for initiating the cutover to production. The Deployment Plan will be a tool for preparing departments and users for the final application upgrade.	The Deployment Plan is a narrative plan outlining the approach for deploying the Oracle applications in the production environment. The deployment plan will include the following: <ul style="list-style-type: none"> • Building the production environment • Application Upgrade sequencing • Configuration migration and creation • Departmental instructions for transition to the Oracle applications environments. • Detailed Cutover Matrix outlining the step-by-step list of tasks for completing the final production application. 	Accountable to review and approve the Deployment Plan deliverable document.	Responsible to develop and submit the Deployment Plan deliverable document.
P4.2	F4.3	Conditional Acceptance	Conditional Acceptance deliverable authorized the project team to proceed with the execute deployment plan and complete the migration to production.	The Conditional Acceptance deliverable is a document that directs the project team to execute the deployment plan and complete the move to production. The document lists all conditions that are assigned to CherryRoad and much be satisfied for final acceptance to be granted by the client. The conditions included in the document will be consistent with the CherryRoad assigned responsibilities as defined by the SOW, project plan, and project deliverables.	Responsible for reviewing and approving the Conditional Acceptance deliverable.	Responsible for reviewing the project issues, SOW, deliverables, etc. and determining those CherryRoad assigned conditions that are to be included in the Conditional Acceptance deliverable. Responsible for completing and submitting the Conditional Acceptance deliverable.



ID	Predecessor	Deliverable Name	Deliverable Description	Deliverable Acceptance Criteria	Client Role	CherryRoad Role
A4.1	A3.1 F4.1 A4.2 A4.3	Test Move 2 Complete / Integration Testing Complete	<p>The project team will conduct a series of successive test moves to refine the upgrade test scripts and processes to properly migrate the Client's Oracle applications to the Oracle 9.2 environment. With each test move the upgrade scripts are executed, timings recorded, upgrade scripts tuned, and issues are recorded and resolved. Test Move 2 Acceptance Template will be the final document repository of the Test Move 2 results.</p> <p>Integration testing verifies the interaction of the various modules works as expected. The project team will test online functionality, synchronous, asynchronous and batch interfaces, and cross-module processes to verify that data is correctly maintained across integration points. Reports are generated and the information and calculations validated.</p>	<p>Acceptance Criteria includes the following:</p> <ul style="list-style-type: none"> • No repeated critical errors from previous test move • New critical issues are resolved • All identified issues and fixes documented within the Test Move 2 Acceptance Template • Data converted with minimal or explainable errors <p>The test move acceptance template is reviewed and updated in preparation for the next move.</p> <p>This deliverable is considered complete following the completion of the integration testing work sessions. The integration testing work sessions are considered complete when all integration testing issues uncovered during integration testing work sessions have been resolved.</p>	<p>Accountable to participate in the Execute Test Move 2 project tasks.</p> <p>Review and approve the Test Move 2 milestone Document.</p> <p>Responsible to participate in integration testing work sessions. Lead the successful completion of the integration testing activities as defined by the Test Plan deliverable. Lead the effort to resolve testing issues.</p>	<p>Responsible to execute Test Move 2 and complete the Test Move 2 milestone document.</p> <p>Accountable for participating in integration testing work sessions. Support the client in the successful completion of the integration testing activities as defined by the Test Plan deliverable. Lead the effort to resolve testing issues.</p>



ID	Predecessor	Deliverable Name	Deliverable Description	Deliverable Acceptance Criteria	Client Role	CherryRoad Role
A4.2	A4.1 F4.2 A4.4	Test Move 3 Complete / User Acceptance Testing	<p>The project team will conduct a series of successive test moves to refine the upgrade test scripts and processes to properly migrate the Client's Oracle applications to the Oracle 9.2 environment. With each test move the upgrade scripts are executed, timings recorded, upgrade scripts tuned, and issues are recorded and resolved. Test Move 3 Acceptance Template will be the final document repository of the Test Move 3 results.</p> <p>User Acceptance Testing is the project team's opportunity to compare benchmarks between the Oracle application environments and historical Oracle application environment. This test is conducted by the users to determine whether the Oracle system is ready to be deployed into production.</p>	<p>Acceptance Criteria includes the following:</p> <ul style="list-style-type: none"> No repeated critical errors from previous test move New critical issues are resolved All identified issues and fixes documented within the Test Move 3 Acceptance Template Data converted with minimal or explainable errors <p>The test move acceptance template is reviewed and updated in preparation for the next move.</p> <p>This deliverable is considered complete following the completion of the user acceptance testing work sessions. The user acceptance work sessions are considered complete when all acceptance testing issues uncovered during User Acceptance Testing work sessions have been resolved.</p> <p>NOTE: For the deployment of the payroll application, user acceptance testing will include parallel testing.</p>	<p>Accountable to participate in the Execute Test Move 3 project tasks.</p> <p>Review and approve the Test Move 3 milestone document.</p> <p>Responsible to lead and participate in user acceptance testing work sessions. Lead the successful completion of the user acceptance testing activities as defined by the Test Plan deliverable.</p> <p>Participate in resolving testing issues.</p> <p>To be included into the Project Plan: The COG team will want to discuss multiple parallel runs of Payroll processes.</p>	<p>Responsible to execute Test Move 3 and complete the Test Move 3 milestone document.</p> <p>Accountable to participate in user acceptance testing work sessions. Support the successful completion of the user acceptance testing activities as defined by the Test Plan deliverable. Lead the effort to resolve user acceptance testing issues.</p>



ID	Predecessor	Deliverable Name	Deliverable Description	Deliverable Acceptance Criteria	Client Role	CherryRoad Role
A4.3	A4.2	(optional) Test Move 4 Complete	The project team will conduct a series of successive test moves to refine the upgrade test scripts and processes to properly migrate the Client's Oracle applications to the Oracle 9.2 environment. With each test move the upgrade scripts are executed, timings recorded, upgrade scripts tuned, and issues are recorded and resolved. Test Move 4 Acceptance Template will be the final document repository of the Test Move 4 results.	Acceptance Criteria includes the following: <ul style="list-style-type: none"> No repeated critical errors from previous test move New critical issues are resolved All identified issues and fixes documented within the Test Move 4 Acceptance Template Data converted with minimal or explainable errors The test move acceptance template is reviewed and updated in preparation for the next move.	Accountable to participate in the Execute Test Move 4 project tasks. Review and approve the Test Move 4 milestone document. Will be run if the schedule permits it – no payment to be associated with this deliverable	Responsible to execute Test Move 4 and complete the Test Move 4 milestone document.
A4.4	A4.3	(optional) Test Move 5 Complete	The project team will conduct a series of successive test moves to refine the upgrade test scripts and processes to properly migrate the Client's Oracle applications to the Oracle 9.2 environment. With each test move the upgrade scripts are executed, timings recorded, upgrade scripts tuned, and issues are recorded and resolved. Test Move 5 Acceptance Template will be the final document repository of the Test Move 5 results.	Acceptance Criteria includes the following: <ul style="list-style-type: none"> No repeated critical errors from previous test move New critical issues are resolved All identified issues and fixes documented within the Test Move 5 Acceptance Template Data converted with minimal or explainable errors The test move acceptance template is reviewed and updated in preparation for the next move. Because this is the last test move, the timing, the data conversion, and issues must all be within the acceptable range for proceeding with the go-live move as defined by the Statement of Work.	Accountable to participate in the Execute Test Move 5 project tasks. Review and approve the Test Move 5 milestone document. Will be run if the schedule permits it – no payment to be associated with this deliverable	Responsible to execute Test Move 5 and complete the Test Move 5 milestone document.



ID	Predecessor	Deliverable Name	Deliverable Description	Deliverable Acceptance Criteria	Client Role	CherryRoad Role
Functional Track						
F4.1	P3.1 F3.3 D3.7 S3.7	Test Scripts	Test Scripts represent the documented business functions that must be executed during integration and user-acceptance testing to ensure the Oracle Applications can handle the Client's business requirements.	<p>The Test Scripts will be created for all key business requirements documented in the Requirements Document for each PeopleSoft module. Test Scripts will be developed for the following:</p> <ul style="list-style-type: none"> • Integration Testing • User Acceptance Testing <p>Test Scripts include a description of each test step to be performed, navigation, test data to be used in completing the scripts, and expected results. Test Scripts will include columns for issues encountered, resolutions, and sign off of the test, to allow testers to document the test results.</p>	Responsible for developing Client test scripts, and ensuring that final integration and user-acceptance Test Scripts effectively account for all business requirements as defined by the Requirements Document.	Accountable for assisting Client team members in facilitating the effort to create integration and user-acceptance Test Scripts. Responsible for providing direction to client team members on the development of Test Scripts.
F4.4	F4.3	Final Application Configuration Document	The deliverable provides a Final definition of the configuration variance between the historical Oracle environment and the upgraded Oracle 9.2 environment following integration testing. For each Oracle module, the document lists the configuration table values, and the logic behind the project team's configuration decisions.	<p>The Final Configuration Document will include the table configuration variances for each of the PeopleSoft Modules following integration testing.</p> <p>The document will include the step-by-step setup for the configuration of each module, complete with navigation and screen prints.</p>	Responsible for reviewing and approving the Final Application Configuration Document.	Responsible to develop and submit the Final Application Configuration Document.
Development Track						
D4.1	14.1	Process Scheduler Calendar	The Process Scheduler Calendar is a deliverable document that captures the production environment batch processing cycle.	The process Scheduler Calendar lists the daily, nightly, weekly, and monthly batch processing schedule including batch processes, dependent processes, and run parameters.	The COG team will lead the batch process schedule planning session to identify the calendar list of daily and nightly jobs.	CherryRoad will be available to provide technical assistance



ID	Predecessor	Deliverable Name	Deliverable Description	Deliverable Acceptance Criteria	Client Role	CherryRoad Role
D4.2	F4.3	Final Interface Retrofit Specifications	Following the completion of integration testing, the project team will update, if necessary, the interface mapping and will finalize all corresponding interface retrofit specifications.	This deliverable is considered complete when the Upgrade Tracker tool and Interface Retrofit Specifications have been updated to capture the final interface mapping and development programming and logic.	Responsible for finalizing the interface program mapping, Upgrade Tracker Tool, and Interface Retrofit Specifications for those interface programs assigned to the Client. Accountable to review the Final Interface Retrofit Specifications for those interfaces assigned to CherryRoad.	Responsible for finalizing the interface mapping, Upgrade Tracker Tool, and Interface Retrofit Specifications for those interface programs assigned to the consultants. Accountable to review the Final Interface Retrofit Specifications for those interfaces assigned to the Client.
D4.3	F4.3	Final Customization Retrofit Specifications	Following the completion of integration testing, the project team will update, if necessary, the customization design and will finalize all required customization retrofit specifications.	This deliverable is considered complete when the Upgrade Tracker Tool and the customization retrofit specifications have been updated to capture the final customization development programming and logic.	Responsible for finalizing the customization logic, Upgrade Tracker Tool, and customization retrofit specifications for those customizations assigned to the Client. Accountable to review the Final Customization Retrofit Specifications for those customizations assigned to CherryRoad.	Responsible for finalizing the customization logic, Upgrade Tracker Tool, and customization retrofit specifications for those customizations assigned to the consultants. Accountable to review the Final Customization Retrofit Specifications for those customizations assigned to the Client.
D4.4	F4.3	Final Report Retrofit Specifications	Following the completion of integration testing, the project team will update, if necessary, the report design and will finalize all required report retrofit specifications.	This deliverable is considered complete when the Upgrade Tracker Tool and report retrofit specifications have been updated to capture the final report development programming and logic.	Responsible for finalizing the reporting logic, Upgrade Tracker Tool, and report retrofit specifications for those reports assigned to the Client. Accountable to review the Final Report Retrofit Specifications for those reports assigned to CherryRoad.	Responsible for finalizing the report logic, Upgrade Tracker Tool, and report retrofit specifications for those reports assigned to the consultants. Accountable to review the Final Report Retrofit Specifications for those reports assigned to the Client.
System Administration Track						
S4.2	F4.4	Final Security Specifications	Following the completion of integration testing, the project team will update, if necessary, the security design and will finalize the Security Configuration Specifications.	This deliverable is considered complete when the Security Configuration Specifications have been updated and finalized to capture the final security design.	Accountable to review the Final Security Specifications.	Responsible to update and submit the Final Security Specifications.



ID	Predecessor	Deliverable Name	Deliverable Description	Deliverable Acceptance Criteria	Client Role	CherryRoad Role
S4.3	F4.4	Final Workflow Specifications	Following the completion of integration testing, the project team will update, if necessary, the workflow design and will finalize the Workflow Configuration Specifications.	This deliverable is considered complete when the Workflow Configuration Specifications have been updated and finalized to capture the final workflow design.	Responsible for updating and submitting the Final Workflow Specifications for those workflows assigned to the Client. Accountable to review the Final Workflow Specifications for those workflows assigned to CherryRoad.	Responsible for updating and submitting the Final Workflow Specifications for those workflows assigned to the consultants. Accountable to review the Final Workflow Specifications for those workflows assigned to the Client.
Organizational Readiness Track						
O4.3	O3.5 F4.1	Training Materials Development	End user training sessions require the development of printed and/or online materials. These materials will be used by the various user audiences during and after training as well as by instructors to deliver training. Materials will be developed using City's preferred software of choice. All training materials will be developed in accordance with the Project Standards and Procedures defined in the Initiation Stage of the project.	Each course guide will minimally contain the following: <ul style="list-style-type: none"> • Table of Contents • Course outline • Course objectives • PeopleSoft content • User activities Each document will be reviewed with the appropriate Client leads and end users. The Client training lead and change management lead will be expected to sign off on each master document when complete.	The COG team will develop training materials based on the previously established Training Curriculum.	CherryRoad will be available to provide advice and guidance.
O4.4	O4.3 O3.6	Deliver Classroom Training	CherryRoad consultants deliver the initial course offering with Client trainers assisting. Then, Client trainers lead each session with a Client assistant and CherryRoad training experts monitoring the delivery quality. End user training courses that are appropriate for online delivery will be published using the City's software of choice. Deployment of online training is dependent upon technology available to the Client.	The deliverable will be considered complete following the completion of the initial CherryRoad led training sessions are delivered, training attendance reports are prepared, and training attendee evaluations analyzed.	The COG team will deliver training to City staff.	CherryRoad will be available to provide advice and guidance.
O4.5	O4.3 O3.6	Deliver Computer-Based Training		This deliverable will be considered complete when the computer-based training content has been deployed and made available to the targeted training audience.	The COG team will produce CBT training materials for City staff.	CherryRoad will be available to provide advice and guidance.

3.2.5 Deployment

ID	Predecessor	Deliverable Name	Deliverable Description	Deliverable Acceptance Criteria	Client Role	CherryRoad Role
Project Management Track						
P5.1	P4.1 A5.1	Execute Deployment Plan	The Execute Deployment Plan deliverable represents the completion of each task identified in the Deployment Plan.	The acceptance criteria are the successful completion and documentation of each task in the Deployment Plan deliverable.	Accountable to participate in the daily and hourly cutover tasks prior to go-live. Responsible for completing assigned tasks as defined by the detail cutover matrix included in the Deployment Plan deliverable.	Responsible to lead the team as well as execute the daily and hourly cutover tasks prior to go-live. Responsible for completing assigned tasks as defined by the detail cutover matrix included in the Deployment Plan deliverable.
P5.2	F5.1	Final Acceptance	Final Acceptance deliverable documents the Client's acknowledgment of the satisfactory completion of the CherryRoad assigned conditions, per the Conditional Acceptance deliverable. In so doing the Client also acknowledges final acceptance of the project phase.	The Final Acceptance deliverable lists the conditions identified in the Conditional Acceptance deliverable, assigning a status of complete. The deliverable acknowledges the completion of CherryRoad assigned project tasks and obligations for the project phase.	Accountable for assisting CherryRoad in the resolution of CherryRoad assigned conditions, per the Conditional Acceptance deliverable. Responsible for reviewing and approving the Final Acceptance deliverable.	Responsible for resolving CherryRoad assigned conditions, per the Conditional Acceptance deliverable. Responsible for completing and submitting the Final Acceptance deliverable.
Functional Track						
F5.1	P5.1 O4.2	Production Support	For the period of time agreed to in the Statement of Work, the consultants will provide onsite support to the Client to assist in the resolution of production issues and to resolve the list of open items identified in the Conditional Acceptance deliverable.	The Deliverable is complete when both the onsite support hours identified in the Statement of Work, and the list of open items in the Conditional Acceptance deliverable have been closed.	Responsible for managing the production environment according to the policies and procedures defined by the Operations and Maintenance Plan.	Accountable for assisting the Client with the implementation of the policies and procedures defined by the Operations and Maintenance Plan, as well as to resolve production issues during the production support period defined by the Statement of Work. Responsible for resolving open items identified in the approved Conditional Acceptance deliverable.

ID	Predecessor	Deliverable Name	Deliverable Description	Deliverable Acceptance Criteria	Client Role	CherryRoad Role
Organizational Readiness Track						
O5.1	P5.1	End of Project Assessment	<p>The Organizational Readiness team conducts a final survey to determine the overall effectiveness of the project team.</p> <p>A summary report will be provided to the project team, while a detailed data report is provided to the project leaders for review and approval. As with the initial Leadership and Goal Alignment Assessment, these findings will be discussed with the team in a constructive and confidential manner.</p>	<p>The End of Project Assessment is an MS Word document that will contain the data collected in both summary and detail.</p> <p>The deliverable will be considered complete following the presentation of the report's findings to the Client leadership and the review and approval of the deliverable by the Client Organizational Change lead.</p>	<p>Accountable for participating in the development of the End of Project Assessment and for ensuring Client leadership participation in the findings presentation.</p> <p>Responsible for reviewing and approving the end of Project Assessment deliverable document.</p> <p>NOTE: The COG team and management will conduct an evaluation of the project as well as team member effectiveness to identify what areas were successful and areas that can be improved upon.</p>	CherryRoad will be available to provide advice and guidance.
O5.2	P5.1	Ongoing Education Strategy	<p>The objective of the Ongoing Education Strategy deliverable is to define the following ongoing training considerations:</p> <ul style="list-style-type: none"> • Ongoing Education Needs Analysis • Projected Education timeline • Education and support recommendations 	<p>The Ongoing Education Strategy deliverable will be considered complete when the following items have been developed and documented in the Ongoing Education Strategy deliverable document:</p> <ul style="list-style-type: none"> • Ongoing Education Needs Analysis • Projected Education timeline • Education and support recommendations • Ongoing Education Strategy Document 	<p>Accountable for participating in the development of the Ongoing Education Strategy deliverable.</p> <p>Responsible for reviewing and approving the Ongoing Education Strategy deliverable document.</p> <p>NOTE: This will be incorporated into the Training Strategy document.</p>	CherryRoad will be available to provide advice and guidance.

4.0 Upgrade Timeline

4.1 High-Level Gantt Chart

Schedule Constraints

The City has identified the following scheduling constraint:

Key HCM personnel will be working on preparing Open Enrollment starting in March 2014. The City's Open Enrollment period occurs in May 2014 for a July 1, 2014 effective date. Planning for that period during March/April, working within the Open Enrollment period in May, and finalizing elections after Open Enrollment is concluded (June) will put a constraint on the availability of HCM personnel to work on the upgrade project.

Below is the upgrade timeline reflecting the approach to be taken during the Project. The deliverables that will be completed during the Project are outlined in the CherryRoad Upgrade Approach in Section 5.0 of this document. Additional detail will be added to the Project Plan once the Project Scope Document has been approved. Dates depicted are estimates. Actual dates will be specified in the Preliminary Project Plan and Updated Project Plan deliverables.

Task Name	Duration	Start	Finish	Predecessors	Q4 '13			Q1 '14			Q2 '14			Q3 '14					
					Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep		
City of Glendale High-Level Project Plan	235 days	Mon 11/4/13	Fri 9/26/14																
HCM Upgrade	235 days	Mon 11/4/13	Fri 9/26/14																
Stage I: Initiation	15 days	Mon 11/4/13	Fri 11/22/13																
Stage II: Planning & Analysis	25 days	Mon 11/25/13	Fri 12/27/13	3															
Stage III: Design & Development	55 days	Mon 12/30/13	Fri 3/14/14	4															
Stage IV: Testing & Training	120 days	Mon 3/17/14	Fri 8/29/14	5															
Stage V: Deployment	20 days	Mon 9/1/14	Fri 9/26/14	6															

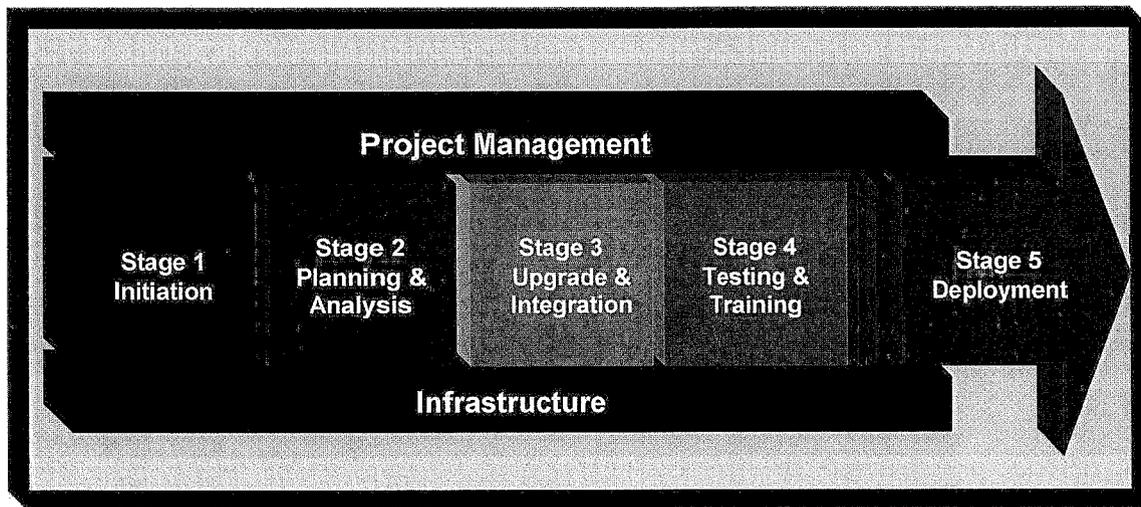
5.0 Upgrade Approach

5.1 Upgrade Methodology

CherryRoad's methodology incorporates what CherryRoad has learned through its extensive experience upgrading PeopleSoft applications in a wide range of environments. This proven methodology facilitates a rapid conversion, effective upgrade process, and on time and on budget Project completion.

CherryRoad's five-stage, deliverable-based methodology is structured in accordance with project management best practices. Each upgrade task rolls up to a summary task or work package and each series of work packages forms a deliverable. This disciplined approach is translated easily into a well-organized Project schedule and work breakdown structure. The City of Glendale Steering Committee is given clear visibility so that it may monitor and control the effectiveness and progress of the Project Team. The description of the deliverables for each Stage is included in the following detailed work breakdown structure (WBS).

Both the City of Glendale and CherryRoad share responsibility to accomplish assigned Project tasks. CherryRoad is tasked with the leadership position in each stage of the Project and associated deliverables except where noted in Section 5.3. CherryRoad is ultimately responsible for the successful completion of the Project. The following graphic depicts the five stages of the CherryRoad methodology.



Within each Project stage, the CherryRoad team will organize the Project deliverables into seven focus areas or upgrade tracks:

- **Project Management** – The Project Management track generally includes those tasks and deliverables that address planning as well as monitoring and controlling processes.
- **Application Upgrade** – The Application Upgrade track includes tasks and deliverables associated with the actual physical upgrade of the City's application and database from the current version to the upgraded version.

- **Functional** – The Functional track includes those tasks associated with the identification of requirements and all testing aspects for the upgrade.
- **Development** – The Development track includes those tasks associated with new and retrofitted technical development such as interfaces, customizations, and reports so that these elements continue to function in the upgraded system.
- **System Administration** – The System Administration track includes those tasks and deliverables that support the retrofit and upgrading of the PeopleSoft security, and workflow.
- **Infrastructure** – The Infrastructure track includes those tasks and deliverables required to successfully upgrade the computing architecture including hardware, software, database, and network components.
- **Organizational Readiness** – The Organizational Readiness track includes those tasks and deliverables required to prepare the City organization for the upgraded system, which include communications, change management, and end user training.

The following is an overview of the CherryRoad upgrade methodology by Project stage. A Work Breakdown Structure graphic and detailed information on the Project deliverables that will be utilized follows this narrative.

Stage 1 – Initiation

In this stage, the Project leadership establishes the foundation for Project success by ensuring the Project objectives and success criteria are clearly defined and that expectations are properly set with key stakeholders and sponsors alike. During Initiation, CherryRoad will establish the preliminary Project Plan and define the processes, procedures and tools for planning, monitoring and controlling the Project. This will provide the definition and stability required to achieve Project goals. City Project Team members are trained in preparation for Stage II – Planning and Analysis.

Stage II – Planning and Analysis

The Planning and Analysis stage begins with a comprehensive review of the City's requirements. Using the Statement of Work as the starting point, the Project Team will review all identified functional, development, and system administration requirements and will further elaborate on those requirements by updating or creating the requirements matrix and produce a series of requirements deliverables. Following the completion of the requirements analysis, the Project Team will conduct a Fit/Gap Analysis and produce a deliverable identifying all of the known gaps between the City's requirements and the delivered upgraded system. The Project Team will then produce a Gap Resolution deliverable which records the City's decision on how to address each Gap (business process work around, policy change, customization, etc.). On completion of the Gap Resolution deliverable, the Project Team can define the final scope of the Project, which is captured in the Project Scope Document. The Project scope then drives the schedule, allowing Project management to produce the Project Plan Updated deliverable.

Stage III – Upgrade and Integration

The next stage of the Project is Stage III – Upgrade and Integration. The immediate focus of the Project Team is to begin the process of upgrading the application through the Initial Upgrade Complete deliverable. A copy of the City's existing database is upgraded to the new version using a combination of delivered Oracle/PeopleSoft upgrade scripts and custom scripts developed by the Project Team.

A Test Plan is developed during this stage to define the approach necessary to fully test the upgraded database and retrofitted custom development throughout each of the test moves. The functional team members will complete the Application Configuration in support of the upgrade and produce a draft Application Configuration Document for new tables and features within the upgraded version.

During this stage, specifications for interfaces, customizations and reports requiring retrofit are created and the subsequent development work is completed. The System Administration team will also create specifications and execute the required configuration of the Security and Workflow elements of the system.

The Project team will work closely with the City's Training Specialist to create the Training Plan.

Stage IV – Testing and Training

The primary focus of Stage IV – Testing and Training is for the Project Team to execute an extensive upgrade conversion testing program, and to conduct a comprehensive end user training initiative to ensure both a quality system and a prepared user population. The focus of the functional, development, and system administration team members will be to execute the tasks and complete the deliverables identified in the Test Plan deliverable (Stage III). This will include test move completion, test script development, system/integration testing, performance testing, and user acceptance testing. Project Team members will collaborate on conducting the testing, reporting defects, and implementing fixes to ensure quality.

Following the successful completion of the testing program, the Project Team updates all impacted application configuration, development programs, and system administration configuration. Upon completion of the updates, all development specifications are updated to include the latest decisions, configuration, and program code in preparation for the transition of the system from the Project Team to the operations team following Stage V – Deployment.

As the functional, development, and system administration Project Team members are engaged in the testing program, the Organizational Readiness Team is focused on the end user training initiative. Project Team members complete the tasks and deliverables outlined in the Training Delivery Plan including the development of training materials, delivery of end user classroom training, and the deployment of computer based training tools.

While the Project Team is primarily focused on the completion of both the testing and training programs, Project management is also focused on preparing for Stage V – Deployment. The Project management teams from CherryRoad and the City collaborate on the development of the Deployment Plan.

Stage V – Deployment

The final stage of the Project is Stage V – Deployment. In this Project stage, the application is upgraded for the final time from the current version production environment to the new version production environment, and system support transitions from the Project Team to the City's operations team. Prior to the start of Stage V – Deployment, the Project Team will have clearly defined the steps necessary to achieve these objectives.

5.2 High-Level 'Technical' Upgrade Summary

CherryRoad Technologies has developed the following summary of tasks which summarizes our technical upgrade approach. The following are integrated into the above methodology.

- **Install HCM 9.2 Demo** – Build Web, Application and Database servers, Apply required Patches & Fixes, Create additional working environments, Apply needed application Patches and Fixes.
- **Configure Environment (9.2)** – Define upgrade defaults, install upgrade assistant.
- **Assess 'New' Functionality** – Assess new delivered functionality and determine the impact on the current business processes. Determine the impact on whether existing customized solutions should be carried forward or 'new' functionality implemented.
- **Upgrade Toolset 8.53**– In order to implement a successful upgrade, you must apply the necessary PeopleTools changes. From this point forward, all steps will be run using the newly installed version of the Toolset on the Copy of Production.
- **Execute Compare Reports** – Execute compare reports between 8.9 objects and 9.2 objects, set compare flags to determine what customizations and objects are carried forward through the delivered process. This process will include verifying delivered functionality which could replace current customizations.
- **Modify Database Structure** – Execute various scripts and processes will be run to modify the database structure which will update 8.9 objects with 9.2 objects based on the flags set in the compare process.
- **Execute Data Conversion Scripts** – Populate new tables and columns, generate and run SQL to delete identified obsolete columns.
- **Identify and Retrofit Customizations back into 9.2 objects (PS/DB Objects only)** – Reapply any customizations manually which were not brought forward through the compare and upgrade process, verify objects that were brought forward. Assess the level of work needed to address SQR and Query changes.
- **Retrofit non-PeopleSoft Objects (i.e. SQRs, etc.)** – Retrofit all impacted SQRs which need modification due to either object changes (i.e. table changes) and or new 9.2 functionality changes.
- **Step 1 - Final Wrap-up/Audit** – Execute miscellaneous processes, stamp database, and verify audit reports.
- **Initial Pass 1 Completed – 9.2**
- **Testing** – To ensure integrity of the application, testing will validate the upgrade of the application and take place beginning with the completion of the Initial Pass 1 and completing with testing on Pass 2 and Pass 3 before Go-Live and on upgraded production instance before releasing the application to user community.
- **Production Pass 2** – In this step a subset of the 'Initial Pass' tasks will be executed. Pass 2 is used to work out any issues identified through the 'Initial' pass and to verify the timings of each step, which will allow the planning of your production downtime for your move to production weekend. Application 'users' will be required to execute their user acceptance and system/integration testing on these passes.
- **Production Pass 3** – In this step a similar set of tasks from Pass 2 will be followed. This allows for another opportunity to validate the timings of each step in the upgrade process

and serves as a final opportunity for application users to execute any final user acceptance tests.

- **'Final' Production Pass 4** – In this step the same scripts which were executed in Pass 1, 2 and 3 will be executed again. Pass 4 verifies the timings of each step and provides another practice run of the things that will be needed on Go-Live weekend. This 'pass' is expected to be issue free. Functional users will be required to execute cursory testing to ensure nothing has changed between Pass 1 and Pass 4.
- **Move to Production (Go-Live)** – The delivery of a fully operational system marks the completion of the project. Go-Live cut over is usually executed over a weekend. This step duplicates the tasks executed in Pass 4. At the completion of this step, you will have an upgraded 'Production' environment. To ensure the integrity of the application, cursory testing will be required before turning the application over to the production users.
- **Post-Production Support** – Refer to section 3.1.10, Post- Implementation Support.

5.3 Recommended Database Instances

Application Environments

The upgrade will be supported by the following environments (database names are sample names that will correspond to recommended project environments):

- **HRPRD** - Existing Production 8.9/8.52 on Oracle
- **HRUPG** – Copy of HPRD on Linux/OracleServer for the Initial Upgrade to 9.2/8.53. This environment will be maintained throughout the project, and access to it will be tightly controlled since it will serve as the template for the final Production environment.
- **HRDMO89** – Demo 8.9/8.53 on Linux/OracleServer to support first upgrade path.
- **HRDMO92** – Demo 9.2/8.53 on Linux/OracleServer to support second upgrade path. After the completion of the Initial Upgrade, subsequent patches and fixes will be introduced into the FNUPG
- **HRTM** – Test Move 9.2/8.53 on Linux/OracleServer. For each subsequent Test Move, this database will be refreshed with a new Copy of Production and upgraded to 9.2/8.53 through the two-path process.
- **HRDEV** – Development 9.2/8.53 environment copied from FNUPG, for all technical development, customizations retrofit and testing. This database will be maintained throughout the project, and access to PeopleTools will be restricted to technical resources.
- **HRTST** - Test 9.2/8.53 environment copied from FNUPG, for all functional configuration and testing. This database will be refreshed after designated Test Moves.
- **HRTRN** – Training 9.2/8.53 environment copied from FNTST, after Integration Testing has concluded.
- **HRPRD** – Final upgraded Production 9.2/8.53 environment on Linux/OracleServer. The new non-Production environments (e.g., Development, Test, etc.) will be copied from this environment.

6.0 Project Administration

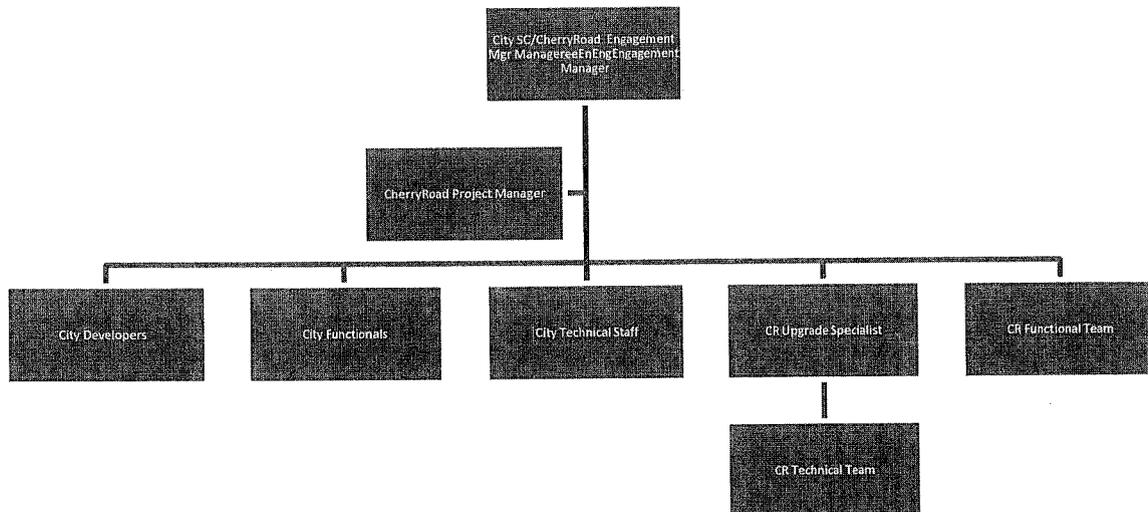
To achieve the upgrade objectives identified in Section 1.1 of this Statement of Work, policies and procedures for Project administration will be established. The following elements of Project administration will provide effective Project controls by establishing clear accountability at all levels of the Project.

6.1 Project Governance Structure

A City of Glendale Executive Steering Committee (Strategic Steering Committee) will oversee the Project. This Committee's membership includes senior management from the following Administrative Departments:

- Human Resources Director
- Finance Chief Financial Officer
- Budget Chief Budget Officer
- Information Technology Deputy Chief Information Technology Officer

The following governance structure will be instituted for the Project and adhered to by the Project Team regarding communications, scope decisions, policy decisions, issues resolution, and change management.



*The organization chart will be finalized during the initiation stage of the project.

6.2 Quality Assurance

The CherryRoad Project Manager will ensure that the Project objectives are being met and that the approach is refined whenever necessary. The following tools will be utilized for this purpose:

- Weekly status meetings and Project reviews
- Weekly status reports and resource reviews
- Monthly Steering Committee meetings
- A Work Breakdown Structure (WBS) to serve as a basis for the detailed Project Plan
- The Project Plan, developed in Microsoft Project
- A clearly defined organizational structure

Project risks will be jointly monitored and mitigated by the joint Project management team.

CherryRoad is providing an Engagement Manager for the duration of the Project. The Engagement Manager will provide further oversight of the Project to ensure City of Glendale's objectives are being met.

6.3 Project Reporting

The objective of Project reporting is to communicate and review status, inform the team of upcoming events and milestones, and to identify and review Project issues. Specifics on Project Reporting will be provided in the Project Standards and Procedures deliverable created during the Initiation Stage of the Project.

6.3.1 Document Standards

The CherryRoad and City of Glendale Project management teams will jointly develop document standards that will be used for all deliverables. Identification of documentation standards will include physical elements of the deliverables as well as the procedure for developing, updating, distributing, and archiving the documentation. Project documents will be maintained on the City's SharePoint system.

6.3.2 Project Control Documents

Project Control documents are those documents established early in the Project that will provide the Project Team with a road map for completing the Project.

6.3.2.1 Statement of Work

The Statement of Work document is an attachment to the contract. The Statement of Work outlines the Project scope, approach, protocols, timeline, and resources. The document serves as a guide to the Project Team.

The Statement of Work will only be amended following an agreement by both City of Glendale and CherryRoad that a key Project variable should be changed, such as Project scope, approach, protocols, timeline, or resources.

6.3.2.2 Project Scope Document

The Project Scope Document is completed at the conclusion of the Planning and Analysis stage. This document incorporates the findings and recommendations based on fit/gap decisions, interface, reports and customization decisions. The Project Scope Document also validates Project tasks, timelines, Project approach and assumptions.

The Project Scope Document will further define and detail the scope of the Project and upon its approval the Project Team will use this document as the basis for determining scope for the remainder of the Project. Although major changes are not expected at this point, should changes in Scope be necessary that have a material impact on schedule, cost or resources, a Change Request will be created. The protocol for the Change Request process can be found in Section 11.2.1 of the SOW.

6.3.2.3 Updated Project Plan

The Updated Project Plan lists all Project tasks required to achieve the goals identified in the Statement of Work. Both City of Glendale and CherryRoad tasks, deliverables and resources are included in the plan. The timeline and resources required to complete the tasks are identified, and the dependencies between tasks are listed. The Updated Project Plan is updated on a weekly basis as a means of tracking the team's progress relative to each Project task. The CherryRoad Project Manager is responsible for completing the weekly updates to the Project Plan. The CherryRoad and City of Glendale Project management teams will jointly develop recommendations on ways to collect information needed for Project Plan updates.

6.3.3 Project Status Reports

Project status reports are regular communications across the Project Team that ensure each team member understands the overall progress of the Project, and issues are identified and addressed in a timely manner.

6.3.3.2 Project Manager Status Reports

The CherryRoad Project Manager consolidates the individual team member status reports into a single Project status report. This Project Manager Status report is used as the basis of the Executive Status Report.

6.3.3.3 Executive Status Report

The Executive Status Report aggregates all relevant Project information to enable executive sponsors to act on issues and decisions that are critical for the success of the Project. The Executive Status Report is created and presented by the CherryRoad Project Manager during each Steering Committee meeting.

Specifics on all status reports will be determined as part of the Project Standards and Procedures deliverable.

6.3.4 Issues and Risks

The Project Team will utilize the Implementation Tracker Tool or SharePoint to track both issues and risks.

6.3.4.1 Issue and Risk Definition

An issue is defined as any realized concern, problem, or item impacting the Project timeline, resources, or scope of work. Issues may be related to the application technology, business process, City of Glendale policy, organizational structure, etc. Unrealized concerns, items, and potential problems are categorized as risks to the Project which will be jointly monitored and mitigated by both the City of Glendale TAC team and the CherryRoad Project Manager.

6.3.4.2 Issue and Risk Tracking

Upon identification of Project issues and risks, team members are responsible for adding the issue or risk to the Implementation Tracker Tool. Both the City of Glendale TAC team and the CherryRoad Project Manager will review issues and risks on a regular weekly basis during Project team meetings. The CherryRoad Project Manager and the City of Glendale TAC team will collaboratively assign a priority to each issue and identify the individual(s) responsible for facilitating its resolution. During the critical stages of the Project, both the City of Glendale TAC team and the CherryRoad Project Manager will review the issues and risks on a daily basis.

6.3.4.3 Issue Escalation

In the event that an issue cannot be resolved in a reasonable timeframe to the mutual satisfaction of City of Glendale and CherryRoad, CherryRoad Project Manager and City of Glendale's TAC Team will escalate to project Steering Committee.

6.4 Project Team Meetings

As part of the Project Standards and Procedures deliverable, the CherryRoad Project Manager and City of Glendale TAC Team will jointly determine specific resource meeting responsibilities and procedures. This will include Project Team, Project Manager, Steering Committee and individual team members meetings.

6.4.1 Steering Committee Meetings

The purpose of the Steering Committee meetings will be to inform the Project sponsors as to the overall Project progress and to solicit key decisions. The CherryRoad Project Manager and City of Glendale Project Manager will complete the Executive status report prior to the start of the Steering Committee Meeting. The City of Glendale Project Manager will facilitate the Steering Committee meeting. Materials for this meeting will be completed and distributed to concerned parties on the day prior to the meeting. City of Glendale may designate a resource to record meeting minutes.

6.4.2 Weekly Project Status Meetings

Weekly Project status meeting will be held involving team members from both City of Glendale and CherryRoad. These meetings will be facilitated by the CherryRoad Project Manager and will allow the leads for each functional and technical area to communicate progress achieved in meeting milestones and raise issues that need to be addressed. The frequency of this meeting may be modified by the project managers on an as-needed basis.

7.0 Training Approach

7.1 Core Team Training

The City has no plans for to obtain PeopleSoft HCM training at this time.

7.2 End User Training

The City of Glendale will produce and deliver all End-User Training as part of this project, as outlined in the Work Breakdown Structure project deliverables, listed in Section 3.0 of this document.

8.0 Project Staffing Plan

8.1 Project Team Roles and Responsibilities

The following table outlines the detailed roles and responsibilities for each City of Glendale and CherryRoad resource.

Role	City of Glendale Responsibilities	CherryRoad Responsibilities
City of Glendale Steering Committee	<ul style="list-style-type: none"> » Ultimate authority and responsibility for the Project » Actively promotes the Project and builds support across the organization during the Project » Delegates authority to City of Glendale and CherryRoad Project staff consistent with the roles outlined below, and communicates this delegation internally » Directs or authorizes necessary policy changes which affect City of Glendale or Department operations » Builds consensus for process change with department peers and other decision-makers » Provides guidance and direction relating to mission critical issues beyond the authority of the Project Team » Assists the Project Team in the resolution of issues that are not being properly addressed or resolved and may impede Project progress » Communicates on a frequent basis with the CherryRoad Engagement Manager, City of Glendale Project Manager, and CherryRoad Project Manager » Provides final approval of scope, resource and timeline changes » Provides evaluation of Project success after implementation 	N/A

Role	City of Glendale Responsibilities	CherryRoad Responsibilities
City of Glendale SME's (Selected Dept Liaisons)	<ul style="list-style-type: none"> » Have a thorough understanding of their areas of expertise » Assist with the assessment of City of Glendale's business processes and help to identify ways the new system can be utilized to fulfill those requirements as-needed » Assist in the resolution of issues impacting their areas of expertise when requested by functional managers or leads » Conduct system review and system/ integration and user acceptance testing through the execution of test scripts and documentation of results 	N/A
CherryRoad Engagement Manager	N/A	<ul style="list-style-type: none"> » Overall responsibility for the Project's successful implementation and represents CherryRoad in selected meetings with the Project Executive Sponsors » Ensures that the implementation team is committed and motivated to meet the Project scope and timeline » Provides periodic quality assurance reviews » City of Glendale's contact for resolving any executive-level questions or issues related to the CherryRoad's staff and/or performance » Manages and assigns tasks/resources to CherryRoad Project Manager, and provide oversight and assistance with the identification and acquisition of needed resources » Draws in additional CherryRoad resources as necessary to reach a successful Project completion » Resolves or evaluates Project issues in the areas of upgrade strategy and customer relationship » Monitors and tracks high-level progress, quality assurance and customer satisfaction

Role	City of Glendale Responsibilities	CherryRoad Responsibilities
City of Glendale TAC Team/ CherryRoad Project Manager	<ul style="list-style-type: none"> » Works with CherryRoad Project Manager in issues resolution process » Works with CherryRoad Project Manager to communicate on a regularly scheduled basis with the Executive Sponsors to assure issues are handled in a timely and effective manner » Communicates on a regularly scheduled basis with the City of Glendale's TAC Team » Monitors and reports on the Project budget » Manages and coaches the work of City of Glendale Project Team members to assign Project staff as needed » Guides the deliverable approval process, including obtaining feedback, recommending revisions, and reviewing progress reports » Works with the CherryRoad Project Manager to resolve issues and make decisions where conflicting demands or requirements between modules or sponsor departments surface » Provides support to Functional Leads in getting buy-in or definitive answers from stakeholders » Provides final approval of all work units, tasks and system modifications » Communicates regularly with production staff to ensure that Project activities do not adversely impact production environment and activities » Assists in identifying, quantifying and mitigating risks 	<ul style="list-style-type: none"> » Controls day to day aspects of the Project including scope, schedule and resources » Provides regular reporting on the Project status and associated issues » Identifies and manages Project risks » Serves as the first point of issue escalation for the Project Team » Responsible for monitoring and maintaining quality standards » Manages all defined CherryRoad responsibilities within the scope of services » Develops the Project Plan and schedule » Defines Project roles and estimated time commitments for each role » Coordinates and oversees the day-to-day Project activities of the Project Team » Monitors Project progress against the Project Plan to quickly identify any areas that are falling behind and in need of corrective action » Escalates Project issues, Project risks, and other concerns to City of Glendale Project Manager, CherryRoad Engagement Manager and Executive Sponsors if necessary » Prepares all Project deliverables and provides feedback » Proactively proposes/suggests options and alternatives for consideration » Utilizes change control procedures » Prepares Project templates and standards and materials » Prepares migration plan » Organizes and chairs weekly Project Team meetings

Role	City of Glendale Responsibilities	CherryRoad Responsibilities
Functional Lead	<ul style="list-style-type: none"> » Works with the CherryRoad Functional Lead to provide support and make people available to help CherryRoad prepare current and proposed business process diagrams to be used during Fit/Gap sessions » Works with the CherryRoad Functional Lead to provide support to ensure that critical topics are covered for the Fit/Gap sessions » Assists the CherryRoad Functional Lead to prepare general system design documents » Assists the CherryRoad Functional Lead to prepare detail system designs that are sufficient for assignment to technical resources » Assists the CherryRoad Functional Lead to complete all changes to system configuration » Reviews work completed by the CherryRoad Functional Lead and provides recommendations where necessary » Contributes agenda items for the weekly Project Team meetings » Identifies and documents system bugs; in cooperation with CherryRoad Functional Lead, reviews bug fixes and provide input to help determine the impact of applying these updates to the software » Works with Change Management Lead and CherryRoad Functional Lead to define key business processes, develops detailed training curricula and lab exercises using the capabilities of identified training tool that will be utilized for the project » Coordinates validation of Data Conversions 	<ul style="list-style-type: none"> » Works with the Project Management to create a detailed Project Plan for the design, testing and implementation of a specific application module » Prepares current and proposed business process diagrams to be used during Fit/Gap sessions » Schedules and moderates Fit/Gap sessions, leads the discussion to assure that critical topics are covered, takes notes, prepares meeting summary, and schedules any necessary follow-up sessions. This includes security components » Responsible for all changes to system configuration » Prepares general system design documents » Prepares detail system designs that are sufficient for assignment to technical resources » Reviews work completed by City of Glendale Functional Lead and provides recommendations where necessary » Contributes agenda items for the weekly Project Team meetings » Identifies and documents system bugs; in cooperation with City of Glendale Functional Lead, reviews bug fixes and documentation to determine impact of applying these updates to the software; and, communicates plan of action to programming staff » Works with Business SME's to create comprehensive testing scenarios and scripts » Responsible to work with the City of Glendale Functional Lead to define key business processes, develops detailed training curricula and lab exercises using the capabilities of identified training tool that will be utilized for the project » Assist City of Glendale with the validation of the data conversion

Role	City of Glendale Responsibilities	CherryRoad Responsibilities
Technical Resources	<ul style="list-style-type: none"> » Adopts technical standards and guidelines » Identifies existing enterprise applications that will become part of the PeopleSoft deliverable and make available the information that would be converted or used by inbound or outbound interfaces » Identifies existing technical process flows that must be covered by the PeopleSoft system » Identifies existing job-streams that are executed at pre-determined frequencies so that their functionality can be validated by the PeopleSoft delivered and custom defined processes » Contributes information for any new or modified City of Glendale interfaces specifications that need to be developed as part of the upgrade » Develop and test changes necessary to external system interfaces, as a result of the PeopleSoft upgrade. Verifies each unit-tested interface meets requirements » Provide support to the functional leads to complete data cleansing tasks, as needed for the upgrade. Perform unit testing on assigned retrofitting or newly developed modifications to ensure it meets the specified requirements » Assists with the coordination of Security setup » Monitors scope » Identifies critical processes that exist outside of the PeopleSoft application that must be monitored and audited » Provides input to help the CherryRoad Technical resource develop detail design for any conversion, interfaces and modifications, as needed » Reviews detailed conversion design with Project Team » Reviews Preparation of the Development and production environments » Coordinates with the PeopleSoft administrator » Reviews the Preparation of the production environment 	<ul style="list-style-type: none"> » Provides Technical Standards and guidelines » Provides Security Standards and guidelines » Works with City of Glendale DBA to establish System Database Environments » Provides a point of contact for technical specifications » Provides skills-sets definitions for City of Glendale team » Programs and unit-test approved modifications » Conducts a Production Planning meeting to address the development of the Development and Production environments » Development of any new or modified Interface Specifications » Performs review and internal quality assurance on all application deliverables » Manages the identification and resolution of technical issues » Coordinates and completes format, script-driven data conversion tasks for mass changes at source for providing data translations acceptable to the PeopleSoft environment » Verifies each unit-tested interface meets requirements » Verifies each unit-tested conversion meets requirements » Verifies each unit-tested modification meets its requirements » Coordinates security setup » Coordinates all tasks of the vendor technical team » Works closely with City of Glendale's technical lead to ensure Project deliverables are on time » Provides consolidated weekly status reporting for Project management. » Monitors scope » Performs unit testing for all assigned retrofitting or newly developed conversions, modifications and interfaces » Prepares production environment » Designs, organizes and implements application security » Builds and deploy the security roles » Designs ongoing security administration policies and procedures

Role	City of Glendale Responsibilities	CherryRoad Responsibilities
Database Administrator	<ul style="list-style-type: none"> » Guides the Partner DBA with respect City of Glendale database protocols and standards » Provides guidance in database creation, optimization, backup and recovery, and normal maintenance for the Oracle/PeopleSoft database » Provides security management and access to the City of Glendale Database » Provides direction and consultation regarding the establishment and optimization of the Oracle/PeopleSoft database to ensure compliance with City standards » Creates and optimizes new Oracle PeopleSoft databases for the Project. » Develops backup and recovery strategy » Perform analysis and tuning of Project environments, as needed » Provides timelines and defines database requirements » Provides environment planning, creation and refreshes » Responsible for and performs data migrations and related troubleshooting » Perform PeopleTools and application upgrades » Install patches and fixes to all development and test environments » Perform analysis and tuning of PeopleSoft environments » Troubleshoot and resolve upgrade scripts » Optimize upgrade scripts performance » Monitor Oracle Server database health 	<ul style="list-style-type: none"> » Provides direction and consultation regarding the establishment and optimization of the target Oracle/PeopleSoft database » Works with the City DBA to create and optimize new Oracle/PeopleSoft databases for the Project » Works with the City to develop a backup and recovery strategy » Provides timelines and defines database requirements » Provides environment planning, creation and refreshes » Responsible for and performs data migrations and related troubleshooting » Perform PeopleTools and application upgrades » Install patches and fixes to all development and test environments » Perform analysis and tuning of PeopleSoft environments » Troubleshoot and resolve upgrade scripts » Optimize upgrade scripts performance » Monitor Oracle database health
PS Administrator	<ul style="list-style-type: none"> » Provide guidance to the CherryRoad Technical Resource with the planning, creating and refreshing the development, testing, and production environments » Responsible for the high-level design of the technical solution » Proposes the use of appropriate technology to meet the needs of the organization » Determines hardware configurations and the number of databases, and the criteria for data sharing and storage » Provides infrastructure support including preliminary design and planning for the RDBMS architecture and performance tuning issues between PeopleSoft/Oracle and other environments and the hardware, and will also provide database administrator (DBA) support as needed 	<ul style="list-style-type: none"> » Responsible for the high-level design of the technical solution » Proposes the use of appropriate technology to meet the needs of the organization » Determines hardware configurations and the number of databases, and the criteria for data sharing and storage » Provides infrastructure support including preliminary design and planning for the RDBMS architecture and performance tuning issues between PeopleSoft/Oracle and other environments and the hardware, and will also provide the City database administrator (DBA) support as needed

Role	City of Glendale Responsibilities	CherryRoad Responsibilities
Upgrade Specialist	<ul style="list-style-type: none"> » Responsible for running all compare reports » Executes all upgrade scripts 	<ul style="list-style-type: none"> » Responsible for running all compare reports » Executes all upgrade scripts
Training Specialist/ Change Management	<ul style="list-style-type: none"> » Responsible for all End User Training Delivery » Primary Responsibility for Training Material development » Responsible for all training logistics including training rooms, supplies, schedules and attendance tracking 	» N/A

9.0 Third Party Services

9.1 Third Party Services

No third party services will be utilized as part of this Project.

10.0 Additional Descriptive Information

10.1 Updates/Fixes

CherryRoad is responsible for applying updates and bundled application fixes released by Oracle during the course of the Project. Individual updates and fixes will not be applied unless it has been determined that the Project's progress will be materially impeded if the update or fix is deferred until the next bundled release. Minor PeopleTools upgrades and fixes, defined as releases with a change to the second decimal place of the version (e.g., 8.5X) will also be applied when they are made available for general release. In both cases, the final applications and tools release will be jointly agreed upon by both CherryRoad and City of Glendale, and will be determined by ensuring that there is sufficient time for regression and user acceptance testing and sign-off prior to the go-live date.

The City of Glendale Project Manager and CherryRoad Project Manager will mutually agree as to when the application of bundled fixes will cease so as to not interfere with development work. The City of Glendale Project Manager and CherryRoad Project Manager will mutually agree to when the application of bundled fixes resumes after go-live in order to allow for adequate testing.

For this project, it is anticipated that a freeze will commence after the release of Tax Update 2014-A, along with the current release of PeopleTools. This freeze is identified so that the testing effort can proceed with expected results, and not have unpredictable additional issues arise as a result of the application of the Tax Update or Application bundle. In particular cases where necessary, the CherryRoad Project Manager and the City of Glendale will mutually agree to apply a particular Tax Update and/or Application bundle/fix, should this be necessary for the resolution of a particular issue, or to keep current with tax updates if there is a schedule constraint towards the end of the year.

CherryRoad will also configure, deploy and provide knowledge transfer for the Oracle/PeopleSoft Change Assistant that City of Glendale technical support team will utilize to find, analyze, download and install application patches and updates. The Environment Management Hub (EM Hub) will be used to gather environment information including licensed products and maintenance history and upload it to Oracle/PeopleSoft. EM Hub provides:

- A GUI Interface for installing, applying and synchronizing system patches and modifications across multiple environments
- Installation of a series of patches in multiple environments with minimal user intervention through automated patch installation
- Verification of prerequisites and determination of the order to apply the software updates
- Application of software updates with minimal user intervention, following the delivered Oracle Change Assistant templates.
- A complete history of all software updates applied to each environment.

11.0 Upgrade Costs

11.1 Upgrade Costs

The table below summarizes the total upgrade costs for services.

Phase	Deliverable ID	Description	Estimated Date	Deliverable Amount
1	P1.1	Preliminary Project Plan	11/18/2013	\$ 52,032.00
1	P1.2	Project Standards & Procedures	11/18/2013	\$ 19,512.00
1	O1.2	Project Team Kickoff	11/25/2013	\$ 39,024.00
1	F2.1	Requirements Document	12/13/2013	\$ 52,032.00
1	F2.2	Fit/Gap Analysis Document	12/20/2013	\$ 39,024.00
1	F2.3	Gap Resolution Document	12/20/2013	\$ 6,504.00
1	P2.1	Project Scope Document	01/02/2014	\$ 45,528.00
1	P2.2	Project Plan Updated	01/02/2014	\$ 45,528.00
1	P3.1	Test Plan	2/28/2014	\$ 32,520.00
1	A3.1	Test Move 1 Completed	3/14/2014	\$ 97,560.00
1	F3.3	Functionality Unit Tested	3/28/2014	\$ 26,016.00
1	D3.7	Development Unit Tested	4/11/2014	\$ 26,016.00
1	O3.5	End User Training Curriculum Plan	4/25/2014	\$ 26,016.00
1	F4.1	Test Scripts	3/28/2014	\$ 26,016.00
1	A4.1	Test Move 2 Completed	4/25/2014	\$ 6,504.00
1	A4.2	Test Move 3 Completed	8/22/2014	\$ 6,504.00
1	P4.1	Deployment Plan	7/25/2014	\$ 32,520.00
1	P5.1	Execute Deployment Plan	8/29/2014	\$ 32,520.00
1	F4.4	Final Application Configuration Document	9/26/2014	\$ 3,252.00
1	D4.2	Final Interface Retrofit Specifications	9/26/2014	\$ 3,252.00
1	D4.3	Final Customization Retrofit Specifications	9/26/2014	\$ 3,252.00
1	S4.3	Final Workflow Specifications	9/26/2014	\$ 3,252.00
1	S4.4	Final Security Specifications	9/26/2014	\$ 3,252.00
1	D4.4	Final Report Retrofit Specifications	9/26/2014	\$ 3,252.00
1	F5.1	Production Support	9/26/2014	\$ 6,504.00
1	F5.2	Final Acceptance	9/26/2014	\$ 13,008.00
		Total Cost		\$ 650,400.00

11.2 Change Request Rates

In those instances where City of Glendale requests estimates for additional services not identified in this SOW, CherryRoad will use the following rate card to determine additional costs.

Project Resource	Hourly Rate
Functional Consultant	\$180
Technical Lead	\$180
Developer	\$180
PeopleSoft Administrator/DBA	\$180
Upgrade Specialist	\$180

11.2.1 Change Request Protocol

Any change to the Scope of Services as defined in the Statement of Work that alters one or more of the following aspects of the Project - scope, schedule, deliverables, or cost- requires a formal Change Request.

Change Requests can be initiated by either City of Glendale or CherryRoad. The Project Manager for City of Glendale and the Project Manager for CherryRoad will decide whether a formal Change Request is necessary. If a formal Change Request is necessary, the Project Manager for CherryRoad will prepare the Change Request detailing the impacts on scope, schedule, deliverables, resources, and cost. Once completed, the formal Change Request will be submitted to City of Glendale's Project Manager for review. City of Glendale will either approve or deny the Change Request in writing within 5 business days.

Any Change Request that increases the total cost of the contract is subject to approval by the Steering Committee. All Change Requests that are mutually agreed upon in writing will be considered an amendment to the Statement of Work and will be governed by the terms and conditions of the Contract between the parties.

11.3 Expense Guidelines

This is a fixed fee engagement and travel and living expenses will not be additionally billed to the City of Glendale. Travel and living expenses shall only be included in the change order hourly rates stated in section 11.2.

11.4 Written Deliverable Acceptance Process

Deliverables drafts shall be provided, when applicable and possible, of each deliverable prior to formal submittal. City of Glendale shall review and provide written approval or comments, as appropriate. In general, comments, issues, or sign-off shall be provided within five (5) business days after receipt of draft. If necessary and so instructed to do, each deliverable will be revised as appropriate and another draft of the final version submitted within three (3) business days. City of Glendale shall respond to resubmitted deliverables within three (3) business days. The City may inform Cherry Road within one business day if the City will require additional time and shall estimate the additional time required.

In the event that City of Glendale fails to respond to a deliverable as required in the preceding paragraph, notice shall be given of such event to City of Glendale's Project Manager or designee, and to the Project Sponsors. In the event that no response is received within three (3) business days thereof, the deliverable shall be deemed to be approved.

Each deliverable contains a section for sign-off by both CherryRoad and the City. This sign-off is used to indicate the City of Glendale's approval, disapproval, or other comment which may accompany each deliverable submission.

11.5 System Acceptance Process

11.5.1 Conditional Acceptance

Conditional acceptance is granted by the City when, as evidenced by the successful completion of User Acceptance Testing in a non-production environment, the Functional Requirements in the Initiative Scope Document and the Specifications in the Configuration and Design Specifications are met. Conditional acceptance may be granted notwithstanding the existence of open issues if: (a) the City Functional Lead and City Project Manager determine that none of the open issues significantly impairs the City's ability to use the system as defined in the Initiative Scope Document and Configuration and Design Specifications Documents and (b) a mutually agreeable issues work plan is identified to resolve the open issues.

The City and CherryRoad will then incorporate the issues work plan, into the detailed project plan. A course of action to resolve the open issues may include, but is not limited to, completing the fixes during post-production, utilizing a combination of resources from the City and CherryRoad to complete the fixes, and/or a mutually agreed-upon deferral of issue(s) or functionality to a later date.

User Acceptance Tests will be completed by the City in accordance with the detailed project plan. The City and CherryRoad will work in good faith and partnership to come to agreement and completion of the issues work plan. If the City and CherryRoad are unable to reach an agreement on the issues work plan, the Dispute Resolution Process defined in the Contract will be utilized.

Upon Conditional Acceptance by the City, the upgrade project can be moved to the production environment.

11.5.2 Final Acceptance

Once Conditional Acceptance of the project Initiative has occurred and the Upgrade project has been moved into the production environment, the City shall begin using the PeopleSoft ERP applications for productive use. Final Acceptance is granted by the City when: (a) CherryRoad has resolved assigned issues as defined by the Conditional Acceptance Issue Work Plan and (b) the Functional Requirements in the Initiative Scope Document and the Specifications in the Design Document are met, as evidenced by the successful use of the PeopleSoft ERP applications System through the completion of 20 business days. Open issues are allowed if: (a) the City Program Manager and Project Sponsor determine that none of the open issues significantly impairs the City's ability to use the system as defined in the Initiative Scope Document, Requirements and Configuration and Design Specifications and (b) a mutually agreeable issues work plan is identified to resolve the open issues.

The City and CherryRoad will work in good faith and partnership to come to agreement and completion of the issues work plan. The course of action from the issues work plan may include but is not limited to, completing the fix during the post-production period, utilizing a combination of resources from the City and CherryRoad to complete the fix, and/or mutually agreeing to defer the issue or functionality to a later date. If the City and CherryRoad are unable to reach an agreement on the issues work plan the Issue Escalation Process will be utilized.

Final Acceptance of the Upgraded System will take place upon successful completion of the 20 business day post implementation support period and determination by City of Glendale that the Upgraded System is fully operational in a production environment that can be accessed by all users, that converted data has been verified during the production cutover process, and all Priority Level 1 (P1) and Priority Level 2 (P2) errors as described below have been resolved. If, during the four weeks Performance and Reliability period, the system is deemed non-operational due to P1 or P2 errors, the City may choose to stop use or use whatever operational Portion that may be available. Final Acceptance of the System will not be unreasonably withheld for Priority Level 3 (P3) and Priority Level 4 (P4) errors noted below.

Error Level 1 (P1)

Critical system errors which are defined as, Loss of Data, Corruption of Data, or Loss of Productive Use of the System.

Examples of Level One Defects

- System is Down
- Application, module or interface is down or non-operational
- Loss of data after data has been entered
- A component of the system is non-functional
- Productive use is prohibited - a significant functional problem with the system i.e., users are unable to process a payment
- System locks up intermittently

Error Level 2 (P2)

Non-critical errors where the primary purpose of the system is compromised, productive use significantly impacted, or a procedural workaround is not available.

Examples of Level Two Defects

- Cannot produce a critical report with correct calculations
- System performance is deemed unacceptable

Error Level 3 (P3)

Non-critical errors resulting in incomplete operation of system but where a procedural workaround is readily available and productive use of the system is not significantly impacted. In the event this type of error occurs, the City will immediately notify Cherry Road. Cherry Road shall make every effort to resolve the problem during the four weeks Performance and Reliability period, but if necessary, the City will take responsibility for resolving the issue after four weeks Performance and Reliability period is completed.

Examples of Level Three Defects

- A single workstation cannot run a report or query but other users can
- A single workstation locks up intermittently

Error Level 4 (P4)

Cosmetic errors which are defined as configuration issues, data integrity issues, documentation errors, or enhancements that can be made in the future. In the event this type of error occurs, the City will immediately notify Cherry Road. Cherry Road shall make every effort to resolve the problem during the four weeks Performance and Reliability period, but if necessary, the City will take responsibility for resolving the issue after four weeks Performance and Reliability period is completed.

Examples of Level Four Defects

- A hot key does not work (alt shift 4) but command line or drop down menu for same command does work
- A spelling error in documentation
- Documentation doesn't match the functionality but the system works correctly
- Print button doesn't work but you can still print from a menu

The City shall notify CherryRoad in writing of its Final Acceptance of the work performed and delivered in accordance with this Statement of Work.

11.6 Project Assumptions

The following assumptions associated within this SOW are fundamental to the approach CherryRoad has proposed, the level of effort estimated, and the costs included in the SOW. They are necessary to ensure that the Project will be delivered on time and within budget.

If the City of Glendale or CherryRoad is materially unable to meet any of the following assumptions an escalation process will be initiated to determine the impact associated with not meeting the assumptions. City of Glendale and CherryRoad will negotiate, in good faith, resolution of the problem. If the parties agree on a resolution that involves changes in scope, schedule, deliverables, resources, or cost the parties will follow the Change Request process outlined in Section 11.2.1.

The Project assumptions are as follows:

1. After completion of the project schedule, the parties will agree on a date for which, all development work in PeopleSoft production will be frozen unless absolutely necessary. However, development on an agreed schedule that extends past this date shall be allowed to continue. The City of Glendale Project Manager and CherryRoad Project Manager will mutually agree on what development work is undertaken once the Project begins.
2. PeopleSoft upgrades require multiple disk backups of the database. If The City of Glendale does not have the appropriate RDBMS toolset to enable fast (less than 90 minutes) database backups to disk. CherryRoad will provide recommendations for procuring the necessary equipment to enable these quicker backups. Should The City of Glendale choose not take advantage of these recommendations the go-live deployment window may be lengthened to complete the upgrade.
3. Any changes to the resource allocation noted in Section 1.4 will be escalated through both CherryRoad and The City of Glendale executive management and agreed upon by all parties.
4. The City of Glendale is responsible for providing functional support by the City of Glendale Project Team members through the execution of all interim test move passes and the upgrade weekend provided the effort is part of the agreed upon schedule.
5. The City of Glendale will provide CherryRoad with office space for work on-site, with access to telephones, printers, copiers, internet, and required networked workstations. The workstations need to have all of the appropriate software, including Microsoft Office applications (Word, Excel and PowerPoint). Additionally, the workstations need access to PeopleSoft, the City of Glendale's email system and enough RAM and hard drive space to accommodate PeopleSoft.
6. The City of Glendale will provide full access to facilities necessary for the Project. This includes full access to buildings and systems during and after normal business hours, on weekends and on holidays.
7. Additional hardware and third party software license costs are not included in CherryRoad's Upgrade Costs. CherryRoad is not responsible for the acquisition or installation of hardware or third party software requested by the City.
8. The resources and timelines provided in this SOW are based on the information contained in the SOW. Any changes in the scope, resources, or responsibilities as outlined in the SOW may have a direct impact, increase or decrease, upon the Upgrade

Costs and will be subject to the CherryRoad/ City of Glendale mutually agreed upon Change Request Process.

9. The CherryRoad Project Manager will be responsible for approving vacation requests and the related schedule changes involving consultants and will consult with the City of Glendale Project Manager before making such approvals. The City of Glendale Project Manager will maintain a schedule of all City of Glendale project team member vacations. These will be reflected in the project schedule and will be communicated to the Cherry Road Project Manager. If there are issues with resource availability that will impact the project, it will be escalated through City of Glendale and Cherry Road executive management.
10. The City of Glendale will allow some work to be done remotely – this would include some of the DBA tasks as well as functional tasks that do not require interaction with City Resources. This will mostly occur during the time frame when City resources aren't available. CherryRoad estimates approximately 60% of the project work will be conducted remotely. Remote work will not impact knowledge transfer.
11. The City of Glendale infrastructure related to the Project will not be moved prior to completion of the Project
12. The City of Glendale may test Disaster Recovery protocols but such testing will not interfere with Project progress.
13. CherryRoad will observe a four (4) day work week for the duration of the project. Should a 5 day week become necessary during the project, The City of Glendale and CherryRoad will need to agree to schedule change.
14. The City of Glendale will appoint a Steering Committee that will meet as needed, but not less than monthly, to review project progress and discuss/resolve issues related to the project.
15. The City of Glendale will provide functional experts from each business area to assist with the design and testing of the system.
16. Issues will be identified and resolved in a timely manner so that they will not affect project milestones and timeframes. A formal issue resolution procedure will be instituted at the onset of the project.
17. The City of Glendale will supply project team resources with the space and hardware necessary to upgrade PeopleSoft.
18. A formal change management process will be determined early in the project and agreed to by the CherryRoad and City of Glendale management teams. A change in scope or approach may cause CherryRoad to request a change order to modify the time and resources required to meet the request. This may result in a change to the agreed upon price. Changes in scope and price will only be made if mutually agreed upon by the City of Glendale and CherryRoad.
19. Specific activities will require the input, review, or participation of City of Glendale staff. The relevance of CherryRoad's deliverables is dependent upon the City of Glendale' interaction and input. The City of Glendale will make time available and provide CherryRoad consultants with access to key users and technical personnel within its organization for this purpose.
20. CherryRoad assumes that developers will be granted access to the required records/data in the legacy systems in order to create interfaces and integration points, and to convert data.

21. CherryRoad assumes that the City of Glendale core team members and project subject matter experts will attend the recommended PeopleSoft project team training courses.
22. CherryRoad will have timely access to necessary City of Glendale staff that possesses specific knowledge of the legacy systems to understand conversion and interface requirements.
23. All documentation and materials will be developed in English. Only electronic copies will be delivered to the City of Glendale. Any reproduction or printed hard copies are the responsibility of the City of Glendale.
24. The City of Glendale will install, configure, and maintain all hardware, network, and operating system components.
25. The City of Glendale will install, configure, and maintain database server components. Consultants will work with DBE team to create and configure required databases and configurations (security, linked servers, etc.)
26. A train-the-trainer approach will be used during the upgrade. CherryRoad will be responsible for training the City of Glendale' appointed trainers. The City of Glendale appointed trainers will train end users.
27. Members of the City of Glendale' training team will attend appropriate project team meetings to remain abreast of the system status, changes, and issues. This will help ensure that project scope changes, unexpected costs, delays, and schedule changes are avoided.
28. The City of Glendale will provide classrooms for training and will take responsibility for ensuring that networked computers in the classrooms function properly. The City of Glendale will also provide computer projection devices in each room and access to the training system.
29. CherryRoad is not responsible for costs associated with PeopleSoft certification of the databases.
30. CherryRoad will gather requirements on the current City's processes, configurations, interfaces, customizations, security, and reports as part of this project. It is not CherryRoad's responsibility to detail the current setup, however CherryRoad and the City will update the Implementation Tracker Tool with their assigned modified or newly-added interfaces, customizations, workflow, security, and workflow items that are a result of this project.

12.0 Optional Services

12.1 Timeline Extension

As an optional service, the City of Glendale can elect to start the HCM Upgrade project in October 2013, however due to resource constraints from City resources, a targeted go-live cannot occur until July 2014 – extending the project timeline from 6 to 9 months. This optional election results in an increase of costs from the CherryRoad Best and Final Offer, in order to extend their resources over the new project timeline.

Exhibit B

DISPUTE RESOLUTION

1. Disputes.

- 1.1 Commitment. The parties commit to resolving all disputes promptly, equitably, and in a good-faith, cost-effective manner.
- 1.2 Application. The provisions of this Exhibit will be used by the parties to resolve all controversies claims, or disputes ("Dispute") arising out of or related to this Agreement- including Disputes regarding any alleged breaches of this Agreement.
- 1.3 Initiation. A party may initiate a Dispute by delivery of written notice of Dispute, including the specifics of the Dispute, to the representative of other party as required in Section 15 of this Agreement.
- 1.4 Informal Resolution. When a Dispute notice is given, the parties will designate a member of their senior management who will be authorized to expeditiously resolve the Dispute.
 - a. The parties will provide each other with reasonable access during normal business hours to any and all non-privileged records, information and data pertaining to any Dispute in order to assist in resolving the Dispute as expeditiously and cost effective as possible;
 - b. The parties' senior managers will meet or have a telephone conference within (10) business days to discuss and attempt to resolve the Dispute promptly, equitably, and in a good faith manner; and
 - c. The Senior Managers will agree to subsequent meetings if both parties agree that further meetings are necessary to reach a resolution of the Dispute.

2. Arbitration.

- 2.1 Rules. If the parties are unable to resolve the Dispute by negotiation within 30 days from the Dispute notice, and unless otherwise informal discussions are extended by the mutual agreement, the Dispute will be decided by binding arbitration in accordance with Construction Industry Rules of the AAA, as amended herein. Although the arbitration will be conducted in accordance with AAA rules, it will not be administered by the AAA, but will be heard independently.
 - a. The parties will exercise best efforts to select an arbitrator within five business days after agreement for arbitration. If the parties have not agreed upon an arbitrator within this period, the parties will submit the selection of the arbitrator to one of the principals of the mediation firm of Scott & Skelly, LLC, who will then select the arbitrator.
 - b. The arbitrator selected must be an attorney with at least 15 years' experience with commercial construction legal matters in Maricopa County, Arizona, be

independent, impartial, and not have engaged in any business for or adverse to either Party for at least 10 years.

- 2.2 Discovery. The extent and the time set for discovery will be determined by the arbitrator. Each Party must, however within 10 days of selection of an arbitrator deliver to the other Party copies of all non-privileged documents in the delivering party's possession that are relevant to the dispute.
 - 2.3 Hearing. The arbitration hearing will be held 90 days after the appointment of the arbitrator. The arbitration hearing, all proceedings, and all discovery will be conducted in Glendale, Arizona unless otherwise agreed by the parties or required as a result of witness location. Telephonic hearings and other reasonable arrangements may be used to minimize costs.
 - 2.4 Award. At the arbitration hearing, each Party will submit its position to the arbitrator, evidence to support that position, and the exact award sought in this matter with specificity. The arbitrator has no authority to consider or award punitive damages.
 - 2.5 Final Decision. The Arbitrator's decision should be rendered within 15 days after arbitration hearing is concluded. This decision will be final and binding on the Parties.
 - 2.6 Costs. The prevailing party may enter the arbitration in any court having jurisdiction in order to convert it to a judgment. The non-prevailing party will pay all of the prevailing party's arbitration costs and expenses, including reasonable attorney's fees and costs.
3. **Services to Continue Pending Dispute.** Unless otherwise agreed to in writing or unless the dispute arises from the City's failure to pay an undisputed invoice, Consultant must continue to perform and maintain progress of required Services during any Dispute resolution or arbitration proceedings, and City will continue to make payment to Consultant in accordance with this Agreement.
 4. **Exceptions.**
 - 4.1 Third Party Claims. City and Consultant are not required to arbitrate any third-party claim, cross-claim, counter claim, or other claim or defense of a third party who is not obligated by contract to arbitrate disputes with City and Consultant.
 - 4.2 Liens. City or Consultant may commence and prosecute a civil action to contest a lien or stop notice, or enforce any lien or stop notice, but only to the extent the lien or stop notice the Party seeks to enforce is enforceable under Arizona Law, including, without limitation, an action under A.R.S. § 33-420, without the necessity of initiating or exhausting the procedures of this Exhibit.
 - 4.3 Governmental Actions. This Exhibit does not apply to, and must not be construed to require arbitration of, any claims, actions or other process filed or issued by City of Glendale Building Safety Department or any agency of City acting in its governmental permitting or other regulatory capacity.



Legislation Description

File #: 14-381, Version: 1

AGREEMENT EXTENSION WITH BAKER, DONELSON, BEARMAN, CALDWELL & BERKOWITZ, PC FOR FEDERAL LEGISLATIVE REPRESENTATIVE SERVICE OF LUKE AIR FORCE BASE

Staff Contact: Brent Stoddard, Director, Intergovernmental Programs

Purpose and Recommended Action

This is a request for City Council to authorize a one-year extension of the contract with Baker, Donelson, Bearman, Caldwell & Berkowitz, PC for federal legislative consultant services for continued protection of the mission of Luke Air Force Base (AFB) on behalf of the West Valley Partners, and authorize the City Manager or designee to automatically renew the contract annually upon the consent of the west valley communities that make up the West Valley Partners for up to two additional years.

Background

In 2006, 14 West Valley communities (West Valley Partners) conducted a national search for the hiring of a consulting/legal/public relations team to develop and execute a strategy which would ensure the long-term viability of Luke AFB. As a result of the competitive process, Steve Hyjek with the Washington, D.C. based firm, Hyjek & Fix, Inc., was selected. Since that time Steve Hyjek left that firm and joined the firm of Baker, Donelson, Bearman, Caldwell & Berkowitz, PC. Through the collaborative efforts of the West Valley communities, Arizona's Congressional Delegation and Steve Hyjek, the Air Force announced in August 2012 that Luke AFB was the selected site for F-35 Active Duty Training. The members of the West Valley Partners collectively agreed to extend the current contract for an additional year.

The current contract with Baker Donelson was entered into by the Council in August 2013 and expires December 31, 2014. The contract allows for three one-year extensions. This extension would be the first of those three. The contract extension exactly mirrors the existing contract in terms of costs and scope of work. The timely contract extension will prohibit any gap in federal representation. Although Luke AFB has been selected as the training site for the F-35, there are still many issues that could threaten Luke's long term viability including sequestration, federal budget cuts, and any Base Realignment and Closure Commission (BRAC) or other Force Structure Adjustment-related issues. In addition the firm is working to secure additional future missions to the base including a potential National Guard Cyber Response Team.

Steve Hyjek and the firm of Baker, Donelson, Bearman, Caldwell & Berkowitz, PC have the background, knowledge, and experience necessary to be successful in lobbying Congress, the Administration, and the Department of Defense to protect and enhance the mission of Luke Air Force Base. Steve Hyjek has irreplaceable knowledge and relationships that are necessary to fulfill the proposed scope of work as stated in the contract. Additionally, while being administered by the City of Glendale, this contract is unique in that it is shared, paid for, and utilized by 14 member jurisdictions in the West Valley, all of whom have expressed the critical desire for consistent representation of the Base over the next few turbulent years where important

defense and financial decisions impacting the Armed Services will be made.

The total annual contract cost is \$144,000, of which Glendale's portion is \$27,273. The balance of the contract is collected from the 13 other West Valley community partners.

Analysis

The loss of Steve Hyjek's knowledge of the issues surrounding the basing decision and the Environmental Impact Statement process would be detrimental to the overall goal of implementing the F-35 mission at Luke AFB. Further, Steve Hyjek has secured the trust and confidence of the Arizona Congressional Delegation, state and local officials as well as key Air Force decision-makers. Sustaining the trust and confidence of these individuals at this time is of paramount importance to protecting the continued mission viability of Luke.

Previous Related Council Action

On November 28, 2006, Council approved a contract with Hyjek & Fix, Inc. for federal legislative representation services for the protection of the mission of Luke AFB. In June 2011, Council approved a one year extension to June 2012, and at that time, the contract was extended for an additional six months.

On December 11, 2012, Council renewed the contract with Hyjek & Fix, Inc.

On August 13, 2013 the Council entered a new contract with Baker Donelson when Steve Hyjek left the firm of Hyjek & Fix to join Baker, Donelson.

Community Benefit/Public Involvement

Arizona's military industry represents one of the largest industries in the state and generates more than \$9 billion in economic impact annually to Arizona. Luke AFB is the largest military installation in the state in terms of the number of personnel it employs (more than 7,000), the population it serves (more than 100,000 base personnel, military families and retirees) and its economic impact to the state of Arizona (\$2.17 billion annually).

In addition to protecting our nation's defense and being an economic asset to the state, Luke AFB has a profound impact in our community, as base personnel volunteer more than 100,000 hours annually at local schools, churches, youth sports leagues and non-profit organizations.

Budget and Financial Impacts

The contract extension is the first of three allowable one-year contract extensions. The contract continues to represent a significant reduction from past previous contracts. Prior to December 2012, the annual contract was \$340,000 of which Glendale's portion was \$65,155. The new contract, at a total cost of \$144,000 annually, represents over a 50% reduction. Glendale's annual portion will continue to be \$27,273.

Cost	Fund-Department-Account
\$27,273	1000-10910-518200, Intergovernmental Programs

Capital Expense? No

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?

STEVEN M. HYJEK
Direct Dial: 202.508.3470
Direct Fax: 202.220.2270
E-Mail Address: shyjekt@bakerdonelson.com

October 27, 2014

Mr. Brent Stoddard
Director of Intergovernmental Programs
City of Glendale
5850 W. Glendale Ave., Suite 464
Glendale, AZ 85301

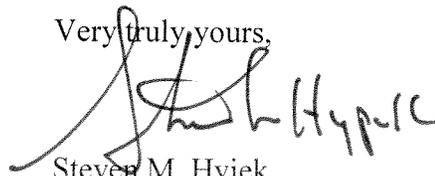
Dear Mr. Stoddard:

The purpose of this letter is to confirm our commitment to extending our contract, in its current form, for 12 months effective January 1, 2015, subject to approval of a contract extension by the West Valley Partners.

I will continue to be primarily responsible for assisting the West Valley Partners with its federal public policy matters as engaged herein. Effective January 1, 2015, we will continue forward with the terms and conditions currently in the contract through December 31, 2015.

We look forward to continuing our work with you and remaining a part of the West Valley Partners' team.

Very truly yours,



Steven M. Hyjek
Senior Public Policy Advisor



Legislation Description

File #: 14-482, Version: 1

POSITION RECLASSIFICATIONS

Staff Contact: Jim Brown, Director, Human Resources and Risk Management

Purpose and Recommended Action

This is a request for the City Council to authorize the City Manager to reclassify existing positions within the organization that have experienced a change in duties and/or responsibilities.

Background

As the City seeks out ways to more innovatively provide city services, jobs must adapt to address those changes. Department Directors work closely with the Human Resources and Risk Management Department to conduct job studies and make these changes when necessary. At times this may require a change in job duties and/or responsibilities that places the job in a different job classification. When this occurs, a reclassification of the job is necessary. Reclassifications, while permitted under Human Resources Policy 301, do create a change to Schedule 9 of the Fiscal Year (FY) 2014-15 Budget. Human Resources Policy 301.II.A.2 states the following with regard to position reclassifications:

A position may be reclassified when the essential duties and responsibilities of the position change significantly through the addition or deletion of essential job functions. Positions may be reclassified to a higher or lower classification and pay range as a result of a job study. The decision made by the Human Resources Director is final. Classification decisions are not appealable or grievable.

- A. When a position is reclassified to a class in a higher pay range, the employee shall receive the same salary as before the reclassification, unless the employee's current salary is less than the minimum of the new range, in which case the employee will be placed at the minimum of the new range.
- B. If a position is reclassified or reevaluated and assigned a lower pay range, the employee's pay will not be reduced. However, if the employee's current salary is above the maximum of the new pay range, the salary will be "red-lined," meaning that the employee will not be eligible for any additional increase in salary, including Merit, General Wage Increase or other adjustments, until the pay range maximum (through General Wage Increase) is once again higher than the actual salary.

Reclassifications create a change to the Council approved Budget which addresses jobs by titles and allocations, Council must be apprised of the change and vote to approve the position reclassifications as an amendment to the budget. This process provides transparency for both the Council and the public with regard to the city's budget.

As the city moves forward, it is prudent to reassess the current structure and opportunities for realignment to

better prepare the city for the future.

The Finance and Technology Department has a need to reclassify an existing Accounting Manager position to a Controller. The division currently has two funded Accounting Manager positions. The Controller will oversee Accounting and Reporting, Payroll, Accounts Payable, Accounts Receivable, Grant Reporting, Debt, and Investments for the City, and will administer the City's chart of accounts, and coordinate preparation of complex financial reports such as the Comprehensive Annual Financial Report.

Currently, the Transit Manager who is overseeing the Dial-a-Ride program in the Transportation department has 9 direct reports. The span of control for this position is too large for effective management oversight and does not allow time for the operational and strategic oversight required for the program. Reclassifying a vacant Lead Transit Representative to a Transit Supervisor would allow flexibility in the organizational structure - the Lead Transit Representatives and Transit Operators (a total of 15 employees) could be split among two Transit Supervisors, leaving the Transit Manager with four direct reports. The Transit Manager would then be able to focus on higher level strategic and operational issues.

The Development Services Department has identified a need to conduct increased commercial building inspections versus residential inspections in the City. Commercial inspections are more complex and specialized and require expert knowledge of mechanical, electrical, and plumbing systems. The reclassification of two Building Inspector positions to Building Inspector Specialists (focusing on commercial buildings) would increase operational effectiveness and enable the department to meet the needs of its customers.

The City Court has a need to reclassify a vacant Court Clerk II position from 38 hours per week to 40 hours per week. The current schedule of 38 hours precludes the utilization of this position in an afternoon courtroom with a fully calendared docket. This change will provide continuity and ensure that critical functions are accomplished throughout the week in a consistent and timely fashion.

The Development Services Department has a need to reclassify a vacant Planner position to a Sr. Planner position. Reclassifying this position would allow the Planning Division to continue to work on complex planning and land use development projects, including annexation. These types of duties require the more expert and specialized knowledge required of a Sr. Planner.

Purchasing currently has 5 funded positions including a Purchasing and Materials Manager and 4 Contract Analysts. The Contract Analysts have no administrative support and spend much of their time performing administrative tasks that detract from their main responsibilities. Reclassifying a vacant Contract Analyst to a Management Aide would allow for the more efficient use of the Contract Analysts' time, allowing them to manage solicitations and contracts, while the Management Aide would handle the administrative functions of the department.

The Pretreatment Program in Water Services currently consists of a Program Manager, two Sr. Pretreatment Inspectors and two Pretreatment Inspectors. The department has a need to reclassify a vacant Sr. Pretreatment Inspector position, which includes lead responsibilities, to a Pretreatment Inspector position. The one Sr. Pretreatment Inspector would be able to lead up to three Pretreatment Inspectors. With this reclassification to a Pretreatment Inspector the division will be able to conduct daily testing, sampling and inspection assignments throughout the city while optimizing the efficient use of personnel.

Analysis

The Human Resources and Risk Management Department work closely with Department Directors in conducting job studies to determine whether a job requires reclassification. It is important that job descriptions accurately reflect the duties being performed by employees and that the job classification reflects the level of duties and responsibilities required of the position. This helps ensure that the City provides a clear understanding to employees of what their duties are, helps to identify the appropriate level within the organization the position holds and helps supervisors with directing and assessing the performance of employees. It also assists with any confusion that might arise between the City and employees as to the duties and responsibilities required of a position.

Previous Related Council Action

On June 10, 2014, Council approved the FY 2014-15 Budget which includes a listing of all approved positions in the Budget Book.

Council approved position reclassifications at the August 12, 2014 Council meeting.

Council approved position reclassifications at the October 14, 2014 Council meeting.

Council approved a position reclassification at the October 28, 2014 Council meeting.

Community Benefit/Public Involvement

Ensuring that job descriptions appropriately reflect the duties being performed protect the city from potential litigation and help ensure that the citizens are receiving the appropriate level of services necessary.

Budget and Financial Impacts

There is no budget impact this fiscal year.

Capital Expense? No

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?

Positions Recommended for Reclassification
December 18, 2014

Position Number	Department	Fund #	Fund Name	Previous Title	New Title	Description of Request	Effective Date of Action	Estimated Base Cost for Remainder of FY
0000	Finance and Technology	1000	General	Accounting Manager	Controller	Realign to better meet department needs.	12/27/2014	\$0.00
1632	Public Works	1660	Transportation Sales Tax	Lead Transit Rep	Transit Supervisor	Realign to better meet department needs.	12/27/2014	\$0.00
1391	Development Services	1000	General	Bldg Insp	Building Inspector Specialist	Realign to better meet department needs.	12/27/2014	\$0.00
0834	Development Services	1000	General	Bldg Insp	Building Inspector Specialist	Realign to better meet department needs.	12/27/2014	\$0.00
0756	City Courts	1000	General	Court Clerk II	Court Clerk II	Converting from 38 hours to 40 hours	12/27/2014	\$0.00
0921	Development Services	1000	General	Planner	Sr. Planner	Realign to better address service demands within the department	12/27/2014	\$0.00
2412	Finance and Technology	1000	General	Contract Analyst	Management Aide	Realign to better meet department needs.	12/27/2014	\$0.00
0078	Water Services	2420	Sewer	Sr Pretreatment Insp	Pretreatment Inspector	Realign to better meet department needs.	12/27/2014	\$0.00



Legislation Description

File #: 14-491, **Version:** 1

AUTHORIZATION TO ENTER INTO AN AGREEMENT WITH STRENGTH TRAINING INCORPORATED FOR OCCUPATIONAL HEALTH MEDICAL SERVICES

Staff Contact: Mark Burdick, Fire Chief

Purpose and Recommended Action

This is a request for City Council to award the bid and enter into an agreement with Strength Training, Inc. (STI) for Medical Occupational Health Services at Glendale Health Center for an initial two year term. This request also authorizes the City Manager, at her discretion, to renew the agreement for an additional three years in one-year increments.

Background

The Glendale Health Center is located at the Glendale Regional Public Safety Training Center (GRPSTC). Since its inception in 2009, the Glendale Health Center's original Intergovernmental Agreement (IGA) was with Daisy Mountain Fire District. Within the IGA, the medical providers were STI and Scottsdale Health Care.

The IGA with Daisy Mountain Fire District expired in 2013 and a temporary contract with STI was approved by Council, until the Request for Proposal (RFP) 14-07 process could be completed. This was done via a special procurement that does not require the formal purchase procedures as authorized by GCC 2-145 (g).

This temporary contract allowed the Glendale Health Center to continue to provide medical services without impact to its current users.

The medical providers currently are responsible for:

- Occupational medical services
- First aid treatment
- Health and wellness medical services
- Department of Transportation (DOT) and Arizona Peace Officer Standards and Training (AZ POST) drug and alcohol screening
- Hearing and vision testing
- Commercial Driver's License (CDL)/(DOT) physicals in accordance with Federal Motor Carrier Safety Administration (FMCSA)
- Pre-employment physical examinations in accordance with OSHA Regulations
- Annual physical health evaluations and other medical evaluations and examinations on City employees and potential employees
- Incumbent fire fighter physicals in compliance with NFPA 1582 and OSHA 1910 - 134 Respiratory Protection

- Special Weapons and Tactics (SWAT) and Explosive Ordinance Disposal (EOD) officer physicals in accordance with AZPOST and OSHA 1910-134 Respiratory Protection requirements

Analysis

In May 2014, an RFP was issued to solicit a medical provider for the Glendale Health Center. The City received responses from STI and Scottsdale Health Care. With the assistance and oversight of Materials Management, a committee was formed that was comprised of representatives from Human Resource, Glendale Fire and Glendale Police labor, the Health Center Deputy Chief, and one member from three outside partner fire agencies (Avondale, Daisy Mountain Fire District and Surprise). Evaluation criteria were based on experience or service and professional effort, compliance with specifications, fee structure, and references. After final scoring, the evaluation committee determined that STI would be recommended for award of a contract.

STI was deemed to be the responsible and responsive offeror whose proposal was determined, in writing, to be the most advantageous to the City and best meets the overall needs of the City taking into consideration the evaluation factors set forth in the request for proposal.

Attached for your consideration and approval are the contract and fees per the RFP that will/may be charged to the city.

The initial term of the contract shall be two (2) years, upon approval by the City Council, beginning on January 1, 2015. The City may, at its option and with the approval of the Contractor, extend the term of the agreement three (3) additional years in one (1) year increments based on satisfactory Contractor and Sub-contractor performance. The City Manager or designee is authorized to execute any and all documents required to extend the contract.

This agreement will allow the City to continue to provide occupational health and medical health, as well as the addition of urgent and wellness care to its employees and other outside government agencies utilizing private health insurance coverage. The City will still own and maintain all major medical equipment in the Health Center. The contractor will be required to pay a \$7,500/month fee for use of the Health Center which will provide the revenue to maintain the major medical equipment, as well as save for any future medical equipment needs thus reducing the budget impact. The revenue generated will be deposited into the Health Center Revenue Fund.

Previous Related Council Action

On April 24, 2014, Council approved an amendment for an extension of term to the agreement Contract No. C-8527-1 with STI.

On June 28, 2013, Council approved a temporary Contract No. C-8527 with STI.

On January 27, 2009, Council approved an IGA C-6764 between Daisy Mountain and Glendale Fire for the administration of the Health Center.

Community Benefit/Public Involvement

Public safety personnel will continue to receive the annual medical healthcare needed that will assist them with protecting the health and safety of Glendale citizens and visitors. This annual screening has identified several potential catastrophic medical issues before they could manifest themselves.

The addition of urgent and wellness care for all city employees could potentially reduce loss time at work, improve general health, and possibly improve employee morale and productivity.

Budget and Financial Impacts

As stated above, the contractor is required to pay \$7,500/month for total revenue of \$90,000 annually. The Workers Compensation Trust Fund pays for the medical costs and expenses associated with occupation injuries of city employees per state law. Funds are established and set aside in the Trust Fund for this purpose. A Benefits Trust Fund pays for medical costs of health care provided to employees, their dependents and retirees. Funds are also established and set aside in the Benefits Trust Fund. Each budget year the fire department has been granted an on-going budget of \$173,833 to pay for annual firefighter physicals.

Capital Expense? No

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?

**AGREEMENT FOR
OCCUPATIONAL AND MEDICAL HEALTH SERVICES
AND LICENSE AND USE AGREEMENT FOR GLENDALE REGIONAL HEALTH CENTER**

RFP No. 14-07

This Agreement for Occupational Health and Medical Health Services and License and Use Agreement for Glendale Regional Health Center ("Agreement") is entered into between CITY OF GLENDALE, an Arizona municipal corporation ("City"), and STRENGTH TRAINING, INC. ("STI" or "Contractor"), an Arizona Corporation, as of the _____ day of _____, 2014 to be effective January 1, 2015 ("Effective Date").

RECITALS

- A. City operates the Glendale Regional Public Safety Training Center ("GRPSTC") located at 11550 West Glendale Avenue, which includes approximately 6,000 square feet of space for operation of the Glendale Regional Health Center ("Health Center" or "Premises") under the direction of the Glendale Fire Department and Human Resources & Risk Management Department. The space is depicted on **Map A** ("GRPSTC") and **Map B** ("Health Center Floor Plan"), which are attached hereto and incorporated by this reference; and
- B. City seeks to obtain occupational health and medical health services, urgent and wellness care, as described in **Exhibit A**, Request For Proposal 14-07 ("RFP") and Contractor Response ("collectively Occupational Health and Medical Services" or "Project"), attached hereto and incorporated by this reference, at the Health Center for City employees, personnel of any public safety agency in the State of Arizona, including personnel of any fire district and/or tribal jurisdiction, and any other public entities in the state of Arizona; and
- C. STI is qualified and able to provide Occupational Health and Medical Services and City desires to retain STI's services; and
- D. City and STI desire for STI to use the Premises to provide Occupational Health and Medical Services; and
- E. City and Contractor desire to memorialize their agreement with this document.

AGREEMENT

In consideration of the Recitals, which are confirmed as true and correct and incorporated by this reference, the mutual promises and covenants contained in this Agreement, and other good and valuable consideration, City and Contractor agree as follows:

1. Purpose.

- 1.1 The Health Center is intended to provide occupational medical services, health and wellness medical services and programs, first aid treatment, pre-hire physical examinations, annual physical evaluations and examinations, functional capacity evaluations, hearing and vision testing, respiratory evaluations, Drug and Alcohol testing, Department of Transportation (DOT) physicals, rehabilitation and educational services, sick care and urgent care services, as applicable, to City employees, and personnel of any public safety agency in the State of Arizona, including personnel of other cities, towns, fire district and/or tribal jurisdiction (collectively "Public Agencies").
- 1.2 The Fire Service Joint Labor Management Wellness/Fitness Initiative is a historic partnership between the International Association of Fire Chiefs (IAFC) and the International Association of Firefighters (IAFF) to improve the wellness of fire department personnel. This initiative has been used as a guide to formulate a department's Wellness/Fitness Program. The Wellness/Fitness Initiative complies with both the NFPA Standards and OSHA regulation.
- 1.3 Consistent with the Initiative, the purpose of this Agreement is to help ensure that public safety personnel receive certain health care services and education on health, wellness, exposure to both hazardous and infectious materials and safety issues faced by firefighters and police officers throughout their careers.

- 1.4 When employees are injured they are referred to the Health Center for first aid treatment, initial visit for industrial injuries and follow-up, and when necessary, referrals to specialists.
- 1.5 The Health Clinic provides access to medical health services, including sick care, urgent care and occupational health, pre-hire physical examinations, annual physical evaluations and examinations, hearing and visions testing, Drug and Alcohol testing, Department of Transportation (DOT) physicals, rehabilitation and educational services at the Health Center in compliance with NFPA 1582 2007 Edition, OSHA 1910-145 Respiratory Protection, Department of Transportation (DOT), Federal Motor Carrier Safety Administration (FMCSA) and OSHA Regulations , as more fully described herein.

2. Facility License and Use Fee.

- 2.1 The City hereby licenses to Contractor the Premises consisting of approximately 6,000 square feet as depicted on **Map B** for the Term set forth in this Agreement for payment of a Use Fee equal to Seven Thousand Five Hundred Dollars (\$7,500.00) per month payable on the first day of each month of the Term beginning January 1, 2015, subject to the Contractor's performance of its obligation under this Agreement. Contractor shall remit payment of the \$7,500 to City on the first day of each month beginning January 1, 2015 to the following address:

Customer Service
City of Glendale
5850 West Glendale Avenue
Glendale, AZ 85301

If Contractor fails to pay any monthly fee in full on or before the 5^h (fifth) day following the due date, the unpaid amount will accrue interest at a rate of 18% per annum or the statutory rate, whichever is less, from the due date until payment is made in full. The City's acceptance of any monies from Contractor is not an admission of the sufficiency of the amount of the payment, and the City reserves all legal rights to question the accuracy of Contractor's payments.

- 2.2 **Effective Date & Duration.** The License commences upon the Effective Date and continues for a time period consistent with the Term identified below, including any extensions or renewals.
- 2.3 **Use Restrictions.** Contractor is granted the right during any Term to occupy and use the Premises only to provide Occupational Health and Medical Services pursuant to this Agreement. Contractor shall not use or permit others to use the Premises for any purposes other than as expressly permitted herein.
- 2.4 **No Warranties by City.** City licenses the Premises to Contractor in its current condition, "as is," with no representation or warranty by the City as to the quality, condition or suitability of use, and without any liability or obligation on the part of the City of making any alterations, improvements or repairs of any kind on or about the Premises.
- 2.5 **Maintenance and Repair.** During the Term, Contractor at its sole cost and expense shall keep and maintain the Premises in a neat, clean condition, clear of all obstructions or refuse of any kind
- 2.6 **Alterations and Modifications.** Contractor shall not make any alterations or modifications to the Premises without the prior written consent of the City. All City-approved alterations and modifications shall be (i) performed and completed in a good, workmanlike manner at the sole cost and expense of Licensee; (ii) completed in compliance with all applicable laws, ordinances, codes, rules, regulations, and/or orders; and (iii) shall become a part of the Property, and any title shall vest in and be retained by City. Contractor shall, at its sole expense, construct all improvements in compliance with the Americans with Disabilities Act (ADA), as amended from time to time, including City amendments.
- 2.7 **Right of Access/Inspection.** The City reserves the right to control and manage the GRPSTC, including the Premises, and to enforce all necessary and proper rules for its management and operation. Contractor agrees to permit authorized City employees or agents to enter the Premises, with the exception of any HIPAA protected areas or areas containing medical records or any other

information protected by law ("Protected Areas"). If access is needed into Protected Areas for cleaning, repairs, etc., advance notice will be given to the Contractor to allow Contractor to secure all patient charts and other confidential records in the locking storage cabinets. A member of the Contractor's staff must remain present with the City employee or agent until work is completed.

2.8 City Obligations.

a. City shall maintain the Premises in good condition and repair, reasonable wear and tear excepted. City shall provide general house lighting, heating, air conditioning, water, sanitation, custodial service and certain furniture, fixtures and equipment as described on **Exhibit B** ("Equipment"). City is not obligated to provide computers or copiers. The City will provide annual fire inspections per the Arizona Department of Health Service requirements.

b. Security. The City assumes no obligation to provide security for the Premises, other than the security personnel in place for the GRPSTC. Any additional security or other protective service desired by the Contractor other than normal security provided by City for the GRPSTC facility, must be arranged for by special agreement with the City and the Contractor is responsible for all costs connected with any additional services.

c. Property Liability. The City assumes no responsibility whatsoever and has no obligation to reimburse the Contractor for any property, fixtures, equipment or other personal property placed by the Contractor in the Health Center. The Contractor expressly releases and discharges the City from any and all liabilities for any loss, injury or damages to property which may or do arise out of or be related to the use of the Health Center under the Agreement.

d. The City assumes no responsibility for personal items, equipment or other items that remain in the Premises after the expiration of the Agreement.

2.9 The Contractor is responsible for all damage, except normal wear and tear, to the Health Center facilities that occur in connection with Contractor's services pursuant to this Agreement, including but not limited to those caused by Contractor and its employees, agents, sub-contractors, invitees, and guests. The Contractor shall take all precautions to maintain the Premises in good repair and restore and return the Premises back to the City upon termination of the Agreement in as good condition as it was provided to the Contractor, ordinary wear excepted. If the Contractor does not maintain the Premises as required by the Agreement, the City may do all things necessary to restore the Premises to the prior condition with all costs being charged to the Contractor. The Contractor shall purchase replacement integrated equipment (chairs, tables, general house lighting, etc.) when the Contractor is responsible for damage as stated 2.9. This does not include the major medical equipment the City will maintain as listed in section 3.1 below.

3. **Medical Equipment.**

3.1 City shall provide medical equipment described on **Exhibit B** ("Equipment"), including a Spirometer for testing lung capacity, a hearing test booth, a Titmus vision test machine, digital x-ray machine, two treadmills with stress test equipment and EKG machines. The City will provide annual preventative maintenance on the two treadmills with stress test equipment and EKG machine, the Spirometer, and the x-ray machine, along with annual calibration of the Spirometer and hearing booth. Calibration information will be provided to the Contractor for their records. Blood samples may be sent to the Contractor's contracted medical laboratory for analysis and x-rays may be sent to an outside radiologist for interpretation.

3.2. The Contractor is responsible for the control, operation and use of all medical Equipment described on Exhibit B ("Equipment"). All damage, except normal wear and tear, to the Equipment that occurs in connection with Contractor's operation and/or use when providing services pursuant to this Agreement, including but not limited to those caused by Contractor and its employees, agents, sub-contractors, invitees, and guests shall be the sole responsibility of the Contractor. The Contractor shall fully indemnify the City for any claims that arise due to its operation and/or use of the equipment as described in Section 11.3 Indemnification. It shall be the Contractor's sole responsibility to notify the City when any Equipment malfunctions or is in need

of repair. While the equipment is under the control, operation and use of the Contractor and its employees, agents, sub-contractors, invitees, and guests, Contractor shall take all precautions to maintain the Equipment in good repair and return the Equipment back to the City upon termination of the Agreement. in as good condition as it was provided to the Contractor, normal wear and tear excepted. If the Contractor damages the Equipment the City may do all things necessary to restore the Equipment to the prior condition, including if necessary replacement of the Equipment, with all costs being charged to the Contractor.

The Contractor shall provide all durable medical supplies or equipment (BP cuffs, stethoscopes, glucose meters, calipers, body fat analyzers, lab equipment and other minor medical equipment) as needed. The City has no obligation to reimburse the Contractor for loss of or damage to their durable medical supplies, equipment or other personal property. The Contractor may insure such supplies, equipment or other personal property as needed.

4. Services by Contractor.

- 4.1 Contractor shall provide all services in a timely and efficient manner consistent with RFP requirements and Administrative Procedures, including, but not limited to, working in close interaction and interfacing with City and its designated employees, and working closely with others, including other contractors or consultants, retained by City. The parties agree to work together to develop mutually-agreeable Administrative Procedures prior to Contractor providing any services under this Agreement. In the event the parties cannot agree on any provision in the Administrative Procedures, the City shall make the final determination. Changes to the Administrative Procedures may be agreed to by City staff, without an amendment to this Agreement. The services listed in Section 4.3, Medical Exams, are the minimum services Contractor must provide. The parties may amend, change, add or remove services, as may be mutually-agreed to in writing by the parties.
- 4.2 Hours of Operation. The Contractor shall maintain Health Center hours of operation as follows: Monday through Friday 7:30 a.m. to 5:30 p.m. (City holidays excepted) and all services provided by STI or its subcontractors shall occur during these hours of operation, unless otherwise agreed to in writing by the City and STI.
- 4.3 Medical Exams.
 - a. **Firefighters (includes new firefighter pre-employment).** Contractor shall provide comprehensive medical examinations that shall include at least the following:
 - (1) Health Survey
 - (2) Physical examination
 - (3) Blood analysis consisting of CBC, Chem. 22, lipid panel, and Hepatitis C
 - (4) PSA for males .40 years of age
 - (5) Urine dipstick with reflux urinalysis
 - (6) Spirometry
 - (7) Hearing evaluation (done in an ANSI-approved soundproof booth)
 - (8) Visual acuity evaluation
 - (9) Body fat assessment (using calipers or analyzer) and body weight
 - (6) Stress test (treadmill) Fire performs the Davis-Gerkin Protocol and PD performs the Bruce Protocol or as indicated
 - (10) Chest X-ray (done every five (5) years or annually if TB positive or new hire or as indicated by clinical conditions)
 - (11) Functional movement screening
 - (12) Review of immunization history

- (13) Up to 30 minute consult with physician or physician to discuss physical examination and health survey
 - (14) TB skin test (optional; additional cost would apply)
 - (15) Tiered Medical Evaluation (optional)
- b. **Non-sworn EMS personnel and retirees.** Public Fire Departments, Fire Districts and/or Tribal Jurisdictions may offer annual physicals to their non-sworn EMS personnel and/or retired firefighters Contractor shall provide the same services as for firefighters, as listed in 4.3.a above, with the following exception:
- (1) No Functional Movement Screening
 - (2) No Stress Test – Resting EKG Only
 - (3) No Chest X-ray
- c. **Glendale Police Officer Pre-employment Physicals.** For Glendale police pre-employment physicals, Contractor shall provide the same services as for firefighters, as listed in 4.3.a, above, with the following exception:
- (1) No Functional Movement Screening
- d. **SWAT/Bomb/Clandestine Drug Lab.** Police agencies may send their specialty officers for annual physicals due to their use of self-contained breathing apparatus and OSHA respiratory regulations and Contractor shall provide the same services as for firefighters, as listed above in 4.3.a., with the following exceptions:
- (1) No Functional Movement Screening
- e. **Glendale Police Officer Wellness Exam.** Exams shall be provided consistent with Memorandum of Understanding between City of Glendale and the Glendale Police Officer's Coalition (GPOC).
- f. **CDL/DOT physicals.** Contractor shall provide all CDL required drivers medical exams for CDL/DOT Medical Certification Examinations, in accordance with DOT/FMCSA.
- g. **New employee physicals (non-public safety).** Contractor shall provide the City's new employee hires, which have a lifting requirement as part of the essential function of their job, a pre-employment physical.
- h. **Drug/Alcohol Screening.** The City of Glendale's Drug and Alcohol Policy was established to comply with the Drug Free Workplace Act of 1988, and the Arizona Medical Marijuana Act (A.R.S. 36-2801), Department of Transportation (DOT) Drug and Alcohol Testing Rule (49CFR Part 40), Federal Motor Carrier Safety Administration (FMCSA) Drug and Alcohol testing Regulations (49 CFR Part 382) and Federal Transit Administration (FTA) Drug and Alcohol Regulations (49 CFR Part 655). In accordance with the DOT -FMCSA and the DOT-FTA mandates, and for NON-DOT, safety-sensitive employees and other covered personnel in order to maintain a drug free work environment, the Contractor will conduct the following categories of tests: Contractor agrees to provide additional testing that may be required as specified in the governing Memorandum of Understanding for represented employees or Arizona Peace Officer Standards and Training Board (AZPOST) in accordance with the Arizona Administrative Code, Title 13, Public Safety.
- a. Pre-employment
 - b. Random
 - c. Reasonable suspicion
 - d. Post-accident

e. Return to duty

f. Follow up

The Breath Alcohol Test (BAT) shall be administered in accordance with state and federal regulations for DOT Drug and Alcohol Testing Rule- FMCSA and DOT- FTA, for determining blood/alcohol levels. For NON-DOT, safety-sensitive employees and other covered personnel, the Saliva Alcohol Test (SAT) shall be administered. (If SAT testing is not available, BAT shall be utilized).

The Urine Sample Test will be utilized in accordance with federal regulations for DOT-FMCSA, DOT-FTA, and for NON-DOT safety-sensitive employees and other covered personnel. The Oral Fluid Drug Test shall be utilized (if Oral Fluid Drug Test is not available, Urine Sample test shall be utilized) to test for the following drugs (or their metabolites):

a. Marijuana

b. Cocaine

c. Opiates

d. Phencyclidine (PCP)

e. Amphetamines

Contractor will be responsible for randomizing the selection of all City employees' random drug and alcohol testing.

i. **Hearing Conservation and Review of Respiratory Questionnaire**

Contractor will perform annual audiograms for City personnel in the Hearing Conservation Program. Contractor will also provide annual review of the OSHA respiratory questionnaires for all City employees. Contractor will verify that the employee is medically cleared to wear a respirator or, if not medically cleared, Contractor will provide further testing to establish the need to seek specialist care or establish clearance through the additional testing. Contractor will be required to work with and provide City certain testing information results. For City Police Department personnel, results shall be provided to the Glendale Police Department Safety Officer for both hearing and respiratory testing. The Contractor will be required to work with and provide hearing test results to the Glendale Human Resources and Risk Management Department for non-Police personnel.

j. **Functional Capacity Evaluations (FCE).** Contractor shall perform FCE utilizing an in-depth questionnaire to determine other conditions and specific limitations City employee may have, whether directly or indirectly related to the employee's job duties. Contractor shall conduct the FCE utilizing real and simulated workstations to evaluate the abilities of the employee. Prior to conducting a FCE, Contractor shall review the Job Duties Assessment form relating to the employee's position and medical records, if applicable. Contractor shall provide City a detailed report with 5 days of completion of the FCE based on specific questions to address whether or not the employee can perform the essential functions of his or her job with or without an accommodation.

k. **Post Exposure Prophylaxis (PEP)**

1. Contractor will provide a 24-hour hotline for exposed City personnel and employees of other public safety agencies that request such services. This hotline will provide the exposed person with initial counseling and treatment options based on the significance of the exposure.

2. Contractor will conduct baseline blood testing within 10 days of the initial exposure, as well as further counseling and treatment options. It will be the responsibility of the Contractor to contact the exposed person and provide follow-up testing within established guidelines.
3. Contractor will communicate with the Glendale Police Department Safety Officer, Glendale Fire Department Infectious Disease Control Officers, and the Human Resources & Risk Management Department during the post-exposure process. This may include providing test results of source patient.

l. Urgent Care and Preventive Care

1. No later than July 1, 2015, Contractor will provide an on-site Urgent Care/Preventive Care Clinic for City employees at the Health Center. Examples of services Contractor shall provide include: sickness care, acute walk-in care; immunization and injections (preventative); basic labs and other tests; and dispensing/prescribing pharmaceuticals (generic if available). At the City's discretion and with the approval of Contractor, Contractor and the City Manager or designee may provide these services to employees of other public entities.

m. Heart Fit for Duty

1. Contractor shall provide the Heart Fit for Duty Program ("Program") at the Health Center no later than July 1, 2015, unless otherwise agreed to in writing by the parties. Program is a wellness program operated by Heart Fit for Duty, LLC ("HFFD"), which specializes in the prevention of heart attacks and strokes in the first responder population by focusing on early detection and education of at risk individuals. Program partners with primary care and specialty practitioners by providing additional education and screening resources beyond the minimum standard of care in five major areas: LIPIDS (cholesterol screening and management), Obesity, Hypertension, Diabetes (insulin resistance), and tobacco cessation. Contractor agrees to contract with HFFD to provide their wellness services at the Health Center. The terms will be negotiated between the Contractor and HFFD and Contractor shall not be entitled to any compensation from City in connection with providing the HFFD Program. For purposes of this Agreement, HFFD is a sub-contractor of Contractor for which Contractor is responsible.

n. Additions of Service

Additional services may be requested by the City from time to time. Contractor will, upon request, submit a negotiable quotation for the additions. Upon written approval by the City, which approval may require City Council approval, Contractor shall provide such additional service(s).

4.4 Scheduling

- a. Contractor shall establish a mutually-agreeable scheduling system for all annual physicals and other services required under this Agreement, which shall comply with requirements of Administrative Procedures. Contractor is responsible for working directly with City and any other participating agency. If the schedule is full during a specific time, the Contractor will need to provide sufficient resources for flexibility for priority services, including but not limited to occupational injuries and drug and alcohol testing, which may be required to be completed during a specific timeframe. Failure to meet schedule requirements will result in penalties set forth in the Administrative Procedures.

4.5 Staffing

- a. The Contractor will provide staff willing to dedicate their time and expertise to develop relationships with employees for the care and management of their health needs. The Contractor will provide excellent customer service and knowledgeable caring staff which is vital to the existence of the Health Center.
- b. Contractor will provide and manage medical and administrative personnel to provide all services and to meet all obligations under this Agreement, including but not limited to Medical Services, Urgent Care, Occupational Health Medical Services and associated administrative support at the Health Center. Administrative, supervision, and financial responsibility for all medical staff, including contractors and sub-contractors, will be the sole responsibility of Contractor. The Contractor must be able to provide adequate staffing to meet the current and future needs of the Health Center as determined by workload. Contractor's management responsibility includes, but is not limited to, hiring or otherwise retaining, supervising, disciplining, firing, compensating and/or providing benefits, and other personnel-related matters with respect to the staff, including medical staff, vendors, contractors and sub-contractors.
- c. The City and Contractor agree that the Health Center may be staffed, at a minimum, as set forth on **Exhibit C** ("Staffing"), with a combination of full time and part time professionals as necessary to timely and proficiently provide the services required by this Agreement, , and that the staffing levels shall be adjusted from time to time as needed to accomplish the Health Center's purpose and the scope of work in a manner that is timely and meets the standard of care for such services. . At the Effective Date and as a minimum, Contractor shall provide the staff as set forth on **Exhibit C** ("Staffing").
- d. City shall have the right to review Contractor's staff, including any employee, independent contractor, or subcontractor employed or contracted by the Contractor to provide services under this Agreement (collectively "Contractor Personnel"). The City shall have final authority to determine whether any Contractor Personnel is permitted to provide services. If the City objects to any Contractor Personnel, then the Contractor shall, upon notice from the City, remove any such individual from performance of services and provide a replacement who meets the qualifications as set forth in RFP 14-07. The City shall have final approval of the replacement staff member.

The City shall have the right to review the qualifications of any employee or independent contractor or subcontractor employed or contracted by the Contractor to provide services as the medical director. The City shall have final authority to accept or object the chosen medical director.

The Contractor certifies that all employees, sub-contractors, agents or others assisting or performing on behalf of the Contractor in the Health Center are knowledgeable in the use and operation of the Health Center equipment and facilities authorized under the Agreement and possess all education and certifications required by any regulatory agency to provide services or perform any obligations under this Agreement.

- 4.6 **Supplies and Waste Disposal.** Contractor is responsible for the cost and procurement of medical consumables and supplies to perform the services and other obligations under this Agreement. Contractor is also responsible for the disposal of bio-hazardous waste in accordance with applicable laws and regulations.
- 4.7 **Payment for Services and Billing.** Contractor is responsible for the payment of any and all compensation and fees to employees, contractors and sub-contractors, including medical staff. Contractor will be responsible for billing for all services provided and for collecting fees for medical services rendered, including deductibles and co-pays, as more fully set forth in Section 7, below. Contractor will also be responsible for accounting, managing and disbursing funds as detailed in herein. Contractor will be responsible for maintaining accounting records and reports that are consistent with generally accepted accounting practices and shall make such records and

reports available to the City upon request. All services will be billed in accordance with the agreed upon fee schedule and agreed upon Administrative Procedures.

- 4.8 **Medical Records and Information.** The Contractor is responsible for computers utilized to perform its obligations under this Agreement and will establish a secure network. Any associated costs will be the responsibility of the Contractor. Contractor is responsible for records management, data entry and medical transcriptions. Medical transcriptions must be completed and provided to the City within 24 hours after the visit by the employee. Contractor agrees to maintain the confidentiality of all medical records and files in accordance with all laws, rules and regulations, including HIPAA and protection of personal information. Contractor agrees to maintain all records and files in accordance with the State of Arizona records management and records retention guidelines. All employees, Contractors and Sub-contractors are required to sign a confidentiality agreement, See **Exhibit D**, which is to be maintained by Contractor.
- 4.9 **Exposure Control Database.** Contractor will track toxic exposure information and integrate this information with annual examinations and other medical records creating a comprehensive database and case management system.
- 4.10 **Standard.** Contractor must perform services in accordance with the standards of due diligence, care, and quality prevailing among contractors, including medical providers, having substantial experience with the successful furnishing of medical and other services that are equivalent in size, scope, quality, and other criteria as those required from Contractor in this Agreement.
- 4.11 **Licensing. Contractor warrants that:**
- a. Contractor and any employees and Sub-contractors will hold all appropriate and required licenses, registrations and other approvals necessary for the lawful furnishing of services required under this Agreement ("Approvals"); and
 - b. Neither Contractor nor any employee or Sub-contractor has been debarred or otherwise legally excluded from contracting with any federal, state, or local governmental entity ("Debarment").
 - (1) City is under no obligation to ascertain or confirm the existence or issuance of any Approvals or Debarments or to examine Contractor's contracting ability.
 - (2) Contractor must notify the City in writing within two working days if any Approvals or Debarment changes during the Agreement's duration and the failure of the Contractor to notify City as required will constitute a material default under the Agreement.
 - c. The Contractor shall be responsible for determining and securing, at his/her expense, any and all licenses and permits that are required by any statute, ordinance, rule or regulation of any regulatory body having jurisdiction in any manner connected with providing services under this Agreement.
- 4.10 **Compliance.** Contractor shall furnish services in compliance with applicable federal, state, county and local statutes, rules, regulations, ordinances, building codes, life safety codes, and other standards and criteria designated by City.

5. **Sub-contractors.**

- 5.1 Contractor may engage specific professional, medical, and technical contractors (each a "Sub-contractor") to furnish certain Project services or functions.
- 5.2 Contractor will remain fully responsible for Sub-contractor's services.
- 5.3 Sub-contractors must be approved in advance by the City.
- 5.4 Contractor shall certify by letter that contracts with Sub-contractors have been executed incorporating requirements and standards, including but not limited to insurance, as set forth in this Agreement.

6. Independent Contractor.

- 6.1 Contractor is the City's independent contractor, not the City's employee, agent, joint venture, or partner. Contractor's employees and subcontractors are under Contractor's exclusive direction and control.
- 6.2 Liens. Contractor shall hold City harmless from any claims for supplying labor or materials to Contractor in the performance of work required under this Agreement.

7. Billings and Payment.

- 7.1 Contractor is solely responsible for billing each participating entity or person for services Contractor provides at the Health Center. Contractor shall, and is solely responsible for, collecting applicable co-payments and uncovered costs from each person receiving services from Contractor.
- 7.2 Contractor is solely responsible for making payments to its employees, contractors, sub-contractors and vendors for all services, administrative support, supplies or materials rendered or utilized according to the terms of this Agreement.
- 7.3 For services provided to non-City employees, the Contractor will bill and collect the fees for services performed from the participating entity.
- 7.4 Contractor will charge fees and costs in accordance with RFP 14-07 Price Sheet and Clarifying Response, see **Exhibit E**. Fees or costs for tests and/or services other than those identified in RFP 14-07 may be charged as agreed to in writing by the City and Contractor. If Contractor has more than one fee arrangement, the least costly fee will be billed.

8. Fund Appropriation Contingency.

Contractor understands that the continuation of this Agreement after the close of the City's current fiscal year, which ends on June 30, is subject to City Council appropriation of the necessary expenditures required by this Agreement, including expenditures for the operation of the Health Center.. Should the appropriation required for funding of the GRPSTC, Health Center or this Agreement not be made or not be made in full, the City may terminate this Agreement as of the close of any fiscal year during the term of this Agreement or at the time appropriation or funding for the necessary expenditures is not available.

9. Termination.

- 9.1 For Convenience. City or Contractor may terminate this Agreement for convenience, without cause, by delivering a written termination notice stating the effective termination date, which may not be less than 90 days following the date of delivery.
 - a. Contractor will be equitably compensated for services furnished to City pursuant to this Agreement prior to receipt of the termination notice.
 - b. Contractor will also be similarly compensated for any approved effort expended and approved costs incurred that are directly associated with project closeout and delivery of the required items to the City.
- 9.2 For Cause. City may terminate this Agreement for cause if Contractor fails to cure any breach of this Agreement within seven days after receipt of written notice specifying the breach.
 - a. Contractor will not be entitled to further payment until after City has determined its damages. If City's damages resulting from the breach, as determined by City, are less than the equitable amount due but not paid Contractor for services furnished to the City, City will pay the amount due to Contractor, less City's damages.
 - b. If City's direct damages exceed amounts otherwise due to Contractor, Contractor must pay the difference to City immediately upon demand; however, Contractor will not be subject to consequential damages of more than \$1,000,000 or the amount of this Agreement, whichever is greater.

10. Conflict. Contractor acknowledges this Agreement is subject to A.R.S. § 38-511, which allows for cancellation of this Agreement in the event any person who is significantly involved in initiating, negotiating, securing, drafting, or creating the Agreement on City's behalf is also an employee, agent, or consultant of any other party to this Agreement.

11. Insurance.

11.1 Requirements. Contractor and any and all Sub-contractors must obtain and maintain the following insurance for the duration of the Agreement ("Required Insurance"):

- a. Contractor and Sub-contractors. Contractor, and each Sub-contractor performing work or services or providing materials related to this Agreement must procure and maintain the insurance coverages described below (collectively referred to herein as the "Contractor's Policies"), until all obligations under this Agreement are completed.
- b. Commercial General Liability. Contractor and Subcontractor must at all times carry commercial general liability on an occurrence basis with limits of at least \$5,000,000 per occurrence and \$5,000,000 annual aggregate for bodily injury and property damage, including products-completed operations and personal and advertising injury and Fire damage legal liability with limits at least \$500,000 with coverage as broad as ISO Form CG 00 01.
- c. Automobile Liability with coverage as broad as ISO Form CA 00 01 with limits no less than \$1,000,000 per accident for Contractor and \$1,000,000 per accident for Sub-contractors and covering owned, non-owned and hired automobiles.
- d. Workers' Compensation and Employer's Liability. Contractor and Sub-contractors shall provide workers' compensation insurance as required by State of Arizona with statutory limits and Employer's Liability insurance with limits no less than \$1,000,000 per accident for bodily injury and disease.
- e. Professional Liability (including medical malpractice and errors and omissions) insurance for liability arising out of, or in connection with the performance of all required services under this Agreement with limits no less than \$5,000,000 per occurrence and \$5,000,000 aggregate. If the policy is written on a claims-made basis, the retroactive date must be shown and must be before the date of the contract. Insurance must be maintained for at least two years after termination of this contract. If coverage is canceled or non-renewed and not replaced with another claims made policy with a retroactive date prior to the contract effective date, the Contractor must purchase "extended reporting coverage" for a minimum of two years after contract termination.
- f. If Contractor or Sub-contractor maintains higher limits than the minimums shown above, the City requires and shall be entitled to coverage for the higher limits maintained.
- g.. Notice of Changes. Contractor and Sub-contractor must provide for not less than 30 days' advance written notice to City Representative of Cancellation or termination of Contractor's or Sub-contractor's Policies.
- h. Waiver of Subrogation. Contractor and Sub-contractor hereby grant to City a waiver of any right to subrogation which any insurer of said Contractor or Sub-contractor may acquire against the City by virtue of the payment of any loss under such insurance. Contractor and Sub-contractor agree to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.
- i. Certificates of Insurance.
 - (1) Within 10 business days after the execution of the Agreement, Contractor must deliver to City Representative certificates of insurance for each of Contractor and Sub-contractor's Policies, which will confirm the existence or issuance of

Contractor and Sub-contractor's Policies in accordance with the provisions of this section, and copies of the endorsements of Contractor and Sub-contractor's Policies in accordance with the provisions of this section.

- (2) City is and will be under no obligation either to ascertain or confirm the existence or issuance of Contractor and Sub-contractor's Policies, or to examine Contractor and Sub-contractor's Policies, or to inform Contractor or Sub-contractor in the event that any coverage does not comply with the requirements of this section.
- (3) Contractor's failure to secure and maintain Contractor Policies and to assure Sub-contractor policies as required will constitute a material default under the Agreement.

j. Other Contractors or Vendors.

- (1) Other contractors or vendors that may be contracted with in connection with the Project must procure and maintain insurance coverage as is appropriate to their particular contract.
- (2) This insurance coverage must comply with the requirements set forth above for Contractor's Policies (e.g., the requirements pertaining to endorsements to name the parties as additional insured parties and certificates of insurance). Contractor shall require and verify that all Sub-contractors maintain insurance meeting all the requirements stated herein.

k. Additional Insured Status. The City, its officers, officials, employees, and volunteers are to be covered and endorsed as additional insured's on the commercial liability and automobile liability policies.

i. The Contractors and Sub-contractors insurance coverage must be primary. Any insurance or self-insurance policies or programs maintained by City shall be excess of Contractor's or Sub-contractor's insurance and shall not contribute to it.

j. All insurance policies obtained pursuant to this section must be with companies legally authorized to do business in the State of Arizona and reasonably acceptable to all parties. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the City.

11.2 Sub-contractors.

- a. Contractor must also cause its Sub-contractors to obtain and maintain the Required Insurance.
- b. City may consider waiving these insurance requirements for a specific Sub-contractor if City is satisfied the amounts required are not commercially available to the Sub-contractor and the insurance the Sub-contractor does have is appropriate for the Sub-contractor's work under this Agreement.
- c. Contractor and Sub-contractors must provide to the City proof of the Required Insurance whenever requested.

11.3 Indemnification.

a. Contractor shall indemnify, defend, save and hold harmless the City, and their officers, officials, agents, and employees (hereinafter referred to as "Indemnitees") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes

any claim or amount arising out of or recovered under the Workers' Compensation Laws or arising out of the failure of Contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court order/decreed. It is the specific intention of the parties that the Indemnitees shall, in all instances, except for Claims arising solely from the negligent or willful act or omissions of the Indemnitees, be indemnified by Contractor from any and all Claims. Contractor is responsible for primary loss investigation, defense and judgment costs where this indemnification applies.

- b. Contractor is not required to indemnify any Indemnitees for, from, or against any Claims, demand or expense resulting from the Indemnified Party's sole negligence or other fault solely attributable to the Indemnified Party

12. Performance Surety Requirements.

The performance sureties shall be in the form of a bond, cashier's check, certified check or money order. Personal or company checks are not acceptable unless certified. Letters of credit are not acceptable. Individual sureties are not acceptable.

The Contractor shall, at the time of entering into the contract, furnish a performance surety in the form of a bond, money order or certified or cashier's check, in the amount of 25 percent of the contract amount for the Initial Term guaranteeing the faithful performance of the contract.

If a bond is submitted, it shall be written on the Performance Bond form, see **Exhibit F** provided by the City. The attorney-in-fact who executes the bond on behalf of the surety shall affix to the bond a certified and current copy of the power of attorney. The bond must be written by a surety with a Best Rating no less than an A and must be authorized and licensed to do business in this State by the Arizona Department of Insurance. Individual sureties and letters of credit are not acceptable.

13. Media Releases and Relations

Contractor agrees that the City has primary responsibility for press contact and interaction. Any release of information to the media regarding the Health Center or any of its activities will be coordinated by the Glendale Fire Department ("GFD") Public Information Officer ("Glendale PIO") and Human Resources & Risk Management Department ("HR"), with input from the Contractor. News releases pertaining to the Health Center or any part of the services provided pursuant to this Agreement shall not be made by Contractor without prior written approval of the Glendale PIO. Prior to release, a copy of all public record and media releases regarding the Health Center or its participating agencies and activities shall be forwarded to the Glendale PIO and to Contractor. Contractor will not reveal any investigative information or operational procedures of the Health Center outside the parties except as required by law or competent authority.

14. Immigration Law Compliance.

- 14.1 Contractor, and on behalf of any subcontractor, warrants, to the extent applicable under A.R.S. § 41-4401, compliance with all federal immigration laws and regulations that relate to their employees as well as compliance with A.R.S. § 23-214(A) which requires registration and participation with the E-Verify Program.
- 14.2 Any breach of warranty under subsection 9.1 above is considered a material breach of this Agreement and is subject to penalties up to and including termination of this Agreement.
- 14.3 City retains the legal right to inspect the papers of any Contractor or subcontractor employee who performs work under this Agreement to ensure that the Contractor or any subcontractor is compliant with the warranty under subsection 9.1 above.
- 14.4 City may conduct random inspections, and upon request of City, Contractor shall provide copies of papers and records of Contractor demonstrating continued compliance with the warranty under subsection 9.1 above. Contractor agrees to keep papers and records available for inspection by the City during normal business hours and will cooperate with City in exercise of its statutory duties

and not deny access to its business premises or applicable papers or records for the purposes of enforcement of this section.

- 14.5 Contractor agrees to incorporate into any subcontracts under this Agreement the same obligations imposed upon Contractor and expressly accrue those obligations directly to the benefit of the City. Contractor also agrees to require any subcontractor to incorporate into each of its own subcontracts under this Agreement the same obligations above and expressly accrue those obligations to the benefit of the City.
- 14.6 Contractor's warranty and obligations under this section to the City is continuing throughout the term of this Agreement or until such time as the City determines, in its sole discretion, that Arizona law has been modified in that compliance with this section is no longer a requirement.
- 14.7 The "E-Verify Program" above means the employment verification program administered by the United States Department of Homeland Security, the Social Security Administration, or any successor program.

15. Notices.

- 15.1 A notice, request or other communication that is required or permitted under this Agreement (each a "Notice") will be effective only if:
- a. The Notice is in writing; and
 - b. Delivered in person or by overnight courier service (delivery charges prepaid), certified or registered mail (return receipt requested); and
 - c. Notice will be deemed to have been delivered to the person to whom it is addressed as of the date of receipt, if:
 - (1) Received on a business day, or before 5:00 p.m., at the address for Notices identified for the Party in this Agreement by U.S. Mail, hand delivery, or overnight courier service on or before 5:00 p.m.; or
 - (2) As of the next business day after receipt, if received after 5:00 p.m.
 - d. The burden of proof of the place and time of delivery is upon the Party giving the Notice; and
 - e. Digitalized signatures and copies of signatures will have the same effect as original signatures.

15.2 Representatives.

- a. Contractor. Contractor's representative (the "Contractor's Representative") authorized to act on Contractor's behalf with respect to the Project, and his or her address for Notice delivery is:

James ("Jim") Maher
c/o Strength Training, Inc.
17233 N. Holmes Blvd.
Phoenix, Arizona 85053
602-349-2545
- b. City. City's representative ("City's Representative") authorized to act on City's behalf, and his or her address for Notice delivery is:

City of Glendale
c/o Fire Chief
6829 North 58th Drive
Glendale, Arizona 85301

623-930-4401

With required copy to:

City Manager
City of Glendale
5850 West Glendale Avenue
Glendale, Arizona 85301

City Attorney
City of Glendale
5850 West Glendale Avenue
Glendale, Arizona 85301

c. Concurrent Notices.

- (1) All notices to City's representative must be given concurrently to City Manager and City Attorney.
- (2) A notice will not be deemed to have been received by City's representative until the time that it has also been received by City Manager and City Attorney.
- (3) City may appoint one or more designees for the purpose of receiving notice by delivery of a written notice to Contractor identifying the designee(s) and their respective addresses for notices.

d. Changes. Contractor or City may change its representative or information on Notice, by giving Notice of the change in accordance with this section at least ten days prior to the change.

16. Financing Assignment. City may assign this Agreement to any City-affiliated entity, including a non-profit corporation or other entity whose primary purpose is to own or manage the Project.

17. Entire Agreement; Survival; Counterparts; Signatures.

17.1 Integration. This Agreement contains, except as stated below, the entire agreement between City and Contractor and supersedes all prior conversations and negotiations between the parties regarding the Project or this Agreement.

- a. Neither Party has made any representations, warranties or agreements as to any matters concerning the Agreement's subject matter.
- b. Representations, statements, conditions, or warranties not contained in this Agreement will not be binding on the parties.

17.2 Interpretation.

- a. The parties fairly negotiated the Agreement's provisions to the extent they believed necessary and with the legal representation they deemed appropriate.
- b. The parties are of equal bargaining position and this Agreement must be construed equally between the parties without consideration of which of the parties may have drafted this Agreement.
- c. The Agreement will be interpreted in accordance with the laws of the State of Arizona.

17.3 Survival. Except as specifically provided otherwise in this Agreement, each warranty, representation, indemnification and hold harmless provision, insurance requirement, and every other right, remedy and responsibility of a Party, will survive completion of the Project, or the earlier termination of this Agreement.

17.4 Amendment. No amendment to this Agreement will be binding unless in writing and executed by the parties, unless otherwise provided herein. Any amendment may be subject to City Council approval. Electronic signature blocks do not constitute execution.

- 17.5 **Remedies.** All rights and remedies provided in this Agreement are cumulative and the exercise of any one or more right or remedy will not affect any other rights or remedies under this Agreement or applicable law.
- 17.6 **Severability.** If any provision of this Agreement is voided or found unenforceable, that determination will not affect the validity of the other provisions, and the voided or unenforceable provision will be deemed reformed to conform to applicable law.
- 17.7 **Counterparts.** This Agreement may be executed in counterparts, and all counterparts will together comprise one instrument.
18. **Term.** The initial term of the contract shall be two (2) years upon approval by the City Council beginning on January 1, 2015. The City may, at its option and with the approval of the Contractor, extend the term of this Agreement three (3) additional years in one (1) year increments based upon satisfactory Contractor and Sub-contractor performance. The City Manager or designee is authorized to execute any and all documents required to extend the contract. Contractor will be notified in writing by the City Materials Manager of its intent to extend the Agreement period at least 30 calendar days prior to the expiration of the original Agreement period. Price adjustments will be reviewed only during the Agreement renewal period. There are no automatic renewals of this Agreement.
19. **Dispute Resolution.** Each claim, controversy and dispute (each a "Dispute") between Contractor and City will be resolved in accordance with **Exhibit G**. The final determination will be made by the City.
20. **Exhibits.** The following exhibits, with reference to the term in which they are first referenced, are incorporated by this reference.
- | | |
|-----------|---|
| Exhibit A | Request for Proposal 14-07, Contractor's Response |
| Exhibit B | Equipment |
| Exhibit C | Staffing |
| Exhibit D | Confidentiality Agreement |
| Exhibit E | Contractor Price Sheet and Clarifying Response |
| Exhibit F | Performance Bond Form |
| Exhibit G | Dispute Resolution |
| Map A | GRPSTC Layout |
| Map B | Health Center Floor Plan |

The parties enter into this Agreement as of the effective date shown above.

[Signatures on Following Page]

City of Glendale,
an Arizona municipal corporation

By: Brenda S. Fischer
Its: City Manager

ATTEST:

City Clerk (SEAL)

APPROVED AS TO FORM:

City Attorney

STRENGTH TRAINING, INC.
an Arizona corporation

By: James ("Jim") Maher
Its: President

EXHIBIT A

Agreement for Occupational Health and Medical Services

REQUEST FOR PROPOSAL 14-07 AND CONTRACTOR'S RESPONSE



CITY OF GLENDALE MATERIALS MANAGEMENT REQUEST FOR PROPOSAL

SOLICITATION NUMBER: RFP 14-07

DESCRIPTION: MEDICAL OCCUPATIONAL HEALTH SERVICES
AT GLENDALE HEALTH CENTER

OFFER DUE DATE AND TIME: MAY 8, 2014, AT 2:00 P.M. LOCAL TIME

SUBMITTAL LOCATION: City of Glendale
Materials Management
5850 West Glendale Avenue, Suite 317
Glendale, Arizona 85301

Proposals must be in the actual possession of Materials Management on or prior to the time and date, and at the location indicated. Materials Management is located on the 3rd floor of the Glendale Municipal Office Complex (City Hall) behind the Engineering Department. Proposals are accepted from the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, unless otherwise indicated for a holiday. All proposals will be time stamped at the Engineering Department's front counter. Late proposals will not be considered.

Proposals must be submitted in a sealed envelope with the Solicitation Number and the Offeror's name and address clearly indicated on the envelope. See Paragraph 2.3 for additional instructions for preparing an offer.

Proposals shall be opened publicly at the time, place and location designated on this page. Only the name of each Offeror shall be publicly read and recorded. All other information contained in the proposals shall be confidential so as to avoid disclosure of contents prejudicial to competing Offerors.

OFFERORS ARE STRONGLY ENCOURAGED TO CAREFULLY READ THE ENTIRE SOLICITATION.

For questions regarding
General Terms and Conditions contact:
Victoria Jackson, CPPB
Contract Analyst
Phone: 623-930-2867
Email: vjackson@glendaleaz.com

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1.0 INTRODUCTION – GLENDALE REGIONAL HEALTH CENTER

- 1.1 The city of Glendale invites sealed proposals for medical/occupational health services at the Glendale Health Center which operates out of the Glendale Regional Public Safety Training Center located at 11550 West Glendale Avenue.
- 1.2 The city of Glendale Fire Department and various other public safety agencies are parties to an existing automatic aid agreement through the Central Arizona Life Safety Council System. It is the responsibility of the other public safety agencies that utilize this contract to coordinate medical services directly with Contractor.
- 1.3 The city of Glendale is self-insured for the workers' compensation program. When employees are injured they are referred to the Glendale Health Center for first aid treatment, initial visit for industrial injuries and follow-up, and when necessary, referrals to specialists.
- 1.4 The city of Glendale seeks to provide access to medical health services, including urgent care and occupational health, pre-hire physical examinations, annual physical evaluations and examinations, hearing and visions testing, Drug and Alcohol testing, Department of Transportation (DOT) physicals, rehabilitation and educational services at the Health Center for city of Glendale employees and public safety personnel of any automatic aid department, city township, district and/or tribal jurisdiction in the state of Arizona.
- 1.5 The Contractor must be able to provide such medical services, at the Health Center, to include the provision of medical staffing, i.e., physicians, nurses, physician assistants, physical therapists and technicians to provide: (DOT) and Arizona Peace Officer Standards and Training (AZ POST) drug and alcohol screening; hearing and vision testing; Commercial Driver's License (CDL)/(DOT) physicals in accordance with Federal Motor Carrier Safety Administration (FMCSA); pre-employment physical examinations in accordance with OSHA Regulations; annual physical health evaluations and other medical evaluations and examinations on City employees and potential employees; incumbent fire fighters in compliance with NFPA 1582 and OSHA 1910 – 134 Respiratory Protection and police officer in accordance with AZPOST requirements; and on-going rehabilitation and nutrition, health and fitness education.
- 1.6 Under the current system, medical staffing and support is provided through a contractual arrangement. The purpose of the RFP is to provide an opportunity for interested Contractors to submit proposals for the provision of these services, in addition to adding urgent care services, through a competitive process. The selected Contractor will be expected to begin providing service on or about

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September 2, 2014 and the contract period will be for two (2) years with three (3) one-year renewal options, with the contract costs for option years to be negotiated, per the special terms and conditions as outlined herein.

- 1.7 The goal of the Health Center is to provide health and wellness medical services and programs to all Glendale employees and other city townships, districts and/or tribal jurisdiction in the state of Arizona

The Fire Service Joint Labor Management Wellness/Fitness Initiative is a historic partnership between the International Association of Fire Chiefs (IAFC) and the International Association of Firefighters (IAFF) to improve the wellness of fire department personnel. This initiative has been used as a guide to formulate a department's Wellness/Fitness Program. The Wellness/Fitness Initiative complies with both the NFPA Standards and OSHA regulation.

Consistent with the Initiative, the purpose of this RFP is to help ensure that public safety personnel receive medical health care and education on health, wellness, exposure to both hazardous and infectious materials and safety issues faced by firefighters and police officers throughout their careers. The Health Center schedules annual physicals for field personnel usually by apparatus crew, so that all members working on a particular apparatus can be sent to the Health Center at the same time providing minimal disruption of service delivery. This approach also allows the physicals to be conducted while members are on-duty avoiding overtime costs. Fire physicals are currently scheduled Tuesdays through Thursdays from 8:00 a.m. to noon or 1:00 p.m. to 5:00 p.m. with four slots per 4 hour session.

- 1.8 The Glendale Health Center has been in operation since 2009, primarily providing annual medical examinations and fitness assessments for firefighters. In 2011, the Glendale Health Center started offering occupational medical services for all city of Glendale employees and any fire agency that wished to use the occupational medical services. In addition, the Health Center also started performing many of the services listed in 1.5 above.

- 1.9 **INDUSTRIAL INJURY PROGRAM** The Health Center also provides evaluation and treatment of industrial injuries for all city of Glendale employees as well as a few fire agencies. The Health Center medical staff treats patients with minor injuries and refers those with more serious injuries to appropriate specialists. City of Glendale Human Resources & Risk Management oversees the city of Glendale's Industrial Injury Program. The Health Center sees an average of 178 new city of Glendale employee injuries per year.



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1.10 CITY OF GLENDALE HEALTHCARE PROVIDER The city of Glendale is currently self-insured for its medical benefits and is under an agreement to utilize the network of Blue Cross Blue Shield of Arizona (BCBSAZ). The successful proposer will enter into and maintain an agreement as a medical provider with BCBSAZ. Should the city of Glendale change networks, the successful proposer will enter into and maintain an agreement to be a medical provider with the city of Glendale's new healthcare network provider.

1.10.1 The city of Glendale's current wellness initiatives through BCBSAZ include the following:

- 1.10.1.1 Influenza Immunization for health plan and first responders.
- 1.10.1.2 Annual Health and Wellness Fair – wellness contactors and carriers provide information on their services and wellness classes are offered.
- 1.10.1.3 Health Risk Assessments and education
- 1.10.1.4 Wellness incentives for participation in the wellness programs are offered annually through a health insurance deduction discount.
- 1.10.1.5 Mobile on-site mammograms and prostate screenings.
- 1.10.1.6 Wellness education sessions, both instructor-led and on-line.

1.10.2 The city of Glendale has approximately 1100 active employees insured through BCBSAZ. There are 2750 active employee dependents insured, under the BCBSAZ Plan with the City; 550 insured retirees, and 400 insured retiree dependents. Additionally, the City has approximately 2,423 total employees covered under the occupational health program; approximately 235 are Fire sworn employees, 380 are Police sworn employees, and 370 are CDL drivers.

1.10.3 Health expenditures and Cost per Insured by fiscal year:

	2009	2010	2011	2012
Health Expenditures	\$19,500,000	\$19,900,000	\$19,600,000	\$21,400,000
Number of Insured	5100	5000	4970	4940
Cost per Insured	\$4100/year	\$4300/year	\$4500/year	\$4800/year

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Worker's Comp. cases (First Aid cases are not included)	191	172	191	176
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1.11 CURRENT STAFFING A Glendale Fire Department Deputy Chief oversees the Health Center and works with the current provider to meet the needs of the Health Center's internal and external fire departments. To meet the needs of all city employees, the following services are overseen by Human Resources and Risk Management to ensure compliance with the city's programs:

- 1.11.1 Workers' Compensation
- 1.11.2 Drug and Alcohol
- 1.11.3 CDL Medical Certification
- 1.11.4 OSHA required vision and hearing testing
- 1.11.5 Pre-employment physicals

The current service contract includes two (2) part-time medical doctors (one serving as director), one full-time physician's assistant, one full-time registered nurse, one full-time certified radiology technician, one medical assistant and one patient care manager. All other services are provided through the current providers system outside of the Health Center. The medical doctor/director currently only works one day of the week and the other physician works 2 other days during the week. A combination of the current staffing works at the Health Center each day based on current workload need. If the services provided increases, it is expected that the Contractor will add additional day(s) depending on the need.

1.12 FACILITY The Health Center is operated out of approximately 6,000 square feet of space located in the Glendale Regional Public Safety Training Center at 11550 West Glendale Avenue as generally depicted on **Maps A and B**. The Health Center is open Monday-Friday from 7:30 a.m. to 5:00 p.m. and closed on all city of Glendale observed holidays. All services provided by the Contractor, or its subcontractors, shall occur during these hours of operation, unless otherwise agreed to in writing by the City.

1.13 MEDICAL EQUIPMENT The Health Center contains the facilities and testing equipment needed to conduct comprehensive medical examinations. The facility includes: patient waiting area; five exam rooms; specialized testing rooms; a minor trauma room; lab; patient medical records room; offices; work stations; break room and patient and staff restrooms. Major medical equipment includes a Spirometer for testing lung capacity, a hearing test booth, a Titmus vision test

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machine, digital x-ray machine, two treadmills with stress test equipment and EKG machines. See Exhibit A (“Equipment”). Under the current contract blood samples are sent to the medical provider’s contracted medical laboratory for analysis and x-rays are sent to an outside radiologist for interpretation.

1.14 WORKLOAD The fiscal year 2012-2013 workload for the Health Center is as follows:

- 1.14.1 Annual firefighter physicals: 680
- 1.14.2 Annual non-sworn/retiree physicals: 31
- 1.14.3 Annual police physicals: 34
- 1.14.4 CDL/DOT physicals: 168
- 1.14.5 New employee physicals: 46
- 1.14.6 Drug/alcohol screens: 211
- 1.14.7 Hearing conservation: 131
- 1.14.8 Industrial Injury Evaluations: 190
- 1.14.9 Industrial Injury Re-checks: 95
- 1.14.10 Exposure Incidents: 5

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2.0 SCOPE OF SERVICES BY CONTRACTOR

2.1 The Contractor will provide all services necessary to assure they are completed timely and efficiently consistent with the proposal requirements, including, but not limited to, working in close interaction and interfacing with the City and its designated employees, and working closely with others, including other contractors or consultants, retained by the City.

2.2 MEDICAL EXAMS

2.2.1 Firefighters (includes new firefighter pre-employment) The physical examination currently used by the Glendale Health Center is comprehensive and includes the following elements:

- 2.2.1.1 Health Survey
- 2.2.1.2 Physical examination
- 2.2.1.3 Blood analysis consisting of CBC, Chem. 22, Hepatitis C and lipid panel
- 2.2.1.4 PSA for males >40 years of age.
- 2.2.1.5 Urine dipstick with reflux urinalysis
- 2.2.1.6 Spirometry
- 2.2.1.7 Hearing evaluation (in an ANSI-approved soundproof booth)
- 2.2.1.8 Visual acuity evaluation
- 2.2.1.9 Stress test (treadmill) Fire performs the Davis-Gerkin Protocol and PD performs the Bruce Protocol or as indicated.
- 2.2.1.10 Chest x-ray (every 5 years or annually if TB positive or new hire or as indicated by clinical conditions)
- 2.2.1.11 Functional Movement Screening
- 2.2.1.12 Body fat assessment and body weight
- 2.2.1.13 Review of immunization history
- 2.2.1.14 Up to a 30 minute consult with physician to discuss physical examination and health survey.
- 2.2.1.15 TB skin test
- 2.2.1.16 Tiered Medical Evaluation (optional)

2.2.2 Non-sworn EMS personnel and retirees Some fire departments may offer annual physicals to their non-sworn personnel and/or retired firefighters. The above elements are offered except:

- 2.2.2.1 No stress test – resting EKG only
- 2.2.2.2 No chest x-ray
- 2.2.2.3 No Functional Movement Screening
- 2.2.2.4 No TB skin test



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2.2.3 SWAT/Bomb/Clan lab/new officer pre-employment physicals for police Currently Glendale, Peoria and Goodyear Police Departments send their specialty officers in for annual physicals due to their use of self-contained breathing apparatus and OSHA respiratory regulations. The above physical elements listed in 2.2.1 above are performed with the only exceptions:

2.2.3.1 No Functional Movement Screening

2.2.3.2 No TB skin test

2.2.3.3 New hire officers will get a chest x-ray

2.2.4 CDL/DOT physicals The city of Glendale sends all CDL required drivers to the clinic for CDL/DOT Medical Certification Examinations, in accordance with DOT/FMCSA.

2.2.5 New employee physicals (non-public safety) The city of Glendale sends its new employee hires, which have a lifting requirement as part of the essential function of their job, to the clinic for a pre-employment physical.

2.3 DRUG/ALCOHOL SCREENING

The City of Glendale's Drug and Alcohol Policy was established to comply with the Drug Free Workplace Act of 1988, and the Arizona Medical Marijuana Act (A.R.S. 36-2801), Department of Transportation (DOT) Drug and Alcohol Testing Rule (49CFR Part 40), Federal Motor Carrier Safety Administration (FMCSA) Drug and Alcohol testing Regulations (49 CFR Part 382) and Federal Transit Administration (FTA) Drug and Alcohol Regulations (49 CFR Part 655). In accordance with the DOT -FMCSA and the DOT-FTA mandates, and for NON-DOT, safety-sensitive employees and other covered personnel in order to maintain a drug free work environment, the City will conduct the following categories of tests:

- a. Pre-employment
- b. Random
- c. Reasonable suspicion
- d. Post-accident
- e. Return to duty
- f. Follow up

The Breath Alcohol Test (BAT) shall be administered in accordance with federal regulations for DOT- FMCSA and DOT- FTA for determining blood/alcohol levels. For NON-DOT, safety-sensitive employees and other covered personnel, the Saliva Alcohol Test (SAT) shall be administered. (If SAT testing is not available, BAT shall be utilized)

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The Urine Sample Test will be utilized in accordance with federal regulations for DOT-FMCSA, DOT-FTA, and for NON-DOT safety-sensitive employees and other covered personnel. The Oral Fluid Drug Test shall be utilized (if Oral Fluid Drug Test is not available, Urine Sample test shall be utilized) to test for the following drugs (or their metabolites):

- a. Marijuana
- b. Cocaine
- c. Opiates
- d. Phencyclidine (PCP)
- e. Amphetamines

Contractor will be responsible for randomizing the selection of all city of Glendale employees' drug and alcohol testing.

2.4 HEARING CONSERVATION AND REVIEW OF RESPIRATORY QUESTIONNAIRE

The medical provider will perform annual audiograms for Glendale personnel in the Hearing Conservation Program. They will also provide annual review of the OSHA respiratory questionnaires for all city of Glendale employees. The provider will sign off the employee is medically cleared to wear a respirator or, if not medically cleared, they will provide further testing to establish the need to seek specialist care or establish clearance through the additional testing. The medical provider will be required to work with and provide the Police personnel testing information results to the Glendale Police Department Safety Officer for both hearing and respiratory testing. The medical provider will be required to work with and provide hearing testing results to the Glendale Human Resources and Risk Management for non-Police personnel

2.5 FUNCTIONAL CAPACITY EVALUATIONS (FCE)

The FCE should consist of the use of an in-depth questionnaire and is used to determine other conditions and specific limitations the employee may have, whether directly or indirectly related to the employee's job duties and utilizes real and simulated workstations to evaluate the abilities of the employee. If an FCE is to be conducted, the city of Glendale would want the agency to review our Job Duties Assessment form on the employee's position, review medical records if applicable, and provide the city of Glendale with a detailed report based on specific questions to address whether or not the employee can perform the essential functions of his or her job with or without an accommodation.

Other public safety agencies, that currently use the Health Center, may have the same requirements. The selected contractor will need to work with each agency

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based on their need and requirements. Some agencies may also require a fitness for duty or return to duty evaluation.

2.6 POST EXPOSURE PROPHYLAXIS (PEP)

The Contractor will need to provide a 24 hour hotline for exposed city of Glendale personnel; this may also include public safety agencies other than city of Glendale personnel. This hotline would provide the exposed employee with initial counseling and treatment options based on the significance of the exposure.

The Contractor will conduct baseline blood testing within 10 days of the initial exposure, as well as further counseling and treatment options. It will be the responsibility of the Contractor to contact the exposed employee and provide follow-up testing within the established guidelines.

The Glendale Police Department Safety Officer and Glendale Fire Department Infectious Disease Control Officers require the medical provider to communicate with them during the post exposure process. This may include providing test results of source patient. After a city of Glendale employee has a confirmed exposure, Human Resources & Risk Management shall also be notified.

The police and fire department's would like to pursue the possibility of the medical provider providing an Infectious Control Officer (ICO) to manage current and future public safety entities that use the Health Center. This would be a 24/7/365 on-call person. Some fire agencies currently use the Phoenix Fire Department to manage their exposures. These agencies are charged for the service. Other agencies may have an internal ICO and manage their own personnel.

2.7 URGENT CARE AND PREVENTIVE CARE

The city of Glendale has a proactive Wellness Program and would like to expand its efforts to include an on-site Urgent Care/Preventive Care Clinic at the Glendale Health Center. This would enable employees to require less time off work when seeking medical attention. The primary focus will be on wellness and health preservation, prevention and control of disease. Examples of services the City would like offered: acute walk-in care; immunization and injections (preventative); run basic labs; and dispensing/prescribing generic pharmaceuticals.

2.8 Heart Fit for Duty™

The Heart Fit for Duty (HFFD) Program specializes in the prevention of heart attacks and strokes in the first responder population by focusing on early detection and education of at risk individuals. HFFD program partners with primary care and specialty practitioners by providing additional education and screening



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resources beyond the standard of care in 5 major areas: LIPIDS (cholesterol screening and management), Obesity, Hypertension, Diabetes (insulin resistance), and tobacco cessation. Due to the increased risk of heart-related injury or death for public safety personnel, it is requested that the selected Contractor allow HFFD to provide their services within the Health Center. The terms will be negotiated between the Contractor and Heart Fit for Duty.

2.9 SCHEDULING

The Contractor will be responsible for setting up a scheduling system for all services listed above. Staff will be responsible for working directly with city of Glendale and each agency. Currently scheduling is done through a Microsoft Outlook calendar. If the schedule is full during a specific time, the Contractor will need to allow for flexibility in order to schedule a new hire public safety physical that may be required during that timeframe.

2.10 STAFFING REQUIREMENTS

The City envisions the Health Center will provide staff willing to dedicate their time and expertise to develop relationships with employees for the care and management of their health needs. Excellent customer service and knowledgeable caring staff is vital to the existence of the Health Center.

The Contractor will provide and manage medical and administrative personnel to provide Medical Services, Urgent Care, Occupational Health Services and associated administrative support at the Health Center. The Contractor must be able to provide adequate staffing to meet the current and future needs of the Health Center as determined by workload. At a minimum, the Contractor shall provide the staff as set forth on Exhibit B ("Staffing"). Administrative and financial responsibility for all contract medical staff will be the sole responsibility of the Contractor. The Contractor's management responsibility includes, but is not limited to, contracting with, discipline, hiring, firing, compensation and/or benefits and other personnel-related matters with respect to the medical staff, vendors, contractors and sub-contractors.

The City shall have the right to review the qualifications of any staff, including any employee, independent contractor, or subcontractor employed or contracted by the Contractor to provide services under this proposal (collectively "Contractor Personnel"). The City shall have final authority to determine whether any Contractor Personnel, is permitted to provide services under this proposal. If the City objects to any Contractor Personnel, then the Contractor shall, upon notice from the City, remove any such individual from performances of services and provide a replacement who meets the qualifications set in this Solicitation. The City shall have final approval of the replacement staff member.



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The City shall have the right to review the qualifications of any employee or independent contractor or subcontractor employed or contracted by the Contactor to provide services as the medical director. The City shall have final authority to accept or object the chosen medical director.

2.10.1 Minimum Contactor Qualifications

- 2.10.1.1 Five (5) years or more experience in planning, implementing and managing employer-sponsored on-site health and wellness clinics.
- 2.10.1.2 Demonstrated experience with planning, implementing and managing local government on-site medical clinics.
- 2.10.1.3 Experience with clients with 2500+ insured and/or covered lives.
- 2.10.1.4 Significant experience with occupational health programs, preferably with police and fire sworn employee services. This includes a working knowledge of and experience with the AZPOST, the IAFF/IAFC Wellness Fitness Initiative, NFPA 1582 and OSHA 1910 relating to public safety.
- 2.10.1.5 Experience, trained and certified in FMCSA-DOT physical qualification standards.
- 2.10.1.6 Experience with DOT Drug and Alcohol Testing requirements.
- 2.10.1.7 Experience with OSHA pre-employment and on-going occupational health programs and testing requirements.
- 2.10.1.8 Experience with State of Arizona worker's compensation regulations and reporting requirements.

2.10.2 Other Requirements

- 2.10.2.1 Nurse to perform initial triage of all workers' compensation injuries.
- 2.10.2.2 All City employees coming in for their third occupational injury visit will be seen by the M.D or D.O.
- 2.10.2.3 Public Safety personnel should be seen by the physician for all annual physicals. These physicals are currently conducted Tuesday through Thursday of each week.
- 2.10.2.4 If a follow-up with a specialist is required for the city of Glendale employees and other public safety agencies, the provider will assist in getting them an appointment within 24-48 hours.
- 2.10.2.5 Regular meeting with city of Glendale Human Resources and Risk Management and Public Safety to discuss issues, costs, trends, etc.

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2.10.2.6 The following results for occupational visits, including completed and signed chain of custody drug and alcohol forms and test results, work status slips and physician notes to be sent immediately or by the end of the business day to the Glendale Human Resources and Risk Management’s confidential fax.

2.11 BILLING AND PAYMENTS

The Contractor will be responsible for the payment of any and all compensation and fees to sub-contractors, including medical staff. Contractor will be responsible for billing for all services provided and for collecting fees for medical services rendered. Contractor will also be responsible for accounting, managing and disbursing funds as detailed herein. Contractor will be responsible for maintaining accounting records and reports that are consistent with generally accepted accounting practices and shall make such records and reports available to the City upon request. Contractor will be responsible for the cost and procurement of medical consumables and supplies and also for the disposal of bio-hazardous waste in accordance with applicable laws and regulations.

For Occupational Health Medical Services provided to public safety personnel agencies, the Contractor will bill and collect the fees for services performed from the participating entity.

The Contractor will charge a base fee for each firefighter physical exam during the Term of the Agreement. Fees for tests and services other than those identified in Section 2.2.1 may be charged as agreed to by the City and Contractor.

All other services will be billed in accordance with the agreed upon fee schedule and agreed upon instructions.

2.12 ELECTRONIC MEDICAL RECORDS/COMPUTER SYSTEMS

It will be the responsibility of the Contractor to provide computers and establish a secure network connection. Any associated costs will be the responsibility of the Contractor.

2.13 FACILITIES USE

2.13.1 **Services Included** All Health Center integrated equipment, chairs, tables, general house lighting, heating, air conditioning, restrooms and custodial service is included within this proposal. This does not include the Contractor’s desktop computers.

2.13.2 **Damage To Facilities And Equipment** The Contractor is responsible for damage to the Health Center facilities and equipment as well as any



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damage caused by the Contractor's guest, agents or sub-contractors. The Contractor shall take all precautions to maintain the Health Center in good repair and restore and return the Health Center back to the city of Glendale upon termination of the Agreement in as good condition as it was provided to the Contractor, ordinary wear excepted. If the Contractor does not maintain the Health Center as required by the Agreement, the city of Glendale may do all things necessary to restore the Health Center to the prior condition with all costs being charged to the Contractor.

- 2.13.3 **Medical Equipment Replacement Support/Maintenance** If needed, the Health Center may purchase replacement medical equipment or support through the Contractor at the Contractor's base rate.
- 2.13.4 **Property Liability** The city of Glendale assumes no responsibility whatsoever for any property placed by the Contractor in the Health Center. The Contractor expressly releases and discharges the city of Glendale from any and all liabilities for any loss, injury or damages to property which may or do arise out of or be related to the use of the Health Center under the Agreement. Any additional security or other protective service desired by the Contractor must be arranged for by special agreement with the city of Glendale and the Contractor is responsible for all costs connected with any additional services.
- 2.13.5 **Competency Of Personnel** The Contractor certifies that all employees, sub-contractors, agents or others assisting or performing on behalf of the Contractor in the Health Center are knowledgeable in the use and operation of the Health Center equipment and facilities authorized under the Agreement.
- 2.13.6 **Property Left Behind** The city of Glendale assumes no responsibility for personal items, equipment or other items that remain in the Health Center after the expiration of the Agreement.
- 2.13.7 **Access** The city of Glendale Fire Department reserves the right to control and manage the Health Center and to enforce all necessary and proper rules for its management and operation. Authorized city of Glendale employees will have free access, at all times, to all spaces occupied by the Contractor, with the exception of the medical records or any other information protected by law. If access is needed into the protected areas for cleaning, repairs, etc., advance notice will need to be given to the Contractor. This will allow the medical staff time to secure all patient charts in the locking storage cabinets. A member of the Contractor's staff

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will need to remain in the room with the city employee until work is completed.

2.13.8 Contractor security access card procedures All assigned Contractor employees will be issued an access card for access to the city facility to which they are assigned. The Contractor will provide, to the Health Center Deputy Chief, the names and job titles of each employee assigned to the Health Center. The Deputy Chief will submit a request for the access cards. Once access cards are received from the City of Glendale Security Office, each employee will be required to sign the COG Security Card Issue form.

2.13.8.1 Stolen or Lost Access Cards Contractor shall immediately report lost or stolen access cards to the COG Security Services Coordinator at (623) 930-3056. A new Security Card Issue form shall be completed and submitted prior to issuance of a new access card.

2.13.8.2 Return of Access Cards All access cards are the property of the City of Glendale and must be returned to the Health Center Deputy Chief within one (1) business day of when the Contractor's employee access to a City facility is no longer required to furnish the services under this Agreement. Contractor shall collect an employee's access card upon termination of the employee's employment; when the employees services are no longer required at the particular City facility; or upon termination, cancellation or expiration of this Agreement.

2.14 FACILITY LEASE

The city of Glendale Fire Department will charge the Contractor a monthly lease amount of \$1.25 per square foot, or \$7,500 per month. The lease will help offset medical equipment maintenance and repairs; Health Center wear-and-tear; as well as provide funding for any future medical equipment replacement needs.

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3.0 SPECIAL TERMS AND CONDITIONS

3.1 INCORPORATION BY REFERENCE All responses shall incorporate by reference the Scope/Specifications, terms and conditions, general instructions and conditions and any attachments. The Standard Terms and Conditions applicable to this solicitation are posted on the Internet. They are available for review and download at the City's Materials Management Internet home page, www.glendaleaz.com/purchasing. Offerors are advised to review all provisions of the General Instructions and Conditions for this solicitation.

3.2 RETURN OF OFFER One (1) hard copy marked as "original", one (1) CD-ROM or flash drive containing all original documents in native Microsoft Word or Excel (PDF format will be acceptable), five (5) copies marked as copies. The original copy of the proposal should be clearly labeled "Original" and shall be single-sided, three hole punched and in a binder. The sections of the submittal should be tabbed, clearly identifiable and should follow the instructions noted in the Proposal Evaluation Requirements section of this RFP. Failure to include the requested information may have a negative impact on the evaluation of the Contractor's proposal.

The Contractor shall complete all sections of the solicitation in the format given in the space provided. If additional space is needed than what is given, enter "See attachment for detail."

3.3 PREPARATION OF OFFER PACKAGE Only the following items shall be completed and returned. Failure to include all the items may result in an offer being rejected. Offer packages shall be submitted in the following order:

- 3.3.1 OFFER SHEET**, Section 4.0
- 3.3.2 PRICE SHEET**, Section 5.0
- 3.3.3 ADDENDUM**, Return all addenda (if applicable).
- 3.3.4 SPECIFICATIONS**, Section 1
- 3.3.5 REFERENCES**, Section 2, Item 2.16
- 3.3.6 COLLATERAL MATERIAL:** Additional collateral materials requested and those you feel would be necessary to better understand the products or service you are proposing.

3.4 ALTERNATE OFFERS/EXCEPTIONS Offers submitted as alternates, or on the basis of exceptions to specific conditions of purchase and/or required specifications, must be submitted as an attachment referencing the specific paragraph number(s) and adequately defining the alternate or exception submitted. Detailed product brochures and/or technical literature, suitable for evaluation, must be submitted with the Offer. If no

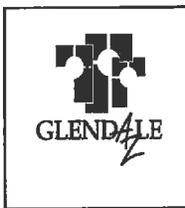
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exceptions are taken, City will expect and require complete compliance with the specifications and all conditions of purchase.

- 3.5 EVALUATION CRITERIA** The criteria is listed with their relative weights.
- 3.5.1** Experience or Service and Professional Effort 25%
 - 3.5.2** Compliance with Specifications/Method of Approach 30%
 - 3.5.3** Fee Structure 35%
 - 3.5.4** References 10%
- 3.6 INQUIRIES** Any question related to the Request for Proposal shall be directed to the Contract Officer whose name appears above. A Contractor shall not contact or ask questions of the department for whom the requirement is being procured. The Contract Officer may require any and all questions be submitted in writing. Contractors are encouraged to submit written questions via electronic mail or facsimile, at least five days prior to the proposal due date. Any correspondence related to a solicitation should refer to the appropriate Request for Proposal number, page and paragraph number. An envelope containing questions should be identified as such; otherwise it may not be opened until after the official proposal due date and time. Oral interpretations or clarifications will be without legal effect. Only questions answered by a formal written amendment to the Request for Proposal will be binding.
- 3.7 EVALUATION PANEL** Submittals will be evaluated by an evaluation panel. Award shall be made to the responsive, responsible Offeror whose proposal is determined to be the most advantageous to the City.
- 3.8 PANEL CONTACT** Contractor shall have no exclusive meetings, conversations or communications with an individual evaluation panel member on any aspect of the RFP, after submittal.
- 3.9 INTERVIEWS** The City reserves the right to conduct interviews with some or all of the Contractors at any point during the evaluation process. However, the City may determine that interviews are not necessary. In the event interviews are conducted, information provided during the interview process shall be taken into consideration when evaluating the stated criteria. The City shall not reimburse the Contractor for the costs associated with the interview process.
- 3.10 ADDITIONAL INVESTIGATIONS** The City reserves the right to make such additional investigations as it deems necessary to establish the competence and financial stability of any Contractor submitting a proposal.

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- 3.11 **PRIOR EXPERIENCE** Experiences with the City and entities that evaluation committee members represent and that are not specifically mentioned in the solicitation response may be taken into consideration when evaluating offers.
- 3.12 **BEST AND FINAL OFFERS** The City may request best and final offers if deemed necessary, and will determine the scope and subject of any best and final request.
- 3.13 **PROPOSAL EVALUATION** The City reserves the right to secure additional information from the Contractors in various forms and or to award based on submitted information.
- 3.14 **DISCUSSIONS AND REVISIONS TO PROPOSAL** Discussions may be conducted with responsible Contractors who submit proposals determined to be reasonably susceptible of being selected for award; and may obtain pertinent information for the purpose of clarification to assure full understanding of, and responsiveness to, the solicitation requirements. Should the City elect to call for 'best and final' offers, Contractor's shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals, and such revisions may be permitted after submissions and prior to award for the purpose of obtaining best and final offers. In conducting discussions, there shall be no disclosure of any information derived from proposals submitted by competing Contractor's. The purposes of such discussions shall be to:
- 3.14.1 Determine in greater detail such Contractor's qualifications, and
 - 3.14.2 Explore with the Contractor the scope and nature of the project, the Contractor's proposed method of performance, and the relative utility of alternate methods of approach;
 - 3.14.3 Determining that the Contractor will make available the necessary personnel and facilities to perform within the required time;
 - 3.14.4 Agreeing upon compensation which is fair and reasonable, taking into account the estimated value of the required services, and the scope, complexity and nature of such services.
- 3.15 **PRICE** All prices quoted shall be firm and fixed for the specified contract period.
- 3.16 **FOB POINT** Prices quoted shall be FOB destination to: City of Glendale.
- 3.17 **TERM OF AGREEMENT** The initial term of the contract shall be two (2) year upon approval by the City Council.
- 3.18 **OPTION TO EXTEND** The City may, at its option and with the approval of the contractor, extend the term of this agreement three (3) additional years in one (1) year increments based on satisfactory contractor performance. Contractor shall be notified in



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writing by the City Materials Manager of the City's intention to extend the contract period at least 30 calendar days prior to the expiration of the original contract period. Price adjustments will only be reviewed during contract renewal.

3.19 EVALUATION LITERATURE Proposals submitted for products considered by the seller to be equal to or better than the brand names or manufacturer's catalog references specified herein, must be submitted with technical literature and/or detailed product brochures with written statements if the literature or brochure is not specific as to the specification for the City's use to evaluate the product(s) offered. Proposals submitted without this product information may be considered as non-responsive and rejected.

3.20 INSURANCE Contractor, performing as an independent contractor hereunder, shall procure and maintain for the duration of the Contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that by Contractor, his agents, representatives, employees or subcontractors as detailed below. Contractor shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein.

Contractor shall provide General and Automobile Liability, Professional Liability, Workers' Compensation and Employer's Liability Insurance. The insurance shall be the primary and non-contributory coverage and none of the city's insurance or self-insurance shall contribute to it. The coverage limits of such insurance shall not be less than those listed below.

The insurance company issuing the policy required above shall have an AM Best financial rating of "A- VII" or better and be authorized by the State of Arizona Department of Insurance to transact business within the State. **The General and Automobile liability certificate and policy shall name the City, its officers, directors, employees, agents and assignees as an additional insured. The City shall also be an additional insured to the full limits of the liability insurance purchased by the Contractor even if those limits are in excess of those required by this contract.**

The City reserves the right to terminate any Contractor agreement if the Contractor fails to maintain such insurance coverage. Failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them.

Contractor hereby grants to City a waiver of any right to subrogation which any insurer of said Contractor may acquire against the City by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.



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Contractor must provide certificate of insurance and amendatory endorsements or copies of the applicable policy language providing the insurance coverage required below. All certificates and endorsements are to be received and approved by the City within ten (10) calendar days after notification of award. Certificate must include: name and address of insurance company; policy number; liability coverage amounts; a statement the policy will not be canceled or failed to be renewed without ten (10) days written notice to the City.

Certification to be submitted to: Materials Management, 5850 West Glendale Avenue, Suite 317, Glendale, Arizona 85301.

<u>Type of Insurance</u> <u>(Minimum)</u>	<u>Limits of Liability</u>
Workers' Compensation	Statutory
Employer's Liability	
Each Accident	\$1,000,000
Disease-Each Employee	\$1,000,000
Disease-Policy Limit	\$1,000,000

Commercial General Liability shall cover liability arising from bodily injury, property damage, products-completed operations, personal and advertising injury, independent Contractors, and broad form contractual coverage.

Each Occurrence	\$5,000,000
Personal and Advertising	\$5,000,000
General Aggregate	\$10,000,000
Products-Completed Operations	\$5,000,000
Fire Damage Legal Liability	\$500,000.00

Automobile Liability – Including bodily injury and property damage for any owned, hired and non-owned vehicles used in the performance of the services.

Combined Single Limit (CSL)	\$1,000,000
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Professional Liability (Errors and Omissions) Insurance, for liability arising out of, or in connection with, the performance of all required services appropriate to the contractor's profession with limits, not less than \$5,000,000 per claim and \$10,000,000 aggregate. If higher limits are maintained, the City requires and shall be entitled to coverage for the higher limits.

Claims Made Policies

If any of the required policies provide coverage on a claims-made basis:



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1. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
2. Insurance must be maintained and evidence of insurance must be provided *for at least five (5) years after completion of the contract of work.*
3. If coverage is canceled or non-renewed, and not *replaced with another claims-made policy form with a Retroactive Date* prior to the contract effective date, the Contractor must purchase “extended reporting” coverage for a minimum of *five (5) years* after completion of contract work.

3.21 WORKER'S COMPENSATION Contractor shall be in full compliance with the provisions of the Arizona Worker's Compensation Law (Title 23, Chapter 6, Arizona Revised Statutes) as amended, and all rules and regulations of the Industrial Commission of Arizona made in pursuance thereof. Contractor shall secure payment of compensation to employees by insuring the payment of such compensation authorized by the Insurance Department of Arizona to transact business in the State of Arizona.

Contractor further agrees that he shall require any and all sub-contractors performing work under the agreement to comply with said Worker's Compensation Law. It is expressly understood and agreed that all persons employed directly or indirectly by the Contractor, or any of his sub-contractors, shall be considered the employees of such Contractor, or his sub-contractor(s), and not the employees of the City.

3.22 NOTICE OF INTENT TO AWARD AND PROTEST PERIOD Information about the recommended award for this solicitation will be posted on the Internet. The information will be available for review on the City's Materials Management Internet home page www.glendaleaz.com/purchasing immediately after the City has completed its evaluation process of the offers received. If you have any questions, or would like further information about an intended award, contact the contract analyst immediately. Any protest must be submitted to the Materials Manager no later than seven (7) calendar days from the date of posting on the Internet.

3.23 COOPERATIVE USE OF CONTRACT This agreement may be extended for use by other governmental agencies and political subdivisions of the State, including all members of SAVE (Strategic Alliance for Volume Expenditures). Any such usage by other entities must be in accord with the ordinances, charter, rules and regulations of the respective entity and the approval of the Contractor and City. For a list of SAVE members, click on the following link: <http://www.maricopa.gov/Materials/save.aspx>.

3.24 PERMITS AND LICENSES – The Contractor shall be responsible for determining and securing, at his/her expense, any and all licenses and permits that are required by any statute, ordinance, rule or regulation of any regulatory body having jurisdiction in any

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manner connected with providing operations and maintenance of the facility. Such fees shall be included in and are part of the total proposal cost. During the term of the contract, the Contractor shall notify the City in writing, within two (2) working days, of any suspension, revocation or renewal.

- 3.25 PUBLIC RECORD** All proposals submitted in response to this Request for Proposal shall become the property of the City and shall become a matter of public record available for review subsequent to the award notification.
- 3.26 CONFIDENTIAL INFORMATION** The City of Glendale is obligated to abide by all public information laws. If a Contractor believes that any portion of a proposal, offer, specification, protest or correspondence contains information that should be withheld, a statement advising the Contract Officer of this fact should accompany the submission and the information shall be so identified wherever it appears. The City shall review all requests for confidentiality and may provide a written determination to designate specified documents confidential or the request may be denied. Price is not confidential and will not be withheld. If the confidential request is denied, such information shall be disclosed as public information, unless the Contractor submits a formal written objection.
- 3.27 CERTIFICATION** By signature on the Offer page, solicitation Amendment(s), or cover letter accompanying the submittal documents, Contractor certifies:
- 3.27.1 The submission of the offer did not involve collusion or other anti-competitive practices.
 - 3.27.2 The Contractor shall not discriminate against any employee or applicant for employment in violation of Federal or State law.
 - 3.27.3 The Contractor has not given, offered to give, nor intends to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, meal or service to a public servant in connection with the submitted offer.
 - 3.27.4 The Contractor hereby certifies that the individual signing the submittal is an authorized agent for the Contractor and has the authority to bind the Contractor to the Contract.
- 3.28 WITHDRAWAL OF PROPOSAL** At any time prior to the specified solicitation due date and time, a Contractor may formally withdraw the proposal by a written letter, facsimile or electronic mail from the Contractor or a designated representative. Telephonic or oral withdrawals shall not be considered.
- 3.29 DISCUSSIONS** The City reserves the right to conduct discussions with Contractors for the purpose of eliminating minor irregularities, informalities, or apparent clerical

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mistakes in the proposal in order to clarify an offer and assure full understanding of, and responsiveness to, solicitation requirements.

3.30 CONTRACT NEGOTIATIONS Exclusive or concurrent negotiations may be conducted with responsible Contractor(s) for the purpose of altering or otherwise changing the conditions, terms and price of the proposed contract unless prohibited. Contractors 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 Contractors. Exclusive or concurrent negotiations shall not constitute a contract award nor shall it confer any property rights to the successful Contractor. In the event the City deems that negotiations are not progressing, the City may formally terminate these negotiations and may enter into subsequent concurrent or exclusive negotiations with the next most qualified firm(s).

3.31 PERFORMANCE SURETY REQUIREMENTS The performance sureties shall be in the form of a bond. A cashier's check, certified check, money order, personal or company checks are not acceptable. Letters of credit are not acceptable. Individual sureties are not acceptable.

PERFORMANCE SURETY The successful proposer shall, at the time of entering into the contract, furnish a performance surety in the form of a bond in the amount of \$75,000 guaranteeing the faithful performance of the contract by the proposer.

The bond must be written by a surety with a Best Rating no less than an A and must be authorized and licensed to do business in this State by the Arizona Department of Insurance. Individual sureties and letters of credit are not acceptable.

3.32 ADDITIONS OF SERVICE Additional service may be added from time to time. If this occurs, the Contractor will be requested to submit a negotiable quotation for the additions. Upon approval and authorization by the Materials Manager such additions will be added to and become a part of the contract through properly executed forms.

3.33 PUBLIC RECORD Contractor acknowledges that the City is a public agency and must comply with all Public Records laws. All proposals submitted in response to the Solicitation shall become the property of the City and, subsequent to award recommendation, become a matter of public record available for review pursuant to Arizona Public Records Law.

If a Contractor believes that a specific section of its Proposal response is confidential, that should be withheld from the public record, Contractor shall isolate the pages and mark each page confidential in a specific and clearly labeled section of its Proposal response. The Contractor shall include a written statement as to the basis for considering



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the marked pages confidential including the specific harm or prejudice if disclosed. The City Materials Management Division will review the material and make a determination as to the confidentiality of any of the information and/or material contained within the Submittal. In the event of a public records request for documents Contractor deems confidential, the City will notify Contractor of the request and if Contractor claims such documents are confidential, it shall be the Contractor's sole responsibility, including sole cost, to take appropriate action, including legal action, to protect such documents.

- 3.34 NO CONTACT, NO INFLUENCE DURING THE RFP PROCESS** The City is conducting a competitive RFP process for the contract, free from improper influence or lobbying. There shall be no contact concerning this RFP from Contractors submitting a Proposal with any member of the City Council, RFP Evaluation Committee Members, or anyone connected with the process for or on behalf of the City. Contact includes direct or indirect contact by the Contractor, its employees, attorneys, lobbyists, surrogates, etc. in an attempt to influence the RFP process.

From the time the RFP is issued until the expiration of the protest period or the resolution of any protest, whichever is later (the "Black-Out Period"), Contractors, directly or indirectly through others, are restricted from attempting to influence in any manner the decision making process through, including but not limited to, the use of paid media; contacting or lobbying the City Council or City Manager or any other City employee (other than Material Management employees); the use of any media for the purpose of influencing the outcome; or in any other way that could be construed to influence any part of the decision-making process about this RFP. This provision shall not prohibit a Contractor from petitioning an elected official or engaging in any other protected first amendment activity after the protest period has run or any protest has been resolved, whichever is later.

Violation of this provision will cause the proposal or offer of the Contractor to be found in violation and to be rejected.

- 3.35 KEY PERSONNEL** Contractor shall assign specific individuals to the key positions in support of the Contract. Once assigned to work under the Contract, key personnel shall not be removed or replaced without the prior written approval of the City. Upon the replacement of any key personnel, Contractor shall submit the name(s) and qualifications of any new key personnel to the City Contract Administrator or Designee. With the concurrence of the Contract Administrator or Designee, the City shall amend the Contract to reflect the name(s) of any replacement key personnel. Upon any unplanned departure of key personnel, Contractor shall immediately notify the Contract Administrator or Designee.

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4.0 SUBMISSION REQUIREMENTS AND QUESTIONNAIRE
(See Evaluation Criteria for percentage breakdown in Section 3, #3.3)

Contractors may submit additional information to assist the evaluation team in determining your firm’s capabilities and experience; however, your firm at a minimum must submit the following:

Please provide written, narrative responses for each item requested within the categories below: When applicable, please attach supporting documents and reference the appropriate category.

4.1 EXPERIENCE OR SERVICE AND PROFESSIONAL EFFORT 25%

- 4.1.1 Contractors shall describe in detail your firm’s experience and qualifications in successfully running a medical occupational health services center similar to Glendale Health Center.
- 4.1.2 Include a cover letter, a company profile that details your company’s history, business philosophy, management, operations, locations, number of employees, years of experience and other pertinent details.
- 4.1.3 Provide necessary resources and show a history of demonstrated competence. Include a bio of the key personnel, account manager and day-to-day service staff and all other staff assigned to this project.
- 4.1.4 Contractor shall describe similar clients and provide details on projects undertaken.
- 4.1.5 Provide your experience with city government and public safety to include AZPOST and NFPA.
- 4.1.6 Provide your experience with Department of Transportation and Federal Motor Carrier System Agency drug and alcohol and commercial driver’s license medical certification exams.

4.2 COMPLIANCE WITH SPECIFICATIONS/METHOD OF APPROACH 30%

- 4.2.1 Contractors shall clearly provide a written understanding of the requirements, specifications, meeting the terms and conditions of the RFP and matching the proposed methods to accomplish work and timelines.
- 4.2.2 Please provide a description of your approach to this opportunity (e.g. valuation, staffing). Please provide a detailed statement outlining the level of support expected from City.
- 4.2.3 Contractor shall provide in detail their record management methodology.

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4.3 FEE STRUCTURE 35%

- 4.3.1 While cost is a significant factor in considering the placement of the awards, it is not the only factor. The award will not be based on price alone, nor will it be based solely upon the lowest fees submitted.
- 4.3.2 The Contractor shall provide concurrence to the facility lease terms as identified under Section 2.0 #2.14.
- 4.3.3 The Contractor shall include a project schedule for implementation of service requirements. Contractor shall complete section 6.0 Price Sheet and include support documentation should it be necessary.

4.4 REFERENCES 10%

- 4.4.1 Provide with the offer a list of four (4) client references, preferably letters of reference from companies for whom Contractor has provided similar products/services in the last two-years. Also include company name, address, phone number, contract person, a description of the products/services provided with a description of any major variation to the requirements of this RFP. References must be in writing and included with Contractor's response. Reference contact information only is not a viable substitute.

QUESTIONNAIRE

4.5 VENDOR QUESTIONNAIRE

- 4.5.1 Contractor shall complete the questionnaire as attached in Microsoft Excel. Responses must be submitted in hardcopy format as well as the native Microsoft Excel format. The city at its discretion may utilize the questionnaire as a tool in evaluating proposals received.

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6.0

PRICE SHEET

6.1 SERVICE FEE

<u>ITEM</u>	<u>DESCRIPTION OF SERVICE</u>	<u>COST</u>
1	Appointments Scheduling: Same Day	\$
2	Annual Physical Exams	\$
3	CBD with Diff (Complete Blood Count)	\$
4	CMP (Comprehensive Metabolic)	\$
5	Coordinate/Bill Worker Compensation Claims	\$
6	DOT/CDL Physical Exams	\$
7	DOT/Non-DOT Drug and Alcohol Screens	\$
8	AZPOST Drug/Alcohol Screens	\$
9	EKG	\$
10	Employee Assistance Program referral	\$
11	Flu Shots	\$
12	Functional Movement Test (Fire/Police) Included in the Fire physicals	\$
13	Immunizations & Injections	\$
14	Initial Fracture Care	\$
15	IV Hydration	\$
16	Lab Draws/Testing (CLIA)	\$
17	Lift Test	\$
18	Occupational Therapy	\$
19	On-call Services for Post-Exposure Prophylaxis (PEP)	\$
20	Evaluation and treatment of first aide injury	\$
21	Evaluation and treatment of initial workers' comp injury	\$
22	Follow up treatment of workers' comp injury	\$
23	Pharmacy	\$
24	Physical Therapy	\$
25	PPD (TB Skin Test)	\$

Company Name _____



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<u>ITEM</u>	<u>DESCRIPTION OF SERVICE</u>	<u>COST</u>
26	Pre-employment Physicals	\$
27	Prostate Exams	\$
28	Auditory Function Tests	\$
29	Vision Tests	\$
30	Public Safety Physicals (Police & Fire)	\$
31	Pulmonary Function Tests	\$
32	Radiology (administer in-house, send out for reading)	\$
33	Randomizing of Drug & Alcohol Screens	\$
34	Routine Hearing Services (CDL Requirements)	\$
35	Routine Vision Services (CDL Requirements)	\$
36	Sick Visits	\$
37	Spirometry (lung function) (Fire/Police)	\$
38	Stress Tests	\$
39	Surgical Procedures (Minor: Sutures, etc.)	\$
40	Urinalysis (for CDL, Random, Etc.)	\$
41	Walk-In Services: Non-worker's comp	\$
42	Feel free to list additional services we have left out.	\$
43	If you have a Lab contract please provide the Lab testing capabilities. List associated pricing , by CPT code, in your Cost Proposal.	\$
44	Please describe your quality assurance program or process.	\$
45	Would you be willing to offer a discount for annual public safety physicals to the Glendale Regional Public Safety Training Center partners? If so, please include the discounted price. (Partners: Avondale Fire, Peoria Fire, Surprise Fire, Glendale Fire/PD, MCCCCD)	\$

6.3 DISCOUNT/PAYMENT TERMS: The City standard is 2% 20 days

Comply: YES NO

If your answer is NO, please state terms offered: _____

6.4 TAX AMOUNT Do not include any use tax or federal tax in your proposal. The City is exempt from the payment of federal excise tax and will add use tax as applicable.

Company Name _____

	SOLICITATION NUMBER: RFP 14-07 MEDICAL OCCUPATIONAL HEALTH SERVICES AT GLENDALE HEALTH CENTER	CITY OF GLENDALE Materials Management 5850 West Glendale Avenue, Suite 317 Glendale, Arizona 85301
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7.0

PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS:

That _____ (hereinafter called the "Principal"), as Principal, and _____, a corporation organized under the laws of the State of _____, (hereinafter called the "Surety"), as Surety, are held and firmly bound unto the City of Glendale, a municipal corporation in the State of Arizona (hereinafter called the "Obligee"), as Obligee in the amount of _____ Dollars (\$ _____), for the payment whereof the Principal and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has entered into a written contract with the Obligee, dated the _____ day of _____, 20____, whereby Principal agreed to _____

_____ which contract is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein.

NOW THEREFORE, the condition of this obligation is such that, if Principal shall faithfully perform and fulfill all the undertakings, covenants, terms, conditions, and agreements of said contract, with or without notice to the Surety, and shall also perform and fulfill all the undertakings, covenants, terms, conditions, and agreements of any and all authorized amendments, modifications or exercise of options to said contract that may hereafter be made between the Principal and Obligee, notice of such amendments, modifications or exercise of options to this Surety being hereby waived, then this obligation shall be null and void, otherwise to remain in full force and effect.

The prevailing party or any party which recovers judgment on this bond shall be entitled to such reasonable attorney's fees as may be fixed by the Court.

Signed this _____ day of _____, 20____.

"Principal"

By: _____

Its: _____

"Surety"

By: _____

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8.0

EXHIBIT A
Occupational Health Medical Services
EQUIPMENT

The City will provide and maintain the following equipment:

Type of Equipment	COG inventory ID	Serial number	Location
Copier	COG16559	TND03424	GRPSTC –HC24
X-Ray machine	COG25531	170-11893	GRPSTC – HC7
Pulmonary machine	COG23788	AJS01277	GRPSTC – HC15
Hearing test machine	COG23779	BC 181 559	GRPSTC – HC6
Treadmill 1	COG23780	Q5005279	GRPSTC – HC4
Treadmill 2	COG23781	Q5005278	GRPSTC – HC5
Vision tester 1		815600299	GRPSTC – HC17
Scale 1		4020057900	GRPSTC – HC18
Scale 2		4020057905	GRPSTC – HC19
Microwave		801TAXT02098	GRPSTC – HC32
Refrigerator 1		DR312701	GRPSTC – HC13
Refrigerator 2		AR312536	GRPSTC – HC32

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9.0

EXHIBIT B

Urgent Care and Occupational Health Medical Services

STAFFING

The procedure for staffing physicians for the day-to-day medical operations of the Health Center shall be the responsibility of Contractor. Contractor may provide staffing as follows:

- a. At least one of the positions, physician/medical director or physician assistant, shall be full time; i.e., full time physician/medical director and part time physician assistant or part time physician/medical director and full time physician assistant.
- b. A pool of no more than four (4) physicians will be assigned to provide coverage for peak work time or relief time, as needed and dictated by work flow. Contractor will seek to provide physicians with a current affiliation with a Level 1 Trauma Facility and access to toxicology referral within one (1) hour of request.
- c. **PHYSICIAN: MEDICAL DOCTOR/DOCTOR OF OSTEOPATHY-MEDICAL DIRECTOR – FULL OR PART TIME (Permanently Assigned)**
 - a. A medical doctor/doctor of osteopathy will act as the medical director of the Health Center and must be qualified and capable of performing the following responsibilities:
 - 1) Director will act as the liaison between the contracted clinical staff the Health Center Deputy Chief and Glendale Human Resources and Risk Management. In addition, the director/doctor will perform baseline physicals; infectious and hazardous exposure examinations; will implement ongoing wellness programs for fire department personnel and City employees; will evaluate industrial injuries, and will serve as the Certified Medical Review Officer (MRO) for the City’s drug and alcohol testing program.
 - 2) Responsible for performing all elements of physical examine in accordance with NFPA 1582 and AZ POST.
 - 3) Responsible for performing all elements of City’s physicals, pre-employment physicals for City employees and potential employees in “non-safety” sensitive positions and in compliance with DOT and FMCSA.
 - 4) Will perform consultations for City employees and potential employees with infectious exposure to HIV, hepatitis C and B, tuberculosis, and all other infectious exposures.



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- 5) Will interface with City employees and their primary care physicians to assure proper health care.
- 6) Will develop, update and revise procedures with regard to medical monitoring, fitness maintenance, and stress management as needed.
- 7) Will participate in research projects regarding public safety and city of Glendale employee health and fitness.
- 8) Will prepare and present educational materials to public safety and city of Glendale employees for training relating to health and wellness.

b. Minimum Qualifications:

Must be licensed M.D. or D.O. in the State of Arizona and have a valid ACLS certification. Must demonstrate substantial experience in the following areas: internal medicine, cardiovascular disease, medical toxicology, and occupational medicine. Must be familiar with and have experience working within the requirements of NFPA 1582, IAFF/IAFC Wellness/Fitness Initiative, AZ POST and OSHA regulations, as well as DOT Drug and Alcohol collection and testing and Industrial Commission of Arizona Rules.

d. PHYSICIAN ASSISTANT - FULL OR PART TIME (Permanently Assigned)

a. Must be qualified and capable of performing the following responsibilities:

- 1) Will perform baseline physicals; evaluate, treat and follow up on industrial injuries and infectious and hazardous exposures.
- 2) Will support and implement on-going wellness program for fire department personnel and city of Glendale employees.
- 3) Will evaluate lab assessments and stress treadmill to assess fitness for duty for fire fighters in accordance with NFPA 1582.
- 4) Will perform pre-employment physicals for City employees and potential employees.
- 5) Will perform DOT/FMCSA exams and interface with city employees and their primary care physician to assure proper health care.
- 6) Will perform Drug and Alcohol testing for city employees and potential employees in accordance with DOT/FTA and FMCSA.
- 7) Will interface with fire fighters, police officers, and City employees and their primary care physician to assure proper health care.
- 8) Will develop, revise and update health care, policy, and other procedures at the Health Center, as needed.

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- 9) Will participate in research projects in public safety and city of Glendale employees health and wellness.
- 10) Will prepare materials a necessary to assist in the health care and fitness training of public safety and city of Glendale employees.

b. Minimum Qualifications.

Must be nationally certified through the NCCPA, hold a current Arizona license, have an established DEA number, and be ACLS certified. Must demonstrate substantial experience in the following areas: family practice, occupational medicine, preventive medicine, or sports medicine. Must be familiar with and have experience working within the requirements of NFPA 1582 and the IAFF/IAFC Wellness/Fitness Initiative, AZ POST, OSHA Regulations, and DOT/FTA and FMCSA regulations and Industrial Commission of Arizona Rules.

5. CLINICAL MANAGER/REGISTERED NURSE - FULL TIME (Permanently Assigned)

a. Must be qualified and capable of performing the following responsibilities:

- 1) Will assist with preparation of charts and management of the flow of patients.
- 2) Will perform back office evaluations, vision, pulmonary function, hearing, and body composition examinations.
- 3) Will perform first aid physicals, evaluate, treat and follow up on industrial injuries
- 4) Will perform phlebotomy and administer medications as needed.
- 5) Will perform resting 12-lead EKS's and stress tests.
- 6) Will assist with infectious exposure consults and follow-ups.
- 7) Will transcribe back office evaluations onto medical records.
- 8) Will assist physicians with data collection for studies.
- 9) Will assistant physicians with treatment of medical patients.
- 10) Will assist with maintenance and stocking of medications and medical supply inventory.

b. Minimum Qualifications.

Registered nurse in the state of Arizona with experience in occupational medicine, orthopedics and infectious disease. Must be ACLS certified, having two years experience in treadmill testing, immunizations and schedules. Must be familiar



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with and have experience working within the requirements of NFPA 1582 and the IAFF/IAFC Wellness/Fitness Initiative, AZPOST, OSHA Regulations, and DOT/FTA and FMCSA Regulations and Industrial Commission of Arizona Rules.

6. CERTIFIED RADIOLOGY TECHNICIAN (CRT) - FULL TIME (Permanently Assigned)

a. Must be qualified and capable of performing the following responsibilities:

- 1) Will conduct on-site x-rays for annual physicals, urgent care and industrial injuries.
- 2) Will assist with all aspects of physical exams, phlebotomy, vision, hearing, and patient flow.
- 3) Will be accountable for the ethical, legal and professional responsibilities related to radiology practice and patient confidentiality.
- 4) Will monitor and maintain an adequate inventory of supplies and material to ensure non-interruption of services.
- 5) Will prepare and maintain accurate documentation.

b. Minimum Qualifications.

Must be Board Certified in Arizona with a certification, or diploma, from an approved/accredited school of Radiology Program with a minimum of two year's experience.

7. MEDICAL ASSISTANT – FULL TIME (Permanently Assigned)

a. Must be qualified and capable of performing the following responsibilities:

- 1) Will assist with all aspects of physical exams, phlebotomy, vision, hearing, and patient flow.
- 2) Will be accountable for the ethical, legal and professional responsibilities related to patient confidentiality.
- 3) Will monitor and maintain an adequate inventory of supplies and material to ensure non-interruption of services.
- 4) Will prepare and maintain accurate documentation.
- 5) May be responsible for scheduling public safety physicals.



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b. Minimum Qualifications.

Must have successfully completed a Medical Assistant Program through an accredited Institution with a minimum of two years' experience.

The Medical Assistant could fulfill the role of the receptionist/scheduler. See responsibilities below.

8. RECEPTIONIST/SCHEDULER - FULL OR PART TIME (Permanently Assigned)

a. Must be qualified and capable of performing the following responsibilities:

- 1) Will be responsible for patient's medical and immunization record data entry.
- 2) Will answer telephones.
- 3) Will maintain sign-in log for both medical and industrial patients.
- 4) Will record all patients' visits in the computer.
- 5) Will prepare computerized medical charge sheets.
- 6) Will perform light typing for chart preparation.
- 7) Will verify appointments and prepare charts for physical examines.
- 8) Will assist patients with industrial paperwork
- 9) Will provide via fax industrial injury medical notes and work status information to Human Resources and Risk Management following all industrial visits.
- 10) Will provide via fax a copy of CDL Medical Certification cards to Human Resources and Risk Management.

b. Minimum Qualifications.

Must have a minimum of one year of experience working in a medical office. Ability to type 30 wpm, basic computer skills, ability to handle up to three incoming phone lines and pleasant communications over the telephone. Must have medical back office skills and experience, and the ability to interact professionally with City personnel and medical personnel.



EVALUATORS' CONSENSUS SCORE SHEET
RFP 14-07
MEDICAL OCCUPATIONAL HEALTH SERVICES AT GLENDALE HEALTH CENTER

EVALUATION CRITERIA	MAXIMUM POINTS	OFFERORS		COMMENTS
		STI PHYSICAL THERAPY & REHABILITATION	SCOTTSDALE HEALTH CENTER (SHC)	
Experience or Service and Professional Effort (25%)	250			Both offerors were pretty equitable. Due to current staffing with Glendale Medical Center, SHC have closer relationship with Risk Mgmt and City users. STI has public safety experience.
		250	225	
		200	225	
		230	230	
		250	225	
		50	250	
		240	230	
		230	230	
CONSENSUS SCORE		207	231	
Compliance with Specifications/Method of Approach (30%)	300			Both offerors were pretty equitable.
		300	300	
		200	200	
		280	280	
		300	300	
		200	300	
		290	290	
		280	280	
CONSENSUS SCORE		264	279	
Fee Structure (35%)	350	350	307	See Price Score Sheet
CONSENSUS SCORE		350	307	
References (10%)	100			STI followed requirements. They provided reference letters.
		90	70	
		70	0	
		95	80	
		100	75	
		90	80	
		95	85	
		100	100	
CONSENSUS SCORE		91	70	



EVALUATORS' CONSENSUS SCORE SHEET
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MEDICAL OCCUPATIONAL HEALTH SERVICES AT GLENDALE HEALTH CENTER

OFFERORS				
EVALUATION CRITERIA	MAXIMUM POINTS	STI PHYSICAL THERAPY & REHABILITATION	SCOTTSDALE HEALTH CENTER (SHC)	COMMENTS
TOTAL SCORES	1000	913	886	

AWARD DETERMINATION

Award is recommended to: STI Physical Therapy and Rehabilitation

STI Physical Therapy and Rehabilitation is deemed to be the responsible and responsive offeror whose proposal is determined in writing to be the most advantageous to the City and best meets the overall needs of the City taking into consideration the evaluation factors set forth in the request for proposals.



PRICE SHEET EVALUATION
RFP 14-07
MEDICAL OCCUPATIONAL HEALTH SERVICES AT GLENDALE HEALTH CENTER

ITEM NO.	DESCRIPTION OF SERVICE	UNIT OF MEASURE	ANNUAL ESTIMATED QUANTITIES (A)	STI		SCOTTSDALE HEALTHCARE	
				UNIT PRICE (B)	TOTAL AMOUNT (A X B)	UNIT PRICE (B)	TOTAL AMOUNT (A X B)
1	Appointments Scheduling: Same Day	Per Patient	1	No Charge	\$0.00	No Charge	\$0.00
2	Annual Physical Exam (Non CDL/DOT, Non pre-employment, non-public safety (police/fire). SHC add CMD, CMP for compatibility to STL.	Per Patient	1	\$125.00	\$125.00	\$145.00	\$145.00
3	CBD with Diff (Complete Blood Count)	Per Patient	1	\$14.00	\$14.00	\$20.00	\$20.00
4	CMP (Comprehensive Metabolic)	Per Patient	1	\$10.00	\$10.00	\$30.00	\$30.00
5	Coordinate/Bill Worker Compensation Claims **NOTE SHC WILL ELIMINATE FEE IF CLINIC OPENED TO ANY AND ALL EMPLOYERS TO UTILIZE.	Per Patient	178	No Charge	\$0.00	\$15.00	\$2,670.00
6	DOT/CDL Physical Exams	Per Patient	168	\$45.00	\$7,560.00	\$65.00	\$10,920.00
7	DOT/Non-DOT Drug and Alcohol Screens (Drug)	Per Patient	211	\$30.00	\$6,330.00	\$45.00	\$9,495.00
	DOT/Non-DOT Drug and Alcohol Screens (Alcohol)	Per Patient	211	\$30.00	\$6,330.00	\$30.00	\$6,330.00
	DOT/Non-DOT Drug and Alcohol Screens (MRO)	Per Patient	21	\$75.00	\$1,575.00	\$50.00	\$1,050.00
8	AZPOST Drug/Alcohol Screens	Per Patient	211	\$35.00	\$7,385.00	\$45.00	\$9,495.00
9	EKG	Per Patient	1	\$50.00	\$50.00	\$70.00	\$70.00
10	Employee Assistance Program Referral	Per Patient	1	No Charge	\$0.00	No Charge	\$0.00
11	Flu Shots	Per Patient	2470	\$25.00	\$61,750.00	\$25.00	\$61,750.00
12	Functional Movement Test (Fire/Police) Included in the Fire physicals	Per Patient	1	\$100.00	\$100.00	\$75.00	\$75.00
13	Immunizations & Injections						
	Hep A	Per Patient	1	\$54.00	\$54.00	\$56.00	\$56.00
	Hep B	Per Patient	1	\$51.00	\$51.00	\$53.00	\$53.00
	MMR	Per Patient	1	\$55.00	\$55.00	\$57.00	\$57.00
	Tdap	Per Patient	1	\$40.00	\$40.00	\$63.00	\$63.00
	Varicella	Per Patient	1	\$70.00	\$70.00	\$73.00	\$73.00
	Td	Per Patient	1	\$25.00	\$25.00	\$27.00	\$27.00
	Hemoglobin A1C	Per Patient	1	\$23.00	\$23.00	\$39.00	\$39.00
	Hep B Surface Antibody Titer	Per Patient	1	\$51.00	\$51.00	\$59.00	\$59.00
	TB Questionnaire	Per Patient	1	\$10.00	\$10.00	\$20.00	\$20.00
	Immunization Admin (no other svcs provided)	Per Patient	1	No Charge	\$0.00	\$29.00	\$29.00
14	Initial Fracture Care	Per Patient	1	\$150.00	\$150.00	\$185.00	\$185.00
15	IV Hydration	Per Patient	1	\$150.00	\$150.00	\$150.00	\$150.00
16	Lab Draws/Testing (CLIA)	Per Patient	1	\$15.00	\$15.00	\$15.00	\$15.00
17	Lift Test	Per Patient	1	\$70.00	\$70.00	\$50.00	\$50.00
18	Occupational Therapy - code 97110 - \$49.29	Per Patient	1	\$39.43	\$39.43	\$49.29	\$49.29
19	On-call services for Post-Exposure Prophylaxis (PEP) STI Initial call 24/7/365 hotline# will be set up speaking with State Doc Physician on call, source turnaround If STAT 2 hours SHC Initial call 24/7/365 hotline# 480-200-6197 speaking with PA, source turnaround STAT 3-5 hours, 24 hours Hepatitis	Per Patient	5	\$50.00	\$250.00	\$250.00	\$1,250.00
20	Evaluation and treatment of first aid injury	Per Patient	190	\$25.00	\$4,750.00	\$50.00	\$9,500.00
21	Evaluation and treatment of initial worker's comp injury code = 99214 - \$142.50	Per Patient	1	\$114.00	\$114.00	\$142.50	\$142.50
22	Follow-up treatment of worker's comp injury - code 99212 - \$62.50	Per Patient	95	\$50.00	\$4,750.00	\$62.50	\$5,937.50
23	Pharmacy	Per Patient	1	N/A	\$0.00	N/A	\$0.00
24	Physical Therapy - code 97110 - \$49.29	Per Patient	1	\$39.43	\$39.43	\$49.29	\$49.29
25	PPD (TB Skin Test) both include administration and read	Per Patient	1	\$15.00	\$15.00	\$42.00	\$42.00
26	Pre-employment Physicals	Per Patient	46	\$70.00	\$3,220.00	\$95.00	\$4,370.00
	Firefighter	Per Patient	680	\$575.00	\$391,000.00	\$650.00	\$442,000.00

	Police-AZ Post baseline	Per Patient	17	\$360.00	\$6,120.00	\$400.00	\$6,800.00
	Police-AZ Post Annual	Per Patient	1	\$280.00	\$280.00	\$400.00	\$400.00
	Police-EOD (new & existing)	Per Patient	34	\$430.00	\$14,620.00	\$400.00	\$13,600.00
	Police Reserve	Per Patient	1	\$400.00	\$400.00	\$400.00	\$400.00
	Police-Existing SWAT	Per Patient	35	\$270.00	\$9,450.00	\$400.00	\$14,000.00
	Police-New SWAT	Per Patient	1	\$430.00	\$430.00	\$400.00	\$400.00
	EMS-Non Sworn	Per Patient	19	\$350.00	\$6,650.00	\$360.00	\$6,840.00
	No Show Physical	Per Patient	1	\$80.00	\$80.00	\$100.00	\$100.00
	Firefighter - Retiree	Per Patient	8	\$350.00	\$2,800.00	\$620.00	\$4,960.00
27	Prostate Exams: ST1 includes digital rectal exam, hemocult, PSA lab test. Scottsdale Healthcare includes digital rectal exam	Per Patient	1	\$50.00	\$50.00	\$80.00	\$80.00
28	Auditory Function Tests	Per Patient	1	\$25.00	\$25.00	\$30.00	\$30.00
29	Vision Tests	Per Patient	1	\$10.00	\$10.00	\$10.00	\$10.00
30	Public Safety Physicals (Police and Fire)	Per Patient	0	See Item# 26	\$0.00	See Item# 26	\$0.00
31	Pulmonary Function Tests	Per Patient	1	\$55.00	\$55.00	\$50.00	\$50.00
32	Radiology (administer in-house, send out for reading) code - 70010 - \$370.00	Per Patient	1	\$296.00	\$296.00	\$70.00	\$70.00
33	Randomizing of Drug & Alcohol Screens	Per Charge	4	\$50.00	\$200.00	No Charge	\$0.00
34	Routine Hearing Services (Non-CDL)	Per Patient	131	\$25.00	\$3,275.00	\$20.00	\$2,620.00
35	Routine Vision Services (CDL Requirements)	Per Patient	1	No Charge	\$0.00	No Charge	\$0.00
36	Sick Visits	Per Patient	1	\$45.00	\$45.00	\$135.00	\$135.00
37	Spirometry (lung function) (Fire/Police)	Per Patient	1	\$55.00	\$55.00	\$50.00	\$50.00
38	Stress Tests	Per Patient	1	\$150.00	\$150.00	\$230.00	\$230.00
39	Surgical Procedure (Minor: Sutures, etc.) - code 99203 - \$148.75	Per Patient	1	\$119.00	\$119.00	\$100.00	\$100.00
40	Urinalysis (for CDL, Random, Etc.)	Per Patient	1	\$10.00	\$10.00	\$20.00	\$20.00
41	Walk-In Services: Non-worker's Comp	Per Patient	1	No Charge	\$0.00	No Charge	\$0.00
42	Feel free to list additional services we have left out:						
	Breath Alcohol Confirmation	Per Patient	1	\$50.00	\$50.00	\$50.00	\$50.00
	Breath Alcohol Test	Per Patient	1	\$30.00	\$30.00	\$30.00	\$30.00
	High Sensitivity Creatin Reactive Protein Test	Per Patient	1	\$25.00	\$25.00	\$25.00	\$25.00
	Lead Test	Per Patient	1	\$30.00	\$30.00	\$65.00	\$65.00
	PSA	Per Patient	1	\$20.00	\$20.00	\$25.00	\$25.00
43	If you have a lab contract, please provide the Lab testing capabilities. List associated pricing, by CPT code, in your Cost Proposal	NA	NA	NA	NA	NA	NA
44	Please describe your quality assurance program or process	NA	NA	NA	NA	NA	NA
45	Would you be willing to offer a discount for annual public safety physicals to the Glendale Regional Public Safety Training Center partners? If so, please include the discounted price. (Partners: Avondale Fire, Peoria Fire, Surprise Fire, Glendale Fire/PD, MCCCDD)	NA	NA	\$575.00	\$0.00	NA	NA
GRAND TOTAL (Excluding Items# 43, 44, & 45)					\$541,445.86		\$617,356.58
TOTAL AWARDED POINTS (Maximum Points = 350) (Lowest Grand Total/Grand Total X Maximum Points)					350		306.96



A Letter From the President

On behalf of Strength Training, Inc (STI) we would like to thank you for the opportunity to present this proposal to provide medical occupational health Services Glendale Health Center. We are pleased that our proposal not only meets the minimum requirements you have set but far exceeds them.

We believe that our true success is not demonstrated through the business of health care but rather in our philosophy of service. Our core values are rooted in providing patients with absolute honesty, integrity, care, kindness, respect, and willingness to help in all capacities of their care.

Through our collaborative partnership and alliance with Urgent Care Extra, we are confident that we meet and exceed the standards and requirements outlined in the request for proposal through not only our aligned business processes but our compatible core philosophies which is based on four words - *In Service of Others*. By way of this alliance, STI-Urgent Care Extra is able to offer the Glendale employees and others with convenient onsite occupational health services and off site urgent care, medical and physical therapy locations convenient to where they may live and work throughout the area.

STI has a long history of providing health, medical and rehabilitative care to the people of Arizona. We started over 30 years ago with the City of Phoenix Fire Department helping them establish one of the country's best and most respected industrial medical programs. Since we have expanded our work to include many other valley fire departments and large employers like the City of Phoenix, State of Arizona and Rural Metro Corporation to name a few. I am confident no one can offer the combined level of experience our group does with public safety officials.

We were involved in the early stages and planning of the Glendale Health Center in 2008-2009. And, we have been proudly leading and managing the Center since. My hope and belief is that we will continue in this role – *In Service of Others*.

In closing we want to express our thanks, appreciation, and gratitude for your time and consideration of our efforts in the development and presentation of this proposal.

Respectfully,

James L. Maher
President
Strength Training, Inc.

CORPORATE

17233 N. Holmes Blvd., Suite 1650 – Phoenix, AZ 85053 – 602-547-1847 – Fax 602-547-0809

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5.0 OFFER SHEET

5.1 OFFER Offeror certifies that they have read, understand, and will fully and faithfully comply with this solicitation, its attachments and any referenced documents. Offeror also certifies that the prices offered were independently developed without consultation with any of the other Offerors or potential Offerors.

 <hr/> Authorized Signature James Maher <hr/> Printed Name President <hr/> Title 602-547-1836 <hr/> Telephone Number j.maher@stirehab.com <hr/> Authorized Signature Email Address	Strength Training Inc DBA STI Therapy Division <hr/> Company's Legal Name 17233 N Holmes Blvd Suite 1650 <hr/> Address Phoenix, AZ 85053-2030 <hr/> City, State & Zip Code 602-547-2806 <hr/> FAX Number 5/19/14 <hr/> Date
--	--

For questions regarding this offer: (If different from above)

Mark Hyland	602-547-1836	602-547-0508
<hr/> Contact Name	<hr/> Phone Number	<hr/> Fax Number
m.hyland@stirehab.com		
<hr/> Email Address		

FEDERAL TAXPAYER ID NUMBER: 860574338

Arizona Sales Tax No. N/A Tax Rate _____

Offeror certifies it is a: Proprietorship ___ Partnership ___ Corporation X

Minority or woman owned business: Yes ___ No X

	SOLICITATION NUMBER: RFP 14-07 MEDICAL OCCUPATIONAL HEALTH SERVICES AT GLENDALE HEALTH CENTER	CITY OF GLENDALE Materials Management 5850 West Glendale Avenue, Suite 317 Glendale, Arizona 85301
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6.1

PRICE SHEET

6.2 SERVICE FEE

ITEM	DESCRIPTION OF SERVICE	COST
1	Appointments Scheduling: Same Day	No Charge
2	Annual Physical Exams	See Attached
3	CBD with Diff (Complete Blood Count)	\$ 14.00
4	CMP (Comprehensive Metabolic)	\$ 10.00
5	Coordinate/Bill Worker Compensation Claims	No Charge
6	DOT/CDL Physical Exams	\$ 45.00
7	DOT/Non-DOT Drug and Alcohol Screens	\$ 35.00
8	AZPOST Drug/Alcohol Screens	\$ 35.00
9	EKG	\$ 50.00
10	Employee Assistance Program referral	No Charge
11	Flu Shots	\$ 25.00
12	Functional Movement Test (Fire/Police) Included in the Fire physicals	\$ 100.00
13	Immunizations & Injections	See Attached
14	Initial Fracture Care	20% off ICA fee
15	IV Hydration	20% off ICA fee
16	Lab Draws/Testing (CLIA)	\$ 15.00
17	Lift Test	\$ 70.00
18	Occupational Therapy	20% off ICA fee
19	On-call Services for Post-Exposure Prophylaxis (PEP)	\$ 50.00 per Call
20	Evaluation and treatment of first aide injury	\$ 25.00
21	Evaluation and treatment of initial workers' comp injury	20% off ICA fee
22	Follow up treatment of workers' comp injury	20% off ICA fee
23	Pharmacy	N/A
24	Physical Therapy	20% off ICA fee
25	PPD (TB Skin Test)	\$ 15.00

Company Name STI



SOLICITATION NUMBER: RFP 14-07
MEDICAL OCCUPATIONAL HEALTH SERVICES
AT GLENDALE HEALTH CENTER

CITY OF GLENDALE
Materials Management
5850 West Glendale
Avenue, Suite 317
Glendale, Arizona 85301

ITEM	DESCRIPTION OF SERVICE	COST
26	Pre-employment Physicals	See Attached
27	Prostate Exams	\$ 50.00
28	Auditory Function Tests	\$ 25.00
29	Vision Tests	\$ 10.00
30	Public Safety Physicals (Police & Fire)	See Attached
31	Pulmonary Function Tests	\$ 55.00
32	Radiology (administer in-house, send out for reading)	20% off ICA fee
33	Randomizing of Drug & Alcohol Screens	\$ 50.00
34	Routine Hearing Services (CDL Requirements)	\$ 20.00
35	Routine Vision Services (CDL Requirements)	\$ 15.00
36	Sick Visits	Copay/Coins
37	Spirometry (lung function) (Fire/Police)	\$ 55.00
38	Stress Tests	\$ 150.00
39	Surgical Procedures (Minor: Sutures, etc.)	20% off ICA fee
40	Urinalysis (for CDL, Random, Etc.)	\$ 10.00
41	Walk-In Services: Non-worker's comp	Copay/Coins
42	Feel free to list additional services we have left out.	See Proposal
43	If you have a Lab contract please provide the Lab testing capabilities. List associated pricing , by CPT code, in your Cost Proposal.	Contracted out @ negotiated
44	Please describe your quality assurance program or process.	See Proposal
45	Would you be willing to offer a discount for annual public safety physicals to the Glendale Regional Public Safety Training Center partners? If so, please include the discounted price. (Partners: Avondale Fire, Peoria Fire, Surprise Fire, Glendale Fire/PD, MCCCCD)	20% \$ 575.00

6.3 DISCOUNT/PAYMENT TERMS: The City standard is 2% 20 days

Comply: YES NO

If your answer is NO, please state terms offered: _____

6.4 TAX AMOUNT Do not include any use tax or federal tax in your proposal. The City is exempt from the payment of federal excise tax and will add use tax as applicable.

Company Name STI

RFP 14-07 Price Sheet Addendum

Physicals

Fire Fighter	\$575
Police-AZ Post baseline	\$360
Police-AZ Post annual	\$280
Police-EOD (new & existing)	\$430
Police-Reserve	\$400
Police-Existing SWAT	\$270
Police-New SWAT	\$430
EMS-NonSworn	\$350
No Show Physical	\$80

Immunizations

Hep A	\$54.00
Hep B	\$51.00
MMR	\$55.00
TdaP	\$40.00
Varicella	\$70.00
Td	\$25.00
Hearing Conservation with audiogram	\$28.00
Review of Respiratory Questionnaire	\$10.00



SOLICITATION ADDENDUM

CITY OF GLENDALE
Materials Management
5850 W. Glendale Avenue
Suite 317
Glendale, AZ 85301
Phone: (623) 930-2866

Solicitation Number: RFP 14-07 Addendum #1 Page 1 of 1

REVISED: Solicitation Due Date: May 21, 2014 2:00 P.M. (Local Time)

**MEDICAL OCCUPATIONAL HEALTH SERVICES
AT GLENDALE HEALTH CENTER**

The solicitation due date has been revised from May 8, 2014 to May 21, 2014, 2:00 p.m., local time.

The balance of the specifications and instructions remain the same. The Offeror must acknowledge receipt and acceptance of this addendum by returning the entire addendum with the proposal submittal.

Name of Company: STI

Address: 17233 N. Holmes Blvd., Ste 1650, Phoenix, AZ

Authorized Signature: *[Signature]*

Print Name and Title: Clinical Director



&



Response to Request for Proposal to provide:

**City of Glendale
Materials Management
5850 West Glendale Ave., suite 317
Glendale, Arizona 85301**

**MEDICAL OCCUPATIONAL HEALTH SERVICES AT GLENDALE HEALTH
CENTER
SOLICITATION NUMBER: RFP 14-07**

May 20, 2014

**Jim Maher
STI Rehab**

**Dr. Kevin Ladin
Urgent Care Extra**

**Dr. Robert Levitin
Medical Director**



City of Glendale Wellness Clinic Executive Summary

STI Physical Therapy & Rehabilitation appreciates the opportunity to provide this Proposal for Medical/Occupational Health Services at the Glendale Health Center, which operates out of the Glendale Regional Public Safety Training Center. STI has more than 50 combined years of established trust in meeting the workforce health needs of major corporations and government agencies. Strength Training is highly qualified and well positioned to provide the services requested. STI has associated with Urgent Care Extra for this proposal to expand the offering to include their locations as additional healthcare service sites. This response contains customized recommendations and suggestions specific to your business needs and requested services.

Strength Training & Urgent Care Extra are proven experts in proactive injury/illness prevention initiatives and cost-effective programs.

The Mission is to serve the community with high quality cost-effective occupational health, urgent care, and rehab services to enhance employee health and reduce your financial exposure to work-related injury claims.

The Vision is to effectively and efficiently meet health care needs provided by compassionate and quality driven experts

The Culture creates an environment that exemplifies commitment to the best quality patient outcomes.

This proposal identifies a customized solution for the City of Glendale Health Clinic to provide evaluations and services that improve the health of your employees and protect your communities.

STI's top priority is to provide the highest quality product offering based on service and quality performance. STI's representatives are available to meet with you to review our proposal, answer questions, and to discuss how the services described can be implemented in an efficient and cost-effective manner.



Vendor Response:

OVERVIEW

STI and their associated partner Urgent Care Extra can provide personalized occupational health care services at the Glendale Health Center and throughout their combined network of 51 clinic locations (Attachment A provides all clinic locations). The Associated Group delivers primary and rehabilitative care, including diagnosis, treatment, and management of work-related illnesses. They are experts in proactive injury/illness prevention initiatives and cost-effective programs. The Associated Group is able to also provide a full complement of non-injury, employment-related health services, including physical examinations, pre-employment physical exams, substance abuse testing, job-specific return-to-work evaluations, employee wellness, functional capacity evaluations, injury specific rehabilitation programs, and other related services.

The associated group is able to also provide Urgent Care Services in fourteen valley locations, including three in the city of Glendale. They are experienced in all areas related to OSHA regulations, NFPA Standards, DOT physicals and POST guidelines. The affiliation with Urgent Care Extra enhances employees, family members and associated member agencies with easy and convenient access to urgent care and occupational health services. This affiliation extends the reach of the Health Center and will assist the City to minimize lost time and productivity from work duties.

As an experienced provider of employee health services, we are able to offer a full array of treatment options and solutions that enhance the health of your employees as well as ensure their recovery. We offer the ability to provide statistical information that identifies trends and potential predictions of employee health issues. We ensure that through our system efficiencies, we are focusing on reducing your healthcare costs while providing the best treatment with the best outcomes.

STI is the incumbent and has been responsible for the management of the Health Center since its inception in 2009. STI offers an innovative solution to resolve the issues of inadequate health care coverage in the area of employee health and urgent care services for the Glendale employees and families. STI offers the experience of over 40 years of providing Occupational Health services with the association of extensive coverage and knowledge of providing Urgent Care services. This affiliation offers to transform your services into a more efficient management and utilization of your health care dollar.



STI rehab was established in 1987 and currently provides rehab and preventative health services to the City of Phoenix (awarded by competitive bid), State of Arizona, Rural Metro Corporation, City of Tempe, City of Glendale Fire Department, multiple school systems throughout the valley and thousands of injured workers.

STI employs 100 people statewide in 10 clinic locations. And, offers an extended network of 150 plus physical therapy and rehabilitation clinics throughout the state. STI has been the leader in medical rehabilitation, fitness, wellness and health services for firefighters and first responder personnel 1981. Our excellent reputation with valley fire and police departments is longstanding. We often are approached by outside agencies and providers requesting information and education. The fact is, there is no local provider who can match the level of experience and knowledge that the STI group has with public safety personnel. This familiarity with fire and police personnel cannot and should not be understated since the Glendale Health Center primarily serves this population.

Though occupational and urgent care medicine are newer service lines for STI we are no less capable. Under our leadership, management and partnership with Glendale Fire, the City and Scottsdale Healthcare the Health Center has grown to be a successful venture. If awarded this contract we expect to continue our work and expand the reach of the Health Center even further.

Urgent Care Extra was established in 2003 and currently provides urgent care, including occupational injury care and examinations, in 41 locations in multiple states. It employs 200 throughout the valley with three Glendale locations.

The Affiliated Group is led by the following individuals who will assume key roles in the servicing of this contract (CV's Attached):

STI Rehab's President and Owner is **Jim Maher**. Jim is a former Glendale fire fighter who opened the first STI clinic in 1981. Jim has over 30 years in working with injury prevention, rehab and wellness programs. He is an Arizona native and is well respected within the Arizona work comp community. Jim was instrumental in the opening of the City of Phoenix Fire Health Center. More recently Jim was instrumental in the start-up, implementation and management of the Glendale Health Center and has maintained his involvement.

STI's Occupational Health Medical Director is **Robert Levitin, MD**. He is Board Certified in Occupational Health with a long history of providing medical surveillance physicals, injury care, and preventative medicine for area employers.

STI Rehab's **Mark D. Hyland, OTR/L, CHT** has been the Clinical Director since 1994. Mark is a licensed occupational therapist, certified hand therapist and Diplomate of



the American Board of Disability Analysts. Mark has lead the clinics growth in quality and expertise while serving as a consultant for multiple companies in the area of injury prevention and education, utilization and quality occupational rehabilitation services. In 1994/95 he designed the firefighter specific functional evaluation used to this day to help determine work fit status of injured firefighters.

Kevin Ladin, MD is board certified in physical medicine and rehabilitation and pain management. He has been a long time and well-respected physician in the local workers compensation community. Dr. Ladin is the Medical Director for occupational health and medicine service for Urgent Care Extra. Adding the specialty of physical medicine and rehabilitation enhances the services already being provided at the Health Center and makes them quite unique.

STI will administer all testing according to NFPA 1582, OSHA and P.O.S.T. standards. We have written protocols for each OSHA standard including the testing (surveillance examinations, pulmonary function, audiometric and laboratory). We will follow the testing requirements set forth by the city. We also ensure that all personnel have the appropriate certifications to perform all testing, including audio, pulmonary function and stress testing.

In addition, STI personnel are well familiar with the *Fire Service Joint Labor Management Wellness/Fitness Initiative*. They will use the Initiative as a guide to providing and implementing the health and wellness services of the Center.

AMINISTRATION OF CONTRACT

STI will ensure that comprehensive occupational health, wellness and urgent care services will continue to be made available at the Glendale Health clinic and the Urgent Care Extra sites.

We agree to all Contract Goals as dictated by the Request for Proposal #RFP 14-07, including but not limited to Insurance requirements, Billing notices, Safety standards, Surety Bond, facility licensing and accreditation, etc..

If awarded the contract, STI intends to meet with designated City of Glendale representatives to review the testing protocols and examination components. STI will enter the components into our database whereas all protocols will be available to STI providers. Included in the protocol development are service costs, communication of results, and billing information. Completed ICA form 102 will be submitted to the Risk Management Department immediately following treatment.



Just as has been occurring currently, STI will provide detailed invoices for non-injury care. Injury care is billed according to the ICA fee schedule and a 20% discount is taken at time of payment. All billing is generated on a daily basis. In the event that a billing issue should arise, the issue will be addressed immediately and re-billing will occur if indicated.

STI has identified Mark Hyland as the project manager for this offering. Mark Hyland is the Clinical Director of STI. Mark has over twenty years of experience in the management of occupational health and safety programs. He has been with STI since 1994. He has overseen the growth of the clinics and the quality programming. Mark was the architect of the Department of Corrections and City of Phoenix Housing Departments injury prevention and onsite exercise programs.

* STI shall report any changes in key personnel in writing to the Contract Administrator within ten working days of change. Key personnel are defined as doctors, physician's assistance, nurse practitioners, care coordinators, and/or assigned account representatives to the City of Glendale.

SERVICE TECHNICAL SPECIFICATIONS AND REQUIREMENTS

STI understands that the City desires the successful bidder to:

- 1.1 STI will provide a sealed proposal to provide medical/occupational health services at the Glendale health Center. Through the agreement with Urgent Care extra, additional sites for occupational health care can also be utilized. Per the RFP section 2.7 this will improve access for employees lessening time of from work.
- 1.2 STI will coordinate with all other public safety agencies to coordinate and schedule needed medical services.
- 1.3 STI will provide occupational health injury and illnesses services to the City of Glendale at the Glendale Regionals Safety Center as well as through the additional Urgent Care Extra locations. The list of all locations is attached, there are three Urgent Care locations in the West Valley, Glendale area. All locations will efficiently provide first aid, initial visits for industrial injuries and follow-ups, and when necessary referrals to specialists.
- 1.4 &
- 1.5 STI and Urgent Care Extra will efficiently provide all required medical services at the Health Center that will include the provision of medical staffing; physicians, nurses, physician assistants, physical/occupational therapists and technicians that will provide DOT, AZ POST, drug and alcohol screening, hearing and vision testing, CDL, pre-employment physical exams



- 1.6
- 1.7 in accordance with OSHA Regulations, annual physical health, respiratory protection, and other medical evaluations for City employees and firefighters.
- 1.8
- 1.9 All Firefighters physicals will be done in compliance with NFPA guidelines. STI has great expertise in the areas of rehabilitation, health, functional movement screening and fitness. They will use their knowledge and experience to provide all needed interventions and education.
- 1.10 STI through their association with Urgent Care Extra is fully able to provide Urgent Care services at the Glendale clinic site as well as the additional locations. The association with the Urgent Care clinics can greatly reduce the costs associated with emergency room usage. Urgent Care Extra services are at an average of \$100 per visit versus the \$1000 a visit for Emergency Room services. Urgent Care Extra clinics are open 7 days a week for 14 hours per day.
- 1.11 STI will provide all fire fighter physicals in the efficient manner that allows minimal disruption to on-duty members. Fire fighter physicals will continue to be scheduled Tuesdays through Thursdays.
- 1.12 &
- 1.13 STI will provide evaluation and treatment of industrial injuries for all Glendale employees as well as fire agencies. They will treat patients and provide referrals when appropriate. STI will work closely with City of Glendale Human Resources & Risk management as they oversee the Industrial Injury Program.
- 1.14 STI & Urgent Care Extra are members of the BCBSAZ network. They agree to enter into and maintain an agreement with whomever the city of Glendale deems as their healthcare network provider.
- 1.15 STI will provide the staffing of two part-time doctors (one serving as director), one full-time physician's assistant, one full-time registered nurse, one full-time certified radiology technician, one medical assistant and patient care manager. STI will add additional staffing as workload dictates.
- 1.16 STI will maintain the hours as Monday-Friday from 7:30 am to 5:00 pm.
- 1.17 STI can accurately utilize all equipment provided and will utilize their contracted lab for analysis and x-ray sent to an outside radiologist.
- 1.18 STI can support the Glendale Health Center workload as well as provide for additional urgent care needs at the Urgent Care Extra Sites.



2.0 Scope of Services by Contractor

2.1 - 2.9

STI is able to provide medical services and exams for firefighter, police, police special units, non-sworn EMS personnel, retirees, new employee physicals and CDL/DOT exams in a timely and efficient manner. STI and Urgent Care

Extra will work in close relationship with the City and any other contractors to be sure all timelines and specifications of this contract are met.

Dr. Levitin, STI Medical Director, has over 30 years' experience in occupational health medicine. He is a certified occupational medicine physician, and a MRO. He can ensure that all Medical Exams, drug & alcohol screening, hearing conversation, DOT testing and post exposure prophylaxis meet all necessary standards.

STI has been providing occupational rehabilitation along with Functional Capacity Evaluation's since 1993. They have the capabilities to work with each agency to meet all job related requirements for functional and performance based testing.

Through the association with Urgent Care Extra, STI will be able to provide both urgent care walk in services and preventative services on-site and in multiple additional locations. STI will provide a 24 hour hotline for exposed city of Glendale personnel and well as act as the Infectious Control officer to manage current and future public safety entities.

STI will work closely with other City contractors including the HFFD personnel. STI recognizes the importance of these collaborations to the overall success of the Center and the members it will serve.

All staffing & scheduling requirements will be met as previously discussed.

2.10.1 - 2.10.1.8 Contractor Qualifications

STI, as well as Dr. Levitin and Ladin have more than 50 years' of combined experience in planning, implementing and managing employer-sponsored health & wellness clinics. These clinics have included local on-site clinics for clients with more than 2500+ lives.



STI & Dr. Levitin were both instrumental in the initial development of the Glendale Health Center. STI has continued its involvement in its management and providing of services. They have had experience with providing occupational health programs for police and fire sworn employees since the 1981. As mentioned previously in this proposal, STI is well familiar with the IAFF/IAFC Wellness Fitness Initiative and will use this document for establishing its guidelines and polices.

STI has long had relationships with government agencies. These associations have been both informal and through a competitive bidding process. Our long time relationship with the State of Arizona, City of Phoenix, Glendale and Tempe are some good examples. And, we have a long history of proudly serving valley fire departments and firefighters for over 30 years.

The group has an established working knowledge of all required DOT physical components and standards. In addition, STI and Dr. Levitin have extensive experience with OSHA regulations & the Industrial Commission of Arizona policies and procedures.

2.10.2 Other Requirements

STI & Urgent Care Extra will follow all additional requirements. A nurse will be assigned to triage all worker's compensation injuries. As well as ensuring that a MD or DO is involved in the 3rd occupational injury visit. The public safety physicals will be conducted as previously discussed. All required employee documentation will be provided by the end of each business day to Glendale Human Resources and Risk management.

STI has and will continue to provide care coordination services to the Centers clients and patients. An important duty in this role is to quickly and efficiently assist in getting specialist appointments within 24-48 hours. In fact, when STI's specialty referral network is utilized appointments can sometimes be scheduled on the same day. STI believes in the early, aggressive correct care model when managing industrial injuries. The evidence is clear this approach is effective at reducing injury costs and costs associated with lost time.

STI is in full agreement that a regular meeting is essential to the smooth running of the clinic operations.



2.11 Billing and Payments

STI & Urgent Care Extra will follow all billing requirements. They will provide all needed subcontractors, as well as disposable supplies. STI has been providing all accounting, managing of billing for services at the clinic to date and can efficiently continue. All services will be billed at agreed-to prices.

2.12 Electronic Medical Records/Computer Systems

STI will provide all needed computers and establish a secure network connection. STI will ensure that the EMR will provide all needed reports, documents, and statistical information as required by the City of Glendale.

2.13 Facilities Use

STI will be responsible for any damage to the Health Center facilities and equipment damaged by STI employees, guests, or agents. STI will purchase any needed equipment not provided to ensure that all required components of care are completed. STI will work cooperatively with the

City of Glendale and Fire officials to provide access to the facility by authorized personnel.

STI will follow all required access and security components to the Glendale Health Center and agree to be responsible to provide competent personnel to service this contract.

2.14 Facility Lease

STI will pay the monthly lease of \$7500 per month.

6.0 Quality Program

To ensure quality STI has an established program that ensures that policies and procedures are followed and outcomes match expectations.

All personnel are trained in the outlined policies and held accountable to their adherence. Medical Records are reviewed by the Medical Director for quality



outcomes. All documentation by a Physician Assistant is reviewed and co-signed by the overseeing physician.

Quality Management Process

A plan is established, documented, and implemented for an ongoing quality management program that, at a minimum, includes:

- a. A method to identify, document, and evaluate incidents;
- b. A method to collect data to evaluate services provided to patients;
- c. A method to evaluate the data collected to identify a concern about the delivery of services related to patient care;
- d. A method to make changes or take action as a result of the identification of a concern about the delivery of services related to patient care.

STI also provides for each contracted client a care coordinator that tracks and monitor all cases for quality. Cases in question get referred to our peer review service, medical director and clinical manager when care extends beyond what would normally be expected. The medical criteria triggering review usually depend upon the type of injury, diagnosis, occupational physical demands of the work and surgical status to name a few.

Health Center staff will be continuously evaluated to ensure the highest level of service and efficiency is being offered to its clients.

STI looks forward to answering any questions related to this proposal, their experience, or their management of the Glendale clinic.

STI Principal Contact:
Mark Hyland
Clinical Director
m.hyland@stirehab.com
(602) 349-2547

**CITY OF GLENDALE WELLNESS CLINIC
VENDOR QUESTIONNAIRE**

VENDOR NAME: STI and Urgent Care Plus

1	Provide the length of time your firm has been in business providing the same services as proposed.	STI has been in business as a local premier medical rehabilitation company since 1987. In 2009, we expanded our services to include management of occupational health and wellness services.
2	What are the primary services offered by your organization?	Physical, occupational, hand therapies, fitness, wellness, occupational rehab, occupational medicine.
3	How many existing on-site clinics do you currently operate? Describe how many days/weeks they have each been operational.	Two. The GRPSTC Occupational Health and Wellness Clinic. It has been operational since 2009, 5 days a week. And, STI has an onsite therapy clinic located onsite at the Phoenix Fire Dept. Health Center.
a	What is the average tenure of your on-site clinic clients?	Both clinics are ongoing for 3 plus years.
b	How many of these clinics service local (City, County, or State) governmental entities?	Two. As described in item #3.
c	How many of these clinics are located within the State of Arizona? Where?	One. The GRPSTC Occupational Health and Wellness Clinic.
4	Do you provide all services internally or are any services sub-contracted? If sub-contracted explain details.	Internally. The only services that will be subcontracted will be for radiologist, lab, cardiologist, and orthopedic specialists.
5	Include your company's most recent Financial Report with your proposal.	see attached
6	Who is legally at risk for all liability issues?	STI
7	Provide details as well as outcome of all Malpractice claims/lawsuits against your company in the last 5 years.	No malpractice claims or lawsuits.
8	Describe the types of complaints your organization has received in the past five (5) years.	We rarely receive service related complaints. However, when we do it usually is a misunderstanding of some sort. A review is completed by management to see how we can learn and improve.
9	Describe any accreditations held that are specific to your programs.	The clinic will be licensed and accredited through the AZ Dept. of Health Services.
10	Provide three (3) current client references.	see attached proposal
11	Provide any other information that the Proposer believes would be helpful to the City in the evaluation of the Proposer's ability to provide the services in this RFP.	STI has formed a strategic alliance with Urgent Care Extra. This will allow us to extend the onsite services at the Glendale Clinic to include off site urgent care and occupational med services after hours services 7 days a week. This will improve access for members and reduce costs of delivering health care due to the reduction of high cost ER usage.
B	Staff Information	

CITY OF GLENDALE WELLNESS CLINIC VENDOR QUESTIONNAIRE

VENDOR NAME: STI and Urgent Care Plus

1	Do you currently have the appropriate staff to accommodate the Scope of Services? Please outline any deviations and/or recommendations from the Scope and explain how the staffing requirements will be met by implementation.	Yes. We have all staff required and will add a physical or occupational therapist.
2	Provide the name, office location and qualifications of the person who will be managing the billing.	GayLee Smith. She has been a dedicated and trusted employee of STI for 25 yrs. She currently offices at the Health Center and will continue if we are awarded the contract.
3	Describe your account management team. Who will be responsible for the account and who will be the day-to-day contact? Where will these personnel be located? Provide a brief description of their experience and years with your organization.	GayLee Smith. She has been a dedicated and trusted employee of STI for 25 yrs. She currently offices at the Health Center and will continue if we are awarded the contract. Mark Hyland will oversee the account and will office part-time at the Health Center.
4	Provide and describe in detail your firm's staffing model based on the information provided. Include descriptions of all staff to be assigned to the clinic, including what degree earned, years of experience, professional association memberships and areas of speciality.	The staffing model will be a medical model with the Medical Director taking the lead to manage and provide direction. This position will be supported by the team of professionals and paraprofessionals. The department will have corporate administrative support and day to day operations will be overseen by the Charge RN.
5	Provide a narrative description of the organization of the project team.	The Glendale clinic will be overseen by a Medical Director and supported by a corporate Administrator. The Medical Director will work with the medical professionals and paraprofessional to ensure all quality and guidelines are met. The Administrator will work to ensure all partnership agreements are upheld and all needed services are provided timely and efficiently. They will work to ensure that any & all issues are quickly resolved. The Charge Nurse will report to the Medical Director and will monitor the day to day operations for quality and efficiency. All members of the team will work together to ensure quality and strong customer service are maintained and delivered.
6	Provide an organizational chart, specific to the personnel assigned to accomplish the work described in your offer, that illustrates the lines of authority and designates the individual responsible and accountable for the completion of each component and deliverable of the RFP. Include resumes, certifications, and qualifications.	See attached organizational chart and resumes. All personnel will be licensed in their respective fields. All will maintain current licensure. The Medical Director is certified in Occupational & Environmental Medicine.
C	Administrative	

CITY OF GLENDALE WELLNESS CLINIC VENDOR QUESTIONNAIRE

VENDOR NAME: STI and Urgent Care Plus

1	<p>Describe in detail the steps and schedule/timeline needed to implement the City's clinic including key goals and objectives.</p>	<p>Needed components to begin operations Our plan in implementation can be broken into system and personnel components.</p>
3	<p>Describe your process for scheduling and prioritizing appointments.</p>	<p>Scheduling will be set up so that there is open access for all employees to utilize the clinic on a walk in basis for urgent Care and Worker's Compensation needs. Adequate staffing will be provided so that on 8 Fire Fighter physicals can be scheduled on each Tuesday-Thursday. Additional Staffing will be provided on those days to assist with any other physicals, walk-in, or follow-up appointments that need to occur. All staff will be trained in all areas, within their scope of practice, so that high quality and efficiency will be maintained.</p>
5	<p>Submit a sample of your monthly invoicing based on the program offered to the City.</p>	<p>see attached this section</p>
D		
Reporting and Measurement Tools		
1	<p>Explain firm's reporting capabilities for utilization and types of visits. Attach sample standard reports.</p>	<p>Reports can be provided through the EMR that provide any sort of utilization that was completed. STI will utilize OHM the same EMR that is currently in place.</p>
2	<p>Describe your standard management reports. Please provide examples of reports that you would provide the City.</p>	<p>Sample reports can include aggregated data related to services provided. Examples # of visits, # of Immunizations, # of first aid, # of work comp, # of hrg tests, etc..</p>
3	<p>Describe your custom reporting capabilities. Please provide a recommendation and examples of reports that you would provide the City.</p>	<p>Specific reporting is available through the EMR that can provide aggregated data and even forecasting data as to who and when medical surveillance testing is required.</p>
4	<p>Are your standard management reports real time? If not, how often will reports be updated and how frequently are they made available?</p>	<p>yes, Weekly, monthly, or daily reports are available</p>
5	<p>Describe your on-line reporting capability.</p>	<p>OHM is a web-based system. Lab documents, x-ray reports can all be electronically sent into the system for efficiency and accuracy. There are also capabilities for table randomization for urine drug screening.</p>
6	<p>Describe the frequency and how employees of the clinic are evaluated for quality standards?</p>	<p>All Physician assistant documentation is reviewed an signed off by a supervising physician. All physical forms are reviewed by two persons prior to completion. Quality assurance measures also random review up to 20 charts per month for quality standards.</p>
7	<p>Describe what measures you use to review performance for Physicians, Nurses, Medical Assistants, and Clerical Staff.</p>	<p>Performance evaluations are completed annually for all staff.</p>

CITY OF GLENDALE WELLNESS CLINIC VENDOR QUESTIONNAIRE

VENDOR NAME: STI and Urgent Care Plus

8	Describe employee satisfaction measurement process and provide sample reports.	Annual employee satisfaction surveys are conducted. STI also provides an open door policy and a no-blame culture to ensure ongoing process improvement
9	How would you propose measuring the outcomes and success of the overall program?	Outcomes and success can be measured by customer satisfaction as well as established quality measures. Additional success would be measured through a noted reduction in work comp costs, off-duty days, and an increase in first aid only care. Additional success can be measured by a reduction in overall health care dollars for the city of Glendale.
10	Please describe how you would measure the cost-effectiveness of the City's Clinic.	Cost-effectiveness can be measured by a reduction in worker's compensation costs, lost time/productivity, re-injury rates and healthcare utilization costs.
11	a) What level of cost-effectiveness for the Clinic are you willing to guarantee?	STI can guarantee a 1st year reduction of 10% worker's compensation costs, and up to 20% every year after.
11	Describe the billing practices you plan to implement.	Both invoice and direct billing will be implemented
12	What performance guarantees with fees at risk would you be willing to enter into (i.e. Implementation / Satisfaction)? Please provide how performance would be measured and the amount of fees you're willing to put at risk.	STI is prepared to reduce fees by 10% for any service provided that did not meet the quality measures and was substantiated.
E	Clinical Services - Preventive Care	
1	Please describe your philosophy for providing preventive care.	STI has been a long time component of health and wellness. They have provided wellness services through fitness programs and exercise since 1981. The company strongly emphasizes the need for preventative care for not only its customers but its employees, by providing education, flu shots, and in-house wellness opportunities.
2	Please describe your Clinic model. How does it differentiate from your competitors?	STI's model is based on open communication and strong customer satisfaction. They strive to anticipate the needs of the client and always exceed expectations. They are a small company and so there is not cumbersome bureaucracy to slow down the need for change if it is needed. The owners are personally invested into only quality patient outcomes but in the community itself.
3	What services do you believe would provide the greatest return on investment?	For the City of Glendale the greatest return on investment are any services that focus on wellness and prevention. Research has and continues to show that for every dollar spent in this area the return is up to \$3.

CITY OF GLENDALE WELLNESS CLINIC VENDOR QUESTIONNAIRE

VENDOR NAME: STI and Urgent Care Plus

4	What is the average time your clinical providers (e.g., doctor, nurse practitioner) spend with a patient?	The average amount of time spent with a patient is 30-45 minutes for examinations, 10-15 minutes for follow-up care, up to one hour for annual physicals.
5	Describe your plan for continuity of services if a member of the medical team is not available on a given time or day.	There will be available back-up providers and staff as the clinic will have both full and part-time staff that can be called in as needed to cover for both sick and vacation time.
6	How do you propose that the City employee should pay for services (claims? copayment? free?)	City employees would only be required to pay the co-pay for urgent Care services if it is required by the City or the insurance company.
7	Do your physicians typically have hospital privileges? If so, where?	Hospital admitting privileges but they do not see patients in the hospital
8	How will you ensure that your staff is well-versed in the City's and other clinic users health plan design and network providers?	All protocols will be written and staff will be educated on those. The Care Coordinator will communicate with the staff and the city to ensure all protocols.
9	Provide a personnel roster for operation of the clinic that identifies the following for each position:	STI agrees to meet or exceed the staffing as outlined in the RFP 9.0 Exhibit B.
	a Title of position	see attached org chart
	b Qualifications of the position	see attached resume
	c Itemize the number of estimated hours for each position identified above as well as suggested work schedule.	STI agrees to meet or exceed the staffing as outlined in the RFP 9.0 Exhibit B.
10	Please indicate which of the following services you will provide and describe any limitations:	
	a Appointments Scheduling: Same Day	Yes if patient, injured worker or client is able
	b Annual Physical Exams	yes
	c CBD with Diff (Complete Blood Count)	yes
	d CMP (Comprehensive Metabolic)	yes
	e Coordinate/Bill Worker Compensation Claims	yes
	f DOT/CDL Physical Exams	yes
	g DOT/Non-DOT Drug and Alcohol Screens	yes
	h AZPOST Drug/Alcohol Screens	yes
	i EKG	yes
	j Employee Assistance Program referral	yes
	k Flu Shots	yes
	l Functional Movement Test (Fire/Police) Included in the Fire physicals	yes
	m Immunizations & Injections	yes

**CITY OF GLENDALE WELLNESS CLINIC
VENDOR QUESTIONNAIRE**

VENDOR NAME: STI and Urgent Care Plus

n	Initial Fracture Care	yes
o	IV Hydration	yes
p	Lab Draws/Testing (CLIA)	yes
q	Lift Test	yes
r	Occupational Therapy	yes
s	On-call Services for Post-Exposure Prophylaxis (PEP)	yes
t	Evaluation and treatment of first aide injury	yes
u	Evaluation and treatment of initial workers' comp injury	yes
v	Follow up treatment of workers' comp injury	yes
w	Pharmacy	yes
x	Physical Therapy	yes
y	PPD (TB Skin Test)	yes
z	Pre-employment Physicals	yes
aa	Prostate Exams	yes
bb	Auditory Function Tests	yes
cc	Vision Tests	yes
dd	Public Safety Physicals (Police & Fire)	yes
ee	Pulmonary Function Tests	yes
ff	Radiology (administer in-house, send out for reading)	yes
gg	Randomizing of Drug & Alcohol Screens	yes
hh	Routine Hearing Services (CDL Requirements)	yes
ii	Routine Vision Services (CDL Requirements)	yes
jj	Sick Visits	yes
kk	Spirometry (lung function) (Fire/Police)	yes
ll	Stress Tests	yes
mm	Surgical Procedures (Minor: Sutures, etc.)	yes
nn	Urinalysis (for CDL, Random, Etc.)	yes
oo	Walk-In Services: Non-worker's comp	yes
pp	Feel free to list additional services we have left out.	
11	If you have a Lab contract please provide the Lab testing capabilities. List associated pricing , by CPT code, in your Cost Proposal.	This service will be sub-contracted out. See pricing sheet.

**CITY OF GLENDALE WELLNESS CLINIC
VENDOR QUESTIONNAIRE**

VENDOR NAME: STI and Urgent Care Plus

12		<p>Quality Management Process</p> <p>A plan is established, documented, and implemented for an ongoing quality management program that, at a minimum, includes:</p> <ul style="list-style-type: none"> a. A method to identify, document, and evaluate incidents; b. A method to collect data to evaluate services provided to patients; c. A method to evaluate the data collected to identify a concern about the delivery of services related to patient care; d. A method to make changes or take action as a result of the identification of a concern about the delivery of services related to patient care. <p>STI also provides for each contracted client a care coordinator that tracks and monitor all cases for quality. Cases in question get referred to our peer review service, medical director and clinical manager when care extends beyond what would normally be expected. The medical criteria triggering review usually depend upon the type of injury, diagnosis, occupational physical demands of the work and surgical status to name a few.</p>
13	<p>Please describe your quality assurance program or process. Would you be willing to offer a discount for annual public safety physicals to the Glendale Regional Public Safety Training Center partners? If so, please include the discounted price. (Partners: Avondale Fire, Peoria Fire, Surprise Fire, Glendale Fire/PD, MCCCD)</p>	<p>yes, 20%</p>
F	<p>Clinical Services - Occupational Health</p>	<p>STI & Urgent Care plus believe that Communication with HR and Risk Management is essential to the success of any work comp program. STI & Urgent Care will provide occupational health services based on the philosophy the a worker is like an athlete. The worker should be rehabilitated to their format level of functioning. Light duty should be implemented and the worker monitored for improvements. All ICA guidelines are adhered to.</p>
1	<p>Please describe your philosophy for providing occupational health care.</p>	

**CITY OF GLENDALE WELLNESS CLINIC
VENDOR QUESTIONNAIRE**

VENDOR NAME: STI and Urgent Care Plus

2	Describe how your organization will handle referrals to specialists.	The case coordinator is responsible for maintaining communication with Risk Management, the treating physician, and the patient. All referrals will be discussed with Risk Management and made based on evidenced based criteria. Referrals to specialist will be managed within a 24-48 hr timeline and will be managed by our care coordinator through our network of the top providers in the area.
3	Please describe your occupational health service capabilities and the types of services which can be addressed on-site and off-site.	All occupational services including worker's compensation, medical surveillance, all physical types, and all wellness programming can be completed at the Glendale clinic. All worker's compensation services, DOT physicals, immunizations, and urgent care services can be provided through Urgent Care Extra.
4	Describe your experience in providing AZ POST Police Officer examinations.	Dr. Levitin has 30 years of Occupational Health service and experience with providing all medical Surveillance
5	Describe how your organization will integrate Worker's Compensation medical services through the clinic.	As they are OCC health and Urgent Care clinics they are well versed in the operations of Worker's compensation and it is already integrated.
G Clinical Services - Pharmacy		
1	Confirm which designated member of your staff who has the ability to write prescriptions will be on-site at all times.	Either a physician or a physician assistant will always be present during open clinic hours. Urgent Care extra will be available every day from 7 am - 7 pm who can also prescribe medication.
2	What type of pharmacy services can you provide?	Through Urgent Care Extra full pharmacy services are available.
3	Please indicate, if any, what prescriptions will be dispensed on-site.	describing, dispensing, and administrating
H HIPAA Compliance and Confidentiality		
1	Describe what practices your organization has in place to protect confidentiality of individual information when electronically transferring information pursuant to HITECH.	We are not familiar with HITECH but STI does and will abide by all rules of the Health Information Portability and Accountability Act (HIPAA).
2	Describe what steps your plan takes to ensure HIPAA compliance.	HIPAA training is required of all employees at initial orientation and annually.
3	What parties will have access to personal health information?	Only those who are providing direct service
4	Describe how confidentiality is assured and how it is communicated to the participants.	HIPAA training is required of all employees at initial orientation and annually.
5	Describe how you will secure patient charts.	In Locked file cabinets

CITY OF GLENDALE WELLNESS CLINIC VENDOR QUESTIONNAIRE

VENDOR NAME: STI and Urgent Care Plus

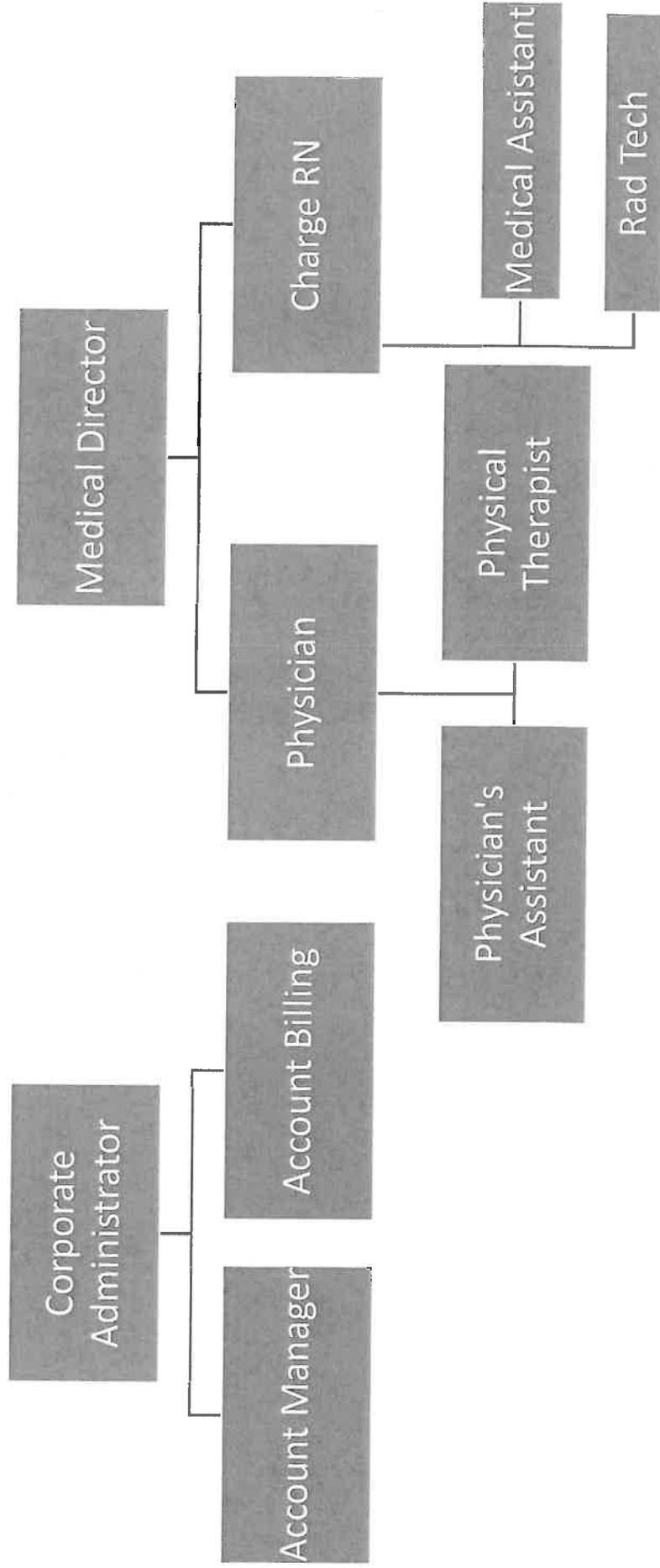
6	Describe how you will secure electronic records.	All EMR is password protected
7	Describe your policy relative to sharing, selling or otherwise utilizing member usage and other member data.	STI does not share or sell any member utilization
8	Indicate what electronic records will be retained by the City upon contract termination	Medical Record Information would be maintained for 20 years unless requested by written request to be passed on to another entity
	Wellness	
1	Describe qualifications, services or other information unique to your organization in the wellness and prevention area.	Dr. Levitin is Board Certified in Health Prevention. All licensed employees will maintain all needed requirements to practice within their scope per Arizona statutes
2	Provide an executive summary of the wellness services your firm provides. All pricing for these services (per member/per month, etc...) shall be included in your Cost Proposal.	Wellness opportunities include, nutrition education, fitness, immunizations, screenings, wellness promotion, and health fairs
3	Describe any biometric Health Risk Assessment tools your organization offers. Provide any associated costs in your Cost Proposal.	This would be subcontracted
4	What assistance in on-site education will you provide as a value-added component of this agreement?	Education can be provided in nutrition, physical fitness, stress management, areas of self-care; age specific exams- prostate screening , breast exams, the need for immunizations, preventing the flu..
5	Please describe your process for maintaining and improving employee wellness.	Ongoing education, health promotion activities, and biometric measurements
6	Describe the methods you use to identify and manage high risk members.	High risk members would be identified through HRA and claims mining
7	What would your participation and contribution be to an annual health fair?	We will happily participate and contribute.
8	Can you provide participation data for the purposes of incentive administration?	This would be subcontracted
9	How would you coordinate with mobile services such as mammograms and prostate screenings?	This would be subcontracted
10	What services/vendors can you integrate? (e.g., biometric screenings, case management, disability, disease management, EAP, eligibility, fitness programs, health plan/carriers, health risk assessment, behavioral health, health and wellness programs, maternity management, utilization management, workers' compensation).	This would be subcontracted
11	How do you propose to leverage or integrate with our existing Wellness Programs?	STI can integrate through educations and assistance with screenings

CITY OF GLENDALE WELLNESS CLINIC VENDOR QUESTIONNAIRE

VENDOR NAME: STI and Urgent Care Plus

12	If possible, how frequently can you export participation files to vendor partners? Please indicate if this service is included in your standard pricing.	This would be subcontracted
13	Describe any coaching programs or initiatives that would be available to participants and your criteria for participation in these programs. Provide any associated costs in your Cost Proposal.	STI can provide coaching on physical fitness and nutrition
14	Will you assist in on-site education as requested?	Yes
J		
Infectious Disease Management		
1	Do you currently have a 24 hour hotline that public safety personnel could utilize if they have experienced a significant exposure? If so, please provide information about the hotline.	Yes. The number and information will be established once the contract is awarded.
2	Do you currently have an Infectious Disease Officer on staff?	yes, Dr. Levitin will act as IDO
3	If you do not currently have an Infectious Disease Officer on staff, would you entertain the option of paying a firefighter or police officer to take on a full-time role and service any west valley agency that requests this service?	Yes
4	How would you charge for this service?	per incident of \$50
K		
Equipment and Supplies		
1	Describe your plan for monitoring inventory and restocking of supplies.	An inventory list of supplies will be maintained and new supplies ordered weekly
2	Describe your organization's process and procedures to collect, secure and dispose of bio-hazardous materials.	All Universal Precaution will be followed with adequate waste receptacles for bio-hazardous. There is established contracted vendor for biohazard waste company
L		
Marketing		
1	How do you plan to maximize participation in the Clinic?	We intend to market a full line of occupational medicine, urgent care, rehabilitation services, wellness and fitness to all public safety entities in the west valley. Our intent is to grow this clinic and the services it can offer.
2	Describe your role and the role of the City in any Marketing Plan.	Marketing plans and ideas will require collaboration with the City. However, the responsibility of execution will be STI's.

Glendale Health Center Organizational Chart



Health Center Billing
 PO Box 43466
 Phoenix, AZ 85080
 623.772.7717
 F) 623.772.7726

Invoice

Date	Invoice #
5/31/2014	103295

Bill To

ACME Fire District Attn: Accounts Payable 12345 S Any Street Township, AZ 85000
--

P.O. Number	Dates of Service
PO-20059-12014	5/1-31/2014

Date	Name	Description	Amount
5/25/2014	Doe, John	Fire Physical-Pre-Placement, Annual TB/PPD test	000.00 00.00
5/25/2014	Smith, James	Urine Drug Screen-up to 134 panel Fire Physical-Pre-Placement, Annual TB/PPD test	00.00 000.00 00.00
5/25/2014	Jones, William	Urine Drug Screen-up to 134 panel Fire Physical-Pre-Placement, Annual TB/PPD test Urine Drug Screen-up to 134 panel	00.00 000.00 00.00 00.00
Total			\$0000.00

REFERENCES

RESPONDENT SUBMITTING PROPOSAL:

ST1 - Urgent Care Extra

1. COMPANY NAME: City of Phoenix
ADDRESS: 135 N. 2nd Ave, Phoenix, AZ 85003
CONTACT PERSON: Debbie Miller
TELEPHONE: (602) 262-4665 E-MAIL ADDRESS: debbie.miller@phoenix.gov
2. COMPANY NAME: Rural Metro Corp / Southwest Ambulance
ADDRESS: 708 W. Baseline Rd., Mesa, AZ
CONTACT PERSON: Tuesday Kramer
TELEPHONE: (602) 655-7399 E-MAIL ADDRESS: Tuesday.kramer@metro.com
3. COMPANY NAME: City of Glendale Fire
ADDRESS: 5800 W. Glenn Dr., Ste 350, Glendale, AZ 85301
CONTACT PERSON: Mark Burdick - Chief
TELEPHONE: (623) 772-7191 E-MAIL ADDRESS: mburdick@glendaleaz.com
4. COMPANY NAME: Arizona Spine Center
ADDRESS: 333 W. Thomas Rd, Ste 202, Phoenix 85013
CONTACT PERSON: Zoran Maric, M.D.
TELEPHONE: (602) 274-0480 E-MAIL ADDRESS: zmaric1@cox.net
5. COMPANY NAME: City of Tempe
ADDRESS: 20 E. 6th St., 2nd Floor, Tempe, AZ 85281
CONTACT PERSON: Chris Hansen
TELEPHONE: (480) 350-2904 E-MAIL ADDRESS: christopher.hansen@tempe.gov
6. COMPANY NAME: Salt River Pima Maricopa Indian Community
ADDRESS: 10005 E. Osborn Rd., Scottsdale, AZ 85258
CONTACT PERSON: David Bunce - Fire Chief
TELEPHONE: (480) 850-8239 EMAIL ADDRESS: david.bunce@srpmic.gov



April 16, 2013

To Whom It May Concern,

I have worked with STI for approximately 17 years. During this time period they have provided services to multiple clients. I have found their therapy services and customer service to be top notch. Their staff is highly trained and very committed to excellent outcomes as quickly as possible. Injured workers are treated with respect and dignity while following the physician's treatment plan. Their utilization review services are also very valuable in driving the right outcomes.

I appreciate their commitment to patient care and optimal outcomes for all involved parties. I plan to continue working with STI for many years to come and do not hesitate to recommend them.

Sincerely,

Deborah S. Baker
Sr. Vice President
West Region

York Risk Services
5353 N. 16th Street, Suite 250
Phoenix, AZ 85016

480.606.5580 **office**
800.890.7418 **toll free**
614.717.6109 **fax**
602.743.5728 **cell**

www.yorkrsg.com



City of Phoenix

PERSONNEL DEPARTMENT

Monday, March 26, 2012

To whom it may concern,

Please allow this letter to serve as a professional recommendation for STI Physical Therapy and Rehabilitation. The City of Phoenix has worked with STI since 2010 when they, and their STICare network, were awarded our occupational physical therapy services contract. I have been very pleased with the service STI has provided our injured employees. The injured workers get treated quickly and are provided a high level of service from STI's dedicated care coordinators, through their clinical group.

In addition, we have seen greater in-network access with their wide area network coverage and alliance with Preferred Therapy Providers. Their care coordinators work diligently and professionally to steer injured workers to network clinics. Because of this, we have realized cost savings in our first year of the contract.

STI offers other services that we find useful and valuable as well. These include their ability to create wellness and injury prevention strategies and programs for our various departments. Their knowledge and expertise as it pertains to the full work injury management continuum from injury to return to work is much appreciated.

Please feel free to contact me should you have any further questions.

Sincerely,

A handwritten signature in cursive script that reads "Dave Booth".

Dave Booth
Safety Supervisor
City of Phoenix Human Resources Department
(602) 262-4665
(602) 534-3978 fax



Elaine Scruggs
Mayor

Ed Beasley
City Manager

MARK BURDICK
FIRE CHIEF

March 29, 2012

To Whom It May Concern:

It is my pleasure to write this letter as a professional recommendation for Strength Training, Inc. (STI) Physical Therapy and Rehabilitation. In 2009, The Glendale Fire Department started a partnership with STI with the inception of the Glendale Health Center. I have been very pleased with the service STI has provided our injured firefighters. The firefighters get treated quickly and are provided a high level of service from STI's dedicated care coordinators, through their clinical group. In addition, the STI Trainers provide exceptional service, during the functional movement screening portion of the annual firefighter physicals, to not only our firefighters but to the other fire agencies that utilize our Health Center. Prior to 2009, Glendale Firefighters have had a long-standing relationship with the STI Physical Therapists and Training Staff as they have provided top level care for their rehabilitative needs.

In addition, we have seen greater in-network access with their wide area network coverage and alliance with Preferred Therapy Providers. Their care coordinators work diligently and professionally to steer injured firefighters to network clinics. Because of this, we have realized cost savings since our first year of the contract.

STI offers other services that we find useful and valuable as well. This includes their ability to create wellness and injury prevention strategies and programs. Their knowledge and expertise as it pertains to the full work injury management continuum from injury to return to work is much appreciated.

Please feel free to contact me at 623-930-4401 or at mburdick@glendaleaz.com if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Burdick".

Mark Burdick



City of Glendale Fire Department
5800 West Glenn Drive, Suite 350 - Glendale, Arizona 85301
Office 623-930-4400 - Fax 623-847-5313
"Fast, Caring, Innovative and Professional"





Thursday, March 22, 2012

To whom it may concern,

Please allow this letter to serve as a professional and personal recommendation for STi. I have worked with STi for a number of years and sent countless injured employees to their therapists to resolve on the job injuries because I consistently see positive results in a timely manner. I have also received positive feedback from the injured employees about the type of treatment, caring and quick response they received from STi. What I believe is an even more important testament of my belief in STi is that after my own shoulder surgery I completed my own rehab with STi. I have also had my daughter treat at STi for her own sports related injuries. I continue to use STi for physical therapy services and I look forward to a long partnership in the future.

Ken Davis
Director of Risk & Claims Management
Rural/Metro Corporation
9221 E. Via de Ventura
Scottsdale, AZ 85258



City of Tempe
P. O. Box 5002
20 E. Sixth Street
Tempe, AZ 85280
480-350-8898
480-858-2171-fax
www.tempe.gov



THE TEMPE WAY *Our Mission* To make Tempe the best place to live, work and play. *We value* People... Integrity... Respect... Openness... Creativity... Quality...

FINANCIAL SERVICES DEPARTMENT
Risk Management Division

April 9, 2012

To Whom It May Concern:

I have been doing business with Strength Training Institute for approximately 15 years and they have always been responsive, professional and flexible in providing services I have requested. Whether I have handled industrial injury cases internally, with an insurance carrier, or with a third party adjuster, STI has been willing to collaborate with all parties involved in providing the best possible services to our injured employees, with a goal of the best possible outcome for all.

In addition to providing physical therapy and rehabilitation services, STI does a fantastic job with their outreach education programs relative to wellness and back injury prevention. They have been well received by our work groups and the information and resources they have provided have been invaluable. We will continue doing business with STI and look forward to any new products or services they have to offer in the future.

Regards,

Laura Guerrero
Risk Manager
City of Tempe
laura_guerrero@tempe.gov

ROBERT L. LEVITIN, MD

Phone: (602) 277-9041
robertlevitin@gmail.com

1151 E. Ocotillo Rd.
Phoenix, AZ 85014

EDUCATION

MD	Ohio State University, College of Medicine Columbus, OH	June 1966
BA	Ohio State University, College of Arts and Sciences Columbus, OH	June 1962
DG	Amundson High School Chicago, IL	January 1958

POST-DOCTORAL TRAINING

Residency (<i>Community Health</i>), Ohio State University College of Medicine, Department of Preventive Medicine Columbus, OH	October 1970– July 1972
Residency (<i>Pediatrics</i>), Columbus Children’s Hospital	July 1970– September 1970
Internship (<i>Rotating</i>), Mount Carmel Medical Center Columbus, OH	July 1966 – July 1967

MEDICAL LICENSURE

State of California, October 1991
#Co43007

State of Arizona, August 11, 1978
#100732

State of Ohio, June 15, 1966
#29254

State of New Mexico, October 7, 2004
#MD2004-0522

SPECIALTY BOARD CERTIFICATION

American Board of Preventive Medicine in Occupational Health – 1976

ACADEMIC APPOINTMENTS

Associate, Family and Community Medicine Department 1980 – 1991
University of Arizona, College of Medicine

Clinical Instructor, Department of Preventive Medicine 1973 - 1978
The Ohio State University, College of Medicine

AFFILIATED INSTITUTIONS

Arizona Medical Association 1979 – 1991
Member, Occupational Health Committee

Tucson Medical Center 1978 – 1991
Consulting Scientific Staff

St. Mary's Hospital 1978 – 1991
Associate Staff
Tucson, AZ

St. Joseph's Hospital 1978 – 1991
Associate Staff
Tucson, AZ

Alcoholism Council of Southern Arizona 1980 – 1982
Vice President – Board of Directors

Columbus Area Council on Alcoholism 1977 - 1978
President
Columbus, OH

PROFESSIONAL ASSOCIATIONS AND SOCIETIES

American Medical Association

Arizona Medical Association

American College of Occupational and Environmental Medicine
• **Speaker**, ACOEM House of Delegates 1998 – 1999

- **Speaker-Elect**, ACOEM House of Delegates 1997 – 1998
- **Recorder**, ACOEM House of Delegates 1996 – 1997
- **General Conference Chair**, American Occupational Health Conference April 1995
- **Delegate**, ACOEM House of Delegates 1988 – 1997
- **Fellow** 1978

Western Occupational and Environmental Association

- **General Conference Chair**, Western Occupational Health Conference April 2001
- **Chairman of the Board** 1993 – 1994
- **President** 1992 - 1993
- **President-Elect** 1991 - 1992
- **1st Vice President** 1990 - 1991
- **Treasurer** 1989 - 1990
- **Board Member** 1986 - 1989

PROFESSIONAL EXPERIENCE

- Medical Director – STI Physical Therapy** March 2014
- Occupational Health Physician**
Scottsdale Healthcare, Scottsdale, AZ June 2010 – December 2013
 Occupational Health Department
- Medical Director**
Scottsdale Healthcare, Scottsdale, AZ December 2004 – June 2010
 Occupational Health Department
- Medical Consultant**
MATRIX Absence Management, Phoenix, AZ February 2007 – December 2010
- Consultant in Occupational Medicine** November 1997 – December 2004
- *The Boeing Company*, Mesa, AZ
 - *HIH Insurance Company*, Phoenix, AZ
 - *Pinnacle West Corporation*, Phoenix, AZ
 - *CorVel Corporation*, Phoenix, AZ
 - *CompPartners*, Irvine, CA
 - *Scottsdale Healthcare*, Occupational Health, Scottsdale, AZ
- Western Region Medical Director**
Concentra Medical Centers, Phoenix, AZ April 1996 – November 1997
- Medical Director**
Great States Insurance Company, Phoenix, AZ May 1994 – April 1996
- Occupational Medicine Department Chair**
CIGNA Healthcare of Arizona, Phoenix, AZ November 1991 – May 1994

Medical Director,
Mesa Lutheran Hospital, Mesa, AZ
Occupational Medicine Department January 1991 – November 1991

Medical Director
Occupational Health Center, Tucson, AZ December 1980 – December 1990

Occupational Medicine Department Chair
Thomas Davis Medical Center, Tucson, AZ August 1978 – December 1980

Medical Director
Battelle Memorial Institute, Columbus, OH October 1973 – August 1978

Staff Physician
John W. Wilce Health Center
The Ohio State University, Columbus, OH August 1972 – October 1973

MILITARY SERVICE

Captain – Medical Corps, United States Air Force
Albrook AFB, Canal Zone July 1967 – July 1970

ADDITIONAL PROFESSIONAL TRAINING

Medical Review Officer Certification Council

- Medical Review Officer Certification
- Certificate# 11-09196

University of California, Irvine, University Extension October 1994 – July 1995

- FHP Medical Management Certificate Program

FORMAL TEACHING OF PEERS

Presenter, “24 Hour Managed Care” April 1995
American Occupational Health Conference

LANGUAGES

English: Native Language

Spanish: Fluent in Oral and Written Communicatio

COMPUTER SKILLS

OHM Proficient

James L. Maher
President and Founder of Strength Training Inc.

Education

- Bachelor of Arts Health and Physical Education
- Extended Studies in Nutrition, Kinesiology and Fire Science

Foundational Years

- Phoenix native, family arrived in Arizona in 1928
- Interest in strength training began very early progressing with extensive study in the areas of health and fitness
- By junior high began developing what would soon evolve into his training philosophy
- Freshman year in high school began training both Glendale High School football players and track team members
- Age 15, won first National Olympic Lifting Championship. This would be the first of three teenage national championship wins culminating in four national records.
- Age 19, member of the Junior World Olympic Lifting Team
- Age 24 and 25, second place finishes in Men's National Power Lifting; Business obligations shortened competitive lifting career

Professional Accomplishments

- 1979 began professional training career at Jon Cole Systems (JCS), an athletic training center in Scottsdale, AZ, working with the Greenbay Packers, Arizona State football team and Phoenix Suns while developing and running the Strength Rehabilitation Area for JCS.
- 1980-1985 Glendale Firefighter
- January 1981, opened the first Strength Training facility
- 1981 began training police and firefighters for the National World Police and Fire Olympics. Over the next five years had numerous world and national championships in track and power lifting.
- 1981 -1991 Trained world class and Olympic athletes in track and field, football and basketball.
- 1982-1987 Strength Consultant for Glendale Community College. Glendale went from a nine year losing streak to four National Championship games and two Regional Championships
- 1983-1991 Strength Consultant for the Phoenix Suns
- 1984-1989 Strength Consultant for Grand Canyon University basketball team, during this time period Grand Canyon had four Final Four appearances
- 1985-1986 developed Anterior Cruciate Ligament and Posterior Crusciate Ligament, *Closed Kinetic Chain Rehabilitation Protocol*, for medical review.
- 1985 officially began development of the Phoenix Fire Department "medical/health/fitness program." Each firefighter goes through different facets of this program during the duration of employment. This program was the number one program in the nation beginning in its second year.

- In the mid-1990's as business continued to grow and expand the day-to-day duties urged a closeout to professional athletic training and to his therapeutic work around 2001
- 2009 assisted in development and operation of Glendale Health Center providing annual physicals and work injury management for fire, police and City of Glendale

Affiliations

- Governors Council of Health and Physical Fitness
- National Strength Coaches Association
- Served as Phoenix Fire Dept Liason for the medical/health/fitness program for fire departments around the country
- 1983-1992 Deputy Boxing Commissioner of AZ
- Served as liason for Arizona high schools, colleges and universities strength training and medical advice and information
- Served as advisor to the Minnesota Vikings
- Served as advisor for Phoenix Police Department in development of their medical health and fitness program
- Served as advisor to DEA, DPS, Highway Patrol, Local FBI, Rural/Metro, Tempe, Mesa, Glendale, Peoria an Phoenix fire departments

Speaking Engagements

- Arizona Worker's Compensation Claims Examiners
- State Fund Board of Directors
- Arizona State Coaches Association
- Phoenix Fire Department National Seminar for Medical/Health/Fitness
- Arizona Trial Attorney's Association
- Rehabilitation Insurances Nurses Group
- Wellness and Injury Prevention Presentations
 - City of Phoenix Departments- Housing, Streets and Waterworks
 - City of Surprise
 - Daisy Mountain Fire
 - City of Tempe
 - City of Mesa

In addition to the daily responsibilities of marketing and administrating this organization, Jim has been and continues to be an innovative leader in the field of strength training, functional rehabilitation and wellness and prevention.

Mark D. Hyland, OTR/L, CHT

Diplomate American Board of Disability Analysts

Education

- University of Alberta, Bachelor of Science in Rehabilitation Medicine: Occupational Therapy emphasis graduated 1989.
- University of Saskatchewan, Bachelor of Science in Psychology: Graduated 1986.
- Trained in the McKenzie Method of Mechanical Spinal Evaluation
- Certified functional capacity evaluator
- Hand Therapy Certification Committee: Certified Hand Therapist, 1996.
- University of Florida: Certified Med-x lumbar and cervical operator, 1992.
- University of Florida: Certified in spinal musculoskeletal evaluation and rehabilitation, 1992.

Work Experience

- *Director of Clinical Operations*, STI Physical Therapy and Rehabilitation, Inc. 1994- present. Responsibilities: Work/Industrial Programs and Hand Therapy, outpatient orthopedics, sports physical therapy, adult rehabilitation, work hardening/conditioning, hand and U/E rehab, functional capacity evaluations, ergonomic job analysis and consultation, interdisciplinary team management, clinical operations, staffing and employee development, physician relations, provider network management, finances, contracting, credentialing and marketing.
- *Utilization and Peer Reviewer Consultant*, Medrisk, May 2009 – current.
- *Utilization and Peer Reviewer Consultant*, Preferred Therapy Providers, April 2011 - current
- *Injury and Disability Management Consulting*, 1993 to Present, ergonomics, job analysis/descriptions, prework screens, functional capacity evaluations, ADA and OSHA compliance, early return to work programs, transitional/modified/light work duty programs, wellness, prevention programs, case management/review
- *Medical-legal and forensic rehabilitation consulting*. Areas of expertise include standards of care for occupational and hand therapy, residual functional capacity and work tolerances following injury, impairment and disability. Experienced as both plaintiff and defense expert 1998 - present.
- *Director*, Arizona Spine Rehabilitation Center, 1991-1994. Responsibilities: Patient care, clinical program development, functional/work capacity evaluation, daily operations, staffing, employee development and productivity, physician relations, business development and marketing.
- *Staff Occupational Therapist*, Therapy Rehabilitation Services, March 1991 to August 1991: outpatient orthopedics, neurological inpatient rehab.

Certifications/Affiliations

- Certified Hand Therapist (CHT)
- ASTYM certified provider
- Diplomate American Board of Disability Analysts (ABDA)
- Progressive Goal Attainment Program (PGAP) provider
- Workwell Work Systems, Certified FCE Evaluator
- American Society of Hand Therapists (ASHT)
- American Occupational Therapy Association (AOTA)
- Charter member Praxis Partners
- International Association of Rehabilitation Professionals (IARPS)
- Licensed by Arizona Board of Occupational Therapy Examiners (#0461)
- National Federation of Independent Business (NFIB), Safety Committee
- City of Phoenix Fire Department
- Arizona Worker's Compensation Claims Association (AWCCA)
- Arizona Self Insured Association (ASIA)
- Arizona Work Disability and Prevention Association charter member (AWDPA)
- CPR Certified

Speaking Engagements/Lecturers/Presentations

- Arizona Trial Lawyers Association 1995
- Rehabilitation Insurance Nurses Group (R.I.N.G) 1996
- Arizona Association of Industry 1997
- American Society of Safety Engineers 1998
- Arizona Worker's Compensation Claims Association 1999
- National Association of Rehabilitation Professional (NARPPS) 1999
- Association of Legal Administrators (ALA) 2000
- Arizona Trial Lawyers Association (2001)
- Arizona Institute of Minimally Invasive Surgery (2001)
- Arizona Worker's Compensation Claims Association (AWCCA) April 03
- Texas Back Institute Annual Educational Conference, February 2004 – *The OT in Work Rehab*
- Scottsdale Healthcare Annual Occupational Health Conference October 2005 – *The Aging Worker – A Risk All Employers Should Not Ignore*
- Workers' Compensation in Arizona, PESI Seminar October 2005 – *When to Consider an FCE*
- Arizona Worker's Compensation Claims Association Feb 2008 – *Rehabilitation Outcomes and Evidenced Based Practice*

Publications

- Phoenix Fire Department, *The Job of Firefighting – An Analysis*, Oct. 1995 (unpublished)
- Arizona Claims Examiner, *When Should You Consider an FCE?*, Sept. 1999.
- Rehab Management, *Patient Compliance in Low Back Pain*, May/June 2000.
- OT Week, *Gaining a Foothold in Industry: Injury Prevention*, Vol. 13, March 1999.
- Rehab Management, *Industrial Expansion: The Story Behind Onsite Industrial Rehab Services*, August/Septemeber 2001.
- Arizona Claims Examiner, *Mercedes or Ford? The Choices We Make in the Managed Care Environment*. April/May 2002.
- PT Products Magazine, featured in cover article Nov. 2005

Awards and Achievements

- May 2002: AOTA Distinguished Service Award.
- July 1999 – June 2002: AOTA Work and Industrial Programs Standing Committee Member.

KEVIN SCOTT LADIN, M.D.

1331 N 7th St., Suite 360
Phoenix, AZ 85006
Telephone: (602) 246-9002

PERSONAL DATA:

Date of Birth: May 9, 1960
Place of Birth: North Miami Beach, Florida
Citizenship: U.S.A.

CURRENT POSITION:

Medical Director
Center for Physical Medicine & Rehabilitation, P.C.
Phoenix, Arizona

EDUCATION:

Post Graduate: Resident in Rehabilitation Medicine
Cornell University Cooperating Hospitals Program
July 1989- June 1992

Resident in Internal Medicine
Albert Einstein Medical Center
York and Tabor Roads
Philadelphia, PA 19141
June 1988-June 1989

M.D.: *Medical College of Pennsylvania*
3300 Henry Avenue
Philadelphia, PA 19129
June 1988

B.S.: *Pennsylvania State University*
University Park, PA 16802
Major: Science, with Honors
May 1984

CERTIFICATION:

Board Certified, American Board of Physical Medicine and Rehabilitation
Board Certified, American Board of Physical Medicine and Rehabilitation, Subspecialty Pain Medicine

CLINICAL ROTATIONS:

Albert Einstein Medical Center
York and Tabor Roads
Philadelphia, PA 19141
Responsibilities: inpatient, ambulatory and critical care medicine; night coverage; extensive ancillary services

New York Hospital – Cornell Medical Center
525 East 68th Street

New York, New York 10021

Responsibilities: inpatient and ambulatory Physical Medicine and Rehabilitation; hospital consultation; pediatric rehabilitation; electrodiagnosis; cardiac rehabilitation; prosthetic and orthotic clinics; resident teaching; night coverage; frequent didactic presentations

Memorial Sloan-Kettering Cancer Center

1275 York Avenue

New York, New York 10021

Responsibilities: ambulatory Physical Medicine and Rehabilitation; pediatric cancer rehabilitation; hospital consultation; lymphedema management program; chronic pain management; frequent didactic presentations

St. Barnabas Hospital

4422 Third Avenue

Bronx, New York 10021

Responsibilities: inpatient and ambulatory Physical Medicine and Rehabilitation; hospital consultations; electrodiagnosis

Lenox Hill Hospital

100 East 77th Street

New York, New York 10021

Responsibilities: Extensive electrodiagnostic studies

PROFESSIONAL MEMBERSHIPS:

American Board of Physical Medicine and Rehabilitation – Diplomate

National Board of Medical Examiners – Diplomate

Fellow, American Academy of Physical Medicine and Rehabilitation

Active Member, American Medical Association

Active Member, Maricopa County Medical Society

Fellow, Physiatric Association of Spine, Sports and Occupational Rehabilitation

RESEARCH AND OCCUPATIONAL BACKGROUND:

September 2013: The Examiner “OPIOIDS: THE GOOD THE BAD & THE EVIL”

September 2003: The Examiner “Pain Management in Workers’ Compensation”

September 2001: The Examiner “Challenges in Worker’s Compensation: A Physician’s Perspective”

Summer 1999: The Medical Reviewer “Fibromyalgia: Controversies in Diagnosis and Treatment”

September 1998: The Examiner “Distinction Between Impairment and Disability in Workers Compensation”

COURSES:

Lower Limb and Spinal Orthotics
New York University Post – Graduate Medical School

Electrodiagnosis
New York Medical College

Conservative Management of Low Back Pain
The New York Back Society

HONORS AND RECOGNITION:

2010 Phoenix Magazine “Top Docs”
2009 Phoenix Magazine “Top Docs”
2005 Phoenix Magazine “Top Docs”
1984: Named “University Scholar” – Pennsylvania State University
1982 - 1984: Special Mention, Honors Biology Research – Pennsylvania State University
“The mechanism of gynandromorph transmission in *Bracon hebetor*”
Alpha Epsilon Delta Honor Society
Dean’s List

PRESENTATIONS: (most recent)

September’12 International Association of Rehabilitation Professionals “Fibromyalgia Syndrome: Current Concepts”

Aug’09-11 *The University of Arizona College of Medicine-Phoenix in partnership with Arizona State University* “Pain: Measurement and Management” PGY III Lecture Series

June’11 Geico “Pain: Measurement and Management”

September’10 Travelers/St. Paul “Pain: Measurement and Management”

May’10 Travelers/St. Paul “Pharmacological Management of Chronic Pain”

September’09 Western Occupational Health Conference “Power Orthopedics: The Spine”
May’09 State of Arizona Department of Energy and Military Affairs Joint Programs “The Independent Medical Evaluation”

March ’09 ADOA Risk Management “The Independent Medical Evaluation”

Feb ’09 Travelers/St. Paul “The PM&R/Pain Physician & Pharmacist”

Oct ’08 Asia Fall Seminar “The PM&R/Pain Physician & Pharmacist”

May ’07 Corvel Corporation “Panel Discussion Case Study”

TEACHING APPOINTMENTS

The University of Arizona, College of Medicine-Phoenix - Clinical Assistant Professor of Neurology
Midwestern University - Adjunct Assistant Professor - Division of Clinical Education

PROFESSIONAL EXPERIENCE:

State Bar of Arizona
 Arbitrator Panelist
 Phoenix, Arizona
 2006

Panel Consulting Physician,
 Department of Economic Security, State of Arizona
 Phoenix, Arizona
 1992 – Present

Associate, Center for Spine Care
 Phoenix, Arizona
 March 1993 – July 1994

Associate Medical Director
 Central Arizona Rehabilitation Hospital
 Chandler, Arizona
 July 1992 – March 1993

House Physician
 Gracie Square Hospital
 New York, New York
 1990 – 1992

House Physician
 Parkway Hospital
 Queens, New York
 1989 – 1991

Emergency Room Physician
 Albert Einstein Medical Center
 Philadelphia, PA
 1988 – 1989

LICENSURE:

Arizona	#20895	Pennsylvania	#MD-046881-L
New York	#179157	Federal DEA	#FL3326976

Certified in Advanced Cardiac Life Support/Basic Life Support

REFERENCES: Available upon request



Notice of Intent to Award

October 10, 2014

**Request for Proposals (RFP) 14-07
Medical Occupational Health Services at Glendale Health Center**

Thank you for participating and submitting an offer on the above solicitation. We appreciate your interest in doing business with the City of Glendale and trust that there will be opportunities in the future for your continued participation.

The City has completed its evaluation process of the offers received. The recommended award for this solicitation is to Strength Training Inc., DBA STI Therapy Division, whose proposal is most advantageous to the City.

If you have any questions, or would like further information about the award, please contact me not later than October 17, 2014.

Sincerely,

Elmer Garcia, CPPB
(623) 930-2866
Egarcia1@glendaleaz.com



September 8, 2014

Mr. James Maher
President
Strength Training Inc. DBA STI Therapy Division
17233 N. Holmes Blvd, Suite 1650
Phoenix, AZ 85053-2030

Re: Price Sheet Clarifying Questions
RFP 14-07
Medical Occupational Health Services at Glendale Health Center

Dear Sir:

In order for the City of Glendale to continue its evaluation of your company's proposal, the following must be resolved through clarification. "Clarification" includes questions and answers for the sole purpose of gathering information in a proposal. Clarification does not otherwise afford the offeror the opportunity to alter or change its bid or proposal.

Please respond to these questions **on or before 5:00 PM Local Time, September 22, 2014** to avoid delays in the evaluation process. Please email your response to: egarcia1@glendaleaz.com Failure to provide this information within the stated time period may result in your proposal being deemed non-responsive, therefore, not considered for award. If you have any questions/concerns, please contact me. Thank you for your prompt attention to this request.

Sincerely,

Elmer Garcia, CPPB
Contract Analyst
City of Glendale
Finance/Materials Management Dept
5850 West Glendale Avenue, Ste 317
Glendale, AZ 85301
Email: egarcia1@glendaleaz.com



RFP 14-07

**MEDICAL OCCUPATIONAL HEALTH SERVICES AT GLENDALE HEALTH CENTER
PRICE SHEET**

Clarifying Questions

(Note: The Clinic will treat all City Employees, not just public safety (Police/Fire))

ITEM	DESCRIPTION OF SERVICE	CLARIFYING QUESTION
2	Annual Physical Exams	Confirm the costs quoted for annual physical exams (non CDL/DOT, nonpre-employment and non-public safety (police and fire) for current employees. For each of the annual physical exam costs quoted, explain what tests are included. Indicate if there are any other costs listed that would be in addition to the price quoted.
3	CBD with Diff (Complete Blood Count)	If this test is included in other services, is the cost in addition to the cost quoted for the other service(s)? Please define (for example, if CBD is needed for fire physicals, would this cost be in addition to the cost quoted for fire physicals)?
4	CMP (Comprehensive Metabolic)	If this test is included in other services, is the cost in addition to the cost quoted for the other service(s)? Please define (for example, if CMP is needed for fire physicals, would this cost be in addition to the cost quoted for fire physicals)? What is included in this cost?
6	DOT/CDL Physical Exams	Are there any other tests that would be in addition to the cost quoted for this exam? If so, explain. Confirm the cost is for all employees (including police/fire) if a CDL exam is required.
7	DOT/Non-DOT Drug and Alcohol Screens	Are there any other tests that would be in addition to the cost quoted for this exam? If so, explain. What is the separate cost for just a drug screen and the separate cost for just an alcohol screen?
9	EKG	Is this cost stand alone and not in conjunction with physicals or any other costs?
13	Immunizations & Injections	What are your costs for the following immunizations: Hemoglobin A1C Hep B Surface Antibody Titer TB Questionnaire-Define what this cost is. If an employee comes in for an immunization, is there any administration charge?
14	Initial Fracture Care	What is the cost for non-work related injuries that do not occur as a result of a workers' compensation injury?
15	IV Hydration	What is the cost for non-work related (not workers' compensation)?
16	Lab Draws/Testing (CLIA)	Clarify what is included in this cost.

		<p>Will all blood draws/testing be charged this cost in addition to any blood draws required in other costs?</p> <p>Will the blood draw/testing be completed on site at the COG clinic?</p>
17	Lift Test	<p>Is the lift test included in other costs where it is required, or is it in addition to?</p> <p>What is the cost for public safety (police-fire) employees?</p> <p>What is the cost for non-public safety employees?</p> <p>Define what is done for this cost.</p>
18	Occupational Therapy	<p>If occupational therapy is needed for non-worked related injury/illness, what is the cost?</p>
19	On-call Services for Post Exposure Prophylaxis (PEP)	<p>Initial Call:</p> <ul style="list-style-type: none"> · 24/7/365 Hotline number? If so, what is the number? · Who is the officer or firefighter speaking with? · What information/service is included when speaking with the officer or firefighter? · If prophylaxis treatment is needed where is the officer/firefighter sent? Is the location open 24/7/365? · Cost of the initial call · Cost of the prophylaxis <p>Baseline testing:</p> <ul style="list-style-type: none"> · If baseline testing of the officer/firefighter cannot wait until the next business day to go to the Glendale Health Center, where would the officer/firefighter go for the baseline? · Is counseling included during the initial visit whether going to the Health Center or another facility? · Cost <p>Follow-up visits:</p> <p>Follow-up visits:</p> <ul style="list-style-type: none"> · Cost for additional follow-up testing · How will you create reminders of follow-up testing to be communicated to the officer/firefighter? <p>Police Department/Fire Department Safety Officers:</p> <ul style="list-style-type: none"> · Do you have a lab that source blood can be taken to by the Safety Officer? · Location(s) · Hours of operation · Will you provide a requisition form that the Safety Officer can utilize when taking in source blood to the lab? · Turnaround time for notification to the Safety Officer regarding source blood results? · Any costs associated with the source blood testing?
24	Physical Therapy	<p>If PT is needed for non-workers' comp what is the cost?</p>
25	PPD (TB Skin Test)	<p>Does the cost quoted include administration and read?</p>
26	Pre-employment physicals	<p>Clarify what is included in this cost for the following:</p> <p>Regular status employees (non police/fire).</p> <p>Will all blood draws/testing be included in this cost or in addition to?</p> <p>Will the blood draw and testing be completed on site at the COG</p>

		clinic? If not, is there additional cost?
27	Prostate Exams	Please explain what type of exam is provided? (for example, a digital rectal exam by provider)?
28	Auditory Function Tests	Does this cost include the initial exam and any re-tests required, please explain. Confirm this cost is for the hearing conservation program for ALL employees.
30	Public Safety Physicals (Police/Fire)	What is the cost for a Fire Fighter Retiree physicals?
31	Pulmonary Function Tests	Confirm the costs quoted include: completing the OSHA respiratory questionnaire, sign off that the employee is medically cleared to wear a respirator, and if not, referral to a specialist for care or additional testing and confirmation employee cleared after specialist, reporting to HR & Risk Management for non-police personnel and to police, as needed.
32	Radiology (administer in-house, send out for reading)	What is the cost if not workers' comp related?
33	Randomizing of Drug & Alcohol Screens	Explain the cost, how it is applied and how each request will be utilized.
34	Routine Hearing Services (CDL Requirements)	If not included in item #6, CDL physicals, explain what is provided for this cost. What is the cost of hearing services provided for non-CDL employees?
35	Routine Vision Services	If not included in item #6 CDL physicals, explain what is provided for the additional cost. What is the cost of routine vision services provided for non-CDL employees?
36	Sick visits	Define what the sick visit basic exam includes and cost. Does the cost include CLIA waived tests?
37	Spirometry (lung function)	Is the cost for the stand alone test in addition to the fire/police/nonpublic safety physicals or is it included? Is this test included in the pulmonary function tests or in addition to?
38	Stress Test	Explain what is included in this test for the cost quoted. Is the cost for this test included in any other service and if so, please list. If the test is included in another service, is this cost in addition to the cost quoted for that service?
39	Surgical Procedures (Minor: Sutures, etc.)	What is the cost if not workers' comp related?
40	Urinalysis (for CDL, Random, Etc.)	Is the price in addition to the CDL physical cost or drug screening cost and explain how this will be charged.
41	Walk-In Services: Non-worker's comp	If an employee does not have a scheduled visit, is there a charge for "walking in" to be seen?
42	Additional services	What are the costs for: Breath Alcohol Confirmation; Breath Alcohol test;

		High Sensitivity Creatin Reactive Protein test; Lead test; and PSA?
43	Lab testing capabilities	Please list the lab tests you are capable of performing in house.

Name of Company: _____
Address: _____
Authorized Signature: _____
Print Name and Title: _____



Response to Price Sheet Clarifying Questions:

**City of Glendale
Materials Management
5850 West Glendale Ave., suite 317
Glendale, Arizona 85301**

**MEDICAL OCCUPATIONAL HEALTH SERVICES AT GLENDALE HEALTH
CENTER
SOLICITATION NUMBER: RFP 14-07**

September 22, 2014

RFP 14-07
 MEDICAL OCCUPATIONAL HEALTH SERVICES AT GLENDALE HEALTH CENTER
 PRICE SHEET

Clarifying Questions

(Note: The Clinic will treat all City Employees, not just public safety (Police/Fire))

2	Annual Physical Exams	<p>Confirm the costs quoted for annual physical exams (non CDL/DOT, Non pre-employment and non-public safety (police and fire) for current employees. For each of the annual physical exam costs quoted, explain what tests are included. Indicate if there are any other costs listed that would be in addition to the price quoted. A Wellness Physical will include: Full System Examination of patient, including review of medical history Full lipid profile CBD, CMP, Hgb A1C Cost: \$125</p>
3	CBD with Diff (Complete Blood Count)	<p>If this test is included in other services, is the cost in addition to the cost quoted for the other service(s)? No. Please define (for example, if CBD is needed for fire physicals, would this cost be in addition to the cost quoted for fire physicals)? No</p>
4	CMP (Comprehensive Metabolic)	<p>If this test is included in other services, is the cost in addition to the cost quoted for the other service(s)? No. Please define (for example, if CMP is needed for fire physicals, would this cost be in addition to the cost quoted for fire physicals)? No What is included in this cost? if it is a part of an already priced physical there is no additional cost. As a stand-alone the price is \$14.00</p>
6	DOT/CDL Physical Exams	<p>Are there any other tests that would be in addition to the cost quoted for this exam? No. If so, explain. Confirm the cost is for all employees (including police/fire) if a CDL exam is required. \$45.00</p>
7	DOT/Non-DOT Drug and Alcohol Screens	<p>Are there any other tests that would be in addition to the cost quoted for this exam? No. If so, explain. What is the separate cost for just a drug screen? \$30 and the separate cost for just an alcohol screen? \$30</p>
9	EKG	<p>Is this cost stand alone and not in conjunction with physicals or any other costs? Correct.</p>
13	Immunizations & Injections	<p>What are your costs for the following immunizations: Hemoglobin A1C \$23 Hep B Surface Antibody Titer \$51 TB Questionnaire-Define what this cost is. \$10, review of annual TB symptoms form for those employees who have tested positive in the past If an employee comes in for an immunization, is there any administration charge? No</p>
14	Initial Fracture Care	<p>What is the cost for non-work related injuries that do not occur as a result of a workers' compensation injury? The price is based on the body part(s) involved. The fracture care will include an office visit, x-ray, & splint. The cost would range from \$150-\$350</p>

RFP 14-07
 MEDICAL OCCUPATIONAL HEALTH SERVICES AT GLENDALE HEALTH CENTER
 PRICE SHEET
 Clarifying Questions

(Note: The Clinic will treat all City Employees, not just public safety (Police/Fire))

15	IV Hydration	What is the cost for non-work related (not workers' compensation)? The price is based on the type& amount of solution required and the amount of time needed to hydrate. The cost would range from \$150-\$450.
16	Lab Draws/Testing (CLIA)	Clarify what is included in this cost. The cost of the draw and the equipment needed to do the draw. Will all blood draws/testing be charged this cost in addition to any blood draws required in other costs? No Will the blood draw/testing be completed on site at the COG clinic? Blood draws will be completed at COG clinic, testing is sent to Sonora Quest labs. Employees can also be drawn at one of the many Sonora Quest lab locations. Specimens can also be collected on-site if needed.
17	Lift Test	Is the lift test included in other costs where it is required, or is it in addition to? It is included What is the cost for public safety (police-fire) employees? \$70 What is the cost for non-public safety employees? \$70 Define what is done for this cost. These are more than just lift tests. They are functional/physical performance tests. There are usually 6-8 events included in the lift test, they are related to positional tolerance and manual handling tasks. They would include Lifting, pushing, pulling, & carrying (x) lbs and be related to the essential job functions per the job description. It would also include grip testing if necessary and a basic musculoskeletal screen.
18	Occupational Therapy	If occupational therapy is needed for non-worked related injury/illness, what is the cost? The cost would be based on the services provided per visit and the CPT codes of the required therapy. The CPT code reimbursement would be based on the BCBS fee schedule.
19	On-call Services for Post Exposure Prophylaxis (PEP)	Initial Call: - 24/7/365 Hotline number? If so, what is the number? Stat Doc number will be set up, it can also be on-line or downloaded as an app to be used on a smartphone. - Who is the officer or firefighter speaking with? Stat Doc Physician on-call - What information/service is included when speaking with the officer or firefighter? Review of situation, determination for the need of testing of the employee and the source, determination of the need to begin prophylaxis. - If prophylaxis treatment is needed where is the officer/firefighter sent? Is the location open 24/7/365? Walgreens - Cost of the initial call \$50.00 - Cost of the prophylaxis Varies depending on type and amount of medications ordered Baseline testing:

RFP 14-07
MEDICAL OCCUPATIONAL HEALTH SERVICES AT GLENDALE HEALTH CENTER
PRICE SHEET

Clarifying Questions

(Note: The Clinic will treat all City Employees, not just public safety (Police/Fire))

		<ul style="list-style-type: none"> · If baseline testing of the officer/firefighter cannot wait until the next business day to go to the Glendale Health Center, where would the officer/firefighter go for the baseline? Arrangements would be made for blood draw at the nearest hospital. · Is counseling included during the initial visit whether going to the Health Center or another facility? yes · Cost It is included in the initial call <p>Follow-up visits:</p> <ul style="list-style-type: none"> · Cost for additional follow-up testing 20% off ICA fee schedule · How will you create reminders of follow-up testing to be communicated to the officer/firefighter? Place in EMP, schedule reminders to be sent via text, or phone call <p>Police Department/Fire Department Safety Officers:</p> <ul style="list-style-type: none"> · Do you have a lab that source blood can be taken to by the Safety Officer? yes · Location(s) Sonora Quest labs are available valley wide · Hours of operation varies depending on location · Will you provide a requisition form that the Safety Officer can utilize when taking in source blood to the lab? yes · Turnaround time for notification to the Safety Officer regarding source blood results? if ordered stat less than 2 hours · Any costs associated with the source blood testing? yes
24	Physical Therapy	If PT is needed for non-workers' comp what is the cost? The cost would be based on the services provided per visit and the CPT codes of the provided services. The CPT code reimbursement would be based on the BCBS fee schedule.
25	PPD (TB Skin Test)	Does the cost quoted include administration and read? yes
26	Pre-employment physicals	Clarify what is included in this cost for the following: Regular status employees (non police/fire). Lift / functional performance test as required by City of Glendale. Will all blood draws/testing be included in this cost or in addition to? No the cost is for the lift test only Will the blood draw and testing be completed on site at the COG clinic? yes if not, is there additional cost? no
27	Prostate Exams	Please explain what type of exam is provided? (for example, a digital rectal exam by provider)? The exam includes a digital rectal exam, hemo occult, and a PSA lab test.
28	Auditory Function Tests	Does this cost include the initial exam and any re-tests required, please explain. yes Confirm this cost is for the hearing conservation program for ALL Employees. yes
30	Public Safety Physicals (Police/Fire)	What is the cost for a Fire Fighter Retiree physicals? \$350.00
31	Pulmonary Function Tests	Confirm the costs quoted include: completing the OSHA respiratory questionnaire, sign off that the employee is medically cleared to

RFP 14-07
MEDICAL OCCUPATIONAL HEALTH SERVICES AT GLENDALE HEALTH CENTER
PRICE SHEET

Clarifying Questions

(Note The Clinic will treat all City Employees, not just public safety (Police/Fire))

		wear a respirator, and if not, referral to a specialist for care or additional testing and confirmation employee cleared after specialist, reporting to HR & Risk Management for non-police personnel and to police, as needed. Yes all costs are included.
32	Radiology(administer in-house, send out for reading)	What is the cost if not workers' comp related? There is no additional cost for the send out for reading of the x-ray.
33	Randomizing of Drug & Alcohol Screens	Explain the cost, how it is applied and how each request will be utilized. \$50 for randomization, to run the table randomizer and identify who is required to be called in for testing. \$35 for drug screen supplies, collection, & testing. \$75 For MRO services to confirm any positive results and to report to the designated official as required.
34	Routine Hearing Services (CDL Requirements)	If not included in Item #6, CDL physicals, explain what is provided for this cost. There is no additional cost for hearing services outside of the CDL cost. What is the cost of hearing services provided for non-CDL employees? \$25
35	Routine Vision Services	If not included in Item #6 CDL physicals, explain what is provided for the additional cost. There is no additional cost for hearing services outside of the CDL cost. What is the cost of routine vision services provided for non-CDL employees? \$10.00
36	Sick Visits	Define what the sick visit basic exam includes and cost. Exam by the medical provider, symptom evaluation, vitals & history review \$45. Does the cost include CLIA waived tests? No
37	Spirometry (lung function)	Is the cost for the stand alone test in addition to the fire/police/nonpublic safety physicals or is it included? included Is this test included in the pulmonary function tests or in addition to? included
38	Stress Test	Explain what is included in this test for the cost quoted. Physician monitored Stress test based on Bruce guidelines. Review of findings, referrals to specialist or for additional testing as indicated. Is the cost for this test included in any other service and if so, please list. It is included in FF physical. If the test is included in another service, is this cost in addition to the cost quoted for that service? included
39	Surgical Procedures (Minor: Sutures, etc.)	What is the cost if not workers' comp related? The price is based on the body part and the size of the wound. The cost is based on CPT codes and BCBS reimbursement rates. It ranges from \$100- \$330.
40	Urinalysis (for CDL, Random, Etc)	Is the price in addition to the CDL physical cost or drug screening cost and explain how this will be charged? Included
41	Walk-In Services: Non-worker's comp	If an employee does not have a scheduled visit, is there a charge for "walking in" to be seen? There is no extra charge for a walk in exam.
42	Additional Services	What are the costs for:

RFP 14-07
MEDICAL OCCUPATIONAL HEALTH SERVICES AT GLENDALE HEALTH CENTER
PRICE SHEET

Clarifying Questions

(Note: The Clinic will treat all City Employees, not just public safety (Police/Fire))

		Breath Alcohol Confirmation; \$50 Breath Alcohol test; \$30 High Sensitivity Creatin Reactive Protein test; \$25 Lead test; \$30 and PSA? \$20
43	Lab testing capabilities	Please list the lab tests you are capable of performing in house. Urine Dip, Strep Swab, Hemocult

EXHIBIT B

Agreement for Occupational Health and Medical Services

EQUIPMENT

The City will provide and maintain the following equipment:

Type of Equipment	<u>COG inv id</u>	<u>serial no</u>	<u>location id</u>
X-Ray Machine	COG25531	170-11893	GRPSTC H-7
Pulmonary Machine	COG23788	AJS01277	GRPSTC H-15
Hearing Test Machine	COG23779	BC 181 559	GRPSTC H-6
Treadmills 1	COG23780	Q5005279	GRPSTC H-4
Treadmills 2	COG23781	Q5005278	GRPSTC H-5
Vision testing 1		815600299	GRPSTC H-17
Scales 1		4020057900	GRPSTC H-18
Scales 2		4020057905	GRPSTC H-19
Microwave		801TAXT02098	GRPSTC H-32
Refrigerator 1		DR312701	GRPSTC H-13
Refrigerator 2		AR312536	GRPSTC H-32

EXHIBIT C

Agreement for Occupational Health and Medical Services

STAFFING

The procedure for staffing physicians for the day-to-day medical operations of the Health Center shall be the responsibility of Contractor. Contractor may provide staffing as follows:

- a. At least one of the positions, physician/medical director or physician assistant, shall be full time; i.e., full time physician/medical director and part time physician assistant or part time physician/medical director and full time physician assistant.
- b. A pool of no more than four (4) physicians will be assigned to provide coverage for peak work time or relief time, as needed and dictated by work flow. Contractor will seek to provide physicians with a current affiliation with a Level 1 Trauma Facility and access to toxicology referral within one (1) hour of request.
- c. **PHYSICIAN: MEDICAL DOCTOR/DOCTOR OF OSTEOPATHY-MEDICAL DIRECTOR – FULL OR PART TIME (Permanently Assigned)**
 - a. A medical doctor/doctor of osteopathy will act as the medical director of the Health Center and must be qualified and capable of performing the following responsibilities:
 - 1) Director will act as the liaison between the contracted clinical staff the Health Center Deputy Chief and Glendale Human Resources and Risk Management. In addition, the director/doctor will perform baseline physicals; infectious and hazardous exposure examinations; will implement ongoing wellness programs for fire department personnel and City employees; will evaluate industrial injuries, and will serve as the Certified Medical Review Officer (MRO) for the City's drug and alcohol testing program.
 - 2) Responsible for performing all elements of physical examine in accordance with NFPA 1582 and AZ POST.
 - 3) Responsible for performing all elements of City's physicals, pre-employment physicals for City employees and potential employees in "non-safety" sensitive positions and in compliance with DOT and FMCSA.
 - 4) Will perform consultations for City employees and potential employees with infectious exposure to HIV, hepatitis C and B, tuberculosis, and all other infectious exposures.
 - 5) Will interface with City employees and their primary care physicians to assure proper health care.
 - 6) Will develop, update and revise procedures with regard to medical monitoring, fitness maintenance, and stress management as needed.
 - 7) Will participate in research projects regarding public safety and city of Glendale employee health and fitness.
 - 8) Will prepare and present educational materials to public safety and city of Glendale employees for training relating to health and wellness.
 - b. **Minimum Qualifications:**
Must be licensed M.D. or D.O. in the State of Arizona and have a valid ACLS certification. Must demonstrate substantial experience in the following areas: internal medicine, cardiovascular disease, medical toxicology, and occupational medicine. Must be familiar with and have experience working

within the requirements of NFPA 1582, IAFF/IAFC Wellness/Fitness Initiative, AZ POST and OSHA regulations, as well as DOT Drug and Alcohol collection and testing and Industrial Commission of Arizona Rules.

d. PHYSICIAN ASSISTANT - FULL OR PART TIME (Permanently Assigned)

a. Must be qualified and capable of performing the following responsibilities:

- 1) Will perform baseline physicals; evaluate, treat and follow up on industrial injuries and infectious and hazardous exposures.
- 2) Will support and implement on-going wellness program for fire department personnel and city of Glendale employees.
- 3) Will evaluate lab assessments and stress treadmill to assess fitness for duty for fire fighters in accordance with NFPA 1582.
- 4) Will perform pre-employment physicals for City employees and potential employees.
- 5) Will perform DOT/FMCSA exams and interface with city employees and their primary care physician to assure proper health care.
- 6) Will perform Drug and Alcohol testing for city employees and potential employees in accordance with DOT/FTA and FMCSA.
- 7) Will interface with fire fighters, police officers, and City employees and their primary care physician to assure proper health care.
- 8) Will develop, revise and update health care, policy, and other procedures at the Health Center, as needed.
- 9) Will participate in research projects in public safety and city of Glendale employees health and wellness.
- 10) Will prepare materials a necessary to assist in the health care and fitness training of public safety and city of Glendale employees.

b. Minimum Qualifications.

Must be nationally certified through the NCCPA, hold a current Arizona license, have an established DEA number, and be ACLS certified. Must demonstrate substantial experience in the following areas: family practice, occupational medicine, preventive medicine, or sports medicine. Must be familiar with and have experience working within the requirements of NFPA 1582 and the IAFF/IAFC Wellness/Fitness Initiative, AZ POST, OSHA Regulations, and DOT/FTA and FMCSA regulations and Industrial Commission of Arizona Rules.

5. CLINICAL MANAGER/REGISTERED NURSE - FULL TIME (Permanently Assigned)

a. Must be qualified and capable of performing the following responsibilities:

- 1) Will assist with preparation of charts and management of the flow of patients.
- 2) Will perform back office evaluations, vision, pulmonary function, hearing, and body composition examinations.
- 3) Will perform first aid physicals, evaluate, treat and follow up on industrial injuries
- 4) Will perform phlebotomy and administer medications as needed.
- 5) Will perform resting 12-lead EKS's and stress tests.
- 6) Will assist with infectious exposure consults and follow-ups.

- 7) Will transcribe back office evaluations onto medical records.
- 8) Will assist physicians with data collection for studies.
- 9) Will assist physicians with treatment of medical patients.
- 10) Will assist with maintenance and stocking of medications and medical supply inventory.

b. **Minimum Qualifications.**

Registered nurse in the state of Arizona with experience in occupational medicine, orthopedics and infectious disease. Must be ACLS certified, having two years' experience in treadmill testing, immunizations and schedules. Must be familiar with and have experience working within the requirements of NFPA 1582 and the IAFF/IAFC Wellness/Fitness Initiative, AZPOST, OSHA Regulations, and DOT/FTA and FMCSA Regulations and Industrial Commission of Arizona Rules.

6. CERTIFIED RADIOLOGY TECHNICIAN (CRT) - FULL TIME (Permanently Assigned)

a. Must be qualified and capable of performing the following responsibilities:

- 1) Will conduct on-site x-rays for annual physicals, urgent care and industrial injuries.
- 2) Will assist with all aspects of physical exams, phlebotomy, vision, hearing, and patient flow.
- 3) Will be accountable for the ethical, legal and professional responsibilities related to radiology practice and patient confidentiality.
- 4) Will monitor and maintain an adequate inventory of supplies and material to ensure non-interruption of services.
- 5) Will prepare and maintain accurate documentation.

b. **Minimum Qualifications.**

Must be Board Certified in Arizona with a certification, or diploma, from an approved/accredited school of Radiology Program with a minimum of two year's experience.

7. MEDICAL ASSISTANT – FULL TIME (Permanently Assigned)

a. Must be qualified and capable of performing the following responsibilities:

- 1) Will assist with all aspects of physical exams, phlebotomy, vision, hearing, and patient flow.
- 2) Will be accountable for the ethical, legal and professional responsibilities related to patient confidentiality.
- 3) Will monitor and maintain an adequate inventory of supplies and material to ensure non-interruption of services.
- 4) Will prepare and maintain accurate documentation.
- 5) May be responsible for scheduling public safety physicals.

b. **Minimum Qualifications.**

Must have successfully completed a Medical Assistant Program through an accredited Institution with a minimum of two years' experience.

The Medical Assistant could fulfill the role of the receptionist/scheduler. See responsibilities below.

8. RECEPTIONIST/SCHEDULER - FULL OR PART TIME (Permanently Assigned)

a. Must be qualified and capable of performing the following responsibilities:

- 1) Will be responsible for patient's medical and immunization record data entry.
- 2) Will answer telephones.
- 3) Will maintain sign-in log for both medical and industrial patients.
- 4) Will record all patients' visits in the computer.
- 5) Will prepare computerized medical charge sheets.
- 6) Will perform light typing for chart preparation.
- 7) Will verify appointments and prepare charts for physical examines.
- 8) Will assist patients with industrial paperwork
- 9) Will provide via fax industrial injury medical notes and work status information to Human Resources and Risk Management following all industrial visits.
- 10) Will provide via fax a copy of CDL Medical Certification cards to Human Resources and Risk Management.

b. Minimum Qualifications.

Must have a minimum of one year of experience working in a medical office. Ability to type 30 wpm, basic computer skills, ability to handle up to three incoming phone lines and pleasant communications over the telephone. Must have medical back office skills and experience, and the ability to interact professionally with City personnel and medical personnel.

EXHIBIT D

Agreement for Occupational Health and Medical Services

CONFIDENTIALITY AGREEMENT

Confidentiality and Non-Disclosure Agreement

I, _____ do affirm that I will not divulge City of Glendale personal health, personal identification, taxpayer, attorney/client or other confidential information to any unauthorized person(s) for any reason. Neither will I directly nor indirectly use, or allow the use of, City of Glendale personal health, personal identification, taxpayer, attorney/client or other confidential information, including HIPPA protected information for any purpose other than that directly allowed by statutes, laws, rules and regulations, ordinances, associated with the operation and services provided at the Glendale Health Center. I understand that personal health information, personal identification, taxpayer, attorney/client and other confidential information, including financial data, is strictly confidential.

Furthermore, I will not, either by direct action or by counsel, discuss, recommend, or suggest to any unauthorized person the nature or content of any City of Glendale documents, personal health, personal identification, taxpayer, attorney/client or other confidential information.

Federal and/or state law protects disclosure of personal and health information and taxpayer information. Violation of confidentiality is cause for legal action where you and or your Company can be held personally liable.

I understand that signing this document does not preclude me from reporting instances of breach of confidentiality.

Signed: _____ Date: _____

Printed Name: _____

Company Name: _____

EXHIBIT E

Agreement for Occupational Health and Medical Services
CONTRACTOR PRICE SHEET AND CLARIFYING RESPONSE

EXHIBIT F

Agreement for Occupational Health and Medical Services

PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS:

That _____ (hereinafter called the "Principal"), as Principal, and _____, a corporation organized under the laws of the State of _____, (hereinafter called the "Surety"), as Surety, are held and firmly bound unto the City of Glendale, a municipal corporation in the State of Arizona (hereinafter called the "Obligee"), as Obligee in the amount of _____ Dollars (\$ _____), for the payment whereof the Principal and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has entered into a written contract with the Obligee, dated the _____ day of _____, 20____, whereby Principal agreed to _____

_____ which contract is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein.

NOW THEREFORE, the condition of this obligation is such that, if Principal shall faithfully perform and fulfill all the undertakings, covenants, terms, conditions, and agreements of said contract, with or without notice to the Surety, and shall also perform and fulfill all the undertakings, covenants, terms, conditions, and agreements of any and all authorized amendments, modifications or exercise of options to said contract that may hereafter be made between the Principal and Obligee, notice of such amendments, modifications or exercise of options to this Surety being hereby waived, then this obligation shall be null and void, otherwise to remain in full force and effect.

The prevailing party or any party which recovers judgment on this bond shall be entitled to such reasonable attorney's fees as may be fixed by the Court.

Signed this _____ day of _____, 20 _____.

"Principal"

By: _____

Its: _____

"Surety"

By: _____

EXHIBIT G

Agreement for Occupational Health and Medical Services

DISPUTE RESOLUTION

1. Disputes.

- 1.1 Commitment. The parties commit to resolving all disputes promptly, equitably, and in a good-faith, cost-effective manner.
- 1.2 Application. The provisions of this Exhibit will be used by the parties to resolve all controversies, claims, or disputes ("Dispute") arising out of or related to this Agreement-including Disputes regarding any alleged breaches of this Agreement.
- 1.3 Initiation. A party may initiate a Dispute by delivery of written notice of the Dispute, including the specifics of the Dispute, to the Representative of the other party as required in this Agreement.
- 1.4 Informal Resolution. When a Dispute notice is given, the parties will designate a member of their senior management who will be authorized to expeditiously resolve the Dispute.
 - a. The parties will provide each other with reasonable access during normal business hours to any and all non-privileged records, information and data pertaining to any Dispute in order to assist in resolving the Dispute as expeditiously and cost effectively as possible;
 - b. The parties' senior managers will meet within 10 business days to discuss and attempt to resolve the Dispute promptly, equitably, and in a good faith manner, and
 - c. The Senior Managers will agree to subsequent meetings if both parties agree that further meetings are necessary to reach a resolution of the Dispute.

2. Arbitration.

- 2.1 Rules. If the parties are unable to resolve the Dispute by negotiation within 30 days from the Dispute notice, and unless otherwise informal discussions are extended by the mutual agreement, the parties may agree, in writing, that the Dispute will be decided by binding arbitration in accordance with Commercial Rules of the AAA, as amended herein. Although the arbitration will be conducted in accordance with AAA Rules, it will not be administered by the AAA, but will be heard independently.
 - a. The parties will exercise best efforts to select an arbitrator within 5 business days after agreement for arbitration. If the parties have not agreed upon an arbitrator within this period, the parties will submit the selection of the arbitrator to one of the principals of the mediation firm of Scott & Skelly, LLC, who will then select the arbitrator. The parties will equally share the fees and costs incurred in the selection of the arbitrator.
 - b. The arbitrator selected must be an attorney with at least 10 years experience, be independent, impartial, and not have engaged in any business for or adverse to either Party for at least 10 years.
- 2.2 Discovery. The extent and the time set for discovery will be as determined by the arbitrator. Each Party must, however, within ten (10) days of selection of an arbitrator deliver to the other Party copies of all documents in the delivering party's possession that are relevant to the dispute.
- 2.3 Hearing. The arbitration hearing will be held within 90 days of the appointment of the arbitrator. The arbitration hearing, all proceedings, and all discovery will be conducted in Glendale, Arizona unless otherwise agreed by the parties or required as a result of witness location. Telephonic hearings and other reasonable arrangements may be used to minimize costs.

- 2.4 Award. At the arbitration hearing, each Party will submit its position to the arbitrator, evidence to support that position, and the exact award sought in this matter with specificity. The arbitrator must select the award sought by one of the parties as the final judgment and may not independently alter or modify the awards sought by the parties, fashion any remedy, or make any equitable order. The arbitrator has no authority to consider or award punitive damages.
- 2.5 Final Decision. The Arbitrator's decision should be rendered within 15 days after the arbitration hearing is concluded. This decision will be final and binding on the Parties.
- 2.6 Costs. The prevailing party may enter the arbitration in any court having jurisdiction in order to convert it to a judgment. The non-prevailing party shall pay all of the prevailing party's arbitration costs and expenses, including reasonable attorney's fees and costs.

3. **Services to Continue Pending Dispute.** Unless otherwise agreed to in writing, Contractor must continue to perform and maintain progress of required services during any Dispute resolution or arbitration proceedings, and City will continue to make payment to Contractor in accordance with this Agreement.

4. **Exceptions.**

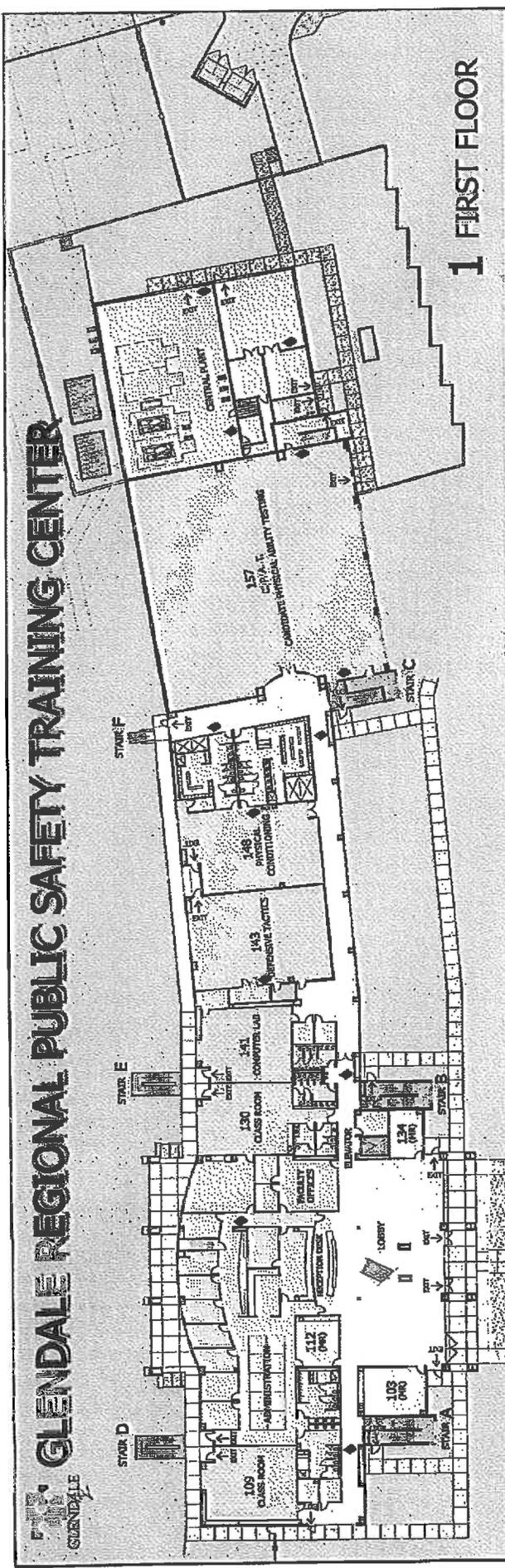
- 4.1 Third Party Claims. City and Contractor are not required to arbitrate any third-party claim, cross-claim, counter claim, or other claim or defense of a third-party who is not obligated by contract to arbitrate disputes with City and Contractor.
- 4.2 Liens. City or Contractor may commence and prosecute a civil action to contest a lien or stop notice, or enforce any lien or stop notice, but only to the extent the lien or stop notice the Party seeks to enforce is enforceable under Arizona Law, including, without limitation, an action under A.R.S. § 33-420, without the necessity of initiating or exhausting the procedures of this Exhibit.
- 4.3 Governmental Actions. This Exhibit does not apply to, and must not be construed to require arbitration of, any claims, actions or other process filed or issued by City of Glendale Building Safety Department or any other agency of City acting in its governmental permitting or other regulatory capacity.

MAP A
Agreement for Occupational Health Medical Services

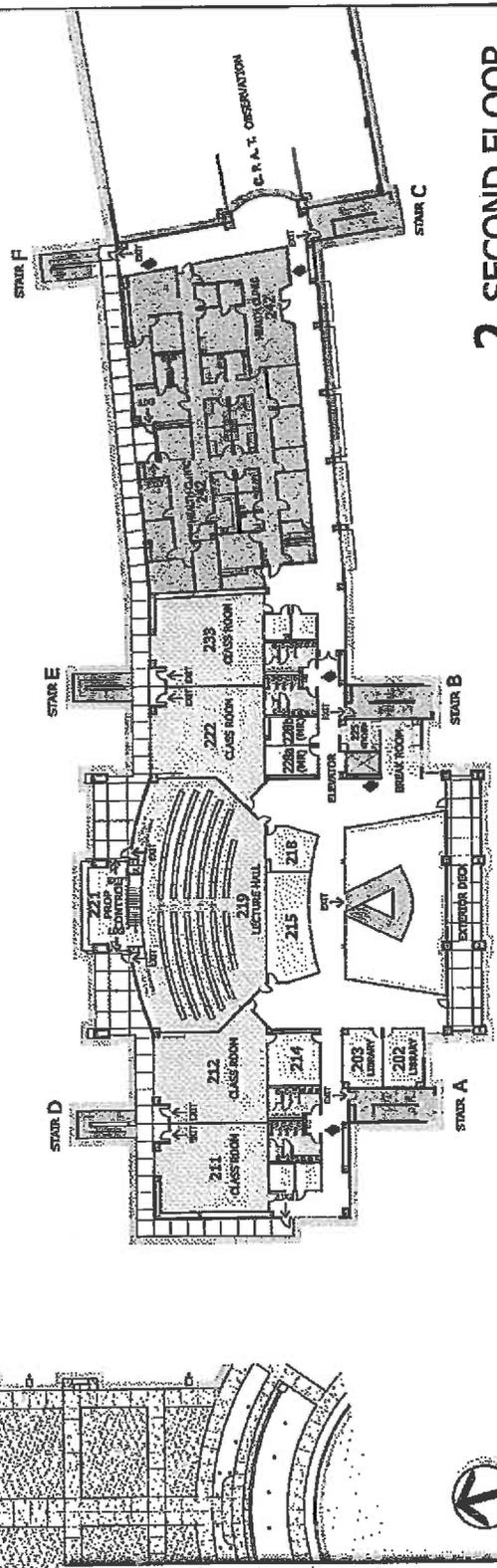
GRPSTC LAYOUT

[See attached]

1 GLENDALE REGIONAL PUBLIC SAFETY TRAINING CENTER



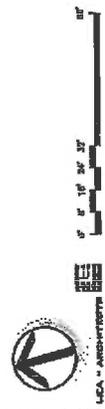
1 FIRST FLOOR



2 SECOND FLOOR

BUILDING MAP LEGEND

- Public Restrooms
- Meeting Rooms (MR)
- Administration / Faculty
- Storage / Central Plant
- Health Clinic
- Stairs / Elevator
- Classrooms / Lecture Hall
- Computer Lab
- Defensive Tactics
- Physical Conditioning
- C.P.A.T.
- Fire Riser Room
- Exit
- Fire Extinguisher Cabinet



L.C.A. - ARCHITECTS

MAP B
Agreement for Occupational Health Medical Services

HEALTH CENTER FLOOR PLAN

[See attached]



Legislation Description

File #: 14-493, **Version:** 1

AUTHORIZATION TO ENTER INTO A LINKING AGREEMENT WITH PANASONIC CORPORATION OF NORTH AMERICA AND APPROVE THE PURCHASE OF MOBILE DATA COMPUTERS FOR THE GLENDALE POLICE DEPARTMENT UTILIZING A CITY OF TUCSON PURCHASING COOPERATIVE CONTRACT

Staff Contact: Debora Black, Police Chief

Purpose and Recommended Action

This is a request for City Council to authorize the City Manager to enter into a linking agreement with Panasonic Corporation of North America and approve the purchase of ten mobile data computers (MDCs) for the Glendale Police Department (GPD) in an amount not to exceed \$60,164.12. This cooperative purchase is available through an agreement between the City of Tucson, Arizona and Panasonic Corporation of North America (Contract No. 120471) and is effective through July 31, 2015.

Background

MDCs have been a feature of GPD vehicles for almost 20 years. Council approved the purchase of new MDCs on June 11, 2013. The new MDCs are state of the art and incorporate military-grade durability in a very portable form, combining improved cellular ("4G") coverage and connectivity. Whether responding to an emergency, making a routine traffic stop, or conducting a police stakeout, officers rely on computer-equipped vehicles to serve as their mobile command centers. A need was identified for additional MDCs for use in patrol, for special events, and to have on hand as back-up in the event all MDCs currently in supply are being used.

GPD received Council authorization to submit a grant funding proposal through the Tohono O'odham Nation revenue sharing program, as part of the "Indian Gaming Preservation and Self-Reliance Act," for the purchase of additional MDCs. GPD was notified the grant funding proposal for the purchase of ten MDCs had been approved by the Tohono O'odham Nation; and GPD was awarded \$60,164.12. GPD is now seeking expenditure authorization from Council to utilize the awarded funds for the purchase over \$50,000.

Analysis

Cooperative purchasing allows counties, municipalities, schools, colleges and universities in Arizona to use a contract that was competitively procured by another governmental entity or purchasing cooperative. Such purchasing helps reduce the cost of procurement, allows access to a multitude of competitively bid contracts, and provides the opportunity to take advantage of volume pricing. The Glendale City Code authorizes cooperative purchases when the solicitation process utilized complies with the intent of Glendale's procurement processes. This cooperative purchase is compliant with Chapter 2, Article V, Division 2, Section 2-149 of the Glendale City Code, per review by Materials Management.

Materials Management and the City Attorney’s Office has reviewed and approved the use of the Cooperative contract with Panasonic Corporation of North America for the MDC purchase; and the City Attorney’s Office has prepared a linking agreement for use with the contract. Staff is recommending Council authorize the City Manager to enter into the linking agreement with Panasonic Corporation of North America and approve the purchase of ten MDCs in a total amount not to exceed \$60,164.12.

Previous Related Council Action

On June 10, 2014, Council authorized the City Manager to apply for and accept approximately \$765,771.67 in revenue sharing funds from the Tohono O’odham Nation. GPD was one of six city applications for funding and was awarded \$60,164.12.

On June 11, 2013, Council authorized expenditure for the purchase of tablet computers to be utilized as MDCs from Panasonic Corporation of North America via a cooperative purchasing master agreement solicited by the City of Tucson (Contract No. 120471) with National IPA.

Community Benefit/Public Involvement

MDCs assist with realizing the efficiencies that enable officers to spend more time in proactive police activities.

Budget and Financial Impacts

The funds necessary for this purchase are available through the revenue sharing funds awarded by the Tohono O’odham Nation.

Cost	Fund-Department-Account
\$60,164.12	1840-33226-521000, TO Nation Mobile Tablet Grant

Capital Expense? No

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?

**LINKING AGREEMENT
BETWEEN
THE CITY OF GLENDALE, ARIZONA AND
PANASONIC CORPORATION OF NORTH AMERICA**

THIS LINKING AGREEMENT (this "Agreement") is entered into as of _____, 2014, between the City of Glendale, an Arizona municipal corporation (the "City"), and Panasonic Corporation of North America, a New Jersey corporation authorized to do business in Arizona ("Contractor"), collectively, the "Parties."

RECITALS

A. The City of Tucson on August 1, 2012 entered into Contract Number 120471, and subsequently the parties entered into various amendments to the contract (collectively, the "Panasonic Contract"), a copy of which is incorporated by this reference.

B. The City is permitted to purchase the goods and services described in the ESRI Contract without further public bidding, and the Panasonic Contract permits its cooperative use by other governmental agencies, including the City.

C. Section 2-149 of the City's Procurement Code permits the Materials Manager to authorize procurement through the use of a contract initiated by another governmental entity when that government entity's procurement actions complied with the intent of the City's purchasing procedures in City Code Sections 2-145 and 2-146 and such purchase is in the best interest of the City. The City believes these conditions are met for purposes of the Panasonic Contract.

D. The City desires to contract with Contractor for supplies, goods or services identical, or nearly identical, to the supplies, goods or services Contractor is providing the State of Arizona under the Panasonic Contract, Contractor consents to the City's utilization of the Panasonic Contract as the basis of this Agreement, and Contractor desires to enter into this Agreement to provide the goods and services set forth in this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated by reference, and the covenants and promises contained in this Agreement, the parties agree as follows:

1. Term of Agreement. This Agreement is effective as of the date first set forth above and expires on July 31, 2015 or such other later date as the City of Tucson Contract Number 120471 expires pursuant to extensions or renewals that from time to time may be granted.
2. Scope of Work; Terms, Conditions, and Specifications.

- a) Contractor will provide City the identical supplies, goods or services Contractor provided the City of Tucson under the Panasonic System Communications Company of North America Contract, as requested by the City in the proposal attached as Exhibit "A."
- b) Contractor agrees to comply with all the terms, conditions and specifications of the Panasonic Contract for the purposes of this Agreement, and the terms, conditions, and specifications are incorporated in this Linking Agreement by this reference. The "City of Glendale" shall be substituted for "End User" or similar references throughout the Panasonic Contract.

3) Compensation.

- a) The total purchase price for the Services as authorized in this agreement is not to exceed Sixty thousand one hundred sixty four dollars and twelve cents (\$60,164.12), which includes the expenditure in Exhibit "A," plus an allowance for taxes and contingencies.
- b) This amount is estimated and a contract amendment will be executed if additional funds for additional work is needed to complete the deliverables of the Scope of Work. The City may from time to time elect to purchase additional goods and services from Contractor pursuant to the Contract, and the City will comply with all applicable laws regarding procurement and approval of such purchases.

4) Confidential Information. The Parties agree that the terms, conditions and pricing contained in this Agreement, the member Agreement, and the Proposal are not Panasonic Confidential Information.

5) Arizona Law. The parties agree that this Agreement and the Panasonic Contract shall be governed by Arizona law, including without limitation A.R.S. § 41-4401 (compliance with immigration laws) and A.R.S. § 38-511 (conflicts of interest).

6) Complete Agreement.

- a) This Agreement contains, except as stated below, the entire agreement between the Contractor and the City.
- b) This Agreement incorporates the following documents:
 - i) Exhibit "A," Panasonic Proposal, attached hereto and effective as of the date of execution of this Agreement.
 - ii) City of Tucson Contract Number 120471, incorporated herein by reference.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year set forth above.

"City"

City of Glendale, an Arizona
municipal corporation

Brenda S. Fischer
City Manager

"Contractor"

Panasonic Corporation of North America
a New Jersey corporation

By: Daniel Alleg
Name: D

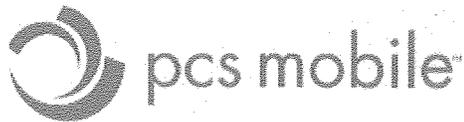
Title: Regional Sales Manager
PCS mobile

ATTEST:

City Clerk

Approved as to Form

City Attorney



Proposal: PROPOSAL-12456/3
For: Glendale Police Dept

Corporate Headquarters 1200 W Mississippi Ave Denver, CO 80223 Phone: 888.836.7841 Email: sales@pcsmobile.com	Print Date: 11/19/2014 02:48 PM Proposal Valid Date: 12/30/2014 09:15 AM Inside Sales Rep: Emily Brittin Email: emilyb@pcsmobile.com Phone: 303-552-3976 Fax: 480-539-4589
Customer: Glendale Police Dept 6835 N. 57th Drive Glendale, AZ 85301-3218	Salesperson: Dan Allen Email: dana@pcsmobile.com Proposal Created By: Dan Allen

Proposal

Customer	Requested By	F.O.B.	Terms	Contract
GLE002	Chad Bowers	Origination	Net 30 Days	NIPA CNR-04540-V37T - 120471

Line	Item Number	Description	Price	List Price	Quantity	Subtotal
1	FZ-G1FS3JFCM	Win7(8.1Coa),i5,10.1",128GBssd,wifi,bt,dp,4gLTE,GPS,HandStr	\$2,496.00	\$3,419.00	10.00	\$24,960.00
2	CF-SVCASCTC5Y	5 yr Computrace Complete (CTC)	\$189.00	\$189.00	10.00	\$1,890.00
3	FZ-SVCTPEXT2Y	Extended Warranty - Toughpad PC (Years 4 & 5)	\$270.00	\$295.00	10.00	\$2,700.00
4	10NMWP250	NetMotion Mobility for Windows with Policy	\$190.00	\$195.00	10.00	\$1,900.00
5	10NMXP20	Mobility Premium Software Maintenance	\$711.03	\$711.03	1.00	\$711.03
6	FZ-VEBG11U	Desktop cradle for FZ-G1	\$322.62	\$380.00	10.00	\$3,226.20
7	CF-AA6413CM	3 Prong AC Adapter for G1 Cradle	\$67.92	\$80.00	10.00	\$679.20
8	DS-PAN-702-2	G1 Dual Passthrough Docking Station	\$627.00	\$928.64	10.00	\$6,270.00
9	CF-VKBL03AM	BACKLIT KEYBOARD EMISSIVE W/ GLIDE PAD repl CF-VKB	\$440.00	\$486.00	10.00	\$4,400.00
10	DS-DA-601	Rugged Hub II	\$120.00	\$149.00	10.00	\$1,200.00
11	PJ662-K	PocketJet 6 with Bluetooth Kit	\$412.00	\$449.00	10.00	\$4,120.00
12	207227	4 yr extended warranty- total of 5 years	\$89.00	\$89.95	10.00	\$890.00
13	RAM-201U-D	UNPKG RAM DBL SOCKET ARM C BALL D LENGTH	\$16.72	\$37.84	10.00	\$167.20
14	RAM-243U	UNPKD 2 13/16" X 5" PLATE W/ HALF VESA	\$19.85	\$15.10	10.00	\$198.50
15	RAM2461U	RAM 3 5/8" SQ. 75 MIL. VESA BASE W/BALL	\$13.10	\$19.00	10.00	\$131.00
					Total	\$53,443.13
					Tax	\$4,347.19
					Total	\$57,790.32

EXHIBIT A

Notes

New Officer MDC

Terms and Conditions

**Portable Computer Systems, Inc., dba: PCS Mobile
Standard Reseller: Terms and Conditions**

1. **Contract Terms.** These Terms and Conditions are attached to and made a part of a "Quote" for resale of products ("Products") provided by Portable Computer Systems, Inc., dba: PCS Mobile ("PCS") to the buyer named therein ("Buyer"); and all further references herein to "this Agreement" mean the Quote, including these Terms and Conditions. Upon acceptance of this Agreement by Buyer, the provisions of this Agreement constitute a binding contract between PCS and Buyer. This Agreement shall be accepted by Buyer upon either receipt from Buyer of any written communication confirming this Agreement or acceptance by Buyer of Products shipped by PCS pursuant to this Agreement. This Agreement supersedes all prior communications relating to the Products covered by this Agreement, and any contrary or supplemental provisions in any Buyer purchase order or other communication from Buyer are specifically rejected.
2. **Payment.** Payment for the Products shall be in US dollars as stated in this Agreement. Unless stated otherwise, prices stated in this Agreement do not include any state or local sale, use or other taxes or assessments or freight charges (beyond delivery by PCS to common carrier), all of which shall be paid by Buyer. A service charge of 1.5% per month will be charged on all past due balances and will be due on demand. All PCS costs of collection, including reasonable attorney's fees, shall be paid by Buyer. Buyer grants PCS a security interest (and the right to file UCC financing statements) in the Products to secure payment of all amounts due. If Buyer fails to make any payment when due, PCS shall have the right to revoke any credit extended, regarding the Products or otherwise, to delay or cancel any or all future deliveries without liability to Buyer. The obligation of PCS to deliver Products shall terminate without notice upon filing of any bankruptcy proceeding by or against Buyer or appointment of any trustee for Buyer or any of its assets. Under no circumstances may Buyer set off against amounts due PCS pursuant to this Agreement any claim Buyer may have against PCS for any reason.
3. **Shipment.** Delivery of all Products shall be F.O.B. place of shipment by or for PCS, unless otherwise agreed in writing. PCS reserves the right to select the means of shipment, point of shipment and routing. Delivery will be deemed complete upon transfer of possession of Products to common carrier as described above, whereupon all risk of loss, damage or destruction to the Products shall pass to Buyer.
4. **Acceptance of Products; Returns.** All Products shall be deemed accepted by Buyer unless Buyer notifies PCS in writing within seven (7) calendar days of receipt of Products of any short shipment, wrong-product shipment, damaged Products or similar discrepancies. Once accepted by Buyer, Products may be returned only with authorization from PCS, in the sole discretion of PCS; and in no case will returns be considered more than thirty (30) days after delivery to Buyer. If accepted for return Products will be subject to a 20% restocking fee.
5. **Warranties.** PCS makes no representation with regard to Products of any kind or nature, express or implied, including any warranty of merchantability or fitness for a particular purposes, or usage of trade. Products are covered by manufacturer's warranty only. Copies of manufacturer's warranty will be provided to Buyer upon written request. PCS assigns to Buyer all warranties on the Products accepted by Buyer; and PCS shall have no obligation relating to processing claims there under, though PCS may assist Buyer therewith at the sole option of PCS.
6. **Limitation on Liability.** In no event shall PCS be liable for any claims for loss of use, revenue, profit or customer, or any direct, indirect, special, incidental or consequential damages of any kind or nature arising out of, or connected with the Products, the use thereof, or the sale thereof by PCS to Buyer. Further, Buyer agrees to indemnify and defend PCS from any such claims.
7. **Force Majeure.** PCS shall not be liable for any delay or failure to perform any obligation of PCS under this Agreement that is caused by events of force majeure, including without limitation strikes, riots, casualties, acts of God, war, governmental action or other cause beyond the reasonable control of PCS.
8. **Miscellaneous.** This Agreement constitutes the entire agreement between PCS and Buyer regarding the Products, and may not be modified except by written agreement signed by the party to be charged with the modification. Buyer's rights under this Agreement may not be assigned without the written consent of PCS. If any provision of this Agreement shall become invalid or illegal under any provision of applicable law, the remainder of this Agreement shall not be affected. This Agreement shall be binding upon both PCS and Buyer, and their respective successors and assigns. This Agreement shall be interpreted in accordance with the internal laws of the State of Colorado.



Legislation Description

File #: 14-494, **Version:** 1

EXPENDITURE AUTHORIZATION FROM THE MUNICIPAL ARTS FUND FOR “ART OF FIRST RESPONSE” PROJECT

Staff Contact: Debora Black, Police Chief

Purpose and Recommended Action

This is a request for City Council to approve expenditure from the Municipal Arts Fund in an amount not to exceed \$15,000 for the “Art of First Response” Project, as recommended by the Glendale Arts Commission.

Background

As the host city for Super Bowl 2015, public safety is a key focus for the City of Glendale. In effort to capture the behind-the-scenes experiences of firefighters and law enforcement officers as they are immersed in public safety work, a photographic art project to document Glendale first responders in preparation for and during the Super Bowl was recommended to the Arts Commission.

The intent of the project is to commission a photographer to chronical the everyday lives of first responders serving in the line of duty during Super Bowl XLIX. The photos of most interest will be selected (with the assistance of the Arts Commission) and enlarged to gallery quality. The photos will be displayed at a special reception and viewing at the Glendale Public Safety Training Center in spring 2015. Additionally, photographs not selected for the gallery presentation will be reviewed and included in a yet to be entitled book that will be made available to the general public.

Analysis

If the action is approved by Council, nationally known photographic artist Roni Ziemba will be hired to chronical the everyday lives of first responders serving in the line of duty. More information on the artist may be found at <http://ziembaphoto.com>.

Because this is an “off-cycle” request for funding support through the 1% for the Arts Fund, Council approval is required. Materials Management has reviewed and approved the special procurement request submitted. Staff is recommending Council authorize expenditure from the Municipal Arts Fund in an amount not to exceed \$15,000 for the “Art of First Response” Project.

Community Benefit/Public Involvement

The final photos will be included in the city’s art portfolio and will be used to promote the heroic efforts of Glendale’s first responders in the community. The photos will also be used for recruitment purposes in publications and on social media to promote the overall priority on safety in Glendale and to show the

dedication of men and women of the Glendale Fire and Police Departments. The City of Glendale Arts Commission voted unanimously on November 20, 2014 to fund the project.

Budget and Financial Impacts

Funding for this project is available in the Arts Commission budget.

Cost	Fund-Department-Account
\$15,000	1220-84650-551000, Arts Commission

Capital Expense? No

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?



Legislation Description

File #: 14-502, Version: 1

AUTHORIZATION TO AMEND A PROFESSIONAL SERVICES AGREEMENT WITH BLACK AND VEATCH CORPORATION FOR PYRAMID PEAK WATER TREATMENT PLANT FACILITY ASSESSMENT

Staff Contact: Craig Johnson, P.E., Director, Water Services

Purpose and Recommended Action

This is a request for City Council to authorize the City Manager to amend the existing Professional Services Agreement, C-8912 with Black and Veatch Corporation, for Phase II of the Pyramid Peak Water Treatment Plant improvement evaluation in an amount not to exceed \$697,416.

Background

The Pyramid Peak Water Treatment Plant (PPWTP) is jointly owned by the City of Glendale and the City of Peoria, with Peoria as a 23 percent equity owner. The plant, originally constructed in 1986, is currently in need of improvements due to aging infrastructure, changed regulatory requirements, and challenges from additional demand in both Peoria and Glendale. Peoria has asked for assistance in evaluating the plant for potential expansion.

Phase I for this project was approved for \$174,960 in May 2014 and it is near completion. Phase I consists of an initial evaluation of treatment processes and potential expansion. Based on this preliminary work, an additional evaluation of plant equipment and systems is recommended. Staff has also identified a need to address distribution system concerns and regulatory permitting updates in Phase II.

This next phase of the evaluation will include an in-depth facility assessment including treatment system condition assessment and recommendations for improvements. Phase II will also include an application for an Aquifer Protection Permit for the sludge lagoons and condition assessment of a portion of the 60-inch finished water transmission pipeline. The total professional service fees for Phase II will be \$697,416. Total fees for both Phase I and Phase II are \$872,376.

Analysis

The PPWTP processes water from the Central Arizona Project (CAP) for Glendale and Peoria. Through an intergovernmental agreement, Glendale also processes and delivers CAP water to a portion of Phoenix through PPWTP. As with all water treatment facilities, there is periodic need to evaluate and rehabilitate current treatment systems to ensure that the infrastructure is in good working condition. Major improvements require a separate evaluation and design phase prior to construction.

This request is to complete the facility assessment begun in Phase I. The project was phased to allow for adjustments based on the results of the initial analysis. Once this assessment is complete, the project will

move forward with the design and construction phase of any needed improvements. At that time, a request for approval will be brought forward to Council.

A Request for Proposal was issued in July 2013 by the Engineering Department to provide evaluation, design and construction administration services. Two (2) firms submitted qualifications and Black and Veatch Corp. was determined to be the most qualified for the project.

Previous Related Council Action

On May 13, 2014, Council approved a professional services agreement with Black and Veatch Corporation for process and expansion evaluations for the Pyramid Peak Water Treatment Plant.

Community Benefit/Public Involvement

This project will enable the City to ensure continuous supply of reliable high quality of water to residents and businesses in Glendale, Peoria, and Phoenix. This is in keeping with the mission of Water Services to provide customers with safe, reliable, and high quality water to ensure public health and the vitality of the community.

On December 18, 2012 the Ad Hoc Citizen Task Force on Water and Sewer completed its final report. One of the recommendations of the Task Force was to enhance regional collaboration by maintaining beneficial partnerships with respect to water resources. This project enhances collaboration in this area and will benefit the regional community.

Budget and Financial Impacts

The total cost for this phase is an amount not to exceed \$697,416. Peoria will reimburse Glendale in an amount up to \$160,405.

Funding is available in the Water Services FY2014-15 Capital Improvement Program. Future years funding for this project will be contingent on City Council approval of the budget.

Cost	Fund-Department-Account
\$697,416	2400-61043-551200, Pyramid Peak WTP Process Improvements

Capital Expense? Yes

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?

Agreement for Professional Services

Pyramid Peak Water Treatment Plant Improvements

City Project No.131402

This Amendment No. 1 to the Agreement for Professional Services for Services Pyramid Peak WTP Improvements Project 131402 ("Amendment No. 1) is made this ____ day of _____, 20__, by and between the City of Glendale, an Arizona municipal corporation ("City") and Black & Veatch Corporation, a Delaware corporation authorized to do business in Arizona ("Consultant").

RECITALS

- A. Consultant is currently under contract with the City on the above-referenced project;
- B. Since the inception of the work, the scope and requirements have changed substantially and cannot be expanded or corrected through change orders or change directives;
- C. The changes in the Scope of Work will benefit the City; and
- D. Expanding the Scope of Work (attached Amended Exhibit B) under the original Agreement will allow the work to be completed under the appropriate professional standards and represents a cost savings to the City.

AGREEMENT

The original Agreement for Professional Services for Project No. "131402" is amended as follows:

Section 4. Additional compensation for the change in the Scope of Work will not exceed \$697,416 as specifically detailed in the attached Amended Exhibit D (time and materials).

Section 15. The following Amended Exhibits are incorporated by reference as though fully set forth in this Amendment:

Amended Exhibit B
Amended Exhibit D

Scope of Work
Compensation

All other terms and conditions not amended by this writing remain unchanged and enforceable as found in the original Agreement C-8912 currently on file in the Office of the City Clerk, City of Glendale.

“City”:

CITY OF GLENDALE, an Arizona
municipal corporation

Brenda S. Fischer, City Manager

ATTEST:

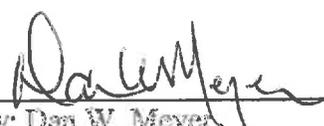
Patricia Hanna, City Clerk (SEAL)

APPROVED AS TO FORM:

Michael D. Bailey, City Attorney

“Consultant”

BLACK & VEATCH CORPORATION
A Delaware corporation licensed to do
business in Arizona



By: Dan W. Meyer
It's: Vice President

**PROFESSIONAL SERVICES AGREEMENT – AMENDED EXHIBIT B
SCOPE OF WORK**

**AMENDED EXHIBIT B
SCOPE OF WORK
PYRAMID PEAK WATER TREATMENT PLANT IMPROVEMENTS
PHASE II**

The Phase II scope of work includes an evaluation of specific Pyramid Peak Water Treatment Plant (PPWTP) components not included in Phase I evaluations, condition assessments of a portion of the 60-inch finished water effluent transmission pipeline, and helping the City obtain an Aquifer Protection permit for the sludge lagoons.

Task Group 100 – Project Management

Task 110: General Management and Administration

This is a continuation of the General Management and Administration scope of work in as described in Phase I Scope of Services. The project schedule will be updated for Phase II Work.

Task 120: Conduct Monthly Progress Meetings

The Consultant will prepare meeting documentation and conduct meetings to discuss the progress, direction and present technical aspects of the project. Project documentation will consist of preparing and distributing meeting agendas and minutes. Meeting minutes will summarize key discussions, comments, decisions, and any action items required. A total of 10 progress project meetings are anticipated. Consultant will provide draft meeting minutes to the City for review and final minutes incorporating comments from the City on the draft minutes, as required.

Group 100 Deliverables:

- Project Schedule
- Meeting Agenda and Minutes, with Action Items
- Monthly Progress Reports and Schedule Updates
- Document and Data Request Log
- Action Items and Decision Log
- Quarterly cash flow projections

Task Group 200 – Assessment of Existing Facilities

The following equipment and systems will be evaluated:

- A. Filter backwash water supply – Assess pump condition, remaining life and options for replacement with a configuration that is easier to access for maintenance
- B. Service water supply system – Assess service water supply requirements, current supply system capacity, pressure, redundancy and flow range, remaining life and options for replacement with a configuration that is easier to access for maintenance
- C. Coagulant aid polymer system – Assess feasibility of modifying the system to include both dilution and aging tanks

- D. Potassium Permanganate system – Discuss and document system capacity limitations with WTP operations, assess existing system and recommend improvements to provide sufficient potassium permanganate chemical feed to meet treatment plant quagga control needs
- E. Chlorine gas piping system – Assess potential solutions to minimize or eliminate short length of chlorine gas pressure pipeline between the container and the eductor
- F. Chlorine storage area ventilation – Assess storage area and potential interferences between the chlorine storage area ventilation and the compliance laboratory ventilation
- G. Filter 1 underdrain – Assess potential underdrain issues that result in lower filter run times
- H. Filter Backwash Flow Control Valve – Assess operation of filter backwash flow control valve and develop solutions to address valve “flutter” at the start of backwash
- I. Standby engine generator – Assess standby engine generator remaining life and capacity to maintain power supply for the WTP.
- J. Train 1 sedimentation basin sludge drain – Evaluate feasibility of relocating the drain pipe inlet to a lower location to expedite sludge evacuation from the basin and the cleaning process
- K. Sludge lagoon drain valves – Estimate replacement in-kind costs for the existing leaking sludge lagoon drain valves
- L. Train 1 sedimentation basin sludge collection – Estimate replacement in-kind costs to replace sludge scrapers and chains, and cell blowdown isolation valves.
- M. Sedimentation basin lighting – Estimate costs to improve illumination such as replace with LED type lighting
- N. Filter Valve Actuators - Estimate costs for replacing aging filter valve actuators

In addition, the Consultant will evaluate the existing Operator’s laboratory and develop a preliminary concept plan for the fume hood location.

Task 201: Review Available Documentation

The Consultant will review the following information as it relates to the components described in items A through N in Task Group 200:

- As-Built drawings for all construction phases
- Available photos from past construction phases
- Equipment Submittals and O&M manuals
- WTP operational records including:
 - Digital (Excel or other database), filter run times, filter turbidity, filter performance data, chemical feed rates, WTP flows
 - Plant equipment (Items A, B,D, G, H, I) maintenance records and reports

Task 202: Site Investigations

Up to three site investigation visits will be completed to review those systems identified in Task Group 200 and compare actual installed conditions with as-built documents. Visual observations of the equipment and systems included in Task Group 200 description will be documented using digital photography, where feasible, while maintaining WTP operations. This task is for the purpose of

completing the system evaluations and does not include making modifications to the City's as-builts. Plant equipment items A, B, C, D and I and their operating ranges identified through O&M and on-site observations will be documented.

The filter underdrain testing conducted in 2007 by the Consultant resulted in the recommendation that Filter 1 underdrain be inspected. The Filter 1 underdrain evaluation will require the City remove the media in Filter 1 to expose the underdrains. In addition the gullet below Filter 1 underdrain will be investigated either by scoping camera or by physically entering the area. If scoping camera is required it is assumed the project will utilize the City's equipment or contractor supplied equipment by others.

The chlorine storage area ventilation evaluation will be limited to on-site observation of routing where it is visible and a review of the as-built drawings for HVAC duct routing, venting and intake. Smoke or other testing can be added as a supplemental service

Task 203: Equipment Systems and Needs Assessment

For Items A, B, C, D, G, H, and I described in task 200 above, Consultant will complete equipment assessments including the following:

- Installation Date
- Last Rehabilitation Date
- Condition (visual assessment if possible on 1 to 5 scale)

Assessment summaries will also take into consideration process evaluations completed during Phase I, such as chemical feed system capacity requirements for challenging water quality conditions.

The preliminary results from the needs assessment will be presented at a workshop and comments from the City regarding the findings will be documented. The purpose of this meeting will be to obtain agreement from the City relative to what should be evaluated further in Task 204. One additional workshop is included as not all needs assessments may be fully addressed at the time Workshop 1 is scheduled. These include assessments relative to the Filter 1 underdrain and Train 1 sedimentation basin equipment as they may be dependent on timing of those processes being taken off line for a limited period.

Within a week of each workshop, the Consultant will provide meeting minutes with a listing of the equipment that requires improvements or replacement which will be carried forward to Task 204 evaluations.

Task 204 – Develop and Evaluate Alternatives and Recommend Improvements

Based on the results from Task 202 and 203, the Consultant will develop and evaluate up to two alternatives each for recommended improvement to address needs identified for the service water supply system, backwash water pumps, chlorine gas supply piping, chlorine storage area ventilation, Fume hood location, Filter 1 underdrain, standby engine generator and chemical feed systems C and D identified in Task Group 200. Chemical feed system equipment evaluations will also utilize results from

Phase I. Descriptions, explanatory sketches or schematics of recommended equipment system improvements will be prepared.

Equipment system improvements alternatives will be presented at project progress meetings so comments from the City can be gathered and addressed prior to subsequent work.

Task 205 - Improvements Cost Estimates

Based on the selected alternatives from Task 204 budgetary cost estimates to AACEI Class 5 (Low: -20% to -50% and High: +30% to +100%) will be prepared for Task 200 items A through N as well as the coagulant feed systems, hydrofluorosilicic acid system, analytical equipment and sludge handling system from Phase I work.

Task 206 -- TM 4 - Existing Equipment Systems Needs Assessment and Improvements Recommendations

A draft Technical Memorandum 4 describing the equipment systems needs assessment, recommended improvements and budgetary costs will be prepared (TM1-TM3 were provided in Phase I). Ten copies of the Draft Technical Memorandum 4 will be provided to the City for review. The Consultant will incorporate City comments as needed and subsequently issue the final Technical Memorandum 4 electronically along with ten hard copies.

Task 207 -- Reservoir THM Mitigation Evaluation

The reservoir level seasonal set-points were evaluated and recommended as part of the Water Distribution Optimization Study. Consultant will use this information and evaluate other alternatives for reducing THM generation in the reservoirs. The following alternatives will be evaluated:

1. Reducing the reservoir influent chlorination setpoint. Consultant will assess the reservoir T_{10} detention time using the USEPA. Guidance Manual for Compliance with the Filtration and Disinfection Requirements for Public Water Systems Using Surface Water Sources. Washington, D.C.: USEPA Office of Drinking Water, 1991 and determine chlorine residual requirements for disinfection credit. Consultant will use the USEPA Water Treatment Plant Model to estimate DBP reduction resulting from lower reservoir influent chlorine residual.
2. Consultant will estimate requirements for a reservoir aeration system for the PPWTP reservoirs. Consultant will estimate reduction in volatile TTMS based on the aeration system concept design parameters. Conceptual costs will be evaluated and provided.

The preliminary results from reservoir THM mitigation evaluation will be presented at a workshop and comments from the City regarding the findings will be documented. A draft Technical Memorandum 5 describing the reservoir THM mitigation evaluation, recommended improvements and budgetary costs will be prepared. Ten copies of the Draft Technical Memorandum 5 will be provided to the City for review. The Consultant will incorporate City comments as needed and subsequently issue the final Technical Memorandum 5 electronically along with ten hard copies.

Task Group 200 Deliverables:

- Ten hard copies of the Draft and Final Technical Memorandum 4 Existing Equipment Systems Needs Assessment and Improvements Recommendations and one pdf copy.
- Ten hard copies of the Draft and Final Technical Memorandum 5 Reservoir THM Mitigation Evaluation and one pdf copy.

Task 300 Process Evaluations (Completed in Phase I)

Task 400 – Preliminary Design Report

401 Preliminary Design Report

The Consultant will prepare a Preliminary Design Report, which incorporates the findings, conclusions, and recommendations of the Phase I and Phase II – Facility Assessments (Task 200). The Preliminary Design Report will include planning recommendations, preliminary design criteria and budgetary cost estimates to AACEI Class 5. Ten copies of the draft Preliminary Design Report will be provided to the City for review. The City will provide comments on the Draft Report. The Consultant will incorporate comments and subsequently issue the Final Preliminary Design Report electronically along with ten hard copies within 10 business days after receiving all of the City's comments.

Task Group 400 Deliverables:

Preliminary Design Report

Task Group 500 – Pyramid Peak WTP Aquifer Protection Permit

This task includes coordination and meetings with the Arizona Department of Environmental Quality (ADEQ) and preparing the Aquifer Protection Permit (APP) documentation for submission by City of Glendale to the ADEQ for the existing WTP Sludge Lagoons.

Task 501 – Collect and Organize Data and Prepare APP Application Package

The Consultant will organize and attend a pre-application meeting with ADEQ and the City (Task 504). Based on this meeting the Consultant, together with the City, will collect and organize documents, as needed, for submission of the APP permit application. For this effort we have assumed the following data will be requested by ADEQ for the Sludge Lagoon APP:

- Sludge Characterization*
- Previous Basis of Design Reports
- Design Documents (Drawings and Specs)
- Previous Geotechnical Evaluations*
- Lagoon related structural calculations
- Plant location and site plan
- Latest Copies of Self-Monitoring Report Forms (SMRF)*
- Statement of Financial Capability*
- Operator Licenses*
- Plant O&M Manual*

Emergency Action Plan and Emergency Contact List*
ADWR Well Maps
Plant Hydrogeologic Study
Resume information for design Consultant on each lagoon project
Engineer's Certificate of Completion for each project**
Closure procedures and cost estimates
Post-closure Procedures and Monitoring Cost Estimate

* To be provided by the City

** Reports and Drawings by others to be provided by the City

Information that is not readily available from City sources will require solicitation of other entities including Arizona State Agencies, Federal Agencies and other Engineering Firms. The level of effort for this task is based on all documentation that is issued by outside agencies and others being solicited and available.

The hydrogeologic study will use analytical modeling to develop Discharge Impact Area Analysis and to satisfy ADEQ requirements. A hydrogeologic characterization of the site will include preparing geologic cross-sections displaying the regional and local geologic conditions, description of surficial geology, vadose zone characteristics, aquifer characteristics, surface water conditions, water quality, an inventory of wells within ¼ mile radius, groundwater elevation map and historic water level changes.

This task assumes that the emergency action plan is adequate for the permit application and does not require any action or modifications.

Consultant will prepare the application package in accordance with ADEQ requirements and based on information obtained in the pre-application meeting and document investigation. The level of effort for this task is based on a single application of Documents submitted directly to the City of Glendale for review and submission to ADEQ.

Task 502 – Design Basis Review

Consultant will provide documentation describing the design criteria used for the sludge lagoons including geotechnical evaluations for slide slopes, design reports, geomembrane materials, design drawings and other documentation as required by ADEQ. Consultant will determine if the existing design criteria meets the requirements set forth by ADEQ.

Task 503 – Site Inspections

Consultant will conduct a site visit with the City of Glendale to walk the existing sludge lagoons to document their current condition. After the walkthrough with the City is complete, Consultant will organize a second walkthrough to include the City of Glendale and staff from

ADEQ. A total of two site trips are anticipated for this task and include a coordination meeting with ADEQ following inspection activities.

Task 504 – Coordination Meetings with ADEQ

Pre-Application Meeting – Consultant and the hydrogeological subconsultant will organize and attend a pre-application meeting with ADEQ to establish requirements for the application submittal. An agenda will be prepared along with a preliminary list of data that is assumed to be part of the application package. During the meeting the list will be reviewed and any other information that is needed will be identified. Consultant will prepare meeting minutes and distribute to document meeting outcomes and decisions.

Comment Review Meetings – Consultant will organize and attend 2 comment review meetings to discuss any comments generated after the application package is submitted. Prior to meetings an agenda and comment summary document will be prepared for review with ADEQ personnel. Meeting minutes documenting any decisions or resolutions reached during the meetings will be prepared and distributed. The level of effort for this task is based on 1 meeting for administrative review comments, and 1 meeting for technical comments.

Group 500 Deliverables:

Coordination Meeting Agendas and Minutes (3)

Application Package Submittal

Administrative Responses (2 response documents)

Technical Responses to ADEQ Comments (2 response documents)

Items Excluded from this scope include:

Payment of permit fees

Additional meetings beyond those defined by this task group

Task Group 600 – 60-inch Pipeline Step 1 Assessment Plan

About 6,400 feet of 60-inch PCCP finished water pipeline from the PPWTP Reservoir to Jomax Road will be assessed in a step-wise approach. The work completed in subsequent steps is dependent on previous assessment findings. The City is currently assessing and implementing improvements to the Hillcrest Ranch Booster Station (HRBS) and Zones 2 and 3 piping tie-ins that may allow this portion of the 60-inch pipeline to be taken out of service and drained for a limited brief time for the assessments providing Peoria agrees to and has another source of supply for its CAP service area normally supplied through the Peoria connection. The scope includes planning services to determine the best value assessment option. Allowance item (A105) for the internal inspection is based on the assumption that the internal assessment uses a remote field eddy current transformer coupling “pipe-diver” technology. The first step includes the following assessments:

Task 601 - Collect and Review Existing Drawings and Data

Consultant will obtain and review pipeline manufacturer's shop drawings, and as-built drawings and other information such as corrosion survey records, leak history reports, isolation valve exercise history, air release valve maintenance, and any other available applicable inspection reports.

Task 602 - Field Observations and Pre-inspection Planning

For prestressed concrete cylinder pipe like the 60-inch line, remote field eddy current transformer coupling (RFTC) technology is available on three platforms. The manned entry with RFTC equipment provides the most information for the lengths of pipeline evaluated. The robotic platform includes high definition video with the RFTC equipment. The third option is the "pipe-diver" RFTC equipment that is inserted with the pipeline still in service. The pipe-diver provides the least amount of information. Mobilization costs for the manned entry and robotic RFTC equipment are more cost effective than the "pipe-diver" RFTC equipment. Pipeline plan and profile drawings received from Glendale to date indicates RFTC robotic technology and manned entry in a drained pipeline are feasible providing the 54-inch isolation valve at Jomax and 67th Avenue is operational, the HRBS pump station is operational and the Zone 2/3 tie-in improvements are completed. The Consultant and its pipeline RFTC specialty subconsultant will conduct field verification of drawings and other information to identify location of valves, air release valves, tees and other features, as well as identify access and constraints, relevant below-ground or above-ground features such as power lines, driveways, private property access limitations and adjacent walls or other structures. Working with the City, the Consultant and its subconsultant will inspect insertion and retrieval locations. If the "pipe-diver" is used as a minimum a 12-inch tap at the beginning and end of the 60 inch line will be required. An allowance is provided for Consultant to provide the documents to allow the City to bid the tapping services. The tap will be by others and is not included in the scope.

The Consultant will develop an internal inspection permitting coordination matrix and review the matrix with the City.

Task 603 - Coordination with City of Peoria

The most cost effective pipeline assessment approach would include closing Peoria tie-in connection and the 54-inch valve on the pipeline at the intersection of Jomax and 67th Avenue and having a drained pipeline between the PPWTP and the closed valve for up to two days. The most expensive option, "pipe diver" would also require closure of the Peoria connection for a short period of time. The Consultant and City will meet with the City of Peoria to discuss timing and impacts to Peoria. Evaluation of alternative supplies to the City of Peoria distribution system including utilization of Peoria's Water Model can be added to this scope, but are not included at this time.

Task 604 - Develop Step 1 Inspection Plan

The Consultant will provide the City with an inspection Plan detailing how Step 1 pipeline assessment work will be executed. This Plan will include the refined Step 1 pipeline assessment schedule. The Step 1 Plan will take into account field conditions, permitting requirements, mobilization requirements, traffic planning requirements, coordination with Phoenix since the streets are within their jurisdiction and

discussions with the City Operations. Consultant will meet with the Cities of Glendale and Peoria twice to review the plan and gather comments. The Step 1 pipeline assessment plan will be updated accordingly based on comments received.

Task Group 600 Deliverables:

- Draft Step 1 Pipeline Inspection Plan
- Updated Draft Step 1 Pipeline Inspection Plan
- Final Step 1 Pipeline Inspection Plan

Task Group 700 – 10 mgd WTP Expansion Planning (This was completed in Phase I)

Schedule

The schedule for the work is 360 calendar days from notice to proceed.

Allowances

A101 - Indirect Corrosion Assessment

indirect corrosion assessments along the pipeline alignment will include identification of potential sources of corrosion, including soil corrosivity and electrical stray current such as from gas line impressed current systems and from overhead power lines. The corrosion assessment will be performed in compliance with NACE International Standard Recommended Practice SP0502-2008 – Pipeline External Corrosion Direct Assessment Methodology. The assessments will include the following:

- In-situ soil resistivity testing performed using the Wenner 4-pin Method in accordance with ASTM G57-06 -- Standard Test Method for Field Measurement of Soil Resistivity Using the Wenner Four-Electrode Method in those accessible areas along the pipeline alignment that are areas not overlaid by concrete or asphalt.
- Two-reference-electrode surface survey consisting of measuring the potential difference between two matched copper/copper sulfate electrodes (CSE) in contact with the earth along the pipeline alignment, not under pavement, in ROW accessible to the Consultant, to detect locations for suspected active pipeline corrosion.
- Inspection of pipeline route for potential sources of stray current interference.

We estimate about 30% (about 2000 ft) of the 60-inch pipeline will be accessible for the in-situ soil resistivity and electrode surveys.

A102 – Traffic Control Planning and Traffic Control

The Consultant will coordinate with Phoenix and prepare traffic control plan for accessing the 60-inch pipeline manways through the existing access manholes at Stations 130+70 and 193+54. Consultant will arrange for and provide up to 5 consecutive days of traffic control for the pipeline assessment

A103 - Public Outreach

Consultant with its public outreach subconsultant will provide the following services prior to and in conjunction with the pipeline assessment:

- Identify potential community impacts and issues based on coordination with the City, Contractor, and assessment subconsultants, and provide needed information to community members as required via fliers and web access updates.
- Develop content of fliers for distribution to residents in the specific impacted areas, including contact information and project information, so that residents can better understand the project impacts. Produce and distribute the fliers for neighborhood outreach.
- Work with City of Glendale Webmaster to develop a webpage for the project. It is assumed Consultant will provide the content for Glendale Webmaster input into the web page.
- Collect contact information including residential management, for e-updates when the specific project duration warrants ongoing information.
- Provide information to City of Phoenix, Transportation (Traffic Control), and Engineering.
- Establish a project hotline for the project with a live response 24 hours a day.
- Review placement of traffic control signs that display project hotline number.

A104 – 60-inch Pipeline Tap Bidding Documents

The Consultant will prepare bidding documents including general drawings with piping, tapping sleeve, valve, embedment and backfill notes for completion of two pipeline taps by a Contractor under an agreement with the City. The bidding document will also include technical specifications, and requirements for permitting and traffic control to be completed by the Contractor. Consultant will coordinate with the City's Project Manager for City's procurement and legal review.

Consultant will answer Contractor questions during the bidding period and will evaluate bids received from three Contractors and recommend a Contractor for the work. Consultant will review shop drawings from the Contractor and provide the general coordination between the pipeline tapping Contractor, the City and the Consultants RFTC equipment supplier.

A105 - Internal Survey

Following approval of the Step 1 Inspection Plan, the Consultant and its subconsultant will proceed with the Step 1 Internal Inspection using remote field eddy current transformer coupling (RFTC) technology. The Consultant will remain on-site during all pipeline inspection services in order to direct inspection activities by subconsultant, coordinate with City staff and respond immediately to any issues or preliminary findings that may require adjustment to the Inspection Plan. Informal results of the Step 1 internal inspections will be available within one week of the field work.

If the pipeline can be drained then the inspection will be performed with manned entry using RFTC technology combined with manual soundings and visual inspections. It is assumed it would require two consecutive days of drained pipeline for this inspection.

A draft pipeline assessment summary will be available within twenty one calendar days of the completion of the Steps 1 field work. It is assumed the internal survey could be performed as late as end of October 2015. A106 - Identify Need for Additional Assessments and Pipe Segments Requiring Repair

Based on the results from Step 1, the Consultant will determine if additional assessments are required and, if yes, what the assessments should be and at which pipeline segments and appurtenances the assessments should be conducted. Additional assessments are included as an Allowance to the Step1 level of effort.

A107 Impact Echo Testing

At locations of interest identified by the Internal Inspections, and field corrosion evaluation efforts, the pipeline will be excavated in up to 10 locations by the City's Contractor. The Consultant will then use Impact Echo tests to determine delamination of the outer or inner cement mortar from the steel cylinder. The test points will be on a 1 ft lengthwise grid along a 3-5 ft long pipe length of pipeline exterior exposed by Contractor's excavations. The test will be conducted at 4 to 8 points around the pipe radius.

A108 - Direct Soil Corrosion Assessment

Soil samples will be collected from locations excavated by the Contractor and will be analyzed in a laboratory for pH, sulfide reaction, oxidation/reduction, and chlorides. The electrical resistivity of the samples shall also be measured in the lab and correlated with the results of the field resistivity survey. It is assumed that soil corrosion assessments will be provided for up to 6 locations.

A109- Inspection Technical Memorandum

The Consultant will evaluate which segments of the pipeline and appurtenances require repair or rehabilitation and prioritize these in terms of severity of need. For those segments not requiring any form of repair or rehabilitation, the Consultant will estimate remaining service life and develop recommendations periodic future condition monitoring. Note that remaining service life estimates will be based on the pipeline inspected and the accuracy will depend in part of the amount of assessments completed for the pipeline. If only Task A105 assessment is completed then the remaining life estimates will be less accurate than if subsequent steps are completed.

The Consultant will prepare a Technical Memorandum of pipeline inspection results, and present this to City staff for review and comment. The Technical Memorandum will summarize the pipeline condition assessments and corrosion evaluations and findings. The draft Technical Memorandum will be issued electronically along with ten hard copies. Consultant will present the findings included in Technical Memorandum and will discuss the draft at a progress meeting with the City. It is assumed that the City will provide comments to the Technical Memorandum within ten (10) business days after it is provided to the City, and Consultant will incorporate comments and subsequently issue the final Technical

Memorandum electronically along with ten hard copies within 10 business days after receiving all of the City's comments.

PROFESSIONAL SERVICES AGREEMENT – AMENDED EXHIBIT D

COMPENSATION

METHOD AND AMOUNT OF COMPENSATION

Compensation shall be hourly rates plus allowable reimbursable expenses.

DETAILED PROJECT COMPENSATION

The total amount of compensation paid to Black & Veatch Corporation, for full completion of all work required by the Project during the entire term of the Project must not exceed \$872,376.00.

Basic Consultant Fee	\$ 174,960.00
Amendment No. 1 (Additional Evaluation and Assessment Services)	\$ 697,416.00
Total Professional Services Fee	<u>\$ 872,376.00</u>

DETAILED PROJECT COMPENSATION

AMENDMENT NO. 1 Fee Schedule	
TASK	COST
Task 100 – Project Management	\$19,480.00
Task 200 - Assessment of Existing Facilities	\$162,562.00
Task 300 – Process Evaluations	Completed
Task 400 – Preliminary Design Report	\$33,192.00
Task 500 – Pyramid Peak WTP Aquifer Protection Permit	\$47,868.00
Task 600 – 60-inch Pipeline Step 1 Assessment Plan	\$31,731.00
Allowance for Pipeline Assessment (assessment method to be determined)118313	\$118,313.00
Sub-Consultant Allowance	\$234,270.00
Reimbursable Expenses	\$20,000.00
Owner's Contingency	\$30,000.00
TOTAL PROJECT COST:	\$697,416.00

AUTHORIZATION TO AMEND A PROFESSIONAL SERVICES AGREEMENT WITH BLACK AND VEATCH CORPORATION FOR PYRAMID PEAK WATER TREATMENT PLANT FACILITY ASSESSMENT

Attachment

Task	Cost	Glendale	Peoria
Phase I – Treatment Process and Expansion Evaluation Study*	\$174,960	\$134,720	\$40,240
Phase II - Facility and Treatment System Condition Assessment & Aquifer Protection Permit	\$697,416	\$537,010	\$160,405
Total Project to date	\$872,376	\$617,730	\$200,645

*Approved by Council on May 14, 2014



Legislation Description

File #: 14-412, Version: 1

APPROVE EXPENDITURE OF FUNDS FOR ANNUAL SOFTWARE MAINTENANCE FOR THE SUPERVISORY CONTROL AND DATA ACQUISITION SYSTEMS FROM GE INTELLIGENT PLATFORMS, INC.

Staff Contact: Craig Johnson, P.E., Director, Water Services

Purpose and Recommended Action

This is a request for City Council to approve the expenditure of funds in an amount not to exceed \$57,363.98 for the annual software maintenance for the Supervisory Control and Data Acquisition (SCADA) systems from GE Intelligent Platforms, Inc.

Background

Water Services SCADA system provides real-time data of operational performance to monitor and evaluate the operation of the water treatment plants, wastewater reclamation facilities, and remote sites for both the water distribution and wastewater collection systems. The software component of the SCADA system provides the electronic transmission of data between the main server and remote sites. GE Intelligent Platforms, Inc. is the author and copyright holder of the current SCADA software.

Analysis

GE Intelligent Platforms, Inc. is the sole provider of the software maintenance, upgrade and support services. No alternatives exist for vendor support of this software which is critical to the efficient management of the system. GE Intelligent Platforms, Inc. ensures that issues are addressed with the technical expertise of the software developer and any required system updates are installed as quickly as possible. The maintenance term is through October 30, 2015.

Previous Related Council Action

On February 11, 2014, Council authorized the City Manager to enter into an annual software maintenance agreement with GE Intelligent Platforms, Inc. in the amount of \$57,363.98 for the SCADA systems at all of the city's water and wastewater treatment plants and remote sites. The maintenance term was through October 30, 2014.

On January 22, 2013, Council authorized the City Manager to enter into a software maintenance agreement with GE Intelligent Platforms, Inc. in the amount of \$60,450.80 for the SCADA systems at all of the city's water and wastewater treatment sites.

Community Benefit/Public Involvement

The SCADA system ensures system integrity and security to aid staff in the production and delivery of high-quality water services to residents and businesses in Glendale.

Budget and Financial Impacts

Funds are available in the FY 2014-15 operating budget of the Water Services Department.

Cost	Fund-Department-Account
\$57,363.98	2360-17120-522700, Water Services Information Management

Capital Expense? No

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?



Technical Marketing Mfg., Inc.

Remit Payment Only To:

GE Intelligent Platforms, Inc.
P.O. Box 641275
Pittsburgh, PA 15264-1275

Quote No.	Quote Date	Rev	Prepared by
1-4174120311	8/4/2014	1	Broccardo, Neil

Send Purchase Order and/or Correspondence to:

TMMI - Technical Marketing Mfg., Inc., Wheat Ridge-9818
5000 Robb St., Bldg. 3, Ste. A,
WHEAT RIDGE CO, 80033 USA

Tel.:1-800-433-2682 (+434-978-5100) Fax:780-420-2047

City of Glendale 7070 W Northern Avenue Glendale AZ, 85303 USA Bill to Contact: <i>Bill to CSN: 564273</i>	City of Glendale - Cholla Water Treatment Plant 6210 West Myrtle Avenue GLENDALE AZ, 85304 USA End User Contact: <i>End User CSN: 10181000</i>
Quote Expiry 10/31/2014	Currency USD
Sales Representative TMMI - Technical Marketing Manufacturing, Inc.	Primary Sales Representative Boyd, Tanya

Line No	Part #	Part Description	Unit Sell Price	Qty	Extended Price
		Serial # 100210742 Start Date 10/31/2014 GlobalCare Level Complete End Date 10/30/2015 PPS Keys 0			
1	001230000004	Keyless Disk (M4)	USD 0.00	1	USD 0.00
1.1	IC647IFPLDY00150 M	iFIX Plus SCADA i50 I/O Development (M4 Part)	USD 0.00	1	USD 0.00
1.1.1	100010000000	GlobalCare Complete	USD 632.26	1	USD 632.26
		Serial # 100210747 Start Date 10/31/2014 GlobalCare Level Complete End Date 10/30/2015 PPS Keys 0			
2	001230000004	Keyless Disk (M4)	USD 0.00	1	USD 0.00
2.1	IC647IFPLRN00300 M	iFIX Plus SCADA 300 I/O Runtime (M4 Part)	USD 0.00	1	USD 0.00
2.1.1	100010000000	GlobalCare Complete	USD 599.90	1	USD 599.90
		Serial # 100210750 Start Date 10/31/2014 GlobalCare Level Complete End Date 10/30/2015 PPS Keys 0			
3	001230000004	Keyless Disk (M4)	USD 0.00	1	USD 0.00
3.1	IC647IFPLDVUNLM TM	iFIX Plus SCADA Unlimited Development (M4 Part)	USD 0.00	1	USD 0.00
3.1.1	OC647IFAFLOVM	iFIX Optn: SCADA Synchronization (M4 Part)	USD 0.00	1	USD 0.00
3.1.1.1	100010000000	GlobalCare Complete	USD 254.80	1	USD 254.80
3.1.2	100010000000	GlobalCare Complete	USD 672.66	1	USD 672.66
		Serial # 100210752 Start Date 10/31/2014 GlobalCare Level Complete End Date 10/30/2015 PPS Keys 0			
4	001230000004	Keyless Disk (M4)	USD 0.00	1	USD 0.00
4.1	IC647IFPLDVUNLM TM	iFIX Plus SCADA Unlimited Development (M4 Part)	USD 0.00	1	USD 0.00
4.1.1	OC647IFAFLOVM	iFIX Optn: SCADA Synchronization (M4 Part)	USD 0.00	1	USD 0.00
4.1.1.1	100010000000	GlobalCare Complete	USD 254.80	1	USD 254.80
4.1.2	100010000000	GlobalCare Complete	USD 672.66	1	USD 672.66

		Serial # : 100210759	GlobalCare Level: Complete		
		Start Date : 10/31/2014	End Date: 10/30/2015		
			PPS Keys: 0		
5	001230000004	Keyless Disk (M4)	USD 0.00	1	USD 0.00
5.1	IC647IFPLDVUNLM TM	iFIX Plus SCADA Unlimited Development (M4 Part)	USD 0.00	1	USD 0.00
5.1.1	OC647IFAFLOVM	iFIX Optn: SCADA Synchronization (M4 Part)	USD 0.00	1	USD 0.00
5.1.1.1	100010000000	GlobalCare Complete	USD 254.80	1	USD 254.80
5.1.2	100010000000	GlobalCare Complete	USD 672.66	1	USD 672.66
		Serial # : 100210760	GlobalCare Level: Complete		
		Start Date : 10/31/2014	End Date: 10/30/2015		
			PPS Keys: 0		
6	001230000004	Keyless Disk (M4)	USD 0.00	1	USD 0.00
6.1	IC647IFPLDVUNLM TM	iFIX Plus SCADA Unlimited Development (M4 Part)	USD 0.00	1	USD 0.00
6.1.1	OC647IFAFLOVM	iFIX Optn: SCADA Synchronization (M4 Part)	USD 0.00	1	USD 0.00
6.1.1.1	100010000000	GlobalCare Complete	USD 254.80	1	USD 254.80
6.1.2	100010000000	GlobalCare Complete	USD 672.66	1	USD 672.66
		Serial # : 100210765	GlobalCare Level: Complete		
		Start Date : 10/31/2014	End Date: 10/30/2015		
			PPS Keys: 0		
7	001230000004	Keyless Disk (M4)	USD 0.00	1	USD 0.00
7.1	IC647IFPLDVUNLM TM	iFIX Plus SCADA Unlimited Development (M4 Part)	USD 0.00	1	USD 0.00
7.1.1	OC647IFAFLOVM	iFIX Optn: SCADA Synchronization (M4 Part)	USD 0.00	1	USD 0.00
7.1.1.1	100010000000	GlobalCare Complete	USD 254.80	1	USD 254.80
7.1.2	100010000000	GlobalCare Complete	USD 672.66	1	USD 672.66
		Serial # : 100210777	GlobalCare Level: Complete		
		Start Date : 10/31/2014	End Date: 10/30/2015		
			PPS Keys: 0		
8	001230000004	Keyless Disk (M4)	USD 0.00	1	USD 0.00
8.1	IC647IFPLDVUNLM TM	iFIX Plus SCADA Unlimited Development (M4 Part)	USD 0.00	1	USD 0.00
8.1.1	OC647IFAFLOVM	iFIX Optn: SCADA Synchronization (M4 Part)	USD 0.00	1	USD 0.00
8.1.1.1	100010000000	GlobalCare Complete	USD 254.80	1	USD 254.80
8.1.2	100010000000	GlobalCare Complete	USD 672.66	1	USD 672.66
		Serial # : 100210778	GlobalCare Level: Complete		
		Start Date : 10/31/2014	End Date: 10/30/2015		
			PPS Keys: 0		
9	001230000004	Keyless Disk (M4)	USD 0.00	1	USD 0.00
9.1	IC647IFPLDVUNLM TM	iFIX Plus SCADA Unlimited Development (M4 Part)	USD 0.00	1	USD 0.00
9.1.1	OC647IFAFLOVM	iFIX Optn: SCADA Synchronization (M4 Part)	USD 0.00	1	USD 0.00
9.1.1.1	100010000000	GlobalCare Complete	USD 254.80	1	USD 254.80
9.1.2	100010000000	GlobalCare Complete	USD 672.66	1	USD 672.66
		Serial # : 100210781	GlobalCare Level: Complete		
		Start Date : 10/31/2014	End Date: 10/30/2015		
			PPS Keys: 0		
10	001230000004	Keyless Disk (M4)	USD 0.00	1	USD 0.00
10.1	IC647IFPLDVUNLM TM	iFIX Plus SCADA Unlimited Development (M4 Part)	USD 0.00	1	USD 0.00
10.1.1	100010000000	GlobalCare Complete	USD 672.66	1	USD 672.66
10.1.2	OC647IFAFLOVM	iFIX Optn: SCADA Synchronization (M4 Part)	USD 0.00	1	USD 0.00
10.1.2.1	100010000000	GlobalCare Complete	USD 254.80	1	USD 254.80
		Serial # : 100210784	GlobalCare Level: Complete		
		Start Date : 10/31/2014	End Date: 10/30/2015		
			PPS Keys: 0		
11	001230000004	Keyless Disk (M4)	USD 0.00	1	USD 0.00
11.1	IC647IFPLDVUNLM TM	iFIX Plus SCADA Unlimited Development (M4 Part)	USD 0.00	1	USD 0.00
11.1.1	OC647IFAFLOVM	iFIX Optn: SCADA Synchronization (M4 Part)	USD 0.00	1	USD 0.00
11.1.1.1	100010000000	GlobalCare Complete	USD 254.80	1	USD 254.80
11.1.2	100010000000	GlobalCare Complete	USD 672.66	1	USD 672.66
		Serial # : 100210791	GlobalCare Level: Complete		
		Start Date : 10/31/2014	End Date: 10/30/2015		
			PPS Keys: 0		
12	001230000004	Keyless Disk (M4)	USD 0.00	1	USD 0.00
12.1	IC647IFPLDVUNLM TM	iFIX Plus SCADA Unlimited Development (M4 Part)	USD 0.00	1	USD 0.00
12.1.1	OC647IFAFLOVM	iFIX Optn: SCADA Synchronization (M4 Part)	USD 0.00	1	USD 0.00
12.1.1.1	100010000000	GlobalCare Complete	USD 254.80	1	USD 254.80
12.1.2	100010000000	GlobalCare Complete	USD 672.66	1	USD 672.66

		Serial # : 100210807	GlobalCare Level:	Complete		
		Start Date : 10/31/2014	End Date :	10/30/2015		
			PPS Keys :	0		
13	001230000004	Keyless Disk (M4)		USD 0.00	1	USD 0.00
13.1	IC647IFPLDVUNLMTM	iFIX Plus SCADA Unlimited Development (M4 Part)		USD 0.00	1	USD 0.00
13.1.1	OC647IFAFLOVM	iFIX Optn: SCADA Synchronization (M4 Part)		USD 0.00	1	USD 0.00
13.1.1.1	100010000000	GlobalCare Complete		USD 254.80	1	USD 254.80
13.1.2	100010000000	GlobalCare Complete		USD 672.66	1	USD 672.66
		Serial # : 100210818	GlobalCare Level:	Complete		
		Start Date : 10/31/2014	End Date :	10/30/2015		
			PPS Keys :	0		
14	001230000004	Keyless Disk (M4)		USD 0.00	1	USD 0.00
14.1	IC647IFPLDVUNLMTM	iFIX Plus SCADA Unlimited Development (M4 Part)		USD 0.00	1	USD 0.00
14.1.1	OC647IFAFLOVM	iFIX Optn: SCADA Synchronization (M4 Part)		USD 0.00	1	USD 0.00
14.1.1.1	100010000000	GlobalCare Complete		USD 509.59	1	USD 509.59
14.1.2	100010000000	GlobalCare Complete		USD 1,345.31	1	USD 1,345.31
		Serial # : 100210829	GlobalCare Level:	Complete		
		Start Date : 10/31/2014	End Date :	10/30/2015		
			PPS Keys :	0		
15	001230000004	Keyless Disk (M4)		USD 0.00	1	USD 0.00
15.1	IC647IFPLDVUNLMTM	iFIX Plus SCADA Unlimited Development (M4 Part)		USD 0.00	1	USD 0.00
15.1.1	OC647IFAFLOVM	iFIX Optn: SCADA Synchronization (M4 Part)		USD 0.00	1	USD 0.00
15.1.1.1	100010000000	GlobalCare Complete		USD 509.59	1	USD 509.59
15.1.2	100010000000	GlobalCare Complete		USD 1,345.31	1	USD 1,345.31
		Serial # : 100210831	GlobalCare Level:	Complete		
		Start Date : 10/31/2014	End Date :	10/30/2015		
			PPS Keys :	0		
16	001230000004	Keyless Disk (M4)		USD 0.00	1	USD 0.00
16.1	IC647IFPLDVUNLMTM	iFIX Plus SCADA Unlimited Development (M4 Part)		USD 0.00	1	USD 0.00
16.1.1	100010000000	GlobalCare Complete		USD 1,345.31	1	USD 1,345.31
16.1.2	OC647IFAFLOVM	iFIX Optn: SCADA Synchronization (M4 Part)		USD 0.00	1	USD 0.00
16.1.2.1	100010000000	GlobalCare Complete		USD 509.59	1	USD 509.59
		Serial # : 100210832	GlobalCare Level:	Complete		
		Start Date : 10/31/2014	End Date :	10/30/2015		
			PPS Keys :	0		
17	001230000004	Keyless Disk (M4)		USD 0.00	1	USD 0.00
17.1	IC647IFPLDVUNLMTM	iFIX Plus SCADA Unlimited Development (M4 Part)		USD 0.00	1	USD 0.00
17.1.1	OC647IFAFLOVM	iFIX Optn: SCADA Synchronization (M4 Part)		USD 0.00	1	USD 0.00
17.1.1.1	100010000000	GlobalCare Complete		USD 509.59	1	USD 509.59
17.1.2	100010000000	GlobalCare Complete		USD 1,345.31	1	USD 1,345.31
		Serial # : 100210867	GlobalCare Level:	Complete		
		Start Date : 10/31/2014	End Date :	10/30/2015		
			PPS Keys :	0		
18	001230000004	Keyless Disk (M4)		USD 0.00	1	USD 0.00
18.1	IC647IFCLNTCDVM	iFIX iClient Development (M4 Part)		USD 0.00	1	USD 0.00
18.1.1	100010000000	GlobalCare Complete		USD 567.39	1	USD 567.39
		Serial # : 100210872	GlobalCare Level:	Complete		
		Start Date : 10/31/2014	End Date :	10/30/2015		
			PPS Keys :	0		
19	001230000004	Keyless Disk (M4)		USD 0.00	1	USD 0.00
19.1	IC647IFCLNTCDVM	iFIX iClient Development (M4 Part)		USD 0.00	1	USD 0.00
19.1.1	100010000000	GlobalCare Complete		USD 567.39	1	USD 567.39
		Serial # : 100211164	GlobalCare Level:	Complete		
		Start Date : 10/31/2014	End Date :	10/30/2015		
			PPS Keys :	0		
20	001230000004	Keyless Disk (M4)		USD 0.00	1	USD 0.00
20.1	IC647IFCLNTCDVM	iFIX iClient Development (M4 Part)		USD 0.00	1	USD 0.00
20.1.1	100010000000	GlobalCare Complete		USD 567.39	1	USD 567.39
		Serial # : 100211166	GlobalCare Level:	Complete		
		Start Date : 10/31/2014	End Date :	10/30/2015		
			PPS Keys :	0		
21	001230000004	Keyless Disk (M4)		USD 0.00	1	USD 0.00
21.1	IC647IFCLNTCDVM	iFIX iClient Development (M4 Part)		USD 0.00	1	USD 0.00
21.1.1	100010000000	GlobalCare Complete		USD 567.39	1	USD 567.39
		Serial # : 100211169	GlobalCare Level:	Complete		
		Start Date : 10/31/2014	End Date :	10/30/2015		
			PPS Keys :	0		

22	001230000004	Keyless Disk (M4)		USD 0.00	1	USD 0.00
22.1	IC647IFCLNTCDVM	iFIX iClient Development (M4 Part)		USD 0.00	1	USD 0.00
22.1.1	100010000000	GlobalCare Complete		USD 567.39	1	USD 567.39
			Serial # : 100211173	GlobalCare Level	Complete	
			Start Date : 10/31/2014	End Date	10/30/2015	
				PPS Keys	0	
23	001230000004	Keyless Disk (M4)		USD 0.00	1	USD 0.00
23.1	IC647IFCLNTCDVM	iFIX iClient Development (M4 Part)		USD 0.00	1	USD 0.00
23.1.1	100010000000	GlobalCare Complete		USD 567.39	1	USD 567.39
			Serial # : 100211177	GlobalCare Level	Complete	
			Start Date : 10/31/2014	End Date	10/30/2015	
				PPS Keys	0	
24	001230000004	Keyless Disk (M4)		USD 0.00	1	USD 0.00
24.1	IC647IFCLNTCDVM	iFIX iClient Development (M4 Part)		USD 0.00	1	USD 0.00
24.1.1	100010000000	GlobalCare Complete		USD 567.39	1	USD 567.39
			Serial # : 100211183	GlobalCare Level	Complete	
			Start Date : 10/31/2014	End Date	10/30/2015	
				PPS Keys	0	
25	001230000004	Keyless Disk (M4)		USD 0.00	1	USD 0.00
25.1	IC647IFCLNTCDVM	iFIX iClient Development (M4 Part)		USD 0.00	1	USD 0.00
25.1.1	100010000000	GlobalCare Complete		USD 567.39	1	USD 567.39
			Serial # : 100211584	GlobalCare Level	Complete	
			Start Date : 10/31/2014	End Date	10/30/2015	
				PPS Keys	0	
26	001230000004	Keyless Disk (M4)		USD 0.00	1	USD 0.00
26.1	IC647IFCLNTCDVM	iFIX iClient Development (M4 Part)		USD 0.00	1	USD 0.00
26.1.1	100010000000	GlobalCare Complete		USD 567.39	1	USD 567.39
			Serial # : 100211585	GlobalCare Level	Complete	
			Start Date : 10/31/2014	End Date	10/30/2015	
				PPS Keys	0	
27	001230000004	Keyless Disk (M4)		USD 0.00	1	USD 0.00
27.1	IC647IFCLNTCDVM	iFIX iClient Development (M4 Part)		USD 0.00	1	USD 0.00
27.1.1	100010000000	GlobalCare Complete		USD 567.39	1	USD 567.39
			Serial # : 100211604	GlobalCare Level	Complete	
			Start Date : 10/31/2014	End Date	10/30/2015	
				PPS Keys	0	
28	001230000004	Keyless Disk (M4)		USD 0.00	1	USD 0.00
28.1	IC647IFCLNTCDVM	iFIX iClient Development (M4 Part)		USD 0.00	1	USD 0.00
28.1.1	100010000000	GlobalCare Complete		USD 567.39	1	USD 567.39
			Serial # : 100211611	GlobalCare Level	Complete	
			Start Date : 10/31/2014	End Date	10/30/2015	
				PPS Keys	0	
29	001230000004	Keyless Disk (M4)		USD 0.00	1	USD 0.00
29.1	IC647IFCLNTCDVM	iFIX iClient Development (M4 Part)		USD 0.00	1	USD 0.00
29.1.1	100010000000	GlobalCare Complete		USD 567.39	1	USD 567.39
			Serial # : 100211614	GlobalCare Level	Complete	
			Start Date : 10/31/2014	End Date	10/30/2015	
				PPS Keys	0	
30	001230000004	Keyless Disk (M4)		USD 0.00	1	USD 0.00
30.1	IC647IFCLNTCDVM	iFIX iClient Development (M4 Part)		USD 0.00	1	USD 0.00
30.1.1	100010000000	GlobalCare Complete		USD 567.39	1	USD 567.39
			Serial # : 100211616	GlobalCare Level	Complete	
			Start Date : 10/31/2014	End Date	10/30/2015	
				PPS Keys	0	
31	001230000004	Keyless Disk (M4)		USD 0.00	1	USD 0.00
31.1	IC647IFCLNTCDVM	iFIX iClient Development (M4 Part)		USD 0.00	1	USD 0.00
31.1.1	100010000000	GlobalCare Complete		USD 567.39	1	USD 567.39
			Serial # : 100211628	GlobalCare Level	Complete	
			Start Date : 10/31/2014	End Date	10/30/2015	
				PPS Keys	0	
32	001230000004	Keyless Disk (M4)		USD 0.00	1	USD 0.00
32.1	IC647IFCLNTCDVM	iFIX iClient Development (M4 Part)		USD 0.00	1	USD 0.00
32.1.1	100010000000	GlobalCare Complete		USD 567.39	1	USD 567.39
			Serial # : 100211634	GlobalCare Level	Complete	
			Start Date : 10/31/2014	End Date	10/30/2015	
				PPS Keys	0	
33	001230000004	Keyless Disk (M4)		USD 0.00	1	USD 0.00
33.1	IC647IFCLNTCDVM	iFIX iClient Development (M4 Part)		USD 0.00	1	USD 0.00
33.1.1	100010000000	GlobalCare Complete		USD 567.39	1	USD 567.39

		Serial # : 100217757	GlobalCare Level: Complete		
		Start Date : 10/31/2014	End Date: 10/30/2015		
			PPS Keys: 0		
34	001230000001	Keyless Disk (M1)	USD 0.00	1	USD 0.00
34.1	IC647IFPLDVUNLM	iFIX Plus SCADA Unlimited Development (M1 Kit Part)	USD 0.00	1	USD 0.00
	TK				
34.1.1	91121670300C	MB1 Modicon Modbus 1 for Win 95 & NT CD Ver 7.X	USD 0.00	1	USD 0.00
34.1.1.1	100010000000	GlobalCare Complete	USD 94.66	1	USD 94.66
34.1.2	100010000000	GlobalCare Complete	USD 1,345.58	1	USD 1,345.58
34.1.3	OC647IFAFLOVM	iFIX Optn: SCADA Synchronization (M4 Part)	USD 0.00	1	USD 0.00
34.1.3.1	100010000000	GlobalCare Complete	USD 509.59	1	USD 509.59
		Serial # : 100217768	GlobalCare Level: Complete		
		Start Date : 10/31/2014	End Date: 10/30/2015		
			PPS Keys: 0		
35	001230000004	Keyless Disk (M4)	USD 0.00	1	USD 0.00
35.1	IC647IFCLNTRCRM	iFIX iClient Runtime (M4 Part)	USD 0.00	1	USD 0.00
35.1.1	100010000000	GlobalCare Complete	USD 340.41	1	USD 340.41
		Serial # : 100217770	GlobalCare Level: Complete		
		Start Date : 10/31/2014	End Date: 10/30/2015		
			PPS Keys: 0		
36	001230000004	Keyless Disk (M4)	USD 0.00	1	USD 0.00
36.1	IC647IFCLNTCDVM	iFIX iClient Development (M4 Part)	USD 0.00	1	USD 0.00
36.1.1	100010000000	GlobalCare Complete	USD 567.39	1	USD 567.39
		Serial # : 100217771	GlobalCare Level: Complete		
		Start Date : 10/31/2014	End Date: 10/30/2015		
			PPS Keys: 0		
37	001230000004	Keyless Disk (M4)	USD 0.00	1	USD 0.00
37.1	IC647IFPLRN00150	iFIX Plus SCADA 150 I/O Runtime (M4 Part)	USD 0.00	1	USD 0.00
	M				
37.1.1	100010000000	GlobalCare Complete	USD 405.28	1	USD 405.28
		Serial # : 100217772	GlobalCare Level: Complete		
		Start Date : 10/31/2014	End Date: 10/30/2015		
			PPS Keys: 0		
38	001230000004	Keyless Disk (M4)	USD 0.00	1	USD 0.00
38.1	IC647IFPLDVUNLM	iFIX Plus SCADA Unlimited Development (M4 Part)	USD 0.00	1	USD 0.00
	TM				
38.1.1	OC647IFAFLOVM	iFIX Optn: SCADA Synchronization (M4 Part)	USD 0.00	1	USD 0.00
38.1.1.1	100010000000	GlobalCare Complete	USD 509.59	1	USD 509.59
38.1.2	100010000000	GlobalCare Complete	USD 1,345.31	1	USD 1,345.31
		Serial # : 100217774	GlobalCare Level: Complete		
		Start Date : 10/31/2014	End Date: 10/30/2015		
			PPS Keys: 0		
39	001230000004	Keyless Disk (M4)	USD 0.00	1	USD 0.00
39.1	IC647IFPLDVUNLM	iFIX Plus SCADA Unlimited Development (M4 Part)	USD 0.00	1	USD 0.00
	TM				
39.1.1	100010000000	GlobalCare Complete	USD 1,345.31	1	USD 1,345.31
39.1.2	OC647IFAFLOVM	iFIX Optn: SCADA Synchronization (M4 Part)	USD 0.00	1	USD 0.00
39.1.2.1	100010000000	GlobalCare Complete	USD 509.59	1	USD 509.59
		Serial # : 100217775	GlobalCare Level: Complete		
		Start Date : 10/31/2014	End Date: 10/30/2015		
			PPS Keys: 0		
40	001230000004	Keyless Disk (M4)	USD 0.00	1	USD 0.00
40.1	IC647IFCLNTRCRM	iFIX iClient Runtime (M4 Part)	USD 0.00	1	USD 0.00
40.1.1	100010000000	GlobalCare Complete	USD 340.41	1	USD 340.41
		Serial # : 100217776	GlobalCare Level: Complete		
		Start Date : 10/31/2014	End Date: 10/30/2015		
			PPS Keys: 0		
41	001230000004	Keyless Disk (M4)	USD 0.00	1	USD 0.00
41.1	IC647IFPLDVUNLM	iFIX Plus SCADA Unlimited Development (M4 Part)	USD 0.00	1	USD 0.00
	TM				
41.1.1	OC647IFAFLOVM	iFIX Optn: SCADA Synchronization (M4 Part)	USD 0.00	1	USD 0.00
41.1.1.1	100010000000	GlobalCare Complete	USD 509.59	1	USD 509.59
41.1.2	100010000000	GlobalCare Complete	USD 1,345.31	1	USD 1,345.31
		Serial # : 100217777	GlobalCare Level: Complete		
		Start Date : 10/31/2014	End Date: 10/30/2015		
			PPS Keys: 0		
42	001230000004	Keyless Disk (M4)	USD 0.00	1	USD 0.00
42.1	IC647IFPLDVUNLM	iFIX Plus SCADA Unlimited Development (M4 Part)	USD 0.00	1	USD 0.00
	TM				
42.1.1	OC647IFAFLOVM	iFIX Optn: SCADA Synchronization (M4 Part)	USD 0.00	1	USD 0.00
42.1.1.1	100010000000	GlobalCare Complete	USD 509.59	1	USD 509.59
42.1.2	100010000000	GlobalCare Complete	USD 1,345.31	1	USD 1,345.31

		Serial #	100239952	GlobalCare Level	Complete		
		Start Date	10/31/2014	End Date	10/30/2015		
				PPS Keys	0		
43	001230000004	Keyless Disk (M4)			USD 0.00	1	USD 0.00
43.1	IC647IFPLDVUNLMTM	iFIX Plus SCADA Unlimited Development (M4 Part)			USD 0.00	1	USD 0.00
43.1.1	100010000000	GlobalCare Complete			USD 1,345.31	1	USD 1,345.31
43.1.2	91102071600C	MBE:Modicon Modbus Ethernet Ver. 7x Win NT			USD 0.00	1	USD 0.00
43.1.2.1	100010000000	GlobalCare Complete			USD 94.66	1	USD 94.66
43.1.3	OC647IFAFLOVM	iFIX Optn: SCADA Synchronization (M4 Part)			USD 0.00	1	USD 0.00
43.1.3.1	100010000000	GlobalCare Complete			USD 509.59	1	USD 509.59
		Serial #	100271635	GlobalCare Level	Complete		
		Start Date	10/31/2014	End Date	10/30/2015		
				PPS Keys	1		
44	001219040002	Security Key - M4 USB			USD 0.00	1	USD 0.00
44.1	IC647IFCLNTCDVM	iFIX iClient Development (M4 Part)			USD 0.00	1	USD 0.00
44.1.1	100010000000	GlobalCare Complete			USD 567.39	1	USD 567.39
		Serial #	100271639	GlobalCare Level	Complete		
		Start Date	10/31/2014	End Date	10/30/2015		
				PPS Keys	0		
45	001219040002	Security Key - M4 USB			USD 0.00	1	USD 0.00
45.1	IC647IFPLDVUNLMTM	iFIX Plus SCADA Unlimited Development (M4 Part)			USD 0.00	1	USD 0.00
45.1.1	OC647IFAFLOVM	iFIX Optn: SCADA Synchronization (M4 Part)			USD 0.00	1	USD 0.00
45.1.1.1	100010000000	GlobalCare Complete			USD 509.59	1	USD 509.59
45.1.2	91102071600C	MBE:Modicon Modbus Ethernet Ver. 7x Win NT			USD 0.00	1	USD 0.00
45.1.2.1	100010000000	GlobalCare Complete			USD 94.66	1	USD 94.66
45.1.3	100010000000	GlobalCare Complete			USD 1,345.31	1	USD 1,345.31
		Serial #	100271641	GlobalCare Level	Complete		
		Start Date	10/31/2014	End Date	10/30/2015		
				PPS Keys	1		
46	001219040002	Security Key - M4 USB			USD 0.00	1	USD 0.00
46.1	IC647IFCLNTRNM	iFIX iClient Runtime (M4 Part)			USD 0.00	1	USD 0.00
46.1.1	100010000000	GlobalCare Complete			USD 340.41	1	USD 340.41
		Serial #	100349019	GlobalCare Level	Complete		
		Start Date	10/31/2014	End Date	10/30/2015		
				PPS Keys	1		
47	001230000004	Keyless Disk (M4)			USD 0.00	1	USD 0.00
47.1	IC647IFCLNTCDVM	iFIX iClient Development (M4 Part)			USD 0.00	1	USD 0.00
47.1.1	100010000000	GlobalCare Complete			USD 567.39	1	USD 567.39
		Serial #	200084707	GlobalCare Level	Complete		
		Start Date	10/31/2014	End Date	10/30/2015		
				PPS Keys	1		
48	001219040002	Security Key - M4 USB			USD 0.00	1	USD 0.00
48.1	IC647IFUBSTSM	iFIX iClientTS User Base Support (M4 Part)			USD 0.00	1	USD 0.00
48.1.1	IC647IFCLNTS010M	iFIX iClientTS 10 Additional Users (M4 Part)			USD 0.00	1	USD 0.00
48.1.1.1	100010000000	GlobalCare Complete			USD 1,945.21	1	USD 1,945.21
48.1.2	100010000000	GlobalCare Complete			USD 810.56	1	USD 810.56
		Serial #	20018428	GlobalCare Level	Complete		
		Start Date	10/31/2014	End Date	10/30/2015		
				PPS Keys	1		
49	001230000004	Keyless Disk (M4)			USD 0.00	1	USD 0.00
49.1	IC646IFCLNTRCRO005M	iFIX iClient Read Only 5 PK Keyless (M4 Part)			USD 0.00	1	USD 0.00
49.1.1	100010000000	GlobalCare Complete			USD 810.56	1	USD 810.56
		Serial #	200181954	GlobalCare Level	Complete		
		Start Date	10/31/2014	End Date	10/30/2015		
				PPS Keys	1		
50	001219040002	Security Key - M4 USB			USD 0.00	1	USD 0.00
50.1	IC647IFUBSTSM	iFIX iClientTS User Base Support (M4 Part)			USD 0.00	1	USD 0.00
50.1.1	IC647IFCLNTS001M	iFIX iClientTS Each Additional User (M4 Part)			USD 0.00	1	USD 0.00
50.1.1.1	100010000000	GlobalCare Complete			USD 194.62	1	USD 194.62
50.1.2	IC647IFCLNTS001M	iFIX iClientTS Each Additional User (M4 Part)			USD 0.00	1	USD 0.00
50.1.2.1	100010000000	GlobalCare Complete			USD 194.62	1	USD 194.62
50.1.3	IC647IFCLNTS001M	iFIX iClientTS Each Additional User (M4 Part)			USD 0.00	1	USD 0.00

50.1.3.1	100010000000	GlobalCare Complete	USD 194.62	1	USD 194.62
50.1.4	IC647IFCLNTS005M	iFIX iClientTS 5 Additional Users (M4 Part)	USD 0.00	1	USD 0.00
50.1.4.1	100010000000	GlobalCare Complete	USD 972.67	1	USD 972.67
50.1.5	100010000000	GlobalCare Complete	USD 810.56	1	USD 810.56
Serial # : 200191955 Start Date : 10/31/2014			GlobalCare Level	Complete	10/30/2015
51	001219040002	Security Key - M4 USB	USD 0.00	1	USD 0.00
51.1	IC647IFUBSTSM	iFIX iClientTS User Base Support (M4 Part)	USD 0.00	1	USD 0.00
51.1.1	IC647IFCLNTS001M	iFIX iClientTS Each Additional User (M4 Part)	USD 0.00	1	USD 0.00
51.1.1.1	100010000000	GlobalCare Complete	USD 194.62	1	USD 194.62
51.1.2	IC647IFCLNTS001M	iFIX iClientTS Each Additional User (M4 Part)	USD 0.00	1	USD 0.00
51.1.2.1	100010000000	GlobalCare Complete	USD 194.62	1	USD 194.62
51.1.3	IC647IFCLNTS005M	iFIX iClientTS 5 Additional Users (M4 Part)	USD 0.00	1	USD 0.00
51.1.3.1	100010000000	GlobalCare Complete	USD 972.67	1	USD 972.67
51.1.4	100010000000	GlobalCare Complete	USD 810.56	1	USD 810.56
51.1.5	IC647IFCLNTS001M	iFIX iClientTS Each Additional User (M4 Part)	USD 0.00	1	USD 0.00
51.1.5.1	100010000000	GlobalCare Complete	USD 194.62	1	USD 194.62
Serial # : 200191956 Start Date : 10/31/2014			GlobalCare Level	Complete	10/30/2015
52	001219040002	Security Key - M4 USB	USD 0.00	1	USD 0.00
52.1	IC647IFUBSTSM	iFIX iClientTS User Base Support (M4 Part)	USD 0.00	1	USD 0.00
52.1.1	IC647IFCLNTS005M	iFIX iClientTS 5 Additional Users (M4 Part)	USD 0.00	1	USD 0.00
52.1.1.1	100010000000	GlobalCare Complete	USD 972.67	1	USD 972.67
52.1.2	100010000000	GlobalCare Complete	USD 810.56	1	USD 810.56
52.1.3	IC647IFCLNTS001M	iFIX iClientTS Each Additional User (M4 Part)	USD 0.00	1	USD 0.00
52.1.3.1	100010000000	GlobalCare Complete	USD 194.62	1	USD 194.62
52.1.4	IC647IFCLNTS001M	iFIX iClientTS Each Additional User (M4 Part)	USD 0.00	1	USD 0.00
52.1.4.1	100010000000	GlobalCare Complete	USD 194.62	1	USD 194.62
52.1.5	IC647IFCLNTS001M	iFIX iClientTS Each Additional User (M4 Part)	USD 0.00	1	USD 0.00
52.1.5.1	100010000000	GlobalCare Complete	USD 194.62	1	USD 194.62
Serial # : 200191957 Start Date : 10/31/2014			GlobalCare Level	Complete	10/30/2015
53	001219040002	Security Key - M4 USB	USD 0.00	1	USD 0.00
53.1	IC647IFUBSTSM	iFIX iClientTS User Base Support (M4 Part)	USD 0.00	1	USD 0.00
53.1.1	IC647IFCLNTS001M	iFIX iClientTS Each Additional User (M4 Part)	USD 0.00	1	USD 0.00
53.1.1.1	100010000000	GlobalCare Complete	USD 194.62	1	USD 194.62
53.1.2	IC647IFCLNTS005M	iFIX iClientTS 5 Additional Users (M4 Part)	USD 0.00	1	USD 0.00
53.1.2.1	100010000000	GlobalCare Complete	USD 972.67	1	USD 972.67
53.1.3	100010000000	GlobalCare Complete	USD 810.56	1	USD 810.56
53.1.4	IC647IFCLNTS001M	iFIX iClientTS Each Additional User (M4 Part)	USD 0.00	1	USD 0.00
53.1.4.1	100010000000	GlobalCare Complete	USD 194.62	1	USD 194.62
53.1.5	IC647IFCLNTS001M	iFIX iClientTS Each Additional User (M4 Part)	USD 0.00	1	USD 0.00
53.1.5.1	100010000000	GlobalCare Complete	USD 194.62	1	USD 194.62

Header Notes: GlobalCare Renewal - 24/7 Technical Support and Products Upgrades through 10/30/2015

Quote Total: USD 57,363.98

NET:30

PAYABLE TO:

GE Intelligent Platforms, Inc.

P.O. Box 641275

Pittsburgh, PA 15264-1275

ORDER ENTRY:

PO's to TMMI FAX 303.232.7844, Email orders@tmmi.com

Comments:

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As negotiated

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1 Complete Agreement.

1.1 These terms and conditions and any other terms and conditions or documents referenced herein, contain the complete agreement between the parties, and no modification, amendment, rescission, waiver or other change will be binding on GE unless agreed to in writing by GE's authorized representative. Any oral or written representation, warranty, course of dealing or trade usage not contained or referenced herein will not be binding on GE. The invalidity, in whole or part, of any of the foregoing sections or paragraphs of the contract will not affect the remainder of such article or paragraph or any article or paragraph of the contract.

1.2 In addition to these Terms and Conditions, the appendices shall apply as follows: (a) the End User License Agreement terms and conditions attached as Appendix A shall apply to the license of any Software; (b) the Remote Monitoring Services Terms and Conditions attached as Appendix B shall apply to the provision of any remote equipment monitoring services; (c) the GlobalCare Support Terms and Conditions attached hereto as Appendix C shall apply to the provision of any software maintenance support and (d) the On Site Services Terms and Conditions attached hereto as Appendix D shall apply to any provision of services performed at a location other than a GE facility.

2 Warranty.

2.1 Software.

2.1.1 GE warrants that as of the date of shipment by GE, the GE Software (as defined in Appendix A) will be in substantial conformance with the product documentation or mutually agreed to specifications pertaining thereto. If, within ninety (90) days of date of shipment it is shown that the GE Software does not meet this warranty, and such GE Software is returned to GE with a copy of Customer's purchase confirmation, GE will, at its option, either correct the defect or error in the GE Software, free of charge, or make available to Customer satisfactory substitute software, or, if none of the foregoing is reasonably available, return to Customer all payments made as license fees (or, if applicable, the portion of the fees paid for the GE equipment in which the GE Software is embedded which are allocable to the GE Software) and terminate the license with respect to the GE Software affected. GE does not warrant that operation of the GE Software will be uninterrupted or error free or that it will meet Customer's needs. Third Party Software is only warranted as provided in Section 2.6 below. All other portions of the Licensed Software (as defined in Appendix A) are provided "as is" without warranty of any kind.

2.1.2 GE warrants that the media on which the GE Software is delivered will be free from defects in material or workmanship under normal use and service for a period of ninety (90) days from the date of delivery. If any defects are discovered in the media and reported by Customer within ninety (90) days after delivery, GE shall, at no cost to Customer, upon return of media to GE, replace the media and deliver to Customer a new and complete copy of the GE Software.

2.2 Equipment. GE warrants that GE equipment sold will be free from material defects in material, workmanship and title and will materially conform to any specifications agreed to by the parties in writing. If any failure to meet this warranty (excluding any defects in title) appears within one (1) year from the date of shipment of the equipment and Customer returns such equipment to GE pursuant to GE's applicable repair and replacement policy, GE will correct any such failure at its option, (i) by repairing any defective or damaged part or parts of the equipment, or (ii) by making available, FCA Customer's plant or other point of shipment (Incoterms 2010), any necessary repaired or replacement parts. Inbound shipping charges to GE, including associated taxes, duties, tariffs, etc., shall be paid by Customer. Return (outbound) warranty repair shipping charges shall be paid by GE to Customer's destination. If in GE's reasonable judgment such repair or replacing of equipment is not practicable, GE shall refund or credit monies paid by Customer for such products.

2.3 Services. GE warrants that services performed will conform to any specifications agreed to by the parties in writing and be performed in a manner consistent with standard commercial practices in the industry. If any failure to meet this warranty appears within ninety (90) days from completion of the services, as applicable, GE will correct any such failure by reperforming any defective portion of the services furnished. If reperformance is not practicable, GE will furnish without charge services in an amount essentially equal to those which, in GE's sole judgment, would have been required for reperformance.

2.4 Conditions of Warranty. The warranties and remedies set forth herein are conditioned upon: (i) proper storage, installation, use and maintenance of the Product, the proper design and configuration of the system into which the Product is installed, conformance with any applicable recommendations of GE, and GE's ability to reproduce and observe the claimed defect and (ii) Customer promptly notifying GE of any defects and, as required, promptly making any personnel, Software or computer systems available. Any modification to the Licensed Software by Customer without the express written consent of GE shall void the warranty.

2.5 **Remanufactured Subassemblies or Parts.** Certain products hereunder may contain remanufactured subassemblies or parts which have been cleaned, refinished, inspected, and tested to new-product standards. The warranty for any such product will be as provided in this agreement or any applicable warranty of the third party manufacturer, if applicable

2.6 **Limitations on Warranty.** GE warrants non-GE manufactured equipment including, but not limited to, personal computers, micro drives, rotary disks, compact flash, cables and accessories, and Third Party Software (as defined in Appendix A) only to the extent that the manufacturer's or Third Party's warranty allows GE to transfer such warranty to Customer. GE will pass through to Customer any such warranties. To the extent any such manufacturer or Third Party fails to provide a pass-through warranty, such equipment or Third Party Software is provided "AS IS" without warranty of any kind and the manufacturers and/or Third Parties disclaim all warranties, whether express or implied, including but not limited to the implied warranties of merchantability, title, non-infringement or fitness for a particular purpose. The manufacturers or Third Parties shall not have any liability for special, indirect, punitive, incidental or consequential damages. Customer's sole remedy for breach of such warranty shall be the remedy offered by and available from the manufacturer or Third Party, if any. GE shall have no liability, whether in contract, tort, negligence, or otherwise, to Customer with respect to non-GE manufactured equipment or Third Party Software.

2.7 EXCEPT AS SET FORTH IN SECTION 3.2, THE WARRANTIES PROVIDED HEREIN ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, WHETHER WRITTEN, ORAL, IMPLIED OR STATUTORY. NO IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE SHALL APPLY. GE DOES NOT WARRANT ANY EQUIPMENT, SOFTWARE OR SERVICES OF OTHERS WHICH CUSTOMER HAS DESIGNATED. The warranty remedies set forth herein provide the exclusive remedies for all claims (except as to title) based on failure of, or defect in, Product provided hereunder, whether the failure or defect arises before or during the warranty period, and whether a claim, however instituted, is based on contract, indemnity, warranty, tort (including negligence), strict liability or otherwise. Upon the expiration of the applicable warranty period, all such liability shall terminate.

3 Intellectual Property.

3.1 GE shall retain exclusive rights to its Products, intellectual property rights (including copyrights, trademarks, patents and trade secrets), schematics, logic diagrams, and manufacturing processes, and to all modifications thereto funded by Customer, and, if applicable, the Internet Advisory Site (as defined in Appendix B), the Advisory Intelligence (as defined in Appendix B), and the technology used to generate the Advisory Intelligence. GE shall retain ownership in and does not convey, nor does Customer or Customer's final customer obtain any right, title, or interest in, Software, specifications or data furnished or developed by GE either prior to or in the performance of Customer's order. No schematics or source code shall be furnished, unless pursuant to a separate license as agreed by GE. Subject to the performance of its obligations hereunder, Customer shall have a license to use GE's intellectual property rights only as they are embodied in the Products and for no other purpose. Customer shall not modify or reverse engineer the Products.

3.2 GE warrants that any GE equipment sold hereunder or GE Software (as defined in Appendix A) licensed hereunder, and any part thereof, shall be free of any rightful claim of any third party for infringement of any United States patent, copyright, trademark or trade secret. If promptly notified in writing and given authority, information and assistance, GE shall defend, or may settle, at its expense, any suit or proceeding against Customer based on a claimed infringement which would result in a breach of this warranty, and GE shall pay all damages and costs awarded therein against Customer due to such breach, other than damages and costs arising from any willful infringement by Customer after receipt of notice of the claimed infringement. GE shall not be responsible for any compromise or concession made by Customer without GE's prior written consent. In case any equipment or GE Software is in such suit held to constitute such an infringement and the use for the purpose intended of said equipment or Software is enjoined, GE shall, at its expense and option, either procure for Customer the right to continue using said equipment or Software, or replacing same with noninfringing equipment or Software, or modify same so they become noninfringing, or remove the equipment or Software and refund the purchase price or license fee (less reasonable depreciation for any period of use) and any transportation costs separately paid by Customer. The foregoing states the entire liability of GE for patent, copyright, trademark or trade secret infringement.

3.3 The preceding paragraph shall not apply to any equipment or Software (a) specified by Customer and not of GE manufacture, or (b) manufactured to Customer's design, or (c) to the use of any equipment or Software furnished with other equipment or Software in a combination not furnished by GE as part of the transaction. As to any such equipment or Software, or use in such combination, GE assumes no liability whatsoever for infringement and Customer will hold GE harmless against any infringement claim arising therefrom (including, but not limited to, reasonable attorney's fees).

4 Excusable Delays.

4.1 GE shall not be liable for delay due to causes beyond its reasonable control, including, but not limited to, acts of God, acts of Customer, prerequisite work by others, acts of civil or military authority, government priorities, fires, strikes or other labor disturbances, floods, epidemics, war, terrorism, riot, delays in transportation or car shortages, or inability to obtain or delay in obtaining suitable labor, materials, or facilities, due to causes beyond its reasonable control. In the event of any such delay, the time of performance shall be extended for a period equal to the time lost by reason of the delay.

4.2 In the event GE is delayed by acts of Customer or by prerequisite work by other contractors or suppliers of Customer, GE shall be entitled to an equitable price adjustment in addition to extension of the time of performance.

5 Sales and Similar Taxes. In addition to any price specified herein, Customer shall pay, or reimburse GE for, the gross amount of any present or future sales, use, excise, income, value-added or other similar tax applicable to the price, sale, licensing, or furnishing of any Product hereunder, or to their use by GE or Customer, or Customer shall provide GE with evidence of exemption acceptable to the taxing authorities. If Customer fails to provide GE with requested proof of payment or exemption, GE may pay the taxes due and obtain reimbursement from Customer. Customer shall pay all import duties and registration fees arising from the sale, license or furnishing of any Product hereunder.

6 Payments and Financial Condition.

6.1 Except to the extent otherwise specified by GE in writing, invoices for Product shall be issued pro rata as shipments are made or services performed. If GE consents to delay shipments after completion of any equipment, payment shall become due, title shall pass and equipment shall be held at Customer's risk and expense as of the date when GE is prepared to make shipment. Unless otherwise agreed to in writing by GE, payment terms are net thirty (30) days from the date of invoice. All payments shall be made without set-off for claims arising out of other sales by GE.

6.2 If the financial condition of Customer at any time does not, in the judgment of GE, justify continued performance on the terms of payment previously agreed upon, GE may require full or partial payment in advance or shall be entitled to terminate the contract and receive termination charges. In the event of bankruptcy or insolvency of Customer or in the event any proceeding is brought against Customer, voluntarily or involuntarily, under the bankruptcy or insolvency laws, GE shall be entitled to terminate the agreement at any time during the period allowed for filing claims against the estate and shall be entitled to payment for its termination charges.

6.3 Payment shall be made in the currency quoted.

6.4 Customer shall pay a monthly late payment charge computed at the rate of 1.5%, or the maximum interest rate permitted by law, whichever is less, on any past due amount for each calendar month (or fraction thereof) that the payment is overdue, and Customer shall pay, indemnify and save GE harmless from any and all costs and expenses of GE's collections efforts including reasonable attorney's fees, and costs associated with compromises and judgments arising therefrom. GE retains a security interest and right of possession in the articles until Customer makes full payment, and Customer agrees to sign documentation at GE's request as reasonably necessary to perfect such interest.

7 Limitations of Liability.

7.1 GE'S LIABILITY ON ALL CLAIMS OF ANY KIND, WHETHER BASED ON CONTRACT, INDEMNITY, WARRANTY, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE, FOR ALL LOSSES OR DAMAGES ARISING OUT OF, CONNECTED WITH, OR RESULTING FROM THIS AGREEMENT, OR THESE TERMS AND CONDITIONS, OR FROM THE PERFORMANCE OR BREACH THEREOF, OR FROM ANY PRODUCT COVERED BY OR FURNISHED UNDER THE CONTRACT OR ANY EXTENSION OR EXPANSION THEREOF (INCLUDING REMEDIAL WARRANTY EFFORTS), SHALL IN NO CASE EXCEED THE CONTRACT PRICE OF THE ITEM GIVING RISE TO THE CLAIM. EXCEPT AS TO TITLE TO ANY EQUIPMENT FURNISHED, ALL SUCH LIABILITY SHALL TERMINATE UPON THE EXPIRATION OF THE WARRANTY PERIOD SPECIFIED HEREIN.

7.2 IN NO EVENT, WHETHER BASED ON CONTRACT, INDEMNITY, WARRANTY, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE, SHALL GE, ITS EMPLOYEES AND SUPPLIERS BE LIABLE FOR ANY LOSS OF PROFITS OR REVENUE, OR FOR ANY INDIRECT, PUNITIVE, SPECIAL, INCIDENTAL, EXEMPLARY OR CONSEQUENTIAL DAMAGES INCLUDING, BUT NOT LIMITED TO, LOSS OF USE OF ANY PROPERTY, COST OF CAPITAL, COST OF PURCHASED POWER, COST OF SUBSTITUTE EQUIPMENT, FACILITIES OR SERVICES, DOWNTIME COSTS, OR CLAIMS OF CUSTOMER'S CUSTOMERS FOR SUCH DAMAGES EVEN IF GE HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND THE CUSTOMER WILL INDEMNIFY GE, ITS EMPLOYEES AND SUPPLIERS AGAINST ANY SUCH CLAIMS FROM THE CUSTOMER'S CUSTOMERS. IF THE PRODUCT BEING PROVIDED BY GE WILL BE FURNISHED BY THE CUSTOMER TO A THIRD PARTY BY CONTRACT OR RELATE TO A CONTRACT BETWEEN THE CUSTOMER AND A THIRD PARTY, THE CUSTOMER SHALL OBTAIN FROM SUCH THIRD PARTY A PROVISION AFFORDING GE AND ITS SUPPLIERS THE PROTECTION OF THIS AND THE PRECEDING PARAGRAPH 7.1.

7.3 Unless otherwise agreed by the parties in writing, the Customer has sole responsibility for designing and implementing a solution including the Products which will meet all appropriate safety requirements and/or standards. GE disclaims all liability for any damages arising as a result of any non-conformance of the solution of the Customer to safety requirements and/or standards. Products licensed or sold hereunder are not intended for use in any nuclear facility or activity, production of land mines or cluster bombs, or any life-support equipment. GE further disclaims all liability for any damages resulting from dangerous use or misuse of its Products, including use that could result in radiation, chemical and environmental damages, injury and contamination as well as death, personal injury or severe physical damages. Customer shall indemnify GE, its employees and agents from all liability resulting from such use(s), whether based on contract, warranty, tort (including negligence), strict liability or any other legal theory, regardless of whether GE had knowledge of the possibility of such damages or not.

7.4 If GE furnishes Customer with advice or assistance which is not required pursuant to this agreement, the furnishing of such advice or assistance will not subject GE to any liability, whether in contract, indemnity, warranty, tort (including negligence), strict liability or otherwise.

8 Delivery.

8.1 Delivery of equipment will be made FCA GE's facility (Incoterms 2010). Title to equipment shipped by GE from the United States shall pass to Customer immediately after each item departs from the territorial land, seas, and overlying airspace of the United States. Title to all other equipment shall pass when the product is made available for shipment at the point of shipment. Title to services shall pass pro rata as the services are performed. No title to the Software is transferred.

8.2 Unless otherwise agreed by the parties in writing: (a) GE shall determine the method and routing of all deliveries; (b) delivery dates and times are approximate and based on (i) prompt receipt by GE of all information necessary to permit GE to proceed with work immediately and without interruption, (ii) Customer's compliance with the payment terms, (iii) prompt receipt by GE of all evidence GE may request that any required export or import license, as applicable, is in effect; (c) the prices for the products include only GE's usual quality processes, systems, and tests; and (d) partial deliveries shall be permitted.

8.3 Products shall be prepared, packed and shipped by or on behalf of GE in accordance with good commercial practices unless otherwise agreed by the parties. A complete packing list shall be enclosed with all shipments. Customer agrees to reimburse GE for any costs for any non-standard packing, marking or shipping directions contained in the purchase order.

9 Export

9.1 Customer agrees to be aware of and comply with U.S. export laws and regulations, and the applicable export laws and regulations of any other country, to ensure that the Products or technology will not be used, sold, transferred, or re-exported in violation of such laws and regulations.

9.2 In addition to the representation in paragraph 9.1 above, Customer agrees that it shall not, without prior U.S. government authorization, export, reexport, or transfer Products or technology, either directly or indirectly: 1) to any country subject to a comprehensive U.S. trade embargo or to any resident or national of any such country; 2) to any person or entity listed on the "Entity List" or "Denied Persons List" maintained by the U.S. Department of Commerce, the list of "Specifically Designated Nationals and Blocked Persons" maintained by the U.S. Department of Treasury or any other applicable prohibited party list; or, 3) to an end-user engaged in any nuclear weapons, chemical weapons, or biological weapons activities.

10 U.S. Government Contracting. If Customer is a U.S. Government entity or elects to sell Products provided hereunder to the U.S. Government or to a contractor selling to the U.S. Government, the following provisions apply: (a) Customer agrees that all Products provided by GE meet the definition of "commercial-off-the-shelf" (COTS) or "commercial item" as defined in FAR 2.101, and that the subparagraph terms of FAR 52.212-5(e) or FAR 52.244-6 (or, for orders from the U.S. Government, FAR 52.212-5 and FAR 52.212-4 with tailoring to the extent permitted by FAR 12.302 by replacing all paragraphs except those listed in FAR 12.302(b) with these Terms and Conditions), and (subject to subsection (e) below) DFARS 252.212-7001(c) or DFARS 252.244-7000, whichever are applicable, apply only to the extent applicable to COTS or commercial items and only as appropriate for the dollar value of this order; (b) with regard to any terms related to Buy American Act or Trade Agreements, the country of origin of Products is unknown unless otherwise specifically stated in writing by GE; (c) Customer agrees that any services offered by GE are exempt from the Service Contract Act of 1965 (FAR 52.222-41); (d) Customer agrees that this sale is not funded, in whole or in part, by the American Recovery and Reinvestment Act unless otherwise set forth in a written agreement of the parties; (e) GE makes no representations, certifications or warranties whatsoever with respect to the ability of its Products to satisfy DFARS 252.225-7009, Restriction on Acquisition of Certain Articles Containing Specialty Metals; and (f) Customer is solely and exclusively responsible for compliance with any other applicable statutes or regulations governing sales to the U.S. Government, and GE makes no representations, certifications or warranties whatsoever with respect to the ability of its Products or prices to satisfy any such statutes and regulations other than those contained herein.

11 Termination.

11.1 Except as otherwise provided in writing, termination of any Appendix shall terminate these Terms and Conditions only to the extent that they apply to the provision of Product(s) pursuant to such Appendix. Termination of any Appendix shall not terminate any other Appendix or these Terms and Conditions as they may apply to the provision of Product(s) pursuant to other Appendices. Sections 3.1, 5, 7, 9 and 10 shall survive termination of these Terms and Conditions.

11.2 Termination of this Agreement and any license hereunder shall neither relieve Customer of its obligation to pay all outstanding charges hereunder nor entitle Customer to any refund of such charges previously paid.

12 General.

12.1 GE reserves the right to subcontract any of the work to one or more subcontractors.

12.2 The delegation or assignment by Customer of any or all its duties or rights hereunder without GE's prior written consent shall be void.

12.3 Any requests for changes shall apply only if GE and Customer agree in writing on the specification of the change and the corresponding changes to pricing and/or schedule.

12.4 Any information, suggestions or ideas transmitted by Customer to GE, its agents, employees or subcontractors are not to be regarded as secret or submitted in confidence except as otherwise provided in a writing signed by GE.

12.5 GE shall comply with all applicable state and federal laws, including but not limited to, the Fair Labor Standards Act of 1938, as amended, the Occupational Safety and Health Act of 1970 (OSHA), laws related to nonsegregated facilities and equal employment opportunity (including the seven paragraphs appearing in Sec. 202 of Executive Order 11246, as amended), and all standards, rules, regulations, and orders issued pursuant to such state and federal laws.

12.6 This Agreement shall be governed by the laws of the State of Arizona, without regard to its conflict of law provisions. The provisions of the United Nations Convention on the International Sale of Goods shall not apply to this Agreement.

CITY OF GLENDALE

Name: _____
Title: _____
Date: _____

GE INTELLIGENT PLATFORMS, INC.

Shelley

Name: *Shelley*
Title: *Operations Lead*
Date: *1/23/14*

Appendix A
End User License Agreement

1 Definitions.

1.1 "GE Software" shall mean those portions of the Licensed Software, in object code form only, that are created by GE or branded as GE (including integrated third party software), including but not limited to, Software developed and/or configured by GE pursuant to mutually agreed to specifications, but shall not include any Third Party Software.

1.2 "Application Templates" shall mean the part numbered software components created by GE for a specific application, which can include forms, displays, workflows, reports, user activities, device configuration, and system configuration.

1.3 "Designated Computer" shall mean the one (1) computer upon which Customer shall run each copy of the Licensed Software, except in the case of MAX-ON Software for which "Designated Computer" shall mean the one (1) redundant PLC system consisting of one or two PLC CPU's upon which Customer shall run each copy of the Licensed Software.

1.4 "Licensed Software" shall mean the GE Software plus any other Software (including Third Party Software), in object code form only, and any Application Templates supplied by GE pursuant to this Agreement. If no operating system software is included in the Software provided under this Agreement, Customer must make provision for any required operating system software licenses.

1.5 "Open Source Software" means software (including without limitation software libraries and dependencies) usually available without charge, with access provided to its source code and where use, modification and redistribution is allowed under the terms of the software license associated with it and includes open source code, free code, community source code, libraries, or similar software.

1.6 "Third Party Software" shall mean software, including but not limited to operating systems, owned or licensed by a third party that is supplied to Customer by GE, and which is neither branded as GE Software nor integrated into the GE Software.

2 License.

2.1 Except as provided in Section 2.2 below, Customer is granted only a non-transferable, nonexclusive license to install and use the number of copies of the Licensed Software provided on the quote by GE only on the Designated Computer(s). No copies shall be made unless authorized in writing by GE. Customer may not reverse engineer, decompile or reverse compile or disassemble, re-engineer or otherwise modify the Software. The Licensed Software, comprising proprietary trade secret information of GE and/or its licensors, shall be held in confidence by Customer and protected from copying or disclosure to third parties. No title to the intellectual property is transferred. Customer must reproduce and always include all applicable copyright notices and proprietary markings on any copy. Customer hereby acknowledges and agrees that any Licensed Software that is embedded within GE hardware, shall be used, redistributed and/or resold only to the extent permissible under this Agreement and only embedded within the GE hardware with which it was provided.

2.2 If Customer is an authorized GE distributor or an original equipment manufacturer or a system provider who incorporates the Licensed Software into its equipment or system for sale to an end user, or if Customer uses the Licensed Software to create redistributables, Customer may only transfer the Licensed Software to an end user provided that the end user agrees to be bound by the provisions of this Agreement. Customer shall use its best efforts to enforce its agreement with customers made in accordance with this section, and shall promptly report any violation or suspected violation to GE.

2.3 Customer shall not use or incorporate any Open Source Software in the Licensed Software that would: (i) create, or purport to create, obligations of GE or any Third Party Software licensor with respect to any Licensed Software; or (ii) grant, or purport to grant, to any third party any rights to or immunities under GE's intellectual property or proprietary rights in the Licensed Software. For example, Customer's modifications of Licensed Software may not include any Open Source Software that, when combined with Licensed Software would in any way require any Licensed Software to be made freely available.

2.4 All rights and benefits afforded to GE under this Agreement shall apply equally to the owner of any Third Party Software and its licensors (collectively, the "Third Parties") with respect to the Third Party Software. The Third Parties are intended third party beneficiaries of this Agreement. The provisions of this Agreement relating to the Licensed Software, as the same incorporate Third Party Software, are made expressly for the benefit of, and are enforceable by, the Third Parties. The Third Parties retain title to the Third Party Software.

2.5 EXCEPT AS PROVIDED IN SECTION 2.2 ABOVE, IF CUSTOMER TRANSFERS POSSESSION OF ANY COPY OF THE LICENSED SOFTWARE TO ANOTHER PARTY WITHOUT WRITTEN CONSENT OF GE, THIS LICENSE IS AUTOMATICALLY TERMINATED. Any attempt otherwise to sublicense, assign or transfer any of the right, duties or obligations hereunder is void.

3 Additional Terms for Monitoring Software.

3.1 "Monitored Equipment" shall mean the equipment of Customer to be monitored with the Monitoring Software (if any), as set forth on a monitoring software schedule agreed to in writing by the parties ("Monitoring Software Schedule").

3.2 "Monitoring Software" shall mean the equipment condition monitoring Licensed Software (if any) listed on a Monitoring Software Schedule.

3.3 Monitoring Software License. To the extent the Licensed Software includes Monitoring Software: (a) Customer's license is limited to using the Monitoring Software to monitor the Monitored Equipment, as described more fully in the Monitoring Software Schedule, (b) GE or its authorized representative shall have the right upon reasonable notice to audit and inspect Customer's utilization of the Monitoring Software in order to verify compliance with the terms of this Agreement, and (c) upon GE's reasonable request, which shall occur no more than twice annually, Customer shall deliver to GE a report, as defined by GE, evidencing Customer's and other authorized users' use of the Monitoring Software. Use of the Monitoring Software to monitor equipment other than the Monitored Equipment is prohibited.

3.4 Additional Warranty Disclaimer. While the Monitoring Software provides advisory information regarding equipment condition, it is virtually impossible to guaranty that each and every fault condition can be foreseen or detected. **THEREFORE, GE EXPRESSLY DISCLAIMS ANY WARRANTY THAT THE MONITORING SOFTWARE WILL DETECT ANY PARTICULAR FAILURE OR PROVIDE ANY PARTICULAR AMOUNT OF ADVANCE WARNING OF AN IMPENDING FAILURE OR CONDITION OF THE MONITORED EQUIPMENT.**

3.5 Additional Limitation on Liability. The Monitoring Software generates advisory information but does not perform any automated control, and GE has no control over decisions made or actions taken on the basis of any such generated information. Customer assumes total responsibility for Customer's use of the advisory information generated by the Monitoring Software. **THEREFORE, TO THE EXTENT THE LICENSED SOFTWARE INCLUDES MONITORING SOFTWARE, CUSTOMER BEARS THE ENTIRE RISK OF ANY LIABILITY ARISING OUT OR RELATING TO THE USE OF THE SOFTWARE, OTHER THAN THE LIABILITY FOR INTELLECTUAL PROPERTY INFRINGEMENT PURSUANT TO SECTION 3.2 OF THE TERMS AND CONDITIONS TO WHICH THIS APPENDIX IS ATTACHED.**

3.6 Indemnity. In the event GE is named as a defendant in a third party lawsuit for personal injury and/or property damage alleged to be caused by Monitored Equipment of Customer on the basis that the Monitoring Software failed to detect an equipment condition that would have avoided the injury or damage, Customer will indemnify, defend and hold harmless GE in such lawsuit.

3.7 If a term expiration date is provided on the Monitoring Software Schedule, then the license granted hereunder shall terminate upon such date.

4 Term and Termination.

4.1 Customer may terminate this End User License Agreement and any license granted hereunder at any time by destroying the Licensed Software together with all copies thereof and notifying GE in writing that all use of the Licensed Software has ceased and that the Licensed Software has been destroyed.

4.2 GE, upon thirty (30) days notice, may terminate this Agreement and any license hereunder if Customer is in material breach of this Agreement or if Customer attempts to transfer or assign this Agreement without the prior written consent of GE. Within twenty (20) days after any such termination of this Appendix A, Customer shall certify in writing to GE that all use of the Licensed Software or the affected portion thereof has ceased, and that the Licensed Software or portion thereof has been returned or destroyed, in accordance with GE's instructions.

4.3 Upon termination, Customer's rights under Section 2 shall immediately cease, and neither party shall have any further obligations under this Appendix A except Sections 3 and 4 shall survive any expiration or termination and remain in effect.

Appendix B
Remote Monitoring Services Terms

1. Definitions.

1.1. "Advisory Intelligence" means information regarding the condition of the Monitored Equipment generated by GE using proprietary technology in response to Source Data. More specifically, Advisory Intelligence comprises estimates of the values of Source Data, residuals of the estimates and Source Data, difference alerts statistically indicating that the Source Data is different from what the proprietary technology expects, and incident messages defined by rules applied to all of the above.

1.2. "Internet Advisory Site" means an internet server site comprised of hardware and Software and hosted by GE for presenting the Advisory Intelligence to Customer at a remote location by means of a web browser with secure access over the internet.

1.3. "Monitored Equipment" means the remotely located equipment of Customer for which GE will provide Advisory Intelligence over a secure internet connection, as set forth on a remote monitoring schedule agreed to in writing by the parties ("Remote Monitoring Schedule").

1.4. "Source Data" means sensor data or other parameter data from the Monitored Equipment made available to GE by Customer for generating the Advisory Intelligence. Source Data shall be listed and described in a Remote Monitoring Schedule.

2. Services.

2.1. If the parties agree in writing to have GE host and/or set up the Internet Advisory Site, GE shall set up and/or host the Internet Advisory Site and make it accessible to Customer. GE agrees to take reasonable steps to secure the Internet Advisory Site against access by unauthorized third parties. GE reserves the right to outsource hosting of the Internet Advisory Site or subcontract any of the work to one or more third parties that shall be bound to treat as confidential the Source Data and Advisory Intelligence commensurate with GE's confidentiality obligations hereunder.

2.2. GE agrees to receive Source Data and generate Advisory Intelligence in response thereto and present it in a timely fashion, as specified in the Remote Monitoring Schedule, on the Internet Advisory Site for secure access by Customer.

2.3. GE agrees to maintain the Source Data and the Advisory Intelligence generated in response thereto for online access by Customer through the Internet Advisory Site for such period as is specified in the Remote Monitoring Schedule.

2.4. Subject to the terms hereof, GE hereby grants Customer, and Customer hereby accepts, a nonexclusive, nontransferable and nonassignable license to use, copy and distribute internally the Advisory Intelligence. This license shall be deemed to be perpetual with respect to any and all Advisory Intelligence accessed by Customer prior to termination of this Agreement.

3. Customer Responsibilities.

3.1. Customer shall be responsible for providing a suitable and reasonably adequate Internet connection for the transmission of the Advisory Intelligence and the Source Data, as well as such other equipment as GE requires in order to provide the services set forth herein.

3.2. Customer agrees to make Source Data available to GE, and to take all reasonable steps to facilitate the setup efforts of GE described in Section 2.1, including intervening with any third-party carriers of Source Data to ensure the release of such Source Data to GE.

3.3. The Internet Advisory Site is for use by Customer only. GE will provide to Customer up to ten (10) password and account designations, which are required to access the Internet Advisory Site. Customer shall not disclose passwords and other information about the Internet Advisory Site to third parties, or otherwise enable access by third parties to the Internet Advisory Site, without the written authorization of GE. Customer agrees not to compromise the security of the Internet Advisory Site through its actions or inactions, and Customer will further take all reasonable steps to prevent unauthorized access to the Internet Advisory Site. Customer shall be solely responsible for maintaining the confidentiality of such password and account designations and for all activities, whether conducted by Customer or otherwise, that occur under its password(s) or account(s). Customer agrees to (a) immediately notify GE of any unauthorized use of such a password or account or any other breach of security, and (b) ensure that it properly exits from its account(s) at the end of each session. Customer acknowledges and agrees that GE cannot and shall not be responsible or liable for any loss or damage arising from Customer's failure to comply with the foregoing.

3.4. In the event GE is named as a defendant in a third party lawsuit for personal injury and/or property damage alleged to be caused by Monitored Equipment of Customer on the basis that the Advisory Intelligence failed to indicate an equipment condition that would have avoided the injury or damage, Customer will indemnify, defend and hold harmless GE in such lawsuit.

4. Restrictions.

4.1. Source Data shall remain the property of Customer, and GE shall not disclose Source Data to any third party without the authorization of Customer. GE shall not use the Source Data for any purpose other than (i) rendering services under this Agreement, and (ii) internally using Source Data to evaluate or improve GE's proprietary technology. GE shall not disclose the Advisory Intelligence to any third party in a way that identifies Customer, the Monitored Equipment, or any design or performance metrics of either, without the written authorization of Customer.

4.2. Customer agrees not to take any action that would limit GE's independent development, sale, assignment, licensing or use of GE's Software and technology underlying the Internet Advisory Site, or any improvement thereof. This Agreement does not provide Customer with title or ownership of the Internet Advisory Site. Title to and ownership of the Internet Advisory Site and the Advisory Intelligence and all versions, modifications, and enhancements thereof, shall at all times remain with GE, subject only to the rights and privileges expressly granted to Customer herein.

5. Term and Termination.

5.1. The Remote Monitoring Services shall be provided for an initial term as provided on the Remote Monitoring Schedule. Unless otherwise indicated on the Remote Monitoring Schedule, the Remote Monitoring Services shall automatically be renewed for successive one (1) year renewal terms unless a party provides the other party with written notice of its intent to not renew at least thirty (30) days prior to the end of any term.

5.2. GE shall have the right to terminate the Remote Monitoring Services upon the occurrence of any of the following: (i) immediately after Customer uses, copies, or modifies the Advisory Intelligence except as expressly authorized herein; (ii) immediately after Customer transfers possession of any copy of the Advisory Intelligence to any other party except as expressly authorized herein; (iii) thirty (30) days after GE gives Customer notice of Customer's material breach of any provision of this Agreement, including any delinquency in Customer's payment of any money due hereunder, unless Customer has cured such breach during such thirty (30) day period; or (iv) immediately after Customer files for bankruptcy, becomes insolvent, or makes an assignment for the benefit of creditors.

5.3. Upon termination, Customer's rights hereunder shall immediately cease, and neither Party shall have any further rights or obligations under this Agreement except (i) Customer shall remain liable for any outstanding and/or remaining fees, (ii) Sections 2.4, 3.4, and 5.4 shall survive and remain in effect.

5.4. Upon a material breach of this Agreement, and in addition to any other remedies it may have at law or in equity, GE may (a) deny access by Customer to the Internet Advisory Site, (b) refuse to generate Advisory Intelligence, and/or (c) declare all obligations immediately due and payable.

5.5. Remote Monitoring Services shall automatically terminate in the event the license to any underlying Software is terminated.

6. Additional Disclaimer of Warranties and Liability.

6.1. GE does not and cannot control the flow of data to or from GE's network and other portions of the Internet. Such flow depends in large part on the performance of Internet services provided or controlled by third parties. At times, actions or inactions of such third parties can impair or disrupt customers' connections to the Internet (or portions thereof). Although GE will use commercially reasonable efforts to take all actions it deems appropriate to remedy and avoid such events, GE cannot guarantee that such events will not occur. **ACCORDINGLY, GE DISCLAIMS ANY AND ALL LIABILITY ARISING OUT OF OR RELATING TO SUCH EVENTS.**

6.2. While the Internet Advisory Site provides advisory information regarding equipment condition, it is virtually impossible to guarantee that each and every fault condition can be foreseen or detected. **THEREFORE, GE EXPRESSLY DISCLAIMS ALL WARRANTIES THAT ANY PARTICULAR FAILURE OR CONDITION OF THE MONITORED EQUIPMENT WILL BE DETECTED OR ANY PARTICULAR AMOUNT OF ADVANCE WARNING OF AN IMPENDING FAILURE WILL BE PROVIDED.**

6.3. The Remote Monitoring Services provide Advisory Intelligence but do not perform any automated control, and GE has no control over decisions made or actions taken on the basis of any such generated information. GE makes no guarantees of the accuracy of the Advisory Intelligence with respect to actual equipment faults or events. Customer assumes total responsibility for Customer's use of the Internet and of the Internet Advisory Site and the Advisory Intelligence. **THEREFORE, CUSTOMER BEARS THE ENTIRE RISK OF ANY LIABILITY ARISING OUT OR RELATING TO THE USE OF THE ADVISORY INTELLIGENCE [WHETHER ACCURATE OR OTHERWISE].**

Appendix C
GlobalCare* Support Terms and Conditions

1. **GlobalCare Support Services.** With respect to the GE Software (as defined in the underlying Software License Agreement) licensed by GE and listed on Customer's GlobalCare Support Program Certificate ("GlobalCare Certificate") GE shall provide GlobalCare Support Services as detailed in the applicable customer support guide ("Customer Support Guide") and as provided below.

1.1. **Telephone Support.** To the extent provided in the Customer Support Guide applicable to the type of GlobalCare purchased by Customer, GE will provide support consultation to Customer regarding use and operation of the GE Software. Such consultation may occur via telephone or web-based communication.

1.2. **Problem Solving.** To the extent provided in the Customer Support Guide applicable to the type of GlobalCare purchased by Customer, GE technical personnel will be assigned to attempt correction of problems in the GE Software discovered by Customer and reported to GE in sufficient detail to permit GE to reproduce such problems. Customers are advised that remote access trouble-shooting tools may be called for in order to assist efforts to correct problems, and that such efforts may be impaired if the customer is unable to accommodate the use of such tools. Corrections made by GE to such problems will be available to Customer as provided in the Customer Support Guide. GE's obligation shall be to use its reasonable efforts to correct such problems; however, GE does not warrant or guarantee that all such reported problems or questions will be corrected or resolved. In the event a reported problem is determined to be of Customer origin, GE may bill Customer at GE's then-current per diem rates for any time expended in an effort to correct such problem.

1.3. **Enhancements.** To the extent provided in the Customer Support Guide applicable to the type of GlobalCare purchased by Customer, GE will provide Customer with notice of all Service Pack enhancements, Software improvements and version upgrades ("Service Packs, SIMs and Upgrades"). GE reserves the right to charge for significant new product functionality introduced in major product releases ("Major Feature"). Major Features are licensed separately and will be additional to the base configuration that Customer is already licensed to use. Service Packs, SIMs, and Upgrades, if provided, shall be for the quantity of registered GE Software systems on site. Service Packs, SIMs, and Upgrades apply only to the GE Software and do not include any updates, enhancements, service packs, or upgrades to the operating system or other Software.

2. **Software License Terms.** All Service Packs, SIMs, Upgrades, and other such supporting materials furnished to Customer hereunder shall be considered part of the GE Software and subject to all the terms and conditions of the underlying Software License Agreement.

3. **Conditions of Service.** GE shall not be required to provide support relating to problems or issues arising from (i) modified or abnormal operating conditions, (ii) Customer's use of the GE Software in a manner for which it was not designed, (iii) damage to the computer on which the GE Software is installed, (iv) Customer's negligence, misuse or modification of the GE Software or its configuration (including SQL), (v) versions of the GE Software other than those designated in the applicable Customer Support Guide, (vi) systems that do not meet the specifications or configurations, if any, specified by GE, (vii) effects of external systems (network, data feeds, shared/virtual hardware, other products), (viii) customer failure to keep current with backups, virus protection, operating system/database patches, or other IT best practices, or (ix) accessing the Software or data except through the official API. Customer must consult with GE before performing any upgrades on any third party Software required to run the GE Software.

4. **Term, Renewal and Termination**

4.1. GlobalCare Support dates of service will be as stated on Customer's GlobalCare Certificate.

4.2. The term of GlobalCare Support commences upon the effective date in the Customer's GlobalCare Certificate and continues for a 1 year initial period. Customer may, at its option and with the approval of GE, extend the term of GlobalCare Support an additional 4 years, renewable on an annual basis. GE will be notified in writing by Customer of its intent to extend the GlobalCare Support period at least 30 calendar days prior to the expiration of the original or any renewal GlobalCare Support period. Price adjustments will only be reviewed during the GlobalCare Support renewal period. There are no automatic renewals of GlobalCare Support.

4.3. Provided that GE has not given Customer written notice of its intent to alter, discontinue, or refuse to renew any GlobalCare Support Services at least one year in advance of expiration of the then-current term, GE shall notify Customer that the then-current service period is ending and provide Customer with a quote for renewal, no less than thirty (30) days prior to expiration of the then current service period. Payment for GlobalCare Support Services is required in advance, without right of refund. Timely purchase and payment of the applicable yearly service fee shall extend GlobalCare Support Services. If an order or payment is not received as set forth herein, GlobalCare Support Services will be terminated, and Customer will be placed on inactive status. Customer may reactivate GlobalCare Support Services thereafter by paying a re-instatement fee.

4.4. GlobalCare Support Services shall automatically terminate in the event the license to the underlying Software is terminated.

5. **Use of Technical Information.** With respect to any technical information that Customer may provide to GE in connection with the GlobalCare Support Services, GE may use such information for the limited purposes of writing and posting technical notes or knowledge articles or compiling aggregate data, for internal use only, on the frequency and type of support services requested. GE will not utilize such technical information in any form that personally identifies Customer.

*GlobalCare is a trademark of GE Intelligent Platforms, Inc.

Appendix D
On Site Services Terms and Conditions

1. **Safety and Security Policies.** If agreed to in writing by GE, GE shall comply with applicable safety and security policies that have been provided to GE in writing by Customer. For the avoidance of doubt, policies available online shall not be considered to have been provided in writing. GE will comply with its policies, as they may be amended from time to time, regarding background screening requirements, criminal background checks and drug screening tests.
2. **Insurance.** GE shall procure and maintain all insurance coverages as set forth below, each with an insurer with an A.M. Best's rating of A- or better to protect from claims arising as a result of the negligence of GE in its performance under this Agreement. Alternatively, the parties agree that GE may satisfy any or all of the insurance requirements set forth below through self-insurance.
 - a. **WORKERS COMPENSATION & EMPLOYERS LIABILITY:** Statutory Workers' Compensation as required by state law and Employer's Liability with a minimum limit of \$500,000 each accident / \$500,000 each disease / \$500,000 policy limit.
 - b. **COMMERCIAL GENERAL LIABILITY INSURANCE** including **PRODUCT AND COMPLETED OPERATIONS LIABILITY** with the following minimum limits for Bodily Injury and Property Damage: \$1,000,000 per occurrence; \$1,000,000 annual aggregate.
 - c. **BUSINESS AUTOMOBILE LIABILITY INSURANCE** covering all vehicles used in connection with the installation and/or servicing of the Product, covering Bodily Injury and Property Damage with a minimum \$1,000,000 combined single limit per accident.
 - d. **POLICY TERMINATION.** GE will promptly replace any canceled policy with a substantially similar policy or with a notice of self-insurance.
 - e. **POLICY VERIFICATION.** At Customer's written request, GE shall provide a certificate of insurance, or evidence of self-insurance, with Customer to show the existence of such insurance.
3. **Expenses.** To the extent that professional services are provided on a time and materials basis, travel and lodging expenses will be incurred and reimbursed according to the GE Travel Policy.
4. **SOW/Proposal.** GE will provide professional services in accordance with the applicable mutually agreed to Statement of Work (which may be the formal proposal issued by GE) as requested from time to time by Customer. Each Statement of Work incorporates and is subject to the terms and conditions of this Agreement. To the extent a Statement of Work that has been signed by both parties contains terms inconsistent with this Agreement, the Statement of Work will control. The Statement of Work will contain a detailed explanation of the project, service to be performed, deliverables, reports, cost of services, whether estimated or fixed, and any additional information required.
5. **Independent Contractor.** GE and its employees, agents, representatives, assigns and subcontractors will represent themselves only as independent contractors unrelated to Customer. Nothing in this Agreement is intended to create a relationship, express or implied, of employer-employee, principal-agent or partnership between Customer and GE.
6. **Certificates.** GE shall perform any services to be provided hereunder, and Customer shall make payment to GE therefor, in accordance with the schedule and specifications in GE's quotation therefor. Upon completion of a services deliverable, and at GE's request, Customer shall provide a certificate of acceptance of each deliverable. Upon final completion of the services to be provided hereunder, and at GE's request, Customer shall provide a certificate of final completion.
7. **Termination.** Either Customer or GE may terminate an agreement for services hereunder for cause if the other of them: (a) becomes insolvent, makes an assignment for the benefit of its creditors, has a receiver or trustee appointed, or is the subject of a proceeding under bankruptcy or insolvency law; (b) fails to make payment hereunder when due which failure continues for fifteen (15) days after written notice thereof; or (c) breaches this agreement in any other material respect (for which breach this agreement does not provide exclusive remedies other than termination) and such breach is not cured within sixty (60) days after written notice thereof is given by the non-breaching party (plus reasonable additional time if such breach cannot reasonably be cured within such period and a cure is promptly commenced and diligently pursued).
8. **Suspension.** GE may suspend its performance of services hereunder if it has the right to terminate for cause as set forth above (without waiving its right to terminate for cause).
9. **Survival.** The provisions of this agreement which by their nature extend beyond the period hereof for the performance of services, including without limitation those concerning warranty, intellectual property, limitations of liability, excusable delays, payment obligations, and confidentiality, shall survive termination or expiration.
10. **Customer responsibilities.** If services hereunder are to be provided at Customer's site or a third-party site designated by the Customer, the following shall apply: Customer shall on an ongoing basis provide GE access to: (i) such site in a clean, lighted, safe, and level condition; (ii) adequate power sources, networks, telephone and data lines, and other utilities; and (iii) personnel, information and documentation as reasonably required by GE. Customer shall be responsible to obtain any required permits, approvals, authorizations or the like applicable to activity hereunder at such site.



Legislation Description

File #: 14-454, **Version:** 1

EXPENDITURE AUTHORIZATION FOR THE REPAIR OF PUMPS LOCATED AT THE OASIS WATER TREATMENT FACILITY WITH PUMP SYSTEMS, INC.

Staff Contact: Craig Johnson, P.E., Director, Water Services

Purpose and Recommended Action

This is a request for City Council to approve the expenditure of funds for an amount not to exceed \$135,000 for the repair of three pumps located at the Oasis Water Treatment Facility with Pump Systems, Inc.

Background

The Oasis Water Treatment Facility provides potable water to Zones 1 and 2 in the Southern area of the City of Glendale. Each is serviced by three pumps manufactured by Simpflo Pumps Inc. Two pumps in Zone 1 have recently failed, leaving only one pump in service. Contingencies are in place to provide water to this area in case of an additional pump failure. The Water Services Department always focuses on maintaining system redundancies.

In order to address immediate repairs, a Purchase Order for \$45,000 was approved by the department director to allow for the removal and inspection of two pumps. In addition, the third pump is planned to be removed and inspected following repair of the two failed pumps. This request will increase the amount needed for all of the repairs by \$90,000.

Pump Systems, Inc. is the only manufacturer approved provider of services and parts for Simpflo Pumps Inc. An approved Sole Source application is on file for this vendor.

Analysis

Reliable water operations are accomplished by maintaining and repairing equipment quickly, and by designing operational contingencies. Non-operating equipment impacts the level of redundancies built in to the system.

The lower level of redundancy caused by the pump outages requires expeditious action in completing all needed repairs.

Community Benefit/Public Involvement

Maintaining reliable water services ensures quality of life and safety of all City of Glendale residents.

Budget and Financial Impacts

Funds are available in the FY 2014-15 Water Services operating budget.

Cost	Fund-Department-Account
\$135,000	2400-17310-523400, Oasis Surface WTP

Capital Expense? No

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?

Hatch, Daniel

From: Burkeen, Timothy
Sent: Wednesday, November 05, 2014 1:42 PM
To: Hatch, Daniel
Subject: RE: Request for approval of a sole source purchase - GE Intelligent/TMMI
Attachments: SS GE Intelligent approved.pdf; SS Pump Systems Inc approved.pdf

Sole Source requests for:
GE Intelligent Platforms/ TMMI
Pump Systems Inc.

Are approved.

I've only scanned and attached the first page of the documents

Tim Burkeen

Purchasing and Materials Manager
City of Glendale
5850 W Glendale Ave, Suite 302
Glendale, AZ 85301
Ph. 623-930-2867

“CAN DO!”

From: Hatch, Daniel
Sent: Wednesday, November 05, 2014 11:56 AM
To: Burkeen, Timothy
Subject: FW: Request for approval of a sole source purchase - GE Intelligent/TMMI

From: Hatch, Daniel
Sent: Friday, October 31, 2014 11:06 AM
To: MaterialsManagement
Cc: Melling, Sally; Weathersby, Anthony; Hatch, Daniel
Subject: Request for approval of a sole source purchase - GE Intelligent/TMMI

Your authorization to proceed with a sole source purchase is requested. The completed form is attached for your review.

Dan H. Hatch, CPA
Water Service Administrator
City of Glendale, Water Services Department
7070 W. Northern Avenue, Glendale, AZ 85303
Office: 623.930.4105 Cell: 602.316.6071
Email: dhatch@glendaleaz.com Webpage: www.glendaleaz.com/waterservices



Materials Management Sole Source Request

Revised 4/9/12

Submit the completed form to your director. Once your director has reviewed and signed this form, he/she will forward it to the Materials Manager as approval to proceed.

SOLE SOURCE REQUESTOR INFORMATION:

Requestor: Rocco Pontrelli	Date: 10-30-2014	Department: Water Services
Phone Number: 930-4119	Email Address: rpontrelli@glendalecaz.com	

PROPOSED VENDOR INFORMATION:

Proposed Vendor: Pump Systems Inc.	Proposed Vendor Contact: David Donovan
Proposed Vendor Address: 55 South Sunway Drive	
City, State and Zip Code: Gilbert AZ 85233	
Vendor Phone: 480-545-8484	Vendor Fax: 480-545-8787

SOLE SOURCE PURCHASE INFORMATION:

Total Cost of this Order: \$135,000	One time purchase: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
	Federal Money: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
	If yes, explain funding source:
Fund #: 2400 / Department #: 17310 / Account #: 523400	
Description of the product or service requested: Repair of Oasis Zone 1 finish water pump 811 \$45,000 and 813 \$45,000 and 812 \$45,000, as needed.	

Check the reason(s) below to identify why you have determined the purchase is a sole source and attach supporting documentation.

	REASON	GUIDELINES FOR JUSTIFICATION
<input type="checkbox"/>	Compatibility	Indicate system, make, model and function.
<input type="checkbox"/>	Unique repair/replacement item	Identify item to be used with previous PO number item purchased, and warranty period.
<input type="checkbox"/>	Supplementary or necessary part required from same manufacturer	Identify in-house equipment and use with existing system.
<input type="checkbox"/>	Unique Item	Identify project/program, equipment or unique design (make/model), and include reason required. What other makes/sources were considered.
<input checked="" type="checkbox"/>	Unique Service	In what area is facility, equipment, or expertise unique? Include reason required.
<input type="checkbox"/>	Proprietary Specifications (Copyright, patented, etc.)	Identify the manufacturer and model of equipment and how it is exclusive of other manufacturers/model of similar products.
<input type="checkbox"/>	Other reasons, if not above	Explain in detail.

Approved
11-4-14

ok/100



Materials Management Sole Source Request

Revised 4/9/12

JUSTIFICATION:

Use the guidelines for the justification of the selected reason(s), and provide a full, explanation of your reason that the product/service is a sole source: Pump Systems, Inc. is the only factory authorized distributor and service provider for Simflo Pumps for Arizona. See attached letter from Simflo Pumps.

MANDATORY RESEARCH DOCUMENTATION REQUIREMENT:

Provide a detailed explanation of efforts made to determine the availability of the product or service from any other vendor, including other distributors: After calling the factory to find some local repair shops that were qualified to service Simflo pumps, they told us that Pump System Inc. was the only authorized company in Arizona to service these pumps.

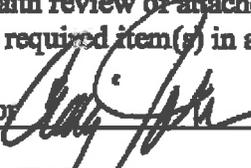
REQUESTOR CERTIFICATION:

I hereby certify that in accordance with City Manager Directive No. 30 which states:
<http://gmn.glendaleaz.com/CityManager/documents/031901-CMD30SoleSourcePurchases.pdf>, I have conducted a good faith review of available sources and have determined that there is only one practicable source for the required items in accordance with the Justification Outline.

Requestor : Rocco Pontrelli Division: Water Services Date 10-30-2014

DEPARTMENT DIRECTOR APPROVAL:

I hereby certify that in accordance with City Manager Directive No. 30 which states:
<http://gmn.glendaleaz.com/CityManager/documents/031901-CMD30SoleSourcePurchases.pdf>, I have conducted a good faith review of attached documentation and have determined that there is only one practicable source for the required item(s) in accordance with the Justification Outline.

Director  Division

Date 10-31-14

SUBMITTAL INSTRUCTIONS: Please complete this document and email the request to the Materials Manager, requesting approval. Attach additional documents, if needed, to support your request.

The subject line of the email is to read:
"Request for approval of a sole source purchase"

The text of the email is to read:
"Your authorization to proceed with a sole source purchase is requested. The completed form is attached for your review."

PREPARER NOTE: When submitting the purchase requisition, please attach the following:

- this completed form and
- the email from the Materials Manager approving the purchase and
- the form required if it's a vehicle or technology purchase



July 1, 2014

Subject: Distributor / Representative Agreement for State of Arizona

To whom it may concern,

**Be it known to all concerned that Pump Systems, Inc., located at 55 South Sunway Drive in Gilbert, Arizona 85233 is the only distributor / representative for Simflo Pumps, Inc. Industrial and Municipal equipment, parts and Factory Authorized service.
This agreement covers the entire state of Arizona.**

**Thank you,
Bob Denton
Industrial Sales Manager
Simflo Pumps, Inc.**

**PO Box 849 Willcox, AZ 85644
754 E. Maley Street Willcox, AZ 85643**

**Tel : (520)384-2273
Fax : (520) 384-4042
Email : info@simflo.com**





PUMP SYSTEMS, INC.

55 N. Sunway Dr.
 Gilbert, AZ 85233
 Phone 480-545-8484 • Fax 480-545-8787

QUOTATION

Quote No: **Q0009700**
 Quote Date: **11/05/2014**
 Account: **CITGLE**

Page 1
 CUSTOMER

QUOTE FOR:

CITY OF GLENDALE
 5850 W GLENDALE AVE
 GLENDALE, AZ 85301

SHIP TO:

GLENDALE WATER CAMPUS
 7070 WEST NORTHERN AVENUE
 GLENDALE, AZ 85301

REP	INQUIRY NUMBER	REFERENCE	SHIP VIA	DELIVERY	SHIP FOB
002		Pump 811	OUR TRUCK FFFA	12/05/14	SHIPPING POINT

QTY	UM	ITEM NO	DESCRIPTION	UNIT PRICE	D%	EXT PRICE
1.00		PARTS	SIMFLO REPAIR M/N SK20C-2, S/N 107007M. SERVICEMEN ARRIVED AT SITE. DISCONNECTED UNIT MECHANICALLY. PROVIDED CRANE/TRANSPORT OF UNIT BACK TO OUR SHOP DISASSEMBLED CLEANED AND INSPECTED. FOUND FIRST STAGE IMPELLER FAILED DUE TO CAVITATION. REPAIR TO CONSIST OF THE FOLLOWING. INSTALL NEW SUCTION BELL, NEW IMPELLERS, NEW BOWL BUSHINGS, NEW LINE SHAFT BEARINGS, NEW HEAD SHAFT, NEW LINE SHAFT COUPLINGS, NEW SEAL GLAND BUSHING, NEW MECHANICAL SEAL, NEW CAN AND DISCHARGE GASKETS. REASSEMBLE UNIT COMPLETE. SANDBLAST EXTERIOR & APPLY NSF61 APPROVED COATING ON EXTERIOR OF PUMP. PAINT HEAD WITH STANDARD ENAMEL PAINT. TRANSPORT PUMP BACK TO JOBSITE AND RECONNECT UNIT MECHANICALLY. PROVIDE START-UP OF UNIT.	23,531.000		23,531.00
1.00	EA	LABOR	LABOR	4,930.000		4,930.00
1.00		CRANE/TRANSPORT	CRANE AND TRANSPORTATION SERVICE.	2,480.000		2,480.00

BUYER: ROCCO PONTRELLI 623-930-4119
 PHONE: (623) 435-4362 EXT

QUOTED BY: DAVID DONOVAN
 QUOTED EXPIRES: 12/05/2014
 PAYMENT TERMS: NET 20 DAYS

SUBTOTAL	30,941.00
SALES TAX	1,835.42
FREIGHT	0.00
TOTAL QUOTE	32,776.42



Legislation Description

File #: 14-451, Version: 1

AUTHORIZATION TO ENTER INTO A PROFESSIONAL SERVICES AGREEMENT WITH STANTEC CONSULTING SERVICES INC. FOR WATERLINE IMPROVEMENTS

Staff Contact: Craig Johnson, P.E., Director, Water Services

Purpose and Recommended Action

This is a request for City Council to authorize the City Manager to enter into a professional services agreement with Stantec Consulting Services Inc., in an amount not to exceed \$826,912 for design and construction administration services pertaining to needed distribution waterline improvements.

Background

The city's water distribution system is a vast network of water mains, distribution lines, service lines, valves and fire hydrants which convey potable water for domestic and fire protection purposes. There are over 994 miles of water lines, including 24,000 valves, 61,000 service lines and 8,400 fire hydrants. Regular maintenance, repair, and improvement are required for optimal operation of this system.

Water Service staff identified seven (7) locations where existing distribution waterlines are in need of replacement due to the excessive maintenance they require and reaching the end of useful life. The locations are citywide and prioritized based on their condition and age. Additionally, several locations were identified in the February 2004 CH2M Hill, Inc. final Water Distribution System Evaluation Report, which recommended a long-term waterline replacement program.

Under this agreement, Stantec will provide design and construction administration services for waterline replacement at several locations throughout the city.

Analysis

Moving water through the city's distribution system is a key component in ensuring uninterrupted service and reliability. Proactive rehabilitation and replacement efforts minimize maintenance issues, reduce emergency disruptions, and assist with maintaining the integrity of the water distribution system. Prioritized water line replacement is part of an on-going proactive preventive maintenance effort to maintain the operational reliability of the city's water distribution system.

A Request for Proposal was issued in May 2014 by the Engineering Department to provide design and construction phase services for the waterline improvement project. Ten (10) firms submitted qualifications and Stantec Consulting Services Inc., was determined to be the most qualified for this project.

Previous Related Council Action

On February 26, 2008, Council approved the professional services agreement with Achen Gardner Engineering, LLC for pre-construction services as the Construction Manager at Risk to provide value engineering recommendations for engineering design and construction to replace aging waterlines.

On October 24, 2006, City Council approved the professional services agreements with Brown and Caldwell and Primatech to provide design and construction administration services for pipeline replacement projects.

On July 27, 2004, City Council approved a construction contract to Standard Construction, Inc. for replacement of water distribution line replacements.

On December 2, 2003, City Council approved an amendment to the professional services agreement with Entellus for Phase I of the pipeline replacement project.

On January 28, 2003, City Council approved a professional services agreement with Entellus, Inc. for the design and construction engineering services for Phase I of the pipeline replacement project.

On July 23, 2002, Council approved Phase II of the study by CH2M Hill, Inc. for the continuation of the water distribution system evaluation.

On March 28, 2000, Council approved a Phase I study by CH2M Hill, Inc. to evaluate the condition of the water distribution system and develop an improvement strategy for the City.

Community Benefit/Public Involvement

The project will enhance the integrity of the water distribution infrastructure, minimize pipeline breakage, reduce service interruptions, and improve water quality.

Budget and Financial Impacts

Funds are available in the Water Services FY 2014-15 Capital Improvement Plan budget.

Cost	Fund-Department-Account
\$826,912	2400-61013-551200, Water Line Replacement

Capital Expense? Yes

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?

PROFESSIONAL SERVICES AGREEMENT
CITY OF GLENDALE
WATERLINE IMPROVEMENTS, VARIOUS LOCATIONS
DESIGN & CONSTRUCTION ADMINISTRATION SERVICES

CITY PROJECT NO. 131424

This Professional Services Agreement ("Agreement") is entered into and effective between CITY OF GLENDALE, an Arizona municipal corporation ("City") and Stantec Consulting Services Inc., a New York, authorized to do business in the State of Arizona, ("Consultant") as of the ____ day of _____, 20 ____ ("Effective Date").

RECITALS

- A. City intends to undertake a project for the benefit of the public and with public funds that is more fully set forth in **Exhibit A**, Project (the "Project");
- B. City desires to retain the professional services of Consultant to perform certain specific duties and produce the specific work as set forth in the attached **Exhibit B**, Project Scope of Work ("Scope");
- C. Consultant desires to provide City with professional services ("Services") consistent with best consulting or architectural practices and the standards set forth in this Agreement, in order to complete the Project; and
- D. City and Consultant desire to memorialize their agreement with this document.

AGREEMENT

The parties hereby agree as follows:

1. Key Personnel; Other Consultants and Subcontractors.

- 1.1 Professional Services. Consultant will provide all Services necessary to assure the Project is completed timely and efficiently consistent within Project requirements, including, but not limited to, working in close interaction and interfacing with City and its designated employees, and working closely with others, including other consultants or contractors, retained by City.
- 1.2 Project Team.
 - a. Project Manager.
 - (1) Consultant will designate an employee as Project Manager with sufficient training, knowledge, and experience to, in the City's opinion, complete the project and handle all aspects of the Project such that the work produced by Consultant is consistent with applicable standards as detailed in this Agreement; and
 - (2) The City must approve the designated Project Manager.
 - b. Project Team.
 - (1) The Project Manager and all other employees assigned to the Project by Consultant will comprise the "Project Team."
 - (2) Project Manager will have responsibility for and will supervise all other employees assigned to the Project by Consultant.
 - c. Discharge, Reassign, Replacement.
 - (1) Consultant acknowledges the Project Team is comprised of the same persons and roles for each as may have been identified in **Exhibit A**.

without City's prior written consent unless that person leaves the employment of Consultant, in which event the substitute must first be approved in writing by City.

- (3) Consultant will change any of the members of the Project Team at the City's request if an employee's performance does not equal or exceed the level of competence that the City may reasonably expect of a person performing those duties, or if the acts or omissions of that person are detrimental to the development of the Project.

d. **Subcontractors.**

- (1) Consultant may engage specific technical contractors (each a "Subcontractor") to furnish certain service functions.
- (2) Consultant will remain fully responsible for Subcontractor's services.
- (3) Subcontractors must be approved by the City.
- (4) Consultant will certify by letter that all contracts with Subcontractors have been executed incorporating requirements and standards as set forth in this Agreement.

2. **Schedule.** The Services will be undertaken in a manner that ensures the Project is completed timely and efficiently in accordance with the Project.

3. **Consultant's Work.**

3.1 **Standard.** Consultant must perform Services in accordance with the standards of due diligence, care, and quality prevailing among consultants having substantial experience with the successful furnishing of Services for projects that are equivalent in size, scope, quality, and other criteria under the Project and identified in this Agreement.

3.2 **Licensing.** Consultant warrants that:

- a. Consultant and its Subconsultants or Subcontractors will hold all appropriate and required licenses, registrations and other approvals necessary for the lawful furnishing of Services ("Approvals"); and
- b. Neither Consultant nor any Subconsultant or Subcontractor has been debarred or otherwise legally excluded from contracting with any federal, state, or local governmental entity ("Debarment").
 - (1) City is under no obligation to ascertain or confirm the existence or issuance of any Approvals or Debarments, or to examine Consultant's contracting ability.
 - (2) Consultant must notify City immediately if any Approvals or Debarment changes during the Agreement's duration. The failure of the Consultant to notify City as required will constitute a material default under the Agreement.

3.3 **Compliance.** Services will be furnished in compliance with applicable federal, state, county and local statutes, rules, regulations, ordinances, building codes, life safety codes, and other standards and criteria designated by City.

3.4 **Coordination; Interaction.**

- a. For projects that the City believes requires the coordination of various professional services, Consultant will work in close consultation with City to proactively interact with any other professionals retained by City on the Project ("Coordinating Project Professionals").
- b. Consultant will meet to review the Project, Schedule and in-progress work with Coordinating Project Professionals and City as often and for durations as City reasonably considers necessary in order to ensure the timely work delivery and Project completion.

- c. For projects not involving Coordinating Project Professionals, Consultant will proactively interact with any other contractors when directed by City to obtain or disseminate timely information for the proper execution of the Project.

3.5 Work Product.

- a. Ownership. Upon receipt of payment for Services furnished, Consultant grants to City, and will cause its Subconsultants or Subcontractors to grant to the City, the exclusive ownership of and all copyrights, if any, to evaluations, reports, drawings, specifications, project manuals, surveys, estimates, reviews, minutes, all "architectural work" as defined in the United States Copyright Act, 17 U.S.C § 101, *et seq.*, and other intellectual work product as may be applicable ("Work Product").
 - (1) This grant is effective whether the Work Product is on paper (e.g., a "hard copy"), in electronic format, or in some other form.
 - (2) Consultant warrants, and agrees to indemnify, hold harmless and defend City for, from and against any claim that any Work Product infringes on third-party proprietary interests.
- b. Delivery. Consultant will deliver to City copies of the preliminary and completed Work Product promptly as they are prepared.
- c. City Use.
 - (1) City may reuse the Work Product at its sole discretion.
 - (2) In the event the Work Product is used for another project without further consultations with Consultant, the City agrees to indemnify and hold Consultant harmless from any claim arising out of the Work Product.
 - (3) In such case, City will also remove any seal and title block from the Work Product.

4. **Compensation for the Project.**

- 4.1 Compensation. Consultant's compensation for the Project, including those furnished by its Subconsultants or Subcontractors will not exceed \$826,912 as specifically detailed in **Exhibit D** ("Compensation").
- 4.2 Change in Scope of Project. The Compensation may be equitably adjusted if the originally contemplated Scope as outlined in the Project is significantly modified.
 - a. Adjustments to Compensation require a written amendment to this Agreement and may require City Council approval.
 - b. Additional services which are outside the Scope of the Project contained in this Agreement may not be performed by the Consultant without prior written authorization from the City.
 - c. Notwithstanding the incorporation of the Exhibits to this Agreement by reference, should any conflict arise between the provisions of this Agreement and the provisions found in the Exhibits and accompanying attachments, the provisions of this Agreement shall take priority and govern the conduct of the parties.
- 4.3 Allowances. An "Allowance" may be identified in **Exhibit D** only for work that is required by the Scope and the value of which cannot reasonably be quantified at the time of this Agreement.
 - a. As stated in Sec. 4.1 above, the Compensation must incorporate all Allowance amounts identified in **Exhibit D** and any unused allowance at the completion of the Project will remain with City.
 - b. Consultant may not add any mark-up for work identified as an Allowance and which is to be performed by a Subconsultant.

- c. Consultant will not use any portion of an Allowance without prior written authorization from the City.
- d. Examples of Allowance items include, but are not limited to, subsurface pothole investigations, survey, geotechnical investigations, public participation, radio path studies and material testing.

4.4 Expenses. City will reimburse Consultant for certain out-of-pocket expenses necessarily incurred by Consultant in connection with this Agreement, without mark-up (the "Reimbursable Expenses"), including, but not limited to, document reproduction, materials for book preparation, postage, courier and overnight delivery costs incurred with Federal Express or similar carriers, travel and car mileage, subject to the following:

- a. Mileage, airfare, lodging and other travel expenses will be reimbursable only to the extent these would, if incurred, be reimbursed to City of Glendale personnel under its policies and procedures for business travel expense reimbursement made available to Consultant for review prior to the Agreement's execution, and which policies and procedures will be furnished to Consultant;
- b. The Reimbursable Expenses in this section are approved in advance by City in writing; and
- c. The total of all Reimbursable Expenses paid to Consultant in connection with this Agreement will not exceed the "not to exceed" amount identified for Reimbursable Services in the Compensation.

5. **Billings and Payment.**

5.1 Applications.

- a. Consultant will submit monthly invoices (each, a "Payment Application") to City's Project Manager and City will remit payments based upon the Payment Application as stated below.
- b. The period covered by each Payment Application will be one calendar month ending on the last day of the month.

5.2 Payment.

- a. After a full and complete Payment Application is received, City will process and remit payment within 30 days.
- b. Payment may be subject to or conditioned upon City's receipt of:
 - (1) Completed work generated by Consultant and its Subconsultants and Subcontractors; and
 - (2) Unconditional waivers and releases on final payment from all Subconsultants and Subcontractors as City may reasonably request to assure the Project will be free of claims arising from required performances under this Agreement.

5.3 Review and Withholding. City's Project Manager will timely review and certify Payment Applications.

- a. If the Payment Application is rejected, the Project Manager will issue a written listing of the items not approved for payment.
- b. City may withhold an amount sufficient to pay expenses that City reasonably expects to incur in correcting the deficiency or deficiencies rejected for payment.

6. **Termination.**

6.1 For Convenience. City may terminate this Agreement for convenience, without cause, by delivering a written termination notice stating the effective termination date, which may not be less than 15 days following the date of delivery.

- a. Consultant will be equitably compensated for Services furnished prior to receipt of the termination notice and for reasonable costs incurred.
- b. Consultant will also be similarly compensated for any approved effort expended, and approved costs incurred, that are directly associated with Project closeout and delivery of the required items to the City.

6.2 For Cause. City may terminate this Agreement for cause if Consultant fails to cure any breach of this Agreement within seven days after receipt of written notice specifying the breach.

- a. Consultant will not be entitled to further payment until after City has determined its damages. If City's damages resulting from the breach, as determined by City, are less than the equitable amount due but not paid Consultant for Services furnished, City will pay the amount due to Consultant, less City's damages, in accordance with the provision of Sec. 5.
- b. If City's direct damages exceed amounts otherwise due to Consultant, Consultant must pay the difference to City immediately upon demand; however, Consultant will not be subject to consequential damages more than \$1,000,000 or the amount of this Agreement, whichever is greater.

7. **Conflict.** Consultant acknowledges this Agreement is subject to A.R.S. § 38-511, which allows for cancellation of this Agreement in the event any person who is significantly involved in initiating, negotiating, securing, drafting, or creating the Agreement on City's behalf is also an employee, agent, or consultant of any other party to this Agreement.

8. **Insurance.**

8.1 Requirements. Consultant must obtain and maintain the following insurance ("Required Insurance"):

- a. Consultant and Subconsultants and Subcontractors. Consultant, and each Subconsultant or Subcontractor performing work or providing materials related to this Agreement must procure and maintain the insurance coverages described below (collectively referred to herein as the "Consultant's Policies"), until each Party's obligations under this Agreement are completed.
- b. General Liability.
 - (1) Consultant must at all times relevant hereto carry a commercial general liability policy with a combined single limit of at least \$1,000,000 per occurrence and \$2,000,000 annual aggregate limit.
 - (2) Subconsultants and Subcontractors must at all times relevant hereto carry a general commercial liability policy with a combined single limit of at least \$4,000,000 per occurrence.
 - (3) This commercial general liability insurance must include independent contractors' liability, contractual liability, broad form property coverage, XCU hazards if requested by the City, and a separation of insurance provision.
 - (4) These limits may be met through a combination of primary and excess liability coverage.
- c. Professional Liability. Consultant must maintain a professional errors and omissions liability policy providing a minimum limit of \$1,000,000 for each claim and a \$2,000,000 annual aggregate limit.
- d. Auto. A business auto policy providing a liability limit of at least \$1,000,000 per accident for Consultant and \$1,000,000 per accident for Subconsultants and Subcontractors and covering owned, non-owned and hired automobiles.

- e. Workers' Compensation and Employer's Liability. Consultant must also maintain a workers' compensation and employer's liability policy providing at least the minimum benefits required by Arizona law.
- f. Notice of Changes. Consultant's Policies must provide for not less than 30 days' advance written notice to City Representative of:
 - (1) Cancellation or termination of Consultant's Policies;
 - (2) Reduction of the coverage limits of any of Consultant's Policies; and
 - (3) Any other material modification of Consultant's Policies related to this Agreement.
- g. Certificates of Insurance.
 - (1) Within 10 business days after the execution of the Agreement, Consultant must deliver to City Representative certificates of insurance for each of Consultant's Policies, which will confirm the existence or issuance of Consultant's Policies in accordance with the provisions of this section, and copies of the endorsements of Consultant's Policies in accordance with the provisions of this section.
 - (2) City is and will be under no obligation either to ascertain or confirm the existence or issuance of Consultant's Policies, or to examine Consultant's Policies, or to inform Consultant, Subconsultant, or Subcontractor in the event that any coverage does not comply with the requirements of this section.
 - (3) Consultant's failure to secure and maintain Consultant's Policies and to assure Consultant's Policies as required will constitute a material default under the Agreement.
- h. Other Contractors or Vendors.
 - (1) Other contractors or vendors that may be contracted with in connection with the Project must procure and maintain insurance coverage as is appropriate to their particular contract.
 - (2) This insurance coverage must comply with the requirements set forth above for Consultant's Policies (e.g., the requirements pertaining to endorsements to name the parties as additional insured parties and certificates of insurance).
- i. Policies. Except with respect to workers' compensation and Consultant's professional liability coverages, City must be named and properly endorsed as additional insureds on all liability policies required by this section.
 - (1) The coverage extended to additional insureds must be primary and must not contribute with any insurance or self insurance policies or programs maintained by the additional insureds.
 - (2) All insurance policies obtained pursuant to this section must be with companies legally authorized to do business in the State of Arizona and reasonably acceptable to all parties.

8.2 Subconsultants and Subcontractors.

- a. Consultant must also cause its Subconsultants and Subcontractors to obtain and maintain the Required Insurance.
- b. City may consider waiving these insurance requirements for a specific Subconsultant or Subcontractor if City is satisfied the amounts required are not commercially available to the Subconsultant or Subcontractor and the insurance the Subconsultant or Subcontractor does have is appropriate for the Subconsultant or Subcontractor's work under this Agreement.

- c. Consultant and Subcontractors must provide to the City proof of the Required Insurance whenever requested.

8.3 Indemnification.

- a. To the fullest extent permitted by law, Consultant must defend, indemnify, and hold harmless City and its elected officials, officers, employees and agents (each, an "Indemnified Party," collectively, the "Indemnified Parties") for, from, and against any and all claims, demands, actions, damages, judgments, settlements, personal injury (including sickness, disease, death, and bodily harm), property damage (including loss of use), infringement, governmental action and all other losses and expenses, including attorneys' fees and litigation expenses (each, a "Demand or Expense" collectively "Demands or Expenses") asserted by a third-party (i.e. a person or entity other than City or Consultant) and that arises out of or results from the breach of this Agreement by the Consultant or the Consultant's negligent actions, errors or omissions (including any Subconsultant or Subcontractor or other person or firm employed by Consultant), whether sustained before or after completion of the Project.
- b. This indemnity and hold harmless provision applies even if a Demand or Expense is in part due to the Indemnified Party's negligence or breach of a responsibility under this Agreement, but in that event, Consultant will be liable only to the extent the Demand or Expense results from the negligence or breach of a responsibility of Consultant or of any person or entity for whom Consultant is responsible.
- c. Consultant is not required to indemnify any Indemnified Parties for, from, or against any Demand or Expense resulting from the Indemnified Party's sole negligence or other fault solely attributable to the Indemnified Party.

9. Immigration Law Compliance.

- 9.1 Consultant, and on behalf of any Subconsultant or Subcontractor, warrants, to the extent applicable under A.R.S. § 41-4401, compliance with all federal immigration laws and regulations that relate to their employees as well as compliance with A.R.S. § 23-214(A) which requires registration and participation with the E-Verify Program.
- 9.2 Any breach of warranty under this section is considered a material breach of this Agreement and is subject to penalties up to and including termination of this Agreement.
- 9.3 City retains the legal right to inspect the papers of any Consultant, Subconsultant, or Subcontractor employee who performs work under this Agreement to ensure that the Consultant, Subconsultant or any Subcontractor is compliant with the warranty under this section.
- 9.4 City may conduct random inspections, and upon request of City, Consultant will provide copies of papers and records of Consultant demonstrating continued compliance with the warranty under this section. Consultant agrees to keep papers and records available for inspection by the City during normal business hours and will cooperate with City in exercise of its statutory duties and not deny access to its business premises or applicable papers or records for the purposes of enforcement of this section.
- 9.5 Consultant agrees to incorporate into any subcontracts under this Agreement the same obligations imposed upon Consultant and expressly accrue those obligations directly to the benefit of the City. Consultant also agrees to require any Subconsultant or Subcontractor to incorporate into each of its own subcontracts under this Agreement the same obligations above and expressly accrue those obligations to the benefit of the City.
- 9.6 Consultant's warranty and obligations under this section to the City is continuing throughout the term of this Agreement or until such time as the City determines, in its sole discretion, that Arizona law has been modified in that compliance with this section is no longer a requirement.

9.7 The "E-Verify Program" above means the employment verification program administered by the United States Department of Homeland Security, the Social Security Administration, or any successor program.

10. Notices.

10.1 A notice, request or other communication that is required or permitted under this Agreement (each a "Notice") will be effective only if:

- a. The Notice is in writing; and
- b. Delivered in person or by overnight courier service (delivery charges prepaid), certified or registered mail (return receipt requested).
- c. Notice will be deemed to have been delivered to the person to whom it is addressed as of the date of receipt, if:
 - (1) Received on a business day before 5:00 p.m. at the address for Notices identified for the Party in this Agreement by U.S. Mail, hand delivery, or overnight courier service; or
 - (2) As of the next business day after receipt, if received after 5:00 p.m.
- d. The burden of proof of the place and time of delivery is upon the Party giving the Notice.
- e. Digitalized signatures and copies of signatures will have the same effect as original signatures.

10.2 Representatives.

- a. Consultant. Consultant's representative (the "Consultant's Representative") authorized to act on Consultant's behalf with respect to the Project, and his or her address for Notice delivery is:

Tricia Cook
Stantec Consulting Services Inc.
8211 S. 48th Street
Phoenix, Arizona 85044

- b. City. City's representative ("City's Representative") authorized to act on City's behalf, and his or her address for Notice delivery is:

City of Glendale
c/o Bill Passmore
Principal Engineer
5850 W. Glendale Avenue
Glendale, Arizona 85301

With required copy to:

City Manager
City of Glendale
5850 West Glendale Avenue
Glendale, Arizona 85301

City Attorney
City of Glendale
5850 West Glendale Avenue
Glendale, Arizona 85301

- c. Concurrent Notices.
 - (1) All notices to City's representative must be given concurrently to City Manager and City Attorney.
 - (2) A notice will not be deemed to have been received by City's representative until the time that it has also been received by the City Manager and the City Attorney.

(3) City may appoint one or more designees for the purpose of receiving notice by delivery of a written notice to Consultant identifying the designee(s) and their respective addresses for notices.

d. Changes. Consultant or City may change its representative or information on Notice, by giving Notice of the change in accordance with this section at least ten days prior to the change.

11. **Financing Assignment.** City may assign this Agreement to any City-affiliated entity, including a non-profit corporation or other entity whose primary purpose is to own or manage the Project.

12. **Entire Agreement; Survival; Counterparts; Signatures.**

12.1 Integration. This Agreement contains, except as stated below, the entire agreement between City and Consultant and supersedes all prior conversations and negotiations between the parties regarding the Project or this Agreement.

a. Neither Party has made any representations, warranties or agreements as to any matters concerning the Agreement's subject matter.

b. Representations, statements, conditions, or warranties not contained in this Agreement will not be binding on the parties.

c. Inconsistencies between the solicitation, any addenda attached to the solicitation, the response or any excerpts attached as **Exhibit A**, and this Agreement, will be resolved by the terms and conditions stated in this Agreement.

12.2 Interpretation.

a. The parties fairly negotiated the Agreement's provisions to the extent they believed necessary and with the legal representation they deemed appropriate.

b. The parties are of equal bargaining position and this Agreement must be construed equally between the parties without consideration of which of the parties may have drafted this Agreement.

c. The Agreement will be interpreted in accordance with the laws of the State of Arizona.

12.3 Survival. Except as specifically provided otherwise in this Agreement, each warranty, representation, indemnification and hold harmless provision, insurance requirement, and every other right, remedy and responsibility of a Party, will survive completion of the Project, or the earlier termination of this Agreement.

12.4 Amendment. No amendment to this Agreement will be binding unless in writing and executed by the parties. Electronic signature blocks do not constitute execution for purposes of this Agreement. Any amendment may be subject to City Council approval.

12.5 Remedies. All rights and remedies provided in this Agreement are cumulative and the exercise of any one or more right or remedy will not affect any other rights or remedies under this Agreement or applicable law.

12.6 Severability. If any provision of this Agreement is voided or found unenforceable, that determination will not affect the validity of the other provisions, and the voided or unenforceable provision will be reformed to conform with applicable law.

12.7 Counterparts. This Agreement may be executed in counterparts, and all counterparts will together comprise one instrument.

13. **Term.** The term of this Agreement commences upon the Effective Date and continues for a one (1) year initial period. The City may, at its option and with the approval of the Consultant, extend the term of this Agreement an additional one (1) year. Consultant will be notified in writing by the City of its intent to extend the Agreement period at least thirty (30) calendar days prior to the expiration of the original or any

renewal Agreement period and price will be a determining factor for renewal. Price adjustments will only be reviewed during the Agreement renewal period. There are no automatic renewals of this Agreement.

14. **Dispute Resolution.** Each claim, controversy and dispute (each a "Dispute") between Consultant and City will be resolved in accordance with **Exhibit E**. The final determination will be made by the City.
15. **Exhibits.** The following exhibits, with reference to the term in which they are first referenced, are incorporated by this reference.

Exhibit A	Project
Exhibit B	Scope of Work
Exhibit C	Schedule
Exhibit D	Compensation
Exhibit E	Dispute Resolution

(Signatures appear on the following page.)

The parties enter into this Agreement effective as of the date shown above.

City of Glendale,
an Arizona municipal corporation

By: Brenda S. Fischer
Its: City Manager

ATTEST:

Pamela Hanna (SEAL)
City Clerk

APPROVED AS TO FORM:

Michael D. Bailey
City Attorney

Stantec Consulting Services Inc.,
a New York corporation authorized to do
business in Arizona

By: Dave Bennett
Its: Vice President

EXHIBIT A
Professional Services Agreement

PROJECT

(Cover Page)

EXHIBIT A
Professional Services Agreement
CITY OF GLENDALE
WATERLINE IMPROVEMENTS, VARIOUS LOCATIONS
DESIGN & CONSTRUCTION ADMINISTRATION SERVICES
PROJECT NO. 131424

DESCRIPTION OF PROJECT:

The City has identified seven different locations where the existing waterlines have deteriorated, causing operational issues. The new waterline improvements include the replacement of aged ACP water lines, with the installation of new ductile iron pipe (DIP), fire hydrants, valves, service lines and other associated accessories. These improvements will be designed so that they can be bid as separate bid packages.

The Engineer will work closely with the City Engineering and Water Services Departments during the design and construction phases of this project. The Engineer will complete design, construction administration and cost estimating for the waterlines to be replaced. The Engineer will also conduct public meetings and other related public involvement activities.

The seven locations, including the descriptions, sizes and approximate lengths, are listed below.

- QS 20-13, 67th Avenue & Bethany Home Road Intersection: Replace existing 12-inch ACP with new 12-inch ductile iron pipe. Approximately 800 Lineal Feet (L.F.)
- QS 20-13 & 20-14, on Bethany Home from 59th Avenue to 67th Avenue: Replace existing 12-inch ACP pipeline with new 12-inch ductile iron pipe. Approximately 5,200 L.F.
- QS 21-15, on 60th Avenue from Bethany Home Road to Keim Drive: Replace existing 8-inch ACP with new 8-inch ductile iron pipe. Approximately 1,150 L.F.
- QS 26-13, 67th Avenue & Olive Avenue Intersection: Replace existing 8-inch and 12-inch ACP with new ductile iron pipe. Approximately 800 L.F.
- QS 26-14, 59th Avenue & Olive Avenue Intersection: Replace existing 6-inch and 12-inch ACP with new ductile iron pipe. Approximately 1,200 L.F.
- QS 26-15, on 59th Avenue from Olive Avenue to Royal Palm Road: Replace existing 12-inch ACP with new ductile iron pipe. Approximately 3,900 L.F.
- QS 43-13, On Deer Valley Road from 59th Avenue to 67th Avenue: Abandon existing 12-inch ACP and install new 12-inch ductile iron pipe. Approximately 5,500 L.F.

EXHIBIT B
Professional Services Agreement

SCOPE OF WORK

(Cover Page)

EXHIBIT B
Professional Services Agreement

CITY OF GLENDALE
WATERLINE IMPROVEMENTS, VARIOUS LOCATIONS
DESIGN & CONSTRUCTION ADMINISTRATION SERVICES
PROJECT NO. 131424

SCOPE OF WORK

1. DESIGN STANDARDS

The following standards will be applicable to this project:

- *Arizona Administrative Code, Title 18, Chapter 5*
- *Arizona Department of Environmental Quality - Engineering Bulletin 10: Guidelines for the Construction of Water Systems May 1978.*
- *City of Glendale Engineering Design and Construction Standards, latest edition.*
- *Maricopa Association of Governments (MAG) Uniform Standard Specifications for Public Works Construction, Revisions through 2014.*
- *Maricopa Association of Governments Uniform Standard Details for Public Works Construction, Revisions through 2014.*

2. PHASE I – DESIGN SERVICES

The following information is a general description of the design and construction administration services required for this project. The services listed may include, but are not limited to, the following:

100 Series Tasks: General Project Administration:

Task 101: Meetings

Engineer will conduct project meetings to discuss the progress, direction and technical aspects of the project. Project documentation will consist of preparing and distributing meeting agendas and minutes, and monthly reports. Meeting minutes will summarize key discussions, comments, decisions, and any action items required. The monthly project reports will summarize the monthly work progress, project issues, and project schedule status.

Meetings included in this scope of work include the following:

Reference Task	Meeting	No. of Meetings
101	Project Kickoff	1
101/102	Monthly Progress/Coordination during Design	6
108	Public Meetings	2
204	Utility Coordination	2
301	Conceptual (30%) Comment Review	1
302	Preliminary (60%) Progress Meeting (Workshop)	1

303	Pre-Final (90%) Comment Review	1
401	Pre-Bid Meeting (1 per package)	3
501	Pre-construction Meetings (1 per package)	3
505	Construction Meetings (assume 9 months)	39
	Total	59

Assumptions

- City will confirm proposed City attendees at meeting/conference
- Meetings will be held at City of Glendale facilities
- Construction meetings will be held weekly, attended by both the Project Manager and the Inspector.

Deliverables

- Meeting Agendas
- Meeting Minutes
- Graphics, figures, plans, notes and details necessary for meeting discussion

Task 102: Project Coordination

Engineer coordinate with team, sub-consultants, Contractor and will assist in the overall coordination of the project with City staff, including Water Services, Engineering, Development Services, and other city departments as necessary to facilitate the project.

Assumptions

- None

Deliverables

- None

Task 103: Project Schedule

Engineer shall develop and maintain a comprehensive project schedule reflecting design concept development, construction document preparation, and bidding services. Engineer will include anticipated construction duration in the project schedule. Schedule shall be developed in a work breakdown structure format identifying key project tasks and deliverable milestones. The schedule shall be prepared utilizing Microsoft Project and shall be provided to the City monthly to be reviewed at Progress.

Assumptions

- City will review and approve Project schedule

Deliverables

- Initial Project schedule (Microsoft Project and Adobe PDF formats)
- Monthly updates to Project schedule (Microsoft Project and Adobe PDF formats)

Task 104: Permits

Engineer shall assist the City in obtaining all federal, state, county, local and utility permits and approvals required for the Project. As the Project progresses, the Engineer shall furnish to the City copies of all communications between the Engineer and the respective agencies or departments, and all approvals and permits for the Project.

Permits may include:

- MCESD Approval to Construct
- MCESD Approval of Construction
- Permit to cross SRP Easements
- R/W permits for sub-consultants to complete investigatory work.

Assumptions

- Contractor will be responsible for any permits to construct within the R/W and Traffic Control approvals
- Permit fees will be paid as an allowance.
- County permits will be obtained for each phase of construction.
- County permit documents will be submitted with the 90% drawings.

Deliverables

- Permit to Construct
- Monthly updates to Project schedule (Microsoft Project and Adobe PDF formats)

Task 105: Progress Reports, Invoices and Cash Flow

Engineer will prepare monthly invoices and progress reports, delivered to the City's Project Manager no later than the 25th day of the month. Progress reports will document work completed during the previous month, anticipated work upcoming in the current month, and outstanding project issues requiring resolution. Progress reports will document percent complete for each work task identified in this Scope of Work. The invoice will identify the contract number and include the amount of each work task and man-hour level of effort and consultant service identified in the approved fee proposal. The percent complete shall be consistent with the project schedule, tasks, and fee proposal per tasks. The total invoice submitted shall be less than or equal to the report that details the task percent complete with the associated cost. The invoice will show the amounts previously billed, the amount due for the current period, the project balance and the percent complete per tasks.

The Engineer will provide a cash flow schedule for the project. This cash flow shall include all sub-consultants fees. The Engineer shall use the City's workbook.

Assumptions

- City shall approve invoice and progress report format
- City shall provide workbook for Cash Flow schedule

Deliverables

- Monthly invoices and progress reports
- Cash Flow schedule

Task 106: Quality Assurance / Quality Control

Engineer will be responsible for providing Quality Assurance / Quality Control of all engineering designs, analyses and deliverables prepared for the Project. Engineer shall utilize our established format that has been used on other projects. Information regarding procedure and copies of documentation is available to the City upon request.

Assumptions

- None

Deliverables

- None

Task 107: Construction Phasing Plan

Engineer will provide a detailed construction phasing plan and associated cost estimates for the required improvements. Cost estimates will be provided at the 30%, 60% and 90% submittals, as indicated in Task 307.

Assumptions

- None

Deliverables

- With Task 302/303

Task 108: Public Involvement

Engineer will provide support services for City's public involvement process. Public Involvement will be primarily completed by Mak-Pro, as described in Task 701. Engineering team will coordinate with Mak-Pro and provide exhibits for Public Meetings in support of the Public Involvement program. Engineer will attend Public Meetings as identified in Task 101.

200 Series Tasks: Preliminary Design and Field Investigation

Task 201: Background Documentation

Engineer will obtain and review all relevant background information for the project, including but not limited to as-built drawings, quarter section, utility mapping and field information.

Assumptions

- City will provide as-built drawings

Deliverables

- None

Task 202: Topographic Survey

Engineer will provide a ground based topographic survey utilizing Global Positioning System (GPS) survey data collection for existing improvements along the project corridors.

The survey for this project has been broken down into three areas:

1. W. Bethany Home Road – from N. 59th Avenue to N. 67th Avenue and N. 60th Avenue from W. Bethany Home Road to W. Keim Drive.
2. N. 59th Avenue, from W. Olive Avenue to W. Royal Palm Road, together with the intersection of W. Olive Avenue with N. 67th Avenue.
3. W. Deer Valley Road from N. 59th Avenue to N. 67th Avenue.

The survey will generally extend across the full right-of-way width. In each area, allowance has been made to extend the survey an additional 150 feet at terminal points of the water line improvements and along each leg of major intersections. In addition, the survey will extend 150 feet along all side streets (centerline only).

A planimetric and topographic mapping base will be provided by field survey using a combination of conventional and GPS survey techniques to obtain necessary ground information and supplemental mapping detail. The accuracies of said mapping will be as defined in the National Mapping Standards. Elevations will be based upon

NAVD88 datum, and horizontal control will be related to an agreed coordinate system. The survey will include the following items:

- Curbs, sidewalks, medians and handicap ramps.
- Topographical features (tops and toes of slopes, general ground elevations)
- Locations of apparent utility features (surface only, plus overhead wires).
- Cross sections at nominal 100-foot intervals.
- Other site improvements (walls, fences, paving, rip-rap etc.).
- Significant vegetation.
- Road striping and signage.
- Right-of-way delineation, based on research of available records (no field survey included, other than location of centerline monuments).
- Adjacent property delineation based on GIS data provided by City of Glendale.

Assumptions

- City will provide access to City facilities along the project corridor

Deliverables

- None

Task 203: Base Map Development

Engineer will create comprehensive base maps from the information gathered during the field survey, design concept development and utility coordination tasks. Utilities will be shown based on surveyed surface features as well as mapping information provided by each utility. Base mapping will be created in AutoCAD Civil 3D format in conformance with City of Glendale standards.

Assumptions

- City will provide standard plan sheet border and cover sheet
- City will provide current CAD standard plan
- City will provide current GIS base information for general property information

Deliverables

- None

Task 204: Utility Coordination

Engineer will coordinate with private, public and City utilities regarding utility issues and incorporating pertinent information in the plans. In general, the Engineer will provide base maps incorporating utility information, facilitate utility coordination meetings, provide potholing of existing utilities, and provide utility coordination services to obtain no-conflict review responses. Each task is further clarified below:

Base Map Incorporation

Engineer will incorporate utility information into the project base map based on the mapping information provided by the City and gathered during topographic survey. Engineer will visit the project site to observe existing utility facilities and verify visual accuracy of mapping data collected.

Coordination Meetings

Following the 60% Design Document submittals, Engineer will facilitate a utility coordination meeting with affected utility companies. Engineer will invite all utilities reporting facilities in the project corridor to participate in the

coordination meetings. The drawings will be sent to the utility companies in advance of the meeting. The meeting will be conducted to update no-conflict reviews, confirm utility relocation design and construction status and completion schedule, and notify utility companies of anticipated project construction schedule.

Pothole List Development and Delivery

Engineer will identify potential conflicts with existing utilities and required relocations, and will tabulate locations where potholing of existing facilities is critical. Pothole locations will be identified following confirmation of the pipeline alignments at the 30% design document submittal.

Engineer will contract with a utility locating company for utility potholing services. Potholes are described further in Task 702. Pothole results shall be provided to Engineer for incorporation into the 60% plans and coordination with affected utility companies for relocation design. Pothole results shall be based on Project Survey Control, and be sealed by a Registered Land Surveyor. Engineer will incorporate results into the construction plans and provide to the contractor.

Utility Coordination

1. Engineer shall show all existing utilities on the project plan and profile sheets.
2. Engineer shall obtain Blue Stake for design ticket which represents anticipated utilities located within project limits. Engineer will contact each utility owner to obtain maps and as-built.
3. Engineer shall be responsible for field verifying the horizontal locations of all utilities within the project limits.
4. Engineer shall send a letter to each utility company notifying them of the project and defining the project scope and timeline and two sets each 30%, 60%, 90%, and final plans to each utility company for their review along with a request for written response from each company to determine the disposition of their utility as it relates to the planned roadway improvements.
5. Engineer shall specifically identify utility conflicts, with input from utility companies, which might affect alignment or grade and recommend alignment alternatives.
6. Engineer shall coordinate with the utilities to facilitate the design to relocate their facilities.
7. For each submittal to the utility companies, Engineer shall provide the City's Project Manager and Utility Coordinator each with a written record of receipt.
8. Engineer shall prepare a utility clearance letter and conflict matrix, providing a review of proposed utility plans, including conflict evaluation, and general considerations.

Assumptions

- Engineer will provide utility potholing services following 30% design document submittal.
- City to provide available ¼-section maps and as-builts for utilities within project, based on Engineer's request form.
- Potholes will be completed as an allowance.

Deliverables

- Utility coordination including plan submittals to each utility company after the 60% submittal
- Utility clearance letters and conflict matrix
- No-conflict review responses from affected utility companies

Task 205: Geotechnical Investigation

Engineer will complete a geotechnical investigation to provide recommendations for construction of the proposed waterlines. The geotechnical investigation will be completed by Ninyo and Moore as described in Task 703.

Task 206: Design Report

The Engineer will prepare a design report, which incorporates the findings, conclusions, and recommendations for the required waterline improvements. This report will include planning recommendations, design criteria, preliminary construction costs, required permits and any special design requirements necessary for the project. The City will review the design report and the Engineer will address and incorporate the comments into the final report.

Assumptions

- None

Deliverables

- Draft Design Report to be submitted with the 60% submittal
- Final Design Report to be submitted with the 90% submittal

300 Series Tasks: Detailed Design

Task 301: Conceptual (30%) Design Documents

Engineer shall prepare one (1) set of conceptual (30%) design documents. Drawings will be prepared using AutoCAD Civil 3D design software. Drawings will utilize City standard title block, bearing identifying reference information (project number) provided by the City.

Conceptual (30%) Design Documents shall contain the following elements:

- Cover Sheet (City standard format)
- Key Map
- Engineer's General Notes and City Standard General Notes for CIP projects
- Base Map, developed to include topographic survey data and utility mapping data
- Existing rights-of-way and property lines, as identified by recorded plat and/or City documentation
- Preliminary pipeline alignment, shown in plan view (1" = 20' horizontal scale on Plan and Profile drawings)
- Survey control data, including bearing and distance on horizontal control (section) lines and benchmark data
- Connections between proposed pipelines and existing infrastructure identified
- Conceptual quantities identified

Following submittal of Conceptual (30%) Design Documents, City shall distribute submittal documents to applicable stakeholders and/or internal City reviewers. City shall provide comments to Engineer within three (3) weeks after submittal. Engineer shall review and tabulate City review comments and identify preliminary responses within one (1) week. Engineer shall conduct one (1) review comment resolution meeting to review comment responses and resolve questions regarding the comments.

Assumptions

- City will provide technical staff for plan review and comment resolution
- Reviewers will provide comments within three (3) weeks

Deliverables

- Conceptual (30%) construction plans
- 1 bond copy, full scale
- 6 bond copies, half size
- 1 electronic copy (Adobe PDF)
- Engineer's Opinion of Probable Construction Cost

Task 302: Preliminary (60%) Design Documents

Engineer shall prepare Preliminary (60%) Design documents. Preliminary design documents shall include the following elements:

- All elements identified in the Conceptual (30%) Design Documents
- Conceptual (30%) Design Document review comments incorporated as identified during comment resolution
- Pipeline design plan and profile, including identification of utility pothole results and required utility relocations
- Construction callouts and preliminary quantities identified
- Connections between proposed pipelines and existing infrastructure designed, with preliminary details developed
- Pipeline appurtenances identified and preliminary details developed
- Preliminary construction details
- Preliminary Technical Special Provisions

The review of the 60% Design Documents shall be completed as a workshop. Applicable stakeholders and City reviewers shall be invited to a meeting, where the progress plans shall be presented and reviewed.

Assumptions

- City will provide technical staff for plan review at the workshop
- Comments will be provided at the meeting

Deliverables

- Progress plans to be presented and reviewed at a workshop meeting
- Final Conceptual (30%) Design Document Review Comment Resolution Form (Adobe PDF)
- Progress technical special provisions (Task 306), as above to be presented and reviewed at a workshop meeting
- Engineer's Opinion of Probable Construction Cost (Task 307), as as above to be presented and reviewed at a workshop meeting

Task 303: Pre-Final (90%) Design Documents

Engineer shall prepare Pre-Final (90%) Design Documents. Pre-Final Design Documents shall be complete construction drawings and specifications suitable for permit submittal and final coordination. Pre-Final Design Documents shall contain the following elements:

- Complete construction drawings suitable for permitting, signed and sealed by a Registered Professional Engineer and marked "Agency Review, Not for Construction".
- Drawings shall be provided in up to 3 packages to allow for separate bidding. Packages to be determined after the 60% submittal.
- Preliminary (60%) Design Document review comments incorporated as identified during comment resolution
- Final pipeline design, including all required construction plans, notes, callouts, quantities and details necessary for bidding and construction
- Technical special provisions for all work and materials not adequately addressed by the referenced standard specifications (Task 306)

Following submittal of Pre-final (90%) Design Documents, Engineer shall provide copies of the documents to the City for distribution. City shall distribute submittal documents to applicable stakeholders, City of Glendale permitting and/or internal City reviewers. City shall provide comments to Engineer within three (3) weeks after submittal. Engineer shall review and tabulate City review comments and identify preliminary responses within one (1) week. Engineer shall conduct one (1) review comment resolution meeting to review comment responses and resolve questions regarding the comments.

Engineer shall submit plans to Maricopa County for permit review as noted in Task 104. Engineer shall document responses to comments and review with City during the comment review meeting.

Assumptions

- City will provide technical staff for plan review and comment resolution
- Reviewers will provide comments within three (3) weeks
- The project will be broken into no more than 3 packages.

Deliverables

- Pre-Final (90%) construction plans
- 8 bond copies, full size
- 1 electronic copy (Adobe PDF)
- Final Preliminary (60%) Design Document Review Comment Resolution Form (Adobe PDF)
- Utility Conflict resolution
- Preliminary technical special provisions for all required elements (Task 306)
- Engineer's Opinion of Probable Construction Cost (Task 307)

Task 304: Final (100%) Design Documents

Following submittal of Final (100%) Design Documents, Engineer shall provide copies of the documents to the City for distribution. City shall distribute submittal documents to applicable stakeholders, City of Glendale permitting and/or internal City reviewers. City shall provide comments to Engineer within three (3) weeks after submittal. Engineer shall review and tabulate City review comments and identify preliminary responses within one (1) week.

Engineer shall conduct one (1) review comment resolution meeting to review comment responses and resolve questions regarding the comments.

Assumptions

- City will provide technical staff for plan review and comment resolution
- Reviewers will provide comments within three (3) weeks
- Only one review meeting will be held, for the 3 packages

Deliverables

- 90% Design Document Review Comment Resolution Form (Adobe PDF)
- Final (100%) construction plans
- 6 bond copies, full size, 2 for Building Safety and 4 for Water Services
- Final technical special provisions (Task 306)

Task 305: Bid Documents

Engineer shall prepare Bid Documents. Bid documents shall be prepared and delivered following approval of the Final (100%) Design Documents by City's Project Manager.

Assumptions

- None

Deliverables

- Bid Documents
- Final drawings, signed and sealed (pdf on CD)
- Final technical sealed special provisions (Task 306, pdf on CD)
- Engineer's Opinion of Probable Construction Cost (Task 307, pdf on CD)

Task 306: Technical Specifications - Special Provisions

Engineer shall prepare technical special provisions for all materials and work not adequately described by the referenced standard specifications and general provisions. Technical special provisions shall be prepared as supplements to the Uniform Standard Specifications for Public Works Construction, including revisions through 2012, sponsored by the Maricopa Association of Governments, and shall be supplementary to the City of Glendale Standard Details and Specifications (Amendment to the Uniform Standard Details and Specifications). Technical special provisions shall incorporate standard specifications developed during the Design Concept Development. The following submittals will be made:

- Conceptual (30%) Design Documents: Specification Outline
- Preliminary (60%) Design Documents: Preliminary technical special provisions for all required elements
- Pre-Final (90%) Design Documents: Pre-Final technical special provisions
- Final (100%) Design Documents: Final sealed technical special provisions
- Bid Documents: Final sealed technical special provisions

Assumptions

- City will provide standard front end boiler plate information, including but not limited to contract documents, general conditions, and general provisions.

- City will be responsible for bid advertisement and notification documents
- City will assemble final contract documents for bid advertisement

Deliverables

- Conceptual (30%) Design Documents: None
- Preliminary (60%) Design Documents: 1 electronic copy (Adobe PDF)
- Pre-Final (90%) Design Documents: 1 electronic copy (Adobe PDF)
- Final (100%) Design Documents: 1 electronic copy (Adobe PDF)
- Bid Documents: 1 electronic copy (Adobe PDF and Microsoft Word files)

Task 307: Opinions of Probable Construction Cost

Engineer shall prepare opinions of probable construction cost for all elements of the project at the 30, 60 and 90 percent document phases. Opinions of cost shall utilize project specific bid item descriptions and numbering consistent with the City's standard format. Unit costs will be developed based on historic bid tab data, material pricing provided by suppliers, and standardized unit price estimating literature (e.g. RS Means). City and Engineer acknowledge that opinions of cost are based on market data available at the time of preparation and do not constitute a guarantee of the construction cost of the proposed improvements. Costs shall be prepared for each package at the 90% submittal.

Assumptions

- City and Engineer will determine bid item list and format for Engineer's Opinion of Probable Cost.

Deliverables

- Conceptual (30%) Design Documents: 1 electronic copy (Adobe PDF on a CD) and 3 hard copies
- Preliminary (60%) Design Documents: 1 electronic copy (Adobe PDF on a CD) and 3 hard copies
- Pre-Final (90%) Design Documents: 1 electronic copy (Adobe PDF on a CD) and 3 hard copies for each of the 3 packages

400 Series Tasks: Bid Phase Services

It is assumed that the project will be constructed under a Design-Bid-Build contract procurement method and bid as 3 packages. City will be responsible for bid advertisement, plan distribution (including any bid addenda), bid opening, review of bids received. Engineer will perform the following services during bidding:

Task 401: Pre-Bid Meeting

Engineer will attend one (1) pre-bid meeting with potential bidders for each of the three packages. Engineer will be prepared to present project summary to potential bidders.

Assumptions

- Minutes will be issued by the City to planholders as an Addenda

Deliverables

- Prepare minutes of meeting

Task 402: Bid Addenda / Response to Questions

Engineer will prepare responses to questions received from bidders and prepare bid addenda to be issued to prospective bidders. City will receive questions and requests for clarifications from potential bidders and provide requests to Engineer.

Assumptions

- All questions will be answered through addenda.
- Addenda will be issued by the City to planholders.

Deliverables

- Bid Addenda (1 electronic copy)

Task 403: Review of Bid Results

Engineer will prepare a summary of bid data and recommendations to the City for award, based on price, reference and completeness of bid.

Assumptions

- Engineer will not attend bid opening.

Deliverables

- Bid Evaluation (1 electronic copy)

4. PHASE II - CONSTRUCTION ADMINISTRATION SERVICES

Phase II is for the construction administration services associated with the construction of the project. It is assumed that the construction will 9 months, over a 12 month period, with the 3 packages overlapping. Specific services to be performed by the Engineer are as follows:

Task Series 500: Construction Services

Task 501: Preconstruction Conference

Engineer will conduct a preconstruction conference with the Contractor, the City and other interested parties prior to issuance of the Notice to Proceed.. The Engineer will conduct the preconstruction meeting, prepare an agenda, take minutes and issue them to all attendees. The preconstruction conference shall include a discussion of the Contractor's tentative schedules, procedures for transmittal and review of the Contractor's submittals, processing payment applications, critical work sequencing, change orders, record documents, and the Contractor's responsibilities for safety and first aid.

Assumptions

- City will notify all interested parties and affected utilities of the date and time of the preconstruction conference to be held at City Hall

Deliverables

- Meeting Agendas
- Meeting Minutes

Task 502: Inspection Services

The Engineer shall provide an on-site representative to observe construction activities and serve as the City's representative. The on-site representative shall be on site full-time while underground work is underway.

The Engineer shall bring any deficiencies in the work or materials to the attention of the City and Contractor. Reports of these deficiencies shall be forwarded to the City project manager for review. The Engineer will resolve any construction-related problems, conflicts or discrepancies with the Contractor and will recommend remedial actions. The Engineer shall take no action involving costs or affecting the schedule without the prior approval of the City project manager. If resolution cannot be obtained at this level the Engineer will inform the City project manager.

The on-site representative shall attend weekly construction meeting with the Contractor, acting as the City's representative. The Engineer's Project Manager shall also attend the weekly meetings.

Assumptions

- Full-time services will be provided during underground installation unless requested otherwise by the City.
- Inspector will attend all construction meetings.

Deliverables

- Daily logs (compiled monthly with Progress Report)
- Meeting Minutes for construction meetings
- Photo record of construction progress

Task 503 Schedule Review and Utility Coordination

The Engineer shall review the construction schedule with particular emphasis on assuring that reasonable time allowances have been made for the work required.. Review construction progress with the Contractor and compare that progress with known construction activities and to the monthly progress pay request issued by the Contractor.

The Engineer shall review the Contractor's schedule with particular emphasis on insuring that reasonable time allowances have been made for work required by the various utility companies prior to approval and if applicable. The Engineer will assist in the resolution of any utility conflicts discovered. The Engineer shall initiate any required correspondence to insure that the Contractor remains on schedule.

Assumptions

- None

Deliverables

- None

Task 504 Submittal and Shop Drawing Reviews

The Engineer shall review the Contractor's overall list of submittals and maintain a submittal log for the project. The Engineer shall complete all reviews and coordinate with the City as required for input and with the Contractor as required for any resubmittals. The Engineer shall review drawings and other data submitted by the Contractor as required by the construction contract documents. Engineer's review shall be for general conformity to the construction contract documents and shall not relieve the Contractor of any of his contractual responsibilities. Such reviews shall not extend to means, methods, techniques, sequences, or procedures of construction or to safety precautions and programs.

Submittals shall be provided for all documents as indicated in the Contract Documents. It is anticipated reviews shall be completed for review guarantees, bonds, and certificates of inspection, and tests in addition to

manufacturer's information and shop drawings.

Assumptions

- None

Deliverables

- Reviewed submittals
- Submittal Log

Task 505 Weekly Project Meetings

The Engineer shall conduct weekly construction project meetings, prepare an agenda and minutes of the meeting, and distribute to all attendees. The Engineer will provide weekly update reports to the Water Services and Engineering Departments.

Assumptions

- The inspector and the project manager or designate will attend.

Deliverables

- Agenda
- Meeting Minutes

Task 506 Value Engineering:

Engineer will review and make recommendations on any value engineering proposals which the Contractor may submit during the project. No value engineering proposal shall be implemented without the prior approval of the City.

Assumptions

- None

Deliverables

- Evaluation/recommendation memo

Task 507 Control Points:

The Engineer will establish and furnish to the Contractor all necessary baselines and control points which will be used as datum for the work. The actual construction staking will be the Contractor's responsibility. The control data will be illustrated on the design drawings.

Assumptions

- None

Deliverables

- Electronic file of survey control and proposed pipeline data

Task 508 Contractor Payments:

The Engineer will review the Contractor's initial and updated schedule of estimated monthly payments and advise the City as to acceptability. The Engineer will review and process the Contractor's monthly payment requests, and forward to the City for final approval and processing. The Engineer's review shall be for the purpose of making an independent opinion of work completed and mathematical check of the Contractor's payment request. The Engineer will verify the quantities of work which are the basis of the payment requests. The final monthly pay requests will be approved and processed by the City.

Assumptions

- City is responsible for final review and processing of all Contractor Payment Applications.

Deliverables

- Contractor Payment Applications

Task 509 Requests for Information (RFI's):

Engineer shall provide clarifications to construction contract documents and respond when requested by the City or Contractor. The Engineer shall maintain an RFI Log tracking all submitted RFI's.

Assumptions

- None.

Deliverables

- Response to RFI's
- RFI Log

Task 510 Change Orders:

The Engineer shall review and make recommendations on all change order requests from the Contractor. Provide documentation and administer the processing of change orders, including applications for extension of construction time. Evaluate the cost and scheduling aspects of all change orders and, where necessary, negotiate with the Contractor to obtain a fair price for the work. No change order shall be implemented without the prior approval of the City. If requested by the City, the Engineer shall prepare all necessary documents and submittals for City Council approval.

Assumptions

- City shall be responsible for all final approval and processing of Change Orders

Deliverables

- Recommendations to the City regarding Change Order Requests

Task 511 Quality Testing

The Engineer shall assist the Contractor in establishing a Contractor Quality Control Program to ensure conformance to applicable plans and specifications with respect to materials, workmanship, construction, finish, and functional performance. The Quality Control Program shall be effective for control of all construction work performed under the Contract and shall establish an effective level of quality control.

The Engineer shall identify and coordinate with the Contractor all required acceptance material tests required by the City, project specifications and consist with MAG, and other governing standards. The Contractor shall be responsible for the cost, scheduling and coordinating of all required tests and shall provide all necessary source sampling and factory acceptance tests, results and inspection information to the Engineer for review and comment. It

shall be the Engineer's responsibility to provide any additional control assurance tests necessary to verify the Contractor's compliance with the project plans and specifications.

Assumptions

- Quality testing will be the responsibility of the Contractor, based on an approved plan

Deliverables

- Testing results (directly from testing company)

Task 512 Substantial Completion:

Upon substantial completion, inspect the construction work and prepare a punch-list of those items to be completed or corrected before final completion of the project. Submit results of the inspection to the City and the Contractor.

Assumptions

- Contractor will notify Engineer when work is substantially complete

Deliverables

- Punch List

Task 513 Final Completion and Payment:

The Engineer will maintain a running deficiency list during the course of the project and keep the Contractor informed as to its current status. The Engineer will conduct, with the assistance of the City, a final inspection and prepare a final punch list, including all items remaining on the deficiency list, as well as any additional items discovered during the final inspection. Subsequent inspections should be anticipated in order to insure completion of all identified deficient items.

Provide written recommendations concerning final payment to the City, including a list of closeout items, if any, to be completed prior to making such payment.

Assumptions

- None

Deliverables

- Recommendation for payment
- List of Close-out items

Task 514 Project Closeout:

The Engineer will compile a list of required final submittals, including, but not necessarily limited to: record drawings, warranty and guarantee documents, lien waivers, product manuals, maintenance and operation manuals, and any spare parts and training required to be provided by the Contractor. The Engineer shall review the project closeout documents for final approval.

Assumptions

- None

Deliverables

- Close-out Documents

Task 515 Record Drawings

The Engineer shall prepare record as-built drawings of the completed work based upon markups from the Contractor's record drawings and deliver the drawings to Water Service upon completion of the work. The Engineer will provide one set of record drawings on bond paper and on a computer disk in the appropriate format of ACAD approved by the City. The Engineer will provide a second set of record drawings in PDF format. Each drawing sheet shall be presented as a separate PDF file and shall include the seal and signature of the engineer of record. The seal and signature of the engineer of record is not required on the ACAD files.

The RECORD DRAWING signature block on the cover sheet must be filled out and signed by the Engineer.

Assumptions

- None

Deliverables

- Record Drawings (full size paper copy)
- Record Drawings (pdf)
- Record Drawings (AutoCAD files)

Task 516 Approval of Construction Permit

The Engineer shall compile the testing data and record drawings and prepare the Approval of Construction documentation for Maricopa County Environmental Services.

Assumptions

- None

Deliverables

- Approval of Construction Permit

Task 518 One-Year Warranty Inspection:

The Engineer will conduct, with the assistance of the City, a one-year warranty inspection. The Engineer will prepare a punch list of deficient items discovered during the one-year inspection. The Engineer should anticipate subsequent inspections in order to insure completion of any identified deficient items discovered during the one-year inspection.

Assumptions

- None

Deliverables

- Punch List of Deficient Items

Task Series 600: Reimbursable Expenses Allowance

City shall reimburse Engineer for direct costs identified in this Scope of Work. Reimbursable expenses will be paid by Engineer and reimbursed at-cost by the City. The following tasks are anticipated to require reimbursable expenses:

Task 601: Printing, Plotting and Graphics Reproduction

City shall reimburse Engineer for direct costs associated with printing, plotting and graphics reproduction. Printing, plotting and graphics costs shall include production of submittals and internal printing costs.

Task 602: Travel

City shall reimburse Engineer for direct costs associated with travel, including mileage, parking and meals, should a meeting time require the staff to be away from the office through lunch. This item includes \$100 per day expenses for the full-time site inspector.

Task 603: Permit Fees

Permit fee for the Maricopa County Environmental Services Approval to Construct non-expedited review process fee is included within the allowance item. Refer to Task 104 for additional information about the application. All other permit and application fees identified shall be paid by Owner at the time of permit submittal.

Task Series 700: Sub-Consultant Fees

City shall reimburse Engineer for direct costs identified in this Scope of Work for Sub-Consultant work. The following tasks are anticipated to require reimbursable expenses:

Task 701: Public Involvement

Engineer will provide support services for City's public involvement process. As part of the public involvement and outreach for this project, Engineer will:

- coordinate during design to understand the community impacts and provide information for impacts such as potholing or utility work to prepare for construction.
- coordinate with the project team to determine the proposed schedule and sequencing for the projects.
- coordinate with contractor for traffic control signs that display project hotline number.
- work with Glendale Marketing to develop an initial press releases for the project, and to review any project materials/information to be distributed.
- work with City of Glendale Webmaster to develop a webpage for the project.
- develop individual flyers for distribution to residents and/or businesses in the specific impacted areas to provide contact information and project information, so they can better understand the project impacts.
- collect contact information when appropriate from businesses for e-updates when the specific project duration warrants ongoing information.
- provide information to City Council, Management, Transportation (Traffic Control), and Engineering related to upcoming construction.
- coordinate with project team and owners to develop and distribute initial project information so those effected may find alternate routes of travel if necessary.
- coordinate with property management or HOA's for larger communities or business centers near the project areas so they will be aware of the work and the project team can understand potential issues to assist in resolving those. attend project meetings to identify potential community impacts and issues, and keep track of meeting notes and updates to team.
- attend project meetings to identify potential community impacts and issues, and keep track of meeting notes and updates to team.

The following two items are presented as allowances. This work could potentially be completed as part of the Contractor's scope of work instead of part of the Engineer's scope.

- provide door hangers notifications for water service disruptions related to construction.
- establish a project hotline for the project with a live response 24 hours a day.

Assumptions

- Public Involvement will be initiated between the 60% and 90% design completion
- 2 public meetings held at City of Glendale facilities in the vicinity of the Project.
- City will provide meeting notification, publicity and invitations
- Hotline will be maintained throughout construction

Deliverables

- Web page information
- Presentation boards depicting project alignment for public meeting
- Project summary handout
- Door knockers during construction

Task 702: Potholes

Potholes will be completed as an allowance for this project. An allowance for 85 holes at \$900 per hole has been included based on preliminary discussion with KC Locate. Prices for potholes will be negotiated during the project depending on availability of the various firms. The price per pothole will include all traffic control, permits and survey of locations. A sealed pothole log will be provided. Task 204 describes the coordination aspects associated with the potholing.

Task 703: Geotechnical Investigation

Engineer will complete a geotechnical investigation to provide recommendations for construction of the proposed waterlines. The geotechnical investigation will be completed by Ninyo and Moore. The engineering team will coordinate with the geotechnical engineer as described in Task 205. The geotechnical scope shall include the following:

- Perform geologic research by reviewing readily available as-built documents, published and in-house geotechnical literature of the site and the general site area including geologic maps and stereoscopic aerial photographs.
- Obtain appropriate City of Glendale right of way and/or permissions to conduct the field work.
- Conduct a walking geologic reconnaissance of the project site, selection, and marking out of proposed boring locations.
- Contact Arizona Blue Stake for underground utility clearance prior to drilling.
- Arrange for appropriate traffic control services to be implemented during our field activities.
- Drill up to twenty (20) borings that will extend 10 to 20 feet below the ground surface (bgs). The borings will be located at key directional drilling locations and along the proposed alignments spaced about 1,500 feet apart. The borings are proposed to be advanced with a two-wheel drive, truck-mounted drill rig equipped with hollow-stem augers.

- Collect soil samples in the borings at 2.5- to 5.0-foot intervals using American Society for Testing and Materials (ASTM) Methods D-1586 (standard penetration test [SPT] with splitbarrel sampling of soils) and D-3550 (ring-lined barrel sampling of soils) for laboratory testing and analysis.
- Prepare a geotechnical report for the project to include classifications of the exploratory samples, results of the laboratory testing and recommendations for construction of the waterline. The report will include a cover letter sealed by a Professional Engineer licensed in the State of Arizona.

Assumptions

- None

Deliverables

- Geotechnical Report

Task Series 800: Owner Contingency

City shall reimburse Engineer for additional approved work from their contingency fund.

Task 801: Owner Contingency

The use of Owner Contingency shall only be used for additional scope and cannot be used without prior approval of the City.

EXHIBIT C
Professional Services Agreement

SCHEDULE

(Cover Page)

EXHIBIT C
Professional Services Agreement
CITY OF GLENDALE
WATERLINE IMPROVEMENTS, VARIOUS LOCATIONS
DESIGN & CONSTRUCTION ADMINISTRATION SERVICES
CITY PROJECT NO. 131424
PROJECT SCHEDULE

Activity	Duration
Design/Permitting Completion	
Survey and 30% Design	100
Glendale Review of 30% Design	21
Prepare 90% Plans	100
Glendale and MCESD Permit Review	28
Prepare Review 2nd Submittal	14
Glendale and MCESD Permit Review	21
Final Approved Plans	0
Total Design Time	
Construction schedule will be determined by the Contractor(s)	
- Estimated to be 9 months over a 12-month period, with 3 contracts.	

**EXHIBIT D
Professional Services Agreement**

COMPENSATION

METHOD AND AMOUNT OF COMPENSATION

Compensation shall be hourly rates plus allowable reimbursable expenses.

NOT-TO-EXCEED AMOUNT

The total amount of compensation paid to "Engineering Firm Name", for full completion of all work required by the Project during the entire term of the Project must not exceed \$826,912.00.

DETAILED PROJECT COMPENSATION

See attached spreadsheets for detail

Project Name Design and Construction Fee Schedule	
TASK	COST
Task 1- General Project Administration	\$72,848.00
Task 2 - Preliminary Design and Field Investigation	\$102,914.00
Task 3 – Detailed Design	\$146,538.00
Task 4 – Bid Phase Services	\$15,968.00
Task 5 – Construction Services	\$236,134.00
Consultant's Reimbursable Expenses	\$25,660.00
Sub-Consultants	\$126,850.00
Owner's Contingency	\$100,000.00
TOTAL PROJECT COST:	\$826,912.00

EXHIBIT E
Professional Services Agreement

DISPUTE RESOLUTION

1. Disputes.

- 1.1 Commitment. The parties commit to resolving all disputes promptly, equitably, and in a good-faith, cost-effective manner.
- 1.2 Application. The provisions of this Exhibit will be used by the parties to resolve all controversies, claims, or disputes ("Dispute") arising out of or related to this Agreement-including Disputes regarding any alleged breaches of this Agreement.
- 1.3 Initiation. A party may initiate a Dispute by delivery of written notice of the Dispute, including the specifics of the Dispute, to the Representative of the other party as required in this Agreement.
- 1.4 Informal Resolution. When a Dispute notice is given, the parties will designate a member of their senior management who will be authorized to expeditiously resolve the Dispute.
 - a. The parties will provide each other with reasonable access during normal business hours to any and all non-privileged records, information and data pertaining to any Dispute in order to assist in resolving the Dispute as expeditiously and cost effectively as possible;
 - b. The parties' senior managers will meet within 10 business days to discuss and attempt to resolve the Dispute promptly, equitably, and in a good faith manner, and
 - c. The Senior Managers will agree to subsequent meetings if both parties agree that further meetings are necessary to reach a resolution of the Dispute.

2. Arbitration.

- 2.1 Rules. If the parties are unable to resolve the Dispute by negotiation within 30 days from the Dispute notice, and unless otherwise informal discussions are extended by the mutual agreement, the Dispute will be decided by binding arbitration in accordance with Construction Industry Rules of the AAA, as amended herein. Although the arbitration will be conducted in accordance with AAA Rules, it will not be administered by the AAA, but will be heard independently.
 - a. The parties will exercise best efforts to select an arbitrator within five business days after agreement for arbitration. If the parties have not agreed upon an arbitrator within this period, the parties will submit the selection of the arbitrator to one of the principals of the mediation firm of Scott & Skelly, LLC, who will then select the arbitrator. The parties will equally share the fees and costs incurred in the selection of the arbitrator.
 - b. The arbitrator selected must be an attorney with at least 15 years' experience with commercial construction legal matters in Maricopa County, Arizona, be independent, impartial, and not have engaged in any business for or adverse to either Party for at least 10 years.
- 2.2 Discovery. The extent and the time set for discovery will be as determined by the arbitrator. Each Party must, however, within 10 days of selection of an arbitrator deliver to the other Party copies of all documents in the delivering party's possession that are relevant to the dispute.

- 2.3 Hearing. The arbitration hearing will be held within 90 days of the appointment of the arbitrator. The arbitration hearing, all proceedings, and all discovery will be conducted in Glendale, Arizona unless otherwise agreed by the parties or required as a result of witness location. Telephonic hearings and other reasonable arrangements may be used to minimize costs.
- 2.4 Award. At the arbitration hearing, each Party will submit its position to the arbitrator, evidence to support that position, and the exact award sought in this matter with specificity. The arbitrator must select the award sought by one of the parties as the final judgment and may not independently alter or modify the awards sought by the parties, fashion any remedy, or make any equitable order. The arbitrator has no authority to consider or award punitive damages.
- 2.5 Final Decision. The Arbitrator's decision should be rendered within 15 days after the arbitration hearing is concluded. This decision will be final and binding on the Parties.
- 2.6 Costs. The prevailing party may enter the arbitration in any court having jurisdiction in order to convert it to a judgment. The non-prevailing party will pay all of the prevailing party's arbitration costs and expenses, including reasonable attorney's fees and costs.

3. **Services to Continue Pending Dispute.** Unless otherwise agreed to in writing, Consultant must continue to perform and maintain progress of required Services during any Dispute resolution or arbitration proceedings, and City will continue to make payment to Consultant in accordance with this Agreement.

4. **Exceptions.**

- 4.1 Third Party Claims. City and Consultant are not required to arbitrate any third-party claim, cross-claim, counter claim, or other claim or defense of a third party who is not obligated by contract to arbitrate disputes with City and Consultant.
- 4.2 Liens. City or Consultant may commence and prosecute a civil action to contest a lien or stop notice, or enforce any lien or stop notice, but only to the extent the lien or stop notice the Party seeks to enforce is enforceable under Arizona Law, including, without limitation, an action under A.R.S. § 33-420, without the necessity of initiating or exhausting the procedures of this Exhibit.
- 4.3 Governmental Actions. This Exhibit does not apply to, and must not be construed to require arbitration of, any claims, actions or other process filed or issued by City of Glendale Building Safety Department or any other agency of City acting in its governmental permitting or other regulatory capacity.



Legislation Description

File #: 14-458, Version: 1

EXPENDITURE AUTHORIZATION FOR THE PURCHASE OF PARTS AND SUPPLIES FROM A SOLE SOURCE VENDOR, CP MANUFACTURING, INC.

Staff Contact: Jack Friedline, Director, Public Works

Purpose and Recommended Action

This is a request for City Council to authorize the expenditure of funds in an amount not to exceed \$120,000 with a sole source vendor, CP Manufacturing, Inc., for the purchase of repair parts and supplies for the City of Glendale Materials Recovery Facility (MRF).

Background

When the MRF began operation in July 2000, CP Manufacturing, Inc. was responsible for design, manufacturing, and installation of the facility equipment. CP Manufacturing, Inc. is the proprietary provider for equipment product and repair projects as a result of receiving the original award of contract during MRF construction.

Along with planned equipment maintenance, the MRF has experienced unscheduled repair and replacement needs due to the aging of equipment. In particular, several conveyor assemblies throughout the facility that move material through the system need replacement.

Analysis

The MRF staff recently evaluated the various conveyor assemblies in the facility and identified that several conveyor belts and components need replacement. CP Manufacturing, Inc. as well as a third party contractor were brought in to evaluate the system, and both companies confirmed that several of the conveyor assemblies are in need of a complete overhaul. The cost estimate on the repair parts for the first conveyor overhaul is approximately \$52,000. Replacement parts from CP Manufacturing for additional conveyor assembly overhauls, along with general maintenance and repairs will be needed before the end of this fiscal year; therefore, the MRF is requesting additional spending authority of \$68,000 for a total dollar amount not to exceed \$120,000.

Materials Management has reviewed and approved the sole source procurement request submitted by the MRF division of the Public Works Department for CP Manufacturing, Inc. The approval is based on conformity to the existing equipment and service.

Previous Related Council Action

In May 2012, Council approved an agreement for a sole source purchase of a sorting line control system

upgrade from Advanced MRF Acquisitions Company, a subsidiary of CP Manufacturing, Inc.

In April 2008, Council approved a purchase order necessary to cover major repairs including the replacement of mechanical and structural components supporting the recycling process equipment system.

In May 2003, Council approved a contract with CP Manufacturing, Inc. for the design and installation of safety equipment at the MRF to protect employees from potential falls.

In October 1999, Council awarded a contract to CP Manufacturing, Inc. for design, manufacturing and installation of the MRF processing equipment.

Community Benefit/Public Involvement

The ability for the MRF to order the parts and supplies necessary to perform the needed repairs will allow for continued, uninterrupted services for the city of Glendale and its citizens.

Budget and Financial Impacts

Funding is available in the fiscal year 2014-15 Landfill Enterprise fund operating and maintenance budget. Expenditures with CP Manufacturing, Inc. are not to exceed \$120,000.

Cost	Fund-Department-Account
\$120,000	2440-17750-523400, Landfill Enterprise Fund - MRF Operations

Capital Expense? No

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?

Ruiz, Ernie

From: Burkeen, Timothy
Sent: Wednesday, 19 November 2014 12:57 PM
To: Ruiz, Ernie *ER*
Cc: Manginell, Bob
Subject: RE: CP Manufacturing, Inc. - Request to Modify Sole Source Document

The modification is approved.

Tim Burkeen

Purchasing and Materials Manager
City of Glendale
5850 W Glendale Ave, Suite 302
Glendale, AZ 85301
Ph. 623-930-2867

“CAN DO!”

From: Ruiz, Ernie
Sent: Wednesday, November 19, 2014 11:15 AM
To: Burkeen, Timothy
Cc: Manginell, Bob
Subject: CP Manufacturing, Inc. - Request to Modify Sole Source Document

Hi Tim,

This e-mail is to request your approval to modify the attached sole source document to reflect a new spending limit not to exceed \$120,000 with CP Manufacturing, Inc.

Please approve by crossing out the \$45,000 limit and writing in \$120,000 and initial.

Thanks,

Ernie Ruiz Jr.
Landfill-MRF Superintendent
Office: 623-930-4722
Cell: 623-640-1046
E-mail: eruiz@glendaleaz.com



Materials Management Sole Source Request

Revised 4/9/12

Submit the completed form to your director. Once your director has reviewed and signed this form, he/she will forward it to the Materials Manager as approval to proceed.

SOLE SOURCE REQUESTOR INFORMATION:

Requestor: Jacob Romero	Date: 6/25/14	Department: MRF-17750
Phone Number: 623 930-4727	Email Address: jromero@glendaleaz.com	

PROPOSED VENDOR INFORMATION:

Proposed Vendor: CP Manufacturing	Proposed Vendor Contact: Dirk Kantak
Proposed Vendor Address: 1300 Wilson Ave	
City, State and Zip Code: National City, CA 91950	
Vendor Phone: 619 477-3175	Vendor Fax: 619-477-2215

SOLE SOURCE PURCHASE INFORMATION:

Total Cost of this Order: Up to \$25,000 Open Purchase Order FY 2014-2015 \$120,000 02 8935	One time purchase: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Federal Money: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If yes, explain funding source:
Fund #: 2440 / Department #: 17750 / Account #: 523400	
Description of the product or service requested: Replacement parts & technical support for Recycling Facility Sorting Line Equipment. Parts and technical support will be ordered on an on needed basis.	

Check the reason(s) below to identify why you have determined the purchase is a sole source and attach supporting documentation.

	REASON	GUIDELINES FOR JUSTIFICATION
<input type="checkbox"/>	Compatibility	Indicate system, make, model and function
<input type="checkbox"/>	Unique repair/replacement item	Identify item to be used with previous PO number item purchased, and warranty period
<input checked="" type="checkbox"/>	Supplementary or necessary part required from same manufacturer	Identify in-house equipment and use with existing system
<input type="checkbox"/>	Unique Item	Identify project/program, equipment or unique design (make/model), and include reason required. What other makes/sources were considered.
<input type="checkbox"/>	Unique Service	In what area is facility, equipment, or expertise unique? Include reason required.
<input type="checkbox"/>	Proprietary Specifications (Copyright, patented, etc.)	Identify the manufacturer and model of equipment and how it is exclusive of other manufacturer/model of similar products.
<input type="checkbox"/>	Other reasons, if not above	Explain in detail

Approved
 (VR) 7-23-14
 Recommended
 TCS



Materials Management Sole Source Request

Revised 4/9/12

JUSTIFICATION:

Use the guidelines for the justification of the selected reason(s), and provide a full, explanation of your reason that the product/service is a sole source: CP Manufacturing is the only distributors for repair and/or replacement parts for the currently installed material sorting line processing equipment and computer control operating system.

MANDATORY RESEARCH DOCUMENTATION REQUIREMENT:

Provide a detailed explanation of efforts made to determine the availability of the product or service from any other vendor, including other distributors: There are in excess of 60 interdependent individual components that make up the proprietary design of the currently installed material sorting line at the recycling facility. CP Manufacturing provides technical support for equipment malfunctions and replacement parts ordering of their material sorting line equipment. The vendor was contacted and asked to provide a letter stating that they are the only parts provider for their equipment. Sole Source letter from CP Manufacturing is attached

REQUESTOR CERTIFICATION:

I hereby certify that in accordance with City Manager Directive No. 30 which states:
<http://gmn.glendaleaz.com/CityManager/documents/031901-CMD30SoleSourcePurchases.pdf>, I have conducted a good faith review of available sources and have determined that there is only one practicable source for the required items in accordance with the Justification Outline.

Requestor Jacob Romero

Division 17750

Date 6/25/14

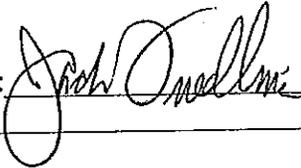
DEPARTMENT DIRECTOR APPROVAL:

I hereby certify that in accordance with City Manager Directive No. 30 which states:
<http://gmn.glendaleaz.com/CityManager/documents/031901-CMD30SoleSourcePurchases.pdf>, I have conducted a good faith review of attached documentation and have determined that there is only one practicable source for the required item(s) in accordance with the Justification Outline.

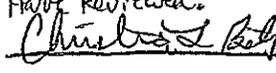
Director

Division Public Works

Date

Signature: 

Have Reviewed:

 15205, 07/17/14

SUBMITTAL INSTRUCTIONS: Please complete this document and email the request to the Materials Manager, requesting approval. Attach additional documents, if needed, to support your request.

The subject line of the email is to read:
"Request for approval of a sole source purchase"

The text of the email is to read:
"Your authorization to proceed with a sole source purchase is requested. The completed form is attached for your review."



***Materials Management
Sole Source Request***

Revised 4/9/12

PREPARER NOTE: When submitting the purchase requisition, please attach the following:

- this completed form and
- the email from the Materials Manager approving the purchase and
- the form required if it's a vehicle or technology purchase



THE CP GROUP OF COMPANIES
6795 CALLE DE LINEA
SAN DIEGO, CA 92154
619.477.3175 | 1.800.462.5311

theCPgrp.com

June 16th, 2014

City of Glendale
Attn: Materials Management
6829 North 58th Drive, Suite 202
Glendale, AZ 85301-2599

Re: Sole Source Provider
CP Processing Equipment

To Whom It May Concern:

This letter is to confirm that CP Manufacturing, Inc. is the sole provider for spare parts and service on the City of Glendale's single-stream processing equipment, located at the Material Recovery Facility (MRF) 11480 W. Glendale Ave. Glendale, AZ 85307. CP Manufacturing, Inc. does not have representatives/distributors for their parts and service.

Thank you for your consideration,

A handwritten signature in black ink, appearing to read 'Dirk Kantak'.

Dirk Kantak
Director of Sales
CP Manufacturing, Inc.





Legislation Description

File #: 14-459, Version: 1

AUTHORIZATION TO ENTER INTO AN AGREEMENT WITH PARADIGM SOFTWARE, LLC, TO PURCHASE LICENSES AND UPGRADE THE LANDFILL WEIGH SCALE SOFTWARE

Staff Contact: Jack Friedline, Director, Public Works

Purpose and Recommended Action

This is a request for City Council to authorize the City Manager to enter into an agreement with Paradigm Software, LLC (Paradigm) for an initial five-year period and in an amount not to exceed \$90,290 for the purchase of licenses and an upgrade of the landfill weigh scale software. This request also authorizes the City Manager, at her discretion, to renew the agreement for one additional five-year period in an amount not to exceed \$58,637.50 and for a total dollar amount not to exceed \$148,927.50 over the full ten-year period.

Background

The City of Glendale Landfill and Materials Recycling Facility (MRF) operation has three weigh scales on site to service and process over 150,000 customers annually. Two scales are set as manual use scales and the other is an unattended, radio frequency scale. These scales capture weights to be able to complete many different types of landfill and recycling transactions. Paradigm is the software used to complete the detailed transactions and to generate reports, which include information that is used for billing or provided to our state regulators, commercial customers, and internal or external auditors.

This system implementation and license agreement includes the necessary user licenses for staff to utilize the software throughout the term of the agreement, and it provides technical support services for completion of a Paradigm Software upgrade. The user licenses will take effect immediately once the agreement is approved by Council. The software upgrade will be coordinated with the scale house relocation project and construction of the new scale house building, which is anticipated to be completed in approximately three months.

Analysis

The Landfill and MRF have been utilizing the same version of Paradigm software (Version 2) that was purchased and installed for the scale house and accounting operations in 2002. Paradigm is currently offering Version 6, which will provide a significant software upgrade including a large number of updated features. The new Paradigm Software will eliminate several of the manual processes that staff must now perform in order to organize, circulate, manage and coordinate reports for billing. Some of the new and enhanced features include: increasing field sizes to 30 characters allowing for more information to be stored; scheduling and automating the process of creating batch reports; and, exporting of files in PDF format as a tighter security feature. This is anticipated to increase efficiencies and decrease the amount of staff time it takes to process transactions and generate reports.

Materials Management has reviewed and approved the special procurement submitted by the Landfill division of the Public Works Department. The approval is based on conformity to the existing equipment and service.

Previous Related Council Action

On June 27, 2002, City Council approved the purchase of Paradigm Software under contract C-4550. The maintenance agreement was entered into on July 1, 2002 under contract C-4555. These contracts expired in July of 2012 and the Landfill has been functioning under a yearly maintenance agreement in order to complete the special procurement process.

Community Benefit/Public Involvement

The software upgrade enhances the ability of the Glendale Landfill and MRF to effectively manage the cash collection, customer account, and general accounting services necessary in order to continue as a progressive and well-managed solid waste operation for the City of Glendale and its citizens.

Budget and Financial Impacts

Funding is available in the fiscal year FY 2014-15 Landfill Enterprise fund operating and maintenance budget. Expenditures with Paradigm Software, LLC are not to exceed \$50,290 in FY 2014-15 or \$90,290 during the initial five-year term of the contract. This amount includes the cost of the software system upgrade (\$40,290) plus an annual contingency (\$10,000) for additional or optional hardware, software, and services.

Expenditures during the renewal term of one additional five-year period are not to exceed \$58,637.50, which consists of a 50% discounted rate on the initial \$17,275.00 license fee (or \$8,637.50) plus an annual contingency (\$10,000). This allows for a total amount not to exceed \$148,927.50 over the full ten-year period with Council budget approval.

Cost	Fund-Department-Account
\$50,290	2440-17710-526800, Landfill Enterprise Fund

Capital Expense? No

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?

SYSTEM IMPLEMENTATION & LICENSE AGREEMENT

PARADIGM SOFTWARE, L.L.C. ("PARADIGM"), by its acceptance of this agreement (the "Agreement"), agrees to sell, deliver and install, the hardware described on the attached Purchase Price and Payment Schedule (the "Hardware"), in addition, PARADIGM agrees to deliver and install the proprietary software described on the attached Purchase Price and Payment Schedule (the "Software"), and to grant to the customer identified below (the "CUSTOMER") a license to use the Software as set forth below. CUSTOMER agrees to purchase the Hardware, accept the license for the Software, and accept services relative to installation, training, conversions, interfaces and other matters, all in accordance with the schedules and attachments listed below and the TERMS AND CONDITIONS included in this agreement, each of which is incorporated herein. PARADIGM standard support services are governed by the Paradigm Standard Support Services Agreement.

THIS AGREEMENT, INCLUDING ALL OF ITS TERMS AND CONDITIONS AND ALL OTHER ATTACHMENTS, IS THE ENTIRE AGREEMENT AND CANNOT BE MODIFIED EXCEPT BY WRITING SIGNED BY THE DULY AUTHORIZED REPRESENTATIVES OF BOTH PARTIES. CUSTOMER UNDERSTANDS THAT THE FEES CHARGED BY PARADIGM IN THIS AGREEMENT REFLECT THE ALLOCATION OF RISKS EXPRESSED BY THE LIMITED WARRANTY, THE EXCLUSIVE REMEDY FOR BREACH OF THAT LIMITED WARRANTY, AND THE LIMITATIONS OF LIABILITY AND DAMAGES WHICH ARE SET FORTH ON THE FOLLOWING PAGES. BY SIGNING WHERE INDICATED BELOW, CUSTOMER ACCEPTS THESE TERMS AND AFFIRMS IT UNDERSTANDS THAT TO CHANGE THEM WOULD AFFECT THE ECONOMIC BARGAIN EXPRESSED IN THIS CONTRACT.

TERMS AND CONDITIONS

1. CHARGES AND PAYMENT. (a) CUSTOMER agrees to pay the charges in the amounts and according to the schedule specified herein: (1) \$35,575.00, for all of the items/services described in the attached Price Sheet entitled PURCHASE PRICE AND PAYMENT SCHEDULE; and (2) \$4,715.00, for the Gate, Gate Loop Detector and Gate Loop Wire (500'), described in the OPTIONAL HARDWARE & SOFTWARE SCHEDULE. The total amount CUSTOMER agrees to pay according to this Agreement within 30 days of the Effective Date of this Agreement is **\$40,290.00**.

(b) The City may request that PARADIGM provide additional items and services not described in the attached Price Sheet entitled PURCHASE PRICE AND PAYMENT SCHEDULE. If PARADIGM provides such software, goods or services not expressly agreed to in the attached Price Sheet entitled PURCHASE PRICE AND PAYMENT SCHEDULE, CUSTOMER will be charged and agrees to pay the cost listed on the OPTIONAL HARDWARE & SOFTWARE SCHEDULE. If the cost of the software, goods or services is not listed on OPTIONAL HARDWARE & SOFTWARE SCHEDULE, PARADIGM and the City shall agree that such goods and services will be charged at PARADIGM's then current rate. **The cost of such additional software, goods or services, however, shall not exceed \$10,000.00 per year in any year this Agreement remains in effect.**

(c) CUSTOMER agrees to pay a finance charge equal to one and one-half percent (1 1/2%) per month on all amounts not paid within sixty (60) days from the date of invoice. Prices and fees are exclusive of all current or future excise, sales, use, occupational, or like taxes that may be applicable to the City and CUSTOMER agrees to pay any such tax PARADIGM may be required to collect or pay upon the sale or delivery of items purchased or licensed. Exemption from such taxes, if any, shall be the responsibility of CUSTOMER to pursue.

(d) **The total value of the items and services that may be purchased pursuant to this Agreement shall not exceed \$90,290.00 for the Initial five (5) year term, as defined in Section 9 below.**

2. CUSTOMER RESPONSIBILITIES. CUSTOMER shall be responsible for timely site preparation including, but not limited to, adequate electrical power for computer operation, high-speed internet connection and installation of all cabling. CUSTOMER shall make available up to three (3) qualified personnel to be trained by PARADIGM in the use, operation, and management of the Hardware and Software, and shall provide and adequately manage the resources necessary to implement and operate the Hardware and Software, including without limitation completion of PARADIGM start-up questionnaires, timely selection among options and parameters, and construction of data dictionaries. CUSTOMER shall

comply with laws, use proper audit controls and operating methods, adequately back-up data and programs, and establish and maintain security and accuracy of data.

3. TRAINING. PARADIGM shall provide standard training in the use of the Hardware and Software according to the Purchase Price and Payment Schedule section of this Agreement. Such training will be provided at a mutually agreeable location over a period of approximately four (4) days during installation. All travel, lodging and expenses related to the training will be included in the daily on site rate and shall be invoiced to and paid by the CUSTOMER in accordance with the above provisions.

4. DELIVERY. Subject to the manufacturer's schedule or other agreement of the parties, shipment of Hardware shall be made on or about the date that CUSTOMER completes the above training. The Hardware Schedule shall specify who will install and set up the Hardware. PARADIGM will install the Software on the Hardware prior to delivering it. The terms and conditions of sale and the warranties, if any, applicable to the Hardware or any other products not manufactured by PARADIGM (including software) are as provided by the applicable manufacturers, as set forth on the Manufacturer Supplement attached hereto. Good and merchantable title and risk of loss in and to the Hardware shall pass to CUSTOMER upon delivery to the CUSTOMER. CUSTOMER shall pay or reimburse PARADIGM for all costs of Hardware, shipping, rigging, transportation and insurance which shall be invoiced to CUSTOMER in accordance with the above provisions and per the Purchase Price and Payment Schedule.

5. SECURITY. PARADIGM reserves a security interest, for the amount of all outstanding payments due to PARADIGM hereunder, in each item of Hardware, and shall have all of the rights of a secured creditor under the Uniform Commercial Code with respect thereto. Such a security interest shall be retained and may be enforced by Software disablement until CUSTOMER's payment obligations for all Hardware and Software are fully discharged. CUSTOMER hereby appoints PARADIGM as its attorney-in-fact for the purpose of executing and filing financing statements to perfect its security interest, and PARADIGM shall, at the request of CUSTOMER, execute a termination statement evidencing the discharge of such obligations in the event a financing statement is filed.

6. CONFIDENTIALITY. PARADIGM shall not disclose any confidential information concerning CUSTOMER or its affairs, unless required by law. CUSTOMER shall not disclose any of the terms of this Agreement to any person unless required by law. If required to disclose any such information, PARADIGM or CUSTOMER, as appropriate, shall give the other advance notice as soon as reasonably possible.

7. ASSIGNMENT. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. CUSTOMER may not assign, sell or otherwise transfer this Agreement nor any of the rights hereunder without the prior, express written consent of PARADIGM.

8. GRANT OF LICENSE. Subject to the terms and conditions set forth in this Agreement, and effective upon acceptance of this Agreement, PARADIGM hereby grants to CUSTOMER, and CUSTOMER hereby accepts, a nonexclusive, nontransferable license to use, as herein provided, a single, executable copy an object code version of the Software and a single printed copy of PARADIGM's current, standard user manuals and training materials ("Documentation"). PARADIGM reserves all rights, privileges and interests not expressly granted to CUSTOMER, who shall acquire no right, title, interest or privilege with respect to the Software or the Documentation by implication.

9. LICENSE TERM AND RENEWAL. The term of the license herein granted for an initial term of five (5) years commencing on the date this Agreement is executed and approved by the CUSTOMER. The Agreement shall remain in full force and effect for the entire five (5) year period, unless terminated earlier as provided herein. If CUSTOMER is not in default under this Agreement or any other agreement with PARADIGM and is currently covered under a valid Paradigm Standard Support Services Agreement, the term of this license may be renewed upon the same terms and conditions herein, by a signed, written agreement of both parties, for one (1) additional five (5) year term. Such renewal is not automatic and may only occur if the CUSTOMER gives written notice of its election to renew the license at least ninety (90) days prior to the expiration of the initial term. At the expiration of the renewal term, CUSTOMER may purchase a new license for PARADIGM's then current software by paying a license fee in an amount equal to fifty percent (50%) of the license fee specified on the Purchase Price and Payment Schedule (*i.e.*, \$17,787.50) plus any cumulative adjustments for the Consumer Price Index, which shall be due and payable immediately upon commencement of the new license term. The new license shall continue for a period of five years from the date it is purchased by the CUSTOMER. The cost of services may be adjusted at the time of renewal in the manner described herein, in accordance with changes in the Consumer Price Index,

published by the U.S. Department of Labor, Bureau of Labor Statistics [All Urban Consumers (CPI-U), U.S. City Average, All items, 1982-84=100] (the "CPI").

10. **SCOPE.** A single, executable copy of the object code version of the Software may be used by CUSTOMER for testing purposes and for processing of data, but such data shall be strictly limited to data of CUSTOMER created or used in the connection with CUSTOMER. Neither the Software nor the Documentation may be used in any manner directly or indirectly related to or in connection with the operation or management of any other business including without limitation any timeshare, facilities management, data processing service or billing service. CUSTOMER shall not modify or sublicense the Software or the Documentation. The Software may not be used with more than the number of terminals agreed to in this Agreement. PARADIGM shall provide CUSTOMER with a single, back-up copy of the Software which CUSTOMER shall keep in a secure location reasonably approved by PARADIGM in advance. CUSTOMER shall place on all copies of the Software any notice, including, copyright notice, requested by PARADIGM.

11. **TITLE AND OWNERSHIP.** PARADIGM is and shall be the exclusive owner or sub-licensor, as appropriate, of the Software, the Documentation and all associated materials provided to CUSTOMER, all modifications, additions, derivatives and enhancements thereof, all copies thereof, and all rights, therein. All additions, modifications, derivatives and enhancements to the Software shall be considered a part of the Software, and all additions, modifications, derivatives and enhancements to the Documentation shall be considered a part of the Documentation. Physical copies of Software and Documentation are provided by PARADIGM on loan during the term of the license granted pursuant to this Agreement. CUSTOMER shall keep the Software, the Documentation, and all copies thereof free and clear of all claims, liens and encumbrances, and any act of CUSTOMER purporting to create such a claim, lien or encumbrance shall be void and shall be a breach of this Agreement. CUSTOMER hereby assigns to PARADIGM all of its right, title and interest in and to any changes, additions, derivatives and enhancements made to the Software, the Documentation or other materials provided by PARADIGM, and shall execute all documents and instruments reasonably requested by PARADIGM to effectuate such assignment. CUSTOMER agrees that the Software, Documentation and related materials, techniques and procedures furnished by PARADIGM to CUSTOMER hereunder embody exceptionally valuable trade secrets, and they are, and shall remain, the sole property of PARADIGM or its supplier(s), as appropriate. CUSTOMER shall not create or attempt to create, by de-compilation, disassembly, reverse engineering or otherwise, the source programs for the Software, from the object programs or other information made available by PARADIGM. Unless PARADIGM agrees otherwise, CUSTOMER shall not disclose, divulge or communicate to any person (including contractors and consultants), except to CUSTOMER's employees (but then only to the extent necessary for operation of the Software) the Software or Documentation.

12. **PROPRIETARY RIGHTS.** Any programs, works, manuals, changes, additions, alterations, amendments or enhancements in the form of new or partial programs, Software, Source Code or Documentation ("IP") as may be provided by PARADIGM under this Agreement or the System Implementation & License Agreement, and all copies thereof, shall be and remain the sole and exclusive property of PARADIGM and shall be available for use by CUSTOMER under and subject to the license granted in the System Implementation & License Agreement, the terms and conditions of which are incorporated herein. As between the parties, PARADIGM retains all right, title and interest in and to the IP, including, but not limited to, copyrights, trademarks, service marks, patents and other proprietary rights, and no such rights are conveyed to CUSTOMER by virtue of this Agreement.

13. **INDEMNITY.** PARADIGM will, at its sole cost, defend against any claim that the Software infringes on a U.S. copyright, a U.S. patent issued as of the effective date of this Agreement, or a trade secret, provided that (i) CUSTOMER immediately notifies PARADIGM in writing of such claim or action; and (ii) PARADIGM will have sole control of the defense and settlement of such claim or action. In defending against such claim or action, PARADIGM may (i) consent, (ii) settle; (iii) procure for CUSTOMER the right to continue using the Software; or (iv) modify or replace the Software so that it no longer infringes as long as the modification or replacement does not materially change the operational characteristics of the Software and the same functions and performance provided by the Software remain following such modification or replacement. If PARADIGM concludes, in its sole judgment, that none of the foregoing options is reasonable, then (i) PARADIGM will refund or credit to CUSTOMER the license fee paid by CUSTOMER under this Agreement, less a pro rata credit for each full or partial month of the first sixty (60) months following the effective date of this Agreement; (ii) CUSTOMER will return the original and all whole or partial copies of the Software to PARADIGM; and (iii) the license granted hereunder will terminate. PARADIGM has no liability with respect to infringement arising out of the modifications of the Software or use of the Software in combination with other software or equipment not specified in the documentation accompanying the software or on a schedule hereto. This paragraph states the entire obligation of PARADIGM regarding infringement of intellectual property rights, and will survive the termination of this Agreement. CUSTOMER shall indemnify, defend, and hold harmless PARADIGM from and against any and all claims, suits or causes brought by persons

not a party hereto arising out of or in any way connected with the use of or inability to use the Hardware or the Software. As of the date hereof, PARADIGM represents and warrants that there are no legal or other proceedings pending or outstanding, or to the best knowledge of PARADIGM, threatened against or involving PARADIGM or the Software.

14. **LIMITATION OF LIABILITY.** PARADIGM SHALL NOT BE LIABLE TO CUSTOMER FOR ANY CONSEQUENTIAL, SPECIAL, INCIDENTAL, PUNITIVE OR INDIRECT DAMAGES (INCLUDING WITHOUT LIMITATION LOSS OF PROFIT, REVENUE, BUSINESS OPPORTUNITY OR BUSINESS ADVANTAGE), WHETHER ARISING UNDER CONTRACT, WARRANTY, NEGLIGENCE, STRICT LIABILITY, BREACH OF STATUTORY DUTY, CONTRIBUTION, INDEMNITY OR ANY OTHER LEGAL THEORY OR CAUSE OF ACTION, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, PARADIGM'S MONETARY LIABILITY FOR ANY CAUSE UNDER OR RELATING TO THIS AGREEMENT SHALL IN NO EVENT EXCEED THE TOTAL OF ALL AMOUNTS PAID TO PARADIGM BY CUSTOMER FOR SOFTWARE LICENSE FEES PURSUANT TO THIS AGREEMENT, LESS A PRO RATA ABATEMENT OF SUCH FEES FOR EACH FULL OR PARTIAL MONTH OF THE FIRST SIXTY (60) MONTHS FOLLOWING THE EFFECTIVE DATE OF THIS AGREEMENT.

15. **LIMITED WARRANTY.** PARADIGM does not warrant that the Software or the Documentation is free of errors or defects or that it meets CUSTOMER's requirements. PARADIGM warrants only that the Software will perform all functions substantially as described in the current edition of the Documentation for a warranty period of sixty (60) days from the date of Software delivery to CUSTOMER's site, when operated as recommended. PARADIGM will design, and deliver promptly amendments or alterations to Software reasonably necessary to remedy or avoid any programming error present at the time of Software delivery. CUSTOMER shall allow Software access to PARADIGM through dedicated remote communications for this purpose. The foregoing is CUSTOMER's sole and exclusive remedy, and PARADIGM's sole and exclusive obligation, for breach of this limited warranty. This limited warranty is contingent upon CUSTOMER's written notice in compliance with PARADIGM's written reporting procedures, received not later than five (5) days after the end of the sixty (60) day warranty period, setting forth with particularity the nature and circumstances of any alleged breach of warranty. PARADIGM makes no warranty as to the Hardware or any products (including software) not manufactured by PARADIGM. Notwithstanding the foregoing LIMITED WARRANTY, PARADIGM agrees that it will correct or remedy any errors, defects or other conditions not caused by CUSTOMER's misuse of the Software or Documentation as part of the Standard Support Services it is providing to CUSTOMER pursuant to Paragraph 5 of the Standard Support Services Agreement executed simultaneously with this Agreement.

CUSTOMER ACKNOWLEDGES THAT NO EXPRESS WARRANTIES HAVE BEEN MADE BY PARADIGM EXCEPT FOR THE LIMITED WARRANTY MADE IN THE PRECEEDING PARAGRAPH. THIS LIMITED WARRANTY AND THE ASSOCIATED LIMITED REMEDY ARE PROVIDED IN LIEU OF ALL OTHER WARRANTIES AND REMEDIES. PARADIGM DISCLAIMS ALL IMPLIED WARRANTIES, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NONINTEGRATION, MERCHANTABILITY OF A COMPUTER PROGRAM, INFORMATIONAL CONTENT AND CUSTOMER'S PURPOSE AND SYSTEM INTEGRATION. PARADIGM MAKES NO WARRANTY THAT THE SOFTWARE WILL BE ERROR-FREE.

16. **TERMINATION.** The obligations of PARADIGM under this Agreement shall terminate at the option of PARADIGM upon the failure of CUSTOMER to perform or observe any covenant or obligation set forth herein, provided PARADIGM has given CUSTOMER thirty (30) days prior written notice of the failure, and CUSTOMER has failed to cure such failure within such time. Upon termination, CUSTOMER shall cease using the Software and shall return to PARADIGM, or, at PARADIGM's option, destroy, the original and all copies of the Software, the Documentation and any other materials provided by PARADIGM, the obligations of CUSTOMER set forth in the paragraphs entitled "Scope," "Title and Ownership" and "Confidentiality" shall survive termination. PARADIGM's rights of repossession may be enforced by Software disablement.

17. **MISCELLANEOUS.**

A. **Complete Understanding.** This System Implementation & License Agreement is the entire agreement and understanding between the parties with respect to the subject matter, and as such this System Implementation & License Agreement supersedes all prior and contemporaneous agreements, negotiations, representations and proposals, written and oral, relating to the subject matter. CUSTOMER expressly acknowledges, agrees and represents to PARADIGM that there are no understandings or agreements with respect to the subject matter other than as expressly set forth in this System Implementation & License Agreement. CUSTOMER agrees that no contrary terms and conditions of any subsequent

CUSTOMER purchase order, no course of dealing, trade custom or usage of trade, and no warranty made during the course of performance, will apply, unless expressly agreed to by PARADIGM in writing.

B. **Notice.** Any notice or communication provided or permitted hereunder shall expressly describe its purpose and scope, and shall be in writing and shall be deemed duly given or made if delivered in person or sent by U.S. certified mail, return receipt requested, postage prepaid, addressed to the party for which it is intended at the address set forth in this Agreement or at any other address specified by a party in writing.

C. **Invalidity.** In the event any provision hereof shall be deemed invalid or unenforceable by any court or governmental agency, such provision shall be deemed severed from this System Implementation & License Agreement and replaced by a valid provision which approximates as closely as possible the intent of the parties. All remaining provisions shall be afforded full force and effect.

D. **Effective Date.** This Agreement shall become effective and shall be binding on both parties on the date it is signed by the authorized representative of the City of Glendale.

E. **Choice of Laws.** This Agreement shall be deemed to have been formed in the State of Arizona, U.S.A. and shall be governed by, subject to, and interpreted in accordance with, the laws of the State of Arizona. The parties consent to venue in Maricopa County, Arizona.

F. **Non-Solicitation.** During the term of this Agreement and for twelve (12) months thereafter, neither PARADIGM nor CUSTOMER may employ or solicit to employ persons employed by the other.

G. **Force Majeure.** Except as expressly provided to the contrary in this Agreement, the dates and times by which CUSTOMER or PARADIGM is required to render delivery or performance (but not to make payment) under this Agreement shall be automatically postponed to the extent, and for the period of time, that CUSTOMER or PARADIGM, as the case may be is prevented from meeting such dates and times by reason of causes beyond its reasonable control.

H. **Inconsistency.** Unless specified to the contrary in any schedule, supplement or other attachment, in the event of any conflict or inconsistency between such items and the provisions of this Agreement, the provisions of this Agreement shall prevail and govern the interpretation thereof. No inference shall be drawn against, and no construction shall be adverse to, the party responsible for drafting or preparing this Agreement or any of its parts, or any addendum hereto, by virtue of such drafting or preparation.

I. **Limitations.** Any cause or action against PARADIGM arising out of or in connection with this Agreement or any schedule or other agreement executed in connection herewith shall be instituted and served upon PARADIGM not later than eighteen (18) months following the occurrence of the first event giving rise thereto.

J. **Independent Contractors.** Nothing in this Agreement shall make Paradigm and Customer partners, joint venturers or otherwise associated in or with the business of the other. Neither party shall be liable for any debts, accounts, obligations or other liabilities of the other or their agents or employees. Neither is authorized to incur debts or obligations on the part of the other except as specifically authorized in writing.

K. **Cancellation.** This Agreement may be cancelled pursuant to ARIZ. REV. STAT. § 38-511.

L. **E-verify.** PARADIGM certifies that it complies with ARIZ. REV. STAT. § 23-214 and agrees to comply with the requirements of ARIZ. REV. STAT § 41-4401.

SYSTEM IMPLEMENTATION & LICENSE AGREEMENT

PURCHASE PRICE AND PAYMENT SCHEDULE

Qty	UM	Description	Unit Price	Extended Price
1	FF	Upgrade to CompuWeigh 6.0 (Includes three (3) WeighStation Program Licenses; 5-concurrent user CompuWeigh Licenses; one (1) lane RF Module; one (1) lane Traffic Light Module; Export to Third Party Accounting System; Customization – WeighStation free tonnage calculation for Glendale residents; Customization – Prevent any modification to transactions ten (10) days after the accounting export file has been generated from the Posting Module other than to the Notes field.)	\$17,275.00	\$17,275.00
1	FF	Insufficient Funds/Split Payments Module (No charge if implemented with CW6)	\$0.00	\$0.00
1	FF	Upgrade to WeighPay Module	\$1,000.00	\$1,000.00
2	LN	Signature Capture Module	\$1,000.00	\$2,000.00
2	EA	Signature Capture Pad (USB) 1x5	\$300.00	\$600.00
4	DY	On Site Install/Training (2 techs) (based on two weeks' notice)	\$3,675.00	\$14,700.00
1		Gate, gate loop detector & wire	\$4,715.00	\$4,715.00
				<u>\$40,290.00</u>

Total:

All non-Paradigm Software product pricing will reflect increases in wholesale prices to Paradigm Software, L.L.C., as well as increases due to inflation.

Detail Not to Exceed Payment Schedule

Optional hardware & software not to exceed \$10,000 annually
(Total additional amount if City renews as provided in Section 9).

\$50,000

Total **\$90,290.00**

SYSTEM IMPLEMENTATION & LICENSE AGREEMENT

TERMS AND CONDITIONS PARADIGM SOFTWARE

Percentage Due:	Amount Due:
100% - Hardware Due Upon Acceptance Prior to Installation (includes Gate gate loop detector & wire)	\$5,315.00
40% - Software Due Upon Acceptance Prior to Installation	\$13,990.00
40% - Software Due Upon Installation	\$13,990.00
20% - Software Due Upon Final Acceptance	<u>\$6,995.00</u>
	<u>\$40,290.00</u>

SYSTEM IMPLEMENTATION & LICENSE AGREEMENT

OPTIONAL HARDWARE & SOFTWARE SCHEDULE

The following section lists possible hardware and software that the City may desire to purchase in the future. This is not an all-inclusive list that is offered by PARADIGM. The associated pricing is provided for budgetary purposes only at the current rate. PARADIGM reserves the right to modify these prices in the future based on the current rate. Pricing below does not include installation, bollards, mounting, wiring, conduit, trenching, or other requirements for installation.

Qty	UM	Description	Unit Price
1	EA	Kiosk Enclosure (w/heater, exhaust fan, thermostat)	\$2,950.00
1	EA	Kiosk Thermal Receipt Printer	\$800.00
1	EA	Case Kiosk Thermal Receipt Paper (8 rolls)	\$75.00
1	EA	Indoor Thermal Receipt Printer (includes 6' USB cable)	\$425.00
1	EA	Case Indoor Thermal Receipt Paper (50 rolls)	\$75.00
1	EA	LCD Display (for unattended enclosure)	\$1,900.00
1	EA	VGA to USB Adapter	\$95.00
1	EA	VGA Extender	\$425.00
1	EA	RF Reader	\$5,200.00
1	EA	RF Junction Box	\$650.00
1	EA	RF Tag (AT5510)	\$42.15
1	EA	4-port Serial Server	\$650.00
1	EA	QWERTY Keyboard (for enclosure)	\$650.00
1	ST	Rules Module	\$500.00
1	FF	Alerts Module	\$2,500.00
1	LN	Video Module	\$1,500.00
1	EA	Digital Video Recorder (Estimate – server is built to customers specifications – does not include cameras)	\$10,000.00
1	LN	Radiation Module	\$1,500.00
1	LN	Radiation Detector	\$27,500.00
1	FF	Accounts Receivable and Aging Module	\$12,500.00

READ, UNDERSTOOD AND EXECUTED on the date(s) indicated below:

Customer:

CITY OF GLENDALE, an Arizona
municipal corporation:

ATTEST:

City Clerk (SEAL)

By: Brenda S. Fischer
Its: City Manager

Date: _____

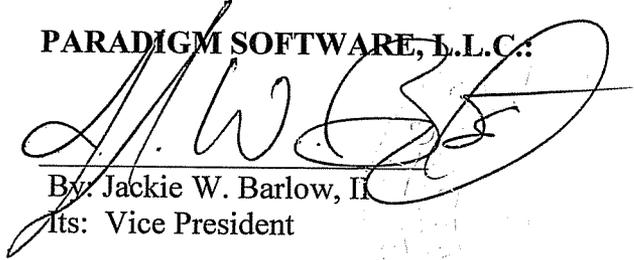
APPROVED AS TO FORM:

By: Michael D. Bailey
City Attorney

Date: _____

Accepted by:

PARADIGM SOFTWARE, L.L.C.:


By: Jackie W. Barlow, II
Its: Vice President

Date: 21 OCT 2014

PARADIGM SOFTWARE, L.L.C.
113 Old Padonia Road, Suite 200
Cockeysville, MD 21030
(410) 329-1300

Ruiz, Ernie

From: Burkeen, Timothy
Sent: Wednesday, 19 November 2014 12:27 PM
To: Ruiz, Ernie 
Cc: Manginell, Bob
Subject: RE: Paradigm Software, LLC - Request to Modify Special Procurement Document

Approved

Tim Burkeen

Purchasing and Materials Manager
City of Glendale
5850 W Glendale Ave, Suite 302
Glendale, AZ 85301
Ph. 623-930-2867

“CAN DO!”

From: Ruiz, Ernie
Sent: Wednesday, November 19, 2014 11:50 AM
To: Burkeen, Timothy
Cc: Manginell, Bob
Subject: Paradigm Software, LLC - Request to Modify Special Procurement Document

Hi Tim,

This e-mail is to request your approval to modify the attached Paradigm Software, LLC special procurement document to reflect a new spending limit not to exceed the following amounts:

This special procurement purchase request with Paradigm Software, LLC (Paradigm) will cover two contracts in an amount not to exceed \$159,977.60 for the initial five year period for the purchase and installation of scale software & licenses as well as the support services agreement. This procurement request will also cover an additional five year period if the contract is extended in an amount not to exceed \$128,325.10, for a total amount not to exceed \$288,302.70 over the full ten-year period.

Please approve via e-mail and I will attach it to the documents that will be uploaded for the Council Report.

Thanks,

Ernie Ruiz Jr.
Landfill-MRF Superintendent
Office: 623-930-4722
Cell: 623-640-1046
E-mail: eruiz@glendaleaz.com



Materials Management Special Procurement Purchase Request

Revised 04-04-11

This form is not used for emergency or sole source requests.

REQUESTOR INFORMATION:

Requestor: Ernie Ruiz	Date: March 27, 2014	Department: Field Operations/Landfill-MRF
Phone Number: 623-930-4722	Fax Number: 623-872-2995	

VENDOR INFORMATION:

Vendor Name: Paradigm Software LLC	Vendor Contact: Jackie Barlow, VP
Vendor Address: 113 Old Padonia Road, Suite 200	
City, State and Zip Code: Cockeysville, MD 21030	
Vendor Phone: 410-329-1300	Vendor Fax: 443-275-2509

SPECIAL PROCUREMENT INFORMATION:

Total Cost of this Order: \$45,000	One time purchase: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Fund #:2440 / Department #: 17710 / Account # 526800	
Description of the product or service requested: The Glendale Municipal Landfill (GML) is requesting a Special Procurement Purchase for the following: Paradigm Scale Software upgrade to Version 6.0, to include hardware and components for its exclusive software. This software system is utilized at the GML to record, invoice, and tracks over 800 to 1,000 transactions daily that are made at the GML.	

As per agreements and e-mail dated 11-19-14 from T. Burkeow.

JUSTIFICATION:

A Special Procurement Purchase is that the nature of the materials or service:

- (1) Presents such limited competition that a competitive bid or proposal process cannot reasonably be used, or
- (2) Discourages the use of a competitive bid or proposal as it will result in a substantially higher cost to the city, or will otherwise impair the city's financial interests, or
- (3) Substantially impede the city's administrative functions or the delivery of services to the public, or
- (4) Does not qualify as a sole source or emergency, or
- (5) Has only one provider with the experience and capability to successfully perform the contract; or
- (6) Presents a significant time constraint as the need was not known in sufficient time to allow for competitive procurement and time is of the essence.

ER 8235
11-19-14

Approved
VR 11-17-14

ok
11-18-14



Materials Management Special Procurement Purchase Request

Revised 04-04-11

JUSTIFICATION:

Provide sufficient detail to justify the use of the special procurement process instead of competitive offers. Lack of detail may result in delays while additional information is obtained. Materials Management will determine the appropriateness of waiving the competitive process on a case by case basis.

Justification:

The city of Glendale Municipal Landfill (GML) has been utilizing Paradigm Software LLC for all of its scale house record keeping, as well as its recycling and landfill billing for the past twelve (12) years and has been very pleased with its functionality and capabilities.

The GML Software and hardware upgrades to the new Paradigm 6.0 Software are now necessary in order to maintain the system at peak performance. These upgrades and enhancements will cost the GML between \$30,000 and \$45,000 depending on how independent the GML wants the system to work.

The GML feels by switching to an alternate vendor for these types of services it will significantly impede the ability to deliver services to the public and commercial customers who frequent the GML on a daily basis. Installing a new software system would cause extreme hardship on the operations, financially as well from having to train scale house staff on new software.

Paradigm Software LLC also warrants that its software provided is the sole and exclusive property of Paradigm Software and no other entity can upgrade their system.

Additionally the city recently partnered with a privately owned waste processing facility (Vieste) who has invested \$20,000 to access the Paradigm software system. The purpose of accessing these records is for real time access to tonnage numbers in order to monitor vehicles as they enter the facility, and track their production capabilities at their new plant. This is in accordance with the Waste Supply Agreement, C-8284 that was entered into by the city in October of 2012.

REQUESTOR CERTIFICATION:

I hereby certify that I have conducted a good faith effort for determining the validity of the special procurement purchase.

Requestor: Ernie Ruiz Jr.

Division: Landfill-MRF

Date 03/27/14

Stuart Kent

Printed Name

Department Head Signature

04/01/14

Date



City of Glendale
COMPUTER HARDWARE AND SOFTWARE PROCUREMENT
Request Form

Date: 3/28/2014

Department/ Division: Field Operations/Landfill

Contact Person: Ernie Ruiz, Acting Solid Waste Superintendent

Phone: 623-930-4722

Part A: Standard Hardware or Software (check applicable boxes.)

Standard PC per specifications, designated for: [Click here to enter specifications](#) Qty.

- Replace existing PC with City Asset Tag number: [Click here to enter Asset Tag](#)
- New PC (to be covered by *PC Replacement Program*)
- See attached for upgrades
- Grant purchase or CIP TRF purchase

Standard Laptop per specifications, designated for: [Click here to enter specifications.](#) Qty.

- Replace existing Laptop with City Asset Tag number: [Click here to enter Asset Tag](#)
- New Laptop (to be covered by *Replacement Program*)
- See attached for upgrades
- Grant purchase or CIP TRF purchase

Printer

- HP Laser printer per specifications with Jet direct network card Qty.
- HP Color Laser printer per specifications with Jet direct network card Qty.
- See attached for upgrades
- Grant purchase or CIP TRF purchase

Part B: Non-standard Hardware or Software

Description of Hardware/Software:

Upgrade to Paradigm Software Version 6.0, replace outdated components and hardware

Justification:

The city of Glendale Municipal Landfill (GML) has been utilizing Paradigm Software LLC for all of its scale house record keeping, as well as its recycling and landfill billing for the past twelve (12) years and has been very pleased with its functionality and capabilities.

The GML Software and hardware upgrades to the new Paradigm 6.0 Software are now necessary in order to maintain the system at peak performance. These upgrades and enhancements will cost the GML between \$30,000 and \$45,000 depending on how independent the GML wants the system to work.

The GML feels by switching to an alternate vendor for these types of services it will significantly impede the ability to deliver services to the public and commercial customers who frequent the GML on a daily basis. Installing a new

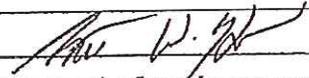


City of Glendale
COMPUTER HARDWARE AND SOFTWARE PROCUREMENT
Request Form

software system would cause extreme hardship on the operations, financially as well from having to train scale house staff on new software.

Paradigm Software LLC also warrants that its software provided is the sole and exclusive property of Paradigm Software and no other entity can upgrade their system.

Additionally the city recently partnered with a privately owned waste processing facility (Vieste) who has invested \$20,000 to access the Paradigm software system. The purpose of accessing these records is for real time access to tonnage numbers in order to monitor vehicles as they enter the facility, and track their production capabilities at their new plant. This is in accordance with the Waste Supply Agreement, C-8284 that was entered into by the city in October of 2012.

Department Head or DSA Approval:  Account Number: 2440-17710-526800

Fund/Dept to charge for ongoing cost of replacement or software: 2440-17710-526800



Legislation Description

File #: 14-464, **Version:** 1

AUTHORIZATION TO ENTER INTO AN AGREEMENT WITH PARADIGM SOFTWARE, LLC, TO PURCHASE WEIGH SCALE SOFTWARE SUPPORT SERVICES FOR THE LANDFILL

Staff Contact: Jack Friedline, Director, Public Works

Purpose and Recommended Action

This is a request for City Council to authorize the City Manager to enter into an agreement with Paradigm Software, LLC (Paradigm) for an initial five-year period and in an amount not to exceed \$69,687.60 for the purchase of weigh scale software support services. This request also authorizes the City Manager, at her discretion, to renew the agreement for one additional five-year period and for a total dollar amount not to exceed \$139,375.20 over the full ten-year period.

Background

The City of Glendale Landfill and Materials Recycling Facility (MRF) operation has three weigh scales on site to service and process over 150,000 customers annually. Two scales are set as manual use scales and the other is an unattended, radio frequency scale. These scales capture weights to be able to complete many different types of landfill and recycling transactions. Paradigm is the software used to complete the detailed transactions and to generate reports, which include information that is used for billing or provided to our state regulators, commercial customers, and internal or external auditors.

This software support services agreement provides technical and maintenance support, updates, and enhancements required in order to avoid any unnecessary down time with the weigh scale operations.

Analysis

The Landfill and MRF have been utilizing the same version of Paradigm software (Version 2) that was purchased and installed for the scale house and accounting operations in 2002. Paradigm is currently offering Version 6, which will provide a significant software upgrade. The software upgrade is covered in more depth under a separate council action, which requests approval to enter into a system implementation and license agreement with Paradigm Software, LLC. This software support services agreement is required in conjunction with the system implementation and license agreement in order for the Landfill and MRF to receive or schedule any required technical and maintenance support on an as needed basis as well as to provide for periodic software updates or enhancements.

Materials Management has reviewed and approved the special procurement submitted by the Landfill division of the Public Works Department. The approval is based on conformity to existing equipment and service.

Previous Related Council Action

On June 27, 2002, Council approved the purchase of Paradigm Software under contract C-4550. The maintenance agreement was entered into on July 1, 2002 under contract C-4555. These contracts expired in July of 2012 and the Landfill has been functioning under a yearly maintenance agreement in order to complete the special procurement process.

Community Benefit/Public Involvement

The scale software support services agreement enhances the ability of the Glendale Landfill and MRF to effectively manage the cash collection, customer account, and general accounting services necessary in order to continue as a progressive and well-managed solid waste operation for the City of Glendale and its citizens.

Budget and Financial Impacts

Funding is available in the fiscal year FY 2014-15 Landfill Enterprise fund operating and maintenance budget. Expenditures with Paradigm Software, LLC are not to exceed \$13,937.52 annually (which includes a service charge of \$8,937.52 per year plus an annual \$5,000 contingency for additional work or services) or \$69,687.60 during the initial five-year term of the contract, and in an amount not to exceed \$139,375.20 over the full ten-year period with Council budget approval.

Cost	Fund-Department-Account
\$13,937.52	2440-17710-522700, Landfill Enterprise Fund

Capital Expense? No

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?

STANDARD SUPPORT SERVICES AGREEMENT

PARADIGM SOFTWARE, L.L.C. ("PARADIGM"), by its acceptance of this Standard Support Services Agreement (this "Agreement") agrees to sell and provide, and the undersigned customer ("CUSTOMER") agrees to purchase and accept, in accordance with the terms and conditions set forth below, Paradigm Standard Support Services as defined herein for the computer programs licensed to CUSTOMER pursuant to a separate agreement entered into prior to or simultaneously herewith (the "System Implementation Agreement") and identified in Schedule A hereto, all in accordance with the TERMS AND CONDITIONS included in this agreement, each of which is incorporated herein.

THIS AGREEMENT, INCLUDING ALL OF ITS TERMS AND CONDITIONS IS THE ENTIRE AGREEMENT AND CANNOT BE MODIFIED EXCEPT BY WRITING SIGNED BY THE DULY AUTHORIZED REPRESENTATIVES OF BOTH PARTIES. CUSTOMER UNDERSTANDS THAT THE FEES CHARGED BY PARADIGM IN THIS AGREEMENT REFLECT THE ALLOCATION OF RISKS EXPRESSED BY THE LIMITED WARRANTY, THE EXCLUSIVE REMEDY FOR BREACH OF THAT LIMITED WARRANTY, AND THE LIMITATIONS OF LIABILITY AND DAMAGES WHICH ARE SET FORTH ON THE REVERSE SIDE OF THIS PAGE. BY SIGNING WHERE INDICATED BELOW, CUSTOMER ACCEPTS THESE TERMS AND AFFIRMS IT UNDERSTANDS THAT TO CHANGE THEM WOULD AFFECT THE ECONOMIC BARGAIN EXPRESSED IN THIS CONTRACT.

TERMS AND CONDITIONS

1. CHARGES AND PAYMENT. (a) CUSTOMER agrees to pay the charges as provided in the Software Support Schedule to this Agreement to PARADIGM on an annual basis. The fee shall be paid annually prior to the anniversary date of the Effective Date of this Agreement, for each year this Agreement remains in effect. CUSTOMER will pay a late charge of one and one half percent (1 1/2%) of the amount not paid within sixty (60) days of the due date or date of invoice, whichever is later. Prices and fees are exclusive of all current or future excise, sales, use, occupational, or like taxes, if applicable, and CUSTOMER agrees to pay any such tax PARADIGM may be required to collect or pay which are imposed upon the sale or delivery of items purchased or licensed or any services rendered hereunder. Exemption from such taxes, if any, shall be the responsibility of CUSTOMER to pursue.

(b) If this Agreement remains in effect for all years of the Initial Term and Renewal Term contemplated in Paragraph 4 below, the amount CUSTOMER may pay for the services identified in the Software Support Schedule attached hereto shall not exceed \$89,375.20. Pursuant to Section 6 below, the City may also request additional work outside the scope of the Software Support Schedule. This additional work shall not exceed \$5,000 per year any year this Agreement remains in effect. If this Agreement remains in effect for all years of the Initial Term and Renewal Term contemplated in Paragraph 4 below, the amount CUSTOMER may pay for the additional work or services beyond the scope of the Software Support Schedule shall not exceed \$50,000.00. **The total cost of all Standard Software Support Services as identified in Section 5 of this Agreement and the attached Software Support Schedule and any additional services or work the City may require during the term of this Agreement shall not exceed \$139,375.20.**

2. CUSTOMER RESPONSIBILITIES. CUSTOMER agrees to test, and if operable, accept and use all updates, amendments and alterations to the Software furnished to CUSTOMER hereunder and to install and maintain for the duration of this Agreement, a high-speed, modem or associated dialup telephone line. CUSTOMER shall allow PARADIGM continuous access to the Software via this connection for the purpose of providing Standard Support Services and will pay all telephone line use charges. CUSTOMER will provide PARADIGM with dumps as requested, and with sufficient support and test time on CUSTOMER's computer system to duplicate any conditions or problems identified by CUSTOMER or PARADIGM.

3. COVERAGE. The computer programs and software eligible for Standard Support Services (as defined below) are those programs described on the Software Support Schedule or attached hereto, as updated with all current amendments, alterations, enhancements, improvements and updates furnished to CUSTOMER under warranty (the "Software"). Standard Support Services shall be rendered only to the currently supported version of Software running with the applicable operating system version supported by PARADIGM.

4. TERM AND RENEWAL. The initial term of this Agreement is five (5) years, commencing with the date it is executed by the CUSTOMER. The Agreement remains in full force and effect until the expiration of the five (5) year term unless terminated earlier as provided herein. If CUSTOMER is not in default under this Agreement or any other agreement with PARADIGM, the term of this Agreement may be renewed upon the same terms and conditions upon a written, signed agreement of both parties, for one (1) additional five (5) year term. Such renewal is not automatic and may only occur if the CUSTOMER gives notice of its election to renew the license at least ninety (90) days prior to the expiration of the initial term. The cost of services may be adjusted at the time of renewal in the manner described herein, in accordance with changes in the Consumer Price Index, published by the U.S. Department of Labor, Bureau of Labor Statistics [All Urban Consumers (CPI-U), U.S. City Average, All items, 1982-84=100] (the "CPI").

5. STANDARD SUPPORT SERVICES. During the term of this Agreement, PARADIGM will provide to CUSTOMER its Standard Support Services described in this paragraph. Subject to the license granted to CUSTOMER under the System Implementation Agreement, PARADIGM will provide technical services to design, code, check out and deliver amendments or alterations of the Software necessary to correct or solve any programming error attributable to PARADIGM which caused the Software not to perform substantially as described in the current, standard editions of manuals delivered to CUSTOMER by PARADIGM pertaining to the use of the Software (the "Documentation"). Such services will be promptly provided after CUSTOMER has identified and notified PARADIGM of any such error in accordance with PARADIGM's reasonable reporting procedures as in effect from time to time. PARADIGM will also provide reasonable telephone consultation in the use and operation of the Software during the hours of 7:00 a.m. through 6:00 p.m. Eastern Time on weekdays, except PARADIGM holidays. In addition, if PARADIGM elects to include them under its Standard Support Services program and does not market them separately to Standard Support Services customers generally, PARADIGM will deliver updates of the Software to CUSTOMER from time to time, without any charge other than as specified on the Software Support Schedule. Calls left in our support mailbox (where the customer determines the call is not an emergency) after hours will be returned by the end of the next business day. Emails to our support inbox are returned within 48 hours of the next business day.

Update management, scheduling, pre-approval and validation of all software updates to maintain the currency of the software (including patches, fixes, etc.) forming part of the Software are included at no additional charge to the Customer provided an active and paid in full Standard Support Services Agreement is in place. The Technical Support under this Agreement will include the following:

5.1 Telephone Support

- (a) Support contacts for the Customer prior to full implementation are identified in the Statement of Work (SOW)
- (b) The Telephone Support Service is usually immediate from 7:00 a.m. to 6:00 p.m., Eastern Standard Time (EST) Monday to Friday with a one (1) hour maximum call back time. Telephone Support will include help desk support, call tracking and management. After hours emergency support is usually immediate with a one (1) hour maximum call back time will be provided by Paradigm at no additional charge. If an after-hours support call is deemed as standard support, and confirmed by the Customer, additional charges may apply at Paradigm's current, published rates provided PARADIGM has received the prior written authorization of the CUSTOMER to proceed.

5.2 Problem Resolution

Definition — A problem is defined as the failure of unaltered (except by PARADIGM) CompuWeigh™ Software to comply with PARADIGM's customer-level documentation, when operating in conjunction with unaltered (except by PARADIGM) associated hardware, software and within the required operational conditions.

Problem Resolution Technical Support

The Technical Support provided to resolve problems shall include:

- (i) Assisting the CUSTOMER in isolating problems and preparing problem documentation, if necessary.
- (ii) Following successful implementation and acceptance, and as part of ongoing maintenance and support, Paradigm shall assist the CUSTOMER in resolving problems identified by the CUSTOMER.
- (iii) Providing problem resolution by one or more of the following methods:
 - (a) Corrected executable code.
 - (b) Corrected documentation.
 - (c) Published CompuWeigh Software limitations.

5.3 Customer Responsibilities

To receive the services outlined in this Section, the CUSTOMER must provide the following items:

- (a) Secure remote access to the Software at the CUSTOMER's site. This is required to allow PARADIGM personnel to access the CUSTOMER's Software and database for problem analysis and resolution. Sufficient information and/or documentation on any problem to allow duplication of the problem on PARADIGM equipment or CUSTOMER test equipment when necessary.
- (b) Access to the CUSTOMER's Software site if on-site maintenance activity is required.

5.3.1 Additional Support (Post Implementation)

- (a) Should onsite support be necessary to resolve problems, PARADIGM will be reimbursed for the authorized travel and living expenses reasonably and properly incurred in the performance of on-site work not related to Warranty issues, at cost, with no allowance for profit and/or administrative overhead. All payments are subject to CUSTOMER's receipt of proof of payment by PARADIGM and PARADIGM has received prior written authorization of the Customer to proceed. PARADIGM shall follow current CUSTOMER travel reimbursement rates and approval process.
- (b) Following successful implementation and acceptance, and as part of ongoing maintenance and support, PARADIGM shall assist the CUSTOMER in resolving problems identified by the CUSTOMER.

6. **OTHER SERVICES.** CUSTOMER shall pay PARADIGM for any work performed by PARADIGM at CUSTOMER's request that is not covered under this Standard Support Services Agreement or that is in excess of the professional services hours included in the contracted service level. The additional work will be charged at PARADIGM's then current hourly rate provided PARADIGM has received the prior written authorization of the CUSTOMER to proceed for work requests not covered under this Agreement. **This additional work shall not exceed \$5,000 per year any year this Agreement remains in effect.**

7. **PROPRIETARY RIGHTS.** Any programs, works, manuals, changes, additions, alterations, amendments or enhancements in the form of new or partial programs, Software, Source Code or Documentation ("IP") as may be provided by PARADIGM under this Agreement or the System Implementation Agreement, and all copies thereof, shall be and remain the sole and exclusive property of PARADIGM and shall be available for use by CUSTOMER under and subject to the license granted in the System Implementation Agreement, the terms and conditions of which are incorporated herein. As between the parties, PARADIGM retains all right, title and interest in and to the IP, including, but not limited to, copyrights, trademarks, service marks, patents and other proprietary rights, and no such rights are conveyed to CUSTOMER by virtue of this Agreement.

8. **TERMINATION.** In the event of a termination of CUSTOMER's license to use the Software due to CUSTOMER's default, this Agreement shall terminate immediately. PARADIGM may terminate this Agreement in the event of default by CUSTOMER, including failure to pay the annual charge for Standard Support Services within thirty (30) days' notice that the same is thirty (30) days or more delinquent. CUSTOMER may terminate its obligations under this agreement at any time, with or without cause, upon providing thirty (30) days' written notice to PARADIGM.

9. **NO WARRANTIES.** CUSTOMER ACKNOWLEDGES THAT NO EXPRESS WARRANTIES HAVE BEEN MADE BY PARADIGM WITH RESPECT TO STANDARD SUPPORT SERVICES OR SOFTWARE DELIVERED HEREUNDER. PARADIGM DISCLAIMS ALL IMPLIED WARRANTIES, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE WARRANTY, IF ANY, AVAILABLE FOR THE SOFTWARE IS AS SET FORTH IN THE SYSTEM IMPLEMENTATION AGREEMENT.

10. **LIMITATION OF LIABILITY.** PARADIGM SHALL NOT BE LIABLE TO CUSTOMER FOR ANY CONSEQUENTIAL, SPECIAL, INCIDENTAL, PUNITIVE OR INDIRECT DAMAGES (INCLUDING WITHOUT LIMITATION LOSS OF PROFIT, REVENUE, BUSINESS OPPORTUNITY OR BUSINESS ADVANTAGE), WHETHER ARISING UNDER CONTRACT, WARRANTY, NEGLIGENCE, STRICT LIABILITY, BREACH OF STATUTORY DUTY, CONTRIBUTION, INDEMNITY OR ANY OTHER LEGAL THEORY OR CAUSE OF ACTION, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, PARADIGM'S MONETARY LIABILITY FOR ANY CAUSE UNDER OR RELATING TO THIS AGREEMENT SHALL IN NO EVENT EXCEED THE TOTAL OF ALL AMOUNTS PAID TO PARADIGM BY CUSTOMER FOR STANDARD SUPPORT SERVICES DURING THE ONE (1) YEAR PERIOD PRIOR TO THE DATE ON WHICH ANY CLAIM IS MADE.

11. MISCELLANEOUS.

- A. **Complete Understanding.** This Standard Support Services Agreement is the entire agreement and understanding between the parties with respect to the subject matter, and as such this Standard Support Services Agreement supersedes all prior and contemporaneous agreements, negotiations, representations and proposals, written and oral, relating to the subject matter. CUSTOMER expressly acknowledges, agrees and represents to PARADIGM that there are no understandings or agreements with respect to the subject matter other than as expressly set forth in this Standard Support Services Agreement. CUSTOMER agrees that no contrary terms and conditions of any subsequent CUSTOMER purchase order, no course of dealing, trade custom or usage of trade, and no warranty made during the course of performance, will apply, unless expressly agreed to by PARADIGM in writing.
- B. **Notice.** Any notice or communication provided or permitted hereunder shall expressly describe its purpose and scope, and shall be in writing and shall be deemed duly given or made if delivered in person or sent by U.S. certified mail, return receipt requested, postage prepaid, addressed to the party for which it is intended at the address set forth in this Agreement or at any other address specified by a party in writing.
- C. **Invalidity.** In the event any provision hereof shall be deemed invalid or unenforceable by any court or governmental agency, such provision shall be deemed severed from this Standard Support Services Agreement and replaced by a valid provision which approximates as closely as possible the intent of the parties. All remaining provisions shall be afforded full force and effect.
- D. **Effective Date.** This Agreement shall become effective and shall be binding on both parties on the date it is signed by the authorized representative of the City of Glendale.
- E. **Choice of Laws.** This Agreement shall be deemed to have been formed in the State of Arizona, U.S.A. and shall be governed by, subject to, and interpreted in accordance with, the laws of the State of Arizona. The parties consent to venue in Maricopa County, Arizona.
- F. **Non-Solicitation.** During the term of this Agreement and for twelve (12) months thereafter, neither PARADIGM nor CUSTOMER may employ or solicit to employ persons employed by the other.
- G. **Force Majeure.** Except as expressly provided to the contrary in this Agreement, the dates and times by which CUSTOMER or PARADIGM is required to render delivery or performance (but not to make payment) under this Agreement shall be automatically postponed to the extent, and for the period of time, that CUSTOMER or PARADIGM, as the case may be is prevented from meeting such dates and times by reason of causes beyond its reasonable control.
- H. **Inconsistency.** Unless specified to the contrary in any schedule, supplement or other attachment, in the event of any conflict or inconsistency between such items and the provisions of this Agreement, the provisions of this Agreement shall prevail and govern the interpretation thereof. No inference shall be drawn against, and no construction shall be adverse to, the party responsible for drafting or preparing this Agreement or any of its parts, or any addendum hereto, by virtue of such drafting or preparation.
- I. **Limitations.** Any cause or action against PARADIGM arising out of or in connection with this Agreement or any schedule or other agreement executed in connection herewith shall be instituted and served upon PARADIGM not later than eighteen (18) months following the occurrence of the first event giving rise thereto.
- J. **Independent Contractors.** Nothing in this Agreement shall make Paradigm and Customer partners, joint venturers or otherwise associated in or with the business of the other. Neither party shall be liable for any debts, accounts, obligations or other liabilities of the other or their agents or employees. Neither is authorized to incur debts or obligations on the part of the other except as specifically authorized in writing.
- K. **Cancellation.** This Agreement may be cancelled pursuant to ARIZ. REV. STAT. § 38-511.
- L. **E-verify.** PARADIGM certifies that it complies with ARIZ. REV. STAT. § 23-214 and agrees to comply with the requirements of ARIZ. REV. STAT § 41-4401.

SCHEDULE "A"

Qty	UM	Description	Annual Service Charge
1	FF	Upgrade to CompuWeigh 6.0 (Includes three (3) WeighStation Program Licenses; 5-concurrent user CompuWeigh Licenses; one (1) lane RF Module; one (1) lane Traffic Light Module; Export to Third Party Accounting System; Customization – WeighStation free tonnage calculation for Glendale residents; Customization – Prevent any modification to transactions ten (10) days after the accounting export file has been generated from the Posting Module other than to the Notes field.)	
1	FF	Insufficient Funds/Split Payments Module (No charge if implemented with CW6)	
1	FF	Upgrade to WeighPay Module	
2	LN	Signature Capture Module	

Annual Service Charge:

\$8,937.52/Year

READ, UNDERSTOOD AND EXECUTED on the date(s) indicated below:

Customer:

CITY OF GLENDALE, an Arizona
municipal corporation:

ATTEST:

City Clerk (SEAL)

By: Brenda S. Fischer
Its: City Manager

Date: _____

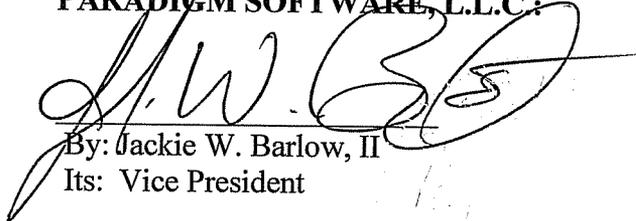
APPROVED AS TO FORM:

By: Michael D. Bailey
City Attorney

Date: _____

Accepted by:

PARADIGM SOFTWARE, L.L.C.:


By: Jackie W. Barlow, II
Its: Vice President

Date: 21 OCT 2014

PARADIGM SOFTWARE, L.L.C.
113 Old Padonia Road, Suite 200
Cockeysville, MD 21030
(410) 329-1300

Ruiz, Ernie

From: Burkeen, Timothy
Sent: Wednesday, 19 November 2014 12:27 PM
To: Ruiz, Ernie 
Cc: Manginell, Bob
Subject: RE: Paradigm Software, LLC - Request to Modify Special Procurement Document

Approved

Tim Burkeen

Purchasing and Materials Manager
City of Glendale
5850 W Glendale Ave, Suite 302
Glendale, AZ 85301
Ph. 623-930-2867

“CAN DO!”

From: Ruiz, Ernie
Sent: Wednesday, November 19, 2014 11:50 AM
To: Burkeen, Timothy
Cc: Manginell, Bob
Subject: Paradigm Software, LLC - Request to Modify Special Procurement Document

Hi Tim,

This e-mail is to request your approval to modify the attached Paradigm Software, LLC special procurement document to reflect a new spending limit not to exceed the following amounts:

This special procurement purchase request with Paradigm Software, LLC (Paradigm) will cover two contracts in an amount not to exceed \$159,977.60 for the initial five year period for the purchase and installation of scale software & licenses as well as the support services agreement. This procurement request will also cover an additional five year period if the contract is extended in an amount not to exceed \$128,325.10, for a total amount not to exceed \$288,302.70 over the full ten-year period.

Please approve via e-mail and I will attach it to the documents that will be uploaded for the Council Report.

Thanks,

Ernie Ruiz Jr.
Landfill-MRF Superintendent
Office: 623-930-4722
Cell: 623-640-1046
E-mail: eruiz@glendaleaz.com



Materials Management Special Procurement Purchase Request

Revised 04-04-11

This form is not used for emergency or sole source requests.

REQUESTOR INFORMATION:

Requestor: Ernie Ruiz	Date: March 27, 2014	Department: Field Operations/Landfill-MRF
Phone Number: 623-930-4722	Fax Number: 623-872-2995	

VENDOR INFORMATION:

Vendor Name: Paradigm Software LLC	Vendor Contact: Jackie Barlow, VP
Vendor Address: 113 Old Padonia Road, Suite 200	
City, State and Zip Code: Cockeysville, MD 21030	
Vendor Phone: 410-329-1300	Vendor Fax: 443-275-2509

SPECIAL PROCUREMENT INFORMATION:

Total Cost of this Order: \$45,000	One time purchase: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Fund #:2440 / Department #: 17710 / Account # 526800	
Description of the product or service requested: The Glendale Municipal Landfill (GML) is requesting a Special Procurement Purchase for the following: Paradigm Scale Software upgrade to Version 6.0, to include hardware and components for its exclusive software. This software system is utilized at the GML to record, invoice, and tracks over 800 to 1,000 transactions daily that are made at the GML.	

As per agreements and e-mail dated 11-19-14 from T. Burkeow.

JUSTIFICATION:

A Special Procurement Purchase is that the nature of the materials or service:

- (1) Presents such limited competition that a competitive bid or proposal process cannot reasonably be used, or
- (2) Discourages the use of a competitive bid or proposal as it will result in a substantially higher cost to the city, or will otherwise impair the city's financial interests, or
- (3) Substantially impede the city's administrative functions or the delivery of services to the public, or
- (4) Does not qualify as a sole source or emergency, or
- (5) Has only one provider with the experience and capability to successfully perform the contract; or
- (6) Presents a significant time constraint as the need was not known in sufficient time to allow for competitive procurement and time is of the essence.

ER 8235
11-19-14

Approved
VR 11-17-14

JTB
11-18-14



Materials Management Special Procurement Purchase Request

Revised 04-04-11

JUSTIFICATION:

Provide sufficient detail to justify the use of the special procurement process instead of competitive offers. Lack of detail may result in delays while additional information is obtained. Materials Management will determine the appropriateness of waiving the competitive process on a case by case basis.

Justification:

The city of Glendale Municipal Landfill (GML) has been utilizing Paradigm Software LLC for all of its scale house record keeping, as well as its recycling and landfill billing for the past twelve (12) years and has been very pleased with its functionality and capabilities.

The GML Software and hardware upgrades to the new Paradigm 6.0 Software are now necessary in order to maintain the system at peak performance. These upgrades and enhancements will cost the GML between \$30,000 and \$45,000 depending on how independent the GML wants the system to work.

The GML feels by switching to an alternate vendor for these types of services it will significantly impede the ability to deliver services to the public and commercial customers who frequent the GML on a daily basis. Installing a new software system would cause extreme hardship on the operations, financially as well from having to train scale house staff on new software.

Paradigm Software LLC also warrants that its software provided is the sole and exclusive property of Paradigm Software and no other entity can upgrade their system.

Additionally the city recently partnered with a privately owned waste processing facility (Vieste) who has invested \$20,000 to access the Paradigm software system. The purpose of accessing these records is for real time access to tonnage numbers in order to monitor vehicles as they enter the facility, and track their production capabilities at their new plant. This is in accordance with the Waste Supply Agreement, C-8284 that was entered into by the city in October of 2012.

REQUESTOR CERTIFICATION:

I hereby certify that I have conducted a good faith effort for determining the validity of the special procurement purchase.

Requestor: Ernie Ruiz Jr.

Division: Landfill-MRF

Date 03/27/14

Stuart Kent

Printed Name

Department Head Signature

04/01/14

Date



City of Glendale
COMPUTER HARDWARE AND SOFTWARE PROCUREMENT
Request Form

Date: 3/28/2014

Department/ Division: Field Operations/Landfill

Contact Person: Ernie Ruiz, Acting Solid Waste Superintendent

Phone: 623-930-4722

Part A: Standard Hardware or Software (check applicable boxes.)

Standard PC per specifications, designated for: [Click here to enter specifications](#) Qty.

- Replace existing PC with City Asset Tag number: [Click here to enter Asset Tag](#)
- New PC (to be covered by *PC Replacement Program*)
- See attached for upgrades
- Grant purchase or CIP TRF purchase

Standard Laptop per specifications, designated for: [Click here to enter specifications.](#) Qty.

- Replace existing Laptop with City Asset Tag number: [Click here to enter Asset Tag](#)
- New Laptop (to be covered by *Replacement Program*)
- See attached for upgrades
- Grant purchase or CIP TRF purchase

Printer

- HP Laser printer per specifications with Jet direct network card Qty.
- HP Color Laser printer per specifications with Jet direct network card Qty.
- See attached for upgrades
- Grant purchase or CIP TRF purchase

Part B: Non-standard Hardware or Software

Description of Hardware/Software:

Upgrade to Paradigm Software Version 6.0, replace outdated components and hardware

Justification:

The city of Glendale Municipal Landfill (GML) has been utilizing Paradigm Software LLC for all of its scale house record keeping, as well as its recycling and landfill billing for the past twelve (12) years and has been very pleased with its functionality and capabilities.

The GML Software and hardware upgrades to the new Paradigm 6.0 Software are now necessary in order to maintain the system at peak performance. These upgrades and enhancements will cost the GML between \$30,000 and \$45,000 depending on how independent the GML wants the system to work.

The GML feels by switching to an alternate vendor for these types of services it will significantly impede the ability to deliver services to the public and commercial customers who frequent the GML on a daily basis. Installing a new

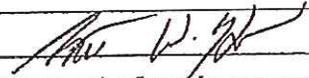


City of Glendale
COMPUTER HARDWARE AND SOFTWARE PROCUREMENT
Request Form

software system would cause extreme hardship on the operations, financially as well from having to train scale house staff on new software.

Paradigm Software LLC also warrants that its software provided is the sole and exclusive property of Paradigm Software and no other entity can upgrade their system.

Additionally the city recently partnered with a privately owned waste processing facility (Vieste) who has invested \$20,000 to access the Paradigm software system. The purpose of accessing these records is for real time access to tonnage numbers in order to monitor vehicles as they enter the facility, and track their production capabilities at their new plant. This is in accordance with the Waste Supply Agreement, C-8284 that was entered into by the city in October of 2012.

Department Head or DSA Approval:  Account Number: 2440-17710-526800

Fund/Dept to charge for ongoing cost of replacement or software: 2440-17710-526800



Legislation Description

File #: 14-465, Version: 1

AUTHORIZATION TO ENTER INTO AN AGREEMENT WITH FCI CONSTRUCTORS, INC., FOR CONSTRUCTION OF PHASE ONE OF THE GLENDALE LANDFILL SCALE HOUSE RELOCATION PROJECT

Staff Contact: Jack Friedline, Director, Public Works

Purpose and Recommended Action

This is a request for City Council to approve a Guaranteed Maximum Price (GMP) construction agreement with FCI Constructors, Inc., in an amount not to exceed \$2,859,107 for the construction of new facilities including an entrance road, a scale house, and an administration building at the Glendale Municipal Landfill.

Background

The Landfill is located at 11480 West Glendale Avenue and is comprised of two main sections, the north and south areas. The south area is approaching capacity and is projected to close in 2017. The current scale house, administration building and heavy equipment maintenance facility all are located in a portion of the south area that is planned to be filled with solid waste prior to closure. These facilities have exceeded their useful life and need to be removed in order to ensure a smooth transition in landfill operations from the south area to the north area without impacting service levels to landfill customers.

Analysis

The Engineering Department utilizes four different types of procurement processes when constructing city projects, and staff determined it would be in the city's best interest to hire a Construction Manager At Risk (CMAR) for the Landfill Scale House Relocation Project. The CMAR for this project will provide pre-construction management services during the design phase and will serve as the general contractor during construction of the project. The CMAR will assume the risk of delivering the project through a Guaranteed Maximum Price (GMP) contract.

In August 2013, a Request for Qualifications (RFQ) was advertised seeking a CMAR to assist with design and construction phase services for this project. FCI Constructors, Inc. was selected as the best qualified firm, and the city entered into a CMAR agreement for design phase services with FCI Constructors, Inc. for the Landfill Scale house Relocation project on January 17, 2014.

The current request being presented to Council for approval is the Guaranteed Maximum Price (GMP) construction agreement for the first phase of the Glendale Municipal Scale House Relocation Project. The new Landfill improvements will accommodate on-going operations in the north area and include the construction of a new entrance road, scale house with three new weigh scales, new administration building and associated utilities. Staff recommends approval of the GMP construction agreement with FCI Constructors, Inc. in an amount not to exceed \$2,859,107 for the construction of the new Landfill entrance

road and facilities.

This is the first phase of a two phase construction project. The second phase will involve the construction of a new landfill heavy equipment maintenance building. A second GMP construction agreement for phase two will be presented to Council for approval in fiscal year 2015-16.

Previous Related Council Action

On September 10, 2013 City Council authorized the entering into of a professional services agreement with Arrington Watkins Architects, LLC in an amount not to exceed \$325,438 for design and construction administration services for the Glendale Municipal Landfill Scale House Relocation Project. Arrington Watkins primarily is responsible for managing all estimating and scheduling as part of their design services and coordinating administrative and construction management efforts with the CMAR during the construction phases of the project. This firm was selected from the pre-qualified Engineering Consultants On-Call list.

Community Benefit/Public Involvement

Managing the solid waste generated in our community is a core service of Public Works. The Glendale Municipal Landfill is an environmentally-sound, long-term solution to solid waste management and is a valued resource that contributes to the health, welfare and prosperity of Glendale residents.

Budget and Financial Impacts

Funds for this project are available in the fiscal year 2014-15 capital improvement plan (CIP) budget of the Landfill Enterprise Fund.

Cost	Fund-Department-Account
\$2,859,107	2440-78523-550800, Scale House and Road Relocation

Capital Expense? Yes

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?

§

CITY OF GLENDALE
CONSTRUCTION MANAGER AT RISK AGREEMENT

Project: Glendale Landfill Scalehouse Relocation Project
GMP No. 1

Project No.: 111219

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CONSTRUCTION MANAGER AT RISK AGREEMENT

This Construction Manager at Risk Agreement (this "Agreement") is made by and between the City of Glendale, an Arizona municipal corporation ("City"), and FCI Constructors, Inc. (FCI), a Colorado corporation, authorized to do business in the State of Arizona ("CMAR").

RECITALS

- A. City is undertaking the design and construction of a public works project, as described in detail in **Exhibit A**, to benefit its citizens and visitors and the region generally (the "Project").
- B. City has engaged FCI to prepare design, programs, budgets, and other criteria for the project (the "Design Documents").
- C. CMAR's Statement of Qualifications ("SOQ") was submitted in response to the City's Request for Qualifications dated September 20, 2013. CMAR was selected by a qualification-based process in accordance with Title 34 of the Arizona Revised Statutes.
- D. City will engage CMAR under the terms of this Agreement to manage and be responsible for the timely and proper construction and commissioning of the fully completed and functional Project (the "Work").

AGREEMENT

City, subject to the terms and conditions of this Agreement, hereby engages CMAR to construct the Project. CMAR accepts this engagement as provided herein. Therefore, City and CMAR agree as follows:

1. **Definitions.** For the purposes of this Contract, the following words and terms shall have the respective meanings set forth below. All other words shall be given their ordinary and common usage, unless otherwise noted.
 - a. **"Change Directive"** means a written directive issued by City specifying the required Change, together with City's determination of the corresponding adjustment (if any) in the Contract Sum and/or Contract Times.
 - b. **"Change Order"** means a written amendment to this Agreement, executed on behalf of City and CMAR that specifies the Change, and the adjustment to the Contract Sum and/or Contract Times.
 - c. **"Construction Documents"** means those stamped and sealed documents containing all of the elements required in this Agreement and prepared by a registered design professional in connection with the Work that have been accepted by both CMAR and City and approved and released for construction by the applicable governmental permitting authorities.
 - d. **"Construction Materials"** means all fixtures, materials, and supplies provided for incorporation in the Project.
 - e. **"Project Documents"** include:
 - (A) this Agreement and any amendments,
 - (B) Design Documents,
 - (C) Construction Documents,
 - (D) any Change Orders, Change Directives, or Field Orders,
 - (E) Notice to Proceed,
 - (F) Project related specifications and drawings,
 - (G) permits,

- (H) FFE Procurement Schedules,
 - (I) provisions of the required bonds and insurance policies, and
 - (J) other documents identified in **Exhibit A**.
- f. **"Construction Services"** means all procurement and construction services of every kind and description, including all construction services, expertise, labor, materials, equipment, tools, utilities, supervision, coordination, scheduling, permitting, shop drawings, transportation, insurance, testing, inspection, procurement, installation and other facilities and services of every kind and description, and calculations incidental and required in connection therewith and as further described in **Exhibit A**.
- g. **"Excusable Delay"** means a delay that the City determines has or will cause the Project Schedule not to be met as a result of an event that is not attributable in any manner to CMAR's actions or inactions, or attributable in any manner to the actions or inactions of any entity under CMAR's control or direction, and cannot be avoided or mitigated by CMAR's best efforts. A Force Majeure, as defined in Section 6.7 herein, would constitute an Excusable Delay.
- h. **"FFE"** means the furniture, fixtures, and moveable equipment and other items of Work that are required for the completed Project. City may distinguish between furniture, fixtures, and moveable equipment that will be provided by City outside CMAR's scope and that which CMAR will provide as a part of this Agreement.
- i. **"Final Completion"** means the date when all of the following have occurred:
- (A) All punch list items have been completed to the satisfaction of the governmental permitting authority;
 - (B) A permanent certificate of occupancy has been secured;
 - (C) The Architect of Record has accepted the Project and submitted the property Certificate of Final Completion to City; and
 - (D) City has accepted the Project.
- j. **"Hazardous Substance"** means any element, compound, mixture, solution, particle or substance which is or may become dangerous, or harmful to the health and welfare of life or the physical environment if not used, stored or disposed of in accordance with applicable law, such as, but not limited to, explosives, petroleum products, radioactive materials, hazardous wastes, toxic substances and related materials, and including without limitation: (1) any substance or material included within the definitions of "hazardous substances," "hazardous wastes," "special wastes," "regulated substances," "Hazardous Substances," "toxic substances," "hazardous pollutants" or "toxic pollutants" in any of the Resource Conservation and Recovery Act, 42 U.S.C. § 9601, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 6901, the Toxic Substances Control Act, the Clean Air Act and/or the Clean Water Act, as the foregoing may be amended from time to time, or any regulations promulgated thereunder, and any analogous state, local or other governmental laws, rules or regulations; (2) any "PCBs" or "PCB items," as defined in 40 CFR § 761.3; and (3) any "asbestos," as defined in 40 CFR § 763.63.
- k. **"Subcontractor"** means any person or entity, including materialmen, that has a direct contract with CMAR to furnish any element of the Work. The prime contractor of CMAR is not a subcontractor.

- l. **"Substantial Completion"** of the Work means the date when all of the following have occurred:
 - (A) The Work is approved by City and deemed by the City to be substantially complete;
 - (B) The applicable permitting authorities have each issued its respective written approval(s) of the Work as being sufficiently complete so that it may lawfully be occupied by City for City's intended use;
 - (C) The Architect of Record has accepted the Project and submitted the property Certificate of Substantial Completion to City certifying that the work is substantially complete; and
 - (D) Subject only to specified punch list items.
- m. **"Supplier"** means any entity, except the CMAR and a direct Subcontractor of the CMAR, that is contracted to furnish any labor, equipment, professional services, Construction Materials or other goods or services to accomplish or complete the Work required in this Agreement.
- n. **"Vendor"** means a Subcontractor or Supplier who sells, but does not attach or install Construction Materials that are not specially manufactured or fabricated for the Project.
- o. **"Withholding"** means the amount of each Progress Payment, Final Payment, or other amount otherwise payable to CMAR will be reduced for the reasons provided in this Agreement.
- p. **"Work"** means that activity required for the timely, cost-effective, and proper design, engineering, construction, implementation and commission of the Project. Work includes, and is the result of, CMAR performing, furnishing, and incorporating as necessary all labor, materials, and equipment into the construction of the Project, and CMAR performing, furnishing, or making provision for the services and documents required by this Agreement, including and Project documents, which are incorporated hereto by reference.
- q. **"Work Product"** means the documents generated by CMAR and its Supplier(s), including, but not limited to, all preliminary and completed evaluations, programs, reports, drawings, plans, operational documents or other work product in any media or form that CMAR and its Supplier(s) generate, or arrange for, in connection with the Project, together with the design of the buildings and structures embodied within them, and all items and matters included within the definition of "architectural work" as provided in 17 U.S.C. § 101.

2. **Construction Services.**

2.1 **CMAR Obligation.**

- (A) CMAR will furnish all Construction Services, including those further described in **Exhibit A**, that are necessary for the Project's timely and proper construction, completion, and use by City.
- (B) Construction Services includes the completion of every improvement depicted, required by or reasonably inferable from any portion of the Project Documents.

3. **Representatives and Key Personnel.**

3.1 CMAR Representative.

- (A) Responsibilities. CMAR's Representative is authorized to act on CMAR's behalf and may not be discharged, replaced or have diminished responsibilities on the Project without City's prior consent, which may not be unreasonably withheld.
- (B) Address. CMAR's Representative address for Notice, as required in this Agreement, is:
FCI Constructors, Inc.
P. O. Box 2176
Litchfield Park, Arizona 85340

3.2 City's Representative.

- (A) Designation of City Representative. City's Representative is authorized to act on City's behalf, whose address for Notice, as required in this Agreement, is:
Bill Passmore
Senior Civil Engineer
City of Glendale
5850 W. Glendale Avenue, Suite 315
Glendale, Arizona 85301

With required copies to:

City Attorney
City of Glendale
City Attorney's Office
5850 W. Glendale Avenue, Suite 450
Glendale, Arizona 85301

- (B) Concurrent Notices.
- (1) Except to the extent otherwise directed to CMAR in writing, all Notices to City's Representative must be given concurrently to the Project Coordinator and City Attorney.
- (2) Notices are not considered received by City's Representative until the time that it has also been received by the Project Coordinator and City Attorney.
- (C) Construction Administration Project Manager. The Construction Administration representative (the "Project Manager") with authority to act for the Construction Administration Firm for the Project whose information for Notices is:
Keith Sabia Senior Project Manager
FCI Constructors, Inc.
P. O. Box 2176
Litchfield Park, Arizona 85340
Email: ksabia@fciol.com

3.3 Key Personnel.

- (A) Employment of Key Personnel. CMAR and its Subcontractors will employ key personnel in connection with the Work, in categories of persons

identified in **Exhibit B** (collectively, "Key Personnel") and each of whom will be acceptable to and approved by City.

(B) Approval of Key Personnel.

- (1) All personnel listed in CMAR's SOQ will be assigned to the Project and will be dedicated to performing work on the Project at not less than the frequency or amount of time identified in the SOQ.
- (2) Prior to the commencement of the Work, CMAR must deliver to City a written proposal identifying the names, duties and titles, and attaching the resumes of each person who CMAR proposes as the Key Personnel.
- (3) Except for those Key Personnel identified in the SOQ, City will have the right to disapprove CMAR's choice of any Key Personnel, provided City does so by giving written notice to CMAR.
- (4) If City disapproves any of CMAR's proposed Key Personnel, CMAR must provide City with the name and qualifications of proposed alternates and the procedure will continue until a complement of Key Personnel who meet with City's approval is selected.
- (5) Each Key Personnel will remain assigned to the Project throughout the Project's duration; and
- (6) As long as each Key Personnel remains employed by CMAR or its Subcontractors, he or she must not be discharged, reassigned, replaced, or have his or her responsibility diminished without City's prior written consent.

4. Documents.

4.1 CMAR Documents. CMAR represents that it has carefully examined, has had the opportunity to object to, and had the opportunity to obtain limitations to the Solicitation during the RFQ process, and fully understands this Agreement, including CMAR Documents and all other items, conditions, and things that may affect the performance of its obligations. Such items or conditions may include, but are not limited to, the nature or local field conditions of the Project Site that are observable to CMAR without intrusive inspection, or are documented in any environmental reports, surveys and other information regarding the Site that City has furnished to CMAR.

4.2 Design Documents. City will furnish the Design Documents with the understanding that CMAR may rely upon it to the extent CMAR's reliance is reasonable.

- (A) CMAR must consider the Design Documents in agreeing to the Guaranteed Maximum Price (as required by Section 5 of this Agreement).
- (B) CMAR hereby waives all claims, demands or requirements for extras or changes to the Work or the Guaranteed Maximum Price based on facts related to the Site that were discoverable by CMAR prior to the Effective Date of this Agreement.

4.3 Work Product Formatting. Any drawings created by CMAR, its Subcontractors, or its Supplier(s) will be generated and furnished to City in hardcopy and in freely modifiable AutoCAD format, as City may reasonably request.

4.4 Intellectual Property Rights Assignment. CMAR hereby irrevocably conveys and assigns to City the exclusive Ownership of, and copyright in, any Work Product that is generated by CMAR, its Subcontractors, and its Supplier(s) in connection with the Project, together with all copyright renewals and extensions and the right to reproduce, publish, modify, and create and publish derivative works from the Work Product.

(A) Use of Intellectual Property. CMAR warrants that it, its Subcontractors, and its Supplier(s) will not utilize any of the Work Product in connection with any other project without City's prior written consent, which may not be unreasonably withheld but which may be denied to the extent the requested use is for the other project and involves any unique or signature elements of the Project.

(B) Non-Infringement. CMAR further warrants to City that all Work Product generated or arranged for by CMAR, its Subcontractors, and its Supplier(s) in connection with the Project, and CMAR's conveyance and assignment to City of the ownership of, and copyrights in, the Work Product and/or copyrights in them, as provided in this section, will not infringe on the copyrights or another party's contractual or proprietary interests.

(C) CMAR will include provisions equivalent to the provision(s) contained in this Section 4 of this Agreement in each of CMAR's subcontracts and third party agreements with its Suppliers.

5. Guaranteed Maximum Price. The maximum amount for completion of the Work as required by the Design Documents will be the Guaranteed Maximum Price ("GMP").

5.1 GMP Elements. The GMP will incorporate into one amount::

(A) All CMAR's direct and indirect costs and expenses incurred in connection with the Work, whether at the home office, Site, or elsewhere;

(B) The cost of all construction, construction materials, engineering services, architectural services, geotechnical services, transportation costs, labor, supplies, services, equipment and other elements necessary for the Project's proper and timely completion;

(C) All profit, home office overhead, job site overhead, wages, salaries and fringe benefits paid to supervisory and other employees and representatives;

(D) Job trailer rental, utilities, telephone, and other related expenses;

(E) Printing;

(F) Long distance charges;

(G) Deliveries;

(H) Transportation;

(I) Insurance, as allowed in Section 31 of this Agreement;

(J) Bonds, as allowed in Section 31 of this Agreement;

(K) All building permit costs and fees required by any federal, state or local governmental entity;

- (L) All federal, state and local taxes imposed on labor, construction materials, equipment and services furnished, including transaction privilege, excise, sales, use, personal property and similar taxes, as allowed in Section 7.4 of this Agreement; and
- (M) All other general and administrative expenses incurred in connection with the Work.

5.2 Insurance and Bond Premiums. CMAR's Reimbursable Construction Insurance and Bond Premiums are the amounts equal to the premiums CMAR is required to pay to secure:

- (A) The Builder's Risk Policy that CMAR is required to furnish with City's approval as provided in this Agreement;
- (B) The liability insurance CMAR and its Supplier(s) are required to furnish under the provisions of **Exhibit E** in connection with the Construction Services; and
- (C) CMAR's statutory payment and performance bonds as provided in Section 31.3 of this Agreement, if the premium has been included in the GMP Schedule approved in writing by City.

5.3 Contingencies. Any line item identified in the GMP Schedule as a contingency ("Contingency") belongs solely to City, and may not be drawn upon or reallocated by CMAR without City and Project Coordinator's prior written approval.

- (A) Draws Including a Contingency. CMAR must include with each monthly Application for Progress Payment an itemization of each draw from the Contingency (by date, payee, purpose and amount of each transfer or payment) made during the Billing Month, together with a copy of City's written approval for the draw.
- (B) Required Designation of Contingency. Unless the GMP Schedule conspicuously designates a line item as a "contingency," the GMP does not include any contingency amount of any kind or nature.

5.4 Allowance. There are no line item costs identified as allowances in the GMP Schedule ("Allowance Item"). Accordingly, the GMP may only be increased or decreased by a written amendment to this Agreement, signed by both of the Parties.

5.5 Unit Priced Items. There are no line item costs identified as a unit price item ("Unit Price Item") or extended price ("Unit Price Extension Amount") in the GMP Schedule. Accordingly, the GMP may only be modified to include a Unit Price Item or a Unit Price Extension Amount by a written amendment to this Agreement, signed by both of the Parties.

5.6 FFE. FFE not specified in the Construction Documents will be procured in accordance with the FFE Procurement Schedules to be developed by CMAR subject to CMAR and City's mutual agreement.

- (A) FFE Warranty. CMAR warrants to City that:
 - (1) Construction materials and equipment and FFE furnished under this Agreement will be of good quality and new unless otherwise required or permitted by the Construction Documents and the FFE Procurement Schedules;
 - (2) The construction will be free from faults and defects; and

- (3) The construction and FFE will conform to this Agreement's requirements, the Construction Documents, and the FFE Procurement Schedules.
 - (B) Correction of Nonconforming FFE. Construction and FFE not conforming to these requirements, including substitutions not properly approved by City, must be corrected in accordance with Section 22 and 23 of this Agreement.
 - (C) "FFE Procurement Schedules" means the interior design drawings and listings of specific FFE to be purchased for the Project.
- 5.7 CMAR Risk.** CMAR bears the sole risk that any element of cost, overhead, or profit might cause the Guaranteed Maximum Price to be exceeded. If the GMP is exceeded, the City is not liable for such additional cost or expense unless the City to such a change in an amendment to this Agreement signed by both of the Parties.
- 5.8 GMP Savings.** If, upon the Work's Final Completion, the Contract Sum is less than an amount equal to the GMP, the resulting amount will belong solely to City.
- 5.9 GMP Schedule.** The GMP is apportioned among the Work's various elements as provided in **Exhibit C** (the "GMP Schedule"). **Exhibit C** may be used by City as a basis for evaluating CMAR's Applications for Progress Payment. To the extent there is any inconsistency between any of the provisions in **Exhibit C**, and any of this Agreement's provisions, this Agreement's provisions govern.

6. Schedules.

- 6.1 Commencement Date.** The date of City's written notice to proceed ("Notice to Proceed") will be the Construction Services commencement date.
- (A) City will not issue a Notice to Proceed until City has approved the applicable Construction Documents, and all necessary Permits have been issued.
 - (B) CMAR must not commence any Construction Services at the Site until City has issued a written Notice to Proceed.
- 6.2 Time of the Essence.** Time is of the essence in completing the Project.
- 6.3 Project Schedule.** CMAR must prosecute the Work in a logical and efficient manner in accordance with City's project schedule ("Project Schedule"), attached as **Exhibit D**.
- (A) Initial Project Schedule. Within 15 days of the execution of this Agreement, CMAR must submit an initial Project Schedule, which will include the following:
 - (1) Times (number of days or dates) for starting and completing the various stages of the Work, including milestones as specified in CMAR Documents;
 - (2) A Schedule of Values; and
 - (3) Construction Management Plan ("CMP").
 - (a) CMAR's CMP will include:
 - (i) Project milestone dates and the Project Schedule, including the broad sequencing of the construction of the Project;

- (ii) Investigations, if any, to be undertaken to ascertain subsurface conditions and physical conditions of existing surface and subsurface facilities, including underground utilities;
- (iii) Alternate strategies for fast tracking and/or phasing the construction;
- (iv) Number of separate sub-agreements to be awarded to Subcontractors and Suppliers for the Project construction;
- (v) Permitting strategy;
- (vi) Safety and training programs;
- (vii) Construction quality control;
- (viii) Commissioning program;
- (ix) Cost estimate and basis of the model; and
- (x) A matrix summarizing each Project Team member's responsibilities and roles.

(b) During the course of performance of the Work on this Project, CMR will add detail to its previous version of the CMP to keep it current throughout the construction phase and to take into account:

- (i) Revisions in Drawings and Specifications;
- (ii) CMR's examination of the results of any additional investigatory reports of subsurface conditions, drawings of physical conditions of existing surface and subsurface facilities and documents depicting underground utilities placement and physical condition, whether obtained by City, Design Professional or CMR;
- (iii) Unresolved permitting issues, and significant issues, if any, pertaining to the acquisition of land and right of way;
- (iv) Fast-tracking, if any, of the construction, or other chosen construction delivery methods;
- (v) Requisite number of separate bidding documents to be advertised;
- (vi) Status of the procurement of long-lead time equipment (if any) and/or materials; and
- (vii) Funding issues identified by City.

(B) Adherence to Project Schedule. CMAR must adhere to the major milestone dates of the Project Schedule at all times during the Work, unless it has received City's prior written approval for a deviation from or modification to the major milestone dates of the Project Schedule. CMAR must not depart from the major milestone dates of the Project Schedule without prior consultation with and approval from City.

- (C) Project Schedule Revision. The Project Schedule must be revised at least monthly, or at more frequent intervals as required by the conditions of the Work and Project, but each Project Schedule revision must allow for expeditious and practicable execution of the Work consistent with the Contract Times.
- (1) The monthly revision will be a condition precedent to any payment otherwise due to CMAR.
 - (2) Each revised Project Schedule must be prepared in sufficient detail to demonstrate for each element of the work its timing, duration, and sequence, all integrated to show a logical order and reasonable critical path consistent with the Substantial Completion and Final Completion Dates.
 - (a) The revised Project Schedule may take into account an appropriate number of weather delays reasonably anticipatable based on experience in the area, but not less than one day per month.
 - (b) Each revised Project Schedule must include activities and logic for mitigating the cost and time impact of any anticipated or potential delays to any critical path elements that CMAR wishes City to consider an Excusable Delay.
- (D) Weekly Progress Meeting. From the Effective Date until Final Completion, CMAR will meet with City every week (or more or less frequently, as requested by City or CMAR) to review the Work's progress.
- (1) In advance of each such meeting, CMAR must provide City a written progress report in the format and detail as provided in **Exhibit D** (each a "Progress Report").
 - (a) The Progress report will identify:
 - (i) Whether the Work is on schedule in accordance with the Project Schedule; or
 - (ii) Whether there are anticipated or potential delays to any critical path elements in the Work's construction, then CMAR must include an analysis identifying CMAR's plan for making up or mitigating the delay.
 - (b) Unless a delay is identified in the Progress Report, CMAR's Progress Report will be its certification that it has not incurred any delays to the critical path elements at least to the extent that a cause for the delay can then be reasonably identified.
 - (2) Unless the delay is an Excusable Delay, CMAR must take all actions, at its expense, including working overtime and hiring additional personnel, to comply with such Project Schedule.
 - (3) If the delay is an Excusable Delay, the Project Schedule may be modified to the extent mutually agreed upon by City and CMAR.
 - (4) Notwithstanding any provision to the contrary in this Agreement, CMAR is solely responsible for the timing, sequencing,

coordination, and supervision of the Work consistent with the Substantial Completion and Final Completion Dates.

- (5) City's review, acceptance or approval of a Project Schedule or Progress Report provided by CMAR is not:
 - (a) A waiver or bar to any rights or claims City may have against CMAR in the event City subsequently discovers a deficiency in such Project Schedule or Progress Report; and
 - (b) An acceptance of any delay as an Excused Delay, which may only be granted, along with any extension of time, by a Change Directive or amendment to this Agreement.

6.4 Substantial Completion Notification. CMAR will notify City and Project Coordinator in writing when CMAR, Architect of Record, and Engineer of Record believe that CMAR has accomplished Substantial Completion of the Project.

- (A) Incomplete Items. If City concurs the Substantial Completion has been accomplished, City, Project Coordinator, CMAR, Architect of Record, and Engineer of Record will determine whether any items remain incomplete.
- (B) Certificate of Substantial Completion. If City concurs the Substantial Completion has been accomplished, Architect of Record, and Engineer of Record will then each issue a "Certificate of Substantial Completion" to City, which will:
 - (1) Record the Substantial Completion date as determined by City;
 - (2) State each party's responsibility for security, maintenance, air conditioning, heat, utilities, damage to the Work and insurance;
 - (3) Include a list of items identified by City, CMAR, Architect of Record and Engineer of Record to be completed or corrected; and
 - (4) Fix a reasonable period of time for their inspection.
- (C) Disagreement as to Substantial Completion. Disagreements between City and CMAR regarding the Certificate of Substantial Completion will be resolved in accordance with provisions of Section 11 of this Agreement.

6.5 Substantial Completion. CMAR must accomplish substantial completion by 210 consecutive calendar days following receipt of NTP (the "Substantial Completion Date").

- (A) Extensions. The Substantial Completion and Final Completion Dates ("Contract Time") may be extended for cause, or by Change Order, as provided in Section 6.7 of this Agreement.
- (B) Failure to Meet Substantial Completion Date. City will be substantially damaged if CMAR fails to accomplish Substantial Completion of the Work by the Substantial Completion Date, and it will be extremely difficult and impractical to ascertain the actual damages resulting from such delay; therefore:
 - (1) CMAR will pay City liquidated damages ("Liquidated Damages") in the event of a delay.
 - (2) Accordingly, if CMAR fails to accomplish Substantial Completion by the Substantial Completion Date, as it is extended in accordance

with this Agreement, City may assess, and CMAR must pay to City as Liquidated Damages, **\$1,070.00** for each day of delay until CMAR accomplishes Substantial Completion.

- (3) CMAR acknowledges that these sums:
 - (a) Will be paid as Liquidated Damages and not as a penalty;
 - (b) Are reasonable under the circumstances existing as of the Effective Date; and
 - (c) Are based on the parties' best estimate of damages City would likely suffer in the event of a delay.
- (4) CMAR must pay City any Liquidated Damages not so deducted within ten (10) days after demand, or City may deduct these sums from any monies due or that may become due to CMAR under this Agreement.
- (5) City's collection of Liquidated Damages will not affect its rights to seek other remedies in law or at equity, including exercising its rights under the Payment and Performance Bonds.

6.6 Final Completion. Final Completion must be accomplished by **240 consecutive calendar days following the receipt of NTP** (the "Final Completion Date").

- (A) Extensions. The Final Completion and Final Completion Dates may be extended for cause, by Change Order or other amendment of this Agreement, as provided in Section 6.7 below.
- (B) Failure to Meet Final Completion Date. If CMAR does not accomplish Final Completion by the Final Completion Date, as it is extended in accordance with this Agreement, City may thereafter take control of the Site, effective upon delivery of written Notice to CMAR, and City may exercise its rights under the terms of any Payment or Performance Bond, and seek any remedy in law or at equity, including engaging other contractors to complete the remaining Work, at CMAR's expense.
 - (1) City may deduct its resulting expenses plus 20% from amounts otherwise payable to CMAR.
 - (2) CMAR must pay any amounts not so deducted within ten (10) days after demand.

6.7 Completion Dates Extension. The Substantial Completion and Final Completion Dates may be equitably extended by Change Directive, other written, signed amendment to this Agreement, to the extent the Work's critical path, as shown in the most recent approved Project Schedule, is necessarily delayed by:

- (A) City Delay. Any of the following (each a "City Delay") to the extent they necessarily result in unreasonable delays that are not caused or contributed to by CMAR:
 - (1) A Change Directive;
 - (2) City's failure to make a decision regarding a major milestone item within a reasonable time (not exceed 10 days) after written request from CMAR accompanied by all documents and other information necessary for making the decision; or

- (3) Any material breach of this Agreement by City.
- (B) Force Majeure. The following items shall constitute a force majeure ("Force Majeure") event, provided they are not caused or contributed to by CMAR, or by any Subcontractor, Supplier or other person or entity for whom CMAR is responsible:
 - (1) Fire;
 - (2) War;
 - (3) Damage or disruption committed on behalf of any foreign interests to further international political objectives;
 - (4) Injunction in connection with litigation, governmental action;
 - (5) Severe and adverse weather conditions beyond those that can be reasonably anticipated as of the Effective Date of this Agreement.
- (C) Excusable Delay. The Substantial and Final Completion Dates may be extended by the number of days the City, in its sole discretion, determines is an Excusable Delay, as such term is defined in Section 1(g.) of this Agreement.
- (D) Mitigation of Delays. CMAR must use its best efforts to minimize any such time and cost impact of delays and must cooperate with City to mitigate the impact of any delays encountered by CMAR that would entitle it to an extension of time, even if its performance is unreasonably delayed by City.
- (E) Remedies for Delays.
 - (1) Pursuant to A.R.S. § 34-607(E), the parties agree to negotiate and discuss in good faith any potential damages related to increased costs incurred by CMAR for any unreasonable delay that is attributable to a City Delay; however, CMAR will not be entitled to additional funds for any increase in General Conditions cost due to any type of delay.
 - (2) CMAR's sole and exclusive remedy for a Force Majeure event is an extension of time.

7. Compensation.

7.1 Contract Sum. For CMAR's performance of the Work, City will pay CMAR the amount ("Contract Sum") determined by the formula, but the combined total of all amounts to be paid by City to CMAR for the performance of the Work will not in any event exceed the GMP:

$$CS = C + F + FFE \leq GMP$$

Where:

- (a) "CS" is the Contract Sum;
- (b) "C" is the Cost of the Construction Services as provided in Section 1(f.) of this Agreement;
- (c) "F" is CMAR's Fee, as provided in Section 7.2 of this Agreement;
- (d) "FFE" is the amount to be paid for the FFE Services, as provided in Section 1(h.) of this Agreement ; and

- (e) "GMP" is the amount of **\$2,859,107.00** (the "Guaranteed Maximum Price").

7.2 CMAR's Fee. CMAR's Fee, which will be the sole and exclusive compensation for CMAR's direct and/or indirect profit, home office overhead expense including, without limitation, home office administration, accounting, support, clerical services, insurance not specifically reimbursable under this Agreement, rent, all other direct and indirect home office expenses (including the costs specifically identified by CMAR to recruit and relocate employees and bonuses (at a not-to-exceed amount) that are previously approved by City as reimbursable); taxes other than reimbursable payroll related taxes and any other cost or expense not specifically included within the Cost of Construction Services, is the amount determined by the formula:

$$F = R [C - PT - INS]$$

Where:

- (a) "F" is CMAR's Fee;
- (b) "R" is 6.5 percent;
- (c) "C" is the Cost of the Construction Services, as defined by Section 7.3 of this Agreement, excluding any self-performed work;
- (d) "PT" is Privilege Taxes, as further specified by Section 7.4 of this Agreement; and
- (e) "INS" is CMAR's Reimbursable Construction Insurance and Bond Premiums, as specified by Section 5.2 of this Agreement.

7.3 Construction Services Cost.

- (A) Costs included in Construction Services. Construction Services cost consists of the reasonable expenses actually, necessarily and properly paid by CMAR, in the Project's proper and timely construction, without markup for CMAR's Fee or Privilege Taxes, for the following:
 - (1) Payments to City-approved Subcontractors or Supplier for the performance of the Construction Services and/or the furnishing of Construction Materials, fixtures, equipment and supplies in accordance with the provisions of their respective Subcontracts or Sub-subcontracts;
 - (2) Wages, salaries and normal fringe benefits (as approved by City), and normal employer taxes paid by CMAR thereon, of CMAR's supervisory staff and general field labor assigned to the Work, but only for the portion of time actually devoted to the Work, all subject to and as approved in writing by City, provided such costs are not included in the costs to be paid from CMAR's Fee per Section 7.2 of this Agreement;
 - (3) Elements of the Construction Services to be self-performed by CMAR with City's approval, in amounts approved by City (which will not include any mark-up for CMAR's Fee);
 - (4) Permit, licenses, connection fees, and other such fees to the extent required by any governmental entity;

- (5) Construction Materials suitably stored on the Site with City's approval as provided in Section 12.5 of this Agreement;
 - (6) Construction equipment used on the Site by CMAR with City's approval, at rates not to exceed the lesser of:
 - (a) The prevailing rates charged by others for rental of similar equipment; or
 - (b) The purchase price of the Construction equipment less the reasonable depreciation in value of that equipment as a result of its use on the Site;
 - (7) Construction utilities, job site telephone, job trailer rental, portable toilets, dumpsters, cleanup and other job site general conditions as approved by City;
 - (8) Premiums paid by CMAR for Reimbursable Construction Insurance and Bond Premiums as provided in Section 5.2 of this Agreement, without any markup for CMAR's Fee;
 - (9) Any other reasonable construction expense necessarily required for proper performance of the Work at the Site required by this Agreement as approved in writing by City; and
 - (10) Reimbursable Privilege Taxes, without any mark up for CMAR's Fee. Expenses that do not meet the criteria set forth above are not reimbursable as Costs. All discounts received by CMAR from Supplier accrue to City's benefit.
- (B) Cost Excluded from Construction Services. The Cost of the Construction Services ***may not*** include reimbursement for:
- (1) Any amounts for FFE Services;
 - (2) The performance of any Construction Services by CMAR's own forces or use of any equipment owned by CMAR without City's prior written approval;
 - (3) Any Construction Materials not yet incorporated in the Project or stored at the Site with City's approval, as defined in Section 12.5(A) of this Agreement;
 - (4) Payment to CMAR or a Lower Tier Person of amounts in excess of the amounts established with City's approval for CMAR's self-performed Construction Services or for the Lower Tier Person;
 - (5) Repair or replacement of defective or nonconforming Work;
 - (6) Repair or replacement of Work damaged by the negligence or failure to perform a responsibility hereunder by CMAR or by any Supplier;
 - (7) Any interest or penalties;
 - (8) Premiums for business automobile insurance, workers compensation and employers liability insurance, and any general liability and other insurance normally carried by CMAR;
 - (9) Any legal expense incurred by CMAR;

- (10) Any other home office expense;
 - (11) Any expense that causes the GMP to be exceeded except by Change Order, Construction Change Directive or Dispute Resolution as provided in this Agreement; or
 - (12) Any other expense that does not meet the criteria set forth in Section 7.3(A) of this Agreement.
- (C) Schedule of Rates. City will consider approving written schedules of rates upon which CMAR may base its monthly estimated costs for purposes of Applications for Progress Payment of certain Construction Services categories, such as supervisory salaries and equipment; but only on condition that adoption of any schedule for these purposes is subject to audit and adjustment necessary to reflect the actual costs of these items to CMAR.

7.4 Taxes.

(A) Reimbursement.

- (1) Subject to the GMP, City will reimburse CMAR for Privilege Taxes paid by CMAR on gross receipts received by CMAR from City to the extent such Privilege Taxes were timely paid by CMAR on that part of CMAR's compensation for Cost of the Construction Services that is subject to state or local privilege taxation under the prime contractor or construction contractor classifications, and are not otherwise exempt from such taxation.
- (2) Provided this cost does not cause the CMAR to exceed the GMP, City will reimburse CMAR for Privilege Taxes paid by CMAR on amounts received from City for the direct costs paid by its Subcontractors for FFE (excluding Privilege Tax and without markup for profit and overhead) incorporated in the Project, but City will not reimburse CMAR for any amounts paid as and for Privilege Taxes by CMAR to its Supplier(s) or by a Supplier to another Supplier.

(B) Application.

- (1) Each Application for Progress Payment and Application for Final Payment will separately identify that part which represents FFE.
- (2) CMAR and its Supplier(s) will not report transaction privilege or use taxes paid for FFE.
- (3) CMAR will not seek reimbursement for Privilege Taxes computed on receipts for these expenses.

- (C) Tax Licenses. CMAR must take all steps necessary to obtain state and local retail tax licenses, issue exemption certificates to vendors, and otherwise perfect its right to be exempt from the payment of Privilege Tax for FFE purchases, and CMAR must require its Supplier(s) to also obtain state and local retail tax licenses, issue exemption certificates to vendors, and otherwise perfect their rights to be exempt from the payment of Privilege Tax for FFE purchases.

7.5 FFE Services.

- (A) The amount to be paid to CMAR for the FFE Services will be an amount equal to the direct expenses (exclusive of any Privilege Taxes) paid by CMAR (or by a Subcontractor or Supplier) for the FFE, without markup for profit or overhead of CMAR (or of the Subcontractor or Supplier).
- (B) "FFE Services" means interior design of the Project and the procurement of the FFE.

8. Payments.

8.1 Cash Flow Report.

- (A) CMAR will prepare a Cash Flow Report for projected monthly project cash flow on the form provided by City.
- (B) The Cash Flow Report will be submitted for approval prior to issuance of the Notice to Proceed, as issued in accordance with Section 6 of this Agreement.
- (C) The Cash Flow Report will be updated and submitted with each Application for Progress Payment and at any time City requests if the projected monthly project cash flow varies by more than 10% of the GMP.
- (D) The Cash Flow Report will reflect the following:
 - (1) Initially, the accumulation of month pay estimates costs will be plotted versus time in accordance with the proposed construction schedule; and
 - (2) For each update, CMAR's actual month payment versus the actual elapsed time on the Project.

8.2 Draft Application for Progress Payment. Based on draft applications (each a "Draft Application") followed by formal applications for progress payment (each an "Application for Progress Payment"), City will make monthly progress payments on Contract Sum account as provided in this Section. The Draft Application is for informational purposes only and its submission is not an Application for Progress Payment.

- (A) Period. The period covered by each Application for Progress Payment will be one calendar month (the "Billing Month") ending on the last day of each month.
- (B) Date for Submission. On or before the 25th day of each Billing Month, CMAR will submit to City its Draft Application, which must identify all amounts CMAR expects to invoice for the entire Billing Month.
- (C) Review Meeting. The parties will thereafter meet and make good faith efforts to reach agreement on the Draft Application by the end of the Billing Month, whereupon CMAR will formalize its Application for Progress Payment for the Billing Month, incorporating all of the agreements reached during the parties' review of the Draft Application.

8.3 Application for Progress Payment. Provided that CMAR has submitted its Draft Application for review as provided above, CMAR may submit its Application for Progress Payment for the Billing Month to City, no earlier than the 1st day of the month following the Billing Month.

- (A) Date for Submission. City will make a Progress Payment, subject to applicable Withholdings, to CMAR not later than 21 days after the date on

which the Application for Progress Payment has been received by City, subject to this Agreement.

- (B) One Progress Payment Per Month. Unless City agrees otherwise, CMAR may submit only one Application for Progress Payment in a month and City will make only one Progress Payment in a month to CMAR.
- (C) Progress Payment Application Form. The Application for Progress Payment will be in such form as City may reasonably require, and will be accompanied by the following to City's reasonable satisfaction:
 - (1) A sworn statement of the Cost of the Work furnished during the Billing Month, together with the required form of application as City requires, properly completed so as to allocate all Construction Services and FFE Services according to the most recent City-approved GMP Schedule;
 - (2) An itemized report of the Work performed during the Billing Month;
 - (3) Proof of CMAR's compliance with testing, submittals, permits, and other requirements applicable to the Work requested by City;
 - (4) Conditional and unconditional waivers and releases from CMAR and from Subcontractors, Supplier, vendors, and others relating to Work for which the Application for Progress payment is requested, or receipt of amounts for which payment has previously been made, as requested by City;
 - (5) Payrolls, petty cash accounts, receipted invoices or invoices with check vouchers attached, payrolls, requisitions from Subcontractors and material suppliers, vendors receipted invoices, purchase orders, and delivery tickets;
 - (6) CMAR's monthly updated Project Schedule as provided in Section 6 of this Agreement; and
 - (7) Such other evidence substantiating the particulars of CMAR's Application for Progress Payment as may be required by City.
- (D) Complete Application Required. A complete Application for Progress Payment, including all required documentation, will be a condition precedent to CMAR's right to have the Application for Progress Payment reviewed or to receive any Progress Payments.
- (E) Incomplete or Untimely Applications. If CMAR submits an Application for Progress Payment that is incomplete or untimely, in City's reasonable judgment, CMAR must resubmit the Application for Progress Payment, with any applicable corrections.
- (F) Correspondence to Other Documents. CMAR's Application for Progress Payment must be organized so that all back-up for each line item of the Application for Payment corresponds to the most recently City-approved GMP Schedule and that the back-up for the amount requested for each item of the Construction Services, and FFE Services, and each Change Directive or Change Order is separately provided for and is available for review by City.

- (G) Certification. The Application for Progress Payment must be signed by CMAR, the Architect of Record or the Engineer of Record certifying that:
- (1) The Work has progressed to the point indicated in the Application for Progress Payment;
 - (2) That the Work is in accordance with the Project Documents;
 - (3) CMAR is entitled to payment in the amount requested; and
 - (4) Applications for Progress Payment to City will not be deemed delivered until actually received by City.
- (H) Review of Work by City. City will have the right to review the Work after receipt of CMAR's application.
- (1) Within three days after receipt of the Application for Progress Payment, City will prepare and issue a written statement ("Deficiency Notice") specifying those items covered by the Application for Progress Payment that are not approved and certified for payment if:
 - (a) City reasonably determines that the Work actually completed is less than that represented on the Application for Progress Payment;
 - (b) The Work is defective;
 - (c) The Work does not comply with this Agreement's requirements; or
 - (d) The other grounds for withholding as provided in Section 12.3(B) below apply.
 - (2) The Deficiency Notice may be given in any reasonable manner, including handwritten annotations on a copy of the Application for Progress Payment returned to CMAR.
 - (3) City may withhold such sums as are permitted pursuant to A.R.S. § 34-607 to pay the expenses City reasonably expects to incur in correcting the deficiencies so identified.
 - (4) If sums were withheld in connection with a prior Application for Progress Payment, and the associated deficiencies have been corrected, the amount so withheld may be included as part of the current Application for Progress Payment.
 - (5) City will have the right to amend any previously-given Deficiency Notice, or approval for payment, in whole or in part, based on mistake, newly-discovered information, or other grounds permitted by Law, and such amendments will apply to any Application for Progress Payment.
 - (6) However, the failure by City to specify any defect in the Work in a Deficiency Notice will not act as a waiver or otherwise prevent City from raising defect issues at any time.
- (I) Progress Payment to CMAR. Within 21 days after receipt of the properly completed Application for Progress Payment, City will pay to CMAR the

entire amount set forth in the Application for Progress Payment, less any applicable Withholding and less retainage as provided in A.R.S. § 34-607(B).

- (J) Progress Payment to Suppliers. Within seven days after receipt of payment by City, CMAR will make payment available to its Subcontractors or Supplier entitled to payment in accordance with A.R.S. § 34-607(F).
- (1) If any payment is to be withheld from a Subcontractor as provided by law of this Agreement, the amount withheld must not be included in the Application for Progress Payment.
 - (2) CMAR bears all costs and damages, without reimbursement, that arise from CMAR's failure to pay Subcontractors entitled to payment in a timely manner as provided by law, to the extent such payment has been received by CMAR from City.
 - (3) City has no obligation under this Agreement to pay or to be responsible in any way for payment to a Subcontractor or Supplier performing portions of the Work.

8.4 Proof of Payment.

- (A) Duty to Discharge Debts and Obligations. All CMAR's debts and obligations for labor, materials, equipment or fixtures incorporated into the Project or any other element of Work, including that shown in any estimate, Application for Progress Payment, requisition or claim and upon which CMAR has received a payment must be paid or discharged.
- (B) Proof. Receipts or vouchers showing payment or discharge must, if City so requires, be provided to City before CMAR will be entitled to receive any other or further payment under this Agreement.
- (C) Joint Check Alternative. At CMAR's election, CMAR may satisfy this requirement by requesting City issue joint checks in accordance with Section 12.4 of this Agreement.

9. Final Payment.

9.1 Application for Final Payment. Provided that CMAR has accomplished Final Completion in a timely fashion and to the City's satisfaction, CMAR may submit an application for final payment ("Application for Final Payment"); however, neither final payment nor amounts retained, if any, will be due until:

- (A) CMAR submits to City an application for final payment with all required documentations in accordance with Section 9.2 below; and
- (B) City has thereafter conducted a review or audit of CMAR's Final Accounting, as defined in Section 9.2 below.

9.2 Application for Final Payment Form. The Application for Final Payment must be in such form as City may reasonably require.

- (A) Required Information. Application for Final Payment must be accompanied by the following to City's satisfaction:
- (1) Waivers and Releases on Final Payment as provided in Section 12.1 of this Agreement;
 - (2) CMAR's accounting ("Final Accounting"), bearing the certificates of CMAR's chief executive and chief financial officers attesting to

the completeness and accuracy of the Cost of the Work for which CMAR has received or seeks reimbursement from City;

- (3) Architect of Record or the Engineer of Record certification to City that the Project is complete;
- (4) Proof that CMAR has furnished to City the redlines, warranties, manuals and other close-out documents required by any of the Project Documents or applicable laws of city, county and state governments, or other authorities with jurisdiction over the Project;
- (5) Certificates that all insurance required by the Project Documents to be in force after Final Payment is made and will be in effect as required;
- (6) Such other documents substantiating the particulars of CMAR's Application for Final Payment (including additional backup for CMAR's accounting) as may be reasonably required by City, the Financing parties and CMAR's Surety;
- (7) Consent of CMAR's surety to the Final Payment; and
- (8) City may require CMAR to submit and meet to discuss a Draft Application for Final Payment, following the procedure provided in Section 9 of this Agreement.

(B) Other Required Documents. CMAR must prepare or obtain and furnish to City upon completion and prior to and as a condition of the Application for Final Payment, in addition to any other documents as provided elsewhere in this Agreement, the following Project Documents:

- (1) A list of capital assets as described in Governmental Accounting Standards Board Statement No. 34, as it has been supplemented by subsequent pronouncements of the Governmental Accounting Standards Board;
- (2) Warranties from Subcontractors and Suppliers;
- (3) Manufacturer's warranties and manuals for all furniture, fixtures and/or equipment installed or furnished by CMAR (whether as Construction Services or as FFE);
- (4) Air balance reports, equipment operation and maintenance manuals;
- (5) Building certificates required prior to occupancy, mechanical, electrical and plumbing certificates, all other required approvals and acceptances by city, county and state governments, or other authority having jurisdiction; and
- (6) Two sets (one reproducible on Mylar), plus one electronic set, of redline record drawings in size to match the Construction Documents showing complete information including descriptions, drawings, sketches, marked prints and similar data indicating the final "as built" conditions of the Work, and CMAR must keep redline record drawings up to date concurrently as the Work progresses.

- (C) Application for Final Payment Review. City will have thirty (30) days after its receipt of the fully completed Application for Final Payment within which to audit and/or review CMAR's Final Accounting.
 - (1) City review will result in a Notice to CMAR identifying:
 - (a) The expenses that City has determined are not substantiated;
 - (b) City's determination of the total Contract Sum that has been substantiated; and
 - (c) The resulting amount of the Final Payment to be given to CMAR after deduction for all payments previously made and applicable Withholding.
 - (2) CMAR must cooperate with City's review and/or audit by making all of its records available for inspection and copying, answering questions, and otherwise facilitating City's review promptly upon its request.
 - (3) City's review and/or audit of the Final Accounting will be in whatever detail and scope as City determines, in its discretion; such review or audit may be conducted by City's employees and/or by independent contractor, as City may engage for that purpose.
- (D) Final Payment. Subject to the exchange of unconditional waivers and releases on Final Payment as provided in Section 12.1 of this Agreement, City will make the Final Payment to CMAR, within ten (10) days after City has issued its written determination of the amount of Final Payment it will pay to CMAR.
- (E) Payment for Withholding. If applicable Withholding exceeds amounts otherwise payable, CMAR must pay the difference to City within ten (10) days after demand from City.
- (F) Acceptance and Waiver. CMAR's acceptance of Final Payment will constitute a waiver of all Claims or Disputes that have not been timely submitted to City as CMAR Claims prior to CMAR's submission of the Application for Final Payment.

10. **Changes.** Changes in the scope of the Work (including, without limitation, additional and/or deductive Work) or in the Project Schedule (including, without limitation, suspension of all or part of the Work, or an order for acceleration of performance), may be accomplished only by Change Directive or Change Order, as defined in Sections 1(a.) and 1.(b.) of this Agreement, respectively.

10.1 Change Orders.

- (A) Request for Proposal. If City requests CMAR to submit a proposal for a Change Order, CMAR will do so promptly, within ten (10) days after written request from City, on a form and following a procedure established by Project Manager for the administration of change order proposals, that specifies CMAR's technical proposal for implementation of the proposed Change, together with CMAR's proposal for the resulting adjustment to the Contract Sum and/or Contract Times.
- (B) Acceptance. City may, in its sole discretion, accept or reject the proposal, or attempt to negotiate a modification and any resulting agreement will be

reduced to a written Change Order. If the parties cannot reach agreement within ten (10) days after City has received the proposal, City has the right to issue a Change Directive as provided in Section 10.2 of this Agreement.

10.2 Change Directive.

- (A) Immediate Change. Upon receipt of the Change Directive, CMAR must proceed with the Change as directed, whether or not CMAR agrees with the adjustment to Contract Sum or Contract Times.
- (B) Disagreement. If CMAR disagrees, it must preserve its right to later dispute City's determinations by delivering a written notice of the dispute to the City provided in Exhibit G to this Agreement; otherwise:
 - (1) The written Change Directive will be binding on CMAR; and
 - (2) CMAR will have waived its right to pursue a CMAR Claim and the Change Directive will automatically have the full force and effect of a Change Order, as if it has been signed on CMAR's behalf.

10.3 Field Orders. City or Project Coordinator, when reasonable under the circumstances, may issue a written order that makes or authorizes minor deviations in the Work or provides necessary interpretation of the Construction Documents.

- (A) City may issue a Field Order on its own volition or at the request of CMAR.
- (B) Field Orders are for the benefit of CMAR by providing documentation of minor deviations or necessary interpretations of the Construction Documents.
- (C) If CMAR disagrees that the deviation or interpretation is appropriate for a Field Order, it will provide Notice to City of its disagreement and City may issue a Change Directive.

10.4 Authorization Required. CMAR may not perform any Change, or be entitled to any compensation or extension of time, unless CMAR has first received a Change Order or Change Directive or as provided in this Section 10.

11. CMAR's Claims. CMAR may request an increase in the GMP or extension of the Contract Times, or both, that is otherwise permissible under this Agreement ("CMAR Claim") using the following procedure:

11.1 CMAR's Duty to Mitigation Claims. CMAR must at all times, and in all circumstances, use its best efforts to avoid or mitigate any potential impact of a CMAR Claim.

11.2 Notice of CMAR Claim. The request for a CMAR Claim must be preceded in each case by a written notice from the CMAR, submitted to both the City and its Project Coordinator within five days of when CMAR first knew or should have known of the matter, occurrence or event that is the basis for the request for additional compensation or time ("Notice of Claim").

- (A) Information. The Notice of Claim must furnish sufficient detail to appraise City and its Project Coordinator of the basis, include the cause, for the CMAR Claim, and must include:
 - (1) A reasonable estimate of the amount of compensation or time CMAR anticipates it will require; and

(2) A list of action CMAR intends to take in order to mitigate the time and cost impact of the situation that gave rise to or is related to CMAR Claim.

(B) Supplementation. CMAR must supplement the Notice of Claim during the course of the Work as additional information becomes available.

(C) Continuing Delays. Only one notice is necessary in the case of a continuing delay that is attributable to the same cause described in the Notice of Claim.

(D) Waiver. If CMAR fails to submit a Notice of Claim within five days after CMAR first knew or should have known of the basis of the CMAR Claim, CMAR will be deemed to have waived the right to request or pursue a Notice of Claim arising from such matter, occurrence or event.

11.3 Procedures for Resolving a CMAR Claim. The procedures of this Section and **Exhibit G** apply to resolution of all disputes arising from CMAR Claims. However, as provided in Section 36.2 of this Agreement, CMAR must continue to perform the Work during the pendency of any dispute regarding the request for additional compensation or time under this Section.

12. Additional Terms and Condition of Payment.

12.1 Lien Waivers and Releases. Except as otherwise expressly set forth elsewhere herein, with each Application for Progress Payment, application for release of retention or other withholding, and Application for Final Payment, CMAR must submit lien waivers and sworn statements for the application from CMAR, and lien waivers and sworn statements from all Suppliers and third parties who have furnished labor, Construction Materials, equipment, tools, fixtures, services or other work directly or indirectly to or for CMAR, in form and substance as reasonably required by City, to assure that the Site and Project will be free of liens arising from the Work for which the payment is requested.

12.2 Reservations upon Payment.

(A) No Determination of Standard. No approval given or payment made by City is intended to be evidence of satisfactory performance of any Work, or of the sufficiency of any applicable application for payment.

(B) Non-Acceptance. No payment to CMAR will constitute an acceptance of any Work not in accordance with this Agreement's requirements.

(C) No Waiver of Defective Work. Any application for payment approval pursuant to A.R.S. § 34-607 will constitute approval solely for purposes of making payments and will not constitute a waiver of City's right to have all defective or incomplete Work corrected and performed in accordance with this Agreement, or to later modify or amend a Deficiency Notice or any approval or deemed approval previously given by City.

12.3 Retainer. An amount will be held by City as additional security for performance of CMAR's obligations, and may be applied by City towards payment of any back-charge, setoff, or other amount payable by CMAR to City.

(A) Discretionary Reduction of Retainer. After the Work is 50% complete, CMAR may submit a request for reduction of the amount withheld from subsequent Progress Payments.

- (1) If CMAR has performed its obligations on schedule and is otherwise in compliance with the Project Documents, City may, but will not be required to, reduce the retained amount from future Progress Payments to not less than 5%, subject to City's right to later reinstate a 10% retainer if CMAR thereafter fails to perform any responsibility under the Project Documents.
- (2) With the regular Progress Payment after CMAR has accomplished Substantial Completion, City may release unapplied retainer to CMAR, less an amount equal to 200% times City's estimate of the costs it would incur to engage a third party to complete any remaining Work.
- (3) With the Final Payment, any unapplied retainer will be released to CMAR.

(B) Withholding.

- (1) The amount of each Progress Payment, or Final Payment, otherwise payable to CMAR will be reduced by the following ("Withholding"), as applicable, in addition to Retainer:
 - (a) Sums as permitted under applicable law on account of:
 - (i) The items identified in all applicable Certificates for Payment and/or Deficiency Notices and amendments thereto; or
 - (ii) Any additional amounts City in good faith believes are necessary to withhold, back-charge, or setoff in order to satisfy or cover any actual or reasonably anticipated loss, liability, damage or judgment that City has incurred or may incur in connection with CMAR's performance or non-performance of this Agreement;
 - (b) Any Liquidated Damages then due.
- (2) City will make appropriate adjustments to Withholding after final disposition of the matter, condition, event or claim that resulted in such Withholding.
- (3) If the expense incurred by City is less than the amount withheld, City will release the difference to CMAR within fourteen (14) days after such final disposition.
- (4) If, however, such expense exceeds the unpaid amounts otherwise due, CMAR must pay the difference within fourteen (14) days after demand from City.

12.4 Payments to Supplier.

- (A) Remittance to Supplier. Except to the extent requested by CMAR pursuant to Section 8.4(c), City reserves the right, at its sole discretion, either to:
 - (1) Pay any Subcontractor or Supplier directly for performance of the Work, or
 - (2) Issue joint checks.

(a) CMAR agrees to accept joint checks and to execute, when requested by City, joint check agreements in a form acceptable to City.

(b) Joint checks and direct payments made pursuant to this section will be credited against the Contract Sum.

(B) Communications with Supplier. CMAR consents to such direct payment as well as to City communicating directly with CMAR's Subcontractors, Suppliers and other Vendors to verify CMAR's payment history and account status.

12.5 Non-Incorporated Construction Materials. CMAR must not charge City for any Construction Materials that are not used for the Work or to complete the Project, unless City has given its written approval.

(A) Storage of Materials. City may condition its approval on its determination that the Construction Materials are suitably stored and properly secured from casualty, properly insured, and that title has passed to City free and clear of any liens or encumbrances.

(B) Receipt of Documentation. City may further condition the making of payments with respect to Construction Materials upon receipt of contracts, bills of sale, or other agreements satisfactory to City to establish City's title to the Construction Materials, or otherwise protect City's interest.

13. Project Coordinator. The City's Project Coordinator will assist City in this Agreement's administration and overall Project administration.

13.1 Project Coordinator's Authority.

(A) The City's Project Coordinator and his staff, if any, have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent and has no authority, express or implied, to bind City to any obligations whatsoever.

(B) CMAR agrees that it shall look only to City for direction related to the Project.

13.2 Project Coordinator's Duties.

(A) The City's Project Coordinator is empowered to communicate with CMAR, and to review and make recommendations to City regarding:

- (1) The Work and Work Product;
- (2) The Services furnished by CMAR in connection with the Project; and
- (3) CMAR's invoices.

(B) The City's Project Coordinator may have other duties and responsibilities as City's authorized representative may delegate or designate in writing from time to time.

13.3 Cooperation. CMAR agrees to cooperate with the City's Project Coordinator so as not to result in any delay in the progress of the Services.

14. Subcontractors and Supplier.

14.1 Subcontractors Unless otherwise agreed upon in writing by City and CMAR, the Construction Services will be performed by qualified Subcontractors and Suppliers, who will be selected and engaged as provided in Section 14.2 and 14.3 below.

- (A) CMAR will be responsible and liable to City for the Work's proper and timely performance by any and all of its Subcontractors and Suppliers.
- (B) CMAR will be responsible and liable to City for the proper and timely performance of the Work by each Subcontractor, Supplier, and any other person or entity who furnishes any Work for this Project.

14.2 Subcontractor Selection. Subcontractors will be selected on the basis of qualifications alone, or a combination of qualifications and price, but not price alone, as provided either in City's Subcontractor Selection Plan or in the Subcontractor Selection Plan detailed by CMAR and submitted during the selection process. The process for Subcontractor selection will include:

- (A) Selection may be a single step process, based on a combination of qualifications and price, or a two-step process, where the first step is a screening of applicants based on qualifications and the second step is based on a combination of qualifications and price or on price alone;
- (B) CMAR will then determine, with City's advice, which bids or proposals will be accepted;
- (C) CMAR may obtain bids or proposals from Subcontractors from the list previously reviewed and, after analyzing such bids or proposals, will deliver copies of such bids or proposals to City;
- (D) CMAR will not be required to contract with anyone to whom CMAR has a reasonable objection;
- (E) Requests for submittal of qualifications must be in writing, and kept by CMAR in its Project records; and
- (F) Each Subcontract must meet other requirements set forth in all applicable sections of this Agreement, including, but not limited to, this Section and Sections 17, 18 and 30.

14.3 Subcontracts. Except as provided in Section 14.5 of this Agreement, with respect to certain Vendors, each subcontract must:

- (A) Be in writing, and signed by both the CMAR and Subcontractor;
- (B) Provide for a fixed, or not-to-exceed amount as the Subcontractor's entire compensation;
- (C) State that the Subcontract is subject to this Agreement's terms and conditions and specifically incorporate this Agreement's provisions (except its compensation terms);
- (D) Bind and obligate the Subcontractor to CMAR as CMAR is bound to City under this Agreement;
- (E) State that City is the intended third-party beneficiary of the subcontract, with the right (but not the obligation) to pursue claims for damages and/or equitable or other relief or remedies directly against Subcontractor for any

breach of Subcontractor's obligations under the Subcontract, or any breach of any warranty given by Subcontractor;

- (F) State that City may exercise its rights as a third-party beneficiary if a breach of contract or warranty continues without cure for seven days after written notice has been given to CMAR;
- (G) Contingently assign the subcontract to City in the event this Agreement is terminated, subject to City's election to accept the assignment by delivery to Subcontractor of written notice—which City is not obligated to give—but that City is not under any obligation to compensate Subcontractor except for future Work performed after the date of City's election to accept such assignment;
- (H) Obligate Subcontractor to be joined as a party to any arbitration or other dispute resolution proceeding in which City or CMAR are parties and which arises out of or relates to Subcontractor's performance or nonperformance of the subcontract;
- (I) Include a termination for convenience clause equivalent to Section 3531.1(B) of this Agreement;
- (J) Contain an indemnity that is, at a minimum, equivalent to the provisions of Section 30 herein and identifying, as Indemnities, all Indemnified parties identified in Section 30 of this Agreement;
- (K) Include any other provision required by the Project Documents; and
- (L) Agree to contract with Supplier as provide in Section 14.4 below.

14.4 Supplier. Except as provided in Section 14.5 below, with respect to certain Vendors, each agreement between a Subcontractor and Supplier, or between any party contracted to provide work or matters on the Project with another party providing work on the Project (each a "sub-subcontract"), must:

- (A) Be in writing, and signed by both the CMAR and Supplier;
- (B) Provide for a fixed, or not-to-exceed amount as the Supplier's entire compensation;
- (C) State that the Supplier's contract is subject to this Agreement's terms and conditions and specifically incorporate this Agreement's provisions (except its compensation terms);
- (D) Bind and obligate the Supplier to CMAR as CMAR is bound to City under this Agreement;
- (E) State that City is the intended third-party beneficiary of the Supplier's contract, with the right (but not the obligation) to pursue claims for damages and/or equitable or other relief or remedies directly against Supplier for any breach of Supplier's obligations under its contract with CMAR, or any breach of any warranty given by Supplier;
- (F) State that City may exercise its rights as a third-party beneficiary if a breach of contract or warranty continues without cure for seven days after written notice has been given to CMAR;
- (G) Contingently assign the Supplier's contract to City in the event this Agreement is terminated, subject to City's election to accept the assignment by delivery to Supplier of written notice—which City is not obligated to

give—but that City is not under any obligation to compensate Supplier except for future Work performed after the date of City's election to accept such assignment;

- (H) Obligate Supplier to be joined as a party to any arbitration or other dispute resolution proceeding in which City or CMAR are parties and which arises out of or relates to Supplier's performance or nonperformance of the subcontract;
- (I) Include a termination for convenience clause equivalent to Section 35 of this Agreement;
- (J) Contain an indemnity that is, at a minimum, equivalent to the provisions of Section 30 herein and identifying, as Indemnitees, all Indemnified parties identified in Section 30 of this Agreement; and
- (K) Include any other provision required by the Project Documents.

14.5 Vendors. Each subcontract or Supplier contract with a Vendor must:

- (A) Be in writing and signed by both the CMAR and Vendor;
- (B) Specifically incorporate the requirements of the Drawings & Specifications insofar as applicable to the Construction Materials to be furnished;
- (C) Provide a fixed, or not-to-exceed amount, as the Vendor's entire compensation with all Construction Materials delivered FOB to the Project site;
- (D) Require that the Vendor will, as a condition precedent to the right to deliver any Construction Materials to the Site:
 - (1) Comply with the insurance requirements of **Exhibit F**; and
 - (2) Execute an indemnity equivalent to that provided in Section 30 herein and identifying, as Indemnities, all Indemnified parties identified in Section 30 of this Agreement.

14.6 Employment Verification. CMAR will take all steps necessary and appropriate to ensure no employee will be recruited, interviewed, screened and employed in connection with the Work unless CMAR, Subcontractor or Supplier, as applicable, verified the employee's authorization to work in the United States in compliance with all applicable Laws, including without limitation, Immigration Reform and Control Act, codified at 8 U.S.C.A. § 1324a, *et. seq.* and Legal Arizona Workers Act, codified at A.R.S. § 23-211, *et. seq.*

14.7 Condition Precedent to Work of Supplier. Satisfaction of all requirements of this Section 14 is a condition precedent of Subcontractor or Supplier's right to commence any Work element and to receive the payment of any amount otherwise payable to CMAR for any Work performed by the Subcontractor or Supplier.

- (A) Compliance Warranty. By permitting a Subcontractor or Supplier to commence any Work element, CMAR conclusively warrants to City that all of this Agreement's requirements have been fulfilled and must continue to be fulfilled as to the Subcontractor or Supplier.
- (B) CMAR Responsibility for Supplier. CMAR is solely responsible and liable to City for the Work's proper and timely performance by each Subcontractor and Supplier.

- (C) Copies of Subcontracts. CMAR shall furnish a copy of any subcontract or third party contract, including those with any Supplier, to City within two (2) days after it is requested by City; however, City shall have no obligation to make such a request, or to review any Subcontract or Supplier when received, and no review, non-review, objection or failure to object by City shall relieve CMAR and its Subcontractors and Suppliers from their responsibilities for fulfilling this Agreement's requirements.
- (D) Change of Subcontractor Approval. CMAR will not change a Subcontractor after the Subcontractor has been approved by City, without City's written consent to the change.

15. Self-Performed Work.

15.1 Selection of CMAR. CMAR, or affiliates or entity under control of CMAR (or any entity composing CMAR), may seek to self-perform portions of the Construction Services only if selected by City following this Agreement's full subcontractor procurement process, and if and only:

- (A) CMAR is selected by City on the basis provided in Section 14.2 of this Agreement in competition with at least two other candidates as determined by City; or
- (B) City has given prior written approval to CMAR's self-performance of *de minimus* Construction Services, such as minor clean-up work (but only to the extent of the type of *de minimus* work and the not-to-exceed amount authorized in City's written approval).

15.2 Contract for Self-Performed Work. If CMAR is selected to self-perform portions of the Construction Services, a written Subcontract will not be required and this Agreement's provisions will be applicable. Prior to initiation of the self-performance of Work, the City and CMAR will agree prior to work on a written scope and a lump sum or not to exceed line item that will include CMAR's direct and indirect compensation, labor, labor burden, supervision, overhead, and all other costs. CMAR's self-performance of any Work allowed under this Section will not change, in any way, the amount CMAR is entitled to as compensation under this Agreement or the Contract Sum, CMAR's Fee or the GMP, as those terms are defined and calculated in Section 7 of this Agreement.

16. Performance Standards. CMAR warrants to City that:

16.1 Standard of Care. CMAR, all of its Subcontractors and Suppliers, will perform their respective obligations under this Agreement with the professional diligence and care prevailing among highly skilled and experienced commercial contractors and subcontractors with demonstrated ability to timely and properly construct projects equivalent to the Project (the "Standard of Care"), on schedule, within budget, and without latent defects.

16.2 Standard of Work. The Work must be:

- (A) In accordance with the requirements of the Project Documents;
- (B) Free from defects; and
- (C) Fit for City's intended use.

16.3 Standard of Construction Materials. All Construction Materials will be new and in excellent condition, except to the extent specifically provided otherwise in the Project Documents.

16.4 Quality Control. CMAR must establish, maintain, and implement a quality control program that is consistent with that described in the CMP and which is:

- (A) Sufficient to insure proper supervision, examination, inspection, and testing of all item of Work at appropriate intervals, including the work of Subcontractors, Supplier, suppliers; and
- (B) Sufficient to assure conformance to the Project Documents with respect to Specifically Described Items, as defined in Section 22.2 of this Agreement, and general workmanship, construction, and equipment (including maintenance, while-idle, and functional performance) requirements.

17. Regulatory Compliance.

17.1 Duty to Comply. CMAR must comply with all federal, state, county, and local laws, including, statutes, rules, regulations, codes, ordinances, executive orders, and other legislative, executive, or judicial requirements and/or decisions (collectively, "Laws") applicable to the Work whether or not specifically referenced elsewhere in this Agreement. Compliance with such Laws shall include, but not be limited to:

- (A) Compliance with Laws pertaining to contractor licensing, occupational health, safety, disabilities, building codes, construction standards, licensure, social security, employment, workers compensation, immigration, wages, payrolls, health, discrimination, equal employment opportunity, civil rights, storm water, solid wastes, Hazardous Substances, grading, air pollution, water pollution, waste disposal, human remains, land use, historic preservation, endangered or threatened species, navigable waters, waters of the United States and tributaries thereof, and any other Laws applicable to the performance of the Work; and
- (B) Compliance with any applicable standards, specifications, manuals, or codes of any technical society, organization, or association, adopted by City (and as may be modified from time to time), or those commonly used as the industry standard in the design and construction of projects comparable to the Project being performed and completed in accordance with this Agreement by the CMAR.

17.2 Notification of Investigations. To the fullest extent permitted by applicable Law, CMAR will notify City, and, in each case, require its Subcontractors and Suppliers to notify City within twenty-four (24) hours of a demand for records or notice of audit being received and/or any inspection or other investigation is commenced by any federal, state or local governmental agency that relates to the Work, including, without limitation:

- (A) Any Site inspection or investigation conducted to a determine compliance with any Laws or permits pertaining to Hazardous Substances, waste, dust control, air quality, water pollution, storm water runoff, endangered species, navigable waters, occupational health or safety; and
- (B) Any inspection, audit or other investigation, whether on- or off-Site, conducted to verify the immigration and/or worker authorization status of any person employed or contracted by CMAR, its Subcontractors, or any Supplier.

17.3 City's Rules. City has the right, but not the obligation, to adopt and prescribe from time to time one or more rules and regulations ("City's Rule(s)") governing parking, access, times of work, noise, behavior towards City's employees, customers, guests or invitees, and such other matters not involving the means, method, techniques or manner of the Work's performance that City deems pertinent to preventing disruption to City's ongoing operations.

- (A) CMAR will enforce, and will be responsible to City for the failure of its employees, or employees of its Subcontractors or Supplier to comply with City's Rules.
- (B) Compliance with City's Rules will be a condition to the right of any person to enter upon any of City's property, and City has the right to revoke such right of access to any person who has breached or failed to comply with any of City's Rules.
- (C) The issuance or non-issuance, enforcement or non-enforcement of City's Rules by City will not relieve CMAR from its sole and exclusive responsibility to City for taking all appropriate precautions, in accordance with applicable Laws, to ensure the health and safety of persons and property with respect to the Work.

17.4 Compliance Assurances. CMAR warrants to City that CMAR and its Subcontractors and Suppliers are in compliance with all of the following:

- (A) Subcontractors and Supplier now hold—and, at all times relevant to this Project, will hold—all licenses, registrations and other approvals necessary for the lawful furnishing of the Services; and
- (B) Subcontractors and Suppliers are not—and, at all times relevant to this Project, will not—be debarred or otherwise legally excluded ("Debarred") from contracting with any federal, state or local governmental entity; and
- (C) Except with City's knowledge and consent and provided the activity, employment, interest or contribution will not reasonably compromise or appear to compromise their professional judgment or prevent them from serving the best interests of City, Subcontractors and Suppliers will not:
 - (1) Accept trade discounts;
 - (2) Have a significant direct or indirect financial interest in CMAR or any of its Subcontractors or Supplier; or
 - (3) Undertake any activity or employment or accept any contribution.

18. Health and Safety.

18.1 General Safety Duty.

- (A) CMAR is solely responsible for the safety and health effects of the Work as it may impact all persons and property whether or not under CMAR's control.
- (B) CMAR shall at all times:
 - (1) Provide proper traffic control, warnings, and all other measures necessary to protect City and City's employees, invitees, licensees, and agents, and all other third persons from illness, sickness, death, personal injury or property damage arising from or relating to the Work; and

- (2) Maintain a safe working environment, in full compliance with all applicable Laws relating to occupational health and safety and drugs in the workplace.

18.2 Hazardous Substances. CMAR is responsible for the proper handling of every substance, material and equipment it brings to the Site, and in the conduct of its operations, so as to prevent the release of any Hazardous Substance:

(A) Remediation. CMAR is responsible for the cost of remediation and all other losses and damages to City resulting from any release by CMAR of any Hazardous Substance.

(B) Actions upon Discovery. If CMAR discovers material on the Site it reasonably believes to be a Hazardous Substance, then CMAR must immediately:

- (1) If the Hazardous Substance presents or may present an imminent threat or endangerment to public health or safety, immediately notify the City and, if appropriate, the National Response Center;
- (2) If the Hazardous Substance does not present an imminent threat or endangerment to public health or safety, notify City in writing of the discovery of the Hazardous Substance and provide all relevant information;
- (3) Discontinue Work in the affected area and take whatever reasonable precautions are necessary to protect persons and property from exposure to the Hazardous Substance, including, but not limited to, taking actions to prevent the movement, spread or disturbance of the suspected Hazardous Substance in accordance with applicable Laws;
- (4) CMAR may resume operations in the affected area only after City has determined that the material is either not a Hazardous Substance or that it is a Hazardous Substance but it has been properly remedied or mitigated or the risk has been minimized in accordance with applicable Law; and
- (5) If the remedy directed by City results in a delay to the Work's critical path, and if CMAR did not cause, allow, or contribute to the release or threat of release of the Hazardous Substance, CMAR may be entitled to an equitable adjustment of the Contract Times and Contract Sum, in accordance with Section 11 or Section 20.3(E) of this Agreement.

18.3 Waste.

(A) Waste Defined. "Waste" includes any dust, solids, liquids or other form of discardable material that is not a Hazardous Substance.

(B) Waste Management. CMAR must maintain proper precautions so that the amount of Waste resulting from CMAR's Work is at all times:

- (1) Kept at minimum;
- (2) Confined within the Site; and

(3) Not permitted to interfere with or disturb City's ongoing operations or the activities of City's employees, customers, guests, invitees, or licensees.

(C) Waste Removal. All Waste must be removed from the Site each day, pursuant to a plan approved by City, and the Waste must be properly transported and disposed of at an appropriate disposal facility in accordance with applicable Law.

(D) Contract. CMAR must contract with City for any regular waste removal.

19. Permits.

19.1 Duty to Secure. CMAR will timely and proactively apply for, and undertake all actions necessary to secure all federal, state and local permits, licenses and approvals required for the Work.

19.2 Costs of Permits. The cost of permits, licenses, connection fees, and other such fees must be included in the Construction Services Costs. If CMAR's actions cause the cost of the Work to increase because normal permit application review and issuance may cause it to fail to the Construction Schedule, the cost for seeking expedited review and approval of such permit applications must be borne solely by CMAR and will not be reimbursed by City.

19.3 Public Hearings. CMAR will attend and participate in all public hearings held by local governmental jurisdictions and utilities in connection with the issuance and compliance with such permits, licenses and approvals.

19.4 Compliance. CMAR and each of its Subcontractors and Suppliers must comply with, and give all notices and take all actions required by all permits issued for the Work. Any failure to comply with the terms and conditions of such permits will be the responsibility of the CMAR and any penalties imposed for such failure(s) shall be borne by the CMAR alone.

20. Site.

20.1 Title to Project Site. City warrants that it owns title to the Project site and that all know easements, licenses, and restrictions that may affect the Project have or will be timely disclosed.

20.2 On-Site Locations.

(A) Reference Points. City will provide engineering surveys to establish reference points for construction, which in City's judgment are necessary to enable CMAR to begin the Work.

(B) Site Layout. CMAR will be responsible for laying out the Work, protecting and preserving the established reference points and must not make change relocations without the proper written approval of City.

(C) CMAR's Responsibilities. CMAR must report to City whenever any reference point is lost or destroyed or whenever relocation of a reference point is required due to necessary changes in grades or locations. CMAR will be responsible for the accurate replacement or relocation of the reference points by professionally qualified personnel.

20.3 Newly Discovered or Changed Conditions. CMAR warrants and represents that CMAR:

- (A) Inspection. Has conducted a visual inspection of the Site, reviewed the soils report, and performed all other due diligence activities CMAR considers adequate to verify the conditions of the soils and other conditions at the Site;
- (B) No Defects. Has observed no defects, discrepancies, deficiencies or faults with the Site making it unsuitable for the Project or found any defects, discrepancies, deficiencies or faults in any Project Documents that would require further investigation (except those that have already been reported to City in writing); and
- (C) Acceptance. Accepts the condition of the soils and the Site as being fit and proper to allow for the full performance of the Work.
- (D) Discovery of Conditions. If, at any time CMAR during the performance of the Work, CMAR encounters previously unknown conditions at the Site, which could not reasonably have been detected by CMAR's investigation, and that make it unsuitable for the Work's proper and accurate performance, CMAR must promptly:
 - (1) Discontinue Work in the affected area;
 - (2) Leave the Newly Discovered or Changed conditions as they are found (taking reasonable precautions for the protection of persons and property);
 - (3) Notify City and its Project Coordinator (immediately by phone or email, followed by written notice within 24 hours identifying the Newly Discovered or Changed Conditions with specificity); and
 - (4) Await clarification and direction before CMAR proceeds with any Work that may be affected.

For purposes of this Section, "Newly Discovered" or "Changed" conditions shall include, without limitation: deficiencies in the design or in the condition of existing construction, conditions in or beneath the Site that differ materially from indications in the Design Documents, or other newly discovered or changed conditions that may adversely impact the Work and that are not provided for in the Design Documents.

- (E) Equitable Adjustment. If the Newly Discovered or Changed Conditions could not be reasonably discovered or foreseeable by CMAR during its due diligence activities, CMAR may be entitled to equitable adjustment of the Contract Times and GMP for any resulting critical path delays or additional expenses incurred by CMAR, subject to Sections 10 and 11 of this Agreement
- (F) Liability and Responsibility. If CMAR proceeds with Work after discovery of a Newly Discovered or Changed condition without notifying City and suspending applicable Work as provided in this Section, CMAR will be liable and responsible to City for all resulting losses, liabilities, damages, and expenses and CMAR will have waived any right to seek a CMAR Claim or Equitable Adjustment (as provided in subsection 20.3(E.) above) resulting from any Newly Discovered or Changed condition.

20.4 Underground Facilities. CMAR will comply with the provisions of A.R.S. § 40-360.21 *et. seq.*, relating to underground facilities, and further:

- (A) Other Owners. CMAR acknowledges that City is not the owner of some underground facilities on, or contiguous to, the Project Site. "Underground facilities" includes, but is not limited to, electrical conduit, water irrigation canals and ditches, gas lines, telecommunications lines, or other communications fibers, and such facilities may be owned and/or operated by governmental or private entities;
- (B) Information and Data. The information and data shown or indicated on the Design Documents and other site specific documents concerning existing underground facilities at, or contiguous to, the Project Site will be based on the information and data furnished to City by the owners or operators of the underground facilities;
- (C) CMAR's Responsibilities. City will not be responsible for the accuracy or completeness of the information or data provided by others and CMAR will have the responsibility for the following, the cost of which are included in the GMP:
 - (1) Reviewing and verifying the information and data provided by others;
 - (2) Locating all underground facilities on, or contiguous to, the Project Site, to the extent knowledge of adjacent underground facilities is necessary and reasonable to secure;
 - (3) Coordinating the Work with the owners of the underground facilities during construction;
 - (4) Providing for the safety and protection of all underground facilities affected by the work; and
 - (5) Integrating any underground facility into the Work as necessary.
- (D) Repair and Replacement. City will not be responsible for any repair or consequential damages resulting from CMAR's mistake in locating or failure to locate underground facilities and appropriately integrate the location into the Work.
- (E) City-Owned Underground Facilities. City will provide CMAR with information and data about the location and characteristics of any underground facility that it owns, generally water and sewer, and CMAR may rely on that information and data.

20.5 Archaeological Deposits. In accordance with A.R.S. § 41-844, if CMAR discovers any archaeological sites or objects, CMAR must promptly report them to City and Director of the Arizona State Museum:

- (A) CMAR will further ensure compliance with the provisions of state law with respect to archaeological sites or objects; and
- (B) CMAR may be allowed an adjustment for time depending on the extent of the tasks required to catalogue and preserve the find and any effect the find may have on the Work.

21. On-Site City Activity.

21.1 Partial Utilization. Before Final Completion of the Project, as defined in Section 6.6 of this Agreement, City may opt to divide the Project and place a portion of the Project into use if such that part has reached substantial completion. The City may exercise the option to divide and use a portion of the Project if:

- (A) The Design Documents identify a distinct phase of the Project, and the part of the Project being sought to be placed into use has been identified in the Design Documents as a separate phase; or
- (B) City and CMAR agree that the part sought to be placed into use is a separately functioning and usable part of the Work that can be used by City for its intended purpose without significantly interfering with CMAR's timely and proper performance of the remainder of the Work.
- (C) If the Project is not phased and City decides to place a part of the Project into use such that CMAR incurs additional costs or requires additional time, CMAR may present a CMAR Claim for additional time or compensation in accordance with Section 11 of this Agreement.

21.2 City's Performance of On-site Work. City may perform other work on-site that is related to the Project using by either the City's own work force, contractors, vendors or suppliers including, but not limited to, utility companies, *e.g.*, electric, gas, telecommunications, perform work on the Site ("City's On-site Work").

- (A) Access. CMAR will assure that the entities handling the City's On-site Work have safe and proper access to all portions of the Project Site necessary for the performance of the City's On-site Work.
- (B) Materials and Equipment. CMAR will assure that the entities performing the City's On-site Work have adequate space to transport, handle, stage and store materials and equipment and adequate space and opportunity to conduct the City's On-site Work.
- (C) Coordination. CMAR will coordinate its Work with the City's On-site Work so that both parties perform their Work in a timely and efficient manner.
 - (1) Unless otherwise provided in the Project Documents, CMAR will perform all cutting, fitting, and patching of material or elements of the Work that may be required to make the CMAR's Work and the City's On-site Work consistent and functional.
 - (2) CMAR will not endanger any Other On-site Work while integrating the works.
 - (3) If the CMAR's completion of any portion of the Work depends on the completion of City's On-site Work, CMAR will inspect the City's On-site Work and timely report to City any delays, defects, or deficiencies that may delay or hinder CMAR's complete execution of the Work. A failure by CMAR to inspect and report the City's On-Site Work will constitute acceptance of that Work and any objection CMAR may have is deemed to be waived.
- (D) Compensation. If CITY On-site Work is required, but was not identified in the Design Documents or other documents upon which CMAR could reasonably rely in preparing the GMP,;

- (1) Written notice of the City On-site Work will be given to CMAR a reasonable time before this work begins; and
- (2) CMAR may make a CMAR Claim, under the provisions of Section 1.1 of this Agreement if CMAR believes this unidentified City On-site Work will cause CMAR to incur additional expenses or time.

21.3 Transfer of Control. In the event control of the Project Site is transferred from CMAR to another party or entity, CMAR and City will work to assure that safety of the Project Site is not compromised, that access to and control of the Project Site is maintained, and that proper insurance is in place.

22. Inspection of Work.

22.1 City Inspections. City has the right to inspect the Work at any time and to any extent it believes is necessary and reasonable.

(A) Required Inspections. Certain aspects of the Work will require inspections in accordance with existing City Ordinances and City Code provisions or in accordance with the scope of Work as set forth in this Agreement.

(1) CMAR must timely arrange and finalize any required inspections and testing.

(2) CMAR will pay all costs associated with any required inspections, and these costs shall be included in the GMP. The costs of any testing or collection of data that is required for the inspection of City shall not be the basis for any Change Directive, Change Order, CMAR Claim or an amendment to the GMP.

(3) CMAR must obtain and provide to City Certifications or warranties required or which reasonably result from the required inspection or testing.

(B) Cooperation. CMAR will cooperate fully with any inspections conducted by the City. The City will attempt to coordinate its inspections with the CMAR so as not to disrupt the Work; however, inspections for life or safety issues will be handled by both parties on a priority basis.

(C) Independent Inspections. City may employ the services of an independent party to conduct any tests or inspections at City's cost and expense.

22.2 Specifically Described Items. If any material, component, or equipment (collectively, an "Item") is specified or described in the Project Document, Construction Document, or other document submitted to City by CMAR or by CMAR to City, by trade, proprietary, or supplier name, that Item shall be used in performing or completing the Work.

(A) "Or-equal". If the specification or description contains or is followed by the words "or-equal", other Items of a similar kind or nature may be accepted by City, in its sole discretion, if the City determines, prior to the substitution, that the Item proposed by CMAR is qualitatively and functionally equal to of the Specifically Designed Item and the Item is sufficiently similar so that no change in the related Work will be required.

(B) Substitutions. If CMAR proposes to use an Item different than that which is specifically named, CMAR must make an application for approval of a

substitution to City prior to use or prior to any modification or deviation intended to accommodate the use.

- (1) CMAR must submit a request for substitution in writing to City.
- (2) CMAR must submit with the request for substitution the following:
 - (a) Information about the Item sufficient for City to make a determination if the Item is essentially equivalent to that named and is an acceptable substitute.
 - (b) Any effect the substitution may have on timely achievement of the Substantial Completion date;
 - (c) Any cost or credits that will result from the substitution must detail; and
 - (d) Any other relevant information requested by City.
- (3) City approval of any substitute Item will be within its sole discretion.
- (4) CMAR is responsible for the costs associated with making the request for substitution, including the cost of obtaining the data.

22.3 Uncovering Work. City or its Project Coordinator may require CMAR to uncover Work for inspection and testing.

- (A) Builder's Responsibility. If the Work had been covered without CMAR's compliance with all applicable inspection and approval requirements of the Project Documents, CMAR must properly remedy or replace all nonconforming or deficient Work, and adjacent property damaged thereby, to City's satisfaction. CMAR must also pay the costs City reasonably incurs in connection with uncovering, testing, inspection and remedial work.
- (B) City Responsibility. If the Work had been covered in accordance with all applicable inspection and approval requirements of CMAR Documents, City will pay the costs CMAR reasonably incurs in connection with the uncovering, testing, inspection, remedial and restoration work, subject to § 11.

22.4 Rejected Work. CMAR must promptly, and so as not to interfere with the Project Schedule, remove and replace, at CMAR's sole expense, any Work that is rejected by City or its Project Coordinator as defective, contrary to CMAR's warranties, or otherwise not in accordance with the Project Documents.

22.5 City's Remedy. If CMAR does not correct such deficient or nonconforming Work within seven (7) days, or initiate any work that would reasonably take longer than seven (7) days, after receipt of written notice from City to do so, City may, without prejudice to any other remedies it may have, take whatever steps are necessary to correct the deficient or nonconforming Work, and CMAR will pay City the costs City incurs in connection with any corrective action.

23. Warranties.

23.1 CMAR Warranty. CMAR warrants that the Work performed pursuant to this Agreement is free from defects. Upon 20 days written notice from the City, and within two years from the Final Completion of the Work, CMAR must, at CMAR's

sole expense, uncover, correct, and remedy any and all defects in CMAR's Work or any defects in work of CMAR's Subcontractors or Suppliers.

23.2 Third Party Warranties. If any other Contract Document or third party warranty provides for a period longer than two years, the longer period applies.

23.3 Call-Back Remedial Work. CMAR, at CMAR's sole expense, will properly restore any of the Work or other property that is damaged by reason of any remedial Work, to City's satisfaction.

(A) Warranty on Remedial Work. All remedial Work will have an extended warranty equal to the later of Final Completion or six (6) months after completion of the remedial Work.

(B) Self-Help. If CMAR fails to correct any defects in accordance with this call-back warranty, then City may correct the defects and CMAR must reimburse City for all expenses incurred by City.

(C) Non-exclusivity. This express call-back warranty is given in addition to, and without any limitation on, any other claim, right or remedy City may have under this Agreement or applicable Law including, without limitation, any claim, right or remedy arising from tort, contract breach, license bond, recovery fund, latent defect, breach of the implied warranty of habitability, CMAR's violation of any Law, or any other claim, right or remedy, whether discovered before or after the above described call-back period (as may be extended above).

(D) No Fault of CMAR. This express call-back warranty excludes remedy for damage or defect caused by abuse, modifications not executed by CMAR, improper or insufficient maintenance, improper operation, or ordinary wear and tear usage.

24. Liens and Stop Notices.

24.1 Title to Work. CMAR warrants that title to all Work covered by an Application for Progress Payment or Application for Final Payment will pass to City no later than the time of payment.

24.2 Work Free of Liens. CMAR further warrants that, upon Application for Progress Payment or Application for Final Payment submittal, all Work for which Certificates for Payment have been previously issued and payments received from City must, to the best of CMAR's knowledge, information and belief, be free and clear of liens, claims, security interests or encumbrances.

24.3 Duty to Remove Liens. In the event any document intending to give rise to a lien, or any other claim is asserted, filed, or maintained against the Project or City contrary to the foregoing warranty by CMAR, Subcontractor, or any Supplier, then CMAR agrees to cause such lien or claim to be satisfied, removed, or otherwise discharged at its own expense, by payment, bond or otherwise, within ten (10) days from the lien's filing date.

24.4 City's Remedy for Liens. While state law precludes the filing of liens against public property, liens cause City to incur unnecessary legal fees and costs in their removal. Therefore:

(A) City Right to Action. If CMAR fails to take such action promptly after notice from City, then City has the right, in addition to all other rights and remedies available under this Agreement or at Law, to cause each such lien

or claim to be removed, satisfied or discharged by whatever means City chooses.

- (B) Costs and Expenses. CMAR will be responsible for the entire cost and expense of this lien removal action, including reasonable attorneys' fees and expenses incurred by City, and will remit payment for these costs and expenses immediately upon demand by City.

25. **No Waiver.** Any review or approval given, or payment made, by City or any of its representatives does not:

- 25.1 Constitute acceptance of CMAR's Work or of the sufficiency of any request for payment;
- 25.2 Operate as an acquiescence to, or waiver of, any departure from, or CMAR's failure to perform in accordance with, any of this Agreement's requirements;
- 25.3 Constitute approval of:
 - (A) The adequacy, form or content of any subcontract; or
 - (B) Any actions taken by CMAR or by any Subcontractor.
- 25.4 Relieve CMAR, any Subcontractor or Supplier of any obligations or responsibilities under this Agreement;
- 25.5 Be accepted as evidence of satisfactory performance of any Work; or
- 25.6 Diminish in any manner City's rights and remedies under this Agreement or applicable Law.

26. **CMAR's Warranties and Representations.**

26.1 **Warranty.** As an inducement to City to execute this Agreement, CMAR represents and warrants the following to City (in addition to the other representations and warranties contained in the Agreement) that:

- (A) Financial Condition. CMAR and its affiliated entities are financially solvent and able to pay their debts as they mature, and possessed of sufficient working capital to complete the Work and perform all obligations under this Agreement, provided that City satisfies its payment and other obligations under this Agreement;
- (B) Performance Ability. CMAR is able to furnish the Construction Services and FFE Services required to complete the Project and perform its obligations hereunder, provided that City satisfies its payment and other obligations, and that CMAR has sufficient experience and competence to do so;
- (C) Litigation Status. There are no pending or threatened legal actions or proceedings which might materially impair CMAR or its affiliated entities' ability to satisfy their obligations hereunder;
- (D) Legal Status. CMAR, or any prime contractor that is affiliated with a CMAR entity, is licensed by the Arizona Registrar of Contractors to perform construction and that all its construction Subcontractors and Suppliers also will be so licensed; and
- (E) Proper Authorization. That execution of this Agreement and its performance are within its authorized powers.

26.2 Survival. These representations and warranties survive this Agreement's termination and the Project's Final Completion, whichever is later.

27. CMAR Relationship to City.

27.1 CMAR's relationship to City is in all respects that of an independent contractor.

27.2 CMAR is solely responsible for the means, manner, method, supervision, performance, coordination, safety programs, or control of the Work to be performed by CMAR.

27.3 CMAR is not and will not be found to be an employee, instrumentality, department or agent of City for any purpose.

27.4 This Agreement will in no respect be construed to create a partnership, joint venture, or agency between the parties.

27.5 Neither party has right or power to bind or obligate the other party for any liabilities or obligations without the other party's prior written consent.

28. Assignments.

28.1 City Assignment. City may assign or transfer this Agreement without CMAR's consent.

28.2 City Financing. CMAR agrees that if City assigns this Agreement to any lender or other third party source of funding for the Project (each, a "Financing Party");

(A) CMAR will cooperate with any such assignments, and will execute any consents, assignments and other instruments reasonably required to facilitate the assignments;

(B) CMAR will cooperate with any inspectors engaged by a Financing Party to observe or inspect the work; and

(C) CMAR will execute any documents that the Financing Party reasonably requests it to execute in connection with its review of any of CMAR's Work or any of City's requests to Financing Party for disbursements on account of the Work.

28.3 CMAR Assignment. CMAR will not, without City's prior written consent, which may not be unreasonably withheld, do the following:

(A) Sell, transfer, assign or delegate any interest in this Agreement or any rights or CMAR's obligations; or

(B) Until Final Payment is made, cause, suffer or permit:

(1) Any sale, transfer or assignment of any stock, membership or other equity ownership interest in CMAR, or

(2) The issuance of any new stock or other equity ownership in CMAR.

28.4 Void Assignments. Any transfer, sale, assignment, delegation, or issuance of any stock, membership, or other interest in CMAR without City's written consent is void.

29. Taxation of Revenue Bonds. City may issue revenue bonds to fund the Project's design, construction and implementation. If City issues these bonds:

29.1 CMAR, to the extent within its control, and so long as it does not increase CMAR's time or cost of performance of the Work, covenants that it will not knowingly take any action, or fail to take any action, that adversely affects the inclusion from gross income of the interest on any of revenue bonds under § 103(a) of the *Internal Revenue Code of 1986, as amended* (the "Code");

29.2 CMAR will not cause the interest on any revenue bonds to become an item of tax preference for purposes of the alternative minimum tax imposed on individuals and corporations under the Code; and

29.3 In the event of such action or omission, CMAR will, promptly upon having any action or inaction brought to its attention, take any reasonable actions based upon an opinion of bond counsel to City, as may rescind or otherwise negate such action or omission.

29.4 CMAR, to the extent within its control, and so long as it does not increase CMAR's time or cost of performance of the Work, will not knowingly directly or indirectly use or permit the use of any proceeds of any revenue bonds or any other funds of City to take or omit to take any action that would cause any revenue bonds issued to be or become "arbitrage bonds" within the meaning of § 148(a) of the Code or to fail to meet any other applicable requirement of §§ 103, 141, 148, 149 and 150 of the Code to the extent applicable to the Revenue Bonds.

30. Indemnity.

30.1 Duty to Indemnify, Defend, and Hold Harmless. To the fullest extent permitted by Law, CMAR will indemnify, defend, save and hold harmless City and its elected officials, officers, employees, agents, consultants, sub-consultants, representatives, and agents (individually, an "Indemnified Party"; collectively, the "Indemnified Parties") for, from and against any and all third-party claims, demands, causes of action, damages (including compensatory, consequential, liquidated, and punitive), judgments, penalties, settlements and all other losses arising (collectively "Claim") from the performance or nonperformance of this Agreement by CMAR or of a Subcontractor, Supplier, or any other person or entity for whom CMAR is responsible and all attorneys' fees, consultants' fees, court costs (whether or not taxable by statute), and expenses incurred by each Indemnified Party.

30.2 Extent of Indemnification.

(A) This indemnification is comprehensive and encompassing to the maximum extent permitted by Law and includes, but is not limited to, a Claim, just or unjust, of any kind, nature or description whatsoever, whether sounding in a tort, warranty, contract (including breach of this Agreement), equity, a statute, or any other theory of liability, and whether Claim is based on an alleged death, personal injury, sickness, conversion, breach of contract, breach of warranty (express or implied), breach of representation, defective work not remedied, lien, stop notice, property damage (including property damage to the Work), patent infringement, copyright infringement, loss of use and all other economic loss, release of a petroleum byproduct or other substance regulated by applicable Law, legal violations or other claimed damage.

(B) This indemnity is in addition to and will not be deemed to limit any other indemnity given by CMAR.

30.3 Defense of Indemnified Party. CMAR will defend each Indemnified Party under this indemnity at CMAR's expense with counsel reasonably acceptable to the Indemnified Party, subject to the following:

- (A) The Indemnified Party has the opportunity to participate in the defense against the Claim;
- (B) If there are potential conflicting interests that would make it inappropriate for the same counsel to represent both CMAR and the Indemnified Party, or the Indemnified Party has defenses available to it that are not available to CMAR, then the Indemnified Party may select separate counsel to represent it at CMAR's expense;
- (C) No settlement or compromise can be effected by CMAR without the prior consent of the Indemnified Party; and
- (D) If CMAR does not, within fifteen (15) days after receipt of Notice from the Indemnified Party (or such shorter period of time as may be necessary to avoid a default on a Claim), give Notice to the Indemnified Party of CMAR's election to assume the defense of the Claim, the Indemnified Party has right to undertake, at the expense and risk of CMAR, the defense, compromise or settlement of the Claim.

30.4 Negligence of Indemnified Party. The foregoing obligations to indemnify, defend, save and hold harmless apply even if a Claim results in part from the negligence of an Indemnified Party, but, in such event, the ultimate liability of CMAR is only to the extent the Claim is found to have resulted from the negligence of CMAR or of any Subcontractor or Supplier.

- (A) In no event, however, will an Indemnified Party be indemnified for a Claim to the extent it results from the gross negligence or intentional conduct of the Indemnified Party or the Indemnified Party's agents, employees or indemnity as provided in A.R.S. § 34-226.
- (B) An Indemnified Party's acting or failing to act in reliance on promises, representations or agreements made by CMAR in the performance of the Work may not be considered gross negligence or an intentional act or failure to act by the Indemnified Party.

31. Insurance Requirements.

31.1 Insurance Obligation. CMAR must, as a material obligation to City and a condition precedent to any payment otherwise due to CMAR, furnish and maintain, and cause its Subcontractors and Suppliers to furnish and maintain, insurance in accordance with the Insurance Requirements attached as **Exhibit E**.

- (A) Force Placement. In the event CMAR fails, or any Subcontractor or Supplier fails, to maintain all insurance as provided in **Exhibit E**, City may, in addition to, and without prejudice to any other remedies available to it under this Agreement or applicable Law, on two (2) days' notice, purchase equivalent insurance.
- (B) Reimbursement for Force Placement. CMAR will reimburse City upon demand, or, at City's option, by way of withholding or off-setting amounts otherwise due to CMAR, for all expenses City incurs in connection with obtaining such insurance.

31.2 Risk of Loss.

- (A) CMAR bears the risk of loss to all materials, equipment, fixtures, supplies, or other Work element, whether in transit, stored off-site, or stored or housed on site, until such elements(s) have been incorporated into the Project, at which time CMAR risk of loss will be addressed in accordance with the other portions of this Agreement.
 - (B) CMAR is solely responsible for insuring all such materials, equipment fixtures or other Work element from loss until such materials, equipment, fixtures or other elements have been physically incorporated in the Project, at which time CMAR risk of loss will be addressed in accordance with the other portions of this Agreement.
- 31.3 Bonds.** Upon this Agreement's execution, CMAR must furnish Payment and Performance Bonds required under the provisions of A.R.S. § 34-608. The forms of the bonds will comply with the statute and be provided by a surety approved by City.
- 31.4 Builder's Risk Insurance.** CMAR will furnish an all risk property insurance ("Builder's Risk") for the replacement value of the Work performed.
- (A) Form. The form of policy for this Builder's Risk coverage must be non-reporting, in completed value with no co-insurance, and valued at replacement cost with non-standard (broad) form all risk policy.
 - (B) Coverage Value. The value utilized must be 100% of the completed value (including Contract Amendments) of the renovation, repairs or construction.
- 31.5 Other Property Lost Coverage.** Insurance against loss of tools, equipment, or other items not incorporated into the Work, but required for the Work's performance, is CMAR's responsibility.
- 32. Records.** CMAR must keep full and detailed accounts and exercise controls as may be reasonably necessary for the Work's proper financial management using generally accepted accounting methods and control systems reasonably satisfactory to City.
- 32.1** City and its properly authorized representatives—who may be City employees or independent contractors as determined by City—will be afforded access at all times on reasonable advance notice to all CMAR's tangible and electronic records received or generated in connection with the Project, including, without limitation, records, books, ledgers, correspondence, instructions, drawings, receipts, contracts, subcontracts, vouchers, memoranda, electronic data bases and other electronically stored data and printouts thereof, and similar data relating to this Agreement ("Project Data").
- (A) Project Data availability will allow for audit, review, inspection and copying, at the Site or at CMAR's offices, if these offices are located in Maricopa County, Arizona.
 - (B) Access will be available during regular business hours.
 - (C) Project Data will be available for this inspection for at least one year after Final Completion of the Project or one year after the City has issued its Final Payment and resolved all disputes regarding payments under this Agreement, whichever is later.

- 32.2 CMAR will be entitled to a reasonable charge for furnishing more than one hard copy of any document that is requested by City. CMAR will provide electronic copies to the City upon request.
- 32.3 CMAR must preserve all such Project Data for a period of six (6) years after Final Payment, or longer where required by Law, and prior to destruction, Project Data will be delivered to City if City requests.
- 32.4 CMAR must include these record keeping and record retention provisions in its subcontracts and contracts with Suppliers and require these parties to afford the City similar access for audit, inspection and copying, to all of the hard copy and electronically stored Project Data.

33. Equal Employment Opportunity.

33.1 Non-Discrimination Policies. CMAR must develop, consistently implement, and effectively maintain non-discrimination policies.

(A) Duty to Not Discrimination. CMAR and CMAR's Subcontractors and Suppliers must not discriminate against any employee or applicant for employment because of race, religion, color, sex, sexual orientation or national origin.

(B) Affirmative Action. CMAR must take affirmative action to insure that applicants are employed, and that the employees are treated during employment without regard to their race, religion, color, sex, sexual orientation or national origin. This affirmative action includes, but not be limited to, the following:

- (1) employment;
- (2) upgrading;
- (3) demotion or transfer;
- (4) recruitment or recruitment advertising;
- (5) layoff or termination;
- (6) rates of pay or other compensation; and
- (7) selection for training, including apprenticeship.

33.2 Notices of Non-Discrimination Policies. CMAR will post in conspicuous places, available to employees and applicants for employment, notices that set forth the non-discrimination policies and CMAR, its Subcontractors and Suppliers will, in all solicitations or advertisements for employees placed by them or on their behalf, state that all qualified applicants will receive consideration for employment without regard to race, religion, color, sex, sexual orientation or national origin.

34. Immigration Law Compliance: CMAR, and on behalf any Subcontractor and Supplier, warrants, to the extent applicable under A.R.S. § 41-4401, compliance with all federal immigration laws and regulations that relate to their employees as well as compliance with A.R.S. § 23-214(A) which requires registration and participation with the E-Verify Program.

34.1 Any breach of warranty under this Section is considered a material breach of this Agreement and is subject to penalties up to and including termination of this Agreement.

34.2 City retains the legal right to inspect the papers of any CMAR, Subcontractor or Supplier employee who performs work under this Agreement to ensure that CMAR,

its Subcontractors and Suppliers are fully in compliance with any warranty under this Section.

- 34.3** City may conduct random inspections, and upon request of City, CMAR shall provide copies of papers and records of CMAR demonstrating continued compliance with the warranty under this Section. CMAR agrees to keep papers and records available for inspection by the City during normal business hours and will cooperate with City in exercise of its statutory duties and not deny access to its business premises or applicable papers or records for the purposes of enforcement of this Section.
- 34.4** CMAR agrees to incorporate into any subcontracts under this Agreement the same obligations imposed upon CMAR and expressly accrue those obligations directly to the benefit of the City. CMAR also agrees to require any subcontractor to incorporate into each of its own subcontracts under this Agreement the same obligations above and expressly accrue those obligations to the benefit of the City.
- 34.5** CMAR's warranty and obligations under this Section to the City continue throughout the term of this Agreement or until such time as the City determines, in its sole discretion, that Arizona law has been modified so that compliance with this Section is no longer a requirement.
- 34.6** The "E-Verify Program" above means the employment verification program administered by the United States Department of Homeland Security, the Social Security Administration, or any successor program.

35. Termination.

- 35.1 For Cause.** City has the right to terminate this Agreement without notice if CMAR:
- (A) Fails to maintain insurance required by this Agreement;
 - (B) Violates any applicable Law regulating Hazardous Substances, occupational health, job safety, or environmental matters;
 - (C) Jeopardizes the health, safety or welfare of persons or property;
 - (D) Is Debarred by any governmental entity (in which event the termination will be effective as of the date of the sanction or debarment); or
 - (E) Abandons the Work.
- 35.2 For Breach.** If this Agreement is breached by CMAR, City may terminate this Agreement if CMAR fails to cure the breach within seven (7) calendar days after delivery of written notice specifying the breach or within such longer period of time as City may agree to in writing.
- 35.3 Remedy after Termination.** If this Agreement is terminated, CMAR will immediately stop Work and remove its employees from the Project Site. City may, without prejudice to any other right or remedy available at Law or in equity, complete the Project through alternate means and in whatever manner City deems appropriate. City may also, at its election, take possession of and use the materials, equipment, tools and machinery of CMAR, a Subcontractor, or any Supplier to complete the Work otherwise required of the CMAR under this Agreement.
- 35.4 Payment after Termination.** CMAR will have no right to any further payment until after City has completed the Project and determined the amount of its costs, and expenses and damages resulting from the termination.

- (A) If the unpaid balance of the Contract Sum exceeds the costs City incurs to complete the Project, plus other expenses and damages incurred by City resulting from CMAR's breach of this Agreement, City will pay CMAR the difference.
- (B) If the expense of completing the Project, plus City's damages and other expenses, exceeds such unpaid balance, CMAR will pay the difference to City upon demand.

35.5 For Convenience. City may terminate this Agreement as to all or any part of the Work for convenience at any time without cause upon five (5) days written notice.

- (A) Notice of Termination for Convenience. Notice of termination for convenience:
 - (1) Will be provided no less than five (5) days before cessation of Work;
 - (2) Will specify the date of termination for that part of the Work; and
 - (3) Will direct the sequence and manner in which the termination will be implemented.
- (B) Payment after Termination for Convenience. Upon termination for convenience, City will pay CMAR the reasonable value of all Work performed prior to the date of termination, including costs necessarily incurred, reasonable costs of demobilization and shut down, and reasonable overhead and profit on Work performed, but excluding any profit or overhead on unexecuted Work.

35.6 Abandonment.

- (A) City's Right to Terminate. In the event CMAR, any Subcontractor or Supplier suspends or terminates its performance under this Agreement for any reason, City has the right to suspend or terminate all or any part of this Agreement and finish the suspended or terminated Work by whatever means City determines is appropriate.
- (B) Replacement. To prevent termination, CMAR must replace Subcontractor or Supplier within five (5) days by procurement of a Subcontractor or Supplier in a manner that is acceptable to City.
- (C) Withholding of Payments. If the abandoning Subcontractor or Supplier is not timely replaced, City may complete the Work at CMAR's expense, in which case:
 - (1) CMAR will not be entitled to receive any further payment hereunder until:
 - (a) The entire Project is complete; and
 - (b) All direct and indirect costs incurred by City to complete CMAR's Work, plus a reasonable allowance for City's overhead and profit, has been paid or offset against the GMP.
 - (2) Direct and indirect costs and the allowance for overhead and profit will apply against the Contract Price and, if the cost to complete the Project is greater than the amount due CMAR, CMAR will pay that difference immediately to City.

36. Dispute Resolution.

36.1 Each claim, controversy and dispute (each a "Dispute," collectively, "Disputes") will be initiated and resolved as provided in **Exhibit G**.

36.2 CMAR will continue performance of the Work pending resolution of any CMAR Claim, or of any Dispute unless otherwise directed by City in writing.

37. Notices.

37.1 Any communication or notice required to be issued or given under this Agreement (each, a "Notice") will be effective only if:

(A) Notice is in writing; and

(B) Delivered to the physical or electronic address given in Section 3 of this Agreement on a business day observed by City ("Business Day"):

(1) in person;

(2) by private express overnight delivery service (delivery service charges prepaid);

(3) certified or registered mail (return receipt requested); or

(4) electronic mail, if confirmation of receipt is given and received.

37.2 A notice will be deemed delivered to the party:

(A) As of the date of receipt if received before 5:00 PM on a Business Day at the address for Notices identified in Section 3 of this Agreement; or

(B) As of the next Business Day if received after 5:00 PM on a Business Day at the address for Notices identified in Section 3 of this Agreement.

37.3 The party giving Notice will have the burden of proof as to the time and place of delivery.

37.4 A party may only change its representative or the information for giving Notice by giving Notice of the change to the other party in writing at least ten (10) days prior to the date such change becomes effective.

38. Miscellaneous.

38.1 Contract Amendment. The parties may, at any time, modify this Agreement by written agreement ("Contract Amendment") signed by both City and CMAR. The Contract Amendment shall become effective and an enforceable part of this Agreement upon its execution.

38.2 Integration. This is the entire agreement of City and CMAR, and it supersedes all negotiations and any prior agreements between them relating to the Work and the Project. No other documents are included unless incorporated herein by reference.

38.3 Counterparts. This Agreement may be executed in counterparts, and all counterparts will together comprise one instrument.

38.4 Successor and Assigns. This Agreement will inure to the benefit of and be binding on the parties' successors and assigns.

38.5 Rights and Remedies.

- (A) All rights and remedies provided in this Agreement are cumulative and the exercise or assertion of one or more rights or remedies will not affect any other rights or remedies allowed by Law or equity or this Agreement.
- (B) Neither the failure nor any delay on the part of a party to exercise any right, remedy, power or privilege under this Agreement's provisions, or with respect to any occurrence, shall operate as a waiver with respect to such provision or occurrence thereof.
- (C) No single or partial exercise of any right, remedy, power or privilege precludes any other or further exercise of the same or of any right, remedy, power or privilege.

38.6 No Waiver. No waiver is effective unless it is in writing and is signed by the party asserted to have granted such waiver.

38.7 Severability. If any provision of this Agreement is held by any court to be void or unenforceable, that provision will not affect the validity of the remaining provisions of this Agreement.

38.8 Survival. Except as specifically provided otherwise in this Agreement, each warranty, representation, indemnification provision, insurance requirement, and every other right, remedy and responsibility of City or CMAR under this Agreement will survive the Project's completion, or this Agreement's earlier termination.

39. Conditions Precedent. This Agreement's effectiveness, and City's obligations hereunder, are contingent upon City's written confirmation to CMAR that each of the following contingencies have been fulfilled:

39.1 Funding. City has allocated funds specifically for the purpose of the Project or has secured financing it deems satisfactory for the Project.

39.2 Approval. This Agreement has been approved by the Glendale City Council.

40. Exhibits. The following exhibits are incorporated by this reference:

<u>Exhibit</u>	<u>Title</u>	<u>First Reference</u>
A	The Project	Recital A
B	The Work; Key Personnel	Recital B; § 3.2(C)
C	GMP Schedule	§ 0
D	Project Schedule	§ 0
E	CMAR's Insurance Requirements	§ 31
F	Forms of Payment and Performance Bonds	§ 31.1
G	Dispute Resolution Procedures	§ 36

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, City and CMAR enter into this agreement and it shall become effective as of the ___ day of _____, 2014 (the "Effective Date").

CITY OF GLENDALE

Brenda S. Fischer, City Manager

Date: _____

Approved as to Form:

Michael D. Bailey, City Attorney

Attestation:

Pamela Hanna, City Clerk (SEAL)

FCI Constructors, Inc.,
a Colorado Corporation

By: _____

Joe Kelleher
Its: Vice President
Registrar of Contactors License: 072062

Date: _____

Exhibit A
THE PROJECT

Exhibit "A"
GLENDALE LANDFILL SCALEHOUSE RELCATION PROJECT
GMP No. 1

Project Description

The project is located at the intersection of 115th and Glendale Avenues, at 11480 W. Glendale Avenue. The area of work will be west of the line of waste currently being utilized by the Landfill Operations.

A site analysis was completed in June 2013. Four site options were developed and the City selected Option B as shown in the 2013 City of Glendale Landfill Scale-House Relocation Study.

The site entry to the landfill is off of Glendale Avenue. The new site entry road will move north to the new Scale House and scales, past the Glendale Regional Training Complex, located to the west and past the gas-to-energy plant, located to the east. The new Administration Building will be located south of the existing Materials Recovery Facility (MRF), located in the northwest area of the Landfill. The existing landfill heavy equipment maintenance area, located north of the gas-to-energy plant, will remain in place under this phase of the project. A New Landfill Heavy Equipment Maintenance Facility will be constructed under Phase 2 of this project when funds become available. The scope for this facility is not included in this GMP.

Phase 1 of this project will consist of approximately 2,200 lineal feet of new asphalt entry road, from the main Landfill entrance to the new Scale House relocation area. Along with the new road, there will be a new Scale House (725 sq. ft.), with three new scales, and a new Administration Building (4,000 sq. ft.).

The scope includes, but is not limited to: survey, utilities, mass grading, drainage, concrete curb and sidewalk, asphalt road, security fencing, concrete foundations, steel and wood structures, plumbing/electrical/mechanical system(s), windows, doors, hardscape, fire protection, security system, and building interior and exterior finishes. The work will done per the approved plans and specifications.

EXHIBIT B
THE WORK
KEY PERSONNEL

(See Attached)

EXHIBIT "B"
GLENDALE LANDFILL SCALEHOUSE RELCATION PROJECT
GMP No. 1

FCI Project Team Members
(Key Personnel)

- **Joe Kelleher** – Vice President of Arizona Operations
Email – jkelleher@fciol.com Phone Numbers – FCI Glendale Office 623-772-7400

- **Fritz Schultz** – FCI Operations Manager – Arizona
Email – fschultz@fciol.com Phone Numbers – FCI Glendale Office 623-772-7400
Cell Phone – 602-738-4303

- **Keith Sabia** – Senior Project Manager
Email – ksabia@fciol.com Phone Numbers – FCI Glendale Office 623-772-7400
Cell Phone – 602-680-5137

- **Ryan Scott** – Project Superintendent
Email – rscott@fciol.com Phone Numbers – FCI Glendale Office 623-772-7400
Cell Phone – 602-501-2112

- **Resa Mullins** – FCI Office Manager
Email – rmullins@fciol.com Phone Numbers – FCI Glendale Office 623-772-7400

- **Dennis Dixon** – Field Superintendent
Email – rscott@fciol.com Phone Numbers – FCI Glendale Office 623-772-7400
Cell Phone – 602-501-2112

- **Tracy Bunch** – Foreman
Phone Numbers – FCI Glendale Office 623-772-7400
Cell Phone – 602-684-0133

- **Johnny Alvarado** – Office Engineer
Email – johnny.alvarado@fciol.com Phone Numbers – FCI Glendale Office 623-772-7400
Cell Phone – 602-402-7504

EXHIBIT C

GMP PROPOSAL SCHEDULE

(See Attached)



GLENDALE LANDFILL SCALEHOUSE RELOCATION

GMP Budget

Presentation

September 29, 2014

ORIGINAL

DIVISIONS	COST OF WORK
Div 1 General Conditions	\$ 180,644
Div 2 Sitework	\$ 989,630
Div 3 Concrete	\$ 224,372
Div 4 Masonry/Perform Wall	\$ 71,500
Div 5 Metals	\$ 3,500
Div 6 Woods & Plastics	\$ 55,274
Div 7 Thermal & Moisture Protection	\$ 42,543
Div 8 Doors & Hardware	\$ 69,830
Div 9 Finishes	\$ 82,726
Div 10 Specialties	\$ 23,670
Div 11 Equipment	\$ 1,300
Div 13 Special Systems	\$ 255,903
Div 15 Mechanical	\$ 153,528
Div 16 Electrical	\$ 255,298
DB CONTINGENCY	\$ 35,298
SUB TOTAL	\$ 2,445,015
Bonds (1 YEAR)	\$ 28,238
Builder's Risk	\$ 3,227
General Liability Insurance	\$ 11,295
Sales Tax	\$ 159,545
FEE	\$ 176,488
SUB TOTAL	\$ 2,823,809
OWNER'S CONTINGENCY	\$ 35,298
GMP OVERAL AMOUNT	\$ 2,859,107

EXHIBIT D
PROJECT SCHEDULE
SCHEDULE UPDATES

(See Attached)

EXHIBIT "D"
GLENDALE LANDFILL SCALEHOUSE RELCATION PROJECT
GMP No. 1

Schedule

Construction is schedule for 240 consecutive calendar days following receipt of the Notice to Proceed (NTP).

EXHIBIT E

CMAR'S INSURANCE REQUIREMENTS

CMAR must, as a material obligation to City and a condition precedent to any payment otherwise due to CMAR, furnish and maintain, and cause its Subcontractors and Suppliers to furnish and maintain, insurance in accordance with the provisions of this Exhibit.

CMAR must secure and maintain without interruption, from the date of commencement of the Work until the later of the date of Final Completion, the date of final payment, or the date until which this Agreement requires any coverage to be maintained after final payment, policies of commercial general liability, commercial auto, umbrella/excess, workers compensation and employers liability insurance, providing the following coverage, limits and endorsements:

1. Commercial General Liability Insurance.

1.1 The CGL policy must be written on an occurrence basis, on ISO form CG 001 or its equivalent, providing coverage for bodily injury, broad form property damage, personal injury (including coverage for contractual and employee acts), contractual liability, incidental professional liability, the hazards commonly referred to as XCU, and products and completed operations, with a combined single limit of liability of not less than \$5,000,000 for each occurrence applicable to the Work, and an annual aggregate limit of liability of not less than \$5,000,000 applicable solely to the Work, and meeting all other requirements of this Exhibit.

1.2 The general liability insurance may be accomplished with a combination of a general liability and an excess/umbrella liability policy.

1.3 Each general liability policy must be endorsed or written to:

- (A) Include the per project aggregate endorsement;
- (B) Name as additional insureds the following: City of Glendale and its employees, representatives and agents (collectively, the "Additional Insureds");
- (C) Stipulate that the insurance afforded by the policies furnished by CMAR will be primary insurance and that any insurance, self-insured retention, deductibles, or risk retention programs maintained or participated in by the Additional Insureds, or their agents, officials or employees will be excess and not contributory to the liability insurance furnished by CMAR and by its Subcontractors;
- (D) Includes a severability of interest clause; and
- (E) Waive all rights of recovery against the Additional Insureds.

2. Workers' Compensation Insurance.

2.1 The Workers' Compensation policy must meet all Arizona statutory requirements, and Employers' Liability Insurance, with limits of at least \$500,000 per accident or disease per employee, both policies endorsed to waive subrogation against the Additional Insureds.

2.2 CMAR must provide, at CMAR's expense, Voluntary Compensation insurance for the protection of employees engaged in the Work who are exempt from the coverage provided under the Workers' Compensation statutes with coverage equivalent or better than the coverage required in the preceding sentence, for the duration of the project.

3. Auto Liability Insurance

3.1 Auto Liability must be carried with minimum combined single limits of \$1,000,000 per occurrence for bodily injury and property damage.

3.2 This policy must include a duty to defend and cover all owned, non-owned, leased, hired, assigned or borrowed vehicles.

3.3 This policy must be endorsed to name the Additional Insureds as such, stipulate that any insurance carried by the Additional Insureds must be excess and not contributory, and to waive subrogation against the Additional Insureds.

4. Equipment Property Insurance.

4.1 CMAR must secure, pay for, and maintain all-risk insurance as necessary to protect City against loss of owned, non-owned, rented or leased capital equipment and tools, equipment and scaffolding, staging, towers and forms owned or rented by CMAR, its Subcontractors or Supplier and any construction material in transit or stored in any location other than the Site.

4.2 This policy must have a waiver of subrogation in favor of the Additional Insureds.

5. Commercial Crime Insurance. This policy must cover employees responsible to disburse funds to pay project costs against employee dishonesty, forgery or alteration, or computer fraud.

6. Waiver of Subrogation. CMAR hereby waives, and will require each of its Subcontractors and Suppliers to waive, all rights of subrogation against the Additional Insureds to the extent of all losses or damages covered by any policy of insurance.

7. Term of Coverage.

7.1 The products and completed operations liability coverage required by this Agreement must extend for a period of not less than five years after the earlier of Final Payment for the Work, or the termination of the Agreement (the "Completed Operations Term").

7.2 If at any time prior to the conclusion of time limit described in Section 7.1 above, CMAR cannot obtain equivalent coverage by replacement or renewal, CMAR must acquire a tail policy prior to expiration of the existing policy not less than five years after the earlier of Final Payment for the Work, or the termination of the Agreement (the "Completed Operations Term").

7.3 CMAR will furnish certificates of insurance and other evidence that City may reasonably require during the Completed Operations Term to establish compliance with the requirements of this paragraph.

7.4 All other policies of insurance must be maintained continuously in force from commencement of the Work until the date of Final Payment.

8. Subcontractor and Supplier Insurance Requirements.

8.1 CMAR must require all of CMAR's Subcontractors and Suppliers, as a condition of working on the Project, and of receiving payment, to:

- (A) Purchase and maintain Commercial General Liability, Workers' Compensation and Employer's Liability, and Automotive insurance policies, with the same coverage, endorsements, terms of coverage and other provisions as are required of CMAR under by this Exhibit, **EXCEPT**

THAT the combined coverage limits of the general liability insurance to be furnished by Supplier must be \$1,000,000 per occurrence, and \$1,000,000 as the annual aggregate limit); and

- (B) Timely furnish to City proper certificates, endorsements, copies of declarations pages, and other documents necessary to establish the Subcontractor's compliance with this Exhibit.
- (C) The Supplier's general liability policy must also be endorsed to provide the same coverage as the primary insurance, the general liability insurance furnished by CMAR must be the secondary and non-contributory, and any insurance carried by the Additional Insureds must be excess, tertiary and non-contributory to the insurance furnished by CMAR and Subcontractor.
- (D) City has the right to inspect and copy all such certificates, endorsements, or other proof at any reasonable time.

9. Other Policy Provisions. Each policy to be furnished by CMAR, each Subcontractor and Supplier must:

9.1 Be issued by an insurance carrier having a rating from A.M. Best Company of at least A-VII or better;

9.2 Have a deductible not exceeding \$10,000 unless otherwise agreed upon by City;

9.3 Provide that attorneys' fees shall be outside of the policy's limits and shall be unlimited;

9.4 Include the Facility per aggregate endorsement;

9.5 Waive all rights of subrogation against City;

9.6 Contain a provision that coverage afforded under the policies will not be canceled, allowed to expire, or reduced in amount until at least thirty (30) days prior written notice has been given to City; and

9.7 Be otherwise satisfactory to City. City agrees to consider alternatives to the requirements imposed by this Exhibit but only to the extent that City is satisfied the insurance is not commercially available to the insured. In such event, City shall have the right to set conditions for such waiver, including, but not limited to, additional indemnities, and the request that City shall be a loss-payee under the policy.

10. Certificates and Endorsements.

10.1 Within ten (10) days after the execution of this Agreement, CMAR must provide City with all certificates and endorsements evidencing that all insurance requirements have been met;

10.2 Within ten (10) days after execution of each subcontract (but in all events prior to such Subcontractor or Supplier commencing Services), CMAR must provide City with certificates and endorsements from each of its Subcontractors and Suppliers, in all cases evidencing compliance by CMAR, and each Subcontractor and Supplier, with the requirements of this Exhibit. CMAR must also submit letters from the respective carriers (including, but not limited to, the Errors and Omissions insurance carriers) that there are no known or pending claims or incidents which have resulted in the establishment of a reserve or otherwise have reduced the amount of coverage potentially available to City under the policy and that available coverage has not been reduced because of revised limits or

payments made. In the event such representations cannot be given, CMAR, its Subcontractors and Suppliers must furnish the particulars thereof to City.

10.3 If any of the foregoing insurance coverage is required to remain in force after Final Payment, CMAR must submit an additional certificate evidencing continuation of such coverage with the Application for Final Payment.

11. Reduction in Coverage. CMAR, each of its Subcontractors and Suppliers must promptly inform City of any reduction of coverage resulting from revised limits, claims paid, or both. City shall have the right to require CMAR or the applicable Subcontractor or Supplier to obtain supplemental or replacement coverage to offset such reduced coverage, at the sole cost or expense of CMAR or the applicable Subcontractor or Supplier.

12. Suppliers and Materialmen Coverages.

12.1 CMAR will endeavor to cause all suppliers and materialmen to deliver any equipment, machinery or other goods FOB Site.

12.2 With respect to any equipment, machinery or other goods for which City or CMAR has paid a deposit, CMAR will cause the respective suppliers and materialmen to maintain personal property insurance in an amount equal to the value of such equipment, machinery or other goods (but in no event less than the amount of the applicable deposit) during fabrication, storage and transit, naming City and CMAR as loss payee as their interests appear.

13. Condition Precedent to Starting Work.

13.1 Prior to, and as a condition of its right to begin performing any Work on the Site, CMAR and each Subcontractor and Supplier must deliver to City certificates of insurance representing that the required insurance is in force, together with the additional insured endorsements and waivers of subrogation required above, and such other proof satisfactory to City that the required insurance is in place; together with the original of each bond required under this Agreement. CMAR and each Subcontractor and Supplier hereby authorize City to communicate directly with the respective insurance agents, brokers and/or carriers and sureties to verify their insurance and bond coverage;

13.2 City shall be under no obligation or duty to make any such inquiry and City shall be entitled to rely on any proofs of insurance tendered by CMAR and its Subcontractors and Suppliers. City's acceptance of any proof of insurance and bonds offered by CMAR or any Subcontractor or Supplier will not be deemed a waiver of the obligations of CMAR and Subcontractors and Suppliers to furnish the insurance and bonds required by this Exhibit.

14. Additional Proofs of Insurance. CMAR must, within ten (10) days after request, provide City with certified copies of all policies and endorsements obtained in compliance with this Agreement.

15. Indemnity. The fact that CMAR and its Subcontractors and Suppliers are required by this Agreement to purchase and maintain insurance in no way limits or restricts any other obligations or duties CMAR and its Subcontractors and Suppliers may have to indemnify, defend or hold harmless City and the other Additional Insureds from and against any and all Demands, Liabilities, Losses or Expenses of whatever kind or nature.

16. Interpretation. In the event of any inconsistency between the provisions of this Exhibit and those of the other provisions of the Agreement, the terms of this Exhibit will govern.

EXHIBIT F

FORMS OF PAYMENT AND PERFORMANCE BONDS

(See Attached)

PAYMENT BOND

A.R.S. § 34-608

Penal Sum: \$ _____

KNOW ALL MEN BY THESE PRESENTS:

That _____ as Principal, hereinafter called Contractor, and _____, as Surety, hereinafter called Surety, jointly and severally, bind themselves to the City of Glendale, a municipal corporation of the State of Arizona ("Obligee") and its assigns, solely for the protections of claimants supplying labor or materials to CMAR or to CMAR's Subcontractors in the prosecution of construction and not for the protection of persons providing any design services, preconstruction or other non-construction services as provided in A.R.S. § 34-608(A)(2).

WHEREAS Principal has by written agreement dated _____ entered into that certain "CMAR Agreement" ("Contract") with Obligee (referred to therein as "City") for the design and construction of that certain _____, as provided therein. In accordance with A.R.S. § 34-608(A)(2)(C), the Obligee estimates the price of the Construction Services the Obligee believes is likely to be furnished as of the date hereof \$ _____ (the "Penal Sum").

NOW, THEREFORE, the condition of this obligation is that if the Principal promptly pays all monies due to all persons supplying labor or materials to the Principal or the Principal's Subcontractors in the prosecution of the construction provided for in the Contract, this obligation is void. Otherwise it remains in full force and effect. Provided, however, that this bond is executed pursuant to Title 34, Chapter 6, Arizona Revised Statutes, and all liabilities on this bond shall be determined in accordance with the provisions, conditions and limitations of Title 34, Chapter 6, Arizona Revised Statutes, to the same extent as if they were copied at length in this Agreement. The Surety hereby consents in advance to, and waives notice of any change directive or change order, extension of time or any other material alteration or modification of the Contract, or of the Work to be performed thereunder. The prevailing party in a suit on this bond shall recover as a part of the judgment reasonable attorney fees that may be fixed by the court.

Witness our hands this _____ day of _____, 200_____.

PRINCIPAL SEAL

By: _____

Title: _____

SURETY SEAL

By: _____
(Attorney-in-Fact)

Agency of Record

Agency Address

Arizona Resident Agent Countersignature
Bond Number _____

PERFORMANCE BOND

A.R.S. § 34-608

Penal Sum: \$ _____

KNOW ALL MEN BY THESE PRESENTS:

That _____ as Principal, hereinafter called Contractor, and _____, as Surety, hereinafter called Surety, jointly and severally bind themselves to the City of Glendale, a municipal corporation of the State of Arizona ("Obligee") and its assigns solely for the protection of Obligee as provided in A.R.S. § 34-608(A)(1).

WHEREAS Principal has entered into that certain "CMAR Agreement" ("Contract") with Obligee (referred to therein as "City"), dated _____, for the design and construction of that certain _____, as described therein, which Contract, together with all Change Orders and amendments thereto, is by reference made a part hereof, providing for a cumulative amount to be paid to Contractor for all design services, construction and other work (collectively, "Work" as described in the Contract) not to exceed guaranteed maximum price of \$ _____ dollars. In accordance with A.R.S. § 34-608(A)(1)(A), the Obligee estimates the price of the Construction Services the Obligee believes is likely to be furnished as of the date hereof \$ _____ (the "Penal Sum").

NOW, THEREFORE, the condition of this obligation is that, if the Principal faithfully performs and fulfills all of the undertakings, covenants, terms, conditions and agreements of the Contract during the original term of the Contract and any change, extension, alteration or modification of the Contract, with or without notice to the Surety, and during the life of any guaranty required under the Contract, and also performs and fulfills all of the undertakings, covenants, terms, conditions and agreements of all duly authorized changes, extensions, alterations or modifications of the Contract that may hereafter be made, notice of which changes, extensions, alterations or modifications to the Surety being hereby waived, the above obligation is void. Otherwise it remains in full force and effect. Provided, however, that this bond is executed pursuant to Title 34, Chapter 6, Arizona Revised Statutes, and all liabilities on this bond shall be determined in accordance with Title 34, Chapter 6, Arizona Revised Statutes, to the extent as if it were copied at length in this Agreement. The prevailing party in a suit on this bond shall recover as part of the judgment reasonable attorney fees that may be fixed by the court.

The performance under this bond is limited to the construction to be performed under the Contract and does not include any design services, preconstruction services, finance services, maintenance services, operations services or any other related services included in the Contract.

Signed and sealed this _____ day of _____, 200_____.

PRINCIPAL _____ SEAL

SURETY _____ SEAL

By: _____

By: _____

(Attorney-in-Fact)

Title: _____

Agency of Record

Agency Address

Arizona Resident Agent Countersignature

Bond Number _____

EXHIBIT G

DISPUTE RESOLUTION PROCEDURES

1. Disputes.

- 1.1** Each Dispute arising out of or related to this Agreement (including Disputes regarding any alleged breaches of this Agreement) shall be initiated and decided under the provisions of this Exhibit.
- 1.2** CMAR and City shall each designate in writing to the other party, from time to time, a member of senior management who shall be authorized to attempt to expeditiously resolve any Dispute relating to the subject matter of this Agreement in an equitable manner.
- 1.3** A party shall initiate a Dispute by delivery of written notice to the members of management designated by the respective parties under Section 1.2 of this Exhibit.
- 1.4** The parties must:
 - (A) Attempt to resolve all Disputes promptly, equitably and in a good faith manner; and
 - (B) Provide each other with reasonable access during normal business hours to any and all non-privileged records, information and data pertaining to any such Dispute.
- 1.5** With respect to matters concerning modification of the GMP or any schedule, CMAR must first follow the provisions of any Claim procedure established by the Design-Build Agreement before seeking relief under these Procedures.

2. Emergency Arbitration.

- 2.1** If the parties are unable to accomplish resolution of a Dispute, the expedited resolution of which either party considers necessary to prevent or mitigate a material delay to the critical path of the Services (a "Time Sensitive Dispute") within two days after the Time Sensitive Dispute has been initiated by a party, either party may thereafter seek emergency relief before an emergency arbitrator (the "Emergency Arbitrator") appointed as follows:
 - (A) The parties will exercise best efforts to pre-select an Emergency Arbitrator within 20 days after entering into this Agreement;
 - (B) If the Emergency Arbitrator has not been selected at the time a party delivers Notice of a Time Sensitive Dispute, the parties will each select a representative within one day after the Notice is delivered and the two representatives will then select the Emergency Arbitrator by the third day following delivery of the Notice.
 - (C) The Emergency Arbitrator shall be an attorney with at least ten (10) years' experience with commercial construction legal matters in Maricopa County, Arizona, be independent, impartial, and not have engaged in any business for or adverse to either party for at least ten (10) years.
- 2.2** The Emergency Arbitrator will conduct a hearing and render a written determination on the Dispute to both parties within five business days of the matter being referred to him or her, all in accordance with Rules O-1 to O-8 of the

American Arbitration Association ("AAA") Commercial Rules-Optional Rules for Emergency Protection Commercial Rules ("AAA Emergency Rules").

- 2.3 Although the hearing will be conducted using AAA rules, unless both parties agree otherwise, this dispute process will not be administered by the AAA but will be conducted by the parties in accordance with these procedures.
- 2.4 If, however, an Emergency Arbitrator has not selected within three days after delivery of the Notice, either party may upon three days additional notice, thereafter seek emergency relief before the AAA, in accordance with the AAA Emergency Rules, provided that the Emergency Arbitrator meets the qualifications set forth above.
- 2.5 All proceedings to arbitrate Time Sensitive Disputes shall be conducted in Glendale, Arizona.
- 2.6 Presentation, request for determination (*i.e.*, a party's prayer), and the Emergency Arbitrators decision will adhere to the procedures required in Section 3.6 of this Exhibit.
- 2.7 The finding of the Emergency Arbitrator with respect to any Time Sensitive Dispute will be binding upon the parties on an interim basis during progress of the Services, subject to review *de novo* by arbitration after the Project Substantial Completion Date.
- 2.8 The time and extent of discovery will be as determined by the Emergency Arbitrator.
 - (A) Discovery orders of the Emergency Arbitrator will consider the time sensitivity of the matter and the parties desire to resolve the issue in the most time and costs efficient manner;
 - (B) The parties are obligated to cooperate fully and completely in the provision of documents and other information, including joint interviews of individuals with knowledge such that the matter moves toward resolution in the most time and costs efficient manner and the Emergency Arbitrator is empowered to fashion any equitable penalty against a party that fail to meet this obligation.

3. Non-Emergency Arbitration.

- 3.1 Except as provided in Section 5 of this Exhibit, any Dispute that is either a non-emergency Dispute that has not been resolved by negotiation, or a *de novo* review of an AAA emergency arbitration will be decided by binding arbitration by a panel of three arbitrators in accordance with, but not necessarily administered by, the Construction Industry Rules of the AAA.
 - (A) The parties shall each select an arbitrator within 15 days after notice that a party desires to resolve a dispute by arbitration.
 - (B) The two arbitrators shall then each select a third arbitrator. If an arbitrator is not selected within any such 15 day period, then the arbitrator shall be appointed by the AAA.
- 3.2 The arbitrator(s) shall meet the qualifications of Emergency Arbitrators as provided in Section 2 of this Exhibit.
- 3.3 The arbitrators do not have the authority to consider or award punitive damages as part of the arbitrators' award.

3.4 In connection with such arbitration, each party shall be entitled to conduct up to five depositions, and, no less than 90 days prior to the date of the arbitration hearing, each party shall deliver to the other party copies of all documents in the delivering party's possession that are relevant to the dispute.

3.5 The arbitration hearing shall be held within 150 days of the appointment of the arbitrators.

3.6 At the arbitration hearing, each party will argue its position to the arbitrators in support of one proposed resolution to the dispute (a "Proposed Resolution").

(A) Each party's Proposed Resolution must be fully dispositive of the dispute.

(B) The arbitrators must select one Proposed Resolution by majority consent and are not free to fashion any alternative resolutions.

(C) The parties must submit their proposed resolution of the matter to the arbitrators and the other party 15 days prior to the date set for commencement of the arbitration proceeding.

(D) The decision of the arbitrators will be forwarded to the parties within 15 days after the conclusion of the arbitration hearing.

(E) The decision of the arbitration panel is final and binding on the parties and may be entered in any court of competent jurisdiction for the purpose of securing an enforceable judgment.

(F) All costs and expenses associated with the arbitration, including the reasonable legal fees and costs incurred by the prevailing party, must be paid by the party whose position was not selected by the arbitrators.

4. Continuing Work. Unless otherwise agreed to in writing, CMAR must continue to perform and maintain progress of the Work during any Dispute Resolution or arbitration proceedings, and City will continue to make payment to CMAR in accordance with the Agreement.

5. Exceptions.

5.1 Neither City nor CMAR are required to arbitrate any third-party claim, cross-claim, counter claim, or other claim or defenses in any action that is commenced by a third-party who is not obligated by contract to arbitrate disputes with City and CMAR.

5.2 City or CMAR may commence and prosecute a civil action to contest a lien or stop notice, or enforce any lien or stop notice (but only to the extent the lien or stop notice the party seeks to enforce is enforceable under Arizona law), including, without limitation, an action under A.R.S. § 33-420, without the necessity of initiating or exhausting the procedures of this Exhibit.

5.3 This Exhibit does not apply to, and may not be construed to require arbitration of, any claims, actions or other process undertaken, filed, or issued by the City of Glendale Building Safety Department, Code Compliance Department, Police Department, Fire Department, or any other agency of City acting in its governmental permitting, for the benefit of public health, safety, and welfare, or other regulatory capacity.

5.4 In connection with any arbitration, the arbitrators do not have the authority to, and may not enforce, any provision of the Federal or Arizona Rules of Civil Procedure.



Legislation Description

File #: 14-476, **Version:** 1

AUTHORIZATION TO ENTER INTO AMENDMENT NUMBER ONE TO EXTEND THE CURRENT AGREEMENT WITH STANLEY CONSULTANTS, INC. FOR THE DESIGN OF INTELLIGENT TRANSPORTATION SYSTEMS INFRASTRUCTURE ON 67TH AVENUE, FROM GLENDALE AVENUE TO CHOLLA STREET

Staff Contact: Jack Friedline, Director, Public Works

Purpose and Recommended Action

This is a request for City Council to authorize the City Manager to enter into Contract Amendment Number One with Stanley Consultants, Inc. for the design of intelligent transportation systems (ITS) infrastructure on 67th Avenue, between Glendale Avenue and Cholla Street. This amendment extends the term of the professional services agreement to December 10, 2016. All other provisions of the original contract shall remain in place.

Background

Since 2003, the city has made a significant investment in deployment of ITS infrastructure along arterial streets to enhance the management of traffic. These improvements enable Transportation staff to remotely monitor traffic and make signal timing changes based on current traffic patterns, as well as in response to resident requests. The city's ITS system is currently comprised of over 100 miles of fiber optic communications cable that provides communications to 145 of the city's 192 traffic signals, 100 closed-circuit television (CCTV) cameras and 10 dynamic message signs. Future infrastructure expansions on Peoria Avenue, as well as along Olive, Northern and 51st Avenues are under design and expected to be constructed in fall 2015.

This project allows for seven additional signals and four CCTV cameras to be added to the system. In September 2012, Transportation Services, in coordination with Engineering staff, identified Stanley Consultants, Inc. as the most qualified company on Engineering's on-call consultant list to perform this work.

Analysis

Shortly after the execution of this agreement, the Arizona Department of Transportation (ADOT) changed its policy regarding their project review. The new policy requires an intergovernmental agreement (IGA) be in place prior to any ADOT review, which delayed this project approximately 10 months.

The installation of ITS infrastructure along 67th Avenue, from Glendale Avenue to Cholla Street, was identified in the city's ITS Strategic Plan and will close a gap in the traffic management system. Once completed, all signals on 59th and 67th avenues, north of Glendale Avenue, will be connected to the central signal system. This project is identified in the Maricopa Association of Governments' Transportation Improvement Program, and \$904,164 in federal funds for construction have been secured for Federal Fiscal Year 2016 (October 1,

2015 - September 30, 2016). The estimated total project cost is \$1,091,664. The remaining \$187,500 is programmed in the Capital Improvement Plan Smart Traffic Signals Account (2210-65005-551200).

The cost for design of this ITS project in accordance with the federal aid requirements is estimated to be \$194,878, which includes the project assessment, utility, right-of-way, and environmental clearances, construction plans, project specifications and an engineer's estimate. Additionally, the scope of work includes post design services, such as attending construction meetings, responding to contractor questions, reviewing project submittals, preparing design changes and completing as-built drawings as required by the ADOT. This project is currently at 60 percent design and is being reviewed by ADOT.

Previous Related Council Action

On October 8, 2013, Council approved an IGA with ADOT for project administration, design review, construction bidding and construction administration of ITS infrastructure of 67th Avenue, between Glendale Avenue and Cholla Street.

On December 11, 2012, Council approved a professional services agreement with Stanley Consultants, Inc., for the design of ITS infrastructure on 67th Avenue, between Glendale Avenue and Cholla Street.

Community Benefit/Public Involvement

Technology enhancements will continue to provide efficient traffic management for the traveling public, and this design project will address improvements to the ITS infrastructure along one of Glendale's most critical north-south corridors.

Budget and Financial Impacts

Council authorized the funding of this contract on December 11, 2012. To date, a total of \$155,931 of the \$194,878 not-to-exceed contract amount has been spent, with \$38,947 remaining.

This project is funded by the Transportation Sales Tax Fund and is available in the Fiscal Year 14-15 Capital Improvement Plan Smart Traffic Signals account (2210-65005-551200).

AMENDMENT NO. 1

STANLEY CONSULTANTS, INC. PROFESSIONAL SERVICE AGREEMENT
(Contract No. C-8258)

This Amendment to the Service Agreement is made this ___th day of November, 2014 (“Effective Date”), by and between the City of Glendale, an Arizona municipal corporation (“City”) and Stanley Consultants, Inc. authorized to do business in Arizona (“Contractor”).

RECITALS

- A. City and Contractor previously entered into a Service Agreement, Contract No. C-8258, dated December 11, 2012 (“Agreement”); and
- B. City and Contractor wish to modify and amend the Agreement subject to and strictly in accordance with the terms of this Amendment.

AGREEMENT

In consideration of the mutual promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and Contractor hereby agree as follows:

1. **Recitals.** The recitals set forth above are not merely recitals, but form an integral part of this Amendment.
2. **Term.** The term of the Agreement is extended for a two year period in accordance with Paragraph 14 of the Agreement. The Agreement will now expire December 11, 2016.
3. **Scope Of Work.** Contractor’s scope of work is unchanged.
4. **Compensation.** Contractor’s compensation is unchanged.
5. **Ratification of Agreement.** City and Contractor hereby agree that except as expressly provided herein, the provisions of the Agreement shall be, and remain in full force and effect and that if any provision of this Amendment conflicts with the Agreement, then the provisions of this Amendment shall prevail.

CITY OF GLENDALE, an Arizona
municipal corporation

Brenda S. Fischer, City Manager

ATTEST:

Pamela Hanna, City Clerk (SEAL)

APPROVED AS TO FORM:

Michael D. Bailey, City Attorney

Stanley Consultants, Inc.



By: DAVID FABIANO
Its: PROJECT PRINCIPAL



Legislation Description

File #: 14-440, **Version:** 1

AUTHORIZATION TO TERMINATE AIRPORT LEASE AND DEVELOPMENT AGREEMENT

Staff Contact: Jack Friedline, Director, Public Works

Purpose and Recommended Action

This is a request for City Council to waive reading beyond the title and adopt a resolution authorizing the City Manager to terminate the 2007 Glendale Municipal Airport land lease and development agreement between the city and Enterprise Bank, in accordance with the August 2011 lease amendment.

Background

In August 2007, the city entered into a land lease agreement with Rightpath Limited Development Group, LLC (Rightpath) for their development of approximately 134 acres on the east side of the Glendale Municipal Airport. Rightpath encountered financial difficulties and defaulted on their bank loans from the First National Bank of Olathe (FNBO) and payments to the city for a separate lease of the fixed base operator airport facility. The May 2010 bank default also included the eastside ground lease, as the lease was used as collateral by Rightpath.

In October 2010, Council approved an agreement with the FNBO for the interim operation of the airport fixed base operator and directed the City Manager to execute any necessary amendments to the land lease development agreement.

On August 1, 2011, the city entered into an amendment and assignment of the 2007 land and development lease with Corporate Holdings II, LLC, Rightpath's successor-in-interest, and the FNBO, Corporate Holdings' managing member. The 2011 lease amendment included a reversion date, giving the city the option to terminate the agreement on or after August 1, 2014. In August 2011, the FNBO failed, and its assets were sold to Enterprise Bank and Trust, which became the final successor-in-interest to the airport land lease.

In early 2013, Enterprise Bank's legal counsel notified the city of their intent to hold a trustee's sale and public auction of the airport land lease. City legal staff submitted comments on the notice and documents while communicating with Enterprise Bank officials. The public auction was held November 20, 2013. There were no bidders.

In early 2014, Enterprise Bank attempted to solicit parties interested in the development of the eastside land lease, with no results. Their legal counsel notified the Glendale City Attorney's Office on July 7, 2014, that the bank would be interested in extending the land lease beyond the August 1, 2014 reversion date. On July 22, 2014, the City Attorney's Office, acting in conjunction with the Public Works Department, notified Enterprise Bank's legal counsel of the city's intent to terminate the lease agreement, per the amendment's reversion option, pending Council approval.

Analysis

Several factors justify the termination of the 2007 land lease and development agreement. The lease was agreed upon without thorough consideration of the restrictions and challenges facing the developer and the city. A substantial portion of the 134-acre lease is within the parcels of land donated to the city by John F. Long. The land donation deed restrictions were the basis of a lawsuit filed against the city for other development plans that would have prevented a second runway to be built.

The lawsuit settlement created the requirement by the John F. Long group for a joint feasibility and capacity study to determine whether a second runway could be constructed on the east side of the Airport. Negotiations are currently underway with John F. Long Properties staff to conclude the study. The study would determine if the east side could be developed primarily for aeronautical businesses or be used instead for the second runway, with substantially less area for development. The study will also rescind Federal Aviation Administration (FAA) grant restrictions on the land, due to the lawsuit.

The 2007 land lease term is for 50 years with an additional 34-year option. This total term beyond 50 years is not normally acceptable by FAA standards. A new lease with acceptable terms would have to be negotiated, but until the second runway capacity study decision is concluded, it would be prudent at this time to instead terminate the land lease and bring the area back into full control of the city.

The 2011 lease amendment stipulates that the city receives no rent for the land until portions of the property are developed. To date, no development has occurred on the property. The 134 acres has ground elevations in areas that are up to 15 feet lower than the existing runway. This condition poses a challenge to the layout, utilities and drainage for any development opportunities. Additional planning to address this condition will take several years and must meet engineering and FAA design standards.

With these current restrictions and challenges, staff recommends the termination of the 2007 land lease and development agreement in accordance with the 2011 lease amendment reversion option.

Previous Related Council Action

On October 10, 2010, Council authorized the City Manager to enter into an agreement with the FNBO for the interim operation of the airport fixed base operations.

On August 12, 2010, Council authorized the City Manager to execute the necessary amendments to the lease and development agreement.

On August 14, 2007, Council authorized the land lease and development agreement with Rightpath.

Community Benefit/Public Involvement

The Glendale Municipal Airport plays a role in meeting the demand for aviation services in the West Valley and serves as a general aviation reliever airport for Phoenix Sky Harbor International Airport. The lease termination will enable the city to better plan and meet obligations for the development of the east side

property. The Airport Administrator provides updates on this and other projects to the Aviation Advisory Commission during their monthly meetings.

RESOLUTION NO. 4901 NEW SERIES

A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE TERMINATION OF THE 2007 GLENDALE MUNICIPAL AIRPORT LEASE AND DEVELOPMENT AGREEMENT AND THE AMENDMENT TO LEASE AND DEVELOPMENT AGREEMENT OF CERTAIN REAL PROPERTY AT THE GLENDALE AIRPORT WITH ENTERPRISE BANK.

WHEREAS, on August 14, 2007, the City entered into a land lease and development agreement with Rightpath Limited Development Group, LLC for the development of approximately 134 acres on the east side of the Glendale Municipal Airport; and

WHEREAS, on August 1, 2011 the City entered into an Amendment to Lease and Development Agreement of Certain Real Property at the Glendale Airport with Corporate Holdings II, LLC, the successor-in-interest to Rightpath Limited Development Group, LLC; and

WHEREAS, Enterprise Bank, a successor-in-interest to the Lease and Development Agreement and Amendment notified the City in 2013 that it was their intention to hold a trustee's sale and public auction of the Airport land lease, which was unsuccessful; and

WHEREAS, it is the desire of the City to terminate the Lease and Development Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLENDALE as follows:

SECTION 1. That it is deemed to be in the best interest of the City and the citizens thereof that the 2007 Lease and Development Agreement and the 2011 Amendment and Assignment of the 2007 Lease and Development Agreement be terminated.

SECTION 2. That the City Manager, or her designee, and the City Clerk be authorized and directed to execute any and all documents necessary to effectuate the termination of the Amendment and Assignment of the 2007 Lease and Development Agreement.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Glendale, Maricopa County, Arizona, this _____ day of _____, 2014.

M A Y O R

ATTEST:

City Clerk (SEAL)

APPROVED AS TO FORM:

City Attorney

REVIEWED BY:

City Manager

l_term_airport

CITY CLERK ORIGINAL

When recorded, return to:
City Clerk
City of Glendale
5850 West Glendale Avenue
Glendale, Arizona 85301

C-6125-2
08/01/2011

AMENDMENT TO LEASE AND DEVELOPMENT AGREEMENT OF CERTAIN REAL PROPERTY AT THE GLENDALE AIRPORT

THIS AMENDMENT TO LEASE AND DEVELOPMENT AGREEMENT OF CERTAIN REAL PROPERTY AT THE GLENDALE AIRPORT ("Amendment") is entered into this 1 day of August, 2011 by and between the City of Glendale, an Arizona municipal corporation ("Glendale") and Corporate Holdings II, LLC, a Kansas limited liability company ("CH") as successor-in-interest and assigns to Rightpath Development Group, LLC, a Delaware limited liability company ("Rightpath").

RECITALS:

- A. Glendale and Rightpath entered into that certain Lease and Development Agreement of Certain Real Property at the Glendale Airport executed and effective as of August 27, 2007 and recorded on September 11, 2007 with the Maricopa County Recorder's Office at 2007-1008044 (the "Agreement").
- B. By Assignment executed on or about March 24, 2011 and recorded on or about March 29, 2011 with the Maricopa County Recorder's Office at Document No. 2011-0266316 and recorded for purposes of correcting a typographical error on April 21, 2011 at Document No. 2011-0340334, Rightpath assigned all of its rights and interests in and under the Agreement to CH.
- C. Glendale and CH now desire to amend the Agreement as set forth in this Amendment.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is agreed as follows:

1. All references to "Developer" anywhere in the Agreement refer to CH and its successors and assigns.
2. Glendale acknowledges that CH is a Permitted Assignee of the "Developer" under Section 13.2(b) of the Agreement.
3. The parties acknowledge that the "Camelback Ranch Development Agreement" referred to in Recital D of the Agreement has not been completed. Recital D is amended to read:
 - D. Rightpath, or its successor, and Glendale anticipate that it will enter into a development agreement concerning the development of land adjacent to Glendale's spring training facility and associated public infrastructure ("Camelback Ranch Development Agreement"), but the Camelback Ranch Development Agreement, as originally contemplated, will not include any reference to "Airport," "Airport Property," "Airport Land," or "Airport Property Development," "Airport Ground Lease," or "Airport Property Minimum Improvements."

4. Section 1.17 (definition of "Developer") is amended to add "and its successors or assigns as approved according to this Agreement" at the end of the sentence.
5. A new definition is added to Section 1 as follows:

"Commencement of Development" means the issuance of the first building or construction permit and actual work being undertaken by the Developer.
6. A new definition is added to Section 1 as follows:

"Reversion Date" means the date three (3) years following execution of the Amendment to this Agreement.
7. Section 2.3(b) is deleted in its entirety.
8. A new Section 3.3 is added as follows:
 - 3.3 On or after the Reversion Date, Glendale may, at its option, terminate the Agreement on any portion of the Property then still leased by Developer (i.e., that has not been conveyed, transferred, assigned or subleased pursuant to the terms of this Agreement).
9. Section 4.1 is deleted in its entirety and the following is inserted in lieu thereof:
 - 4.1 Rent Paid to Glendale.
 - (a) Developer shall pay to Glendale the annual rent for Parcels A and B commencing on their respective Rent Commencement Dates and continuing until the expiration or earlier termination of the Term and shall be an amount that equals One Thousand Four Hundred Twenty and No/100 Dollars (\$1,420.00) multiplied by the number of acres of Developed Property within the respective Parcel as further described in Section 4.2. Glendale and Developer acknowledge and agree that the annual rent amount shall be calculated and determined on the basis of all or any portion of the Property as such property becomes a Developed Property. Upon the deletion of all or any portion of a Parcel from the provisions of this Agreement, the applicable annual rent shall be re-calculated to reflect the deletion of such Parcel.
10. Section 4.2 is amended by adding the clause "and Parcel B" immediately following the term "Parcel A" wherever it appears.
11. Section 4.3 is amended by renumbering "Payment of Annual Rent." as 4.3(a) and adding 4.3 (b) as follows:

4.3

- (b) After Commencement of Development related to any part of Parcel A or Parcel B, Developer will pay, in lieu of the Annual Rent attributable to that portion of the Property that is the subject of the development ("Development Parcel"), a lease rate for the Development Parcel that is in accordance with the terms of the Airport lease rate schedule (as amended) adopted by Council (July 2002) and applicable to all Airport land being similarly situated and having a similar use.

12. Section 5.2 is deleted in its entirety and the following is inserted in lieu thereof:

- 5.2 Effluent. Without limiting the generality of Section 5.1, Glendale shall provide such quantities of effluent water as Developer may reasonably require for the continuing operation and maintenance of all various water features and amenities located on the Property, including without limitation, such quantities of effluent as may be required to maintain, per their design, landscaping, signage and entry features. Glendale shall initiate such effluent services as soon as reasonably practicable after Developer's request for service. Glendale shall provide all such effluent water to the Property at a cost not to exceed the then-lowest rate available to purchasers of effluent water from Glendale, or at the commercial rate should such a rate be established.

13. Section 6.1 is deleted in its entirety and the following is inserted in lieu thereof:

- 6.1 Initial Improvements. Glendale grants Developer the right to develop the Property for the purposes described in Section 2.3. Commencement of Development on the Property shall occur not later than five (5) years following the date of the Amendment to this Agreement, at which time Glendale may, at its option, terminate the Agreement on any portion of the Property for which Commencement of Development has not occurred. At the expiration of the tenth (10th) year following execution of the Amendment to the Agreement, Glendale may, at its option, terminate the Agreement on that portion of the Property then undeveloped.

14. Section 6.6 is deleted in its entirety and the following is inserted in lieu thereof:

- 6.6 Public Infrastructure Improvements. Upon the approval of an FAA grant for the full amount associated with the design and construction of a new taxiway, Glendale shall design and construct a taxiway accessible to all Airport users that runs parallel to the western boundary of the Property ("Public Infrastructure Improvements"). The design and construction of the Public Improvements is subject to Glendale obtaining Federal or ADOT funding for all associated costs. Upon direction of Council,

Glendale shall actively pursue such funding. Glendale shall cause Completion of Construction of the Public Infrastructure Improvements pursuant to the terms of the Federal or ADOT grant and the Airport Master Plan.

15. Section 12.1 is amended by adding the following:

Developer will use its best efforts to aggressively market the leasehold interest in the Property and will take all reasonable action to assign this Agreement, or enter into a sublease, of all or a portion of the Property, on terms that will promote and enhance the development of the Property consistent with this Agreement, the Airport Master Plan, and Glendale's economic development plans. Subject to the consent by Glendale described below, nothing in this Agreement shall prohibit or prevent Developer from conveying or transferring this Agreement with respect to all, portions or Parcels of the Property to more than one assignee for the purpose of development of such portions or Parcels consistent with this Agreement. Any such conveyance, transfer, assignment or sublease shall be on terms reasonable acceptable to Glendale, which consent will not be unreasonably withheld.

16. Section 21.4 (Notice) is amended to delete the notice provisions to Rightpath and its attorneys and the following is inserted in lieu thereof:

TO DEVELOPER: Corporate Holdings II, LLC
Attn: Lynn Cole
14201 North 87th Street, Suite 121
Scottsdale, Arizona 85260

Copy to: Tiffany & Bosco PA
Attn: J. Lawrence McCormley
Third Floor Camelback Esplanade II
2525 East Camelback Road
Phoenix, Arizona 85016

17. Except as expressly amended by this Amendment, the Agreement remains unchanged and in full force and effect. All terms as used in the Agreement remain the same unless expressly modified by this Amendment.

IN WITNESS WHEREOF, this Amendment to Lease and Development Agreement of Certain Real Property at the Glendale Airport is entered into and effective as of the date first written above.

[Signatures follow on the next page.]

Recorded by:
City Clerk's Office
City of Glendale
5850 West Glendale Avenue
Glendale, Arizona 85301

OFFICIAL RECORDS OF
MARICOPA COUNTY RECORDER
HELEN PURCELL
ELECTRONIC RECORDING
20110660229,08/09/2011 09:19,
C6125-6-1-1--,N

CITY OF GLENDALE, ARIZONA

AGREEMENT C- 6125-2

(Amendment to Lease and Development Agreement of
Certain Real Property at the Glendale Airport)

(PLEASE DO NOT REMOVE ~ THIS IS PART OF THE OFFICIAL DOCUMENT)



Legislation Description

File #: 14-447, Version: 1

AUTHORIZATION TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE CENTRAL ARIZONA WATER CONSERVATION DISTRICT TO STORE WATER AT THE SUPERSTITION MOUNTAINS RECHARGE PROJECT

Staff Contact: Craig Johnson, P.E., Director, Water Services

Purpose and Recommended Action

This is a request for the City Council to waive reading beyond the title and adopt a resolution authorizing the City Manager to enter into an intergovernmental agreement with the Central Arizona Water Conservation District (CAWCD) to store Glendale's Central Arizona Project (CAP) water at the Superstition Mountains Recharge Project owned and operated by CAWCD.

Background

The City of Glendale holds allocations of CAP water through its municipal and industrial subcontract and leases. This intergovernmental agreement (IGA) will allow the city to store a portion of its CAP water at CAWCD's Superstition Mountains Recharge Project (SMRP).

Glendale plans to store some of its CAP water in underground aquifers through the use of recharge basins at the CAP facility. Glendale will accumulate long-term storage credits for the recharged CAP water. These credits are reserved for future use in the event of drought, shortages, or to meet additional demand. The stored water credits will eventually be recovered through wells.

On August 25, 2014, the Arizona Department of Water Resources (ADWR) granted Glendale water storage permits for CAP water. These permits cover the Agua Fria Managed facility (capacity 50,000 AF/year); the Agua Fria Constructed facility (capacity 50,000 AF/year); the Superstition Mountains Recharge Project facility (capacity 56,500 AF/year); and the Hieroglyphic Mountains Recharge Project (capacity 35,000 AF/year). Depending on the amount of capacity available each year, the permits grant Glendale the ability to store CAP water at any or all of these facilities.

Having the option to store at several facilities provides Glendale flexibility and redundancy in the operation of its water storage program. This intergovernmental agreement (IGA) will allow the city to store a portion of its CAP water at CAWCD's Superstition Mountains Recharge Project (SMRP).

Analysis

The IGA will provide the city with greater flexibility in managing its available water resources. The city will be able to cost-effectively develop stored water credits with unused portions of its Central Arizona Project and Colorado River water supplies. These stored water credits can be recovered through wells at any time in the future when the city needs additional water.

Previous Related Council Action

On June 10, 2014, Council approved the 2014-2015 Capital Improvement Plan (CIP) budget. This budget appropriated \$300,000 for the accrual of long-term water storage credits.

Community Benefit/Public Involvement

The IGA allows the city to maximize the use of available supplies by developing stored water credits for water that the city cannot make immediate or direct use of. These credits will increase the amount of water available to the city and bolster its future designations of assured water supply.

On December 18, 2012 the Ad Hoc Citizen Task Force on Water and Sewer completed its final report. The Task Force recommended the city should ensure it has a safe and reliable water supply to meet current and future demand to ensure water resources sustainability. The Task Force also recommended the city should maximize and optimize the use of its existing water resources in several ways, including aquifer storage.

Budget and Financial Impacts

There is no budget or financial impact from executing the agreement. Should Glendale exercise the agreement by storing water, the city will pay the regular per acre-foot (AF) price for CAP municipal and industrial water that it stores (\$157 per AF in calendar year 2015). In addition, CAP charges an underground water storage fee for storing water at its facilities (\$9.00 per AF CY15). Funds are available in the Water Services FY 2014-15 Capital Improvement Plan budget.

Cost	Fund-Department-Account
\$300,000	2400-61051-551000, Accrual of Long-term Water Storage Credits

Capital Expense? Yes

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?

RESOLUTION NO. 4902 NEW SERIES

A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE ENTERING INTO OF AN INTERGOVERNMENTAL AGREEMENT WITH THE CENTRAL ARIZONA WATER CONSERVATION DISTRICT PROVIDING FOR THE STORAGE OF WATER AT THE SUPERSTITION MOUNTAINS RECHARGE PROJECT.

WHEREAS, the Central Arizona Water Conservation District (“CAWCD”) is responsible for operating the Superstition Mountains Recharge Project (SMRP), an underground storage facility; and

WHEREAS, the City of Glendale desires to store Central Arizona Project (“CAP”) water at the SMRP.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLENDALE as follows:

SECTION 1. That it is deemed in the best interest of the City of Glendale and the citizens thereof that an intergovernmental agreement with the Central Arizona Water Conservation District for the storage of water at the Superstition Mountains Recharge Project be entered into, which agreement is on file in the office of the City Clerk of the City of Glendale.

SECTION 2. That the Mayor or City Manager and the City Clerk are hereby directed and authorized to execute and deliver all documents necessary on behalf of the City of Glendale.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Glendale, Maricopa County, Arizona, this ____ day of _____, 2014.

MAYOR

ATTEST:

City Clerk (SEAL)

APPROVED AS TO FORM:

City Attorney

REVIEWED BY:

City Manager

**AGREEMENT FOR STORAGE OF WATER
AT THE
SUPERSTITION MOUNTAINS RECHARGE PROJECT**

1. PARTIES:

This Agreement is made and entered into the _____ day of _____, 20____, by and between the CENTRAL ARIZONA WATER CONSERVATION DISTRICT, hereinafter referred to as "CAWCD", and the City of Glendale hereinafter referred to as "Glendale".

2. RECITALS:

2.1 CAWCD is responsible for operating the Superstition Mountains Recharge Project (SMRP), an underground storage facility that is located in the east Salt River Valley sub-basin of the Phoenix Active Management Area. The SMRP is more specifically located in portions of Sections SE 1/4 of Sec. 23, SW 1/4 of Sec. 24, NW 1/4 of Sec. 25, NE 1/4 of Sec. 26, Township 2S, Range 8E, GSRB&M, Maricopa County, Arizona.

2.2 ADWR has issued Constructed Underground Storage Facility Permit No. 71-207702.0002 to CAWCD for the SMRP. The permit authorizes the underground storage of a maximum of 25,000 acre-feet of water annually for Phase 1, and 56,500 acre-feet annually for Phase 2, at the SMRP. The SMRP is a State Demonstration Project pursuant to A.R.S. § 45-891.01 et seq.

2.3 Glendale desires to store CAP water (Glendale Water) at the SMRP and CAWCD agrees to make available unused storage capacity at the SMRP for such storage, in accordance with the provisions of this Agreement.

NOW THEREFORE, in consideration of the foregoing, the payments to be paid by Glendale, and the covenants and agreements contained in this Agreement, and other good and valuable consideration, CAWCD and Glendale agree as follows:

3. DEFINITIONS:

As used in this Agreement, the following terms, when capitalized, have the following meanings:

3.1 ADWR: The Arizona Department of Water Resources.

- 3.2 CENTRAL ARIZONA PROJECT (CAP): The water delivery works of the CAP including, but not limited to, the CAP canal, its turnout structures and associated measuring devices.
- 3.3 PARTY/PARTIES: Either one or both of the parties to this Agreement.
- 3.4 PERMIT: The Constructed Underground Storage Facility Permit No. 71-207702.0002.
- 3.5 TURNOUT STRUCTURE: The point at which Glendale Water is diverted from the CAP canal for delivery into the SMRP.

4. SCOPE:

This Agreement is limited to the diversion of water at the Turnout Structure, and the storage of such water at the SMRP by CAWCD for the benefit of Glendale. CAWCD shall deliver Glendale Water, which is scheduled by Glendale for storage at the SMRP in accordance with this Agreement, and CAWCD shall store such water underground at the SMRP for the benefit of Glendale.

5. TERM OF AGREEMENT:

This Agreement shall become effective when executed by both Parties and shall remain in effect for ten (10) years unless the Parties agree in writing to extend the term or unless it is sooner terminated or canceled in accordance with the terms of this Agreement.

6. CONDITIONS RELATING TO STORAGE:

- 6.1 All storage of Glendale Water at the SMRP shall be consistent with Arizona law.
- 6.2 Glendale shall obtain a water storage permit from ADWR authorizing it to store Glendale Water at the SMRP.
- 6.3 CAWCD's storage of Glendale Water at the SMRP shall, at all times, comply with the Permit and any terms and conditions imposed on Glendale pursuant to the water storage permit obtained in accordance with Section 6.2. CAWCD shall be responsible for filing annual reports as required by the Permit. CAWCD shall promptly notify Glendale of any changes or modifications to the Permit that would affect Glendale's rights under this Agreement. If the Permit is canceled or expires for any reason, Glendale may terminate this Agreement.

7. PROCEDURE FOR SCHEDULING STORAGE CAPACITY:

- 7.1 As soon as practicable after the date of execution of this Agreement, Glendale shall submit to CAWCD a proposed schedule indicating the amount of SMRP storage capacity it desires to use during the calendar

year in which this Agreement is executed. Thereafter, on or before October 1 of each year during the term of this Agreement, Glendale shall submit to CAWCD a proposed schedule indicating the amount of SMRP storage capacity Glendale desires to use during the following year.

7.2 As soon as practicable after receipt of Glendale's proposed schedule following the execution of this Agreement, CAWCD shall return to Glendale the schedule, as adjusted by and acceptable to CAWCD, indicating the amount of SMRP storage capacity that is available to Glendale for the year in which this Agreement is executed. Thereafter, on or before November 15 of each year during the term of this Agreement, CAWCD shall return to Glendale the schedule, as adjusted by and acceptable to CAWCD, indicating the amount of SMRP storage capacity that is available to Glendale for the following year.

8. WATER STORAGE RATE:

Each year under the term of this Agreement, CAWCD shall establish a per acre-foot recharge rate (Annual Recharge Rate) for the use of SMRP storage capacity for the following year, in accordance with CAWCD's adopted Recharge Rate Policy. Glendale shall be obligated to pay CAWCD this Annual Recharge Rate for each acre-foot of storage capacity used by Glendale during the year. Such payment shall be in accordance with the provisions of Section 13 below.

9. OPERATING AGENT:

9.1 CAWCD shall be responsible for operating the SMRP.

9.2 CAWCD shall retain sole responsibility and authority for decisions relating to the SMRP operating and maintenance practices, including maintenance scheduling and the selection of periods when maintenance will be done.

9.3 Whenever practicable, CAWCD shall inform Glendale ninety (90) days in advance of any matter which may substantially affect the SMRP or the rights of Glendale.

10. DESTRUCTION/RECONSTRUCTION OF THE SMRP:

In the event of destruction of all or part of the SMRP, CAWCD may repair or reconstruct the SMRP, but CAWCD shall not be obligated to do so.

11. WATER MEASUREMENT AND ACCOUNTING:

11.1 CAWCD shall base its accounting for all water delivered to the SMRP on actual measurements, methods required by the Permit and/or generally accepted accounting and engineering practices.

- 11.2 CAWCD shall install and maintain a flow measurement system to measure the amount of water diverted from the CAP into the SMRP. CAWCD shall test and maintain the accuracy of this system within plus or minus 5 percent of actual flows.
- 11.3 CAWCD shall determine evaporation losses representative of the conditions at or near the SMRP using the method indicated in the Permit or using actual measurements, when available. Any other losses in the SMRP shall be calculated using generally accepted engineering practices.
- 11.4 All losses that occur at the SMRP, other than by evaporation, will be calculated using generally accepted engineering practices and water-level readings from the gages in the basins.
- 11.5 CAWCD shall prepare a monthly water accounting report of water stored at the SMRP for Glendale. The report shall include the daily amount of water stored and the losses calculated as described in this Section.
- 11.6 CAWCD shall provide the ADWR with water accounting reports for the SMRP as required by the Permit.
- 11.7 The water accounting reports prepared pursuant to this Section shall be sent to Glendale monthly and shall be retained by CAWCD for at least three years.
- 11.8 CAWCD shall provide Glendale copies of SMRP annual reports submitted to ADWR.

12. WATER QUALITY:

Glendale shall indemnify and hold harmless CAWCD against all losses to third parties resulting from water quality degradation or harm to property caused by Glendale's use of the SMRP, due to the commingling of Glendale Water with the groundwater. Further, Glendale waives any claim on its own behalf against CAWCD for water quality degradation or harm to property arising from such commingling, unless such claim is intended to enforce the indemnification provision of this Section; provided, however, that Glendale shall indemnify and hold harmless CAWCD only to the extent that indemnification is not provided to CAWCD by the State of Arizona pursuant to A.R.S. Section 45-898.01; and provided, further, however, that Glendale's indemnification shall only extend to the percentage of degradation attributable to the water stored on behalf of Glendale at the SMRP under the terms of this Agreement. Glendale retains the right to claims against any other entity, including CAWCD, storing water in the SMRP in the amount proportionate to such amount stored by those other entities.

In no event shall CAWCD assume liability for water quality degradation resulting from the storage of water in the SMRP, solely due to its performance of obligations as the operating agent under this Agreement.

13. BILLING AND PAYMENTS:

13.1 On or before the 15th day of each month, CAWCD will bill Glendale for each acre-foot of storage capacity used by Glendale during the previous month. The amount billed to Glendale shall be equal to the Annual Recharge Rate multiplied by the number of acre-feet of Glendale Water delivered to the SMRP as measured at the Turnout Structure. Glendale shall pay CAWCD within thirty (30) days of receipt of such bill. Payment is not contingent upon and is not related to Glendale's accrual of long-term storage credits from water stored at the SMRP.

13.2 If payment due under this Agreement remains unpaid more than sixty (60) days after its due date, CAWCD may terminate this Agreement effective upon 30 days written notice to Glendale. In the event CAWCD terminates this Agreement, Glendale shall remain obligated to pay any outstanding balance.

14. AUTHORIZATIONS AND APPROVALS:

Glendale shall be responsible for obtaining, at its own expense, any permits, authorizations and approvals required for the underground storage and recovery of water in the SMRP or for Glendale's performance under this Agreement. Glendale shall keep CAWCD informed of its applications for such permits and authorizations. CAWCD will share information with Glendale to assist Glendale in its permit application. Glendale shall also be responsible for filing any annual reports or other documents necessary to maintain its right to store water at the SMRP.

15. LIABILITY:

15.1 Each Party shall assume liability for its own negligence and shall indemnify the other against any damages the non-negligent Party incurs as a result of the negligent Party's action or inaction.

15.2 CAWCD shall assume no liability to Glendale for claims of damage resulting from CAWCD's decision to curtail or stop water flows to the SMRP site during storm or emergency conditions.

15.3 CAWCD shall assume no liability to Glendale for quantities of recoverable or unrecoverable water stored underground or removed from underground storage; nor to replace water lost, unintentionally misdirected or otherwise

failing to reach the underlying aquifer. CAWCD, Glendale and any other entities storing water at the SMRP shall share in any deficiency resulting from such lost, misdirected or otherwise unstored water in proportion to the amount of the SMRP capacity it used at the time the deficiency accrued.

- 15.4 Liability, as described in Section 12 related to water stored in the SMRP by Glendale prior to termination of this Agreement, shall remain with Glendale after termination of this Agreement. This Section 15.4 shall survive expiration or termination of this Agreement, and remain in full force and effect.
- 15.5 In the event any third party institutes an action against CAWCD, Glendale or other entities storing water at the SMRP for claims arising from the activities undertaken pursuant to this Agreement, the parties named in the action shall meet to determine the procurement of legal counsel and the steps to take to defend against the action.

16. INSURANCE

- 16.1 During the term of this Agreement, unless otherwise agreed in writing by CAWCD, Glendale shall procure and maintain in force or cause to be procured and maintained in force the following types of insurance:
 - 16.1.1 Commercial General Liability Insurance naming CAWCD as an additional insured, including bodily injury, personal injury, property damage, wrongful death and contractual liability with a minimum limit of \$1,000,000 per occurrence.
 - 16.1.2 Business Automobile Liability Insurance with a minimum limit of \$1,000,000.
 - 16.1.3 Worker's Compensation required by Arizona State law, and Employer's Liability Insurance with limits of \$1,000,000 per accident, \$1,000,000 per employee per disease, and \$1,000,000 aggregate for disease.
 - 16.1.4 Commercial Umbrella – combined single limit of \$4,000,000.
- 16.2 Any insurance carried by CAWCD shall be excess of and not contributory insurance to any insurance afforded hereunder. Glendale shall submit satisfactory proof of insurance to CAWCD prior to use of the SMRP. Such proof of insurance shall be in the form of a certificate stating the coverage provided and that such insurance shall not be canceled until after thirty (30) days prior written notice thereof shall have been given to CAWCD.

16.3 With written approval of CAWCD, Glendale may self-insure or combine the coverages required by this Agreement with coverages outside the scope of that required by this Agreement.

16.4 If Glendale fails to acquire, provide or continue the insurance coverages required, CAWCD may terminate this Agreement immediately upon written notice to Glendale.

17. DEFAULT:

17.1 Glendale and CAWCD shall pay all monies and carry out all other performances, duties and obligations agreed to pursuant to this Agreement. A failure by Glendale or CAWCD to adhere to the covenants and obligations to be kept and performed by it shall be an act of default under this Agreement.

17.2 In the event of a default by Glendale or CAWCD, then, within thirty (30) days following notice of such default either Party may cure the default either by advancing the necessary funds and/or rendering the necessary performance. Such notice shall specify the existence and nature of such default. If such default is not remedied within the 30 day cure period, the non-defaulting Party may immediately terminate this Agreement.

18. UNCONTROLLABLE FORCES:

Neither Party to this Agreement shall be considered in default in the performance of any of its obligations under this Agreement (other than obligations of Glendale to pay costs and expenses) when a failure of performance is due to Force Majeure. The term "force majeure"; shall mean any cause beyond the control of the Party unable to perform such obligation, including, but not limited to, failure of or threat of failure of facilities, flood, earthquake, storm, fire, lightning, and other natural catastrophes, epidemic, war, riot, civil disturbance or disobedience, strike, labor dispute, labor or material shortage, sabotage, government priorities and restraint by court order or public authority, and action or non-action by, or failure to obtain the necessary authorizations or approvals from any governmental agency or authority not a Party to this Agreement, which by exercise of due diligence, it shall be unable to overcome.

19. RESOLUTION OF DISPUTES:

A dispute between the Parties under this Agreement that cannot be resolved by informal negotiation may be submitted to arbitration. Arbitration shall be subject to the following provisions:

19.1.1 Arbitration shall be binding only upon the consent of the Parties.

- 19.1.2 A Party wishing to submit a dispute to arbitration shall provide thirty (30) days' written notice to the other Party of its intent to pursue arbitration and shall name one arbitrator at that time. Within fifteen (15) days of receiving this notice, the other Party to the dispute shall name one arbitrator and give written notice to the other Party of its selection. The two selected arbitrators shall, within five (5) days of selection of the second arbitrator, jointly select a third arbitrator.
- 19.1.3 Within thirty (30) days from the selection of the third arbitrator, the arbitrators shall hold a hearing. Within thirty (30) days from the conclusion of the hearing, the arbitrators shall render a decision on the dispute.
- 19.1.4 Arbitration shall be subject to the Arizona Arbitration Act, Arizona Revised Statutes, Title 12, Chapter 9, Article 1. In the event of a conflict between this Agreement and the Act, the provisions of this Agreement shall prevail.
- 19.1.5 A Party that is dissatisfied with the results of non-binding arbitration may pursue any other legal or equitable remedy not expressly provided for in this Section 19 and available to resolve the dispute.

20. ACTION PENDING RESOLUTION OF DISPUTES:

While a dispute is pending a resolution pursuant to Section 19, each Party shall continue to comply with all the terms and conditions of this Agreement, including making any payments required herein. Any amount paid by a Party pursuant to this Section 20 during the course of such dispute shall be subject to refund and adjustment upon a final resolution of any dispute involving an amount due.

21. GOVERNING LAW:

The laws of the State of Arizona shall govern this Agreement.

22. BINDING OBLIGATIONS:

All of the obligations set forth in this Agreement shall bind CAWCD and its successors and assigns. This Agreement shall not be assigned by Glendale or accrue to Glendale's successor, nor shall the SMRP capacity use rights hereunder of Glendale be used by another party. CAWCD retains the right to sell, lease, assign or otherwise convey its ownership of the SMRP to a third party. In such event, CAWCD may cancel this Agreement upon written notice to Glendale.

23. NOTICES:

23.1 Notice, demand or request provided for in this Agreement shall be in writing and shall be deemed properly served, given or made if delivered in person or sent by registered or certified mail, postage prepaid, to the persons specified below:

Central Arizona Water Conservation District
c/o General Manager
P.O. Box 43020
Phoenix, AZ 85080-3020

City of Glendale
c/o Water Services Director
7070 W. Northern Avenue
Glendale, AZ 85303

23.2 A party may, at any time, by notice to the other Party, designate different or additional persons or different addresses for the giving of notices.

24. THIRD PARTY BENEFICIARIES:

This Agreement shall not be construed to create rights in, or to grant remedies to, any third party as a beneficiary of this Agreement or of any duty, obligation or undertaking established herein.

25. WAIVER:

The waiver by either Party of a breach of any term, covenant or condition in this Agreement shall not be deemed a waiver of any other term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition of this Agreement.

26. HEADINGS:

Title and paragraph headings are for reference only and are not part of this Agreement.

27. ENTIRE AGREEMENT:

The terms, covenants and conditions of this Agreement constitute the entire Agreement between the Parties relative to the leasing of SMRP storage capacity, and no understandings or agreements not herein expressly set forth shall be binding upon them. This Agreement may not be modified or amended in any manner unless in writing and signed by the Parties.

28. CONFLICT OF INTEREST:

This Contract is subject to cancellation pursuant to the provisions of A.R.S. § 38-511 relating to conflict of interest.

IN WITNESS WHEREOF, this Agreement is executed by the Parties hereto.

CENTRAL ARIZONA WATER CONSERVATION DISTRICT

By: _____
Pamela Pickard, President

Attest: _____
Lisa Atkins, Secretary

**CITY OF GLENDALE,
an Arizona municipal corporation**

By: _____
Brenda S. Fischer
Its: City Manager

ATTEST:

Pamela Hanna (SEAL)
City Clerk

APPROVED AS TO FORM:

Michael D. Bailey
City Attorney



Legislation Description

File #: 14-448, Version: 1

AUTHORIZATION TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE CENTRAL ARIZONA WATER CONSERVATION DISTRICT TO STORE WATER AT THE HIEROGLYPHIC MOUNTAINS RECHARGE PROJECT

Staff Contact: Craig Johnson, P.E., Director, Water Services

Purpose and Recommended Action

This is a request for the City Council to waive reading beyond the title and adopt a resolution authorizing the City Manager to enter into an intergovernmental agreement with the Central Arizona Water Conservation District (CAWCD) to store Glendale's Central Arizona Project (CAP) water at the Hieroglyphic Mountains Recharge Project owned and operated by CAWCD.]

Background

The City of Glendale holds allocations of CAP water through its municipal and industrial subcontract and leases.

Glendale plans to store some of its CAP water in underground aquifers through the use of recharge basins at designated CAP facilities. Glendale will accumulate long-term storage credits for the recharged CAP water. These credits are reserved for future use in the event of drought, shortages, or to meet additional demand. The stored water credits will eventually be recovered through wells.

On August 25, 2014, the Arizona Department of Water Resources (ADWR) granted Glendale water storage permits for CAP water. These permits cover the Agua Fria Managed facility (capacity 50,000 AF/year); the Agua Fria Constructed facility (capacity 50,000 AF/year); the Superstition Mountains Recharge Project facility (capacity 56,500 AF/year); and the Hieroglyphic Mountains Recharge Project (capacity 35,000 AF/year). Depending on the amount of capacity available each year, the permits grant Glendale the ability to store CAP water at any or all of these facilities.

Having the option to store at several facilities provides Glendale flexibility and redundancy in the operation of its water storage program. This intergovernmental agreement (IGA) will allow the city to store a portion of its CAP water at CAWCD's Hieroglyphic Mountains Recharge Project (HMRP).

Analysis

The IGA will provide the city with greater flexibility in managing its available water resources. The city will be able to cost-effectively develop stored water credits with unused portions of its Central Arizona Project and Colorado River water supplies. These stored water credits can be recovered through wells at any time in the

future when the city needs additional water.

Previous Related Council Action

On June 10, 2014, Council approved the 2014-2015 Capital Improvement Plan (CIP) budget. This budget appropriated \$300,000 for the accrual of long-term water storage credits.

Community Benefit/Public Involvement

The IGA allows the city to maximize the use of available supplies by developing stored water credits for water that the city cannot make immediate or direct use of. These credits will increase the amount of water available to the city and bolster its future designations of assured water supply.

On December 18, 2012 the Ad Hoc Citizen Task Force on Water and Sewer completed its final report. The Task Force recommended the city should ensure it has a safe and reliable water supply to meet current and future demand to ensure water resources sustainability. The Task Force also recommended the city should maximize and optimize the use of its existing water resources in several ways, including aquifer storage.

Budget and Financial Impacts

There is no budget or financial impact from executing the agreement. Should Glendale exercise the agreement by storing water, the city will pay the regular per acre-foot (AF) price for CAP municipal and industrial water that it stores (\$157 per AF in calendar year 2015). In addition, CAP charges an underground water storage fee for storing water at its facilities (\$9.00 per AF CY15). Funds are available in the Water Services FY2014-15 Capital Improvement Plan budget.

Cost	Fund-Department-Account
\$300,000	2400-61051-551000, Accrual of Long-term Water Storage Credits

Capital Expense? Yes

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?

RESOLUTION NO. 4903 NEW SERIES

A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE ENTERING INTO OF AN INTERGOVERNMENTAL AGREEMENT WITH THE CENTRAL ARIZONA WATER CONSERVATION DISTRICT PROVIDING FOR THE STORAGE OF WATER AT THE HIEROGLYPHIC MOUNTAINS RECHARGE PROJECT.

WHEREAS, the Central Arizona Water Conservation District (“CAWCD”) is responsible for operating the Hieroglyphic Mountains Recharge Project (HMRP), an underground storage facility; and

WHEREAS, the City of Glendale desires to store Central Arizona Project (“CAP”) water at the HMRP.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLENDALE as follows:

SECTION 1. That it is deemed in the best interest of the City of Glendale and the citizens thereof that an intergovernmental agreement with the Central Arizona Water Conservation District for the storage of water at the Hieroglyphic Mountains Recharge Project be entered into, which agreement is on file in the office of the City Clerk of the City of Glendale.

SECTION 2. That the Mayor or City Manager and the City Clerk are hereby directed and authorized to execute and deliver all documents necessary on behalf of the City of Glendale.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Glendale, Maricopa County, Arizona, this ____ day of _____, 2014.

MAYOR

ATTEST:

City Clerk (SEAL)

APPROVED AS TO FORM:

City Attorney

REVIEWED BY:

City Manager

**AGREEMENT FOR STORAGE OF WATER
AT THE
HIEROGLYPHIC MOUNTAINS RECHARGE PROJECT**

1. PARTIES:

This Agreement is made and entered into the _____ day of _____, 20____, by and between the CENTRAL ARIZONA WATER CONSERVATION DISTRICT, hereinafter referred to as "CAWCD", and the City of Glendale hereinafter referred to as "Glendale".

2. RECITALS:

2.1 CAWCD is responsible for operating the Hieroglyphic Mountains Recharge Project (HMRP), an underground storage facility that is located in the Phoenix Active Management Area, within the west Salt River Valley and located adjacent to and north of the Hayden-Rhodes Aqueduct, upstream of the Agua Fria River siphon. The HMRP is more specifically located in portions of Sections 23 and 24, Township 5N, Range 2W, GSRB&M, Maricopa County, Arizona. The United States holds title to property along the CAP Aqueduct in the project vicinity, but has transferred the right to use the property to CAWCD.

2.2 ADWR has issued Constructed Underground Storage Facility Permit No. 71-584466.0003 to CAWCD for the HMRP. The permit authorizes the underground storage of a maximum of 35,000 acre-feet of water annually at the HMRP. The HMRP is a State Demonstration Project pursuant to A.R.S. § 45-891.01 et seq.

2.3 Glendale desires to store CAP water (Glendale Water) at the HMRP and CAWCD agrees to make available unused storage capacity at the HMRP for such storage, in accordance with the provisions of this Agreement.

NOW THEREFORE, in consideration of the foregoing, the payments to be paid by Glendale, and the covenants and agreements contained in this Agreement, and other good and valuable consideration, CAWCD and Glendale agree as follows:

3. DEFINITIONS:

As used in this Agreement, the following terms, when capitalized, have the following meanings:

3.1 ADWR: The Arizona Department of Water Resources.

- 3.2 CENTRAL ARIZONA PROJECT (CAP): The water delivery works of the CAP including, but not limited to, the CAP canal, its turnout structures and associated measuring devices.
- 3.3 PARTY/PARTIES: Either one or both of the parties to this Agreement.
- 3.4 PERMIT: The Constructed Underground Storage Facility Permit No. 71-584466.0003.
- 3.5 TURNOUT STRUCTURE: The point at which Glendale Water is diverted from the CAP canal for delivery into the HMRP.

4. SCOPE:

This Agreement is limited to the diversion of water at the Turnout Structure, and the storage of such water at the HMRP by CAWCD for the benefit of Glendale. CAWCD shall deliver Glendale Water, which is scheduled by Glendale for storage at the HMRP in accordance with this Agreement, and CAWCD shall store such water underground at the HMRP for the benefit of Glendale.

5. TERM OF AGREEMENT:

This Agreement shall become effective when executed by both Parties and shall remain in effect for ten (10) years unless the Parties agree in writing to extend the term or unless it is sooner terminated or canceled in accordance with the terms of this Agreement.

6. CONDITIONS RELATING TO STORAGE:

- 6.1 All storage of Glendale Water at the HMRP shall be consistent with Arizona law.
- 6.2 Glendale shall obtain a water storage permit from ADWR authorizing it to store Glendale Water at the HMRP.
- 6.3 CAWCD's storage of Glendale Water at the HMRP shall, at all times, comply with the Permit and any terms and conditions imposed on Glendale pursuant to the water storage permit obtained in accordance with Section 6.2. CAWCD shall be responsible for filing annual reports as required by the Permit. CAWCD shall promptly notify Glendale of any changes or modifications to the Permit that would affect Glendale's rights under this Agreement. If the Permit is canceled or expires for any reason, Glendale may terminate this Agreement.

7. PROCEDURE FOR SCHEDULING STORAGE CAPACITY:

- 7.1 As soon as practicable after the date of execution of this Agreement, Glendale shall submit to CAWCD a proposed schedule indicating the amount of HMRP storage capacity it desires to use during the calendar

year in which this Agreement is executed. Thereafter, on or before October 1 of each year during the term of this Agreement, Glendale shall submit to CAWCD a proposed schedule indicating the amount of HMRP storage capacity Glendale desires to use during the following year.

7.2 As soon as practicable after receipt of Glendale's proposed schedule following the execution of this Agreement, CAWCD shall return to Glendale the schedule, as adjusted by and acceptable to CAWCD, indicating the amount of HMRP storage capacity that is available to Glendale for the year in which this Agreement is executed. Thereafter, on or before November 15 of each year during the term of this Agreement, CAWCD shall return to Glendale the schedule, as adjusted by and acceptable to CAWCD, indicating the amount of HMRP storage capacity that is available to Glendale for the following year.

8. WATER STORAGE RATE:

Each year under the term of this Agreement, CAWCD shall establish a per acre-foot recharge rate (Annual Recharge Rate) for the use of HMRP storage capacity for the following year, in accordance with CAWCD's adopted Recharge Rate Policy. Glendale shall be obligated to pay CAWCD this Annual Recharge Rate for each acre-foot of storage capacity used by Glendale during the year. Such payment shall be in accordance with the provisions of Section 13 below.

9. OPERATING AGENT:

9.1 CAWCD shall be responsible for operating the HMRP.

9.2 CAWCD shall retain sole responsibility and authority for decisions relating to the HMRP operating and maintenance practices, including maintenance scheduling and the selection of periods when maintenance will be done.

9.3 Whenever practicable, CAWCD shall inform Glendale ninety (90) days in advance of any matter which may substantially affect the HMRP or the rights of Glendale.

10. DESTRUCTION/RECONSTRUCTION OF THE HMRP:

In the event of destruction of all or part of the HMRP, CAWCD may repair or reconstruct the HMRP, but CAWCD shall not be obligated to do so.

11. WATER MEASUREMENT AND ACCOUNTING:

11.1 CAWCD shall base its accounting for all water delivered to the HMRP on actual measurements, methods required by the Permit and/or generally accepted accounting and engineering practices.

- 11.2 CAWCD shall install and maintain a flow measurement system to measure the amount of water diverted from the CAP into the HMRP. CAWCD shall test and maintain the accuracy of this system within plus or minus 5 percent of actual flows.
- 11.3 CAWCD shall determine evaporation losses representative of the conditions at or near the HMRP using the method indicated in the Permit or using actual measurements, when available. Any other losses in the HMRP shall be calculated using generally accepted engineering practices.
- 11.4 All losses that occur at the HMRP, other than by evaporation, will be calculated using generally accepted engineering practices and water-level readings from the gages in the basins.
- 11.5 CAWCD shall prepare a monthly water accounting report of water stored at the HMRP for Glendale. The report shall include the daily amount of water stored and the losses calculated as described in this Section.
- 11.6 CAWCD shall provide the ADWR with water accounting reports for the HMRP as required by the Permit.
- 11.7 The water accounting reports prepared pursuant to this Section shall be sent to Glendale monthly and shall be retained by CAWCD for at least three years.
- 11.8 CAWCD shall provide Glendale copies of HMRP annual reports submitted to ADWR.

12. WATER QUALITY:

Glendale shall indemnify and hold harmless CAWCD against all losses to third parties resulting from water quality degradation or harm to property caused by Glendale's use of the HMRP, due to the commingling of Glendale Water with the groundwater. Further, Glendale waives any claim on its own behalf against CAWCD for water quality degradation or harm to property arising from such commingling, unless such claim is intended to enforce the indemnification provision of this Section; provided, however, that Glendale shall indemnify and hold harmless CAWCD only to the extent that indemnification is not provided to CAWCD by the State of Arizona pursuant to A.R.S. Section 45-898.01; and provided, further, however, that Glendale's indemnification shall only extend to the percentage of degradation attributable to the water stored on behalf of Glendale at the HMRP under the terms of this Agreement. Glendale retains the right to claims against any other entity, including CAWCD, storing water in the HMRP in the amount proportionate to such amount stored by those other entities.

In no event shall CAWCD assume liability for water quality degradation resulting from the storage of water in the HMRP, solely due to its performance of obligations as the operating agent under this Agreement.

13. BILLING AND PAYMENTS:

13.1 On or before the 15th day of each month, CAWCD will bill Glendale for each acre-foot of storage capacity used by Glendale during the previous month. The amount billed to Glendale shall be equal to the Annual Recharge Rate multiplied by the number of acre-feet of Glendale Water delivered to the HMRP as measured at the Turnout Structure. Glendale shall pay CAWCD within thirty (30) days of receipt of such bill. Payment is not contingent upon and is not related to Glendale's accrual of long-term storage credits from water stored at the HMRP.

13.2 If payment due under this Agreement remains unpaid more than sixty (60) days after its due date, CAWCD may terminate this Agreement effective upon 30 days written notice to Glendale. In the event CAWCD terminates this Agreement, Glendale shall remain obligated to pay any outstanding balance.

14. AUTHORIZATIONS AND APPROVALS:

Glendale shall be responsible for obtaining, at its own expense, any permits, authorizations and approvals required for the underground storage and recovery of water in the HMRP or for Glendale's performance under this Agreement. Glendale shall keep CAWCD informed of its applications for such permits and authorizations. CAWCD will share information with Glendale to assist Glendale in its permit application. Glendale shall also be responsible for filing any annual reports or other documents necessary to maintain its right to store water at the HMRP.

15. LIABILITY:

15.1 Each Party shall assume liability for its own negligence and shall indemnify the other against any damages the non-negligent Party incurs as a result of the negligent Party's action or inaction.

15.2 CAWCD shall assume no liability to Glendale for claims of damage resulting from CAWCD's decision to curtail or stop water flows to the HMRP site during storm or emergency conditions.

15.3 CAWCD shall assume no liability to Glendale for quantities of recoverable or unrecoverable water stored underground or removed from underground storage; nor to replace water lost, unintentionally misdirected or otherwise

failing to reach the underlying aquifer. CAWCD, Glendale and any other entities storing water at the HMRP shall share in any deficiency resulting from such lost, misdirected or otherwise unstored water in proportion to the amount of the HMRP capacity it used at the time the deficiency accrued.

- 15.4 Liability, as described in Section 12 related to water stored in the HMRP by Glendale prior to termination of this Agreement, shall remain with Glendale after termination of this Agreement. This Section 15.4 shall survive expiration or termination of this Agreement, and remain in full force and effect.
- 15.5 In the event any third party institutes an action against CAWCD, Glendale or other entities storing water at the HMRP for claims arising from the activities undertaken pursuant to this Agreement, the parties named in the action shall meet to determine the procurement of legal counsel and the steps to take to defend against the action.

16. INSURANCE

- 16.1 During the term of this Agreement, unless otherwise agreed in writing by CAWCD, Glendale shall procure and maintain in force or cause to be procured and maintained in force the following types of insurance:
 - 16.1.1 Commercial General Liability Insurance naming CAWCD as an additional insured, including bodily injury, personal injury, property damage, wrongful death and contractual liability with a minimum limit of \$1,000,000 per occurrence.
 - 16.1.2 Business Automobile Liability Insurance with a minimum limit of \$1,000,000.
 - 16.1.3 Worker's Compensation required by Arizona State law, and Employer's Liability Insurance with limits of \$1,000,000 per accident, \$1,000,000 per employee per disease, and \$1,000,000 aggregate for disease.
 - 16.1.4 Commercial Umbrella – combined single limit of \$4,000,000.
- 16.2 Any insurance carried by CAWCD shall be excess of and not contributory insurance to any insurance afforded hereunder. Glendale shall submit satisfactory proof of insurance to CAWCD prior to use of the HMRP. Such proof of insurance shall be in the form of a certificate stating the coverage provided and that such insurance shall not be canceled until after thirty (30) days prior written notice thereof shall have been given to CAWCD.

16.3 With written approval of CAWCD, Glendale may self-insure or combine the coverages required by this Agreement with coverages outside the scope of that required by this Agreement.

16.4 If Glendale fails to acquire, provide or continue the insurance coverages required, CAWCD may terminate this Agreement immediately upon written notice to Glendale.

17. DEFAULT:

17.1 Glendale and CAWCD shall pay all monies and carry out all other performances, duties and obligations agreed to pursuant to this Agreement. A failure by Glendale or CAWCD to adhere to the covenants and obligations to be kept and performed by it shall be an act of default under this Agreement.

17.2 In the event of a default by Glendale or CAWCD, then, within thirty (30) days following notice of such default either Party may cure the default either by advancing the necessary funds and/or rendering the necessary performance. Such notice shall specify the existence and nature of such default. If such default is not remedied within the 30 day cure period, the non-defaulting Party may immediately terminate this Agreement.

18. UNCONTROLLABLE FORCES:

Neither Party to this Agreement shall be considered in default in the performance of any of its obligations under this Agreement (other than obligations of Glendale to pay costs and expenses) when a failure of performance is due to Force Majeure. The term "force majeure"; shall mean any cause beyond the control of the Party unable to perform such obligation, including, but not limited to, failure of or threat of failure of facilities, flood, earthquake, storm, fire, lightning, and other natural catastrophes, epidemic, war, riot, civil disturbance or disobedience, strike, labor dispute, labor or material shortage, sabotage, government priorities and restraint by court order or public authority, and action or non-action by, or failure to obtain the necessary authorizations or approvals from any governmental agency or authority not a Party to this Agreement, which by exercise of due diligence, it shall be unable to overcome.

19. RESOLUTION OF DISPUTES:

A dispute between the Parties under this Agreement that cannot be resolved by informal negotiation may be submitted to arbitration. Arbitration shall be subject to the following provisions:

19.1.1 Arbitration shall be binding only upon the consent of the Parties.

- 19.1.2 A Party wishing to submit a dispute to arbitration shall provide thirty (30) days' written notice to the other Party of its intent to pursue arbitration and shall name one arbitrator at that time. Within fifteen (15) days of receiving this notice, the other Party to the dispute shall name one arbitrator and give written notice to the other Party of its selection. The two selected arbitrators shall, within five (5) days of selection of the second arbitrator, jointly select a third arbitrator.
- 19.1.3 Within thirty (30) days from the selection of the third arbitrator, the arbitrators shall hold a hearing. Within thirty (30) days from the conclusion of the hearing, the arbitrators shall render a decision on the dispute.
- 19.1.4 Arbitration shall be subject to the Arizona Arbitration Act, Arizona Revised Statutes, Title 12, Chapter 9, Article 1. In the event of a conflict between this Agreement and the Act, the provisions of this Agreement shall prevail.
- 19.1.5 A Party that is dissatisfied with the results of non-binding arbitration may pursue any other legal or equitable remedy not expressly provided for in this Section 19 and available to resolve the dispute.

20. ACTION PENDING RESOLUTION OF DISPUTES:

While a dispute is pending a resolution pursuant to Section 19, each Party shall continue to comply with all the terms and conditions of this Agreement, including making any payments required herein. Any amount paid by a Party pursuant to this Section 20 during the course of such dispute shall be subject to refund and adjustment upon a final resolution of any dispute involving an amount due.

21. GOVERNING LAW:

The laws of the State of Arizona shall govern this Agreement.

22. BINDING OBLIGATIONS:

All of the obligations set forth in this Agreement shall bind CAWCD and its successors and assigns. This Agreement shall not be assigned by Glendale or accrue to Glendale's successor, nor shall the HMRP capacity use rights hereunder of Glendale be used by another party. CAWCD retains the right to sell, lease, assign or otherwise convey its ownership of the HMRP to a third party. In such event, CAWCD may cancel this Agreement upon written notice to Glendale.

23. NOTICES:

23.1 Notice, demand or request provided for in this Agreement shall be in writing and shall be deemed properly served, given or made if delivered in person or sent by registered or certified mail, postage prepaid, to the persons specified below:

Central Arizona Water Conservation District
c/o General Manager
P.O. Box 43020
Phoenix, AZ 85080-3020

City of Glendale
c/o Water Services Director
7070 W. Northern Avenue
Glendale, AZ 85303

23.2 A party may, at any time, by notice to the other Party, designate different or additional persons or different addresses for the giving of notices.

24. THIRD PARTY BENEFICIARIES:

This Agreement shall not be construed to create rights in, or to grant remedies to, any third party as a beneficiary of this Agreement or of any duty, obligation or undertaking established herein.

25. WAIVER:

The waiver by either Party of a breach of any term, covenant or condition in this Agreement shall not be deemed a waiver of any other term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition of this Agreement.

26. HEADINGS:

Title and paragraph headings are for reference only and are not part of this Agreement.

27. ENTIRE AGREEMENT:

The terms, covenants and conditions of this Agreement constitute the entire Agreement between the Parties relative to the leasing of HMRP storage capacity, and no understandings or agreements not herein expressly set forth shall be binding upon them. This Agreement may not be modified or amended in any manner unless in writing and signed by the Parties.

28. CONFLICT OF INTEREST:

This Contract is subject to cancellation pursuant to the provisions of A.R.S. § 38-511 relating to conflict of interest.

IN WITNESS WHEREOF, this Agreement is executed by the Parties hereto.

CENTRAL ARIZONA WATER CONSERVATION DISTRICT

By: _____
Pamela Pickard, President

Attest: _____
Lisa Atkins, Secretary

**CITY OF GLENDALE,
an Arizona municipal corporation**

By: _____
Brenda S. Fischer
Its: City Manager

ATTEST:

Pamela Hanna (SEAL)
City Clerk

APPROVED AS TO FORM:

Michael D. Bailey
City Attorney



Legislation Description

File #: 14-449, Version: 1

AUTHORIZATION TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE CENTRAL ARIZONA WATER CONSERVATION DISTRICT TO STORE WATER AT THE AGUA FRIA RECHARGE PROJECT

Staff Contact: Craig Johnson, P.E., Director, Water Services

Purpose and Recommended Action

This is a request for the City Council to waive reading beyond the title and adopt a resolution authorizing the City Manager to enter into an intergovernmental agreement with the Central Arizona Water Conservation District (CAWCD) to store Glendale's Central Arizona Project (CAP) water at the Agua Fria Recharge Project owned and operated by CAWCD.

Background

The City of Glendale holds allocations of CAP water through its municipal and industrial subcontract and leases.

Glendale plans to store some of its CAP water in underground aquifers through the use of recharge basins at designated CAP facilities. Glendale will accumulate long-term storage credits for the recharged CAP water. These credits are reserved for future use in the event of drought, shortages, or to meet additional demand. The stored water credits will eventually be recovered through wells.

On August 25, 2014, the Arizona Department of Water Resources (ADWR) granted Glendale water storage permits for CAP water. These permits cover the Agua Fria Managed facility (capacity 50,000 AF/year); the Agua Fria Constructed facility (capacity 50,000 AF/year); the Superstition Mountains Recharge Project facility (capacity 56,500 AF/year); and the Hieroglyphic Mountains Recharge Project (capacity 35,000 AF/year). Depending on the amount of capacity available each year, the permits grant Glendale the ability to store CAP water at any or all of these facilities.

Having the option to store at several facilities provides Glendale flexibility and redundancy in the operation of its water storage program. This intergovernmental agreement (IGA) will allow the city to store a portion of its CAP water at Agua Fria Recharge Project.

Analysis

The IGA will provide the city with greater flexibility in managing its available water resources. The city will be able to cost-effectively develop stored water credits with unused portions of its Central Arizona Project and Colorado River water supplies. These stored water credits can be recovered through wells at any time in the future when the city needs additional water.

Previous Related Council Action

On June 10, 2014, Council approved the 2014-2015 Capital Improvement Plan (CIP) budget. This budget appropriated \$300,000 for the accrual of long-term water storage credits.

Community Benefit/Public Involvement

The IGA allows the city to maximize the use of available supplies by developing stored water credits for water that the city cannot make immediate or direct use of. These credits will increase the amount of water available to the city and bolster its future designations of assured water supply.

On December 18, 2012 the Ad Hoc Citizen Task Force on Water and Sewer completed its final report. The Task Force recommended the city should ensure it has a safe and reliable water supply to meet current and future demand to ensure water resources sustainability. The Task Force also recommended the city should maximize and optimize the use of its existing water resources in several ways, including aquifer storage.

Budget and Financial Impacts

There is no budget or financial impact from executing the agreement. Should Glendale exercise the agreement by storing water, the city will pay the regular per acre-foot (AF) price for CAP municipal and industrial water that it stores (\$157 per AF in calendar year 2015). In addition, CAP charges an underground water storage fee for storing water at its facilities (\$9.00 per AF CY15). Funds are available in the Water Services FY 2014-15 Capital Improvement Plan budget.

Cost	Fund-Department-Account
\$300,000	2400-61051-551000, Accrual of Long-term Water Storage Credits

Capital Expense? Yes

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?

RESOLUTION NO. 4904 NEW SERIES

A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE ENTERING INTO OF AN INTERGOVERNMENTAL AGREEMENT WITH THE CENTRAL ARIZONA WATER CONSERVATION DISTRICT PROVIDING FOR THE STORAGE OF WATER AT THE AGUA FRIA RECHARGE PROJECT.

WHEREAS, the Central Arizona Water Conservation District (“CAWCD”) is responsible for operating the Agua Fria Recharge Project (AFRP), an underground storage facility; and

WHEREAS, the City of Glendale desires to store Central Arizona Project (“CAP”) water at the AFRP.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLENDALE as follows:

SECTION 1. That it is deemed in the best interest of the City of Glendale and the citizens thereof that an intergovernmental agreement with the Central Arizona Water Conservation District for the storage of water at the Agua Fria Recharge Project be entered into, which agreement is on file in the office of the City Clerk of the City of Glendale.

SECTION 2. That the Mayor or City Manager and the City Clerk are hereby directed and authorized to execute and deliver all documents necessary on behalf of the City of Glendale.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Glendale, Maricopa County, Arizona, this ____ day of _____, 2014.

MAYOR

ATTEST:

City Clerk (SEAL)

APPROVED AS TO FORM:

City Attorney

REVIEWED BY:

City Manager

**AGREEMENT FOR STORAGE OF WATER
AT THE
AGUA FRIA RECHARGE PROJECT**

1. PARTIES:

This Agreement is made and entered into the _____ day of _____, 20____, by and between the CENTRAL ARIZONA WATER CONSERVATION DISTRICT, hereinafter referred to as "CAWCD", and the City of Glendale hereinafter referred to as "Glendale".

2. RECITALS:

2.1 CAWCD is responsible for operating the Agua Fria Recharge Project (AFRP), an underground storage facility that is located in the Phoenix Active Management Area, within the floodplain of the Agua Fria River and consists of the following two components: (a) an in-channel component, known and regulated as the managed underground storage facility where CAP water is released from the Agua Fria Siphon Blowoff Structure into the channel of the Agua Fria River for underground storage and/or conveyance as in-channel surface water flows approximately four miles downstream to the constructed underground storage facility; and (b) a constructed component, known and regulated as the constructed underground storage facility, consisting of an in-channel diversion dam and headworks structure, which diverts water from the channel into a conveyance canal for delivery to approximately 115 acres of spreading basins. The AFRP is more specifically located in portions of Sections 17, 20, 29, 31, and 32, Township 5N, Range 1E, and Section 6, Township 4N, Range 1E, GSRB&M, Maricopa County, Arizona.

2.2 ADWR has issued Constructed Underground Storage Facility Permit No. 71-569776.0007 and Managed Underground Storage Facility Permit No. 71-569775.0006 to CAWCD for the AFRP. The permits authorize the underground storage of a combined maximum of 100,000 acre-feet of water annually at the AFRP. The AFRP is a State Demonstration Project pursuant to A.R.S. § 45-891.01 et seq.

2.3 Glendale desires to store CAP water (Glendale Water) at the AFRP and CAWCD agrees to make available unused storage capacity at the AFRP for such storage, in accordance with the provisions of this Agreement.

NOW THEREFORE, in consideration of the foregoing, the payments to be paid by Glendale, and the covenants and agreements contained in this Agreement, and other good and valuable consideration, CAWCD and Glendale agree as follows:

3. DEFINITIONS:

As used in this Agreement, the following terms, when capitalized, have the following meanings:

- 3.1 ADWR: The Arizona Department of Water Resources.
- 3.2 AFRP SIPHON BLOWOFF STRUCTURE: The point at which Glendale Water is diverted from the CAP canal for delivery into the AFRP
- 3.3 CENTRAL ARIZONA PROJECT (CAP): The water delivery works of the CAP including, but not limited to, the CAP canal, its turnout structures and associated measuring devices.
- 3.4 PARTY/PARTIES: Either one or both of the parties to this Agreement.
- 3.5 PERMITS: The Constructed Underground Storage Facility Permit No. 71-569776.0007 and Managed Underground Storage Facility Permit No. 71-569775.0006.

4. SCOPE:

This Agreement is limited to the diversion of water at the AFRP Siphon Blowoff Structure in to the AFRP, and the storage of such water at the AFRP by CAWCD for the benefit of Glendale. CAWCD shall deliver Glendale Water, which is scheduled by Glendale for storage at the AFRP in accordance with this Agreement, and CAWCD shall store such water underground at the AFRP for the benefit of Glendale.

5. TERM OF AGREEMENT:

This Agreement shall become effective when executed by both Parties and shall remain in effect for ten (10) years unless the Parties agree in writing to extend the term or unless it is sooner terminated or canceled in accordance with the terms of this Agreement.

6. CONDITIONS RELATING TO STORAGE:

- 6.1 All storage of Glendale Water at the AFRP shall be consistent with Arizona law.
- 6.2 Glendale shall obtain a water storage permit from ADWR authorizing it to store Glendale Water at the AFRP.

6.3 CAWCD's storage of Glendale Water at the AFRP shall, at all times, comply with the Permits and any terms and conditions imposed on Glendale pursuant to the water storage permit obtained in accordance with Section 6.2. CAWCD shall be responsible for filing annual reports as required by the Permits. CAWCD shall promptly notify Glendale of any changes or modifications to the Permits that would affect Glendale's rights under this Agreement. If the Permits are canceled or expires for any reason, Glendale may terminate this Agreement.

7. PROCEDURE FOR SCHEDULING STORAGE CAPACITY:

7.1 As soon as practicable after the date of execution of this Agreement, Glendale shall submit to CAWCD a proposed schedule indicating the amount of AFRP storage capacity it desires to use during the calendar year in which this Agreement is executed. Thereafter, on or before October 1 of each year during the term of this Agreement, Glendale shall submit to CAWCD a proposed schedule indicating the amount of AFRP storage capacity Glendale desires to use during the following year.

7.2 As soon as practicable after receipt of Glendale's proposed schedule following the execution of this Agreement, CAWCD shall return to Glendale the schedule, as adjusted by and acceptable to CAWCD, indicating the amount of AFRP storage capacity that is available to Glendale for the year in which this Agreement is executed. Thereafter, on or before November 15 of each year during the term of this Agreement, CAWCD shall return to Glendale the schedule, as adjusted by and acceptable to CAWCD, indicating the amount of AFRP storage capacity that is available to Glendale for the following year.

8. WATER STORAGE RATE:

Each year under the term of this Agreement, CAWCD shall establish a per acre-foot recharge rate (Annual Recharge Rate) for the use of AFRP storage capacity for the following year, in accordance with CAWCD's adopted Recharge Rate Policy. Glendale shall be obligated to pay CAWCD this Annual Recharge Rate for each acre-foot of storage capacity used by Glendale during the year. Such payment shall be in accordance with the provisions of Section 13 below.

9. OPERATING AGENT:

9.1 CAWCD shall be responsible for operating the AFRP.

- 9.2 CAWCD shall retain sole responsibility and authority for decisions relating to the AFRP operating and maintenance practices, including maintenance scheduling and the selection of periods when maintenance will be done.
- 9.3 Whenever practicable, CAWCD shall inform Glendale ninety (90) days in advance of any matter which may substantially affect the AFRP or the rights of Glendale.
- 10. DESTRUCTION/RECONSTRUCTION OF THE AFRP:**
In the event of destruction of all or part of the AFRP, CAWCD may repair or reconstruct the AFRP, but CAWCD shall not be obligated to do so.
- 11. WATER MEASUREMENT AND ACCOUNTING:**
- 11.1 CAWCD shall base its accounting for all water delivered to the AFRP on actual measurements, methods required by the Permits and/or generally accepted accounting and engineering practices.
- 11.2 CAWCD shall install and maintain a flow measurement system to measure the amount of water diverted from the CAP into the AFRP. CAWCD shall test and maintain the accuracy of this system within plus or minus 5 percent of actual flows.
- 11.3 CAWCD shall determine evaporation losses representative of the conditions at or near the AFRP using the method indicated in the Permits or using actual measurements, when available. Any other losses in the AFRP shall be calculated using generally accepted engineering practices.
- 11.4 All losses that occur at the AFRP, other than by evaporation, will be calculated using generally accepted engineering practices and water-level readings from the gages in the basins.
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- 11.7 The water accounting reports prepared pursuant to this Section shall be sent to Glendale monthly and shall be retained by CAWCD for at least three years.
- 11.8 CAWCD shall provide Glendale copies of AFRP annual reports submitted to ADWR.

12. WATER QUALITY:

Glendale shall indemnify and hold harmless CAWCD against all losses to third parties resulting from water quality degradation or harm to property caused by Glendale's use of the AFRP, due to the commingling of Glendale Water with the groundwater. Further, Glendale waives any claim on its own behalf against CAWCD for water quality degradation or harm to property arising from such commingling, unless such claim is intended to enforce the indemnification provision of this Section; provided, however, that Glendale shall indemnify and hold harmless CAWCD only to the extent that indemnification is not provided to CAWCD by the State of Arizona pursuant to A.R.S. Section 45-898.01; and provided, further, however, that Glendale's indemnification shall only extend to the percentage of degradation attributable to the water stored on behalf of Glendale at the AFRP under the terms of this Agreement. Glendale retains the right to claims against any other entity, including CAWCD, storing water in the AFRP in the amount proportionate to such amount stored by those other entities. In no event shall CAWCD assume liability for water quality degradation resulting from the storage of water in the AFRP, solely due to its performance of obligations as the operating agent under this Agreement.

13. BILLING AND PAYMENTS:

13.1 On or before the 15th day of each month, CAWCD will bill Glendale for each acre-foot of storage capacity used by Glendale during the previous month. The amount billed to Glendale shall be equal to the Annual Recharge Rate multiplied by the number of acre-feet of Glendale Water delivered to the AFRP as measured at the Turnout Structure. Glendale shall pay CAWCD within thirty (30) days of receipt of such bill. Payment is not contingent upon and is not related to Glendale's accrual of long-term storage credits from water stored at the AFRP.

13.2 If payment due under this Agreement remains unpaid more than sixty (60) days after its due date, CAWCD may terminate this Agreement effective upon 30 days written notice to Glendale. In the event CAWCD terminates this Agreement, Glendale shall remain obligated to pay any outstanding balance.

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Glendale shall be responsible for obtaining, at its own expense, any permits, authorizations and approvals required for the underground storage and recovery of water in the AFRP or for Glendale's performance under this Agreement.

Glendale shall keep CAWCD informed of its applications for such permits and authorizations. CAWCD will share information with Glendale to assist Glendale in its permit application. Glendale shall also be responsible for filing any annual reports or other documents necessary to maintain its right to store water at the AFRP.

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15.1 Each Party shall assume liability for its own negligence and shall indemnify the other against any damages the non-negligent Party incurs as a result of the negligent Party's action or inaction.

15.2 CAWCD shall assume no liability to Glendale for claims of damage resulting from CAWCD's decision to curtail or stop water flows to the AFRP site during storm or emergency conditions.

15.3 CAWCD shall assume no liability to Glendale for quantities of recoverable or unrecoverable water stored underground or removed from underground storage; nor to replace water lost, unintentionally misdirected or otherwise failing to reach the underlying aquifer. CAWCD, Glendale and any other entities storing water at the AFRP shall share in any deficiency resulting from such lost, misdirected or otherwise unstored water in proportion to the amount of the AFRP capacity it used at the time the deficiency accrued.

15.4 Liability, as described in Section 12 related to water stored in the AFRP by Glendale prior to termination of this Agreement, shall remain with Glendale after termination of this Agreement. This Section 15.4 shall survive expiration or termination of this Agreement, and remain in full force and effect.

15.5 In the event any third party institutes an action against CAWCD, Glendale or other entities storing water at the AFRP for claims arising from the activities undertaken pursuant to this Agreement, the parties named in the action shall meet to determine the procurement of legal counsel and the steps to take to defend against the action.

16. INSURANCE

16.1 During the term of this Agreement, unless otherwise agreed in writing by CAWCD, Glendale shall procure and maintain in force or cause to be procured and maintained in force the following types of insurance:

- 16.1.1 Commercial General Liability Insurance naming CAWCD as an additional insured, including bodily injury, personal injury, property damage, wrongful death and contractual liability with a minimum limit of \$1,000,000 per occurrence.
- 16.1.2 Business Automobile Liability Insurance with a minimum limit of \$1,000,000.
- 16.1.3 Worker's Compensation required by Arizona State law, and Employer's Liability Insurance with limits of \$1,000,000 per accident, \$1,000,000 per employee per disease, and \$1,000,000 aggregate for disease.
- 16.1.4 Commercial Umbrella – combined single limit of \$4,000,000.
- 16.2 Any insurance carried by CAWCD shall be excess of and not contributory insurance to any insurance afforded hereunder. Glendale shall submit satisfactory proof of insurance to CAWCD prior to use of the AFRP. Such proof of insurance shall be in the form of a certificate stating the coverage provided and that such insurance shall not be canceled until after thirty (30) days prior written notice thereof shall have been given to CAWCD.
- 16.3 With written approval of CAWCD, Glendale may self-insure or combine the coverages required by this Agreement with coverages outside the scope of that required by this Agreement.
- 16.4 If Glendale fails to acquire, provide or continue the insurance coverages required, CAWCD may terminate this Agreement immediately upon written notice to Glendale.

17. DEFAULT:

- 17.1 Glendale and CAWCD shall pay all monies and carry out all other performances, duties and obligations agreed to pursuant to this Agreement. A failure by Glendale or CAWCD to adhere to the covenants and obligations to be kept and performed by it shall be an act of default under this Agreement.
- 17.2 In the event of a default by Glendale or CAWCD, then, within thirty (30) days following notice of such default either Party may cure the default either by advancing the necessary funds and/or rendering the necessary performance. Such notice shall specify the existence and nature of such default. If such default is not remedied within the 30 day cure period, the non-defaulting Party may immediately terminate this Agreement.

18. UNCONTROLLABLE FORCES:

Neither Party to this Agreement shall be considered in default in the performance of any of its obligations under this Agreement (other than obligations of Glendale to pay costs and expenses) when a failure of performance is due to Force Majeure. The term "force majeure"; shall mean any cause beyond the control of the Party unable to perform such obligation, including, but not limited to, failure of or threat of failure of facilities, flood, earthquake, storm, fire, lightning, and other natural catastrophes, epidemic, war, riot, civil disturbance or disobedience, strike, labor dispute, labor or material shortage, sabotage, government priorities and restraint by court order or public authority, and action or non-action by, or failure to obtain the necessary authorizations or approvals from any governmental agency or authority not a Party to this Agreement, which by exercise of due diligence, it shall be unable to overcome.

19. RESOLUTION OF DISPUTES:

A dispute between the Parties under this Agreement that cannot be resolved by informal negotiation may be submitted to arbitration. Arbitration shall be subject to the following provisions:

- 19.1.1 Arbitration shall be binding only upon the consent of the Parties.
- 19.1.2 A Party wishing to submit a dispute to arbitration shall provide thirty (30) days' written notice to the other Party of its intent to pursue arbitration and shall name one arbitrator at that time. Within fifteen (15) days of receiving this notice, the other Party to the dispute shall name one arbitrator and give written notice to the other Party of its selection. The two selected arbitrators shall, within five (5) days of selection of the second arbitrator, jointly select a third arbitrator.
- 19.1.3 Within thirty (30) days from the selection of the third arbitrator, the arbitrators shall hold a hearing. Within thirty (30) days from the conclusion of the hearing, the arbitrators shall render a decision on the dispute.
- 19.1.4 Arbitration shall be subject to the Arizona Arbitration Act, Arizona Revised Statutes, Title 12, Chapter 9, Article 1. In the event of a conflict between this Agreement and the Act, the provisions of this Agreement shall prevail.

19.1.5 A Party that is dissatisfied with the results of non-binding arbitration may pursue any other legal or equitable remedy not expressly provided for in this Section 19 and available to resolve the dispute.

20. ACTION PENDING RESOLUTION OF DISPUTES:

While a dispute is pending a resolution pursuant to Section 19, each Party shall continue to comply with all the terms and conditions of this Agreement, including making any payments required herein. Any amount paid by a Party pursuant to this Section 20 during the course of such dispute shall be subject to refund and adjustment upon a final resolution of any dispute involving an amount due.

21. GOVERNING LAW:

The laws of the State of Arizona shall govern this Agreement.

22. BINDING OBLIGATIONS:

All of the obligations set forth in this Agreement shall bind CAWCD and its successors and assigns. This Agreement shall not be assigned by Glendale or accrue to Glendale's successor, nor shall the AFRP capacity use rights hereunder of Glendale be used by another party. CAWCD retains the right to sell, lease, assign or otherwise convey its ownership of the AFRP to a third party. In such event, CAWCD may cancel this Agreement upon written notice to Glendale.

23. NOTICES:

23.1 Notice, demand or request provided for in this Agreement shall be in writing and shall be deemed properly served, given or made if delivered in person or sent by registered or certified mail, postage prepaid, to the persons specified below:

Central Arizona Water Conservation District
c/o General Manager
P.O. Box 43020
Phoenix, AZ 85080-3020

City of Glendale
c/o Water Services Director
7070 W. Northern Avenue
Glendale, AZ 85303

23.2 A party may, at any time, by notice to the other Party, designate different or additional persons or different addresses for the giving of notices.

24. THIRD PARTY BENEFICIARIES:

This Agreement shall not be construed to create rights in, or to grant remedies to, any third party as a beneficiary of this Agreement or of any duty, obligation or undertaking established herein.

25. WAIVER:

The waiver by either Party of a breach of any term, covenant or condition in this Agreement shall not be deemed a waiver of any other term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition of this Agreement.

26. HEADINGS:

Title and paragraph headings are for reference only and are not part of this Agreement.

27. ENTIRE AGREEMENT:

The terms, covenants and conditions of this Agreement constitute the entire Agreement between the Parties relative to the leasing of AFRP storage capacity, and no understandings or agreements not herein expressly set forth shall be binding upon them. This Agreement may not be modified or amended in any manner unless in writing and signed by the Parties.

28. CONFLICT OF INTEREST:

This Contract is subject to cancellation pursuant to the provisions of A.R.S. § 38-511 relating to conflict of interest.

IN WITNESS WHEREOF, this Agreement is executed by the Parties hereto.

CENTRAL ARIZONA WATER CONSERVATION DISTRICT

By: _____
Pamela Pickard, President

Attest: _____
Lisa Atkins, Secretary

**CITY OF GLENDALE,
an Arizona municipal corporation**

By: _____
Brenda S. Fischer
Its: City Manager

ATTEST:

Pamela Hanna (SEAL)
City Clerk

APPROVED AS TO FORM:

Michael D. Bailey
City Attorney



Legislation Description

File #: 14-488, Version: 1

ADOPT A RESOLUTION APPROVING THE GLENDALE INDUSTRIAL DEVELOPMENT AUTHORITY'S ISSUANCE OF REVENUE BONDS NOT TO EXCEED \$15,000,000 IN SUPPORT OF THE MIDWESTERN UNIVERSITY FOUNDATION'S STUDENT LOAN PROGRAM

Staff Contact: Brian Friedman, Director, Office of Economic Development

Purpose and Recommended Action

This is a request for City Council to waive reading beyond the title and adopt a resolution authorizing the Glendale Industrial Development Authority (Authority) to issue revenue bonds in one or more series, pursuant to a plan of finance, in an aggregate principal amount not to exceed \$15,000,000 for the purpose of:

- Financing student loans for residents of the State of Arizona attending Midwestern University at either its Glendale, Arizona campus or its Downers Grove, Illinois campus; and, for residents of any state attending Midwestern University at its Glendale, Arizona campus;
- To fund reserves; and,
- To pay costs associated with the issuance of the bonds.

All of which is in accordance with the Industrial Development Financing Act, Title 35, Chapter 5, Arizona Revised Statutes, as amended, and has no impact on the City's own ability to issue bonds or the City's bond rating.

Background

The Authority is an Arizona nonprofit corporation designated by law as a political subdivision of the State of Arizona. Under the provisions of the Industrial Development Financing Act, the City Council of the City of Glendale is the governing body of the Authority, is responsible for electing the Directors of the Authority, and must approve the issuance of the bonds by the Authority.

The Authority is empowered to issue the bonds, and loan the proceeds from the sale of the bonds for the purposes provided for in the Act. Under the provisions of A.R.S. § 35-742, the City of Glendale is not liable or obligated for the payment of bonds or other debt obligations issued by the Authority. Neither the Authority's issuance of bonds nor the Authority's bond rating have any impact or bearing on the City's own ability to issue bonds or the City's bond rating.

The Applicant for financing is Midwestern University Foundation; an Illinois nonprofit corporation recognized as an exempt organization under Section 501(c)(3) of the Internal Revenue Code and is an affiliate under common control with Midwestern University with campuses located in Glendale, Arizona and Downers Grove, Illinois. The University's total enrollment for the 2014-15 academic year is 6,063 with 3,146 students enrolled at the Glendale Campus. The University provides graduate level education in the health sciences including

osteopathic medicine, pharmacy, physician's assistant studies, physical therapy, occupational therapy, biomedical sciences, dentistry, optometry, clinical psychology, nurse anesthesia, cardiovascular sciences, and veterinary medicine.

Analysis

The Industrial Development Financing Act provides that the Authority may issue its revenue bonds pursuant to a plan to provide funds with which to make loans to eligible students. The Midwestern University Foundation has developed a Student Loan Bond Program Plan that must be approved by the Governor of the State of Arizona or a delegate. The Midwestern University Foundation is seeking the Governor's approval of the Student Loan Bond Program Plan and the Authority's authorization to sell the revenue bonds concurrently. The Authority's authorization to issue the bonds can precede the Governor's approval of the plan; and, seeking the authorization concurrently allows the Authority to be responsive to the timeline that would allow the Midwestern University Foundation to issue Student Loans in time for the 2015-16 academic year. If both are approved, it is anticipated that the bonds will be issued in January 2015.

The student loan program will be administered by Midwestern University Foundation, Midwestern University, and their respective agents including a Loan Originator and Loan Servicer as outlined in the attached November 17, 2014 letter to City Council from Mr. William F. Wilder. Principal and interest on the bonds will be paid from the proceeds received by Midwestern University Foundation from the loans which are originated. Midwestern University Foundation will also be contributing approximately \$3,000,000 to assure that sufficient funds will be available to provide for the payment of the bonds and loan program costs.

It is worth noting that the Midwestern University Foundation will also be seeking the issuance of bonds through the Illinois Finance Authority to fund student loans for students at the Downers Grove, Illinois campus. No proceeds from the Glendale Industrial Development Authority's bonds will be used to fund loans for students attending the Downers Grove campus unless the student is a resident of Arizona.

To help keep the loan program costs at a minimum, Midwestern University Foundation and Midwestern University will not charge students for their respective services to administer the loan program which, as proposed, would be funded with the use of tax exempt funds to originate student loans. As a result, it is anticipated that loans will be made to eligible students at fixed rates with lower interest than what is available in private or federal student loan programs which often have variable rates.

Approval of a resolution authorizing the Authority to sell revenue bonds in support of this program creates no risk to the City of Glendale or its residents because:

- The City shall not, in any event, be liable for the payment of the principal or interest on the bonds of the Authority;
- Shall not be responsible for the performance by the Authority of any of its obligations with respect to its bonds; nor,
- Shall any agreements or obligations of the Authority constitute an indebtedness of the City of Glendale within the meaning of any constitutional or statutory provision.

Previous Related Council Action

Since 2001, Glendale City Council has authorized the Authority to issue revenue bonds on behalf of Midwestern University on eight separate occasions as shown below:

<u>Date</u>	<u>Purpose</u>	<u>Not to Exceed</u>
04/10/2001	Student Housing	\$ 35,000,000
05/11/2004	Bond Refunding 1994 and 1996	\$ 24,000,000
09/26/2006	Glendale Dental School and Downers Grove Campus	\$ 75,000,000
02/27/2007	Bond Refinance	\$ 70,000,000
04/22/2008	Bond Refinance	\$ 35,000,000
04/13/2010	Various Projects/Campuses	\$160,000,000
08/23/2011	Glendale and Downers Grove Campus	\$ 50,000,000
<u>09/24/2013</u>	<u>Various Projects/Campuses</u>	<u>\$120,000,000</u>
GRAND TOTAL		\$569,000,000

Community Benefit/Public Involvement

This program is structured to benefit Arizona residents by providing an opportunity to receive reduced, fixed-rate, student loans to finance graduate level education at either the Glendale, Arizona or Downers Grove, Illinois campus. It also provides an opportunity for students from other states to receive loan proceeds to finance their education at the Glendale, Arizona campus.

Budget and Financial Impacts

There is no budget or financial impact to the City of Glendale under the provisions of A.R.S. § 35-742, which states that the City of Glendale is not liable or obligated for the payment of bonds or other debt obligations issued by the Authority; and, there is no impact on the City's ability to issue bonds or the City's bond rating.

RESOLUTION NO. 4905 NEW SERIES

A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, APPROVING THE ISSUANCE BY THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF GLENDALE, ARIZONA OF ITS STUDENT LOAN PROGRAM REVENUE BONDS (MIDWESTERN UNIVERSITY FOUNDATION) IN ONE OR MORE SERIES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$15,000,000.

WHEREAS, The Industrial Development Authority of the City of Glendale, Arizona (the “Authority”) proposes to issue its revenue bonds in one or more series pursuant to a plan of finance in an aggregate principal amount not to exceed \$15,000,000 (the “Bonds”), to finance student loans for residents of the State of Arizona attending Midwestern University at either its Glendale, Arizona campus or its Downers Grove, Illinois campus, and for residents of any state attending Midwestern University at its Glendale, Arizona campus, to fund reserves, and to pay costs, all in accordance with the Industrial Development Financing Act, Title 35, Chapter 5, Arizona Revised Statutes, as amended (the “Act”); and

WHEREAS, pursuant to Section 35-721.B of the Act, the proceedings under which the Bonds are to be issued require the approval of this Council of the issuance of the Bonds by the Authority; and

WHEREAS, a Resolution adopted by the Board of Directors of the Authority approving the issuance and sale of the Bonds has been presented to this Council; and

WHEREAS, this Council has had presented to it information regarding the plan of financing and the Bonds and is fully advised regarding the plan of financing and the Bonds; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Glendale, Maricopa County, Arizona, that the issuance and sale by the Authority of the Bonds in an aggregate principal amount not to exceed \$15,000,000, having such terms and provisions as have been approved by the Authority in accordance with and subject to the conditions and limitations set forth in the Resolution of the Board of Directors of the Authority presented at this meeting, and the use of the proceeds thereof as contemplated thereby, are hereby approved for all purposes under the Act.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Glendale, Maricopa County, Arizona, on _____, 2014.

MAYOR

ATTEST

City Clerk (SEAL)

APPROVED AS TO FORM:

City Attorney

REVIEWED BY:

City Manager

a_industrial dev authority_mwuf

William F. Wilder
Direct Line: 602-440-4802
Direct Fax: 602-257-6902
E-mail: wwilder@rcalaw.com

November 17, 2014

Mayor and City Council Members
City of Glendale, Arizona
5850 West Glendale Avenue
Glendale, Arizona 85301

Re: Not to Exceed \$15,000,000 The Industrial Development Authority of
the City of Glendale, Arizona Student Loan Program Revenue Bonds,
(Midwestern University Foundation)

Ladies and Gentlemen:

As you are aware, our firm serves as legal counsel to The Industrial Development Authority of the City of Glendale, Arizona (the "Authority") and I am writing to you on behalf of the Authority.

The Authority is requesting that on December 18, 2014, the City Council adopt a resolution approving the issuance of the Authority's revenue bonds, as described above (the "Bonds"), for the benefit of Midwestern University Foundation ("Midwestern Foundation"). The purpose of this letter is to provide you with a report from the Authority regarding the proposed financing.

The Authority and Its Powers

The Authority is an Arizona nonprofit corporation incorporated under the provisions of the Industrial Development Financing Act, Title 35, Chapter 5, and Title 10, Arizona Nonprofit Corporation Act, Arizona Revised Statutes, as amended. The Authority is designated by law as a political subdivision of the State of Arizona. Under the provisions of the Industrial Development Financing Act (the "Act"), the City Council of the City of Glendale is the governing body of the Authority, is responsible for electing the Directors of the Authority, and must approve the issuance of the Bonds by the Authority.

The Authority is empowered to issue the bonds and loan the proceeds from the sale of the bonds for the purposes provided for in the Act.

Under the provisions of A.R.S. § 35-742, the City of Glendale is not liable or obligated for the payment of bonds or other debt obligations issued by the Authority.

Applicant for Financing

The Applicant for financing is Midwestern University Foundation, an Illinois nonprofit corporation recognized as an exempt organization under Section 501(c)(3) of the Internal Revenue Code and is an affiliate under common control with Midwestern University.

Midwestern University

Midwestern University was founded in 1900 as the Chicago School of Osteopathy and in 1992 changed its name to Midwestern University. It has campuses in Downers Grove, Illinois and in Glendale, Arizona.

The University's total enrollment for the 2014-15 academic year is 6,063 students with 3,146 students enrolled at the Glendale, Arizona. The University provides graduate education in the health sciences including osteopathic medicine, pharmacy, physician's assistant studies, physical therapy, occupational therapy, biomedical sciences, dentistry, optometry, clinical psychology, nurse anesthesia, cardiovascular sciences, and veterinary medicine.

Since selecting Glendale in the mid-1990's as the location for a campus, the University has secured financing through the Authority, on numerous occasions, for capital projects at the Glendale Campus.

The Student Loan Bond Program

The Act provides that the Authority may issue its revenue bonds pursuant to a plan (the "Student Loan Bond Program Plan" or the "Plan") to provide funds with which to make loans to eligible students attending in this case, Midwestern University.

The Act requires that the Plan be approved by the Governor of the State of Arizona or her delegate. Approval of the Plan is pending.

Student loans originated with the proceeds of the Bonds issued by the Authority will only be made to students attending Midwestern University at its Glendale, Arizona, campus or to students who are residents of the State of Arizona and are attending Midwestern University at its Downers Grove, Illinois, campus.

It is anticipated that the Bonds will initially be issued in two series, approximately \$12,500,000 of Senior Bonds and approximately \$2,500,000 of Subordinate Bonds. It is anticipated the Senior Bonds will be rated "AAA" by Standards & Poor's Rating Services ("S&P") and the Subordinate Bonds will be rated "A" by S&P.

Principal and interest on the Bonds will be paid from the proceeds received by Midwestern Foundation from the loans which are originated. Midwestern Foundation will also be contributing approximately \$3,000,000 to assure that sufficient funds will be available to provide for the payment of the Bonds and loan program costs.

The student loan program will be administered by Midwestern Foundation and Midwestern University and their respective agents, including the Loan Services and Loan Originator shown below. To help keep the loan program costs at a minimum, Midwestern Foundation, and Midwestern University will not charge for their respective services.

Through the use of tax exempt funds to originate student loans and based on neither the Midwestern Foundation nor Midwestern University charging fees to administer the loan program, it is anticipated that loans can and will be made to eligible students at lower interest rates than available in private or federal student loan programs. The student loans will bear interest at fixed, rather than variable rates.

Midwestern Foundation will also, through the Illinois Finance Authority be securing the issuance of bonds to fund student loans for students at the Downers Grove, Illinois, campus. However, no proceeds of the Authority's Bonds will be used to fund loans for students attending the Downers Grove campus unless a student is a resident of Arizona.

Authority Approval Process

On February 27, 2014, the Authority Board Adopted a Resolution preliminarily approving the issuance of the Bonds. On December 10, 2014, the Authority Board is scheduled to act by Resolution to grant final approval to the financing and to approve the issuance of the Bonds. A copy of the Authority's approving Resolution will be provided to you.

Notification to Arizona Attorney General

As required by the provisions of A.R.S. § 35-721.F., the Authority has notified the Arizona Attorney General of the Authority's intention to issue the Bonds and within the time period prescribed by law, the Arizona Attorney General has not objected.

Volume Cap Allocation for Tax Exempt Financing

Midwestern Foundation will need to obtain, from the Arizona Commerce Authority, an allocation of \$15,000,000 of Arizona's volume cap or "state ceiling." For 2015, it is anticipated that under the current Arizona statutes, more than \$100,000,000 of such volume cap, dedicated for student loans, will be available.

Satisfaction of Public Hearing Requirement

For the purpose of satisfying the requirements of Section 147(f) of the Internal Revenue Code of 1986, with respect to the issuance of the Bonds by the Authority, a

representative of the Governor of the State of Arizona will be conducting the required public hearing and approving the issuance of the Bonds based thereon.

No Liability On The City Of Glendale

Under the provisions of A.R.S. § 35-742, the City of Glendale shall not in any event be liable for the payment of the principal or interest on the bonds of the Authority or for the performance by the Authority of any of its obligations with respect to its bonds nor shall any agreements or obligations of the Authority constitute an indebtedness of the City of Glendale within the meaning of any constitutional or statutory provision whatsoever.

Financing Participants

<u>Document</u>	<u>Parties</u>
Applicant/Borrower	Midwestern University Foundation
Applicant/Borrower's Counsel	Locke, Lord, Bissell & Liddell
Authority/Issuer	The Industrial Development Authority of the City of Glendale, Arizona
Authority/Issuer Counsel	Ryley, Carlock & Applewhite
Bond Counsel	Squire Patton Boggs (US) LLP
Bond Trustee	The Bank of New York Mellon Trust Company, N.A.
Master Trustee	The Bank of New York Mellon Trust Company, N.A.
Underwriter	RBC Capital Markets LLC
Underwriter's Counsel	Kutak Rock, LLP
Loan Originator	Campus Door, Inc.
Loan Servicer	Heartland Campus Solutions

Principal Financing Documents

<u>Document</u>	<u>Parties</u>
Master Trust Indenture and One or more Supplemental Master Trust Indentures	Borrower and Master Trustee
One or more Bond Trust Indentures	Issuer and Bond Trustee
One or more Loan Agreements	Issuer and Borrower
Tax Exemption Certificate and Agreement	Issuer, Borrower and Bond Trustee

Glendale City Council Approval

Under the provisions of A.R.S. § 35-721.B., the issuance of the Bonds by the Authority requires the approval of the Glendale City Council, as the governing body of the Authority.

Through City staff, the Authority has requested this matter be on the Agenda for the Glendale City Council meeting on December 18, 2014.

The form of Resolution for adoption by the Glendale City Council has been submitted on a timely basis to the Glendale City Attorney.

Transaction Closing

If the required approvals of the Authority and the Glendale City Council of the City of Glendale are received, it is currently anticipated that the Bonds will be issued in January 2015.

Representatives of the Authority, Midwestern University, and Midwestern Foundation will be present at the City Council meeting on December 18, 2014. If, prior to the meeting, you have any questions, please feel free to contact me.

Yours very truly,



William F. Wilder

WFW:akr

cc: Mr. Brian Friedman
Ms. Pam Hanna
Ms. Brenda Fischer
Office of the City Attorney
Glendale IDA Board of Directors



Legislation Description

File #: 14-501, **Version:** 1

A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AFFIRMING GLENDALE'S COMMITMENT TO INCLUSION AND DIVERSITY IN ITS WORKFORCE, AND SIGNING ONE COMMUNITY'S UNITY PLEDGE

Staff Contact: Brian Friedman, Director, Office of Economic Development

Staff Contact: Jim Brown, Director, Human Resources and Risk Management

Staff Contact: Nancy Mangone, Assistant City Attorney

Purpose and Recommended Action

This is a request for City Council to waive reading beyond the title and adopt a resolution affirming Glendale's commitment to inclusion and diversity in its workforce and signing ONE Community's UNITY Pledge.

Background

The topic of Anti-Discrimination was brought forward as a Council Item of Special Interest to the City Council Workshop on December 2, 2014. After discussion of the issue Council provided direction to move forward with signing the UNITY Pledge from One Community, an interactive web and events community for LGBTQ and allied individuals and businesses.

Analysis

Signing the UNITY Pledge affirms Glendale's commitment to inclusion and diversity, and encourages, but does not require, all other businesses and organizations in Glendale to support diversity.

According to ONE Community, more than 1,100 businesses across Arizona, including the Glendale Convention and Visitors Bureau (CVB) and the Glendale Chamber of Commerce and 30 other Glendale businesses, have signed the pledge. By signing the UNITY Pledge on September 4, 2014, the Glendale CVB and the Chamber of Commerce reiterated the message that the Glendale business community is "open for business" and welcomes all business, residents and visitors regardless of their unique identities or characteristics. One Community's Unity Pledge states:

As business and community leaders, we understand that if we want to compete for top talent, we must have a diverse and inclusive workplace. We also understand that if our travel and tourism industry wants to be competitive-and if Arizona wants to be competitive on a national and international level-we must support all of our diverse communities. It's time for LGBT inclusive non-discrimination policies in the workplace, in housing, and in public accommodations including restaurants and hotels.

For our part, the company or organization below celebrates diversity and supports workplace

equality. We are committed to fostering, cultivating, and preserving a culture of diversity, inclusion, fairness, and equality.

We celebrate our employees regardless of age, color, disability, ethnicity, family or marital status, gender identity or expression, language, national origin, physical and mental ability, political affiliation, race, religion, sexual orientation, veteran status, and other characteristics that make our employees unique.

It's time to ensure equality for all Arizona employees, residents, and consumers. It's the right thing to do. It's good for business. It's good for the business of Arizona.

A packet of information describing One Community's UNITY Pledge is attached.

Previous Related Council Action

This item was brought forward as a Council Item of Special Interest at the City Council Workshop on December 2, 2014.

Budget and Financial Impacts

There are no financial impacts associated with this resolution.

RESOLUTION NO. 4906 NEW SERIES

A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AFFIRMING GLENDALE'S COMMITMENT TO INCLUSION AND DIVERSITY IN ITS WORKFORCE, AND SIGNING ONE COMMUNITY'S UNITY PLEDGE.

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLENDALE as follows:

WHEREAS, It is the custom and practice of the City of Glendale not to discriminate in hiring, firing, benefit eligibility and other conditions of employment of its workforce based on age, color, disability, ethnicity, family or marital status, gender identity or expression, language, national origin, physical and mental ability, political affiliation, race, religion, sexual orientation, veteran status;

WHEREAS, One Community, is an interactive web and events community for Lesbian, Gay, Bisexual, Transgendered and Questioning (LGBTQ) individuals, allies and businesses that promotes non-discrimination through the use of its UNITY Pledge;

WHEREAS, By signing the UNITY Pledge, which is attached hereto as Exhibit A, the City of Glendale can broadcast the message that the City is "open for business" and welcomes all business, residents and visitors regardless of their unique identities or characteristics.

SECTION 1. Be Resolved That the Mayor, on behalf of the City Council and the City of Glendale, shall sign, and the City of Glendale shall abide by, One Community's UNITY Pledge.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Glendale, Maricopa County, Arizona, this ____ day of _____, 2014.

M A Y O R

ATTEST:

City Clerk (SEAL)

APPROVED AS TO FORM:

City Attorney

REVIEWED BY:

City Manager
a_unity pledge

EXHIBIT A

UNITY PLEDGE

As business and community leaders, we understand that if we want to compete for top talent, we must have a diverse and inclusive workplace. We also understand that if our travel and tourism industry wants to be competitive—and if Arizona wants to be competitive on a national and international level—we must support all of our diverse communities. It's time for LGBT inclusive non-discrimination policies in the workplace, in housing, and in public accommodations including restaurants and hotels.

For our part, the company or organization below celebrates diversity and supports workplace equality. We are committed to fostering, cultivating, and preserving a culture of diversity, inclusion, fairness, and equality.

We celebrate our employees regardless of age, color, disability, ethnicity, family or marital status, gender identity or expression, language, national origin, physical and mental ability, political affiliation, race, religion, sexual orientation, veteran status, and other characteristics that make our employees unique.

It's time to ensure equality for all Arizona employees, residents, and consumers. It's the right thing to do. It's good for business. It's good for the business of Arizona.



UNITY Pledge
It's good for business

WHAT IS UNITY PLEDGE?

UNITY Pledge is a concerted effort by Arizona businesses and individuals to advance workplace equality and equal treatment in housing and hospitality for Lesbian, Gay, Bisexual, and Transgender (LGBT) individuals and their allies. The business community and like-minded individuals understand that if we want to compete for top talent, we must have diverse and inclusive workplaces. UNITY Pledge was created by [ONE Community](#), a member-based coalition of Arizona businesses and individuals dedicated to growing Arizona's economy and otherwise improving our community.

The goal of UNITY Pledge is simple: encourage at least 10,000 Arizona businesses and organizations to stand up for diversity. Businesses and organizations of all sizes who sign the UNITY Pledge publicly join thousands of other businesses and organizations that support workplace equality and equal treatment in housing and hospitality. Directions below explain how both your business and you individually may take the UNITY Pledge.

WHY UNITY PLEDGE?

Not much has changed in 50 years!

The UNITY Pledge was created because of the overwhelming outpouring of support that ONE Community received from business leaders following our *Spotlight on Success Local Heroes Awards Ceremony* in October 2012.

During the ceremony, ONE Community featured Karen and Nelda—an amazing lesbian couple that have been in a committed relationship for 54 years. Karen shared with us through a [video](#) shown at the ceremony how 50 years ago individuals could be fired from their job solely because they were gay. In 2013, it is *still* legal in Arizona and 28 other states to fire someone simply because they are gay or transgender. It is also perfectly legal to discriminate on the same basis in housing and hospitality.

This makes little sense when you understand that LGBT people make up a combined \$790 billion in spending each year in the US. These professionals, families, and individuals are also some of the most talented in their industries. Moreover, according to a [report](#) from the *Center for American Progress*, workplace discrimination, including discrimination against LGBT employees, costs businesses \$64 billion each year. The Human Rights Campaign's [Corporate Equality Index](#) reflects that 99% of responding businesses prohibit discrimination based upon sexual orientation and 84% of responding businesses prohibit discrimination based upon gender identity. Smart businesses want to attract LGBT professionals and travelers. Smart businesses value diversity and know that we have a responsibility to treat this community with the same dignity and respect as other communities.

We're sure you'll agree that Arizona's economic success depends upon great talent, and diversity is our greatest strength. Protecting LGBT Arizonans is the right thing to do and we know we can count on you to stand up in support of LGBT workplace, housing, and hospitality equality by taking the UNITY Pledge.

We stand in UNITY, we are ONE Community. Take the Pledge!

HOW DO BUSINESSES TAKE THE UNITY PLEDGE?

Taking the UNITY Pledge is easy for businesses. To take the pledge, either (1) complete the online form at www.UNITYPledge.co or (2) complete the attached *Business UNITY Pledge Form* and return it to ONE Community. By taking this step, your business pledges as follows:

UNITY Pledge for Businesses:

As business and community leaders, we understand that if we want to compete for top talent, we must have a diverse and inclusive workplace.



UNITY Pledge
It's good for business

We also understand that if our travel and tourism industry wants to be competitive—and if Arizona wants to be competitive on a national and international level—we must support all of our diverse communities. It's time for LGBT inclusive non-discrimination policies in the workplace, in housing, and in public accommodations including restaurants and hotels.

For our part, the company or organization below celebrates diversity and supports workplace equality. We are committed to fostering, cultivating, and preserving a culture of diversity, inclusion, fairness, and equality.

We celebrate our employees regardless of age, color, disability, ethnicity, family or marital status, gender identity or expression, language, national origin, physical and mental ability, political affiliation, race, religion, sexual orientation, veteran status, and other characteristics that make our employees unique.

It's time to ensure equality for all Arizona employees, residents, and consumers. It's the right thing to do. It's good for business. It's good for the business of Arizona.

HOW DO INDIVIDUALS TAKE THE UNITY PLEDGE?

Taking the UNITY Pledge is just as easy for individuals. To take the pledge, either (1) complete the online form at www.UNITYPledge.co or (2) complete the attached *Individual UNITY Pledge Form* and return it to ONE Community. By taking this step, you pledge as follows:

UNITY Pledge for *Individuals*:

I believe that diversity is our strength and that all Arizonans deserve fair and equal treatment. If Arizona wants to be competitive on a national and international level we must support all of our diverse communities. It's time for LGBT inclusive non-discrimination practices in the workplace, in housing, and in public accommodations including restaurants and hotels.



UNITY Pledge
It's good for business

It's time to ensure equality for all Arizona employees, residents, and consumers. It's the right thing to do. It's good for business. It's good for the business of Arizona.

HOW DO I PROMOTE THE UNITY PLEDGE?

Promoting UNITY Pledge is just as easy as taking it. Here are some simple ways to promote UNITY Pledge:

- Word of mouth.
- Pass this informational brochure on to your friends, families, and businesses that you work with.
- Post the UNITY Pledge [Badge](#) on your website.
- Post the UNITY Pledge [Text](#) on your website.
- "Like" ONE Community's UNITY Pledge [Page](#) on Facebook.
- Post a favorable comment to Facebook (e.g., "Let's protect all Arizona employees, residents and consumers from discrimination. Take the UNITY Pledge and support ONE Community!").
- Spread the word through other social-media networks (e.g., LinkedIn and MySpace).

WHERE DO I OBTAIN ADDITIONAL INFORMATION ABOUT UNITY PLEDGE?

Additional information regarding UNITY Pledge is available at: www.UNITYPledge.co.

UNITY Pledge for Businesses:

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UNITY Pledge
It's good for business

We also understand that if our travel and tourism industry wants to be competitive—and if Arizona wants to be competitive on a national and international level—we must support all of our diverse communities. It's time for LGBT inclusive non-discrimination policies in the workplace, in housing, and in public accommodations including restaurants and hotels.

For our part, the company or organization below celebrates diversity and supports workplace equality. We are committed to fostering, cultivating, and preserving a culture of diversity, inclusion, fairness, and equality.

We celebrate our employees regardless of age, color, disability, ethnicity, family or marital status, gender identity or expression, language, national origin, physical and mental ability, political affiliation, race, religion, sexual orientation, veteran status, and other characteristics that make our employees unique.

It's time to ensure equality for all Arizona employees, residents, and consumers. It's the right thing to do. It's good for business. It's good for the business of Arizona.

Representative Signature: _____

Representative Name: _____

Representative Title: _____

Representative E-mail: _____

Company/Organization Name: _____

Company/Organization Address: _____

Company/Organization Telephone: _____

Company/Organization Website: _____

Number of Employees: _____

Return completed form by e-mail (info@unitypledge.co), facsimile (480-355-0088), or mail (ONE Community, P.O. Box 17836, Phoenix, AZ 85013). Additional information available at: www.UNITYPledge.co.

Company name and logo information may be used on ONE Community's UNITY Pledge website and in program materials, unless a specific exclusion is requested. However, all other information above will remain confidential as permitted by law. By providing my e-mail address, I agree to receive future communications via e-mail from UNITY Pledge and ONE Community unless I elect otherwise.

UNITY Pledge for Individuals:

I believe that diversity is our strength and that all Arizonans deserve fair and equal treatment. If Arizona wants to be competitive on a national and international level we must support all of our diverse communities.



UNITY Pledge
It's good for business

It's time for LGBT inclusive non-discrimination practices in the workplace, in housing, and in public accommodations including restaurants and hotels.

It's time to ensure equality for all Arizona employees, residents, and consumers. It's the right thing to do. It's good for business. It's good for the business of Arizona.

Signature: _____

Name: _____

E-mail: _____

Address: _____

Telephone: _____

Occupation: _____

Return completed form by e-mail (info@unitypledge.co), facsimile (480-355-0088), or mail (ONE Community, P.O. Box 17836, Phoenix, AZ 85013). Additional information available at: www.UNITYPledge.co.

Your name may be listed on ONE Community's UNITY Pledge website, unless a specific exclusion is requested. However, all other information above will remain confidential as permitted by law. By providing my e-mail address, I agree to receive future communications via e-mail from UNITY Pledge and ONE Community unless I elect otherwise.



Legislation Description

File #: 14-498, **Version:** 1

AUTHORIZATION TO ENTER INTO A LICENSE AGREEMENT WITH SP PLUS CORPORATION TO USE CITY-OWNED PROPERTY FOR PARKING ASSOCIATED WITH NATIONAL FOOTBALL LEAGUE GAMES TAKING PLACE AFTER JANUARY 1, 2015 THROUGH FEBRUARY 1, 2015

Staff Contact: Jean Moreno, Program Administrator, Office of Economic Development

Purpose and Recommended Action

This is a request for City Council to waive reading beyond the title and adopt a resolution authorizing the City Manager to enter into a License Agreement with SP Plus Corporation allowing the use of city-owned property located in the vicinity of Bethany Home Road and the Agua Fria Freeway (Loop 101) to be utilized for parking uses associated with National Football League games taking place after January 1, 2015 through February 1, 2015 in exchange for license consideration with an in-kind value of \$202,500 benefitting the City of Glendale.

Background

In 2011, the City Council adopted Resolution 4502 in support of Super Bowl XLIX to be held at the University of Phoenix Stadium in Glendale, Arizona asserting that the Super Bowl and Official Events would generate goodwill, enhance the worldwide renown and prestige of the City of Glendale, create jobs, and create substantial beneficial economic and fiscal activity for the State of Arizona. In conjunction with Super Bowl XLIX to be played on February 1, 2015, the National Football League (NFL) has also chosen the University of Phoenix Stadium (Stadium) as the venue for the 2015 Pro Bowl to be held on January 25, 2015.

In support of Super Bowl XLIX, the Arizona Super Bowl Host Committee (Host Committee) is required to provide 35,000 parking spaces within one mile of the Stadium grounds for game day operations. The City has fulfilled its only obligation pertaining to Super Bowl XLIX parking requirements by producing the standard allocation of parking spaces (11,000) in accordance with a contractual obligation to the Arizona Sports and Tourism Authority (AZSTA). In addition to the City's standard allocation, there are 13,000+ spaces located in the lots immediately adjacent to the Stadium, making the total parking inventory available to the Host Committee for these events 25,405 spaces as described in Exhibit B of the attached License Agreement. The remaining parking allocation to be identified by the Host Committee is approximately 10,000 spaces.

In an effort to bridge the gap, the City was asked to make city-owned property located on the northeast corner of 99th Avenue and Bethany Home Road (License Area) available for parking use. This particular parcel can accommodate approximately 2,000 vehicles and SP Plus Corporation intends to secure additional privately-owned parcels in the area to fulfill the remainder of the Host Committee's obligation.

Analysis

Under the terms of the proposed agreement, for its right to use the License Area beginning January 1, 2015

through February 14, 2015, SP Plus Corporation will provide the following in-kind considerations valued at \$202,500 as payment for such use:

1. Assume the City's obligation to the NFL for the operation of a Park and Ride shuttle system during the operating days and hours of the Super Bowl at no cost to the City (valued at \$200,000).
2. Provide twenty-five (25) parking spaces for the City's use during the Pro Bowl and Super Bowl events. Spaces are to be located on Lot H, east of the Hampton Hotel property in the vicinity of the stadium (minimum value of \$2,500).

In 2008, the City operated a shuttle from the downtown parking garage to the stadium at a cost of approximately \$97,000. By adopting a resolution in support of the bid for Super Bowl XLIX, the City agreed to operate a Park and Ride shuttle system during the operating days and hours of the 2015 game either free or at a reasonable cost to the public. This anticipated expense was accounted for in the development of the Fiscal Year 2014-15 National Events operating budget resulting in an allocation of \$200,000 for that purpose.

Also in 2008, the City controlled the open parking lots immediately to the east of the Media Center which were allocated to media outlets using our facility. The City no longer controls the open parking that was previously used for media and therefore requested an allocation of spaces near the Media Center for the City's discretionary use on Pro Bowl and Super Bowl game days.

This proposed agreement limits the permitted use of the License Area to parking and parking related activities (including tailgating) for patrons attending the events or personnel working the events and no other use. SP Plus Corporation will, at its sole cost, construct improvements to the property to create a firm, level surface to accommodate both the parking of motor vehicles and the ingress and egress of pedestrians and vehicles. These improvements may include adding dirt, gravel, or milled asphalt; grading, rolling, and packing the surface; and painting lines. All materials added to the property will be considered improvements and will not be removed.

Under the terms of the proposed agreement, SP Plus Corporation will secure the necessary insurance, provide indemnification, and secure construction bonds. They will be responsible for managing the parking operations entirely which includes placing necessary light towers, directional signage, portable restrooms, and fencing. SP Plus Corporation will be responsible for setting the price for parking and managing the sale of parking spaces. They will also be responsible for all costs and will retain all parking revenue. There is no obligation whatsoever on the part of the City for any aspects of the parking operation or associated costs.

To protect the City's other interests relating to the use of the property, the proposed agreement includes accommodations for the Digital Billboard Placement License Agreement approved by City Council on September 9, 2014, as well as, the City's right to initiate license agreements to place mobile cellular on wheels devices on this property.

In order to determine whether the in-kind proposal would be of benefit to the City, staff conducted a cost-benefit analysis. The City's estimated cost to prepare the lot for a parking use is approximately \$430,000 and does not include the cost to operate the lot on game days. As previously mentioned, this property can accommodate parking for approximately 2,000 vehicles and the parking vendor advised that the estimated retail price for a parking pass on this property is \$50.00 per vehicle because the property is located on the

west side of the freeway and is not paved. If the entire lot were sold for two events, the estimated gross revenue would be \$200,000 resulting in an operating loss.

In addition, due to its proximity to the stadium, for public safety reasons this property is subject to temporary restrictions on commercial activity during the week leading up to Super Bowl XLIX and may not be utilized for non-NFL commissioned activities. As such, it was determined that the \$202,500 in-kind value as proposed in the License Agreement exceeds any revenue potential the City might have for the property during the Super Bowl period, poses no fiscal risk to the City, and assists in meeting the NFL's required parking allocation for the events.

Previous Related Council Action

On June 28, 2011 the City Council adopted Resolution No. 4502 New Series, a Resolution of the Council of the City of Glendale, Maricopa County, Arizona, in support of the bid to host Super Bowl XLIX in 2015 at the University of Phoenix Stadium in Glendale, Arizona; and providing assurances in support of said bid.

On June 10, 2014 the City Council adopted Resolution No. 4812 New Series, a Resolution of the Council of the City of Glendale, Maricopa County, Arizona, adopting the estimates of the amounts required for the public expense for the City of Glendale for the Fiscal Year 2014-15; and, adopting a final budget. This adopted budget included an allocation of \$200,000 for the provision of shuttle services related to Super Bowl XLIX.

Community Benefit/Public Involvement

Entering into the proposed agreement with SP Plus Corporation is beneficial to the residents of the City of Glendale, primarily because it will have the effect of saving approximately \$200,000 that the City was obligated to expend for a Park and Ride shuttle operation in conjunction with Super Bowl XLIX. Furthermore, the City does not take on any risk or responsibility associated with the parking operation; and, this agreement supports the efforts of the Arizona Super Bowl Host Committee and the State of Arizona in hosting two highly successful, nationally acclaimed events in our community.

Budget and Financial Impacts

There is no expenditure required by the City to enter into this agreement. The net effect for the City's General Fund operating budget is the elimination of an estimated \$200,000 budgeted expense in National Events 1010-16360-518200.

RESOLUTION NO. 4907 NEW SERIES

A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE ENTERING INTO OF A LICENSE AGREEMENT WITH SP PLUS CORPORATION FOR THE USE OF CITY-OWNED PROPERTY IN THE VICINITY OF THE BETHANY HOME ROAD AND THE AGUA FRIA FREEWAY (LOOP 101) IN GLENDALE, ARIZONA TO BE UTILIZED FOR PARKING USES ASSOCIATED WITH NATIONAL FOOTBALL LEAGUE GAMES TAKING PLACE AFTER JANUARY 1, 2015 THROUGH FEBRUARY 1, 2015 IN EXCHANGE FOR LICENSE CONSIDERATION WITH AN IN-KIND VALUE THAT BENEFITS THE CITY OF GLENDALE.

WHEREAS, the City of Glendale adopted Resolution No. 4502 in support of Super Bowl XLIX to be held at the University of Phoenix Stadium in Glendale, Arizona asserting that the Super Bowl and Official Events would generate goodwill, enhance the worldwide renown and prestige of the City of Glendale, create jobs, and create substantial beneficial economic and fiscal activity for the State of Arizona; and,

WHEREAS, by adopting Resolution No. 4502 the City agreed to provide a Park and Ride shuttle system during the operating days and hours of Super Bowl XLIX at no cost to the NFL, either at free or reasonable cost to the public; and,

WHEREAS, the City continues to have the obligation to provide a Park and Ride shuttle system; and,

WHEREAS, the City owns real property located in the vicinity of the University of Phoenix Stadium in the area of Bethany Home Road and the Agua Fria Freeway (Loop 101); and,

WHEREAS, SP Plus Corporation desires to use this property on behalf of their client, the National Football League, for parking associated with the 2015 Pro Bowl, Super Bowl XLIX, and any potential NFL play-off games; and,

WHEREAS, both parties agree it would be in the best interests of the parties to offer and accept in-kind consideration for services, namely the City will provide the real property located in the vicinity of the University of Phoenix Stadium in the area of Bethany Home Road and the Agua Fria Freeway (Loop 101) at no cost in exchange for being relieved of the obligation to provide a Park and Ride shuttle system during the operating days and hours of Super Bowl XLIX.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLENDALE as follows:

SECTION 1. That the City Manager or designee is hereby authorized to execute and deliver the License Agreement with SP Plus Corporation for the use of city-owned property for parking for National Football League games taking place after January 1, 2015 through February 1, 2015 at no cost and in exchange for SP Plus Corporation assuming the City's obligation to provide a shuttle system for the Super Bowl XLIX at no cost to the City.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Glendale, Maricopa County, Arizona, this _____ day of _____, 2014.

MAYOR

ATTEST:

City Clerk (SEAL)

APPROVED AS TO FORM:

City Attorney

REVIEWED BY:

City Manager

LICENSE AGREEMENT
(9802 West Bethany Home Road)

This LICENSE AGREEMENT ("**Agreement**") is made and entered into by and between the City of Glendale, an Arizona municipal corporation ("**City**") and SP Plus Corporation, a Delaware Corporation authorized to do business in Arizona and doing business as SP+ Gameday ("**Licensee**") (individually "**Party**" and collectively "**Parties**") to be effective on the date it is fully executed by all Parties.

RECITALS

A. The City is the owner of certain real property located in the vicinity of Bethany Home Road and the Agua Fria Freeway (Loop 101), Glendale, Arizona, ("**License Area**") more fully described in Exhibit A attached hereto and will be licensed for use pursuant to this Agreement.

B. The National Football League ("**NFL**") owns, produces and controls its annual professional football championship game known as the Super Bowl and its annual all-star exhibition game known as the Pro Bowl (together the "**Events**") and all rights relating thereto on an exclusive, worldwide basis.

C. The 2015 Pro Bowl is scheduled to be played on January 25, 2015, and Super Bowl XLIX is scheduled to be played on February 1, 2015, both at the University of Phoenix Stadium near the License Area.

D. In the event the Arizona Cardinals participate in the NFC playoffs and host any playoff game at the University of Phoenix Stadium, Licensee may require use of the License Area in connection with such games, in which case the term Events, as used in this Agreement, will encompass such games.

E. Licensee will be providing various parking, traffic management and transportation services in connection with the Events.

F. Licensee and City desire for Licensee to use the License Area in connection with providing parking for the Events on the terms set forth below.

G. Licensee and City desire to memorialize their agreement with this document.

AGREEMENT

In consideration of the mutual covenants and conditions set forth herein, and for good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. INCORPORATION OF RECITALS. The above recitals are true and correct and are incorporated into and shall constitute a part of this Agreement.
2. LICENSE. The City hereby grants to Licensee the right to use the License Area only for providing parking and parking-related activities, including but not limited to tailgating, for patrons attending the Events, for personnel working the Events, and as otherwise described in § 2.3.d, below ("**Permitted Use**") and no other use; and, subject to the provisions and conditions of this Agreement:

2.1. Parking Area. During the Term of this Agreement, Licensee will have non-exclusive access to and may make alterations and improvements to the License Area only as described in § 5, “Licensee’s Operations” for purposes reasonably related to the Permitted Use.

2.2. Project Manager. Upon execution of this Agreement, City and Licensee will each designate a project manager to coordinate the parties’ performance under this Agreement. Each project manager will devote such time and effort to the project as may be necessary for timely, good faith and convenient coordination among all persons involved with the project and compliance with this Agreement. The City’s project manager will not be exclusively assigned to this Agreement or to work related to the Licensee’s use.

2.3. Rights, Use Requirements, and Restrictions.

- a. Licensee’s rights under this Agreement are subject to all covenants, restrictions, easements, agreements, reservations and encumbrances upon, and all other conditions of title to, the License Area.
- b. Licensee’s rights under this Agreement are subject to all present and future building restrictions, regulations, zoning laws, ordinances, resolutions and orders of any local, state or federal agency, now or hereafter having jurisdiction over the License Area or the Licensee’s use of the License Area.
- c. Licensee may use the License Area only for the Permitted Use and no other use.
- d. Licensee’s Permitted Use includes the following:
 - 1. Managing the parking and circulation of vehicles inside the License Area;
 - 2. Placing and using supplemental light towers, directional signage (both static and VMS), and portable restrooms; erecting fencing; placing signage, promotional displays, kiosks and similar facilities; and,
 - 3. All other uses directly related to providing parking for the Events.
- e. Except for enforcement authority vested in the Glendale Police Department or other governmental authority, Licensee shall have the right to set and enforce appropriate rules and guidelines for use of the License Area during the Events.
- f. Licensee shall have the sole and exclusive right to set the price for parking at the License Area for the Events and to oversee the production, marketing and sale of parking passes through any channels, including transactions on-site and through Licensee’s proprietary Internet-based reservation system known as Click and Park.
- g. Licensee shall have the sole and exclusive right to all profits associated with the Permitted Use and is solely responsible for losses, if any.

2.4. “AS-IS” Acceptance. Licensee warrants that it has studied and inspected the License Area, obtained any information and professional advice the Licensee has determined to be necessary related to this Agreement, and therefore accepts the same “AS IS” without any express or implied warranties of any kind, other than those warranties contained in § 12, including any warranties or representations by the City as to its condition or fitness for any use. Licensee’s acceptance of the License Area “as is” shall not include the acceptance of any latent dangerous or hazardous condition that is not discoverable upon inspection.

2.5. Limitation on Grant. The Parties do not by this instrument intend to create a lease, easement, or other real property interest or vest with Licensee any real property interest in the License Area and nothing express or implied in this Agreement grants Licensee any right or authority to enter, occupy, or use any property that is not solely owned by the City and fully described herein.

2.6. Rights Reserved

- a. Licensee acknowledges that its use of the License Area is subject and subordinate to the City's use of the License Area, including use of the License Area for placement of and advertising display on permanent digital billboard equipment ("**Digital Billboard**") and temporary Cellular on Wheels ("**COW**") equipment.
- b. Licensee and its agents, employees or contractors will not install, operate or use any equipment, methodology or technology that may interfere with the optimum effective use or operation of Digital Billboard, COW, or the City's fire, emergency or other communications equipment, methodology or technology (i.e. voice or other data receiving and/or transmitting equipment) that is presently in use or may be in use in the future.
 - 1. If such interference does occur, the Licensee must immediately discontinue using the equipment or methodology or technology that causes the interference until corrective measures are taken which must be made at no cost to the City or owner/operator of Digital Billboard or COW equipment.
 - 2. City and the Licensee will use their best reasonable efforts to resolve immediately any interference problems, but if an interference problem is unavoidable, the City's right to use the City's fire, emergency, or other communications equipment and the Digital Billboard or COW owner/operator's right to use their equipment remain paramount to any use of the License Area by the Licensee and Licensee would have the right to terminate this Agreement without penalty and without any cost or penalty to the City.
- c. City and owner/operator of Digital Billboard or COW equipment may, at all times, enter upon the License Area for any lawful purpose, provided the action does not unreasonably interfere with the Licensee's use or occupancy of the License Area.
- d. Without limiting the generality of the foregoing, the City, owner/operator of Digital Billboard or COW equipment, and any furnisher of utilities and other services may, at their own cost:
 - 1. Enter upon the License Area at any time to make repairs, replacements or alterations that, in the opinion of the City, owner/operator of Digital Billboard or COW equipment, or the furnisher of utilities and other services, may be necessary or advisable and cannot reasonably be performed after the expiration of this Agreement; and
 - 2. In connection with any maintenance, use the License Area for access to other parts in and around the License Area; provided that in the exercise of these rights of access, repairs, alterations or new construction, the City or owner/operator of Digital Billboard or COW equipment does not unreasonably interfere with the use and occupancy of the License Area by the Licensee.
- e. The exercise of any of the foregoing rights by the City, owner/operator of Digital Billboard or COW equipment, or others does not constitute a termination of the License, nor serve as the grounds for any remuneration or any claim for damages.

3. **TERM.**

3.1. License Period. This Agreement shall commence on January 1, 2015 (“**Commencement Date**”) and end on February 14, 2015 (“**Term**”), unless terminated earlier as provided in this Agreement. The Effective Date of the License Agreement shall be the date it is fully executed by all Parties.

3.2. Surrender of Possession

- a. Upon the expiration or termination of this Agreement, the Licensee’s right to occupy the License Area and to exercise the privileges and rights granted by this Agreement cease, and it must surrender and leave the License Area in as good condition as it was provided to Licensee, including removal of personal property from the License Area, and removal of any paper, litter or trash.
- b. Licensee shall not be responsible for reasonable wear and tear to the License Area associated with the nature of the Permitted Use or for any reclamation activities or restoration of the License Area.
- c. Except as set forth in § 3.2.d, all trade fixtures, equipment, and other personal property installed or placed temporarily by the Licensee on the License Area remains the property of the Licensee.
- d. If Licensee fails to remove any of its property upon expiration or termination of this Agreement, it will have a grace period of three (3) days in order to cause such removal, after which such property will become a part of the License Area and ownership will vest in the City. Alternatively, except as otherwise provided in § 5.2.c, the City may, at the Licensee's expense, have the property removed after such 3-day period.

3.3. Hold-Over. In the event Licensee continues to occupy the License Area after the expiration or termination of this Agreement, such hold-over does not constitute a renewal or extension of this Agreement and in no case may the hold-over exceed ten (10) business days.

4. **LICENSE CONSIDERATION**

For its right to use the License Area, the City accepts the following consideration as full remuneration for the Licensee’s use in accordance with the License Agreement:

- 4.1. Licensee shall assume and become solely responsible for the City’s obligations, if any, to the NFL for the operation of a Park and Ride shuttle system during the operating days and hours of the Events at no cost to the City, either free or at a reasonable cost to the public.
- 4.2. Licensee shall make available to the City the exclusive use of twenty-five (25) parking spaces for use in the City’s sole discretion during the 2015 Pro Bowl and Super Bowl XLIX. Spaces are to be reserved on Lot H, located in the vicinity of 95th and Maryland Avenues, as described in Exhibit B attached hereto.

5. LICENSEE'S OPERATIONS

5.1. Generally

- a. Licensee must at all times have on-call and at the City's access an active, qualified and experienced representative to supervise the Permitted Use and who is authorized to act for the Licensee in matters pertaining to all emergencies and the operation of the Permitted Use. Licensee will provide the City with the name and 24-hour telephone number for the Licensee Project Manager.
- b. Licensee, at all times during the Term of this Agreement, must operate and maintain the License Area in a clean and orderly condition and use commercially reasonable care in the use of the License Area so as not to constitute a nuisance, jeopardize the public safety, sell or distribute alcohol or illegal drugs, permit nudity, or allow any other unlawful activity.
- c. The Licensee is responsible for obtaining and paying for all utilities necessary to support the Permitted Use of the License Area.
- d. Licensee will procure, at its sole cost, any license, permit or approval of any governmental agency having jurisdiction over the License Area necessary for the Permitted Use of the License Area ("**Governmental Approvals**"). Licensee's obligations under this Agreement shall be subject to receipt of all Governmental Approvals. Each Party will cooperate with the other in good faith to obtain the Government Approvals, and City will promptly execute all applications and other documentation necessary for Licensee to obtain the Governmental Approvals. Licensee shall reimburse City within ten (10) days for any penalties or fines resulting from Licensee's failure to comply with any Governmental Approvals.

5.2. Improvements

- a. Licensee intends to alter the License Area by constructing or creating a firm, level surface to accommodate the parking of motor vehicles and the ingress and egress of pedestrians and vehicles ("**Improvements**"). Licensee, at its sole expense and subject to any applicable Governmental Approvals, may perform all activities, use all equipment and bring all materials on the License Area reasonably related to the Permitted Use, including, without limitation, the following:
 1. Adding dirt and gravel to low points and other depressions on the License Area;
 2. Grading, rolling and packing dirt with a road grader or steam roller;
 3. Painting lines to identify parking stalls; and
 4. Paving access road(s) using milled asphalt.
- b. Design, Labor and Materials
 1. Licensee may use contractors and suppliers in its reasonable discretion in the performance of Improvements. Licensee is responsible for ensuring the Licensee's contractor/s performing work at the License Area each carry and maintain workers' compensation insurance, employer's liability insurance, automobile liability insurance, and commercial general liability insurance covering their respective operations at the License Area. Such liability policies shall name the City as an additional insured and Licensee will deliver a certificate of insurance to City.
 2. Licensee's Improvements must be designed and materials and labor purchased at the Licensee's sole expense.

3. In no event is the City obligated to compensate the Licensee or any contractor or supplier in any manner for any of the Licensee's Improvements or other work performed by the Licensee or any contractor in connection with the Permitted Use or during or related to this Agreement.
 4. Licensee must timely pay for all labor, materials, and work, and all professional and other services related to its operations within the License Area, and will defend, indemnify and hold harmless the City against all related claims caused by Licensee and no liens against the License Area shall be permitted.
 5. All work performed on the License Area by the Licensee or any sub-contractors must be performed in a workmanlike manner, as reasonably determined by the City, and will be diligently pursued to completion and in conformance with all building codes and similar rules.
 6. Licensee and any sub-contractors must participate as a member of the Blue Stake Center under A.R.S. § 40-360.21 et seq. regarding underground facilities, and the Licensee will submit proof of such participation to the City Engineer upon request.
 7. The Licensee and City will cooperate with each other in good faith to accomplish the Improvements. City will have the right to approve the type of dirt, paint and other materials added to the License Area and to approve the location of the access road(s), which approval will not be unreasonably withheld or delayed. Licensee will invite City to meet with Licensee and its contractors to discuss the plans, means, methods, techniques and procedures for Improvements to be made in accordance with City standards.
- c. The paved road(s) added to the License Area by Licensee, if any, will be an improvement to the License Area and will not be removed. City will accept such roads "as-is", without any warranty or representation from Licensee. City's acceptance of Improvements to the License Area "as is" shall not include the acceptance of any latent dangerous or hazardous condition that is not discoverable upon inspection.
- d. Construction Bonds. Prior to the commencement of any construction in the License Area, Licensee shall cause its general contractor, Achen-Gardner Construction, LLC, to obtain and provide Licensee with payment and performance bonds in amounts equal to the full amount of the written construction contract for the construction to be performed on, in, and related to the License Area. Licensee shall provide City with copies of such bonds prior to the commencement of any such construction.
1. The payment bond will be solely for the protection of claimants supplying labor or materials for the required construction work, and the performance bond will identify Licensee as obligee, conditioned upon the faithful performance of the required construction work.
 2. Each bond must be executed by a surety company duly authorized to do business in Arizona.

5.3. Insurance

- a. Licensee must procure and at all times maintain the minimum insurance as outlined below in connection with its Permitted Use and Improvements and any other work or operations in the License Area:

Minimum Insurance Requirements

1. Workers' Compensation Insurance complying with Statutory Limits. This policy shall include employer's liability insurance with limits of at least \$1,000,000.
 2. Commercial General Liability Insurance in the minimum amounts indicated below or such additional amounts as reasonably required by the City, including, but not limited to, Contractual Liability Insurance (specifically concerning the indemnity provisions of any agreement with the City), Products-Completed Operations Hazard, Personal Injury (including bodily injury and death), and Property Damage for liability arising out of your performance of work for the City or on Licensed Area. Said insurance shall have minimum limits for Bodily Injury and Property Damage Liability equal to the policy limits, but not less than \$2,000,000 each occurrence and \$4,000,000 aggregate.
 3. Automobile Liability Insurance against claims of Personal Injury (including bodily injury and death) and Property Damage covering all owned, leased, hired and non-owned vehicles used in the performance of services pursuant to an agreement with the City with minimum limits for Bodily Injury and Property Damage Liability equal to the policy limits, but not less than \$1,000,000 each occurrence. Coverage shall include any auto.
- b. Insurance must be issued by a company authorized to provide coverage in Arizona and rated at least A-, VII by AM Best and naming the City and its board members, officials, officers, agents, and employees as an additional insured by endorsement with a requirement of written notice to the City prior to cancellation for any reason other than nonpayment of premium. Licensee shall provide written notice to the City of cancellation of any required insurance policy for any reason.
 - c. The insurance must also include advertising and contractual liability coverage for the obligation of indemnity assumed in this Agreement, subject to standard policy provisions and exclusions.
 - d. Licensee's insurance must be primary and non-contributory with respect to all other available sources. Licensee must provide appropriate certificates and endorsements of insurance to the City for all insurance policies required by this section.
 - e. As commercially reasonable, City's Risk Manager may alter the requirements above or determine additional insurance is necessary for Licensee's operations.
 - f. Notice of Cancellation. Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the City for any reason other than nonpayment of premium. Licensee shall provide written notice to the City of cancellation of any required insurance policy for any reason.
 - g. Waiver of Subrogation. Licensee hereby grants to City a waiver of any right to subrogation which any insurer of said Licensee may acquire against the City by virtue of the payment of any loss under such insurance. Licensee agrees to make reasonable efforts to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision

applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.

- h. Notices to the City. The Licensee will provide the City, without request, copies of any petition or application related to any filing by the Licensee of bankruptcy, receivership or trusteeship and any notices received from regulatory agencies pertaining to the operations of the Billboard.
6. Damage or Destruction. The City has no obligation to reimburse the Licensee for the loss of or damage to fixtures, equipment or other personal property of Licensee, except for such loss or damage as is caused by the sole negligence or fault of the City or its officers, employees or agents.

7. **INDEMNIFICATION AND LIMITATION OF LIABILITY.**

7.1. Licensee will defend, indemnify and hold harmless the City, its officers and employees, and agents (collectively, the "City") from all loss, damages or claims (collectively, "Claims") of whatever nature, including attorney's fees, expert witness fees and costs of litigation, that arise out of any act or omission of Licensee or its agents, employees and invitees (collectively, "Licensee") in connection with Licensee's use, construction activities and operations in the License Area and that result directly or indirectly in any type of injury to or death of any person or the damage to or loss of any property, or that arise out of Licensee's use, construction activities or operations, including the failure of the Licensee to comply with any provision of this Agreement (collectively "Licensee's Conduct").

- a. City will in all instances, except for loss, damages or claims resulting from the sole negligence or fault or gross negligence of City, be defended and indemnified by Licensee against all Claims arising out of Licensee's Conduct. City will give the Licensee prompt notice of any claim made or suit instituted that may subject the Licensee to liability under this section, although timing of such notice will not diminish Licensee's duty to defend and indemnify unless such timing actually prejudices Licensee's ability to defend, and the Licensee will have the right to compromise and defend the same to the extent of its own interest.
- b. City shall cooperate with Licensee and its counsel in such defense.
- c. City may, but does not have the duty to, participate in the defense of any Claim with attorneys of the City's selection and at the City's sole cost without relieving the Licensee of any obligations hereunder.
- d. Licensee's obligations under this Agreement survive any termination of this Agreement or the Licensee's use or activities in the License Area.

7.2. Limitation of Liability. In no event is either party liable or obligated to the other party or any third party for any special, incidental, exemplary, consequential, punitive or indirect damages regardless of the form of action, whether under theory of contract, tort (including negligence), strict liability or otherwise, even if informed of the possibility of any such damages in advance. The foregoing limitation on liability shall not apply to claims for which a party is obligated to provide indemnity under this Agreement, claims arising from fraud, gross negligence or willful misconduct of a party, claims for breach of confidentiality, or claims of infringement of intellectual property rights.

7.3. The indemnity obligations in this section shall survive expiration or termination of this Agreement.

8. **TAXES AND LICENSES**

- 8.1. Licensee must pay any leasehold tax, possessory-interest tax, sales tax, personal property tax, transaction privilege tax or other exaction assessed or assessable as a result of its occupancy of the License Area under authority of this Agreement, including any such tax assessable on the City.
- 8.2. Licensee must, at its own cost, obtain and maintain in full force and effect during the term of this Agreement all licenses and permits required for all activities authorized by this Agreement.

9. **RULES AND REGULATIONS.** Licensee must at all times comply with all federal, state and local laws, ordinances, rules and regulations which are applicable to its use and construction activity or operations on the License Area, including all laws, ordinances, rules and regulations adopted after the Effective Date. Licensee must display to the City, upon request, any permits, licenses or other evidence of compliance with all laws.

10. **TERMINATION**

10.1. **For Cause**

- a. Either party may terminate this Agreement in the event that the other party breaches this Agreement and fails to promptly remedy such breach within forty-eight (48) hours after receipt of notice from the other party. Notice must be made to either party's Project Manager, which notice may be verbal if provided on-site at the License Area to the other party's representative but must be followed up with an email to the other party's Project Manager documenting the deficiency.
- b. In the event either party fails to perform any of its obligations under this Agreement and such failure continues for forty-eight (48) hours and will impair the Permitted Use of the License Area, either party shall, in addition to all other rights and remedies available, have the right, but not the obligation, to perform the obligations of the offending party and collect from such, or set-off against amounts otherwise due, all sums actually expended to effect such cure.
- c. Licensee may terminate this Agreement in the event of any of the following:
 - 1. Applications for Governmental Approval are rejected;
 - 2. Prior to the Commencement Date, Licensee reasonably determines that the License Area is no longer technically compatible for its use or that it will be unable to use the License Area for its intended purposes.
 - 3. Issuance by a court of competent jurisdiction of an injunction in any way preventing or restraining the Licensee's use of any portion of the License Area.
- d. Licensee may NOT terminate this Agreement after the Commencement Date if the License Area becomes unusable as a result of inclement weather or other Act of God. If such an incident occurs, the City will cooperate with the Licensee to assist in identifying alternative parking solutions if needed.
- e. The City may terminate this Agreement and seek damages in the event of any of the following:
 - 1. The failure of Licensee to perform any of its obligations under this Agreement;

2. The filing of any lien against the License Area because of any act or omission of the Licensee that is not discharged or fully bonded within 30 days of receipt of actual notice by the Licensee.
 3. If the Licensee at any time and for any reason fails to maintain all insurance coverage required by this Agreement, alternatively, and at its sole discretion, the City may secure the required insurance at the Licensee's expense which will be immediately due and payable.
11. **DEFAULT.** Failure by a Party to take any authorized action upon default by the other party of any of the other party's breach of a term, covenant, condition or obligation of this Agreement, or the failure to declare any default or breach immediately upon occurrence thereof or delay in taking any action in connection therewith, shall not waive such default or breach or such covenant, term, or condition or any subsequent default or breach thereof.

12. **CITY'S REPRESENTATIONS AND WARRANTIES**

The City represents and warrants to the Licensee that:

- 12.1. It has the full right, power, and authority to execute this Agreement;
- 12.2. The City's execution and performance of this Agreement will not violate any laws, ordinances, covenants, mortgages, licenses or other agreements binding on the City.
- 12.3. The City shall deliver the License Area to Licensee on the Commencement Date free and clear of any equipment except as noted in § 2.6.a, personal property, trash and debris.
- 12.4. The City will not take any action inconsistent with Licensee's use of the License Area during the term of this Agreement.
- 12.5. Except as otherwise provided herein in § 2.6.a, the City has not and will not contract with, authorize or permit any vendors, merchants, lessees or other third parties to have access to or make any use of the License Area during the Term of this Agreement.
- 12.6. Advertising. The City agrees that it will not issue any permit or otherwise grant permission for any temporary sign on the License Area to persons other than Licensee or the NFL. Notwithstanding the previous sentence, Licensee specifically acknowledges and agrees that the existing Digital Billboard on the License Area will continue to be operated and may display digital advertising not specifically authorized by Licensee or the NFL during the Term of this Agreement.
- 12.7. Marks. City shall not have any right to use any of the trademarks, logos or other intellectual property of Licensee or the NFL or the member professional football clubs of the NFL, including, but not limited to, the terms "SP+", "SP+ Gameday", "National Football League", "NFL", "Super Bowl", "Pro Bowl", or the corresponding logos, such as the NFL Shield, or the names, symbols, helmet designs, uniforms and other insignia of the member clubs (collectively, the "Marks"). City agrees that it will not commercially exploit the nature of this Agreement including, without limitation, (i) by referring to this Agreement in any sales literature, advertisements, letters, client lists, press releases, brochures or other written, audio or visual materials, (ii) by using or allowing the use of the Marks in connection with any service or product, or (iii) by otherwise disclosing its indirect relation to the Events for a commercial purpose.

12.8. The City agrees to not make any public announcement regarding this Agreement unless such announcement is required by law.

13. **HAZARDOUS WASTE**

13.1. Licensee must not produce, dispose, transport, treat, use or store any hazardous waste or toxic substance upon or about the License Area subject to regulation under the Arizona Hazardous Waste Management Act, A.R.S. § 49-901 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. 6901 et seq., the Toxic Substances Control Act, 15 U.S.C. 2601 et seq., or any other federal, state or local law pertaining to hazardous waste or toxic substances.

13.2. Notwithstanding the foregoing, the parties acknowledge that (i) gasoline, diesel, oil and other similar lubricants and substances typically associated with the operation of motor vehicles will be present at the License Area due to the nature of the Permitted Use, and (ii) Licensee shall not be liable for leakage, seepage or other discharge of such substances from motor vehicles at the License Area determined by the City's Environmental Program Manager to be immaterial.

13.3. Licensee must not use the License Area in a manner inconsistent with any regulations, permits or approvals issued by the Arizona Department of Health Services.

13.4. Licensee must defend, indemnify and hold the City harmless against any loss or liability incurred by reason of any hazardous waste or toxic substance on or affecting the License Area attributable to or caused in any way by the Licensee, and immediately notify the City of any hazardous waste or toxic substance at any time discovered or existing upon the License Area.

13.5. Licensee must promptly and without a request by the City provide the City's Environmental Program Manager with copies of all written communications between the Licensee and any governmental agency concerning environmental inquiries, reports or problems on the License Area.

14. **PARTIES' PERSONNEL**. Each party's personnel are, and shall at all times remain, employees or contractors of such party, and each party shall exercise control over the conduct of their personnel and shall pay all wages, employee benefits and related expenses to the full extent required by law including, without limitation, all governmental employment taxes and unemployment insurance.

15. **INDEPENDENT CONTRACTOR**. Nothing herein shall be deemed or construed to create a partnership, joint venture or agency relationship between the parties. Licensee is strictly an independent contractor subject to no control by City other than as expressly provided herein.

16. **NOTICES**. Except as otherwise provided, all notices required or permitted to be given under this Agreement may be personally delivered or mailed by certified mail, return receipt requested, postage prepaid, to the following addresses:

To City: City of Glendale
Attn: Brenda S. Fischer, City Manager
5850 W Glendale Avenue
Glendale, AZ 85301
Email: Citymanager@glendaleaz.com

with copy to: City of Glendale
Attn: Michael D. Bailey, City Attorney
5850 West Glendale Avenue
Glendale, AZ 85301
Email: m Bailey@glendaleaz.com

To Licensee: SP Plus Corporation
Attn: Legal Department
200 East Randolph Street, Suite 7700
Chicago, IL 60601

with copy to: SP+ Gameday
Attn: Tony Vitrano, Senior Vice President
201 South Orange Ave., Suite 925
Orlando, FL 32801
Email: tvitrano@splus.com

- 16.1. Either party may designate in writing a different address for notice purposes pursuant to this section.
- 16.2. Any notice or other communication directed to a party to this Agreement shall become effective upon the earliest of the following: (a) actual receipt by that party; (b) delivery to the address of the party, addressed to the party; or (c) if given by certified or registered U.S. Mail, return receipt requested, 72 hours after deposit with the United States Postal Service, addressed to the party.
17. **ASSIGNMENT**. Neither Party may assign or sublease any of its interest, rights, or obligations of this Agreement hereunder without the prior written consent of the other Party. Any attempted assignment, delegation, or transfer without the necessary consent will be void.
18. **SEVERABILITY**. If any provision of this Agreement is declared invalid by a court of competent jurisdiction, the remaining terms remain effective, provided that elimination of the invalid provision does not materially prejudice either party with regard to its respective rights and obligations; in the event of material prejudice, then the adversely affected party may terminate this Agreement.
19. **IMMIGRATION LAW COMPLIANCE**.
- 19.1. Licensee, and on behalf any subcontractor, warrants, to the extent applicable under A.R.S. § 41-4401, compliance with all federal immigration laws and regulations that relate to their employees as well as compliance with A.R.S. § 23-214(A) which requires registration and participation with the E-Verify Program.
- 19.2. Any breach of warranty under this section above is considered a material breach of this Agreement and is subject to penalties up to and including termination of this Agreement.
- 19.3. City retains the legal right to inspect the papers of Licensee or subcontractor employee who performs work under this Agreement to ensure that Licensee or any subcontractor is compliant with the warranty under this section.
- 19.4. City may conduct random inspections, and upon request of the City, Licensee must provide copies of papers and records demonstrating continued compliance with the warranty under this section. Licensee agrees to keep papers and records available for inspection by the City during normal business hours and will cooperate with City in exercise of its statutory duties and not deny access to its business premises or applicable papers or records for the purposes of enforcement of this section.
- 19.5. Licensee agrees to incorporate into any subcontracts under this Agreement the same obligations imposed upon it and expressly accrue those obligations directly to the benefit of the City. Licensee also agrees to require any subcontractor to incorporate into each of its own

subcontracts under this Agreement the same obligations above and expressly accrue those obligations to the benefit of the City.

19.6. Licensee's warranty and obligations under this section to the City is continuing throughout the term of this Agreement or until such time as the City determines, in its sole discretion, that Arizona law has been modified in that compliance with this section is no longer a requirement.

19.7. The "E-Verify Program" above means the employment verification program administered by the United States Department of Homeland Security, the Social Security Administration, or any successor program.

20. **CONFLICTS**. This Agreement is subject to cancellation for conflicts of interest under the provisions of A.R.S. § 38-511.

21. **GOVERNING LAW; CHOICE OF FORUM**. This Agreement shall be deemed to be made under, shall be construed in accordance with, and shall be governed by the internal, substantive laws of the State of Arizona (without reference to conflict of law principles). Any action brought to interpret, enforce or construe any provision of this Agreement shall be commenced and maintained in the Superior Court of the State of Arizona in and for the County of Maricopa (or, as may be appropriate, in the Justice Courts of Maricopa County or in the United States District Court for the District of Arizona, if, but only if, the Superior Court lacks or declines jurisdiction over such action). The Parties irrevocably consent to jurisdiction and venue in such courts for such purposes and agree not to seek transfer or removal of any action commenced in accordance with the terms of this Section. If any litigation or arbitration between the City and the Licensee arises under this Agreement, the successful party is entitled to recover its reasonable attorney's fees, expert witness fees and other costs incurred in connection with the litigation or arbitration.

22. **MISCELLANEOUS**.

22.1. This Agreement, together with all exhibits hereto, constitutes the entire agreement between the parties, and supersedes all representations, statements or prior agreements and understandings both written and oral with respect to the matters contained in this Agreement and exhibits hereto. No person has been authorized to give any information or make any representation not contained in this Agreement.

22.2. The parties have participated jointly in the drafting of this Agreement, and agree that it shall be interpreted, applied, and enforced according to the fair meaning of its terms and not be construed strictly in favor or against either party, regardless of which party may have drafted any of its provisions. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force and effect.

22.3. No provision of this Agreement may be waived or modified except by a written agreement signed by the party against whom such waiver or modification is sought to be enforced. The terms of this Agreement shall be binding upon and inure to the benefit of each party, and its successors and assigns.

23. **COUNTERPARTS**. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which, taken together, shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by facsimile (or other commonly-used electronic means (e.g., PDF) shall be effective as delivery of a manually executed counterpart of this Agreement.

[Signatures on following page.]

EXECUTED to be effective on the date the agreement is fully executed by all Parties.

CITY OF GLENDALE, an Arizona municipal
corporation

Brenda S. Fischer, City Manager

Date: _____

ATTEST:

Pamela Hanna, City Clerk (SEAL)

APPROVED AS TO FORM:

Michael D. Bailey, City Attorney

SP PLUS CORPORATION, a Delaware corporation

Tony Vitrano
By: Tony Vitrano
Its: Senior Vice President
Date: 12/3/14

STATE OF Nevada)
County of Clark) ss.

The foregoing instrument was acknowledged before me this 3 day of December, 2014, by Tony Vitrano in his/her capacity as authorized representative of SP PLUS CORPORATION.

Hailey Dobson
Notary Public

My Commission Expires:
June 18, 2018

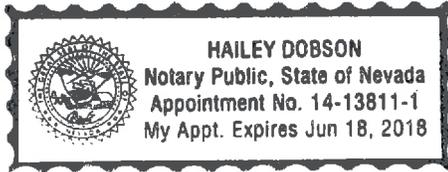
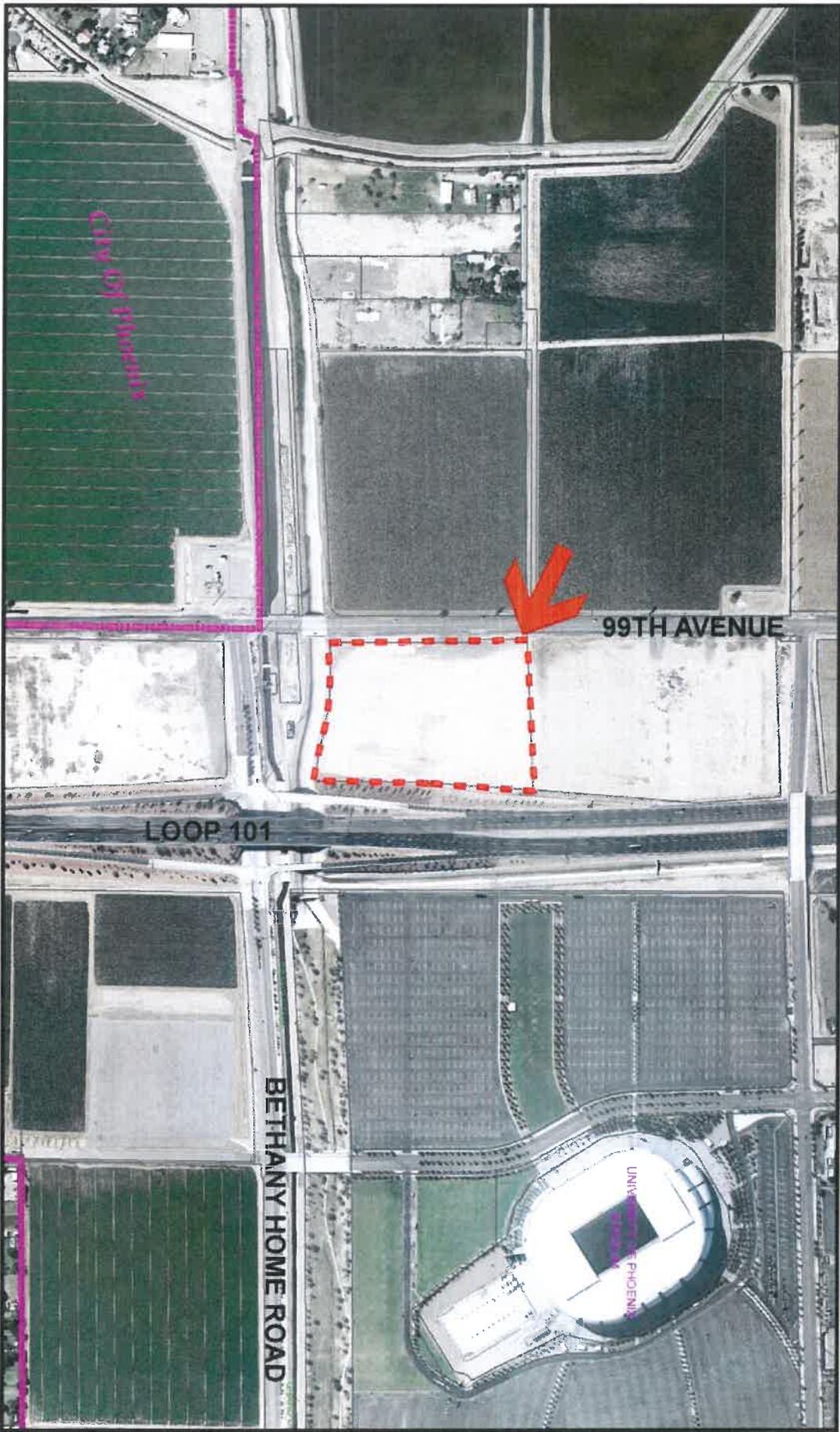


EXHIBIT A – LICENSE AREA



LOCATION:

9802 W. BETHANY HOME ROAD

LICENSE AGREEMENT, SP PLUS CORPORATION



EXHIBIT B – LOT H



Cardinals 13,934

City / Arena 6,532

City / Overflow 4,939

KELLIS
(743)

BROWN
(2696)



Cardinals Parking

April 3, 2014



Legislation Description

File #: 14-490, **Version:** 1

AUTHORIZATION TO ENTER INTO GRANT AGREEMENT DUIAC-I-016 WITH THE ARIZONA GOVERNOR'S OFFICE OF HIGHWAY SAFETY OVERSIGHT COUNCIL ON DRIVING OR OPERATING UNDER THE INFLUENCE ABATEMENT

Staff Contact: Debora Black, Police Chief

Purpose and Recommended Action

This is a request for City Council to waive reading beyond the title and adopt a resolution authorizing the City Manager to enter into grant agreement DUIAC-I-016 with the Arizona Governor's Office of Highway Safety (GOHS) Oversight Council on Driving or Operating Under the Influence Abatement, and accept a grant award on behalf of the Glendale Police Department (GPD) in the approximate amount of \$40,325 for employee related overtime expenses and materials and supplies to enhance Driving Under the Influence (DUI) Innovative programs and education throughout the City of Glendale.

Background

Since 1995, the GPD has been receiving Arizona GOHS grant funds for use in the enforcement of traffic, seatbelt, and DUI violations, along with the purchase of equipment and training. Past grant funding has allowed GPD to increase the number of hours officers dedicate specifically to DUI enforcement and education. The GPD seeks to reduce impaired driving violations not only through enforcement, but also by promoting public awareness to the dangers of drinking and driving.

The City of Glendale is the fifth largest city in Arizona with an ever-growing population and expanding entertainment district. To combat DUI violations and alcohol impaired drivers, the GPD implemented a full-time DUI enforcement squad, resulting in increased DUI arrests over the last seven years. With the addition of a mobile DUI van to aid in faster processing of impaired drivers, the officers are also able to return to the field in a timelier manner. The GPD is dedicated to increasing the efforts to curb impaired driving, in order to maintain Glendale as a safe city to travel in, to, and from, and continues its contribution to the Arizona/West Valley DUI Task Force, which promotes roadway safety.

Analysis

The GPD DUI enforcement squad will deploy into entertainment district areas armed with portable breath tests devices and information on the consequences of a DUI conviction, based on breath alcohol content. The squad will conduct 12 to 24 "Know Your Limit" program nights during days/nights of peak activity through October 31, 2015. On nights in which the "Know Your Limit" program is deployed, there is an expectation for a decrease in the number of impaired drivers leaving the entertainment districts in Glendale.

If approved, the grant funds will be used for the overtime expenses incurred as a result of officers

participating in the "Know Your Limit" program. Without these grant funds, the city would be responsible for the overtime expenses, or the overtime opportunity would be eliminated. Staff is requesting that Council adopt the proposed resolution, which authorizes the City Manager to enter into a grant agreement with the Arizona GOHS Oversight Council on Driving or Operating Under the Influence Abatement, and accept a grant award in the approximate amount of \$40,325.

Previous Related Council Action

On May 27, 2014, Council authorized the City Manager to enter into a grant agreement with the Arizona GOHS Oversight Council on Driving or Operating Under the Influence Abatement and accept a grant award in the approximate amount of \$50,000 to enhance DUI enforcement throughout the City of Glendale.

Community Benefit/Public Involvement

If the requested action is approved, the grant award will benefit the citizens and community by allowing the Police Department to use more resources and officers to detect impaired drivers on our roadways.

Budget and Financial Impacts

There is no financial match required for this grant. A specific project account will be established in the city's grant fund, 1840, once the grant is fully executed.

RESOLUTION NO. 4908 NEW SERIES

A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE CITY TO ENTER INTO A GRANT AGREEMENT WITH THE GOVERNOR'S OFFICE OF HIGHWAY SAFETY AND THE OVERSIGHT COUNCIL ON DRIVING OR OPERATING UNDER THE INFLUENCE ABATEMENT ON BEHALF OF THE GLENDALE POLICE DEPARTMENT.

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLENDALE as follows:

SECTION 1. That the City of Glendale is authorized to enter into the following grant agreement:

Grantor:	Oversight Council on Driving or Operating Under the Influence Abatement
Agreement No.:	DUIAC-I-016
Project Title:	Know Your Limit
Purpose:	Personnel Services, Employee Expenses, and Materials/supplies
Approximate Amount:	\$40,325

SECTION 2. That the City Manager, or his designee, is hereby authorized and directed to execute any and all documents necessary for the acceptance of said agreement on behalf of the City of Glendale.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Glendale, Maricopa County, Arizona, this ____ day of _____, 2014.

MAYOR

ATTEST:

City Clerk (SEAL)

APPROVED AS TO FORM:

City Attorney

REVIEWED BY:

City Manager



DUI ABATEMENT GRANT PROGRAM

GRANT AGREEMENT



JANICE K. BREWER
Governor

The Oversight Council on Driving or Operating Under the Influence Abatement is hereafter referred to as the DUI Abatement Council, DUIAC or Council in this agreement. This page and the DUIAC Project Director's Manual incorporated herein by reference constitute the entire agreement between the parties hereto unless deviation is authorized in writing by the DUI Abatement Council.

APPLICANT AGENCY

Glendale Police Department

ADDRESS

6835 North 57th Drive, Glendale, AZ 85301

GOVERNMENTAL UNIT

City of Glendale

ADDRESS

5850 West Glendale Avenue, Glendale, AZ 85301

AGREEMENT NUMBER

DUIAC-I-016

PROGRAM AREA

Innovative

AGENCY CONTACT

Richard Stringer

PROJECT TITLE

Know Your Limit

BRIEFLY STATE PURPOSE OF PROJECT:

State DUI Abatement (I) funds will support Personnel Services (Overtime), Employee Related Expenses, Materials/Supplies: five-thousand (5,000) materials/handouts to enhance DUI Innovative Program and Education throughout the City of Glendale.

BUDGET

COST CATEGORY

Project Period
SFY 2015-2016

I.	Personnel Services	\$30,189.00
II.	Employee Related Expenses	\$9,811.00
III.	Professional and Outside Services	\$0.00
IV.	Travel In-State	\$0.00
V.	Travel Out-of-State	\$0.00
VI.	Materials and Supplies	\$325.00
VII.	Capital Outlay	\$0.00
	TOTAL ESTIMATED COSTS	\$40,325.00

PROJECT PERIOD

FROM: Effective Date (*Date of DUIAC
Chairman Signature*)

TO: 10-31-2015

CURRENT GRANT PERIOD

FROM: 11-01-2014

TO: 10-31-2015

TOTAL DUI ABATEMENT FUNDS OBLIGATED FOR THIS AGREEMENT PERIOD: \$40,325.00

A political subdivision or state agency that is mandated to provide a certified resolution or ordinance authorizing entry into this agreement must do so prior to incurring any expenditures. Failure to do so may result in termination of the awarded agreement.

PROBLEM IDENTIFICATION AND RESOLUTION:**Agency Background:**

Glendale, Arizona's fourth largest city is the commercial, industrial, and educational hub of the northwest Phoenix metropolitan area. Currently, Glendale has an ever-growing estimated population of 230,000 people; with over 95,000 households. The City of Glendale is the home of the Phoenix Coyotes and Arizona Cardinals professional sports teams, as well as the new Camelback Ranch Major League Baseball Training Facility, home of the Los Angeles Dodgers, and Chicago White Sox. The City of Glendale has approximately 70 square miles of roadway that consist of residential streets, main arterial roadways, and several miles of freeway. Glendale has a 14 mile stretch of the Loop 101 Agua Fria Freeway that borders our north and west portion of the city and the entertainment districts.

Agency Problem:

The Glendale Police Department implemented a full-time DUI enforcement squad in March, 2004. They have since increased the squad from the initial 3 officers to a full squad of 7 with a dedicated sergeant to oversee the operations. They have increased their DUI arrests by over 100% in the seven years since. With the addition of a mobile DUI processing van in 2006 to aid in faster processing of impaired drivers, the officers are back out for enforcement in a timely manner. In addition to DUI detection and enforcement, the squad is also tasked with youth alcohol enforcement and education, DRE evaluations, phlebotomy callouts, and liquor inspections. With the expansion of the unit, they have increased their areas of involvement. The squad participates as a member of the Arizona/West Valley DUI task force as well. The city continues to grow in size as does the population. This has a direct impact on their efforts.

This innovative program allows them to approach the problem of impaired driving from a different angle. By having contact with potentially impaired drivers prior to their actual driving, they will deter the potentially life-threatening behavior before it happens. The program affords them the opportunity to have consensual contact with potentially impaired drivers, have them voluntarily submit to a portable breath test, and provide them with the results indicating their level of impairment. In addition, they are provided with the potential fines and subsequent jail time should they choose to operate a vehicle in their current state and be stopped by law enforcement.

Even with the strict DUI enforcement conducted by the Glendale Police Department's DUI Motor Squad, they are not able to contact every impaired driver on the roadway. Their goal with the "Know Your Limit" program is to reduce the number of impaired drivers on the roadways of Glendale by 50% on the nights they conduct "Know Your Limit" Education. Ultimately, they hope that with each educational contact, they are able to change a behavior pattern in potentially impaired drivers forever.

Agency Attempts to Solve Problem:

The Glendale Police Department has been an active member of the West Valley DUI Task Force, a branch of the Arizona DUI Task Force, since the DUI Squad's inception in 2004. Glendale has been considered the "hub" of the west valley due to the size of the city and the number of officers focused on DUI enforcement. There are ten agencies involved in the West Valley DUI task force which include Glendale, Peoria, Goodyear, Surprise, Tolleson, El Mirage, Avondale, AZDPS, Phoenix, and Buckeye. The Traffic/DUI squad supervisors meet once per year to map out the events for the year. Each agency will choose dates throughout the year and agree to host a Task Force event (saturation patrol), and officers and supervisors from the other west valley agencies meet in the host agency's jurisdiction to assist. This, in turn, becomes a collaborative effort amongst all of the west valley police agencies as well as the

DUI ABATEMENT COUNCIL
AGREEMENT

Glendale PD

DUIAC-I-016

Governor's Office of Highway Safety. Statistics from each event are reported to GOHS. A database is available online to any and all of the involved agencies to report statistics, and also to refer to for individual city statistics. This funding allows the Glendale Police Department to continue their involvement in the West Valley DUI Task Force, attend all of the scheduled events, and continue the high level of DUI detection and enforcement within the City of Glendale and the West Valley.

This will be the second year the Glendale Police Department will attack the growing problem of impaired driving through a proactive approach aimed at educating potentially impaired drivers as the leave entertainment areas, prior to taking control of a vehicle. This program was highly effective this past year, and received both state and national attention.

Agency Funding:

State DUI Abatement (I) funds will support Personnel Services (Overtime), Employee Related Expenses, Materials/Supplies: five-thousand (5,000) materials/handouts to enhance DUI Innovative Program and Education throughout the City of Glendale.

How Agency Will Solve Problem With Funding:

The Glendale Police Department's DUI Motor squad will deploy into the Westgate and Bell road entertainment districts armed with portable breath test devices (PBT) and information on the consequences of a DUI conviction, based on breath alcohol content (BAC).

The Glendale Police Department's DUI Motor squad will conduct twelve to twenty-four (12-24) "Know Your Limit" Program nights during days/nights of peak activity through October 31, 2015. On nights in which the "Know Your Limit" Program is deployed, they expect to see a 50% decrease in the number of impaired drivers leaving the entertainment districts of Glendale.

The "Know Your Limit" Program will also be highlighted in public information campaigns to raise awareness specific to Arizona's goals and objectives in reducing impaired driving fatalities and collisions. These activities may include print, radio, television, on-line electronic and other possible innovative projects.

GOALS/OBJECTIVES:

State DUI Abatement (I) funds will support Personnel Services (Overtime), Employee Related Expenses, Materials/Supplies: five-thousand (5,000) materials/handouts to enhance DUI Innovative Program and Education throughout the City of Glendale. The following goals and objectives shall be accomplished as a result of this funding:

Impaired Driving or Operating - Innovative Program

Expenditures of funding pertaining to Impaired Driving or Operating Enforcement or Innovative Programs including Personnel Services and ERE, Materials & Supplies, Capital Equipment and/or Travel In and Out of State shall comply with the Impaired Driving or Operating Program Goals of the DUI Abatement Council in conjunction with those provided by the Arizona Governor's Office of Highway Safety. The Impaired Driving or Operating Program Goal is to reduce the incidence of alcohol and drug related driving or operating, fatalities and injuries through enforcement, education and public awareness and through innovative programs throughout the State of Arizona. Law Enforcement personnel participating in Impaired Driving or Operating Enforcement/DUI activities including DUI Task Force details under this program shall be HGN/SFST certified. This is not a requirement for those participating in DUI Innovative programs.

MEDIA RELEASE

To prepare complete press release information for media (television, radio, print and on-line) during each campaign period including a main press release, schedule of events, departmental plans and relevant data. **The material will emphasize the campaign's purpose, aggressive enforcement and the high cost of DUI / Alcohol in terms of money, criminal and human consequences.**

The Glendale Police Department will maintain responsibility for **reporting sustained DUI enforcement** activity in a timely manner. Additionally, it is the responsibility of the Glendale Police Department to report all task force enforcement statistics in which they participate to GOHS on-line at the GOHS website **no later than 10:00a.m. the morning following each day of the event.**

PLEASE NOTE: Failure to submit Statistics, Quarterly Reports and/or Report of Costs Incurred (RCIs) on time and correctly may delay reimbursement for expenditures to your agency, or a cancellation and return of unexpended advanced funding.

METHOD OF PROCEDURE:

The Glendale Police Department will make expenditures as follows to meet the outlined Program Goals/Objectives:

Personnel Services – To support Overtime for Impaired Driver or Operator Activities

Employee Related Expenses – To support Employee Related Expenses for Agency Overtime

Materials and Supplies – “Know Your Limit” printed materials/handouts (5,000)

PRESS RELEASE:

Agencies are required to develop and distribute a press release announcing this grant award upon receipt of the executed agreement. A copy of this press release shall be sent to the DUI Abatement Council at the same time it is sent to the media. This press release shall include the objective and specify that the funding is from the Oversight Council on Driving or Operating Under the Influence Abatement.

BAC TESTING AND REPORTING REQUIREMENTS:

Alcohol impairment is a major contributing factor in fatality and serious injury motor vehicle collisions. Accurate data on alcohol involvement is essential to understanding the full extent of the role of alcohol and to assess progress toward reducing impaired driving.

Arizona is presently and consistently below the documented average among the states in the Blood Alcohol (BAC) testing of drivers involved in fatal motor vehicle collisions.

Each law enforcement agency that receives an enforcement-related grant is required to ensure that this accurate data on all drivers involved are reported. Failure to comply may result in withholding funds and cancellation of the enforcement contract until this requirement is met.

PURSUIT POLICY:

All law enforcement agencies receiving state funds are encouraged to follow the guidelines established for vehicular pursuits issued by the International Association of Chiefs of Police (IACP) that are currently in effect.

SPECIFIC REQUIREMENTS:**BREATH TESTING DEVICES –****Requirements for Portable Breath Test Devices (PBTs):**

The Glendale Police Department will be responsible for providing all personnel the appropriate training for using the Portable Breath Test Devices (PBTs) purchased under this contract.

PBTs will be calibrated per the specifications outlined by the respective manufacturer. Written documentation will be maintained by the agency and will be available upon request for review by GOHS.

Requirements for Intoxilyzers (Evidentiary Breath Testing Instruments):

The successful vendor must certify that the devices purchased are on the National Highway Traffic Safety Administration (NHTSA) Conforming Products List and must meet, or exceed, NHTSA model specifications. In addition, the devices must be certified and approved by the Arizona Department of Public Safety per Arizona Administrative Code R9-14-403.

The Glendale Police Department will be responsible for providing all personnel the appropriate training for using the Intoxilyzers purchased under this contract implementing a NHTSA approved training course.

The Glendale Police Department will maintain written documentation (copy of the training certificates) which will be available upon request for review by GOHS.

Intoxilyzers will be operated, calibrated under the standard quality assurance procedures per the appropriate outlined procedures listed in the Arizona Administrative Code.

PROFESSIONAL AND OUTSIDE SERVICES/PUBLIC INFORMATION/MEDIA-**Requirements for Public Information and Education Materials:**

Prior to the printing and distribution of public information and education materials, a sample will be provided to the GOHS Director for review and written approval.

Requirements for Paid Media:

All paid media must be pre-approved by the GOHS Director to ensure that consistent messages are sent statewide. Requests for paid media must include, *at a minimum*, scripts, description of target audience (to include methodology for identifying target audience), type of media to be utilized (electronic, print), campaign schedule, and budget. Additional information may be requested on a case by case basis.

METHOD OF PROCUREMENT:

Procurement procedures shall be in accordance with the DUIAC Project Director's Manual. Additionally, the Glendale Police Department shall follow State Procurement Code.

A clear audit trail must be established to determine costs charged against this agreement. Substantiation of costs shall, where possible, be made utilizing the Glendale Police Department documentation consisting of, but not limited to, copies of time sheets, purchase orders, copies of invoices, and proof of payment.

The Project Director shall retain copies of all documentation in the project file.

State Contract:

Procurement may be made using an open state contract award. Documents submitted to substantiate purchase using an open state contract must bear the contract number.

PROJECT EVALUATION:

This project shall be administratively evaluated to ensure that the objectives have been met.

Quarterly Report

The purpose of the Quarterly Report is to provide information on agreement grant activities conducted at the conclusion of each respective quarter. The information provided is used to review progress of the funded project and the successfulness in meeting outlined goals and objectives. The information, photos, highlights, obstacles, and mandatory statistical data provided in this report are analyzed by the assigned project coordinator. It is critical that the on-line report contains the following information:

- **Original signatures on all Quarterly Reports and RCIs**
- **Signatures must include Project Director unless prior authorization for another is on file with GOHS.**

Report Schedule

Reporting Period	Due Date
2014-4 Quarterly Report (October 1 to December 31)	January 30, 2015
2015-1 Quarterly Report (January 1 to March 31)	April 30, 2015
2015-2 Quarterly Report (April 1 to June 30)	July 30, 2015
2015-3 Quarterly Report (July 1 to September 30)	October 30, 2015
2015-4 Quarterly Report (October 1 to December 31)	January 30, 2016
Final Statement of Accomplishment	Within 30 days after Agreement end date

The Quarterly Report **shall be completed on the form available on-line and submitted by mail** to the DUI Abatement Council at the Governor's Office of Highway Safety. The Quarterly Report title is based on the 3 month calendar period (Year-Calendar Quarter). **Note:** All law enforcement agencies must enter enforcement activity into the on-line GOHS DUI Reporting System.

Final Statement of Accomplishments

The Project Director shall submit a Final Statement of Accomplishments Report to the DUI Abatement Council **no later than 30 days following the agreement end date**. All agencies receiving funding are required to submit a Final Statement of Accomplishments Report.

Note: Failure to comply with the outlined DUI Abatement Council reporting requirements may result in withholding of state funds or termination of the agreement and return of any unexpended advanced funds.

PROFESSIONAL AND TECHNICAL PERSONNEL:

Debora Black, Chief of Police, Glendale PD, shall serve as Project Director.

Richard Stringer, DUI Motors Sergeant, Glendale PD, shall serve as Project Administrator.

Philip Corbell, Governor's Office of Highway Safety, shall serve as Project Coordinator.

REPORT OF COSTS INCURRED (RCI):

The Project Director shall submit a Report of Costs Incurred (RCI) with supporting documentation attached, to the Governor's Office of Highway Safety at a minimum on a quarterly basis in correlation with the required report. Agencies may submit additional RCI forms for expenditures when funds have been expended for which reimbursement is being requested.

RCIs shall be typed and delivered via mail or hand with appropriate supporting documentation, delivered to the Governor's Office of Highway Safety. **Electronically submitted RCIs will not be accepted.** Final RCIs will not be accepted after thirty (30) days after the conclusion of the Agreement end date. **Expenditures submitted after the expiration date will not be reimbursed and the agency will accept fiscal responsibility.**

The RCI template and instructions are available on the Governor's Office of Highway Safety website at <http://www.azgohs.gov/grant-opportunities/>. Failure to meet the reporting requirements may be cause to terminate the project.

PROJECT MONITORING:

DUI Abatement Council grant project monitoring is used by GOHS project coordinators to track the progress of project objectives, performance measures and compliance with applicable procedures, laws, and regulations.

The process is used throughout the duration of the agreement project and serves as a continuous management

tool. Project monitoring also presents a good opportunity for developing partnerships, sharing information and providing assistance to contracted agencies. Additionally, project monitoring outlines a set of procedures for project review and documentation.

Project monitoring also serves as a management tool for:

- Detecting and preventing problems
- Helping to identify needed changes
- Identifying training or assistance needed
- Obtaining data necessary for planning, and evaluation
- Identifying exemplary projects

Types of Monitoring

Monitoring is formal and informal, financial and operational. The most common types of monitoring are:

- Ongoing contact with the contracted grantee through phone calls, e-mails, correspondence, and meetings
- On-Site and/or In-House monitoring reviews of project operations, management, and financial records and systems
- Review of project Quarterly Reports
- Review and approval of Requests for Cost Incurred (RCIs)
- Desk review of other documents in the project-grant files for timely submission and completeness

Monitoring Schedule	
Total Awarded Amount	Type of Monitoring
Under \$50,000	Desk Review/Phone Conference.
\$50,000 and over	May have an In-House GOHS Review
\$100,000+	May have an On-Site Review
Capital Outlay Greater than \$25,000.00 (combined)	May have an On-Site Review
Desk Review and Phone Conference	Internal Review of all written documentation related to agreement project including but not limited to agreement, quarterly reports, enforcement data, financial data, e-mails, letters, notes, press releases, photographs, inventories, and other written correspondence. A phone conference call conducted during the course of the project which includes the date and time of the call, the person/s contacted and the results. Serves as an informational review to determine progress of programmatic/financial activities. Both the designated project administrator and fiscal contact should be present, if possible, during the phone conference. If identified financial or operational problems are present, GOHS reserves the right to bring the grantee in for an in-house meeting at GOHS. Monitoring form written by Project Coordinator, any findings or areas of improvement, concern or recognition will be provided to the grantee.
In-House Review	Documents performance review results including project activities, reimbursement claims review, equipment purchases, approvals, and other information. Reviews applicable information related to the project(s) including but not limited to agreement, quarterly reports, enforcement data, financial data, e-mails, letters, notes, press releases, photographs, inventories, and other written correspondence. Completed at GOHS in a meeting with appropriate operational and financial personnel. Monitoring form written by Project Coordinator, any findings or areas of improvement, concern or recognition will be provided to the grantee.

<p>On-Site Monitoring</p>	<p>Documents performance review results including project activities, reimbursement claims review, equipment purchases, and other information. Reviews applicable information related to the project(s) including but not limited to agreement, quarterly reports, enforcement data, financial data, e-mails, letters, notes, press releases, photographs, inventories, and other written correspondence. Conducted on-site at the grantee's agency with monitoring form completed on-site by Project Coordinator. Any findings or areas of improvement, concern, or recognition, will be provided to the grantee.</p>
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On-site and/or In-house monitoring for grantees of designated projects with large capital outlay purchases, personnel services, and complex projects must be completed within the second or third quarter of the Agreement period. Contracted projects displaying any problems might need on-site monitoring more than once during the fiscal year.

On-site and/or In-house monitoring includes a review and discussion of all issues related to assure the effective and administration of the contracted project. The following are the most important items to review:

- Progress toward meeting goals/objectives and performance measures
- Adherence to the contract specifications, timely submission of complete and correct reports, including required documentation
- Quarterly reports
- Status of expenditures related to the outlined budget
- Accounting records
- Supporting documentation (training documentation, inventory sheets, photographs, press releases etc)

In addition, the designated project administrator will assure that any equipment purchased will be available for inspection and is being used for the purpose for which it was bought under the outlined contractual agreement.

Documentation

All findings will be documented on the GOHS Monitoring Form and placed in the grantee's respective state file. Findings will be discussed with the grantee designated agreement representative (project administrator, fiscal specialist) by phone and/or e-mail. All noted deficiencies will be provided to the grantee with guidance for improvement and solutions to problems. Grantees that exhibit significantly poor performance will be placed on a performance plan as outlined by the project coordinator. Grantee monitoring information will additionally provide documentation for potential funding in subsequent fiscal year grant proposal review.

PROJECT PERIOD:

The Project Period shall commence on the date the DUI Abatement Council Chairman or GOHS Director in the Chairman's stead, signs the DUI Abatement Grant Agreement and terminates at the end of one year on the date as indicated on the DUI Abatement Council Grant Agreement.

DURATION:

Agreements shall be effective on the date the DUI Abatement Council Chairman or GOHS Director in the Chairman's stead, signs the agreement and expire at the end of the project period.

If the Agency is unable to expend the funds in the time period specified and needs an extension, a typed extension request shall be signed by the Project Director on the Agency's letterhead and submitted via mail or hand delivered to the Chairman of the DUI Abatement Council at the Governor's Office of Highway Safety within ninety (90) days before the end of the project period.

The Agency shall address all requests to modify the contract to the Chairman of the DUI Abatement Council on Agency letterhead and either hand deliver or submit the request via regular mail to the GOHS office. All requests for modification must bear the signature of the Project Director.

Failure to comply may result in cancellation of the agreement. Any unexpended funds remaining at the termination of the agreement shall be released back to the DUI Abatement Fund.

ESTIMATED COSTS:

I.	Personnel Services (overtime)	\$30,189.00
II.	Employee Related Expenses	\$9,811.00
III.	Professional and Outside Services	\$0.00
IV.	Travel In-State	\$0.00
V.	Travel Out-of-State	\$0.00
VI.	Materials and Supplies "Know Your Limit" materials/handouts (5,000)	\$325.00
VII.	Capital Outlay	\$0.00

TOTAL ESTIMATED COSTS ***\$40,325.00**

*Includes all applicable training, tax, freight, and advertising costs. The DUIAC reserves the right to limit reimbursement of Employee Related Expenses from zero (0) to a maximum rate of 40 percent. This is the maximum ERE amount to be reimbursed. It is agreed and understood that the Glendale Police Department shall absorb any and all expenditures in excess of **\$40,325.00**.

CERTIFICATIONS AND AGREEMENTS

This AGREEMENT, is made and entered into by and between the STATE OF ARIZONA, by and through the Oversight Council On Driving Or Operating Under The Influence Abatement (DUIAC) hereinafter referred to as "STATE", and the Agency named in this Agreement, hereinafter referred to as "AGENCY".

WHEREAS, the Arizona Revised Statutes (§§1303-1304), provides State funds to STATE for approved DUI Enforcement and DUI Innovative projects; and

WHEREAS, STATE may make said funds available to various state, county, tribal, or municipal agencies, governments, or political subdivisions upon application and approval by STATE; and

WHEREAS, AGENCY must comply with the requirements listed herein to be eligible for State funds for approved DUI Enforcement and DUI Innovative projects; and

WHEREAS, AGENCY has submitted an application for State funds for DUI Enforcement and DUI Innovative projects;

NOW, THEREFORE, IN CONSIDERATION OF MUTUAL PROMISES AND OTHER GOODS AND VALUABLE CONSIDERATION, it is mutually agreed that AGENCY will strictly comply with the following terms and conditions and the following Federal and State Statutes, Rules, and Regulations:

I. Project Monitoring, Reports, and Inspections

- A. AGENCY agrees to fully cooperate with representatives of STATE monitoring the project, either on-site or by telephone, during the life of the Agreement.
- B. AGENCY will submit Quarterly Reports (one for each three-month period of the project year) to STATE in the form and manner prescribed by STATE. Notice of the specific requirements for each report will be given in this Agreement or at any time thereafter by giving thirty (30) days written notice to AGENCY by ordinary mail at the address listed on the Agreement. Failure to comply with Quarterly Report requirements may result in withholding of State funds or termination of this Agreement.
- C. AGENCY will submit a Final Report/Statement of Accomplishment at completion of the Agreement to include all financial, performance, and other reports required as a condition of the grant to STATE within thirty (30) days of the completion of the Agreement.
- D. Representatives authorized by STATE will have the right to visit the site and inspect the work under this Agreement whenever such representatives may determine such inspection is necessary.

II. Reimbursement of Eligible Expenses

- A. AGENCY'S Project Director, or Finance Personnel, will submit a Report of Costs Incurred Form (RCI) to STATE each time there have been funds expended for which reimbursement is

being requested. Failure to meet this requirement may be cause to terminate the project under section XIX herein, "Termination and Abandonment".

- B. AGENCY will reimburse STATE for any ineligible or unauthorized expenses for which State funds have been claimed and reimbursement received, as may have been determined by a State audit.
- C. STATE will have the right to withhold any installments equal to the reimbursement received by AGENCY for prior installments which have been subsequently determined to be ineligible or unauthorized.

III. Property Agreement

- A. AGENCY will immediately notify STATE if any equipment purchased under this Agreement ceases to be used in the manner as set forth by this Agreement. In such event, AGENCY further agrees to either give credit to the project cost or to another active DUI Abatement project for the residual value of such equipment in an amount to be determined by STATE or to transfer or otherwise dispose of such equipment as directed by STATE.
- B. No equipment will be conveyed, sold, salvaged, transferred, etc., without the express written approval of STATE, or unless otherwise provided elsewhere in this Agreement.
- C. AGENCY will maintain or cause to be maintained for its useful life, any equipment purchased under this Agreement.
- D. AGENCY will incorporate any equipment purchased under this Agreement into its inventory records.
- E. AGENCY will insure any equipment purchased under this Agreement for the duration of its useful life. Self-insurance meets the requirements of this section.

IV. Travel

In-State and Out-of-State Travel

In-state and out-of-state travel claims will be reimbursed at rates provided by AGENCY'S regulations, provided that such regulations are as restrictive as those of STATE. Where they are less restrictive, ARS §38-624 will apply.

All out-of-state travel must be approved in writing in advance by STATE.

V. Standard of Performance

AGENCY hereby agrees to perform all work and services herein required or set forth, and to furnish all labor, materials, and equipment, except that labor, material, and equipment as STATE agrees to furnish pursuant to this Agreement.

VI. Hold Harmless Agreement

Neither party to this agreement agrees to indemnify the other party or hold harmless the other party from liability hereunder. However, if the common law or a statute provides for either a right to indemnify and/or a right to contribution to any party to this agreement then the right to pursue one or both of these remedies is preserved.

VII. Non-Assignment and Sub-Contracts

This Agreement is not assignable nor may any portion of the work to be performed be sub-contracted unless specifically agreed to in writing by STATE. No equipment purchased hereunder may be assigned or operated by other than AGENCY unless agreed to in writing by STATE.

VIII. Work Products and Title to Commodities and Equipment

- A. The work product and results of the project are the property of STATE, unless otherwise specified elsewhere in this Agreement. All property, instruments, non-consumable materials, supplies, and the like, which are furnished or paid for by STATE under the terms of this Agreement, unless otherwise provided for elsewhere in this Agreement, are and remain the property of STATE and will be returned at the completion of this project upon request of STATE. The work product and results of the project will be furnished to STATE upon request, if no provision is otherwise made by this Agreement.
- B. The provisions of subparagraph A apply whether or not the project agreed to herein is completed.

IX. Copyrights and Patents

Any copyrightable materials, patentable discovery, or invention produced in the course of this project may be claimed by STATE and a copyright or patent obtained by it at its expense. In the event STATE does not wish to obtain such copyright or patent, AGENCY may do so, but in any event, provision will be made by AGENCY for royalty-free, nonexclusive, nontransferable, and irrevocable licenses to be given the United States Government and STATE and its political subdivisions to use such copyrightable material, patented discoveries, or inventions in any manner they see fit. The STATE reserves the right to impose such other terms and conditions upon the use of such copyrights or patents as may be deemed in the best interest of STATE in the event AGENCY is allowed to obtain a copyright or patent.

X. Arizona Procurement Code (ARS, §41-2501, et. seq.)

AGENCY and sub-grantees will use their own procurement procedures, which reflect applicable State and local laws and regulations. The most stringent purchasing requirement at each level must be met.

The Arizona Procurement Code (ARS, §41-2501, et. seq.) and promulgated rules (A.A.C. Title 2, Chapter 7) are a part of this Agreement as if fully set forth herein and AGENCY agrees to fully comply with these requirements for any procurement using grant monies from this Agreement.

XI. Equal Opportunity

- A. Pursuant to the requirements of the Federal-Aid Highway Act of 1968 (U.S.C. §103 et. seq.), AGENCY, as a condition to receiving approval of this Agreement, hereby gives its assurance that employment in connection with the subject DUI Abatement Council Grant Project will be provided without regard to race, color, creed, sex, or national origin, and that any contract it enters into with any private agency pursuant hereto will include provisions in compliance with this paragraph (XI).

As a condition of receiving approval of this Agreement, AGENCY will be subject to and will comply with Title VI of the Civil Rights Act of 1964, providing that no person in the United States shall on the ground of race, color, creed, sex, or national origin be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under the subject DUI Abatement Council Grant Project.

- B. If AGENCY fails or refuses to comply with its undertaking as set forth in these provisions, STATE may take any or all of the following actions.
1. Cancel, terminate, or suspend, in whole or in part, the agreement, contract, or other arrangement with respect to which the failure or refusal occurred; and
 2. Refrain from extending any further State financial assistance to AGENCY under the DUI Abatement Council Grant Program with respect to which the failure or refusal occurred until satisfactory assurance of future compliance has been received from AGENCY.
- C. Pursuant to the requirement of Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. §794), AGENCY must operate this DUI Abatement Council Grant Project so that it is accessible and otherwise non-discriminatory to handicapped persons.

XII. Executive Order 2009-09

It is mutually agreed that AGENCY will comply with the terms and conditions of Executive Order 2009-09, *Non-Discrimination in Employment by Government Contractors and Subcontractors*. Executive Order 2009-09 is located in Part II of the Project Director's Manual.

XIII. Arbitration Clause, ARS §12-1518

Pursuant to ARS §12-1518, the parties agree to use arbitration, after exhausting applicable administrative reviews, to resolve disputes arising out of this Agreement where the provisions of mandatory arbitration apply.

XIV. Inspection and Audit, ARS §35-214

Pursuant to ARS §35-214, all books, accounts, reports, files, and other records relating to this Agreement will be subject at all reasonable times to inspection and audit by STATE for five (5) years after completion of this Agreement. The records will be produced at the Governor's Office of Highway Safety.

XV. Appropriation of Funds by the Arizona Legislature

It is agreed that in no event will this Agreement be binding on any party hereto unless and until such time as funds are appropriated and authorized by the Arizona Legislature and specifically allocated to the project submitted herein by the DUI Abatement Council and then only for the fiscal year for which such allocation is made. In the event no funds are appropriated by the Arizona Legislature or no funds are allocated for the project proposed herein by the DUI Abatement Council for subsequent fiscal years, this Agreement will be null and void, except as to that portion for which funds have then been appropriated or allocated to this project, and no right of action or damages will accrue to the benefit of the parties hereto as to that portion of the Agreement or project that may so become null and void.

XVI. Continuation of DUI Abatement Program

It is the intention of AGENCY to continue the DUI Abatement Program identified in this Agreement once DUI Abatement Council funding is completed. This intended continuation will be based upon cost effectiveness and an evaluation by AGENCY of the program's impact on highway safety.

XVII. E-Verify

Both Parties acknowledge that immigration laws require them to register and participate with the E-Verify program (employment verification program administered by the United States Department of Homeland Security and the Social Security Administration or any successor program) as they both employ one or more employees in this state. Both Parties warrant that they have registered with and participate with E-Verify. If either Party later determines that the other non-compliant Party has not complied with E-Verify, it will notify the non-compliant Party by certified mail of the determination and of the right to appeal the determination.

XVIII. Termination and Abandonment

- A. The STATE and AGENCY hereby agree to the full performance of the covenants contained herein, except that STATE reserves the right, at its discretion, to terminate or abandon any portion of the project for which services have not been already performed by AGENCY.
- B. In the event STATE abandons the services or any part of the services as herein provided, STATE will notify AGENCY in writing and within twenty-four (24) hours after receiving such notice, AGENCY will discontinue advancing the work under this Agreement and proceed to close said operations under the Agreement.
- C. The appraisal value of work performed by AGENCY to the date of such termination or abandonment shall be made by STATE on a basis equitable to STATE and AGENCY and a final reimbursement made to AGENCY on the basis of costs incurred. Upon termination or abandonment, AGENCY will deliver to STATE all documents, completely or partially completed, together with all unused materials supplied by STATE.
- D. AGENCY may terminate or abandon this Agreement upon thirty (30) days written notice to STATE, provided there is subsequent concurrence by STATE. Termination or abandonment

by AGENCY will provide that costs can be incurred against the project up to and including sixty (60) days after notice is given to STATE.

- E. Any equipment or commodities which have been purchased as a part of this Agreement and which have not been consumed or reached the end of its useful life will be returned to STATE upon its written request.

XIX. Cancellation Statute

All parties are hereby put on notice that this Agreement is subject to cancellation pursuant to ARS §38-511, the provisions of which are stated below.

In accordance with ARS §38-511, this Agreement may be cancelled without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting, or creating the Agreement on behalf of the STATE, its political subdivisions or any department or agency of either, is at any time while the Agreement or any extension of the Agreement is in effect, an employee of any other party to the Agreement in any capacity or a consultant to any other party of the Agreement with respect to the subject matter or the Agreement.

The cancellation shall be effective when written notice from the Governor or chief executive officer or governing body of the political subdivision is received by all other parties to the Agreement unless the notice specifies a later time.

AGREEMENT OF UNDERSTANDING AND CERTIFICATION OF COMPLIANCE**Acceptance of Condition**

It is understood and agreed by the undersigned that a grant received as a result of this Agreement is subject to ARS §28-602, and all administrative regulations governing grants established by the STATE. It is expressly agreed that this DUI Abatement Grant Project constitutes an official part of the STATE's DUI Abatement Council Program and that AGENCY will meet the requirements as set forth in the accompanying DUIAC Project Director's Manual, which are incorporated herein and made a part of this Agreement. All State Statutes, Rules, Regulations, and Circulars referenced in this Agreement are a part of this document as if fully set forth herein. It is also agreed that no work will be performed nor any obligation incurred until AGENCY is notified in writing that this project has been approved by the DUI Abatement Council Representative.

Certificate of Compliance

This is to certify that AGENCY will comply with all of the State Statutes, Rules and Regulations identified in this Agreement.

Certification of Non-Duplication of Grant Funds Expenditure

This is to certify that AGENCY has no ongoing nor completed projects under agreement with other Federal or State fund sources which duplicate or overlap any work contemplated or described in this Agreement. It is further certified that any pending or proposed request for other Federal or State grant funds which would duplicate or overlap work described in the Agreement will be revised to exclude any such duplication of grant fund expenditures. It is understood that any such duplication of Federal or State funds expenditures subsequently determined by audit will be subject to recovery by STATE.

Single Audit Act

If your political subdivision has had an independent audit meeting the requirements of the Single Audit Act of 1984, (31 U.S.C.A. §7501 et. seq.), please forward a copy to GOHS, Attention: Fiscal Services Officer, within thirty (30) days of the effective date of this Agreement. If such audit has not been performed, please advise when it is being scheduled.

Buy America Act

In accordance with the Buy America Act (49 U.S.C. 5323(j)):
Only steel, iron and manufactured products produced in the United States may be purchased with Federal funds unless the Secretary of Transportation determines that such domestic purchases would be inconsistent with the public interest, that such materials are not reasonably available and of a satisfactory quality, or that inclusion of domestic materials will increase the cost of the overall project contract by more than 25 percent. Clear justification for the purchase of non-domestic items must be in the form of a waiver request submitted to and approved by the Secretary of Transportation.

REIMBURSEMENT INSTRUCTIONS

1. Agency Official preparing the Report of Costs Incurred:

Name: Deborah Black

Title: Police Chief

Telephone Number: 623 930-3285 Fax Number: _____

E-mail Address: dblack@glendaleaz.com

2. Agency's Fiscal Contact:

Name: David Rice

Title: Management Assistant

Telephone Number: 623 930-3296 Fax Number: 623 931-2103

E-mail Address: DRICE@GlendaleAZ.com

Federal Identification Number: 86-600247

3. REIMBURSEMENT INFORMATION:

Warrant/Check to be made payable to:

City of Glendale

Warrant/Check to be mailed to:

Misc. Receivables

(Agency)

5850 W. Glendale Ave. ACH

(Address)

Glendale, AZ 85301

(City, State, Zip Code)

Lobbying Restrictions

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

- A. No State appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of the Arizona Legislature, an officer or employee of the Arizona Legislature, or an employee of a Member of the Arizona Legislature in connection with the awarding of any State contract, the making of any State grant, the making of any State loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any State contract, grant, loan, or cooperative agreement.
- B. If any funds other than State appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of the Arizona Legislature, an officer or employee of the Arizona Legislature, or an employee of a Member of the Arizona Legislature in connection with this State contract, grant, loan, or cooperative agreement, the undersigned will complete and submit Standard Form, "Disclosure Form to Report Lobbying," in accordance with the Arizona Secretary of State instructions.
- C. The undersigned will require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients will certify and disclose accordingly.
- D. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction.

Signature of Project Director:

Debora Black, Chief of Police
Glendale Police Department

***Signature of Authorized Official of
Governmental Unit:***

Brenda S. Fischer, City Manager
City of Glendale

Date

Telephone

Date

Telephone

DUI ABATEMENT COUNCIL
AGREEMENT

Glendale PD

DUIAC-I-016

AUTHORITY & FUNDS

1. This Project is authorized by ARS §28-1303, and the funds authorized for this Project have been provided for by ARS §28-1304. The expenses are **reimbursable or prepaid** under DUI Abatement Council's **Innovative** program area, as approved for by the DUI Abatement Council.

2.	A. EFFECTIVE DATE:	B. STATE FUNDS:
	<u>Authorization to Proceed Date</u>	<u>\$40,325.00</u>

3. **AGREEMENT AND AUTHORIZATION TO PROCEED**
by State Official responsible to the Governor for the
administration of the Oversight Council on Driving or
Operating Under the Influence Abatement

Alberto Gutier, Director
Governor's Highway Safety Representative

Date



Legislation Description

File #: 14-487, Version: 1

AUTHORIZATION TO ENTER INTO A MODIFICATION TO THE INTERGOVERNMENTAL AGREEMENT WITH THE ARIZONA DEPARTMENT OF REVENUE REGARDING ADMINISTRATION OF TAXES

Staff Contact: Tom Duensing, Director, Finance and Technology

Purpose and Recommended Action

This is a request for City Council to waive reading beyond the title and adopt a resolution authorizing the City Manager to enter into a modification to the intergovernmental agreement with the Arizona Department of Revenue to provide for an interim method for disclosure of information and taxpayer auditing.

Background

In October 2008, the City Council authorized entering into an intergovernmental agreement (C-6636) with the Arizona Department of Revenue for taxpayer joint audits and the uniform method of administration, collection, audit and licensing of transaction privilege tax, use tax, jet fuel excise and use tax and rental occupancy taxes imposed by the State or Cities or Towns.

In June 2013, Governor Brewer signed into law House Bill (HB) 2111 with an implementation date of January 1, 2015. In 2014, HB 2389 adopted several statutory changes as a clean-up amendment to HB 2111. The intent of this legislation is to simplify and centralize transaction privilege (sales) tax administration for businesses operating in Arizona. Upon full implementation, responsibility for tax licensing, remittance, collection, and return processing will shift from the City to the Department of Revenue (DOR). In addition, this legislation includes provisions for sales tax auditing to be coordinated by the State and make changes to the taxability of Prime Contracting.

In October 2014, the implementation of portions of this legislation was delayed to January 1, 2016. Nevertheless, the changes to auditing will move forward on the original implementation date of January 1, 2015.

This modification to the agreement allows the DOR to provide the City with information relating to transaction privilege tax, use tax, severance tax, jet fuel excise and use tax and any other tax collected by the Department of Revenue on behalf of any jurisdiction if the information relates to a taxpayer who is or may be taxable by a county, city or town or who may be subject to audit by the Department of Revenue pursuant to A.R.S. § 42-6002.

This agreement also sets forth new auditing provisions which include, but are not limited to, all audits shall be conducted in accordance with standard audit procedures defined in the Department of Revenue audit manual; the city may conduct an audit of a taxpayer that is engaged in business only in Glendale and notification shall be given to the Department of Revenue; the Department of Revenue shall conduct all audits

of taxpayers that have locations in two or more cities or towns unless the Department of Revenue authorizes the City to conduct the audit; and the Department of Revenue shall issue all audit assessments on behalf of all taxing jurisdictions in a single notice to the taxpayer.

Analysis

This modification to the existing intergovernmental agreement with the DOR is required to allow the DOR to share taxpayer information with the city's tax and licensing staff in order for city auditors to conduct audits on behalf of the DOR and other municipalities. It is also necessary in order to implement the other audit provisions of this legislation, which was intended to simplify audits for taxpayers. With this modification, taxpayers will be subject to only one audit for all relevant jurisdictions. All audits will be standardized and auditors will follow the procedures defined in the DOR audit manual. Without this agreement in place, the City would be unable to conduct taxpayer audits. Information about the sales tax simplification tax reform bill (HB2111) was provided to Council on October 16, 2014.

Previous Related Council Action

In October 2008, the City Council authorized entering into an intergovernmental agreement (C-6636) with the Arizona Department of Revenue for taxpayer joint audits and the uniform method of administration, collection, audit and licensing of transaction privilege tax, use tax, jet fuel excise and use tax and rental occupancy taxes imposed by the State or Cities or Towns.

Community Benefit/Public Involvement

This agreement simplifies and centralizes the auditing functions for the Arizona businesses.

Budget and Financial Impacts

Financial impact is non-material.

RESOLUTION NO. 4909 NEW SERIES

A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND ENTERING INTO A MODIFICATION TO AN INTERGOVERNMENTAL AGREEMENT ENTITLED “MODIFICATION TO INTERGOVERNMENTAL AGREEMENT BETWEEN THE ARIZONA DEPARTMENT OF REVENUE AND CITY/TOWN” REGARDING AN INTERIM METHOD FOR AUDITING AND DISCLOSURE OF INFORMATION.

WHEREAS, the City of Glendale and the Arizona Department of Revenue (DOR) entered into an Intergovernmental Agreement in 2008 for taxpayer joint audits and disclosure of information, among other things; and

WHEREAS, new legislation was passed in 2013 and 2014 which necessitates a revised agreement between the City of Glendale and DOR; and

WHEREAS, the City of Glendale and the DOR are negotiating a comprehensive intergovernmental agreement in accordance with the modified statutory provisions; and

WHEREAS, the City of Glendale and DOR which to provide an interim method for disclosure of information and audit until the comprehensive intergovernmental agreement is executed.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLENDALE as follows:

SECTION 1. That it is deemed in the best interest of the City of Glendale and the citizens thereof that the “Modification to the Intergovernmental Agreement between the Arizona Department of Revenue and City/Town” relating to auditing and disclosure of information be entered into, which agreement is now on file in the office of the City Clerk of the City of Glendale.

SECTION 2. That the Mayor or City Manager and the City Clerk be authorized and directed to execute and deliver said agreement on behalf of the City of Glendale.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Glendale, Maricopa County, Arizona, this _____ day of _____, 2014.

M A Y O R

ATTEST:

City Clerk (SEAL)

APPROVED AS TO FORM:

City Attorney

REVIEWED BY:

City Manager

iga_dept of rev_auditing.doc

**MODIFICATION TO INTERGOVERNMENTAL AGREEMENT
BETWEEN
THE STATE OF ARIZONA AND CITY/TOWN**

WHEREAS, The Arizona Department of Revenue, hereinafter referred to as Department of Revenue and City/Town of _____, hereinafter referred to as City/Town, have entered into an Intergovernmental Agreement regarding the administration of taxes imposed by the State or City/Town dated _____, hereinafter referred to as the IGA, and

WHEREAS, The Arizona Legislature has enacted legislation amending the provisions of A.R.S. § 42-6001 et seq. that take effect January 1, 2015, and

WHEREAS, the Department of Revenue and the City/Town are negotiating a comprehensive intergovernmental agreement in accordance with the modified statutory provisions and enter into this modification to the IGA in order to provide an interim method for disclosure of information and audit until the comprehensive agreement is completed and executed.

The parties agree to modify the IGA as follows effective January 1, 2015:

1. Additional Disclosure of Information by Department of Revenue to City/Town.

In addition to the information set forth in the IGA, and subject to the same constraints outlined in the IGA, the Department of Revenue shall provide to the City/Town information relating to transaction privilege tax, use tax, severance tax, jet fuel excise and use tax and any other tax collected by the Department of Revenue on behalf of any jurisdiction if the information relates to a taxpayer who is or may be taxable by a county, city or town or who may be subject to audit by the Department of Revenue pursuant to A.R.S. § 42-6002.

2. Audits. The Department of Revenue shall administer the audit functions for the City/Town's taxpayers in accordance with the following provisions.

- 2.1 Standards:** All audits shall be conducted in accordance with standard audit procedures defined in the Department of Revenue audit manual.
- 2.2 Training:** All auditors shall be trained in accordance with the policies of the Department of Revenue.
- 2.3 Conflict of Interest:** An auditor that is trained and authorized to conduct an audit may not represent any taxpayer in any tax matter.
- 2.4 Single City or Town Audits:** City/Town may conduct an audit of a taxpayer that is engaged in business only in City/Town. Before commencing such audit, City/Town shall notify the Department of Revenue.
- 2.5 Other Audits:** The Department of Revenue shall conduct all audits of taxpayers that have locations in two or more cities or towns unless the Department of Revenue expressly authorizes City/Town to conduct such an audit.

- 2.6 **Jurisdictions Included in Audit:** All audits shall include all taxing jurisdictions in this State regardless of which jurisdiction conducts the audit.
- 2.7 **Assessments:** The Department of Revenue shall issue all audit assessments on behalf of all taxing jurisdictions in a single notice to the taxpayer.
- 2.8 **Appeals:** Appeals of audit assessments shall be directed to the Department of Revenue and shall be administered pursuant to A.R.S. § 42-1251 et seq.
- 2.9 **Notice:** The Department of Revenue shall notify City/Town before entering into any compromise, closing, settlement or other agreement with a person related to the tax levied and imposed by the City/Town.
3. **Merger.** All other terms of the IGA not in conflict with this Modification or the statutory amendments remain in full force and effect until the IGA is terminated.
4. **Signature Authority.**
- 31.1 By signing below, the signer certifies that he or she has the authority to enter into this Agreement and has read the foregoing and agrees to accept the provisions herein.
- 31.2 This Intergovernmental Agreement may be executed in counterpart.

[Signatures on Following Page]

Signature Date	Signature Date
Typed Name and Title	Brenda S. Fischer, City Manager
Entity Name	City of Glendale
RESERVED FOR THE ATTORNEY GENERAL:	RESERVED FOR CITY/TOWN ATTORNEY:
<p>Attorney General no. _____, which is an agreement between public agencies, has been reviewed pursuant to A.R.S. § 11-952 by the undersigned Assistant Attorney General who has determined that it is in proper form and is within the powers and authority granted under the laws of the State of Arizona to the Arizona Department of Revenue represented by the Attorney General.</p> <p style="text-align: center;">TOM HORNE The Attorney General</p> <hr/> <p style="text-align: center;">Signature Assistant Attorney General</p> <p>Date: _____</p>	<p>In accordance with the requirements of A.R.S. § 11-952(D), the undersigned attorney acknowledges that (i) he has reviewed the above Agreement on behalf of the CITY OF GLENDALE and (ii) as to the City of Glendale only, has determined that this Agreement is in proper form and that execution hereof is within the powers and authority granted under the laws of the State of Arizona.</p> <p>APPROVED AS TO FORM AND AUTHORITY:</p> <p>BY: _____ Michael D. Bailey CITY/TOWN ATTORNEY</p> <p>Date: _____</p>



Legislation Description

File #: 14-443, Version: 1

AUTHORIZATION TO ENTER INTO AN AGREEMENT WITH THE ARIZONA DEPARTMENT OF REVENUE FOR ISSUANCE OF ANNUAL AND RENEWAL MUNICIPAL PRIVILEGE TAX LICENSES

Staff Contact: Tom Duensing, Director, Finance and Technology

Purpose and Recommended Action

This is a request for City Council to waive reading beyond the title and adopt a resolution authorizing the City Manager to enter into an agreement with the Arizona Department of Revenue to allow the City to perform municipal licensing services on behalf of the Department of Revenue.

Background

In June 2013, Governor Brewer signed into law House Bill (HB) 2111 with an implementation date of January 1, 2015. In 2014, HB 2389 adopted several statutory changes as a clean-up amendment to HB 2111. The intent of this legislation is to simplify and centralize transaction privilege (sales) tax administration for businesses operating in Arizona. Upon full implementation, responsibility for tax licensing, remittance, collection, and return processing will shift from the City to the Department of Revenue (DOR). In addition, this legislation includes provisions for sales tax auditing to be coordinated by the State and makes changes to the taxability of Prime Contracting.

In October 2014, the implementation of portions of this legislation was delayed to January 1, 2016 as thorough DOR technology system upgrades and testing need to be completed. Due to this delay, this agreement is necessary for the City to continue to license and collect the sales tax from Glendale businesses for one additional year. The changes to auditing and Prime Contracting will move forward on the original implementation date of January 1, 2015.

Analysis

This agreement with the DOR is necessary to allow the City to continue to license taxable businesses during 2015 and allows the delay of full implementation of the provisions of HB 2111 and HB 2389 until January 2016.

Glendale is one of 18 “self-collecting” cities in Arizona was impacted by this legislation. Other cities impacted are Apache Junction, Avondale, Bullhead City, Chandler, Douglas, Flagstaff, Mesa, Nogales, Peoria, Phoenix, Prescott, Scottsdale, Sedona, Somerton, Tempe, Tucson, and Willcox. Each of these cities has been asked to enter into agreements with DOR. Information about the sales tax simplification tax reform bill was provided to Council on October 16, 2014.

Community Benefit/Public Involvement

Upon full implementation, House Bills 2111 and 2389 will simplify and centralize the collection and administration of sales tax remittance for Arizona businesses. In the interim, this agreement will allow the City to continue to license taxpayers for one additional year.

Budget and Financial Impacts

There is no financial impact with the execution of this agreement.

RESOLUTION NO. 4910 NEW SERIES

A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND ENTERING INTO AN AGREEMENT ENTITLED "AGREEMENT BETWEEN ARIZONA DEPARTMENT OF REVENUE AND THE CITY/TOWN OF GLENDALE ARIZONA" FOR ANNUAL MUNICIPAL PRIVILEGE TAX LICENSES AND TAX LICENSE RENEWALS.

WHEREAS, as of January 1, 2015, Department of Revenue will be responsible for issuing annual municipal privilege tax licenses and tax license renewals to persons who engage in a taxable business activity within City/Town; and

WHEREAS, Department of Revenue is not able to begin licensing such persons at this time; and

WHEREAS, City/Town has the ability to process applications and issue municipal privilege tax licenses to persons who engage in a taxable business activity in City/Town; and

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLENDALE as follows:

SECTION 1. That it is deemed in the best interest of the City of Glendale and the citizens thereof that an Agreement with the Arizona Department of Revenue for issuing annual municipal privilege tax licenses and tax license renewals be entered into, which agreement is now on file in the office of the City Clerk of the City of Glendale.

SECTION 2. That the Mayor or City Manager and the City Clerk be authorized and directed to execute and deliver said agreement on behalf of the City of Glendale.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Glendale, Maricopa County, Arizona, this ____ day of _____, 2014.

MAYOR

ATTEST:

City Clerk (SEAL)

APPROVED AS TO FORM:

City Attorney

REVIEWED BY:

City Manager

AGREEMENT
between the
ARIZONA DEPARTMENT OF REVENUE
and the
CITY/TOWN OF GLENDALE, ARIZONA

Pursuant to A.R.S. § 42-1004, this Agreement is developed and entered into by and between the Arizona Department of Revenue, hereinafter referred to as Department of Revenue, and the City/Town of Glendale, Arizona, hereinafter referred to as City/Town.

WHEREAS as of January 1, 2015, Department of Revenue will be responsible for issuing annual municipal privilege tax licenses and tax license renewals to persons who engage in a taxable business activity within City/Town; and

WHEREAS Department of Revenue is not able to begin licensing such persons at this time; and

WHEREAS City/Town has the ability to process applications and issue municipal privilege tax licenses to persons who engage in a taxable business activity in City/Town; and

THEREFORE the parties agree City/Town shall perform municipal licensing services on behalf of Department of Revenue as follows:

A. SCOPE OF SERVICES

1. For persons who engage in a business activity in City/Town that require a municipal privilege tax license, City/Town will process the municipal privilege tax license application, issue the municipal privilege tax license, and renew such license for calendar year 2015.
2. Upon application for a municipal privilege tax license, City/Town may charge persons who will be engaged in a taxable business activity in City/Town a fee as specified in A.R.S. § 42-5005(B), as effective January 1, 2015. For persons who apply for a license renewal, City/Town may charge a municipal privilege tax license renewal fee as specified in A.R.S. § 42-5005(D), as effective January 1, 2015. All fees collected pursuant to this section shall be in accordance with A.R.S. § 42-1001 et seq.
3. City/Town shall provide Department of Revenue with licensing information for all persons who obtain a new municipal privilege tax license and/or renew their municipal privilege tax license under the terms of this Agreement.
4. To the extent required by City/Town to perform licensing services under this Agreement, Department of Revenue shall provide City/Town with licensing information. Any information provided by Department of Revenue shall be treated as confidential pursuant to A.R.S. § 42-2001.

5. Nothing in this Agreement shall be interpreted to limit or preclude the City/Town's ability to do what is otherwise authorized by law.

B. FINANCING

City/Town shall be responsible for, and shall not charge Department of Revenue a fee for, the expenses incurred for the services City/Town provides to Department of Revenue under this Agreement. All fees collected by City/Town under the terms of this Agreement are the property of the City/Town and shall be retained by City/Town.

C. DURATION

This Agreement is entered into and is effective on the date it is executed by both parties and shall expire December 31, 2015 unless terminated earlier by the mutual written agreement of the parties.

D. GENERAL TERMS AND CONDITIONS

1. This Agreement is subject to cancellation under A.R.S. § 38-511, cancellation of State contracts.
2. Pursuant to A.R.S. §§ 35-214, 35-215 and 41-2548, the parties must keep all books, accounts, reports, files and other records relating to this Agreement for a period of five (5) years after the completion of this Agreement. All records shall be subject to inspection and audit by the State at all reasonable times.
3. To the extent required by A.R.S. §§ 12-1518(B) and 12-133, the parties agree to resolve any dispute arising out of this Agreement by arbitration.
4. The parties agree to comply with Arizona Executive Order No. 2009-09 and any other Federal or State laws relating to equal opportunity and non-discrimination, including the Americans with Disabilities Act.
5. This Agreement may be amended or modified by written agreement approved and executed by Department of Revenue and City/Town.
6. Nothing in this Agreement shall be construed as limiting or expanding the statutory responsibilities of parties or as requiring the parties to expend any sum in excess of its appropriations.

E. NOTICES

All notices regarding this Agreement shall be sent to the following addresses:

DOR: Arizona Department of Revenue
Audit Division/Cities Unit
1600 W. Monroe
Phoenix, AZ 85007

City/Town Director Finance & Technology
City of Glendale
5850 West Glendale Avenue
Glendale, AZ 85301

With copy to:

Glendale City Attorney
City of Glendale
5850 West Glendale Avenue
Glendale, AZ 85301

By signing below, the signer certifies that he or she has the authority to enter into this Agreement and has read the foregoing and agrees to accept the provisions herein.

Arizona Department of Revenue

City/Town of Glendale, Arizona

By: _____

By: _____

Printed Name: _____

Printed Name: Brenda S. Fischer

Title: _____

Title: City Manager

Date: _____

Date: _____



Legislation Description

File #: 14-485, **Version:** 1

ADOPT A RESOLUTION DECLARING AS A PUBLIC RECORD THAT CERTAIN DOCUMENT ENTITLED “2014 AMENDMENTS TO CHAPTER 21.1 (MODEL CITY PRIVILEGE (SALES) TAX CODE), ARTICLE III - LICENSING AND RECORDKEEPING, SEC. 21.1-300 THRU 21.1-380”

Staff Contact: Tom Duensing, Director, Finance and Technology

Purpose and Recommended Action

This is a request for City Council to waive reading beyond the title and adopt a resolution declaring as a public record that certain document entitled “2014 Amendments to Chapter 21.1 (Model City Privilege (Sales) Tax Code), Article III - Licensing and Recordkeeping, Sec. 21.1-300 thru 21.1-380.”

Background

State law permits cities to declare documents a public record to enact the provisions of code amendments by reference without publishing the full text of the amendments. Instead, the City publishes a notice in the newspaper and keeps three copies of the text on file with the City Clerk. This requires adoption by the Council of a resolution. At the same voting meeting, Council will be asked to approve the ordinance adopting the code amendments.

Previous Related Council Action

On June 11, 2011, Council adopted a Resolution No. 4491 declaring as a public record the 2011 Amendment to Chapter 21.1 (Model City Privilege (Sales) Tax Code).

Budget and Financial Impacts

By adopting the resolution and declaring as a public record the “2014 Amendments to Chapter 21.1 (Model City Privilege (Sales) Tax Code), Article III - Licensing and Recordkeeping, Sec. 21.1-300 thru 21.1-380”, the City will not be require to publish the entire code amendments in order to save publishing costs.

RESOLUTION NO. 4911 NEW SERIES

A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, DECLARING AS A PUBLIC RECORD THAT CERTAIN DOCUMENT FILED WITH THE CITY CLERK OF THE CITY OF GLENDALE AND ENTITLED "2014 AMENDMENTS TO CHAPTER 21.1 (MODEL CITY PRIVILEGE (SALES) TAX CODE), ARTICLE III – LICENSING AND RECORDKEEPING, SEC. 21.1-300 THRU 21.1-380."

WHEREAS, State law permits cities to declare documents a public record for the purpose of incorporation into city ordinance; and

WHEREAS, the City of Glendale wishes to incorporate by reference amendments to Chapter 21.1 Model City Privilege (Sales) Tax Code by first declaring said amendments to be a public record.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLENDALE as follows:

SECTION 1. That certain document entitled "2014 Amendments to Chapter 21.1 (Model City Privilege (Sales) Tax Code), Article III – Licensing and Recordkeeping, Sec. 21.1-300 thru 21.1-380," attached as Exhibit A, three copies of which are on file in the office of the City Clerk, is hereby declared a public record. Said copies are ordered to remain on file with the City Clerk for public use and inspection.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Glendale, Maricopa County, Arizona, this _____ day of _____, 2014.

MAYOR

ATTEST:

City Clerk (SEAL)

APPROVED AS TO FORM:

City Attorney

REVIEWED BY:

City Manager

Exhibit A

2014 Amendments to Chapter 21.1 (Model City Privilege (Sales) Tax Code), Article III - Licensing and Recordkeeping, Sec. 21.1-300 thru 21.1-380

Sec. 21.1-300. Licensing requirements.

- (a) The following persons shall make application to the Tax Collector for a Transaction Privilege and Use Tax License and no person shall engage or continue in business or engage in such activities until he shall have such a license:
- (1) Every person engaging or continuing in business activities within the city or town upon which a Transaction Privilege Tax is imposed by this Chapter.
 - (2) Every person engaging or continuing in business within the city or town and storing or using tangible personal property in this municipality upon which a Use Tax is imposed by this Chapter.
 - (3) (Reserved)
- (b) For the purpose of determining whether a Transaction Privilege and Use Tax License is required, a person shall be deemed to be "engaging or continuing in business" within the city or town if:
- (1) engaging in any activity as a principal or broker, the gross receipts of which may be subject to Transaction Privilege Tax under Article IV of this Chapter, or

- (2) maintaining within the city or town directly, or if a corporation by a subsidiary, an office, distribution house, sales house, warehouse or other place of business; maintaining within the city or town directly, or if a corporation by a subsidiary, any real or tangible personal property; or having any agent or other representative operating within the city or town under the authority of such person, or if a corporation by a subsidiary, irrespective of whether such place of business, property, or agent or other representative is located here permanently or temporarily, or
 - (3) soliciting sales, orders, contracts, leases, and other similar forms of business relationships, within the city or town from customers, consumers, or users located within the city or town, by means of salesmen, solicitors, agents, representatives, brokers, and other similar agents or by means of catalogs or other advertising, whether such orders are received or accepted within or without this city or town.
 - (4) A person shall also be deemed to be "engaging or continuing in business" if engaging in any activity subject to Use Tax under Article VI of this Chapter for business purposes. Individuals who acquire items subject to Use Tax for their own personal use or their family's personal use are not required to obtain a license.
 - (5) (Reserved)
- (c) A person engaging in more than one activity subject to Transaction Privilege Tax at any one business location is not required to obtain a separate license for each

activity, provided that, at the time such person makes application for a license, he shall list on such application each category of activity in which he is engaged.

- (d) The licensee shall inform the Tax Collector of any changes in his business activities, location, or mailing address within thirty (30) days.
- (e) Limitation. The issuance of a Transaction Privilege and Use Tax License by the Tax Collector shall in no way be construed as permission to operate a business activity in violation of any other law or regulation to which such activity may be subject.
- (f) Casual activity. For the purposes of this Chapter, individuals engaging in a “casual activity or sale” are not subject to the license requirements imposed under this Article provided that they are only engaged in private sales activities, such as the sale of a personal automobile or garage sale, on no more than three separate occasions during any calendar year.

Sec. 21.1-310. Licensing: special requirements.

- (a) Partnerships. Application for a Transaction Privilege and Use Tax License for a partnership engaging or continuing in business shall provide, as a minimum, the names and addresses of all general partners. Licenses issued to persons engaging in business as partners, limited or general, shall be in the name of the partnership.
- (b) Limited Liability Companies. Application for a Transaction Privilege and Use Tax License for a Limited Liability Company (LLC) engaging or continuing in business shall provide, as a minimum, the names and addresses of all members

and the manager. Licenses issued to persons engaging in business as Limited Liability Companies, shall be in the name of the LLC.

- (c) Corporations. Application for a Transaction Privilege and Use Tax License for a corporation engaging or continuing in business shall provide, as a minimum, the names and addresses of both the Chief Executive Officer and Chief Financial Officer of the corporation. Licenses issued to persons engaging in business as corporations shall be in the name of the corporation.
- (d) Multiple Locations or Multiple Business Names. A person engaging or continuing in one or more businesses at two (2) or more locations or under two (2) or more business names shall procure a license for each such location or business name. A "location" is a place of a separate business establishment.
- (e) Real Property Rental, Leasing, and Licensing for Use. In all cases the Transaction Privilege and Use Tax License shall be issued only to the owner of the real property regardless of the owner engaging a property manager or other broker to oversee the owner's business activity including filing tax returns on behalf of the owner. Each rental property that can be independently sold or transferred is deemed to be a separate business establishment. Each platted parcel of real property subject to the tax imposed by this Chapter is deemed to be a separate business establishment and requires a separate license, regardless of the number of rental units located on that platted parcel. If one structure is located on multiple parcels in a manner such that ownership of an individual parcel cannot be sold or transferred without requiring alteration to divide the structure, one license shall be required for all affected parcels.

Sec. 21.1-320. License fees; annual renewal; renewal fees.

- (a) The Transaction Privilege and Use Tax License shall be valid upon receipt of a non-refundable license fee of fifty dollars (\$50.00), except for a license to engage in the business activity of residential or commercial real property rental, leasing, and licensing for use as separately identified in this Section. The Transaction Privilege and Use Tax License shall be valid only for the calendar year in which it is issued unless renewed each year by filing the appropriate application for license renewal and paying an annual license renewal fee of fifty dollars (\$50.00) for each license, subject to the limitations in A.R.S. 42-5005. Such annual renewal fee shall be due and payable on January 1 of each year and shall be considered delinquent if not paid and received on or before the last business day of January.
- (b) The Transaction Privilege and Use Tax License to engage in the business activity of residential real property rental, leasing, and licensing for use shall be valid only upon receipt of a non-refundable license fee of fifty dollars (\$50.00). The Transaction Privilege and Use Tax License shall be valid only for the calendar year in which it is issued unless renewed each year by filing the appropriate application for license renewal and paying an annual license renewal fee of fifty dollars (\$50.00) for each license, subject to the limitations in A.R.S. 42-5005. Such fee shall be due and payable on January 1 of each year and shall be considered delinquent if not paid and received on or before the last business day of January.

- (c) The Transaction Privilege and Use Tax License to engage in the business activity of commercial real property rental, leasing, and licensing for use shall be valid only upon receipt of a non-refundable license fee of fifty dollars (\$50.00). The Transaction Privilege and Use Tax License shall be valid only for the calendar year in which it is issued unless renewed each year by filing the appropriate application for license renewal and paying an annual license renewal fee of fifty dollars (\$50.00) for each license, subject to the limitations in A.R.S. 42-5005. Such fee shall be due and payable on January 1 of each year and shall be considered delinquent if not paid and received on or before the last business day of January.

Sec. 21.1-330. Licensing; duration; transferability; display; penalties; penalty waiver; relicensing; fees collectible as if taxes.

- (a) The Transaction Privilege and Use Tax License shall be valid only for the calendar year in which it is issued unless renewed each year by filing the appropriate application for license renewal and paying the applicable license renewal fee for each license, subject to the limitations in A.R.S. 42-5005. Such fee shall be due and payable on January 1 of each year and shall be considered delinquent if not paid and received on or before the last business day of January. Application and payment of the annual fee must be received in the Tax Collector's office to be deemed paid and received.

- (b) The Transaction Privilege and Use Tax License shall be nontransferable between owners or locations, and shall be on display to the public in the licensee's place of business.
- (c) Any person required to be licensed under this Chapter who fails to obtain a license on or before conducting any business activity requiring such license shall be subject to the license fees due for each year in business plus a penalty in the amount of fifty percent (50%) of the applicable fee for each period of time for which such fee would have been imposed, from and after the date on which such activity commenced until paid. This penalty shall be in addition to any other penalty imposed under this Chapter and must be paid prior to the issuance of any license. License fee penalties may be waived by the Tax Collector subject to the same terms as the waiver of tax penalties as provided for in Section 21.1-540.
- (d) Any licensee who fails to renew his license on or before the due date shall be deemed to be operating without a license following such due date, and shall be subject to all penalties imposed under this Chapter against persons required to be licensed and operating without a license. The non-licensed status may be removed by payment of the annual license fee for each year or portion of a year he operated without a license, plus a license fee penalty of 50% of the license fee due for each year. License fee penalties may be waived by the Tax Collector subject to the same terms as the waiver of tax penalties as provided for in Section 21.1-540.
- (e) Any licensee who permits his license to expire through cancellation as provided in Section 21.1-340, by his request for cancellation, by surrender of the license, or by

the cessation of the business activity for which the license was issued, and who thereafter applies for a license, shall be granted a new license as a new applicant and shall pay the current license fee imposed under Section 21.1-320.

- (f) Any licensee who needs a copy of his Transaction Privilege and Use Tax License which is still in effect shall be charged the current license fee for each reissuance of a license.
- (g) Any person conducting a business activity subject to licensing without obtaining a Transaction Privilege and Use Tax License shall be liable to the city for all applicable fees and penalties and shall be subject to the provisions of Sections 21.1-580 and 21.1-590, to the same extent as if such fees and penalties were taxes and penalties under such Sections.

Sec. 21.1-340. Licensing: cancellation; revocation.

- (a) Cancellation. The Tax Collector may cancel the Transaction Privilege and Use Tax License of any licensee as "inactive" if the taxpayer, required to report monthly, has neither filed any return nor remitted any taxes imposed by this Chapter for a period of six (6) consecutive months; or, if required to report quarterly, has neither filed any return nor remitted any taxes imposed by this Chapter for two (2) consecutive quarters; or, if required to report annually, has neither filed any return nor remitted any taxes imposed by this Chapter when such annual report and tax are due to be filed with and remitted to the Tax Collector.
- (b) Revocation. If any licensee fails to pay any tax, interest, penalty, fee, or sum required to be paid under this Chapter, or if such licensee fails to comply with any

other provisions of this Chapter, the Tax Collector may revoke the Transaction Privilege and Use Tax License of said licensee.

- (c) Notice and Hearing. The Tax Collector shall deliver notice to such licensee of cancellation or revocation of the Transaction Privilege and Use Tax License. If the licensee requests a hearing within twenty (20) days of receipt of such notice, he shall be granted a hearing before the Tax Collector.
- (d) After cancellation or revocation of a taxpayer's license, the taxpayer shall not be issued a new license until all reports have been filed; all fees, taxes, interest, and penalties due have been paid; and he is in compliance with all provisions of this Chapter.

Sec. 21.1-350. Operating without a license.

It shall be unlawful for any person who is required by this Chapter to obtain a Transaction Privilege and Use Tax License to engage in or continue in business without a license. The Tax Collector shall assess any delinquencies in tax, interest, and penalties which may apply against such person upon any transactions subject to the taxes imposed by this Chapter.

Sec. 21.1-360. Recordkeeping requirements.

- (a) It shall be the duty of every person subject to the tax imposed by this Chapter to keep and preserve suitable records and such other books and accounts as may be necessary to determine the amount of tax for which he is liable under this Chapter. The books and records must contain, at a minimum, such detail and summary information as may be required by this Article; or when records are maintained

within an electronic data processing (EDP) system, the requirements established by the Arizona Department of Revenue for privilege tax filings will be accepted. It shall be the duty of every person to keep and preserve such books and records for a period equal to the applicable limitation period for assessment of tax, and all such books and records shall be open for inspection by the Tax Collector during any business day.

- (b) The Tax Collector may direct, by letter, a specific taxpayer to keep specific other books, records, and documents. Such letter directive shall apply:
 - (1) only for future reporting periods, and
 - (2) only by express determination of the Tax Collector that such specific recordkeeping is necessary due to the inability of the taxing jurisdiction to conduct an adequate examination of the past activities of the taxpayer, which inability resulted from inaccurate or inadequate books, records, or documentation maintained by the taxpayer.

Sec. 21.1-362. Recordkeeping: income.

The minimum records required for persons having gross income subject to, or exempt or excluded from, tax by this Chapter must show:

- (a) The gross income of the taxpayer attributable to any activity occurring in whole or in part in the City.
- (b) The gross income taxable under this Chapter, divided into categories as stated in the official City tax return.
- (c) The gross income subject to Arizona Transaction Privilege Taxes, divided into categories as stated in the official State tax return.

- (d) The gross income claimed to be exempt, and with respect to each activity or transaction so claimed:
 - (1) If the transaction is claimed to be exempt as a sale for resale or as a sale, rental, lease, or license for use of rental equipment:
 - (A) The City Privilege License number and State Transaction Privilege Tax License number of the customer (or the equivalent city, if applicable, and state tax numbers of the city and state where the customer resides), and
 - (B) The name, business address, and business activity of the customer, and
 - (C) Evidence sufficient to persuade a reasonably prudent businessman that the transaction is believed to be in good faith a purchase for resale, or a purchase, rental, lease, or license for use of rental equipment, by the vendee in the ordinary and regular course of his business activity, as provided by Regulation.
 - (2) If the transaction is claimed to be exempt for any other reason:
 - (A) The name, business address, and business activity of the customer, and
 - (B) Evidence which would establish the applicability of the exemption to a reasonably prudent businessman acting in good faith. Ordinary business documentation which would reasonably indicate the applicability of an exemption shall be sufficient to relieve the

person on whom the tax would otherwise be imposed from liability therein, if he acts in good faith as provided by Regulation.

- (e) With respect to those allowed deductions or exclusions for tax collected or charges for delivery or other direct customer services, where applicable, evidence that the deductible income has been separately stated and shown on the records of the taxpayer and on invoices or receipts provided to the customer. All other deductions, exemptions, and exclusions shall be separately shown and substantiated.
- (f) With respect to special classes and activities, such other books, records, and documentation as the Tax Collector, by regulation, shall deem necessary for specific classes of taxpayer by reason of the specialized business activity of any such class.
- (g) In all cases, the books and records of the taxpayer shall indicate both individual transaction amounts and totals for each reporting period for each category of taxable, exempt, and excluded income defined by this Chapter.

Sec. 21.1-364. Recordkeeping: expenditures.

The minimum records required for persons having expenditures, costs, purchases and rental or lease or license expenses subject to, or exempt or excluded from, tax by this Chapter are:

- (a) The total price of all goods acquired for use or storage in the City.
- (b) The date of acquisition and the name and business address of the seller or lessor of all goods acquired for use or storage in the City.

- (c) Documentation of taxes, freight, and direct customer service labor separately charged and paid for each purchase, rental, lease, or license.
- (d) The gross price of each acquisition claimed as exempt from tax, and with respect to each transaction so claimed, sufficient evidence to satisfy the Tax Collector that the exemption claimed is applicable.
- (e) As applicable to each taxpayer, documentation sufficient to the Tax Collector, so that he may ascertain:
 - (1) All construction expenditures and all Privilege and Use Taxes claimed paid, relating to owner-builders and speculative builders.
 - (2) Disbursement of collected gratuities and related payroll information required of restaurants.
 - (3) Franchise and license fee payments and computations thereto which relate to:
 - (A) Utility service
 - (B) Telecommunication service.
 - (4) The validity of any claims of proof of exemption.
 - (5) A claimed alternative prior value for reconstruction.
 - (6) All claimed exemptions to the Use Tax imposed by Article VI of this Chapter.
 - (7) Costs used to compute the "computed charge" claimed for retail service and repair.

- (8) Payments of tax to the Arizona Department of Transportation and computations therefor, when a motor-vehicle transporter claims such the exemption.
- (9) (Reserved)
- (f) Any additional documentation as the Tax Collector, by Regulation, shall deem necessary for any specific class of taxpayer by reason of the specialized business activity of specific exemptions afforded to that class of taxpayer.
- (g) In all cases, the books and records of the taxpayer shall indicate both individual transaction amounts and totals for each reporting period for each category of taxable, exempt, and excluded expenditures as defined by this Chapter.

Sec. 21.1-366. Recordkeeping: out-of-City and out-of-State sales.

- (a) Out-of-City Sales. Any person engaging or continuing in a business who claims out-of-City sales shall maintain and keep accounting records or books indicating separately the gross income from the sales of tangible personal property from such out-of-City branches or locations.
- (b) Out-of-State sales. Persons engaged in a business claiming out-of-State sales shall maintain accounting records or books indicating for each out-of-State sale the following documentation:
 - (1) documentation of location of the buyer at the time of order placement; and
 - (2) shipping, delivery, or freight documents showing where the buyer took delivery; and

- (3) documentation of intended location of use or storage of the tangible personal property sold to such buyer.

Sec. 21.1-370. Recordkeeping: claim of exclusion, exemption, deduction, or credit; documentation; liability.

- (a) All deductions, exclusions, exemptions, and credits provided in this Chapter are conditional upon adequate proof and documentation of such as may be required either by this Chapter or Regulation.
- (b) Any person who claims and receives an exemption, deduction, exclusion, or credit to which he is not entitled under this Chapter, shall be subject to, liable for, and pay the tax on the transaction as if the vendor subject to the tax had passed the burden of the payment of the tax to the person wrongfully claiming the exemption. A person who wrongfully claimed such exemption shall be treated as if he is delinquent in the payment of the tax and shall be subject to interest and penalties upon such delinquency. However, if the tax is collected from the vendor on such transaction it shall not again be collected from the person claiming the exemption, or if collected from the person claiming the exemption it shall not also be collected from the vendor.

Sec. 21.1-372. Proof of exemption: sale for resale; sale, rental, lease, or license of rental equipment.

A claim of purchase for resale or of purchase, rental, lease, or license for rent, lease, or license is valid only if the evidence is sufficient to persuade a reasonably prudent businessman that the

particular item is being acquired for resale or for rental, lease, or license in the ordinary course of business. The fact that the acquiring person possesses a Privilege License number, and makes a verbal claim of "sale for resale or lease" or "lease for re-lease" does not meet this burden and is insufficient to justify an exemption. The "reasonable evidence" must be evidence which exists objectively, and not merely in the mind of the vendor, that the property being acquired is normally sold, rented, leased, or licensed by the acquiring person in the ordinary course of business. Failure to obtain such reasonable evidence at the time of the transaction will be a basis for disallowance of any claimed deduction on returns filed for such transactions.

Sec. 21.1-380. Inadequate or unsuitable records.

In the event the records provided by the taxpayer are considered by the Tax Collector to be inadequate or unsuitable to determine the amount of the tax for which such taxpayer is liable under the provisions of this Chapter, it is the responsibility of the taxpayer either:

- (a) to provide such other records required by this Chapter or Regulation; or
- (b) to correct or to reconstruct his records, to the satisfaction of the Tax Collector.



Legislation Description

File #: 14-444, Version: 1

ADOPT AN ORDINANCE AMENDING THE MODEL CITY PRIVILEGE (SALES) TAX CODE, CHAPTER 21.1, ARTICLE III - LICENSING AND RECORDKEEPING AND DELETING CERTAIN PROVISIONS IN ARTICLE VII (ORDINANCE) (PUBLIC HEARING REQUIRED)

Staff Contact: Tom Duensing, Director, Finance and Technology

Purpose and Recommended Action

This is a request for City Council to conduct a public hearing, waive reading beyond the title and adopt an ordinance amending Chapter 21.1 (Model City Privilege (Sales) Tax Code) by deleting Article VII - Regulations-Privilege and Excise Taxes, Regulations 21.1-300.1, 21.1-300.2, 21.1-310.1, 21.1-350.1, 21.1-350.2, 21.1-350.3, 21.1-360.1, and 21.1-360.2 and by deleting in its entirety Article III - Licensing and Recordkeeping, Sections 21.1-300 through 21.1-370 and adopting the "2014 Amendments to Chapter 21.1 (Model City Privilege (Sales) Tax Code), Article III - Licensing and Recordkeeping, Sec. 21.1-300 thru 21.1-380" as adopted by the Arizona Municipal Tax Code Commission with an effective date of January 20, 2015 and applied retroactively from and after January 1, 2015.

Background

Following each legislative session, the League of Arizona Cities and Towns puts together a package of changes to the Model City Privilege (Sales) Tax Code that are forwarded to and approved by the Arizona Municipal Tax Code Commission. Any approved changes must be adopted by municipalities in order to maintain consistency and uniformity among all cities. It is important to note that cities start practicing the state laws as soon as they are passed by the legislature and become effective.

The current changes are being implemented in preparation for the transition of the administration of Transaction Privilege (Sales) Tax collection from the City to the Arizona Department of Revenue. One area with significant impact on the Model City Tax Code is a variety of changes the legislation made to Arizona Revised Statute (A.R.S.) 42-5005 regarding tax licensing for both the Department of Revenue and the cities and towns, effective January 1, 2015.

The revisions being proposed bring the Model City Tax Code into conformity with the revised statutes and also align the licensing regulations for all municipalities. These changes are intended to create uniform tax licensing rules and improve taxpayer understanding and compliance. The language for the revised Model City Privilege (Sales) Tax Code, Chapter 21.1, Article III - Licensing and Recordkeeping is a combination of new statutory requirements and changes to previous licensing rules. The new language has been agreed upon by the Uniform Audit Committee and the city and town finance directors. The recommended amendments include: the elimination of the tax license application fee; the elimination of pro-ration of tax licensing fees for new applications; addition of a requirement that real property rentals must be licensed by location to the property owner rather than by the property manager; and provision for the waiver of tax license penalty fees.

In addition, certain regulations in the City Code which affected tax licensing are being deleted and items similar to the deleted regulations are being incorporated into the revised Article III.

Analysis

These changes to the City Code are needed in order to comply with revisions to state statutes which were adopted by the legislature and approved by the Municipal Tax Code Commission.

Previous Related Council Action

The Council has approved numerous amendments to the Model City Privilege (Sales) Tax Code since its original adoption, including the latest amendment on May 14, 2013.

Community Benefit/Public Involvement

The Model City Privilege (Sales) Tax Code provides taxpayers a uniform tax code with consistent language that is used throughout the state.

Cities, through the Unified Audit Committee and the League of Arizona Cities and Towns, work with the business stakeholders on changes to the Model City Privilege (Sales) Tax Code. The Municipal Tax Code Commission held a public hearing on October 10, 2014 to receive community input and then acted to approve the amendments.

A notice of public hearing to be held on December 18, 2014, was published in the Glendale Star on November 27, 2014. The proposed ordinance was made available for public review at the Clerk's Office.

Budget and Financial Impacts

The impact to revenues is non-material. There is no budget impact with these amendments.

ORDINANCE NO. 2925 NEW SERIES

AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AMENDING CHAPTER 21.1 (MODEL CITY PRIVILEGE (SALES) TAX CODE) CONSISTENT WITH CHANGES APPROVED BY THE MUNICIPAL TAX CODE COMMISSION BY DELETING ARTICLE VII – REGULATIONS-PRIVILEGE AND EXCISE TAXES, REG. 21.1-300.1, 21.1-300.2, 21.1-310.1, 21.1-350.1, 21.1-350.2, 21.1-350.3, 21.1-360.1, AND 21.1-360.2 AND BY DELETING IN ITS ENTIRETY ARTICLE III – LICENSING AND RECORDKEEPING, SEC. 21.1-300 THROUGH 21.1-370, AND REPLACING IT WITH THAT DOCUMENT DECLARED A PUBLIC RECORD AND ENTITLED “2014 AMENDMENTS TO CHAPTER 21.1 (MODEL CITY PRIVILEGE (SALES) TAX CODE), ARTICLE III – LICENSING AND RECORDKEEPING, SEC. 21.1-300 THRU 21.1-380” AS SHOWN ON EXHIBIT A TO THE RESOLUTION DECLARING THE PUBLIC RECORD; ESTABLISHING AN EFFECTIVE DATE; AND PROVIDING FOR SEVERABILITY AND PROVING PENALTIES FOR VIOLATIONS.

WHEREAS, the City of Glendale adopted the Model City Privilege (Sales) Tax Code on September 30, 1997 as Chapter 21.1;

WHEREAS, the A.R.S. § 42-6053 requires the City to adopt any changes to the Model City Privilege (Sales) Tax Code that are approved by the Municipal Tax Code Commission;

WHEREAS, the Municipal Tax Code Commission considered the proposed Code changes and have held public hearings on the proposed amendments;

WHEREAS, that certain document entitled “2014 Amendment to Chapter 21.1 (Model City Privilege (Sales) Tax Code), Article III – Licensing and Recordkeeping, Sec. 21.1-300 thru 21.1-380,” three copies of which are on file in the office of the City Clerk, was declared to be a public record by Resolution adopted at the December 18, 2014 City Council Voting Meeting; and

WHEREAS, the City Council held a public hearing on December 18, 2014 and considered the required amendments to Glendale’s Model City Privilege (Sales) Tax Code;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GLENDALE as follows:

SECTION 1. That Glendale City Code, Chapter 21.1 (Model City Privilege (Sales) Tax Code), Article III - Licensing and Recordkeeping, Sec. 21.1-300 thru Sec. 21.1-370 is hereby deleted in its entirety and a new Chapter 21.1 (Model City Privilege (Sales) Tax Code), Article III – Licensing and Recordkeeping shall be adopted as more fully set forth in that certain document known as “2014 Amendment to Chapter 21.1 (Model City Privilege (Sales) Tax Code), Article III – Licensing and Recordkeeping, Sec. 21.1-300 thru 21.1-380,” three copies of which are on file in the office of the City Clerk, which was made a public record by Resolution adopted at the December 18, 2014 City Council Meeting, as is hereby referred to, adopted, and made a part hereof as if fully set out in this ordinance.

SECTION 2. That Glendale City Code, Chapter 21.1 (Model City Privilege (Sales) Tax Code), Article VII – Regulations-Privilege And Excise Taxes, Regulations 21.1-300.1, 21.1-300.2, 21.1-310.1, 21.1-350.1, 21.1-350.2, 21.1-350.3, 21.1-360.1, and 21.1-360.2, are hereby deleted in their entirety and replaced as follows:

Reg. 21.1-300.1 (Reserved);
Reg. 21.1-300.2 (Reserved);
Reg. 21.1-310.1 (Reserved);
Reg. 21.1-350.1 (Reserved);
Reg. 21.1-350.2 (Reserved);
Reg. 21.1-350.3 (Reserved);
Reg. 21.1-360.1 (Reserved); and
Reg. 21.1-360.2 (Reserved).

SECTION 3. This Ordinance's amendment of Sections Sec. 21.1-300 thru Sec. 21.1-380 and Regulations 21.1-300.1, 21.1-300.2, 21.1-310.1, 21.1-350.1, 21.1-350.2, 21.1-350.3, 21.1-360.1, and 21.1-360.2 of Chapter 21.1 of the Glendale City Code shall be effective on January 20, 2015 and be retroactively applied from and after January 1, 2015.

SECTION 4. Any person who fails to pay taxes imposed by this code or is found guilty of violating any provisions of the amendments to the tax code is subject to the following penalties:

Sec. 21.1-540. Interest and civil penalties.

(a) Any taxpayer who failed to pay any of the taxes imposed by this Chapter which were due or found to be due before the delinquency date shall be subject to and shall pay interest upon such tax until paid. From and after October 1, 2005, the interest rate shall be determined in the same manner and at the same times as prescribed by Section 6621 of the United States Internal Revenue Code and compounded annually under the method described in subsection (1) below. The rate of interest for both overpayments and underpayments for all taxpayers is the federal short-term rate, determined pursuant to Section 6621(b) of the Internal Revenue Code, plus three percentage points. The interest rate prior to October 1, 2005 shall be one percent (1%) per month. Said interest may be neither waived by the Tax Collector nor abated by the Hearing Officer except as it might relate to a tax abated as provided by Section 21.1-570.

(1) On January 1 of each year any interest outstanding as of that date that was accrued from and after October 1, 2005 is thereafter considered a part of the principal amount of the tax and accrues interest pursuant to this section.

(2) Interest accrued prior to October 1, 2005 shall not be added to the principal.

(b) In addition to interest assessed under subsection (a) above, any taxpayer who failed to pay any of the taxes imposed by this Chapter which were due or found to be due before the delinquency date shall be subject to and shall pay any or all of the following civil penalties, in addition to any other penalties prescribed by this Chapter:

(1) A taxpayer who fails to timely file a return for a tax imposed by this Chapter shall pay a penalty of five percent (5%) of the tax for each month or fraction of a month elapsing between the delinquency date of the return and the date on which it is filed, unless the taxpayer shows that the failure to timely file is due to reasonable cause and not due to willful neglect. This penalty shall not exceed twenty-five percent (25%) of the tax due.

(2) A taxpayer who fails to pay the tax within the time prescribed shall pay a penalty of ten percent (10%) of the unpaid tax, unless the taxpayer shows that the failure to timely pay is due to reasonable cause and not due to willful neglect. If the taxpayer is also subject to a penalty under subsection (b)(1) above for the same tax period, the total penalties under subsection (b)(1) and this subsection shall not exceed twenty-five percent (25%) of the tax due.

(3) A taxpayer who fails or refuses to file a return within thirty (30) days of having received a written notice and demand from the Tax Collector shall pay a penalty of twenty-five percent (25%) of the tax, unless the taxpayer shows that the failure is due to reasonable cause and not due to willful neglect or the Tax Collector agrees to a longer time period.

(4) If the cause of a tax deficiency is determined by the Tax Collector to be due to negligence, but without regard for intent to defraud, the taxpayer shall pay a penalty of ten percent (10%) of the amount of deficiency. If the taxpayer is also subject to a penalty under subsection (b)(1) or (b)(2) above for the same tax period, the total penalties imposed under subsection (b)(1), (b)(2) and this subsection shall not exceed twenty-five percent (25%) of the tax due.

(5) If the cause of a tax deficiency is determined by the Tax Collector to be due to civil fraud or evasion of the tax, the taxpayer shall pay a penalty of fifty percent (50%) of the amount of deficiency.

(c) Penalties and interest imposed by this Section are due and payable upon notice by the Tax Collector.

(d) If, following an audit, penalties attributable to the audit period are to be assessed pursuant to subsection (b)(1) or (b)(2) above, the Tax Collector, before assessing such penalties, must take into consideration any information or explanations provided by the taxpayer as to why the return was not timely filed and/or the tax was not timely paid. If such information and/or explanations are provided by the taxpayer, and the Tax Collector nevertheless decides to assess penalties pursuant to subsection (b)(1) or (b)(2) above, then, at the time the penalties are assessed, the Tax Collector must provide the taxpayer with a detailed written explanation of the basis for the Tax Collector's determination that the information and/or explanations provided by the taxpayer did not constitute reasonable cause.

(e) The assessment of the penalties prescribed by subsections (b)(3) through (b)(5) above must be approved on a case-by-case basis by the Tax Collector prior to such assessment. In addition, any assessment which includes penalties based upon subsection (b)(3), (b)(4), or (b)(5) above must be accompanied by a statement signed by the Tax Collector setting forth in detail the basis for the Tax Collector's determination that the penalties are warranted under the circumstances.

(f) The Tax Collector shall waive or adjust penalties imposed by subsections (b)(1) and (b)(2) above upon a finding that:

(1) in the past, the taxpayer has consistently filed and paid the taxes imposed by this Chapter in a timely manner; or

(2) the amount of the penalty is greatly disproportionate to the amount of the tax; or

(3) the failure of a taxpayer to file a return and/or pay any tax by the delinquency date was caused by any of the following circumstances which must occur prior to the delinquency date of the return or payment in question:

(A) the return was timely filed but was inadvertently forwarded to another taxing jurisdiction.

(B) erroneous or insufficient information was furnished the taxpayer by the Tax Collector or his employee or agent.

(C) death or serious illness of the taxpayer, member of his immediate family, or the preparer of the reports immediately prior to the due date.

(D) unavoidable absence of the taxpayer immediately prior to the due date.

(E) destruction, by fire or other casualty, of the taxpayer's place of business or records.

(F) prior to the due date, the taxpayer made application for proper forms which could not be furnished in sufficient time to permit a timely filing.

(G) the taxpayer was in the process of pursuing an active protest of the tax in question in another taxing jurisdiction at the time the tax and/or return was due.

(H) the taxpayer establishes through competent evidence that the taxpayer contacted a tax advisor who is competent on the specific tax matter and, after furnishing necessary and relevant information, the taxpayer was incorrectly advised that no tax was owed and/or the filing of a return was not required.

(I) the taxpayer has never been audited by a City for the tax or on the issue in question and relied, in good faith, on a state exemption or interpretation.

(J) the taxpayer can provide some public record (court case, report in a periodical, professional journal or publication, etc.) stating that the transaction is not subject to tax.

(K) the Arizona Department of Revenue, based upon the same facts and circumstances, abated penalties for the same filing period.

A taxpayer may also request a waiver or adjustment of penalty for a reason thought to be equally substantive to those reasons itemized above. All requests for waiver or adjustment of penalty must be in writing and shall contain all pertinent facts and other reliable and substantive evidence to support the request. In all cases, the burden of proof is upon the taxpayer.

(g) No request for waiver of penalty under subsection (f) above may be granted unless written request for waiver is received by the Tax Collector within forty-five (45) days following the imposition of penalty. Any taxpayer aggrieved by the refusal to grant a waiver under subsection (f) above may appeal under the provisions of Section 21.1-570 provided that a petition of appeal or request for an extension is submitted to the Tax Collector within forty-five (45) days of the taxpayer's receipt of notice by the City that waiver has been denied.

(h) For the purpose of this Section, "reasonable cause" shall mean that the taxpayer exercised ordinary business care and prudence, i.e., had a reasonable basis for believing that the tax did not apply to the business activity or the storage or use of the taxpayer's tangible personal property in this City.

(i) For the purpose of this Section, "negligence" shall be characterized chiefly by inadvertence, thoughtlessness, inattention, or the like, rather than an "honest mistake". Examples of negligence include:

(1) the taxpayer's failure to maintain records in accordance with Article III of this Chapter;

(2) repeated failures to timely file returns; or

(3) gross ignorance of the law.

Sec. 21.1-580. Criminal penalties.

(a) It is unlawful for any person to knowingly or willfully:

(1) fail or refuse to make any return required by this Chapter.

(2) fail to remit as and when due the full amount of any tax or additional tax or penalty and interest thereon.

(3) make or cause to be made a false or fraudulent return.

(4) make or cause to be made a false or fraudulent statement in a return, in written support of a return, or to demonstrate or support entitlement to a deduction, exclusion, or credit or to entitle the person to an allocation or apportionment or receipts subject to tax.

(5) fail or refuse to permit any lawful examination of any book, account, record, or other memorandum by the Tax Collector.

(6) fail or refuse to remit any tax collected by such person from his customer to the Tax Collector before the delinquency date next following such collection.

(7) advertise or hold out to the public in any manner, directly or indirectly, that any tax imposed by this Chapter, as provided in this Chapter, is not considered as an element in the price to the consumer.

(8) fail or refuse to obtain a Privilege License or to aid or abet another in any attempt to intentionally refuse to obtain such a license or evade the license fee.

(9) reproduce, forge, falsify, fraudulently obtain or secure, or aid or abet another in any attempt to reproduce, forge, falsify, or fraudulently obtain or secure, an exemption from taxes imposed by this Chapter.

(b) The violation of any provision of subsection (a) above shall constitute a Class One Misdemeanor.

(c) In addition to the foregoing penalties, any person who shall knowingly swear to or verify any false or fraudulent statement, with the intent aforesaid, shall be guilty of the offense of perjury and on conviction thereof shall be punished in the manner provided by law.

SECTION 5. If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Glendale, Maricopa County, Arizona, this ____ day of _____, 2014.

M A Y O R

ATTEST:

City Clerk (SEAL)

APPROVED AS TO FORM:

City Attorney

REVIEWED BY:

City Manager

o_dep of rev_recordkeeping



Legislation Description

File #: 14-477, Version: 1

AUTHORIZATION TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE ARIZONA DEPARTMENT OF TRANSPORTATION FOR PROPERTY EXCHANGES ALONG GRAND AVENUE

Staff Contact: Jack Friedline, Director, Public Works

Purpose and Recommended Action

This is a request for City Council to waive reading beyond the title and adopt an ordinance authorizing the City Manager to enter into an intergovernmental agreement (IGA) with the Arizona Department of Transportation (ADOT) for property exchanges along Grand Avenue between 43rd and 71st avenues.

Background

Over the past several years, ADOT and the City of Glendale have participated in joint projects to improve traffic flow and enhance safety along Grand Avenue. Between 2003 and 2007, the city partnered with ADOT to construct grade separations at major intersections with Grand Avenue, including the underpass at 59th and Glendale avenues in downtown. Based on concepts outlined in the February 2006 Maricopa Association of Governments (MAG) Grand Avenue Major Investment Study (MIS) Phase II, a project to improve access control and the appearance of Grand Avenue was recently completed. The project included construction of turn lanes, screen walls, access control measures, undergrounding utilities, landscape enhancements, upgraded street lighting and continuous sidewalks.

In order to accomplish project goals in Glendale, it was necessary for the city and ADOT to purchase property for the required right-of-way. Glendale staff began the acquisition process in 2006, while ADOT purchased property throughout the life of the Grand Avenue Improvement Project.

Analysis

This land exchange IGA identifies the properties to be exchanged between the City of Glendale and ADOT. In the future, Glendale may wish to combine these properties and sell the land for new development desired by the city. The agreement also includes the cost of walls that were constructed as part of the Grand Avenue Improvement Project.

As established in an IGA amendment approved by Council on April 23, 2013, ADOT will be responsible for maintaining the structural integrity of access control features located within the state's right-of-way along Grand Avenue, between 43rd and 71st avenues, including painting and graffiti control. The city will be responsible for maintenance of these structures on city-owned property, and private property owners will be required to maintain their new walls.

Both ADOT and the city agree that the property transfers referenced in this agreement will occur upon completion of the highway improvements to Grand Avenue, between 43rd and 71st avenues.

Previous Related Council Action

At the October 1, 2013 Workshop, Council provided staff direction to proceed with ADOT to develop an IGA to exchange properties along Grand Avenue.

On April 23, 2013, Council approved Amendment No. 1 to the Grand Avenue Improvement Project IGA for ADOT's maintenance responsibilities for access control features within the state's right-of-way and city responsibility for access control features outside the state's right-of-way. Maintenance responsibilities for operation of the traffic signal at Grand Avenue and 57th Drive were also defined in this amendment.

On October 23, 2012, Council authorized the City Manager to enter into a letter addendum to the 1979 IGA with ADOT for maintenance and operation of signals and highway lighting along Grand Avenue within the City of Glendale, which included an updated list of signalized intersections covered in the IGA to reflect current conditions.

On January 24, 2012, Council authorized the City Manager to enter into agreements with ADOT, SRP and APS for infrastructure improvements along Grand Avenue.

On August 23, 2011, Council adopted a resolution supporting the preservation of the Grand Avenue Corridor as an expressway facility and state highway under the control of ADOT.

On October 9, 2007, Council approved an IGA with ADOT for completion of the Design Concept for Grand Avenue, between 43rd and 71st avenues.

On October 12, 2004, City Council adopted a resolution authorizing the entering into of an IGA with ADOT for incorporation of city-requested improvements to the Grand Avenue Underpass project at 59th and Glendale avenues for architectural enhancements, a pedestrian plaza and downtown drainage improvements.

At the July 15, 2003 Workshop, Council directed staff to proceed in working with ADOT and the Grand Avenue property owners to effect access control, beautification and grade separation along Grand Avenue.

On December 11, 1979, City Council authorized the City Manager to enter into an IGA with ADOT for maintenance of traffic signals and intersection lighting on Grand Avenue at 61st and Myrtle avenues, 59th and Glendale avenues, 55th and Maryland avenues and 51st Avenue and Bethany Home Road.

Community Benefit/Public Involvement

Grand Avenue is a vital regional transportation corridor in Glendale and the Northwest Valley. Improved access control and aesthetic enhancements will improve traffic flow and encourage economic development.

On June 26, 2008, ADOT held an open house in Glendale for public comments on the Design Report and Environmental Study for Grand Avenue Improvements. No comments were received from the public.

Additionally, Grand Avenue improvements have been presented at each of the annual GO Program open houses since 2003.

Budget and Financial Impacts

Based on the difference of the appraised property values of the land to be exchanged between ADOT and Glendale, ADOT will compensate Glendale for the property exchanged less the local share of the wall cost in the amount of \$256,216. Considering the funding sources used to acquire the property needed for right-of-way, \$50,906 will be deposited into the General Fund Miscellaneous Revenues Account (1000-01000-494700), and \$205,310 will be deposited into the GO Transportation Program Miscellaneous Revenues Account (1660-01660-494700).

The cost of maintaining access control walls along Grand Avenue within the city limits is estimated at \$1,277 per year and will be funded through the GO Program Transportation CIP O&M operating budget 1660-16590-524400.

Capital Expense? No

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

ORDINANCE NO. 2926 NEW SERIES

AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE EXECUTION OF AN INTERGOVERNMENTAL AGREEMENT (IGA/JPA 13-0002457-I) WITH THE STATE OF ARIZONA, DEPARTMENT OF TRANSPORTATION, FOR PROPERTY EXCHANGES AND TRANSFERS FOR THE PURPOSE OF FINALIZING THE PREVIOUS INTERGOVERNMENT AGREEMENT (IGA/JPA 10-142-I) BETWEEN GLENDALE AND MARICOPA COUNTY DATED FEBRUARY 16, 2012 FOR A HIGHWAY IMPROVEMENT PROJECT IN AND AROUND THE AREAS OF US 60, GRAND AVENUE, AND 71ST AVENUE TO 43RD AVENUE.

WHEREAS, the State of Arizona is empowered by Arizona Revised Statutes § 28-401 to enter into this Agreement; and

WHEREAS, the City of Glendale, Arizona is empowered by Arizona Revised Statutes § 48-572 to enter into this Agreement; and

WHEREAS, on January 24, 2012 the City Council approved the entering into of an Intergovernmental Agreement with the State of Arizona, Department of Transportation, for utility relocations and enhancements of Grand Avenue (Resolution No. 4538 New Series); and

WHEREAS, the State of Arizona and the City of Glendale entered into the Intergovernmental Agreement (IGA/JPA 10-142-I) dated February 16, 2012 for the design, construction and maintenance of certain highway improvements to US 60, Grand Avenue, 71ST Avenue to 43RD Avenue (060 MA 152 H7328 01C); and

WHEREAS, the State has completed the highway improvement project on February 27, 2007, known as 59th Avenue/Glendale Avenue 60 MA 152.7 H5610 01C for US 60, Grand Avenue; and

WHEREAS, the State of Arizona acquired property for use as right-of-way per Resolution No. 2012-10A-046 which defines the Grand Avenue right-of-way per plans 060 MA 149 H7292 01R; and

WHEREAS, the State of Arizona and the City of Glendale desire to exchange and transfer various rights-of-way parcels now owned and/or controlled by the State and the City in order to finalize the agreements contained in the previous IGA and the mutual understandings related to the previously completed highway improvement project.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GLENDALE as follows:

SECTION 1. That the City Manager and City Clerk be, and they hereby are, authorized and directed to execute and deliver the Property Exchange Intergovernmental Agreement with the State of Arizona, Department of Transportation, (IGA/JPA 13-0002457-I) for the property exchanges related to Federal-Aid-No. 089-B(212)S, ADOT Project No. H7328 01C for the US 60, Grand Avenue Project which document is now on file in the office of the City Clerk of the City of Glendale, as well as any and all other documents necessary for the City to effectuate the terms of said document.

SECTION 2. That the property exchange and transfer of all rights-of-way are described in the Property Exchange Intergovernmental Agreement.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Glendale, Maricopa County, Arizona, this ____ day of _____, 2014.

M A Y O R

ATTEST:

City Clerk (SEAL)

APPROVED AS TO FORM:

City Attorney

REVIEWED BY:

City Manager

l_adot_le

ADOT File No.: IGA/JPA 13-0002457-I
AG Contract No.: P001-2013-xxxx
Project: US 60, Grand Avenue
Section: SR101L to McDowell Road
COG/MPO TIP Item No.: N/A
Property Exchange related to:
Federal-aid- No.: 089-B(212)S
ADOT Project No.: H7328 01C
**CFDA No.: 20.205 - Highway Planning
and Construction**
Budget Source: N/A

**Property Exchange
INTERGOVERNMENTAL AGREEMENT**

BETWEEN
THE STATE OF ARIZONA
AND
THE CITY OF GLENDALE

THIS AGREEMENT is entered into _____, 2014 pursuant to Arizona Revised Statutes, §§ 11-951 through 11-954, as amended, between the STATE OF ARIZONA, acting by and through its DEPARTMENT OF TRANSPORTATION (the "State" or "ADOT") and the CITY OF GLENDALE, acting by and through its MAYOR and CITY COUNCIL ("The City"). The State and the City are individually referred to as the "Party" and collectively referred to as the "Parties".

I. RECITALS

1. The State is empowered by Arizona Revised Statutes § 28-401 to enter into this Agreement and has delegated to the undersigned the authority to execute this Agreement on behalf of the State.

2. The City is empowered by Arizona Revised Statutes § 48-572, to enter into this Agreement and has by resolution, a copy of which is attached and made a part of this Agreement, resolved to enter into this Agreement and has authorized the undersigned to execute this Agreement on behalf of the City.

3. The Parties have previously entered into an Intergovernmental Agreement (IGA/JPA 10-142I), dated February 16, 2012, hereafter referred to as the "IGA", for the design, construction and maintenance of certain highway improvements to US 60, Grand Avenue, 71st Avenue to 43rd Avenue (060 MA 152 H7328 01C), also referred to as the "Project".

4. In addition, the State has completed a highway improvement project on February 27, 2007, known as 59th Avenue/Glendale Avenue 60 MA 152.7 H5610 01C (referred to as the "completed highway improvement project") for US 60, Grand Avenue.

5. The State acquired property for use as right-of-way per Resolution No. 2012-10-A-046 which defines the Grand Avenue right-of-way per plans 060 MA 149 H7292 01R. The Parties desire to exchange and transfer various right-of-way parcels now-owned and/or controlled by each (the "right-of-way") in order to finalize: 1) the agreements contained in the IGA; and, 2) the mutual understandings related to the previously completed highway improvement project.

6. The purpose of this Agreement is to identify the parcels to be exchanged between the City and the State and identify the costs for walls to be constructed, as part of the Project, on the City's parcels including 2 (two) property owner parcels, delineated on Exhibit A (Pages 1-4), attached and made a part of this Agreement.

THEREFORE, in consideration of the mutual agreements expressed herein, it is agreed as follows:

II. SCOPE OF WORK

1. The State agrees:

a. To exchange and transfer all of the right-of-way described on Exhibit A based on right-of-way plans 060 MA 149 H7292 01R, as follows:

i. See Page 1 of Exhibit A; entitled "ADOT EXCESS LAND to the City of Glendale" together with US 60, Grand Avenue Right-of-Way Exchange Map, drawings (1) through (15) attached and made a part of this Agreement as Exhibit B, as prepared by URS, dated 02/2013, depicting the parcels to be exchanged and transferred by the reference numbers shown.

ii. See Page 2 of Exhibit A; entitled "Circa 2005 59th Avenue Project 060-B806 – ADOT LAND PARCELS" together with attached right-of-way plans, entitled "59th Avenue – Glendale Avenue 060 MA 155 H5610," attached and made a part of this Agreement as Exhibit C, as prepared by URS, dated 05/24/2005, the Ownership Record and P-2 and P-3 depicting the parcels to be exchanged and transferred by ADOT parcel numbers.

iii. See Page 3 of Exhibit A; entitled "060-B-806 ADOT LAND PARCELS" together with attached right-of-way Plans included in Exhibit C, entitled "59th Avenue – Glendale Avenue 060 MA 155 H5610," (the Ownership Record and P-2 and P-3 depicting the parcels to be exchanged and transferred by ADOT parcel numbers) as prepared by URS, dated 05/24/2005, and Drawing D-7-T-1001, as prepared by AZTEC, dated 10/09/2012 attached and made a part of this Agreement as Exhibit D, for project 060 MA 149 H7292 01R depicting the four (4) separate land reductions on three (3) ADOT parcels (7-9497; 7-9498; and 7-9499) presently in use for new right-of-way and for underground easements *UGE).

iv. See Page 4 of Exhibit A; entitled "ADOT Right-of-Way to the City of Glendale" together with "US 60 Grand Ave right-of-way returned to Glendale" maps attached and made a part of this Agreement as Exhibit E, as prepared by URS, dated 07/2013, depicting the parcels taken in as ADOT right-of-way for the purposes of the Project per Resolution No. 2012-10-A-046, but are to be returned to the City and recorded as shown in Exhibit A.

b. To recommend to the State Transportation Board approval of all rights-of-way exchanged and transferred by this Agreement in accordance with its agreement set forth in the IGA (JPA10-1421), Page 7, 3 (a) and in compliance with Arizona Revised Statutes, Section 20-6901.

c. To pay the City, **\$256,216.00**, within thirty (30) days of receipt of an invoice, and completion of construction of the highway improvements to US 60, Grand Avenue, from 71st Avenue to 43rd Avenue and completion of all the terms, conditions, obligations and documentation necessary to finalize the land exchange.

d. That the City has complied with all of its obligations of coordination concerning the exchange and transfer of rights-of-way as set forth in the IGA (JPA10-1421) on Page 5, II. SCOPE OF WORK, Paragraph 2 (o), when all of the terms and conditions of this Agreement are finalized.

e. To furnish the City any and all documents necessary to exchange, transfer and finalize the vesting of good title including the transfer of title by "Special Warranty Deed" to the other regarding all of the parcels described in Exhibit A.

f. To cause the right-of-way plans to be revised to reflect the right-of-way necessary for the current Project only.

g. To accept from the City, permanent Transportation Easements for seven (7) properties with walls constructed as part of the Project and shown on Page 1 of Exhibit A (identified as "ADOT Excess Land to City of Glendale and City of Glendale Property to ADOT", outside the right-of-way).

h. Be responsible for maintaining the structural integrity of access control features within the State's rights-of-way, as referenced in the IGA under II.1.(u).

i. It will not be responsible for maintaining screen walls outside State rights-of-way along US 60, Grand Avenue within the Project limits of 71st Avenue to 43rd Avenue within the City.

2. The City agrees:

a. To exchange and transfer all of the right-of-way described in Exhibit A, as follows: See page 1 of Exhibit A: entitled "CITY OF GLENDALE PROPERTY TO ADOT" together with Exhibit B [drawings one (1) through fifteen (15)], as prepared by URS, dated 02/2013, depicting the parcels to be exchanged and transferred by reference numbers shown.

b. The State has complied with all of its obligations of coordination concerning the exchange and transfer of rights-of-way as set forth in the IGA on Page 3, II. SCOPE OF WORK, Paragraph 1 (r.) when all terms and conditions of this Agreement are finalized.

c. To furnish the State any and all documents necessary to exchange, transfer and finalize the vesting of good title to the other regarding all parcels described in Exhibit A.

d. To invoice the State in the amount of **\$256,216.00** upon completion of construction of the highway improvements to US 60, Grand Avenue, from 71st Avenue to 43rd Avenue and completion of all the terms, conditions, obligations and documentation necessary to finalize the land exchanges.

e. To provide to the State, permanent Transportation Easements for seven (7) properties with walls constructed as part of the Project and shown on Page 1 of Exhibit A (identified as "ADOT Excess Land to City of Glendale and City of Glendale Property to ADOT", outside the right-of-way).

f. To set forth in writing, plans to include maintenance of sidewalks, walls or any other project improvement located on the returned property described on page 4 of Exhibit A.

3. The Parties agree:

a. The property transfers between the Parties referenced in this Agreement will occur upon completion of construction of the highway improvements to US 60, Grand Avenue, from 71st Avenue to 43rd Avenue. Completion is considered issuance of project final acceptance by ADOT.

b. Walls outside the right-of-way will be maintained by the adjacent property owner, excepting walls specifically agreed to be maintained by the City under the IGA and any subsequent amendments.

c. The required easements shall be placed on all properties prior to transfer.

III. MISCELLANEOUS PROVISIONS

1. The terms, conditions and provisions of this Agreement shall remain in full force until completion of the Project and all right-of-way transfers by both Parties.

2. The Parties to this Agreement agree that the State of Arizona shall be indemnified and held harmless by the City for the vicarious liability of the State as a result of entering into this Agreement. Each Party to this contract is responsible for its own negligence.

3. Parties warrant compliance with the Federal Funding Accountability and Transparency Act of 2006 and associated 2008 Amendments (the "Act"). Additionally, in a timely manner, the City will provide information that is requested by the State to enable the State to comply with the requirements of the Act, as may be applicable.

4. The City acknowledges compliance with federal laws and regulations and may be subject to the Office of Management and Budget (OMB), Single Audit, Circular A-133 (Audits of States, Local Governments, and Non-Profit Organizations). Entities that expend \$500,000.00 or more (prior to 12/26/14) and \$750,000.00 or more (on or after 12/26/14) of federal assistance (federal funds, federal grants, or federal awards) are required to comply by having an independent audit. Either an electronic or hardcopy of the Single Audit is to be sent to Arizona Department of Transportation Financial Management Services within the required deadline of nine (9) months of the sub recipient fiscal year end.

ADOT – FMS
Attn: Cost Accounting Administrator
206 S 17th Ave. Mail Drop 204B
Phoenix, AZ 85007
SingleAudit@azdot.gov

5. This Agreement shall become effective upon signing and dating of the Determination Letter by the State's Attorney General.

6. This Agreement may be cancelled in accordance with the Arizona Revised Statutes § 38-511.

7. To the extent applicable under law, the provisions set forth in the Arizona Revised Statutes §§ 35-214 and 35-215 shall apply to this Agreement.

8. This Agreement is subject to all applicable provisions of the Americans with Disabilities Act (Public Law 101-336, U.S.C. Volume 42, Sections 12101-12213) and all applicable federal regulations under the Act, including 28 CFR Parts 35 and 36. The Parties to this Agreement shall comply with Executive Order Number 2009-09 issued by the Governor of the State of Arizona and is incorporated herein by reference regarding "Non-Discrimination".

9. Non-Availability of Funds: Every obligation of the State and City under this Agreement is conditioned upon the availability of funds appropriated or allocated for the fulfillment of such obligations. If funds are not allocated and available for the continuance of this Agreement, this Agreement may be terminated by the State at the end of the period for which the funds are available. No liability shall accrue to the State in the event this provision is exercised, and the State shall not be obligated or liable for any future payments as a result of termination under this paragraph.

10. If the federal funding related to this Project is terminated or reduced by the federal government, or if the federal government rescinds, fails to renew, or otherwise reduces apportionments or obligation authority, the State shall in no way be obligated for funding or liable for any past, current or future expenses under this Agreement.

11. In the event of any controversy, which may arise out of this Agreement, the Parties hereto agree to abide by required arbitration as is set forth for public works contracts in the Arizona Revised Statutes § 12-1518.

12. All notices or demands upon any Party to this Agreement shall be in writing and shall be delivered in person or sent by mail, addressed as follows:

Arizona Department of Transportation
Joint Project Administration
205 S. 17th Avenue, Mail Drop 637E
Phoenix, Arizona 85007-3212
Fax: 602-712-3132

City of Glendale
City Manager's Office
5850 West Glendale Avenue
Glendale, AZ 85301
Fax: (623) 847-1399

For Finance: Contract Payable

Arizona Department of Transportation
Attn: Accounts Payable
206 S. 17th Avenue, MD 203B
Phoenix, AZ 85007

City Finance - Contact

City of Glendale
Public Works - Transportation
6210 West Myrtle Avenue, Suite 112
Glendale, AZ 85301

For Right of Way - Contact

Arizona Department of Transportation
Attn: Deputy Chief Right of Way Agent
205 S. 17th Avenue, MD 300
Phoenix, AZ 85007

13. The Parties shall comply with the applicable requirements of the Arizona Revised Statutes § 41-4401.

14. In accordance with the Arizona Revised Statutes § 11-952, (D) attached hereto and incorporated herein is the written determination of each Party's legal counsel that the Parties are authorized under the laws of this State to enter into this Agreement and that the Agreement is in proper form.

IN WITNESS WHEREOF, the Parties have executed this Agreement the day and year first above written.

CITY OF GLENDALE

STATE OF ARIZONA

Department Of Transportation

By _____
BRENDA S. FISCHER, ICMA-CM
City Manager

By _____
DALLAS HAMMIT, P.E.
Senior Deputy State Engineer, Development

ATTEST:

By _____
PAMELA HANNA
City Clerk

IGA/JPA 13-0002457 I

ATTORNEY APPROVAL FORM FOR THE CITY OF GLENDALE

I have reviewed the above referenced Intergovernmental Agreement between the STATE OF ARIZONA, acting by and through its DEPARTMENT OF TRANSPORTATION, and the CITY OF GLENDALE, an Agreement among public agencies, which has been reviewed pursuant to Arizona Revised Statutes §§ 11-951 through 11-954 and declare this Agreement to be in proper form and within the powers and authority granted to the CITY OF GLENDALE under the laws of the State of Arizona.

No opinion is expressed as to the authority of the State to enter into this Agreement.

DATED this _____ day of _____, 2014.

City Attorney

Exhibit A
Land Exchange Tables (Pgs. 1-4)

ADOT EXCESS LAND to City of Glendale											
Reference No.	Drawing No.	Excess ADOT Land to be Exchanged to COG (sq ft)	Apr \$/sf	Value	Access Control Value	Remarks	Wall Type	Length (Lin. Ft.) or (SQ. FT.)	Cost	Inside / Outside R/W	
2	7	N/A	N/A	N/A	N/A	(7-9497, 59th Ave Project Exchange	Decorative	43	\$18,275	Inside	
5	7	N/A	N/A	N/A	N/A	(7-9498) 59th Ave Project Exchange	Decorative	254	\$107,950	Inside	
6	7	N/A	N/A	N/A	N/A	(7-9499) 59th Ave Project Exchange; Reserve 570 s/f UGE	Decorative	75	\$31,875	Inside	
7	6 & 7	N/A	N/A	N/A	N/A	(7-9516) 59th Ave Project Exchange; Reserve 3,865 s/f UGE					
9	6	N/A	N/A	N/A	N/A	(7-9518) 59th Ave Project Exchange; Reserve 4,357 s/f UGE					
13	5	9,670	\$5.00	\$48,350	N/A	(7-9524)					
18	1	43,671	\$8.00	\$349,368	N/A	(7-11088, Lloyd) Revised from 21,413 due to Northern Parkway R/W	Pony	925	\$24,050	Outside	
n/a	8	N/A	N/A	N/A	N/A	(7-11406) West Michigan Investments, LLC. Excluded From Exchange	Screen	1521	\$39,546	Outside	
Total Area		53,341		\$397,718		Total Value of ADOT Excess Land to be Exchanged			\$221,696		
								Construction Engineering @	9%	\$19,953	
								Construction Contingencies @	5%	\$11,085	
								Indirect Cost Allocation @	8.15%	\$18,068	
								Total Wall Cost for ADOT EXCESS LAND to City of Glendale		\$270,802	

CITY OF GLENDALE PROPERTY to ADOT											
Reference No.	Drawing No.	City of Glendale Property to be Exchanged to ADOT (sq ft)	Apr. \$/sf	Value	Access Control Value	Remarks	Wall Type	Length (Lin. Ft.) or (SQ. FT.)	Cost	Inside / Outside R/W	
3	7	3,640	\$8.13	\$29,593	N/A		Decorative	158	\$67,150	Inside	
16	1	26,465	\$0.00	\$0	\$0	Revised from 40,708 (Northern Parkway) (14,243 diff)	Pony	1945	\$50,570	Outside	
17	1	11,731	\$0.00	\$0	\$0	Revised from 42,147 (Northern Parkway) (30,416 diff)	Pony	1330	\$34,580	Outside	
19	1 & 2	9,418	\$4.00	\$37,672	\$0	Revised from 21,574 (No. Prkwy w/in COG Basin) (12,156 diff)					
20	2	3,526	\$8.50	\$29,971	\$0	Revised from 5,036 (Northern Parkway) (1,510 diff)	Screen	1054	\$27,404	Outside	
21	2	10,580	\$7.00	\$74,060	\$0	Revised from 11,476 (Northern Parkway) (VFW) (896 diff)	Screen	3331	\$86,606	Outside	
22	2	10,985	\$7.63	\$83,761	\$0	(B & B / Crystal Motels)	Screen	3592	\$93,392	Outside	
23	2 & 3	3,630	\$8.00	\$29,040	\$0	(Sunset Trlr. Park)	Screen	1269	\$32,994	Outside	
24	3	5,877	\$8.00	\$47,016	\$0	(Vista Motel)	Screen	2388	\$62,088	Outside	
28	4	8,626	\$8.00	\$69,008	N/A	(Northern Chemical)					
29	4	1,429	\$6.50	\$9,289	N/A	(COG street R/W)					
30	4	2,426	\$7.50	\$18,195	N/A	Revised from 3,085 (New R/W revised) (Morcomb) (659 diff)					
35	9 & 10	12,854	\$5.30	\$68,126	N/A	(Sands)					
37	10	5,838	\$5.70	\$33,277	N/A	(Sanderson)					
38	11	4,404	\$5.70	\$25,103	N/A	(Sanderson)					
40	13 & 14	13,118	\$4.75	\$62,311	N/A	(Alhambra School Dist.)					
42	15	3,404	\$10.25	\$34,891	N/A	(B & M Bumper) (997 SF Wall, 209 LF Fence)	Screen w/Fence	997	\$38,930	Inside	
43	15	5,316	\$8.00	\$42,528	N/A	(Competition Body & Paint) (1225 SF Wall, 256 LF Fence)	Screen w/Fence	1225	\$47,804	Inside	
Total Area		143,267		\$693,839		Total Value of COG Property to be Exchanged			\$541,517		
				\$13,234		Credit to COG from 59th Ave Exchange					
				\$707,073		Total Value of COG Property to be Exchanged					
								Construction Engineering @	9%	\$48,736.53	
								Construction Contingencies @	5%	\$27,075.85	
								Indirect Cost Allocation @	8.15%	\$44,134	
								CITY OF GLENDALE PROPERTY to ADOT: Total Cost		\$661,463	
Area Diff.		(89,926)		(309,355)		Difference between Total Values			Total Wall Cost	\$932,265	
								ADOT Matching Funds @	5.70%	\$53,139.09	
				\$256,216		Total amount owed to City of Glendale					

EXHIBIT A

Circa 2005 59TH AVENUE PROJECT 060-B-806

CITY OF GLENDALE PARCELS	
Parcel No.	Value
7-9517	\$60,000.00
7-9519	\$24,000.00
7-9541 & 7-10114	\$67,000.00
Total Value	\$151,000.00

ADOT LAND PARCELS	
Parcel No.	Value
7-9498 (NW) & 7-9499	\$85,900.00
7-9516	\$34,468.00
7-9518	\$11,490.00
7-9498 (SE)	\$5,060.00
7-9497	\$848.00
Total Value	\$137,766.00

Value Difference \$13,234.00

EXHIBIT A

060-B-806 ADOT LAND PARCELS

Parcel No.s 7-9498 (NW) & 7-9499			
Sq. Ft. Area	Remarks	Value/Sq. Ft.	Value
570	UGE	\$2.50	\$1,425.00
5693	7-9499 Rem. (minus 2012)	\$5.00	\$28,465.00
11202	7-9498 Rem. (NW) (minus 2131)	\$5.00	\$56,010.00
Total Value			\$85,900.00

Parcel No. 7-9516			
Sq. Ft. Area	Remarks	Value/Sq. Ft.	Value
3865	Underground Easement	\$2.50	\$9,662.50
4961	Remainder	\$5.00	\$24,805.00
Total Value			\$34,467.50

Parcel No. 7-9518			
Sq. Ft. Area	Remarks	Value/Sq. Ft.	Value
4357	Underground Easement	\$0.95	\$4,139.15
3869	Remainder	\$1.90	\$7,351.10
Total Value			\$11,490.25

Parcel No. 7-9498 (SE)			
Sq. Ft. Area	Remarks	Value/Sq. Ft.	Value
1840	Remainder (SE) (minus 2190)	\$2.75	\$5,060.00

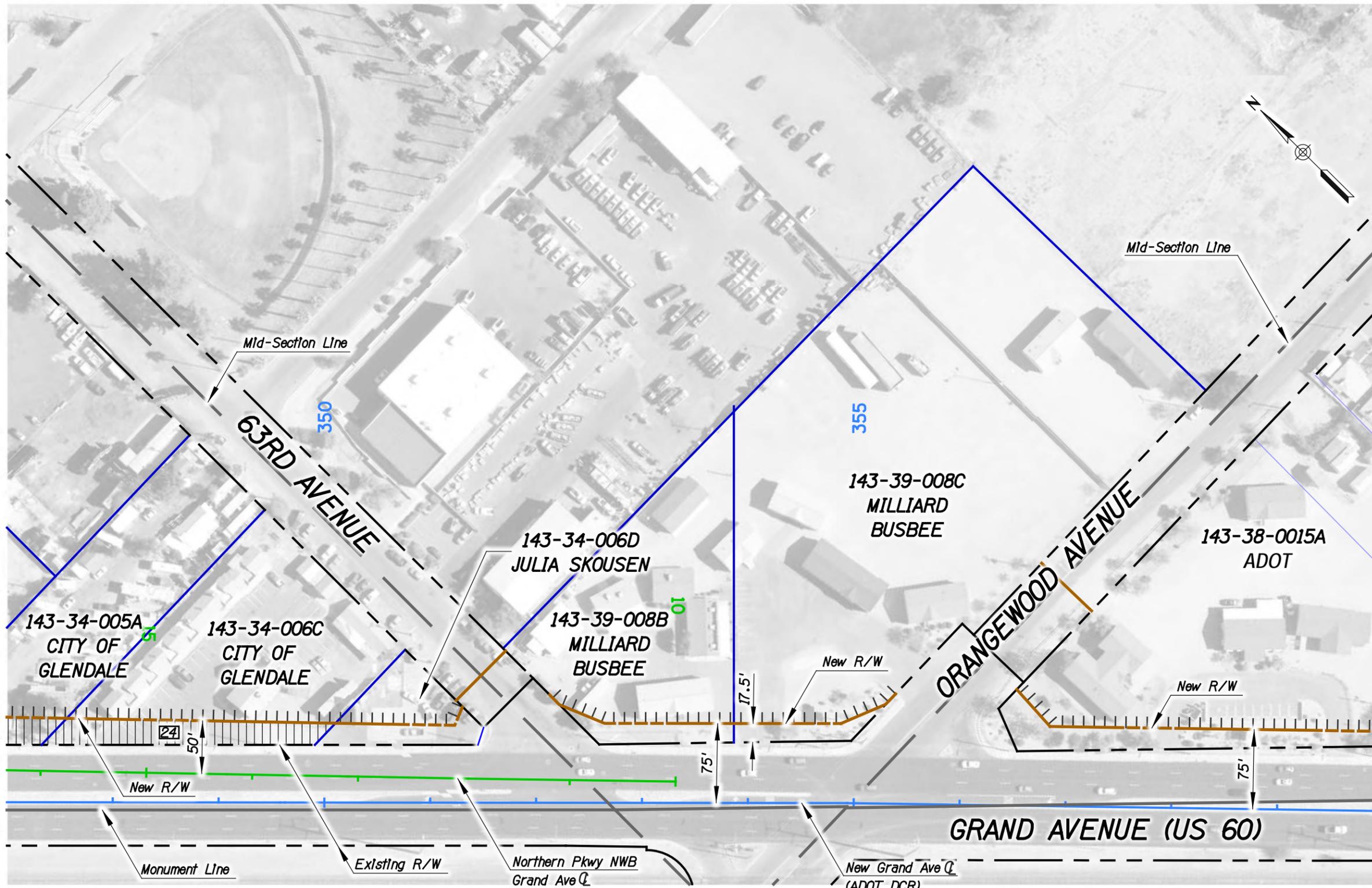
Parcel No. 7-9497			
Sq. Ft. Area	Remarks	Value/Sq. Ft.	Value
339	Remainder (minus 1657)	\$2.50	\$847.50

Total Value of ADOT Land Parcels \$137,765.25

EXHIBIT A

ADOT Right-of-Way to the City of Glendale			
Reference No	Drawing No	ADOT R/W to be Transferred to COG (sf)	Remarks
16A	1	14,243	City owned land
17A	1	30,416	City owned land
19A	1&2	12,156	City owned land
20A	2	1,510	City owned land
21A	2	896	City owned land

Exhibit B
Grand Avenue Right-of-Way Exchange Maps (Pgs. 1-15)



LEGEND

- City of Glendale Property to ADOT
- ADOT Land to City of Glendale
- ADOT Underground Easement

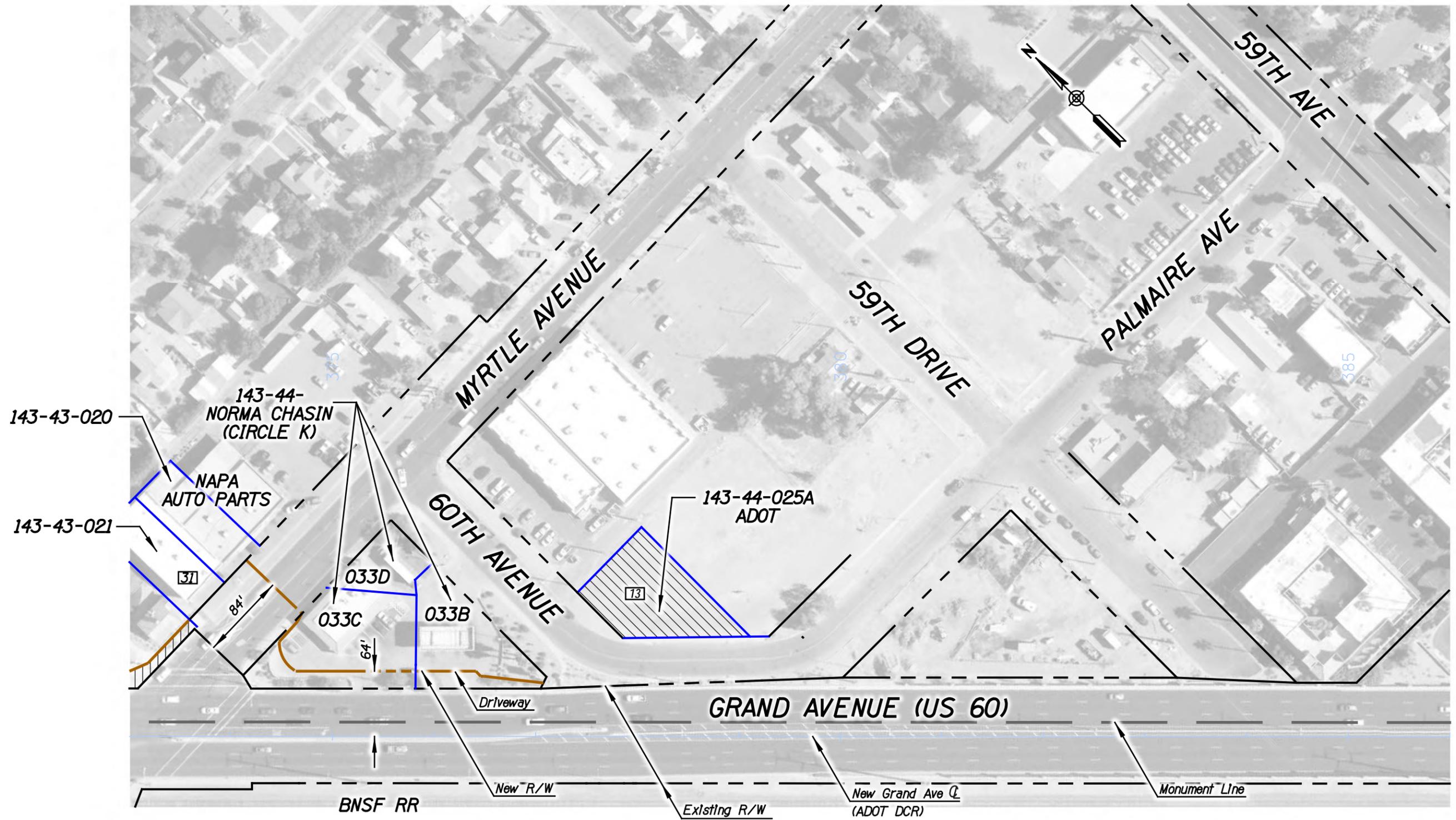
- Property Line
- New R/W Line
- Existing R/W Line
- New Access Control Line
- Centerline

Property Reference Number from ROW Exchange Table

SCALE 1" = 100'

IGA/JPA 13-002457-I Exhibit B

DESIGN	NAME	DATE	ARIZONA DEPARTMENT OF TRANSPORTATION INTERMODAL TRANSPORTATION DIVISION ROADWAY DESIGN SERVICES
DRAWN		02/13	
CHECKED		02/13	
URS			US 60 GRAND AVE ROW EXCHANGE MAP
ROUTE	LOCATION		DWG NO
US 60	GRAND AVENUE (71ST AVE TO 43RD ROW)		
TRACS NO.	H7292 01L		3 OF 15



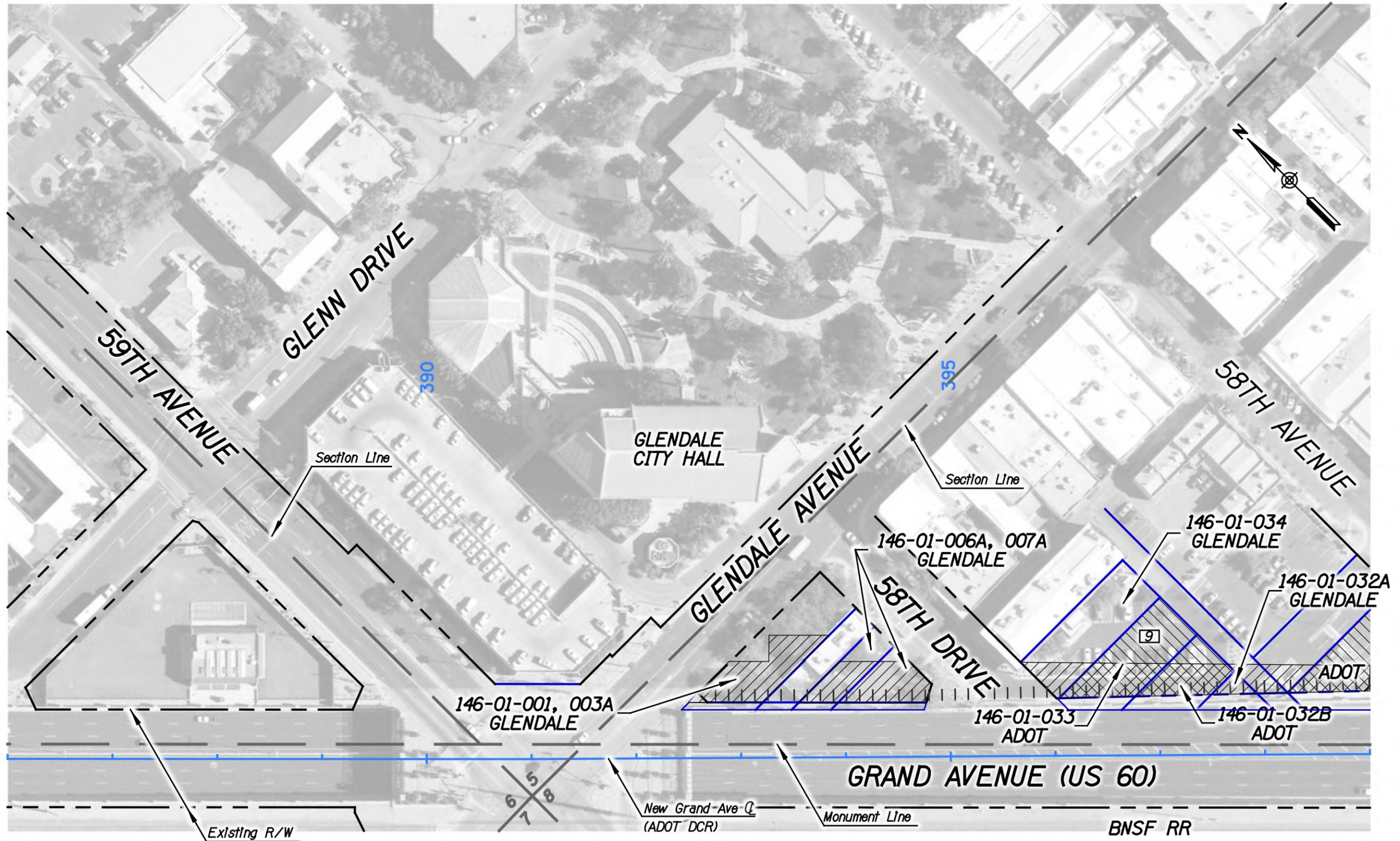
LEGEND

- City of Glendale Property to ADOT
- ADOT Land to City of Glendale
- ADOT Underground Easement
- Property Line
- New R/W Line
- Existing R/W Line
- New Access Control Line
- Centerline
- Property Reference Number from ROW Exchange Table

SCALE 1" = 100'

IGA/JPA 13-0002457-I Exhibit B

	NAME	DATE	ARIZONA DEPARTMENT OF TRANSPORTATION INTERMODAL TRANSPORTATION DIVISION ROADWAY DESIGN SERVICES
DESIGN		02/13	URS US 60 GRAND AVE ROW EXCHANGE MAP
DRAWN		02/13	
CHECKED		02/13	
URS			
ROUTE	LOCATION		
US 60	GRAND AVENUE (71ST AVE TO 43RD ROW)	DWG NO	
TRACS NO.	H7279 01L	5 OF 15	



LEGEND

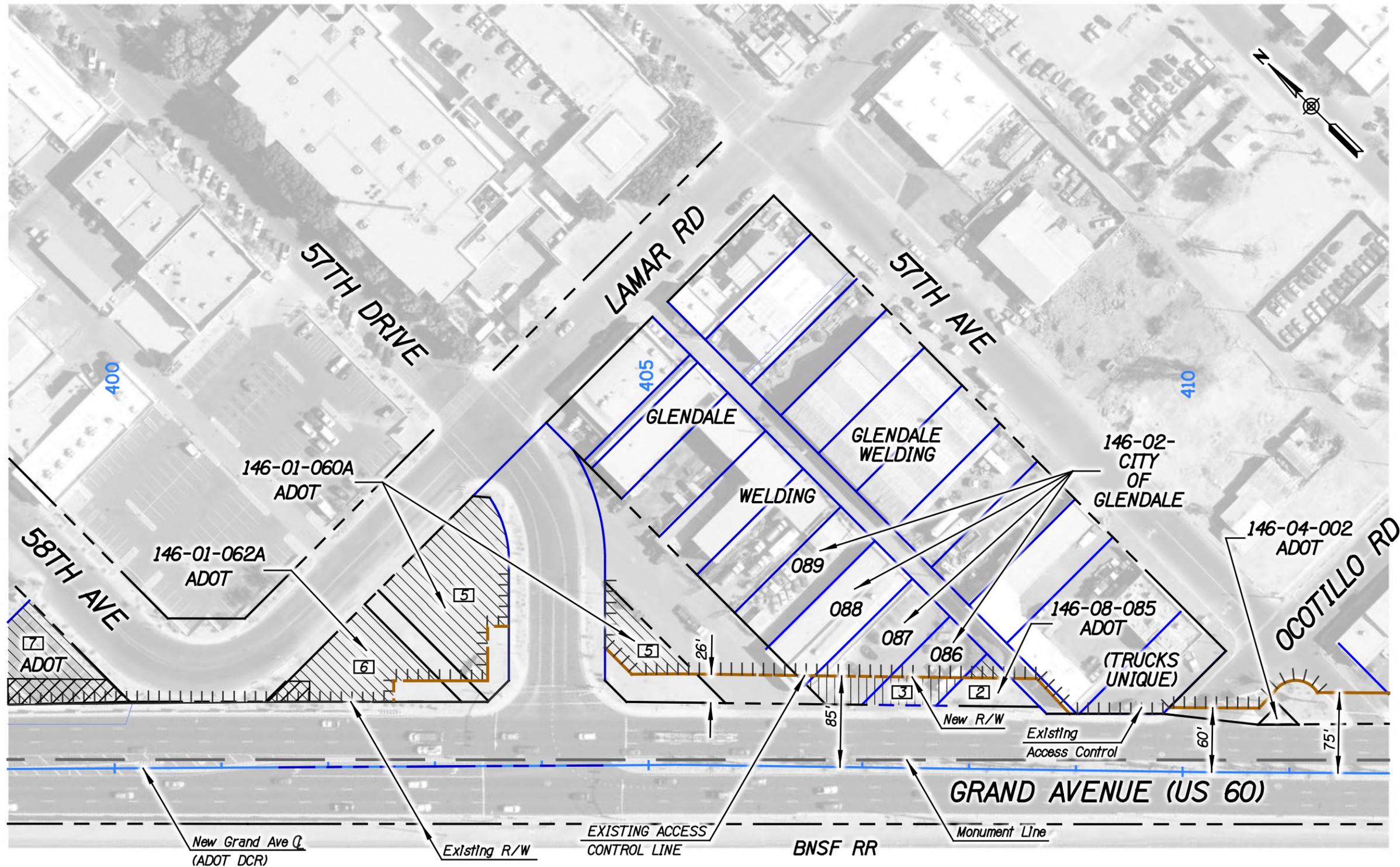
- City of Glendale Property to ADOT
- ADOT Land to City of Glendale
- ADOT Underground Easement on Exchange Property
- Property Line
- New R/W Line
- Existing R/W Line
- New Access Control Line
- Centerline

XX Property Reference Number from ROW Exchange Table

SCALE 1" = 100'

IGA/JPA 13-0002457-I Exhibit B

	NAME	DATE	ARIZONA DEPARTMENT OF TRANSPORTATION INTERMODAL TRANSPORTATION DIVISION ROADWAY DESIGN SERVICES	
DESIGN		02/13	URS US 60 GRAND AVE ROW EXCHANGE MAP	
DRAWN		02/13		
CHECKED		02/13		
ROUTE		LOCATION		DWG NO
US 60		GRAND AVENUE (71ST AVE TO 43RD ROW)		
TRACS NO.	H7292 01L			6 OF 15



LEGEND

- City of Glendale Property to ADOT
- ADOT Land to City of Glendale
- ADOT Underground Easement on Exchange Property

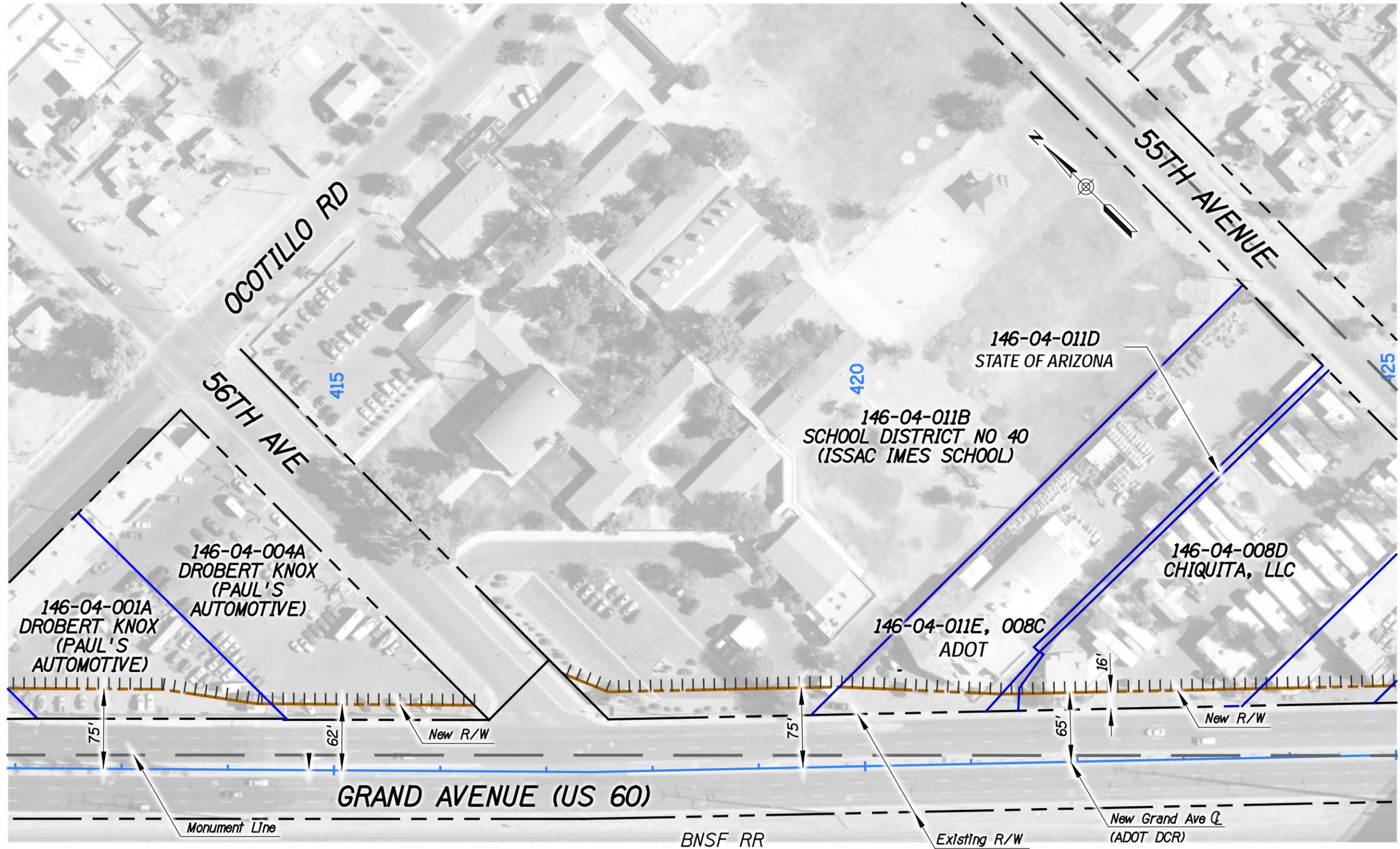
- Property Line
- New R/W Line
- Existing R/W Line
- New Access Control Line
- Centerline

Property Reference Number from ROW Exchange Table

IGA/JPA 13-0002457-I Exhibit B

DESIGN	NAME	DATE	ARIZONA DEPARTMENT OF TRANSPORTATION INTERMODAL TRANSPORTATION DIVISION ROADWAY DESIGN SERVICES
DRAWN		02/13	
CHECKED		02/13	
URS			US 60 GRAND AVE ROW EXCHANGE MAP
ROUTE	LOCATION	DWG NO	
US 60	GRAND AVENUE (71ST AVE TO 43RD ROW)		
TRACS NO.	H7292 01L	7 OF 15	

SCALE 1" = 100'



LEGEND

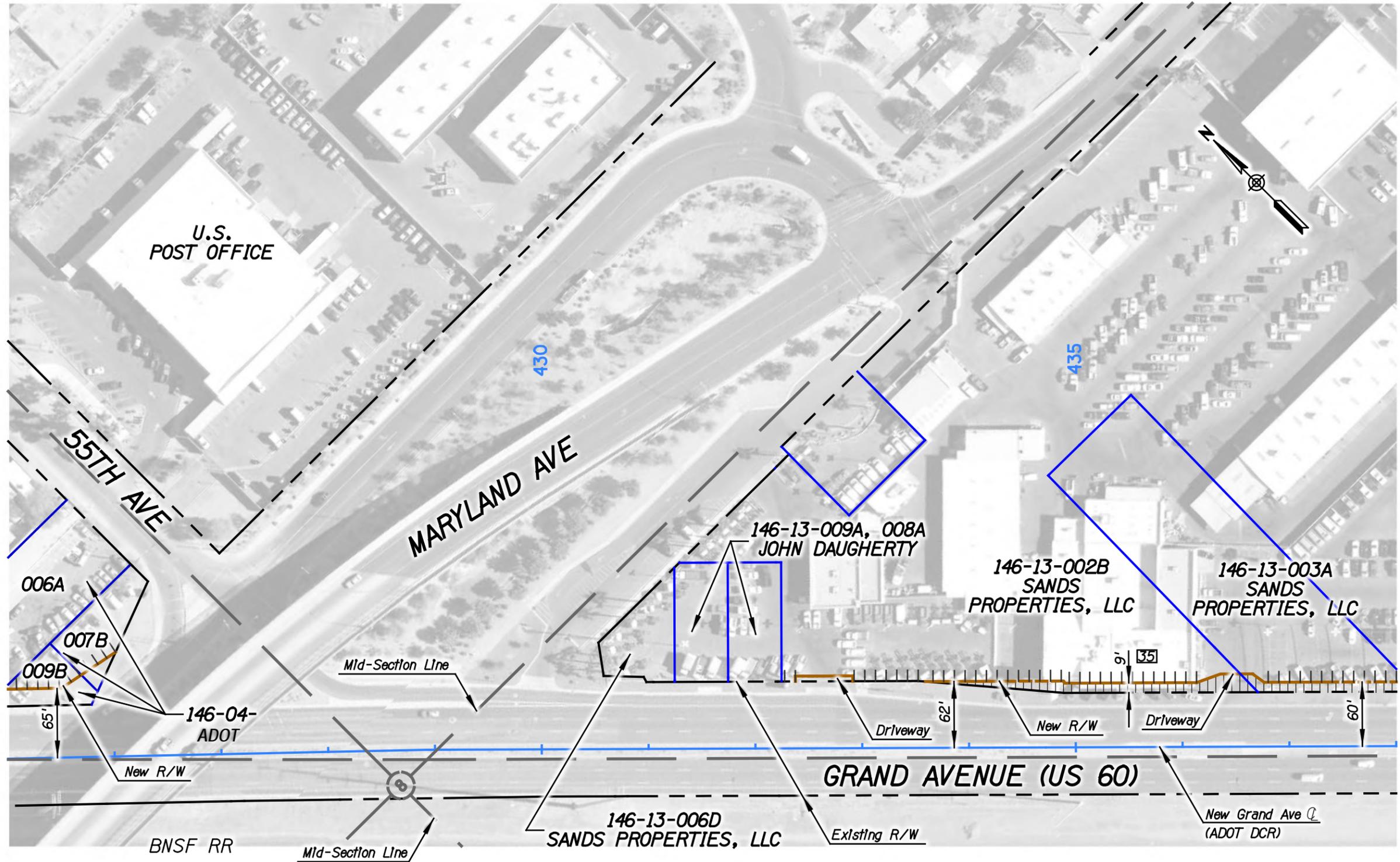
-  City of Glendale Property to ADOT
-  Property Line
-  New R/W Line
-  Existing R/W Line
-  New Access Control Line
-  Centerline
-  ADOT Land to City of Glendale
-  Existing R/W Line
-  New Access Control Line
-  Centerline
-  ADOT Underground Easement

 Property Reference Number from ROW Exchange Table

SCALE 1" = 100'

IGA/JPA 13-0002457-I Exhibit B

DESIGN	NAME	DATE	ARIZONA DEPARTMENT OF TRANSPORTATION INTERMODAL TRANSPORTATION DIVISION ROADWAY DESIGN SERVICES
DRAWN		02/13	
CHECKED		02/13	
URS			US 60 GRAND AVE ROW EXCHANGE MAP
ROUTE	LOCATION		DWG NO
US 60	GRAND AVENUE (71ST AVE TO 43RD ROW)		
TRACS NO.	H7292 01L		8 OF 15



LEGEND

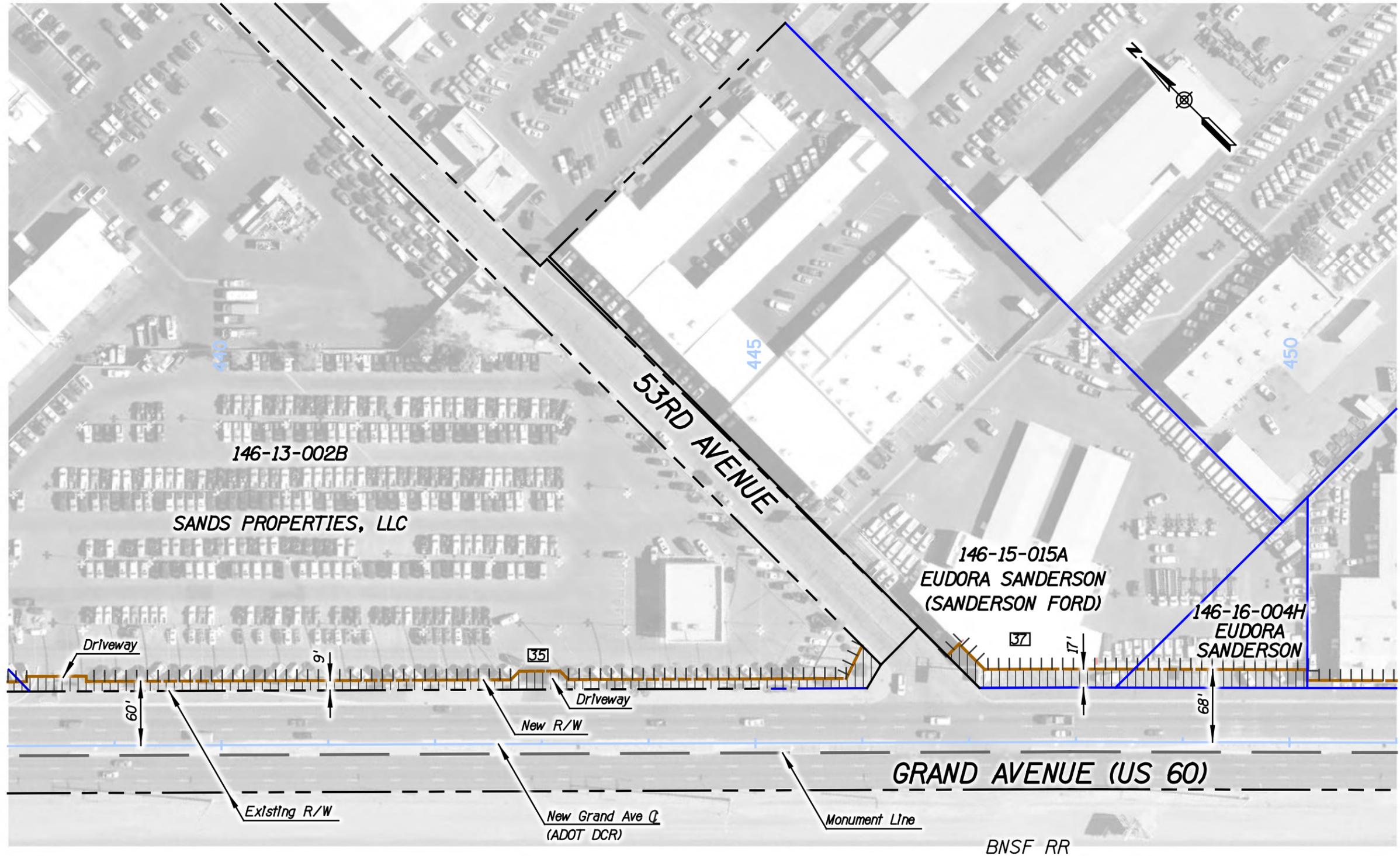
- City of Glendale Property to ADOT
- ADOT Land to City of Glendale
- ADOT Underground Easement
- Property Line
- New R/W Line
- Existing R/W Line
- New Access Control Line
- Centerline

Property Reference Number from ROW Exchange Table

SCALE 1" = 100'

IGA/JPA 13-002457-I Exhibit B

DESIGN	NAME	DATE	ARIZONA DEPARTMENT OF TRANSPORTATION INTERMODAL TRANSPORTATION DIVISION ROADWAY DESIGN SERVICES
DRAWN		02/13	
CHECKED		02/13	
URS			US 60 GRAND AVE ROW EXCHANGE MAP
ROUTE	LOCATION		DWG NO
US 60	GRAND AVENUE (71ST AVE TO 43RD ROW)		
TRACS NO.	H7292 OIL		9 OF 15



LEGEND

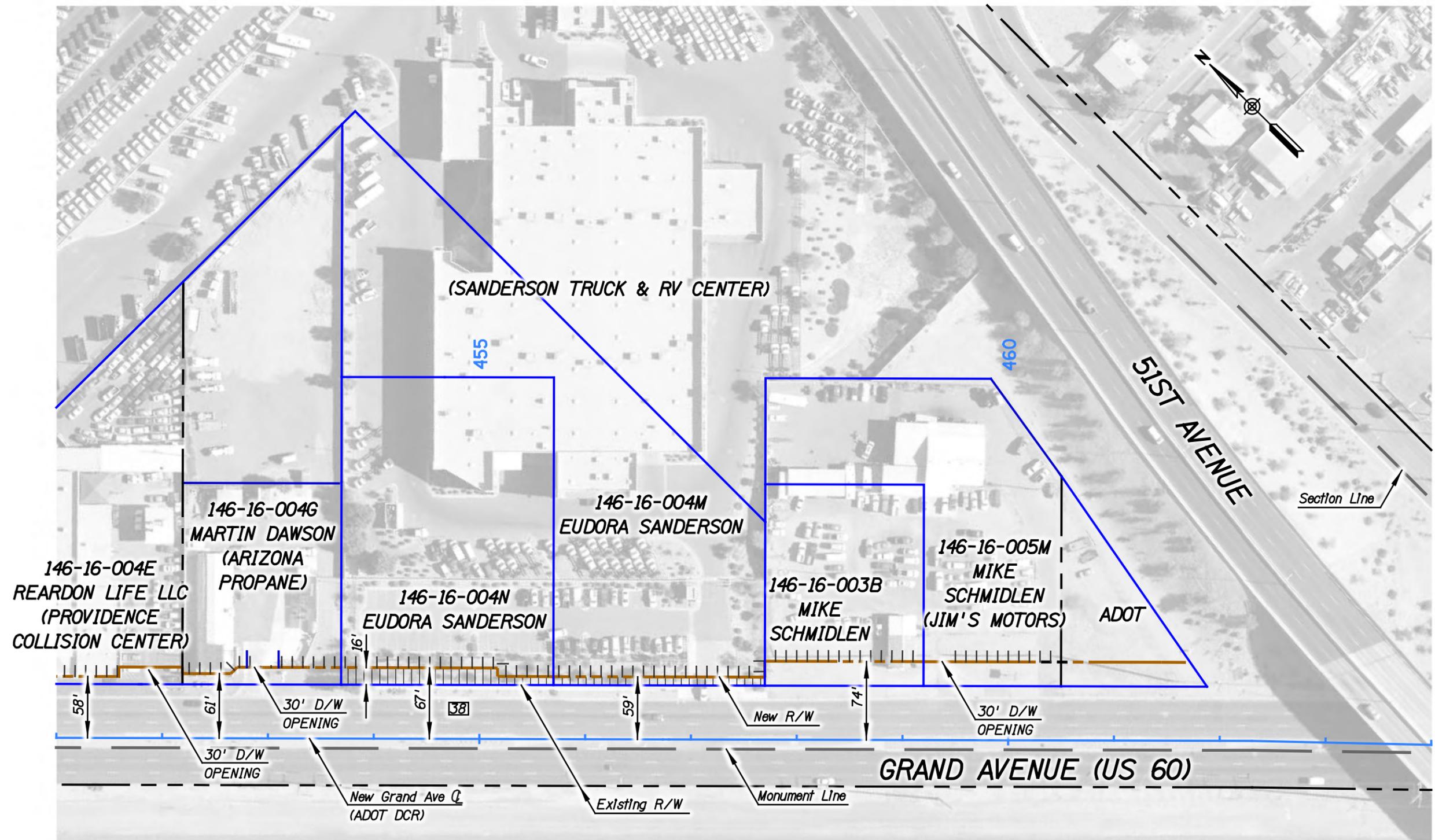
- City of Glendale Property to ADOT
- Property Line
- New R/W Line
- Existing R/W Line
- New Access Control Line
- Centerline
- ADOT Land to City of Glendale
- ADOT Underground Easement

Property Reference Number from ROW Exchange Table

SCALE 1" = 100'

IGA/JPA 13-0002457-I Exhibit B

DESIGN	NAME	DATE	ARIZONA DEPARTMENT OF TRANSPORTATION INTERMODAL TRANSPORTATION DIVISION ROADWAY DESIGN SERVICES
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CHECKED		02/13	
URS			US 60 GRAND AVE ROW EXCHANGE MAP
ROUTE	LOCATION		DWG NO
US 60	GRAND AVENUE (71ST AVE TO 43RD ROW)		
TRACS NO.	H7292 01L		10 OF 15



LEGEND

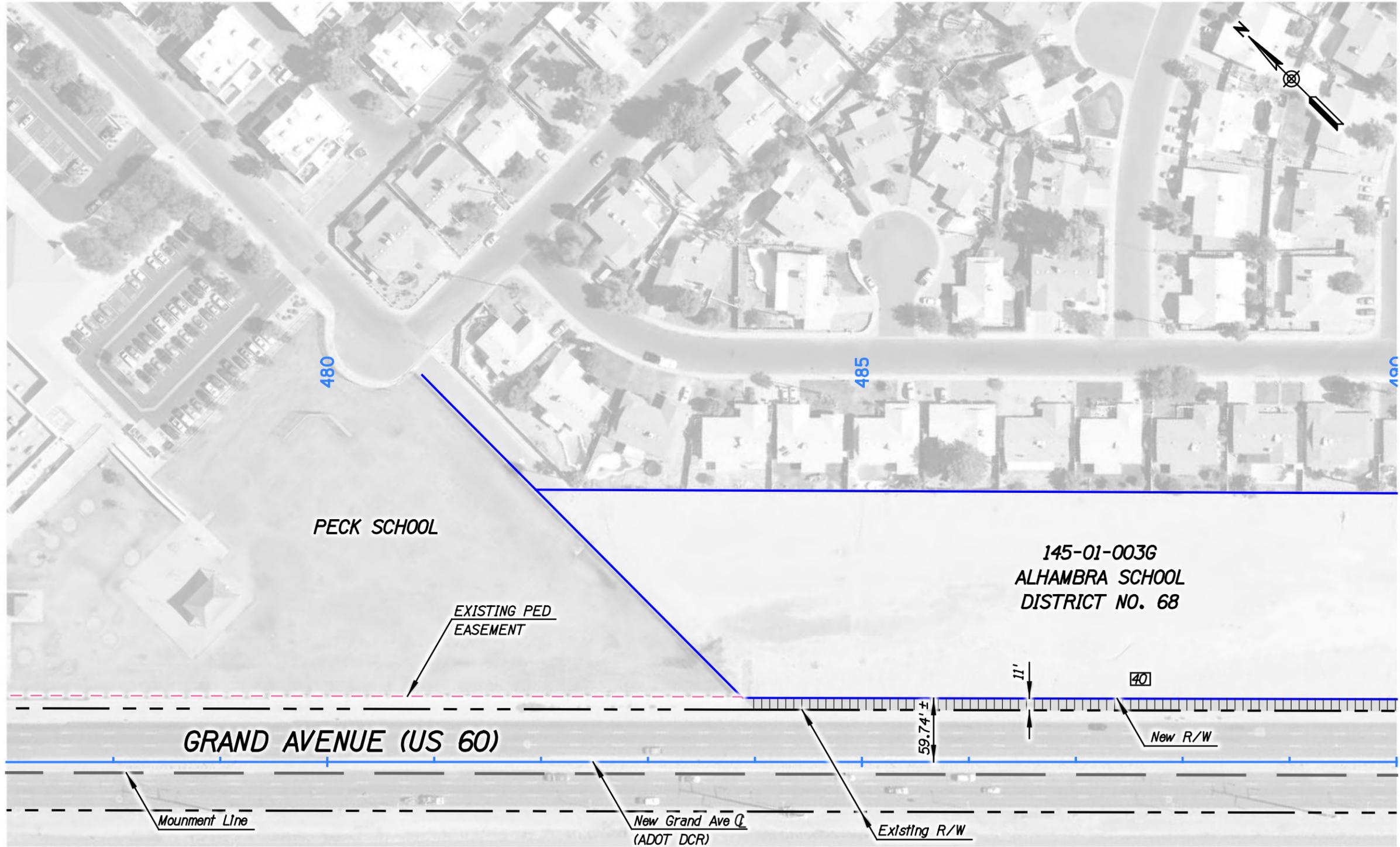
- City of Glendale Property to ADOT
- Property Line
- ADOT Land to City of Glendale
- New R/W Line
- ADOT Underground Easement
- Existing R/W Line
- New Access Control Line
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Property Reference Number from ROW Exchange Table

IGA/JPA 13-0002457-I Exhibit B

DESIGN	NAME	DATE	ARIZONA DEPARTMENT OF TRANSPORTATION INTERMODAL TRANSPORTATION DIVISION ROADWAY DESIGN SERVICES
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CHECKED		02/13	
URS			US 60 GRAND AVE ROW EXCHANGE MAP
ROUTE	LOCATION		DWG NO
US 60	GRAND AVENUE (71ST AVE TO 43RD ROW)		
TRACS NO.	H7292 01L		11 OF 15

SCALE 1" = 100'



LEGEND

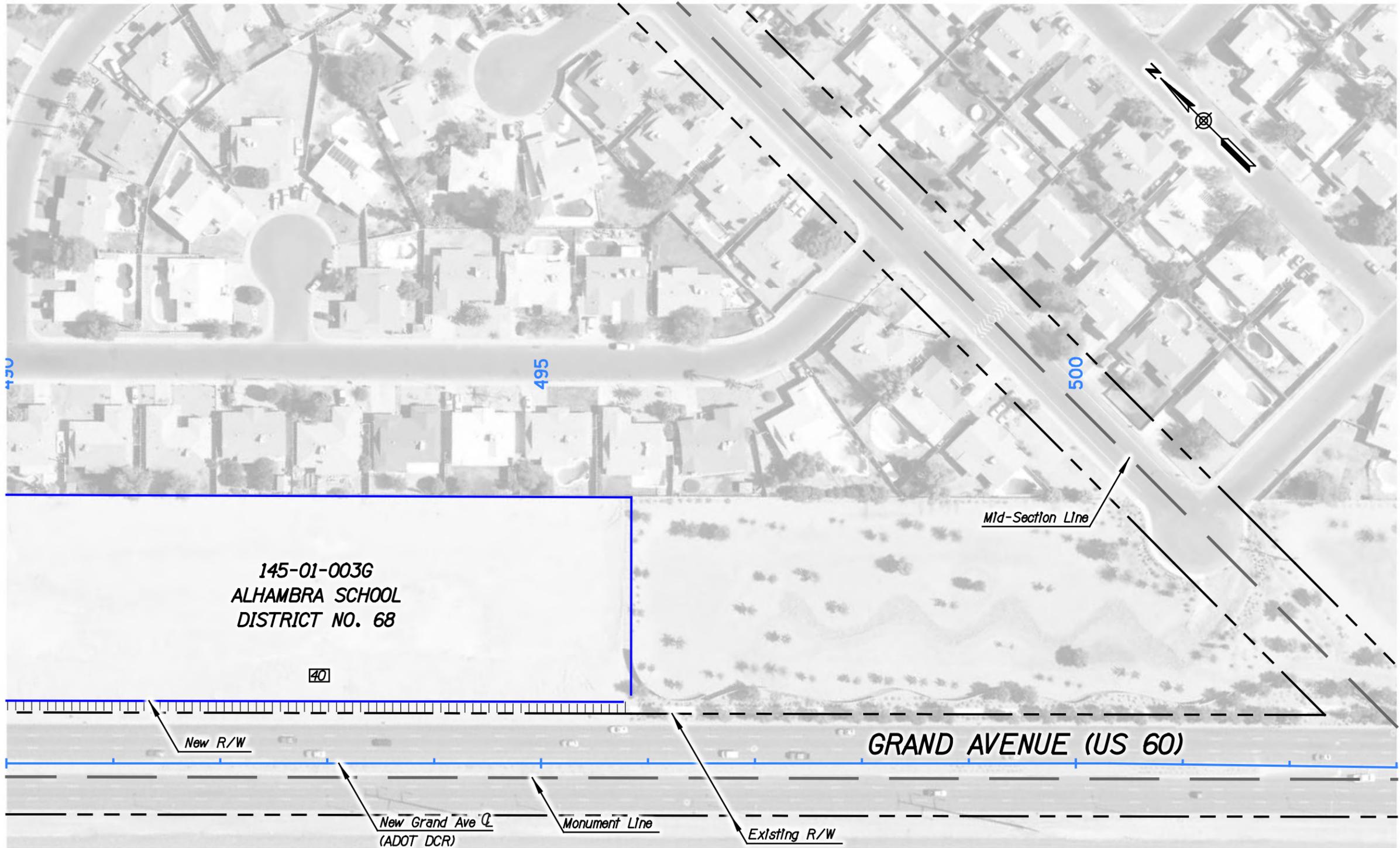
- City of Glendale Property to ADOT
- ADOT Land to City of Glendale
- ADOT Underground Easement
- Property Line
- New R/W Line
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- New Access Control Line
- Centerline

Property Reference Number from ROW Exchange Table

SCALE 1" = 100'

IGA/JPA 13-0002457-I Exhibit B

DESIGN	NAME	DATE	ARIZONA DEPARTMENT OF TRANSPORTATION INTERMODAL TRANSPORTATION DIVISION ROADWAY DESIGN SERVICES
DRAWN		02/13	
CHECKED		02/13	
URS			US 60 GRAND AVE ROW EXCHANGE MAP
ROUTE	LOCATION		DWG NO
US 60	GRAND AVENUE (71ST AVE TO 43RD ROW)		
TRACS NO.	H7292 01L		13 OF 15



LEGEND

- City of Glendale Property to ADOT
- ADOT Land to City of Glendale
- ADOT Underground Easement
- Property Line
- New R/W Line
- Existing R/W Line
- New Access Control Line
- Centerline

Property Reference Number from ROW Exchange Table

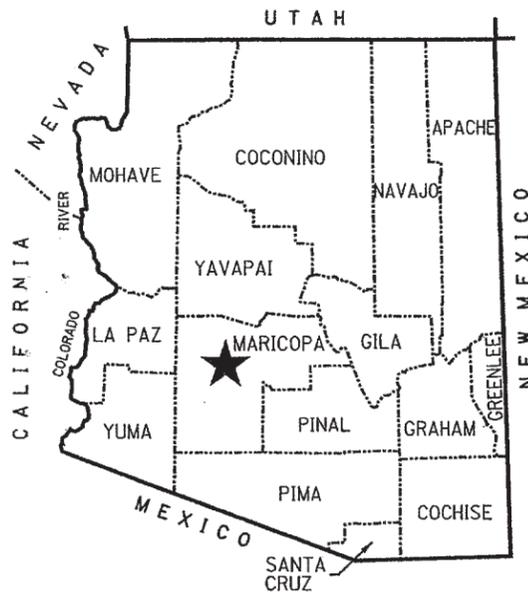
SCALE 1" = 100'

IGA/JPA 13-0002457-I Exhibit B

	NAME	DATE	ARIZONA DEPARTMENT OF TRANSPORTATION INTERMODAL TRANSPORTATION DIVISION ROADWAY DESIGN SERVICES	
DESIGN		02/13	US 60 GRAND AVE ROW EXCHANGE MAP	
DRAWN		02/13		
CHECKED		02/13		
URS				
ROUTE	LOCATION			
US 60	GRAND AVENUE (71ST AVE TO 43RD ROW)	DWG NO		
TRACS NO.	H7292 01L	14 OF 15		

Exhibit C

59th Avenue – Glendale Avenue 060 MA 155 H5610 Right-of-Way Plans (Pgs. 1-5)



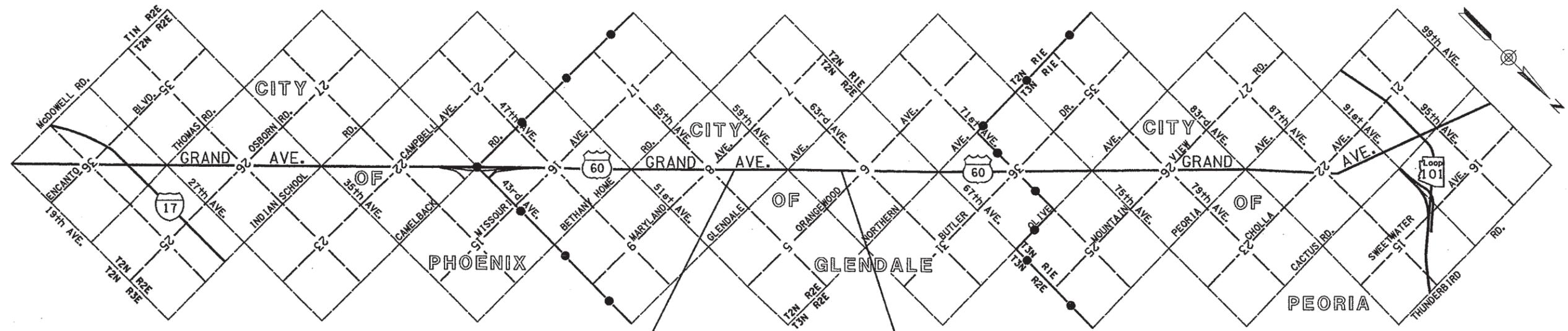
RIGHT OF WAY PLANS OF THE WICKENBURG - PHOENIX HIGHWAY 59TH AVENUE - GLENDALE AVENUE 060 MA 155 H5610 01R RAM 060-B-806

**ARIZONA DEPARTMENT
OF
TRANSPORTATION**
INTERMODAL
TRANSPORTATION
DIVISION



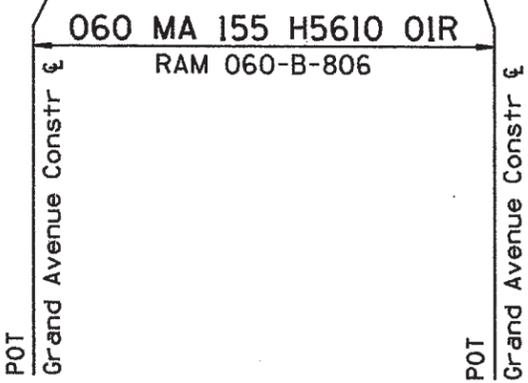
★ **PROJECT LOCATION**

COUNTY NAME: MARICOPA
LENGTH OF PROJECT: 0.95 MILES
ADOT DISTRICT: E (PHOENIX)
DRAWING NUMBER: D-7-T-935



SHEET INDEX

COVER SHEET	1
STANDARD ABBREVIATIONS & SYMBOLS	S-1
OWNERSHIP RECORD SHEET	ORS-1 TO ORS-2
VICINITY MAP SHEET	VM-1
PLAN SHEET	P-1 TO P-5
INDEX TO EXIST R/W & SCH B ITEMS	P-6 TO P-10
TOTAL SHEETS	15



ARIZONA DEPARTMENT OF TRANSPORTATION BOARD
APPROVED FOR RIGHT OF WAY ACQUISITION IN ACCORDANCE
WITH RESOLUTION 2000-01-A-009 DATED JAN 21 2000
RESOLUTION 200-10-A-089 DATED OCT 29 2000
EDWARD D. WRIGHT STATE ENGINEER



P:\TRANSPORTATION\City_of_Glendale\03446306_GOB_Trans_Program_FY_2013-2014\Task 2 Grand Avenue\CADD\ExhibitL and Exchange Strip Maps\Exhibit C SH01 of SH05.pdf

P:\TRANSPORTATION\City_of_Glendale\3446306_GOB_Trans_Program_FY_2013-2014\Task 2 Grand Avenue\CADD\Exhibits\Land and Exchange Strip Maps\Exhibit C-SHO2 of SHO5.pdf

		OWNERSHIP			RECORD					ACQUISITION RECORD			
PARCEL NUMBER	OWNER	DESCRIPTION OF AREA REQUIRED	TOTAL AREA	AREA REQUIRED			REMAINDER		SHEET NO.	INSTRUMENT		RECORDED	
				GROSS INCLUDING EXISTING R/W	NET EXCLUDING EXISTING R/W	NEW EASEMENTS	LEFT	RIGHT		TYPE	DATE	DATE	DOCUMENT
① 7-9497	ALFRED J. & JOHN F. MERIN	PT LOT 13, BLOCK 32, AMENDED PLAT OF GLENDALE, ARIZONA	3,806		1,810			1,996	P-2				
① 7-9498	MADHUSUDAN G. BHAKTA, ET UX	PT LOTS 1, 2, 3, 4 & 5, BLOCK 33, AMENDED PLAT OF GLENDALE, ARIZONA	34,681		17,318			17,363	P-2				
① 7-9499	R. C. & LYNDA F. SNELLING	PT LOTS 6 & 7, BLOCK 33 AMENDED PLAT OF GLENDALE, ARIZONA	12,361		4,086	570 UGE		7,705	P-2				
7-9512	JULEA GERALDINE WILLIAMS TRUST	PT LOTS 14 & 15, BLOCK 32, AMENDED PLAT OF GLENDALE, ARIZONA	26,676		1,690	581 TCE		24,986	P-2				
② 7-9513	BURLINGTON NORTHERN AND SANTA FE RAILWAY COMPANY	PT OF NW 1/4 NW 1/4 OF SEC 8 & PT OF SE 1/4 SE 1/4 OF SEC 6 ALL IN T2N R2E				45,920 ③ 13,499 ④			P-2 thru P-4				
① 7-9516	DLLR PROPERTIES, LLC	PT LOTS 18 & 19, BLOCK 24, AMENDED PLAT OF GLENDALE, ARIZONA	12,270		3,444	3,865 UGE		4,961	P-2				
7-9517	CITY OF GLENDALE	PT OF LOT 1, BLOCK 23, AMENDED PLAT OF GLENDALE, ARIZONA	7,767		572	3,800 UGE 2,075 TCE		3,395	P-3				
① 7-9518	LARRY J. WALKER, ET UX	PT LOTS 20 & 21, BLOCK 24, AMENDED PLAT OF GLENDALE, ARIZONA	10,000		1,774	4,357 UGE		3,869	P-2				
7-9519	CITY OF GLENDALE	PT LOTS 2 & 3, BLOCK 23, AMENDED PLAT OF GLENDALE, ARIZONA	5,489		856	3,754 UGE 3,292 TCE		879	P-3				
7-9520	RICHARD D. COFFINGER, ET UX	PT LOTS 1 & 2, BLOCK 23, AMENDED PLAT OF GLENDALE, ARIZONA	2,931		241	1,812 UGE 334 TCE		878	P-3				
① 7-9521	GRAND ENTERPRISES OF GLENDALE, LLC	PT LOTS 1, 2, 3 & 4, BLOCK 16, AMENDED PLAT OF GLENDALE, ARIZONA	32,781			32,689 UGE		92	P-3				
7-9522	BEST WESTERN PHOENIX-GLENDALE	PT LOTS 9, 10, 11 & 12, BLOCK 9, AMENDED PLAT OF GLENDALE, ARIZONA	30,255		303	435 UGE 559 TCE		29,517	P-3				
7-9523	BST MANAGEMENT GROUP	PT 1, 2, 3 & 4, BLOCK 8, AMENDED PLAT OF GLENDALE, ARIZONA	30,413		1,929	1,635 UGE 1,635 TCE		26,849	P-3 & P-4				
① 7-9524	ALFONSO OLIVARES, ET UX	PT LOTS 9 & 10, BLOCK 5, AMENDED PLAT OF GLENDALE, ARIZONA	14,304		4,304			9,670	P-4				
7-9525	C. S. FUNDING ASSOCIATES - 1987	PT LOTS 1,2 & 3, BLOCK 6, AMENDED PLAT OF GLENDALE, ARIZONA	26,813			581 TCE		26,813	P-4				

Note : All areas are in square feet unless otherwise indicated.

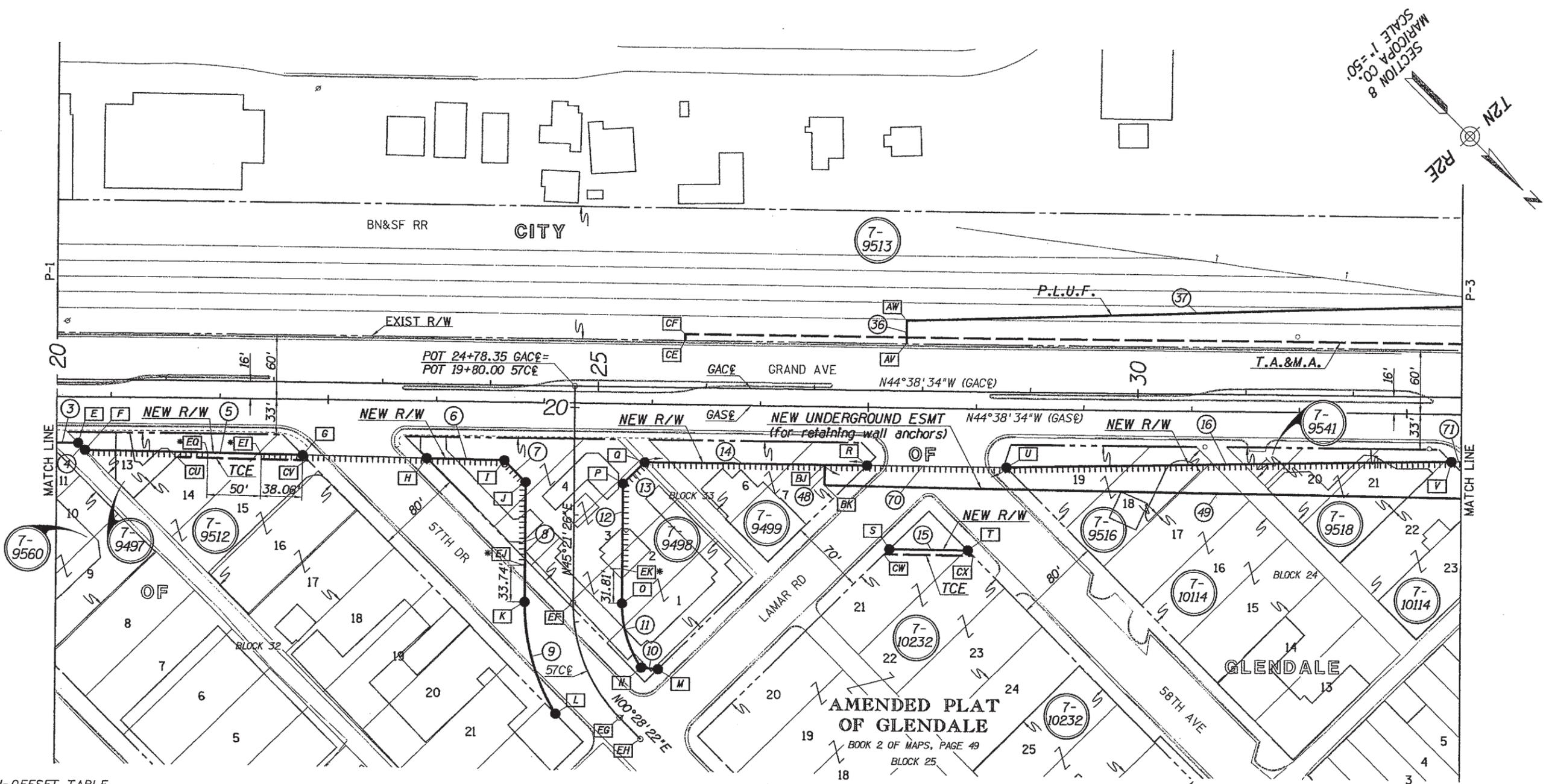
UGE - Underground Easement for Retaining Wall Anchors.

- ① Parcel to be acquired as a total acquisition.
- ② To be acquired with BNSF Railroad Construction and Maintenance Agreement by ADOT Utility and Railroad Engineering Section.
- ③ Perpetual R/W License for Underground Facilities
- ④ Temporary Access & Maintenance Area

DRAWING NO.	D-7-T-935	ARIZONA DEPARTMENT OF TRANSPORTATION INTERMODAL TRANSPORTATION DIVISION RIGHT OF WAY PLANS SECTION	
SURVEY	SEE ATTACHED SURVEY	HIGHWAY NAME:	WICKENBURG-PHOENIX
DRAWN/DATE	DB - JAN 04	FEDERAL IDENTIFICATION NO.:	RAM 060-B-806
ADOT REVIEW	S LAING	TRACS NO.	060 MA 155 H5610 01R
URS	7720 North 16th Street Suite 100 - Phoenix, AZ 85020 - 602.371.1100	ROUTE NO.:	59TH AVENUE - GLENDALE AVENUE
SECTION NAME:	US 60	SHEET	ORS-1



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STATION-OFFSET TABLE

E	59.00' RT	POT 20+19.88	GAC	V	60.00' RT	POT 32+91.04	GAC
F	65.50' RT	POT 20+26.36	GAC	AV	44.00' LT	POT 27+85.00	GAC
G	67.83' RT	POT 22+26.82	GAC	AW	65.60' LT	POT 27+85.00	GAC
H	69.16' RT	POT 23+41.05	GAC	BJ	70.00' RT	POT 27+10.00	GAC
I	70.00' RT	POT 24+13.35	GAC	BK	89.00' RT	POT 27+10.00	GAC
J	90.00' RT	POT 24+33.35	GAC=	CE	44.00' LT	POT 25+80.00	GAC
K	45.00' RT	POT 20+70.00	57C	CF	50.00' LT	POT 25+80.00	GAC
L	45.00' RT	POT 21+81.74	57C	CU	71.48' RT	POT 21+10.73	GAC
M	56.69' LT	POT 22+87.10	57C	CV	72.89' RT	POT 22+31.85	GAC
N	45.00' LT	POT 22+71.18	57C	CW	152.72' RT	POT 27+65.66	GAC
O	45.00' LT	POT 21+81.74	57C	CX	152.81' RT	POT 28+47.75	GAC
P	90.00' RT	POT 25+23.35	GAC=	EF	PC 21+81.74	57C	
Q	45.00' LT	POT 20+70.00	57C	EG	PT 22+99.25	57C	
R	70.00' RT	POT 25+43.35	GAC	EH	POT 23+26.77	57C	
S	147.72' RT	POT 27+70.66	GAC	*EI	67.40' RT	POT 21+89.58	GAC
T	147.81' RT	POT 28+42.76	GAC	*EJ	45.00' RT	POT 21+48.57	57C
U	70.00' RT	POT 28+78.16	GAC	*EK	45.00' LT	POT 21+48.57	57C
				*EQ	66.82' RT	POT 21+39.58	GAC

* - LIMITS OF ACCESS CONTROL

DATA TABLE

3	N44°38'34"W	109.04'	12	S45°21'26"W	111.74'
4	N00°27'33"E	9.18'	13	N89°38'34"W	28.28'
5	N43°58'36"W	200.47'	14	N44°38'34"W	206.09'
6	N43°58'36"W	72.31'	15	N44°34'41"W	72.10'
7	N00°21'26"E	28.28'	16	N46°01'49"W	413.00'
8	N45°21'26"E	111.74'	36	S45°21'26"W	21.60'
9	R= 195.00'		37	N46°46'18"W	638.04'
	Δ= 31°52'53"LT		48	N45°21'26"E	19.00'
	L= 108.50'		49	N44°08'58"W	696.89'
	LTB IN = N45°21'26"E		70	N44°38'34"W	168.15'
	LTB OUT= N13°28'33"E		71	N46°28'54"W	124.66'
10	S39°49'41"E	15.72'			
11	R= 105.00'				
	D= 34°09'36"RT				
	L= 62.60'				
	LTB IN = S11°11'50"W				
	LTB OUT= S45°28'26"W				

CURVE DATA (57C)

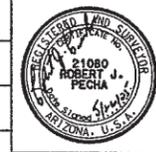
PI 22+43.69
 Δ=44°53'04"LT
 D=38°11'50"
 T=61.95'
 L=117.51'
 R=150.00'

GAC = Grand Avenue Constr &
 GASE = Grand Avenue Survey &
 57C = 57th Dr Constr &
 P.L.U.F. = Perpetual R/W License for
 Underground Facilities
 T.A.&M.A. = Temporary Access &
 Maintenance Area

DRAWING NO.	D-7-T-935	ARIZONA DEPARTMENT OF TRANSPORTATION INTERMODAL TRANSPORTATION DIVISION RIGHT OF WAY PLANS SECTION	
SURVEY	SEE ATTACHED SURVEY	HIGHWAY NAME:	WICKENBURG-PHOENIX
DRAWN/DATE	DB - JAN 04	FEDERAL IDENTIFICATION NO.:	RAM 060-B-806
ADOT REVIEW	S LAING	TRACS NO.	060 MA 155 H5610 01R
ROUTE NO.:	US 60	SECTION NAME:	59TH AVENUE - GLENDALE AVENUE

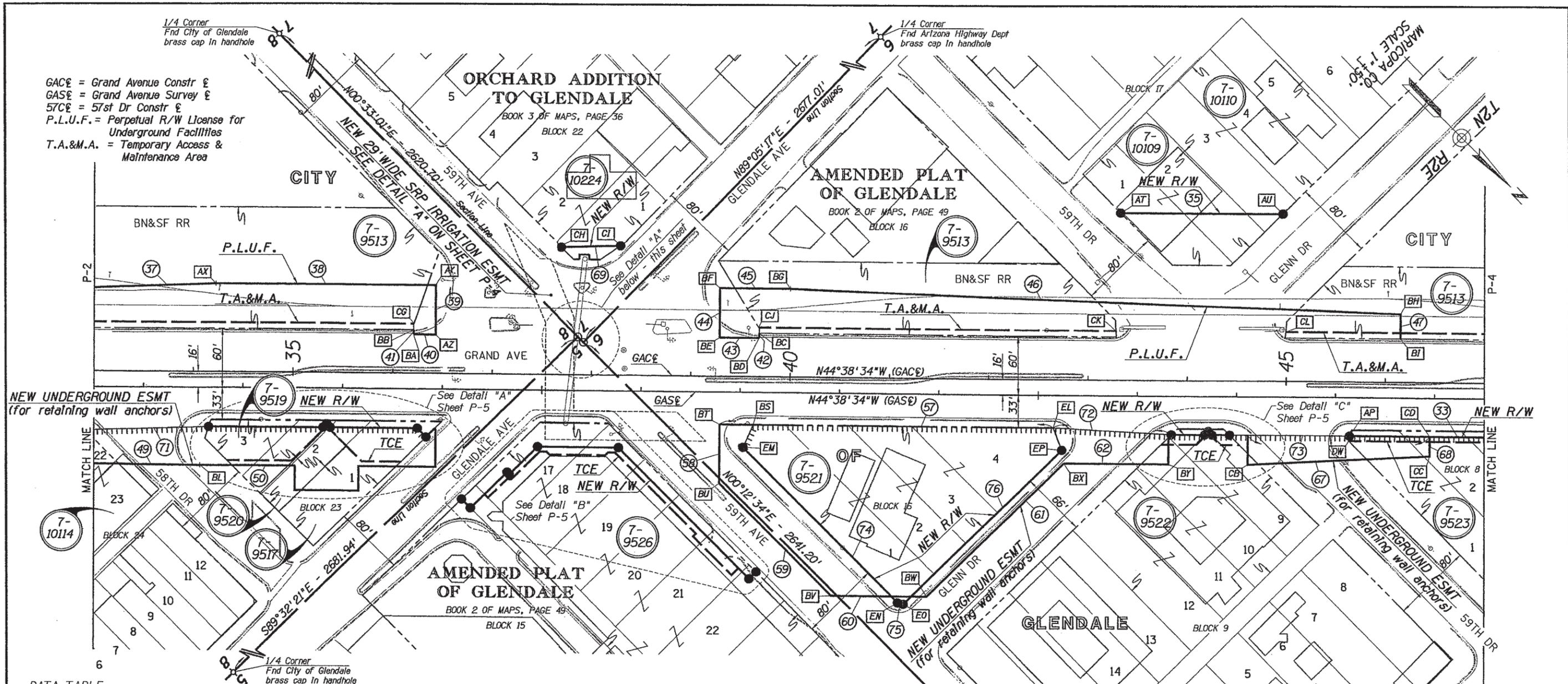
URS

7720 North 16th Street
 Suite 100 - Phoenix, AZ
 85020 - 602.371.1100



21080
ROBERT J.
PECH
REGISTERED PROFESSIONAL ENGINEER
STATE OF ARIZONA, U.S.A.

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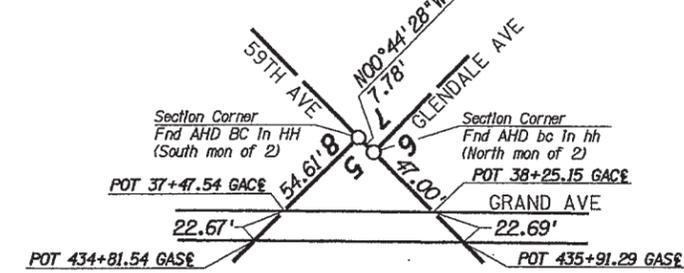


DATA TABLE

33	N44°38'34"W	324.92'	43	S44°38'34"E	39.81'	58	N45°21'26"E	59.75'	71	N46°28'54"W	124.66'
35	N44°38'34"W	163.58'	44	S45°21'26"W	50.00'	59	N00°26'52"E	159.90'	72	N41°41'04"W	116.25'
37	N46°46'18"W	638.04'	45	N44°38'34"W	71.00'	60	N44°38'34"W	96.26'	73	N44°38'34"W	183.62'
38	N44°38'34"W	220.40'	46	N42°45'08"W	615.33'	61	N89°28'34"W	194.31'	74	N00°26'52"E	221.00'
39	N45°21'26"E	50.00'	47	N45°21'26"E	25.00'	62	N44°38'34"W	105.39'	75	N30°29'45"W	5.83'
40	S44°38'34"E	22.28'	49	N44°08'58"W	696.89'	67	N47°45'36"W	183.89'	76	N89°28'34"W	224.46'
41	S45°21'26"W	4.70'	50	N44°38'34"W	95.29'	68	S45°21'26"W	20.00'			
42	N45°21'26"E	4.70'	57	N44°38'34"W	336.23'	69	N46°37'11"W	59.42'			

STATION-OFFSET TABLE

AP	55.00' RT	POT 45+64.20 GAC	BE	39.30' LT	POT 39+29.00 GAC	BV	222.00' RT	POT 40+41.94 GAC	CJ	50.00' LT	POT 39+68.20 GAC
AT	169.28' LT	POT 43+32.63 GAC	BF	89.30' LT	POT 39+29.00 GAC	BW	222.00' RT	POT 41+38.20 GAC	CK	50.00' LT	POT 43+28.38 GAC
AU	169.28' LT	POT 44+96.20 GAC	BG	89.30' LT	POT 40+00.00 GAC	BX	85.00' RT	POT 42+76.00 GAC	CL	50.00' LT	POT 44+99.42 GAC
AX	89.30' LT	POT 34+22.60 GAC	BH	69.00' LT	POT 46+15.00 GAC	BY	85.00' RT	POT 43+81.38 GAC	DW	60.00' RT	POT 45+63.52 GAC
AY	89.30' LT	POT 36+43.00 GAC	BI	44.00' LT	POT 46+15.00 GAC	CB	85.00' RT	POT 44+61.38 GAC	EL	49.00' RT	POT 42+65.28 GAC
AZ	39.30' LT	POT 36+43.00 GAC	BL	95.00' RT	POT 34+06.87 GAC	CC	75.00' RT	POT 46+45.00 GAC	EM	71.90' RT	POT 39+53.03 GAC
BA	39.30' LT	POT 36+20.72 GAC	BS	49.00' RT	POT 39+63.05 GAC	CD	55.00' RT	POT 46+45.00 GAC	EN	228.41' RT	POT 41+09.05 GAC
BB	44.00' LT	POT 36+20.72 GAC	BT	49.00' RT	POT 39+29.05 GAC	CG	50.00' LT	POT 36+21.06 GAC	EO	229.84' RT	POT 41+14.71 GAC
BC	44.00' LT	POT 39+68.81 GAC	BU	108.75' RT	POT 39+29.05 GAC	CH	129.25' LT	POT 37+69.42 GAC	EP	71.58' RT	POT 42+73.89 GAC
BD	39.30' LT	POT 39+68.81 GAC	BV	222.00' RT	POT 40+41.94 GAC	CI	131.30' LT	POT 38+28.81 GAC			

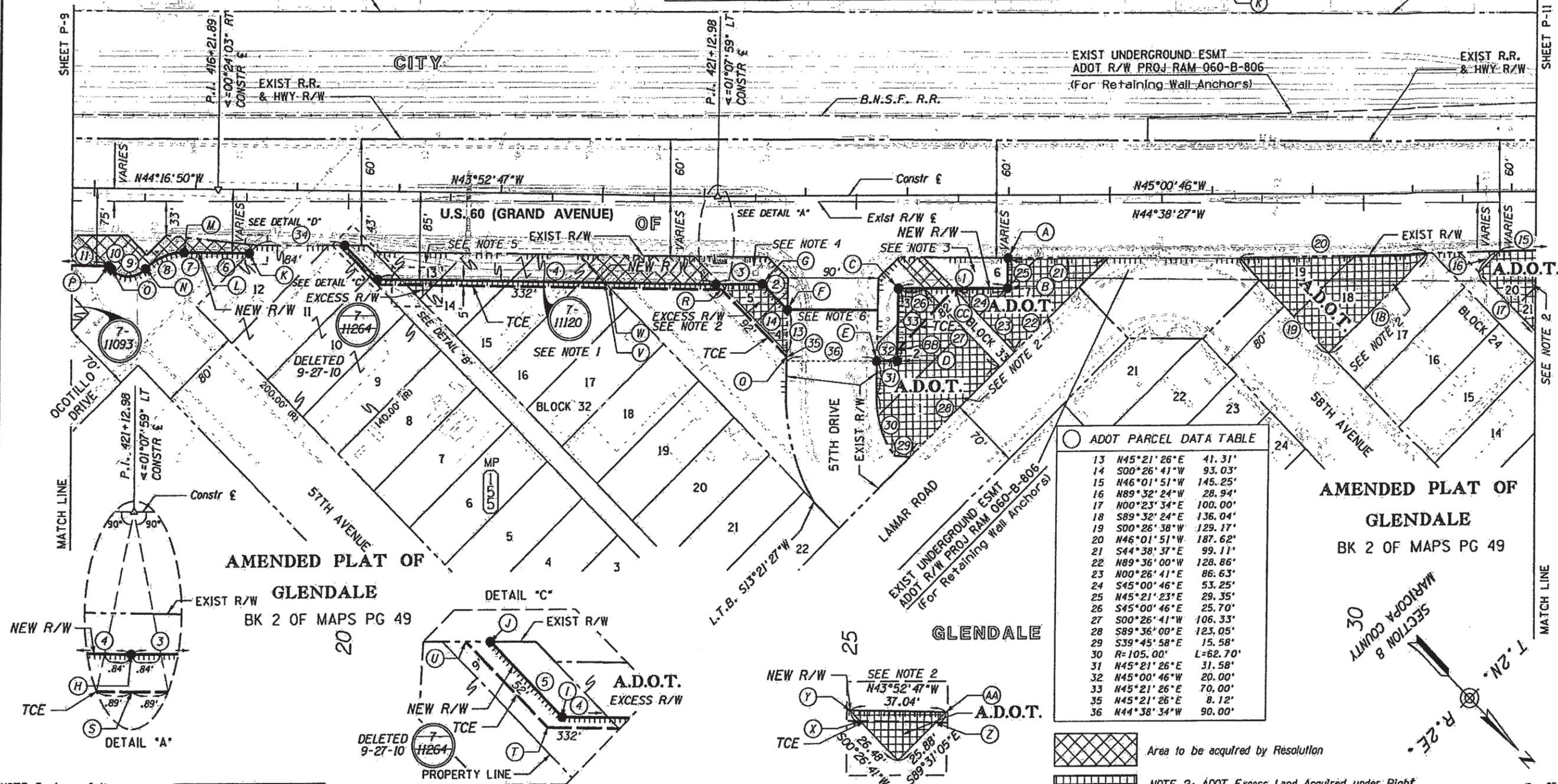
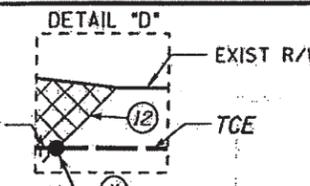


DRAWING NO.	D-7-T-935	ARIZONA DEPARTMENT OF TRANSPORTATION INTERMODAL TRANSPORTATION DIVISION RIGHT OF WAY PLANS SECTION	
SURVEY	SEE ATTACHED SURVEY	SECTION NAME:	WICKENBURG-PHOENIX
DRAWN/DATE	DB - JAN 04	FEDERAL IDENTIFICATION NO.:	RAM 060-B-806
ADOT REVIEW	S LAING	TRACS NO.	060 MA 155 H5610 OIR
URS 7120 North 16th Street Suite 100 - Phoenix, AZ 85020 - 602.371.1100			
ROUTE NO.:	US 60	SECTION NAME:	59TH AVENUE - GLENDALE AVENUE
		SHEET	P-3

Exhibit D
US 60 Grand Avenue 060 MA 149 H7292 01R Right-of-Way Plans
Drawing #D-7-T-1001, Sheet P-10 (Pg. 1)

NOTE 1: All New Rights of Way & TCE's required under Parcel 7-11120 are to be acquired by City of Glendale. Subsequently, those portions of said New Right of Way required by ADOT will be acquired by Deed.

U. S. 60 (GRAND AVE) CONSTR E			
TEMPORARY CONSTR ESMT			
D P.O.T. 421+82.38	155.11' RT	W P.O.T. 420+09.56	90.00' RT
R P.O.T. 421+17.69	90.00' RT	X P.O.T. 418+09.11	90.00' RT
S SEE DETAIL A		Z P.O.T. 418+36.15	90.00' RT
T P.O.T. 417+81.92	90.00' RT	BB P.O.T. 422+92.42	149.95' RT
U P.O.T. 417+43.75	52.72' RT	CC P.O.T. 423+48.09	90.00' RT



ADOT PARCEL DATA TABLE		
13	N45°21'26"E	41.31'
14	S00°26'41"W	93.03'
15	N46°01'51"W	145.25'
16	N89°32'24"W	28.94'
17	N00°23'34"E	100.00'
18	S89°32'24"E	136.04'
19	S00°26'38"W	129.17'
20	N46°01'51"W	187.62'
21	S44°38'37"E	99.11'
22	N89°36'00"W	128.86'
23	N00°26'41"E	86.63'
24	S45°00'46"E	53.25'
25	N45°21'23"E	29.35'
26	S45°00'46"E	25.70'
27	S00°26'41"W	106.33'
28	S89°36'00"E	123.05'
29	S39°45'58"E	15.58'
30	R=105.00'	L=62.70'
31	N45°21'26"E	31.58'
32	N45°00'46"W	20.00'
33	N45°21'26"E	70.00'
35	N45°21'26"E	8.12'
36	N44°38'34"W	90.00'

NRW DATA TABLE		
1	S45°00'46"E	107.00'
2	S00°10'20"W	35.24'
3	S45°00'46"E	45.69'
4	S43°52'47"E	332.73'
5	S00°26'41"W	46.28'
6	S43°52'47"E	50.09'
7	S44°16'50"E	14.01'
8	R=51.71'	L=42.08'
9	R=24.00'	L=38.06'
10	S00°01'56"E	4.58'
11	S44°16'50"E	64.46'
12	S89°36'23"E	10.62'
34	N44°38'37"E	86.25'

U. S. 60 (GRAND AVE) CONSTR E				
NEW RIGHT OF WAY				
A	P.O.T. 424+00.00	60.65' RT	K P.O.T. 416+54.34	61.42' RT
B	P.O.T. 423+99.81	90.00' RT	L P.O.T. 416+03.82	61.29' RT
C	P.O.T. 422+92.81	90.00' RT	M P.O.T. 415+89.80	61.29' RT
D	P.O.T. 422+92.35	160.00' RT	N P.O.T. 415+52.22	77.49' RT
E	P.O.T. 422+72.35	160.00' RT	L.T.B. 589°05'46"W	
F	P.O.T. 421+82.67	110.00' RT	O P.O.T. 415+18.03	78.20' RT
G	P.O.T. 421+57.84	85.00' RT	P P.O.T. 415+14.75	75.00' RT
H	SEE DETAIL "A"		V P.O.T. 420+04.44	85.00' RT
I	P.O.T. 417+81.10	85.00' RT	Y P.O.T. 418+04.00	85.00' RT
J	P.O.T. 417+47.99	52.67' RT	AA P.O.T. 418+41.04	85.00' RT

CHANGE ORDER REVISIONS			
C.O. NO.	DATE	BY	DESCRIPTION OF REVISIONS

DRAWING NO.	D-7-T-1001	ARIZONA DEPARTMENT OF TRANSPORTATION INTERMODAL TRANSPORTATION DIVISION RIGHT OF WAY PLANS SECTION
SURVEY	SEE ATTACHED	HIGHWAY NAME WICKENBURG - PHOENIX
DRAWN/DATE	ROSSELLI 03/10	FEDERAL AID NO. UNASSIGNED
ADOT REVIEW	PAUL SOWERS	PROJECT NO. 060 MA 149 H7292 01R
ROUTE NO.	U.S. 60	LOCATION 43rd Avenue - 71st Avenue
AZTEC		PRELIMINARY NOT FOR CONSTRUCTION OR RECORDING --CREATED-- 10/9/2012 11:47:43 PM

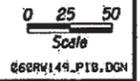
NOTE 3: Area of New Right of Way within ADOT owned property is 4,980 Sq. Ft.

NOTE 4: Area of New Right of Way within ADOT owned property is 2,190 Sq. Ft.

NOTE 5: Area of New Right of Way within ADOT owned property is 2,009 Sq. Ft.

NOTE 6: Limits of Construction

NOTE 2: ADOT Excess Land Acquired under Right of Way Project RAM-060-B-806 to be Exchanged to The City of Glendale



P:\TRANSPORTATION\City_of_Glendale\23446306_GOB_Trans_Program_FY_2013-2014\Task 2 Grand Avenue\CADD\Exhibits\Land and Exchange Strip Maps\Exhibit D.pdf

Plotted By: Jdavis at

11/14/13 PM

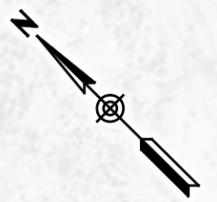
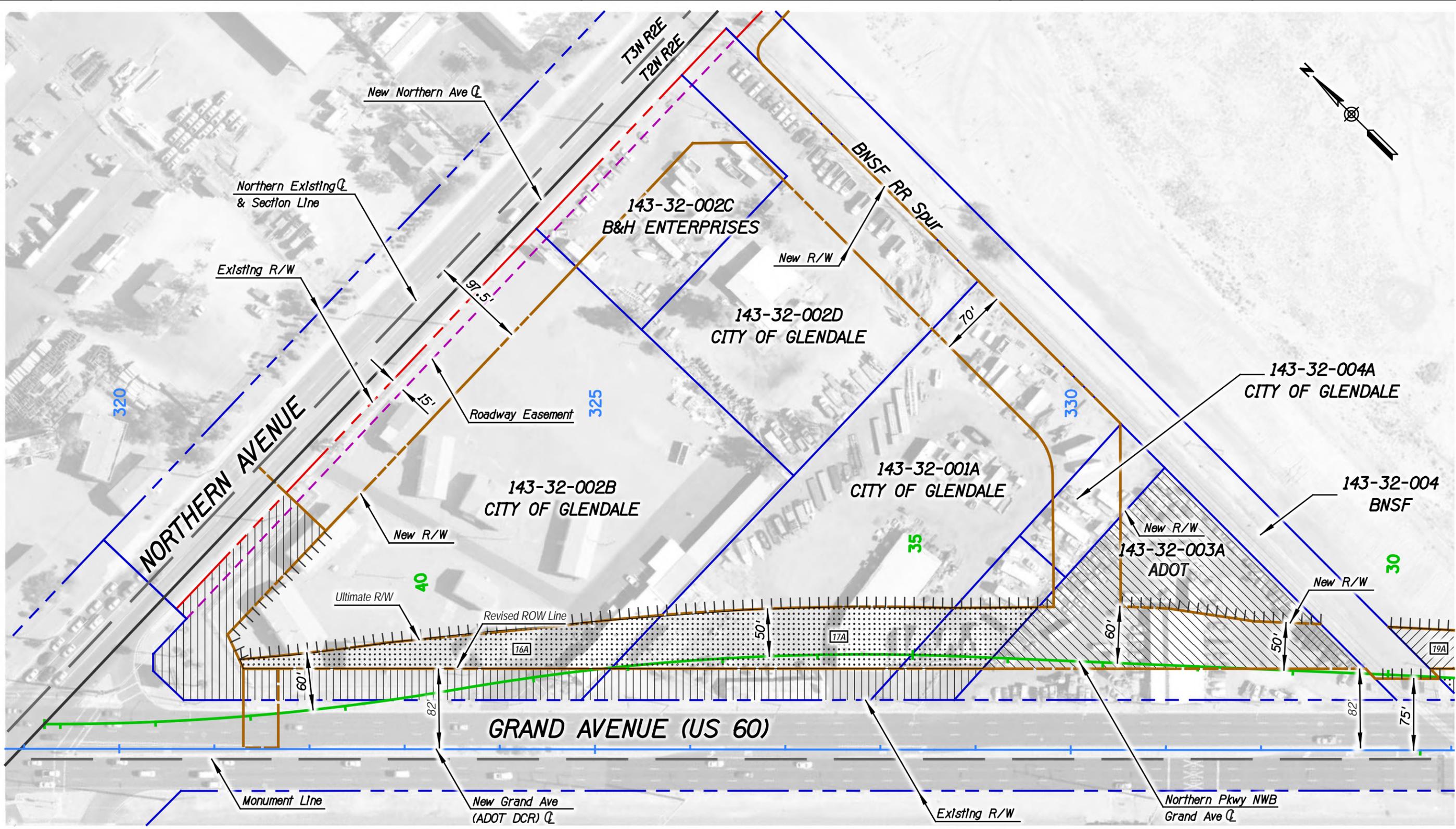
10/9/2012

R:\Phoenix\Projects\AZS0922.ADOT_09-34_03\08_GrandAve_71st_43rd\CADD\Survey\DWG\RW_Plans\060MA149.p10.dgn

OCT 09 2012

Exhibit E
US 60 Grand Ave Right-of-Way Returned to Glendale (Pgs. 2)

P:\TRANSPORTATION\City_of_Glendale\2446306_GOB_Trans_Program_FY_2013-2014\Task 2 Grand Avenue\CADD\Exhibit E S101 of s102.pdf
 FINISHED PLANS- SURVEY NO. DATE- REVISIONS- LOCATION- DATE-



LEGEND

- Proposed ADOT ROW
- ADOT Excess ROW Included in Exchange
- ADOT ROW Per Resolution to be Returned to Glendale
- Property Line
- New R/W Line
- Existing ADOT R/W Line
- Existing Glendale R/W Line
- New Access Control Line
- Centerline
- Property Reference Number from Exhibit A

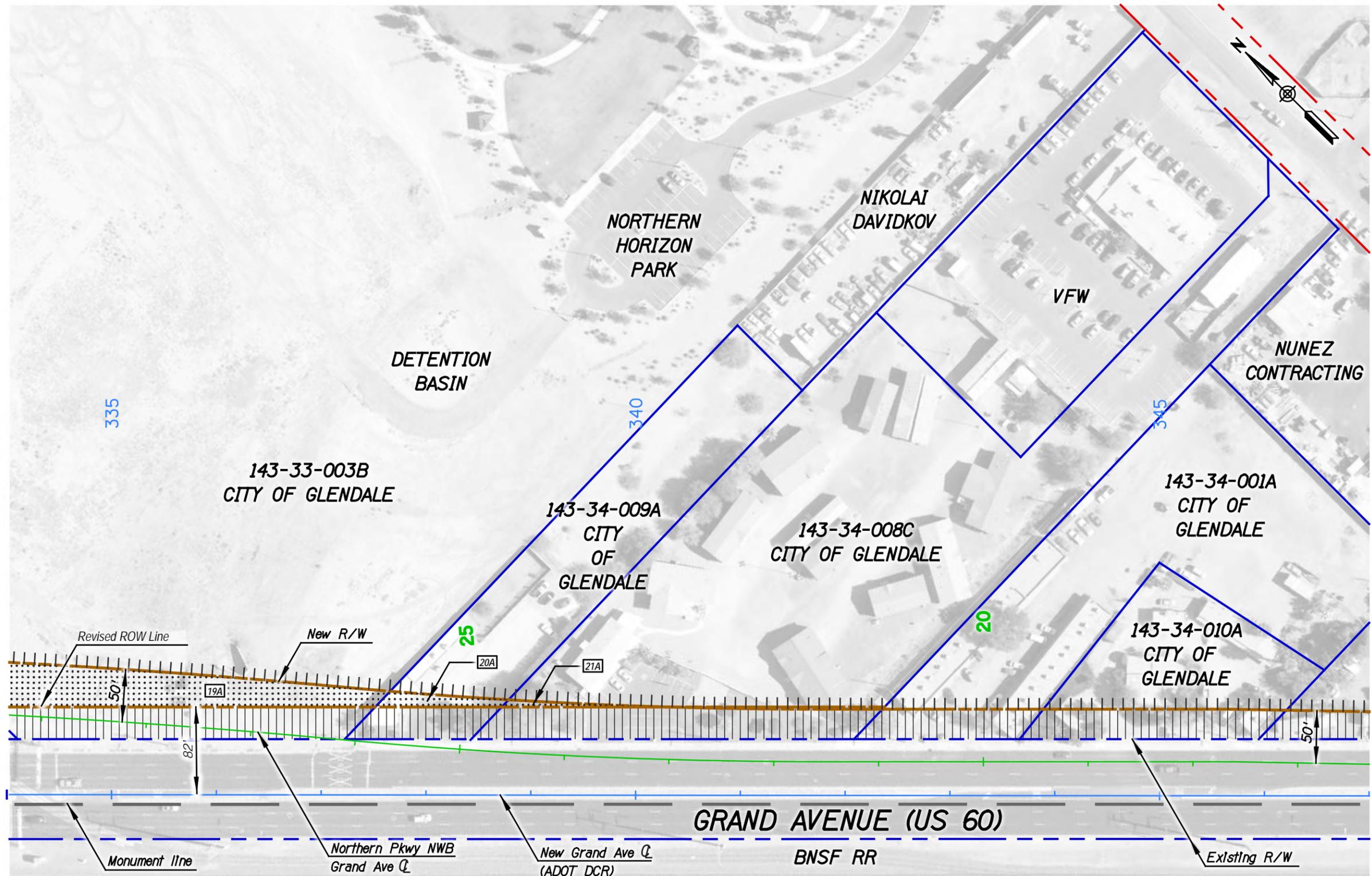
IGA/JPA 13-0002457-I Exhibit E

	NAME	DATE	ARIZONA DEPARTMENT OF TRANSPORTATION INTERMODAL TRANSPORTATION DIVISION ROADWAY DESIGN SERVICES
DESIGN		07/13	
DRAWN		07/13	
CHECKED		07/13	
URS			US 60 GRAND AVE ROW RETURNED TO GLENDALE
ROUTE	LOCATION		DWG NO
US 60	GRAND AVENUE (71ST AVE TO 43RD ROW)		1 OF 2
TRACS NO.	H7292 01L		

SCALE 1" = 100'

1/28/2013

SURVEY NO.



LEGEND

- Proposed ADOT ROW
- ADOT Excess ROW Included in Exchange
- ADOT ROW Per Resolution to be Returned to Glendale
- Property Line
- New R/W Line
- Existing ADOT R/W Line
- Existing Glendale R/W Line
- New Access Control Line
- Centerline

XX Property Reference Number from Exhibit A

SCALE 1" = 100'

IGA/JPA 13-0002457-I Exhibit E

	NAME	DATE	ARIZONA DEPARTMENT OF TRANSPORTATION INTERMODAL TRANSPORTATION DIVISION ROADWAY DESIGN SERVICES		
DESIGN		07/13			
DRAWN		07/13			
CHECKED		07/13	US 60 GRAND AVE ROW RETURNED TO GLENDALE		
URS					
ROUTE	LOCATION				DWG NO
US 60	GRAND AVENUE (71ST AVE TO 43RD ROW)				2 OF 2
TRACS NO.	H7292 OIL				