



NOTICE OF MEETING

REGULAR MEETING

FOUNTAIN HILLS TOWN COUNCIL

Mayor Ginny Dickey

Vice Mayor Art Tolis

Councilmember Dennis Brown

Councilmember Sherry Leckrone

Councilmember Alan Magazine

Councilmember Mike Scharnow

Councilmember David Spelich

TIME: 5:30 P.M. – REGULAR SESSION

WHEN: TUESDAY, JANUARY 15, 2019

WHERE: FOUNTAIN HILLS COUNCIL CHAMBERS
16705 E. AVENUE OF THE FOUNTAINS, FOUNTAIN HILLS, AZ

Councilmembers of the Town of Fountain Hills will attend either in person or by telephone conference call; a quorum of the Town's various Commission, Committee or Board members may be in attendance at the Council meeting.

Notice is hereby given that pursuant to A.R.S. §1-602.A.9, subject to certain specified statutory exceptions, parents have a right to consent before the State or any of its political subdivisions make a video or audio recording of a minor child. Meetings of the Town Council are audio and/or video recorded and, as a result, proceedings in which children are present may be subject to such recording. Parents, in order to exercise their rights may either file written consent with the Town Clerk to such recording, or take personal action to ensure that their child or children are not present when a recording may be made. If a child is present at the time a recording is made, the Town will assume that the rights afforded parents pursuant to A.R.S. §1-602.A.9 have been waived.

REQUEST TO COMMENT

The public is welcome to participate in Council meetings.

TO SPEAK TO AN AGENDA ITEM, please complete a ***Request to Comment*** card, located in the back of the Council Chambers, and hand it to the Town Clerk prior to discussion of that item, if possible. Include the **agenda item** on which you wish to comment. Speakers will be allowed three contiguous minutes to address the Council. Verbal comments should be directed through the Presiding Officer and not to individual Councilmembers.

TO COMMENT ON AN AGENDA ITEM IN WRITING ONLY, please complete a ***Request to Comment*** card, indicating it is a written comment, and check the box on whether you are **FOR** or **AGAINST** an agenda item, and hand it to the Town Clerk prior to discussion, if possible.

REGULAR MEETING

1. **CALL TO ORDER AND PLEDGE OF ALLEGIANCE** – Mayor Ginny Dickey

2. **INVOCATION** – Dr. Bobby Brewer, Pastor of North Chapel

3. **ROLL CALL** – Mayor Ginny Dickey

4. **MAYOR'S REPORT**

A. RECOGNITION of MCSO Deputy Chief Henry Brandimarte.

5. **SPECIAL PUBLIC APPEARANCES/PRESENTATIONS**

A. PRESENTATION by Republic Services to Fearless Kitty Rescue for the Republic Services' Community Grant.

6. **CALL TO THE PUBLIC**

Pursuant to A.R.S. 38-431.01(H), public comment is permitted (not required) on matters NOT listed on the agenda. Any such comment (i) must be within the jurisdiction of the Council and (ii) is subject to reasonable time, place, and manner restrictions. The Council will not discuss or take legal action on matters raised during "Call to the Public" unless the matters are properly noticed for discussion and legal action. At the conclusion of the Call to the Public, individual councilmembers may (i) respond to criticism, (ii) ask staff to review a matter, or (iii) ask that the matter be placed on a future Council agenda.

7. **CONSENT AGENDA ITEMS**

All items listed on the Consent Agenda are considered to be routine, non-controversial matters and will be enacted by one motion and one roll call vote of the Council. All motions and subsequent approvals of consent items will include all recommended staff stipulations unless otherwise stated. There will be no separate discussion of these items unless a councilmember or member of the public so requests. If a councilmember or member of the public wishes to discuss an item on the Consent Agenda, he/she may request so prior to the motion to accept the Consent Agenda or with notification to the Town Manager or Mayor prior to the date of the meeting for which the item was scheduled. The items will be removed from the Consent Agenda and considered in its normal sequence on the agenda.

A. APPROVAL OF the minutes of the Special Meeting of December 18, 2018, and the Regular Meeting of December 18, 2018.

B. CONSIDERATION OF approving a Special Event Liquor License application submitted by Boris Biloskirka representing the Fountain Hills VFW Post No. 7507 Veterans who will be hosting a beer garden located at North Saguaro Blvd. and Avenue of the Fountains, in conjunction with the Great Fair on February 22-24, 2019, from 7:00 AM to 10:00 PM.

C. CONSIDERATION OF approving a Special Event Liquor License application submitted by Debra Biloskirka representing the Fountain Hills VFW Post No. 7507 Veterans Foundation who will be hosting a beer garden located at North Verde River Drive and Avenue of the Fountains, in conjunction with the Great Fair on February 22-24, 2018, from 7:00 AM to 10:00 PM.

D. CONSIDERATION OF approving a Special Event Liquor License application submitted by Merita Kraya representing Euro Pizza Café located at 12645 North Saguaro Blvd, Fountain Hills, AZ who will be hosting a beer garden in conjunction with the Mountain 2 Fountain race on March 3, 2019, from 7:00 AM to 12:00 PM.

E. CONSIDERATION OF approving a Fair/Festival License Application for Desert Diamond Distillery, Inc. (John Patt) to participate as a vendor along the Avenue of the Fountains, in conjunction with the Fountain Hills Art and Wine Affaire, from 10:00 AM to 5:00 PM daily, Friday, March 8 through Sunday, March 10, 2019.

- F. CONSIDERATION OF approving a Special Event Liquor License application submitted by Kim Kamins representing Fearless Kitty Rescue located at 16832 E. Avenue of the Fountains, Fountain Hills, AZ for the purpose of a fundraiser to be held on March 1, 2019, from 5:30 PM to 8:00 PM.
- G. CONSIDERATION OF approving a Fair/Festival License application for Odyssey Cellars (John McLoughlin) to participate as a vendor along the Avenue of the Fountains, in conjunction with the Fountain Hills Art and Wine Affaire, from 10:00 AM to 5:00 PM daily, Friday, March 8 through Sunday, March 10, 2019.
- H. CONSIDERATION OF adopting Resolution 2019-01, abandonment of the 10' Public Utility and Drainage Easement at the rear of Plat 505-B, Block 1, Lot 57 (15846 E. Tepee Drive), as recorded in Book 158, Page 43, records of Maricopa County, Arizona, with stipulation. (EA 2018-20)

8. REGULAR AGENDA

- A. PUBLIC HEARING and PRESENTATION on the Development Impact Fee Final Report for Fiscal Years 2017 and 2018.
- B. CONSIDERATION OF awarding contract 2018-002 to Allied Waste Transportation, Inc., dba Republic Services of Phoenix for the Town of Fountain Hills' residential curbside solid waste collection services.
- C. CONSIDERATION OF approval of two budget transfers: 1) Development services in the amount of \$44,413 to contractual services from salaries and benefits to allow for more third-party inspections; and 2) Town Clerk in the amount of \$11,827.50 to part-time salaries from professional services to allow for the use of a temporary employee.
- D. CONSIDERATION OF Ordinance 18-15 amending Section 5.06.G of the Fountain Hills Zoning Ordinance relating to large detached accessory buildings in single-family residential zoning districts; amending Section 1.12 to create a definition for the front plane of a primary building and the street side plane of a primary building; and amending Sections 1.12, 5.06.F, 5.06.H, 5.09.B, 10.03.A.8 and 15.03.A.8 for consistency. (Case #Z2018-08)
- E. CONSIDERATION OF adopting Resolution 2019-06 approving the Town of Fountain Hills' Lottery Fund Grant application for the Fiscal Year 2018-19.
- F. CONSIDERATION OF approving a three-year Cooperative Purchase Agreement (C2019-061) with Pipe Line Video Inspections, LLC for storm drain pipe, structure cleaning and television services in the amount of \$150,000.00.
- G. CONSIDERATION of status report on old Fire Station #2 property located at 16821 E. Saguaro and other related matters.
- H. DISCUSSION with possible direction to staff relating to any item included in the League of Arizona Cities and Towns' weekly Legislative Bulletin(s) or relating to any action proposed or pending before the State Legislature.

9. COUNCIL DISCUSSION/DIRECTION to the TOWN MANAGER

Item(s) listed below are related only to the propriety of (i) placing such item (s) on a future agenda for action or (ii) directing staff to conduct further research and report back to the Council:

10. **SUMMARY OF COUNCIL REQUESTS and REPORT ON RECENT ACTIVITIES** by the Mayor, individual Councilmembers, and the Town Manager.
11. **ADJOURNMENT.**

AGENDA POSTED:

1.9.19
Date


Elizabeth A. Burke, Town Clerk

The Town of Fountain Hills endeavors to make all public meetings accessible to persons with disabilities. Please call 480-816-5100 (voice) or 1-800-367-8939 (TDD) 48 hours prior to the meeting to request a reasonable accommodation to participate in the meeting or to obtain agenda information in large print format. Supporting documentation and staff reports furnished the Council with this agenda are available for review in the Clerk's Office.



TOWN OF FOUNTAIN HILLS

TOWN COUNCIL AGENDA ACTION FORM

Meeting Date: 1/15/2019

Meeting Type: Regular

Agenda Type: Consent

Submitting Department: Administration

Staff Contact Information: Elizabeth A. Burke, Town Clerk, 480-816-5115; eburke@fh.az.gov

REQUEST TO COUNCIL (Agenda Language): CONSIDERATION OF approving the Town Council Meeting Minutes from the Special Meeting of December 18, 2018, and the Regular Meeting of December 18, 2018.

Applicant: NA

Applicant Contact Information: NA

Owner: N/A

Owner Contact Information: NA

Property Location: NA

Related Ordinance, Policy or Guiding Principle: A.R.S. §38-431.01

Staff Summary (background): The intent of approving previous meeting minutes is to ensure an accurate account of the discussion and action that took place at that meeting for archival purposes. Approved minutes are placed on the Town's website and maintained as permanent records in compliance with state law.

Risk Analysis (options or alternatives with implications): NA

Fiscal Impact (initial and ongoing costs; budget status): NA

Budget Reference (page number): NA

Funding Source: NA

If Multiple Funds utilized, list here:

Budgeted; if No, attach Budget Adjustment Form: NA

Recommendation(s) by Board(s) or Commission(s): NA

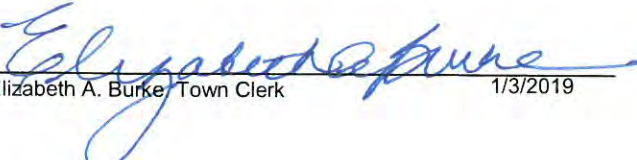
Staff Recommendation(s): Approve

List Attachment(s): Minutes of the Special Meeting of December 18, 2018, and the Regular Meeting of December 18, 2018.

SUGGESTED MOTION (for Council use): MOVE to approve the consent agenda as listed.

Prepared by:

Approved:


Elizabeth A. Burke, Town Clerk 1/3/2019


Grady E. Miller, Town Manager 1/3/2019

**FOUNTAIN HILLS TOWN COUNCIL
SPECIAL MEETING OF DECEMBER 18, 2018**

MINUTES

1. CALL TO ORDER – Mayor Ginny Dickey

Mayor Dickey called the Special Meeting of December 18, 2018, to order at 4:00 p.m.

2. ROLL CALL – Mayor Ginny Dickey

PRESENT: Mayor Ginny Dickey, Vice Mayor Art Tolis, Councilmembers Mike Scharnow, Dennis Brown, Sherry Leckrone, Alan Magazine, and David Spelich.

ABSENT: None

OTHERS PRESENT: Town Manager Grady Miller, Town Attorney Aaron D. Arnson; Finance Director Craig Rudolphy; and Town Clerk Elizabeth A. Burke.

3. VOTE TO GO INTO EXECUTIVE SESSION

Councilmember Brown **MOVED** and Councilmember Magazine **SECONDED** to recess into Executive Session; passed unanimously.

The Fountain Hills Town Council recessed into Executive Session at 4:00 p.m.

- A. Discussion or consultation with the attorneys of the public body in order to consider its position and instruct its attorneys regarding the public body'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, pursuant to A.R.S. 38-431.03(A)(4).

- i. Contract Negotiations with Republic Services for Solid Waste Collection Services
- ii. Contract Negotiations regarding Special Warranty Deed for the Theater property.

4. ADJOURNMENT

The Fountain Hills Town Council reconvened into Open Session at 4:48 p.m. at which time the Special Meeting was adjourned.

TOWN OF FOUNTAIN HILLS

ATTEST AND PREPARED BY:

Ginny Dickey, Mayor

Elizabeth A. Burke, Town Clerk

**TOWN OF FOUNTAIN HILLS
MINUTES OF THE REGULAR MEETING OF THE
FOUNTAIN HILLS TOWN COUNCIL
DECEMBER 18, 2018**

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE – Mayor Ginny Dickey

Mayor Dickey called the Regular Meeting of December 18, 2018, to order at 5:30 p.m.

2. INVOCATION – Pastor David Taylor, First Baptist Church of Fountain Hills

Pastor David Taylor gave the invocation.

3. ROLL CALL – Mayor Ginny Dickey

COUNCILMEMBERS PRESENT: Mayor Ginny Dickey; Vice Mayor Art Tolis; Councilmembers Mike Scharnow, Dennis Brown, Alan Magazine, Sherry Leckrone and David Spelich.

COUNCILMEMBERS ABSENT: None.

STAFF PRESENT: Town Manager Grady Miller, Town Attorney Aaron D. Arnson, and Town Clerk Elizabeth A. Burke.

4. MAYOR'S REPORT

A. PROCLAMATION by the Mayor designating January 2019 as *Stand Up, Speak Up, Save a Life Month* in Fountain Hills.

Councilmember Sherry Leckrone introduced Gina Godbehere, Co-Founder of *Stand Up, Speak Up, Save a Life*, stating that she was the Bureau Chief of the Northwest Valley Bureau in the Community Based Prosecution Division of the Maricopa County Attorney's Office, and her friend and mentor.

She said that Ms. Godbehere was a prosecutor, and it was a tragic case involving two teenagers in which she was involved that compelled her to seek a solution to teen suicide. She and others led a movement that is about prevention and helping students that see signs to speak up and say something when that sign is evident. She then read the proclamation and presented it to Ms. Godbehere.

Ms. Godbehere thanked the Mayor and Council for the recognition and the designation of January 2019 as *Stand Up, Speak Up, Save a Life Month*. She said that they have grown by so many cities and law enforcement offices. She said that they have all seen that students need help. She said that a child takes their own life every 5.5 days.

B. Introduction of new MCSO Commander Larry Kratzer.

Mr. Miller said that he was pleased to introduced the new Captain for Fountain Hills, Larry Kratzer, with the Sheriff's Office who began working for the

Town on December 4, 2018. He said that he was recently promoted within the department. He then read his biography and reviewed the selection process.

Captain Kratzer came forward and said that he was happy to be there. Mr. Miller said that they would have Henry Brandimere come back for a formal farewell.

5. PRESENTATIONS

A. PRESENTATION by Epcor regarding Sunridge Drive Water Main Replacement Project

Mr. Miller said that as many are aware, there have been many water line breaks in the Sunridge area and Epcor has taken this seriously. They have planned a large project to replace the main in that area rather than wait and fix breaks as they occur. He said that Rick Alvarez with Epcor was at the meeting to give an overview of their upcoming project.

Mr. Alvarez said that he was assigned the project manager for the waterline project. He said that he was assigned because he previously was the treatment supervisor for Epcor and is very familiar with the lines in the area. He said that they have found that many of the breaks in the area were due to PVC pipe that was not installed properly. They will be replacing the line with a ductile iron pipe.

He said that they were hoping to have the project completed between January and May, but it may not be complete until September.

Director of Water and Wastewater with Coe and Van Loo Engineering Eric Warren then continued the presentation. He said that three months ago Epcor provided them with a contract to do this work and they are proceeding with the design and going through details currently.

Mr. Warren said that they will be installing about 6,000 feet of 12" water main and will impact a little less than a mile of Sunridge to Desert Canyon Drive. He said that in order to not close the road, they will build in four phases and they will be staged so they can quickly get through and restore traffic. He said that they will have a detailed plan for the Town's review and are in the process of getting bids from contractors. He then reviewed the various phases of the project.

Mr. Warren was asked if they had considered doing the work during the summer when they have fewer visitors. Mr. Warren said that they did consider that, but with the number of breaks, and before the extreme heat hits when they have the highest demand for water, they determined this was the best time for the work.

Mr. Alvarez said that they have assigned an internal public relations person who will be involved with Fountain Hills' public relations department to get the word out through mailers and letters. He said that once they get a contract online they will come back in and give an update in January. He said that they will also work a great deal with the golf course residents, through the HOA's.

Brief discussion was held on the difference of PVC and the ductile iron pipe and the life expectancy of each. Mr. Alvarez said that they also work with the Fountain

Hills Sanitary District in an attempt to coordinate any lines they may be planning to replace at the same time. Mr. Warren said that they reach out to all of the utilities in the area, and they have already done that.

Mr. Alvarez said that this is part of the capital project program for Epcor and should not have an associated rate increase, so approval from the Corporation Commission is not required.

6. CALL TO THE PUBLIC

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None.

7. CONSENT AGENDA ITEMS

All items listed on the Consent Agenda are considered to be routine, non-controversial matters and will be enacted by one motion and one roll call vote of the Council. All motions and subsequent approvals of consent items will include all recommended staff stipulations unless otherwise stated. There will be no separate discussion of these items unless a councilmember or member of the public so requests. If a councilmember or member of the public wishes to discuss an item on the Consent Agenda, he/she may request so prior to the motion to accept the Consent Agenda or with notification to the Town Manager or Mayor prior to the date of the meeting for which the item was scheduled. The items will be removed from the Consent Agenda and considered in its normal sequence on the agenda.

A. APPROVAL OF the minutes of the Regular Meeting of December 4, 2018.

B. HEARING and CONSIDERATION OF approving a liquor license application submitted by John Hosoo Park, Owner of JP Hospitality Industry LLC dba Oka Sushi located at 16725 E. Avenue of the Fountains #R104 Fountain Hills, Arizona, for a series 12 license (Restaurant).

MOVED by Councilmember Magazine to approve the Consent Agenda Items 7-A and 7-B;
SECONDED by Councilmember Leckrone; passed unanimously (7-0).

8. REGULAR AGENDA

A. CONSIDERATION OF approving design concepts and proposed locations for two restroom facilities and well control rooms at Fountain Park.

Mr. Miller said that tonight they had District Manager Dana Trompke with them from the Fountain Hills Sanitary District to discuss a project anticipated for Fountain Park which they all see as a win/win.

Ms. Trompke said that the District is proposing to build new vaults for their electrical services and are proposing to include restroom facilities at both locations. She reviewed drawings of the proposed buildings, noting that the door for their staff would be in the back of the building and separate from the door for the Town, which

would also be located at the back of the building. She said that was to keep from impacting trail users when maintenance was needed. She said that once the plans are finalized they will be bringing back to the Council an Intergovernmental Agreement between the District and Town for approval. She said that they are beginning to work with a Construction Manager at Risk, to obtain some estimates of costs

Discussion was held on whether it was possible to increase the size of the restroom facilities. Ms. Trompke said that there were budgetary limitations on the part of the District and anything much larger in size would require a great deal of fill. Mr. Miller said that staff had also asked that question. He said that it was noted that even if they were able to increase the size, they would still need to bring in portable toilets for events held at the park and surrounding areas.

Ms. Trompke said that the District would pay for construction of the facilities and the Town would be responsible for cleaning and maintenance of the restroom facilities, and locking and providing access based on the Town's park hours.

Bob Shelstrom, Fountain Hills, said that he has been a P.E. since 1984 and he did not see this as a win/win. He voiced concern with the noise associated with the pumps and the loss of open space.

Ms. Trompke clarified that the pumps are still located 400 feet below ground, so noise will not be an issue. She said that the District has investigated different options. She said that they have a 10x10 space, divided in half with a wet side and a dry side. OSHA has changed and added to their compliance space requirements. She said that if they replaced this in-ground the vault would have to be three times the size they have now and it would require a concrete grounding which would require more excavation.

MOVED by Councilmember Magazine to approve the design concepts and proposed locations for two restroom facilities and well control rooms at Fountain Park; **SECONDED** by Councilmember Brown; passed unanimously (7-0).

It was noted that Council hoped the District would give further consideration to increasing the size of the restroom facilities.

B. CONSIDERATION OF Ordinance 18-15 on zoning text amendment regarding large accessory structures.

Mayor Dickey opened the Public Hearing. Senior Planner Marissa Moore reviewed a PowerPoint presentation which addressed:

DEFINITIONS: Small Accessory Buildings and Large Accessory Buildings

ISSUES: Corner Lots

PERCEPTION

Mr. Miller noted that it is usually thought that corner lots are premium, but with the regulations the way they currently are, corner lots are being treated differently than the interior lots with regard to setbacks.

Ms. Moore said that issues related to this include the fact that some residents would like to build a casita for parents, or have a separate garage facility and they are currently restricted because of their property being located on a corner lot.

It was suggested that if sides of garages were facing the street, that perhaps they include some type of architectural features. Ms. Moore replied that this idea was discussed at the Planning and Zoning Commission meeting as well as other thoughts, such as colors having to be the same as the main house, not just match. She said that in the end, the Commission settled on recommending approving the ordinance with two stipulations: 1) the colors be the same; and 2) no rooftop equipment be located on top of the large accessory building.

Staff was asked why this ordinance change was only impacting the R1-10 zoned property. Ms. Moore said that a R1-10 lot has to be a minimum of 10,000 square feet or larger for development. This is to help those smaller lots. The larger zoned parcels have more room on which to develop.

She said that the ordinance included wording that had restrictions on putting in a kitchen into a large accessory building. Councilmember Brown said that such a restriction is as archaic as other ordinances and he would like to strike that out of the proposed ordinance.

Ms. Moore said that these parcels are located in single-family residential zoning districts. Once they add a second building with a kitchen, they then have two houses in a single-family zone which is not permitted.

Discussion was held on the limitations imposed by the State as to rental of property. Concern was voiced with opening up the Town to more if they restricted that; others felt they were already opened up.

i. Public Hearing

At this time, Mayor Dickey opened the Public Hearing. There being no public comment, the Public Hearing was closed.

ii. Ordinance 18-15, amending Section 5.06.G of the Fountain Hills Zoning Ordinance relating to large detached accessory buildings in single-family residential zoning districts; amending Section 1.12 to create a definition for the front plane of a primary building and the street side plane of a primary building; and amending Sections 1.12, 5.06.F, 5.06.H, 5.09.B, 10.03.A.8 and 15.03.A.8 for consistency. (Case #Z2018-08)

It was noted that Fountain Hills has gained a reputation of being too restrictive, and this is a bright spot in trying to be more flexible. Discussion was held on the need for further clarification and more time to understand all of the implications.

Councilmember Brown **MOVED** to adopt Ordinance 18-15 as presented, but striking "kitchens" out of the large accessory building section; **SECONDED** by Councilmember Tolis.

Further discussion was held on the need to have more questions answered and to ensure that removal of "kitchens" would not impact other sections of the Code. It was noted that there are already casitas in town and this is already occurring.

Councilmember Magazine **MOVED** to submit a substitute motion (amend) to defer action until the next Town Council meeting; **SECONDED** by Councilmember Spelich.

Councilmember Magazine said that he does not have the experience that others on Council may have and he would like to have the opportunity to sit down with staff to make sure he understands what he is voting on, and also to look at the rental issue.

MOTION to postpone to the next Town Council Meeting (January 15, 2019) passed unanimously (7-0).

Staff was asked that any additional information given to Council be provided to all of them.

C. CONSIDERATION OF Ordinance 18-10 on zoning text amendment regarding "A-Frame Signs & Banners."

Development Services Director Bob Rodgers said that the Town Council is being requested to once again make a policy decision regarding extending the A-Frame sign and Banner sunset provisions. The proposed Ordinance #18-10 would extend the expiration date for A-frame signs to December 31, 2020, as well as extend the expiration date for banners, balloons and pennants to December 31, 2020. Without the text amendment to the zoning ordinance extending the sunset date, these signs may no longer be used after December 31, 2018.

He said that Code Enforcement currently works on a complaint-based system, meaning that there are a number of A-frame signs and banners that are posted around town that are not permitted or reported. Many violations occur on weekends. Both the Planning & Zoning Commission and Town Council expressed reservations in past years about extending the expiration dates due to the obvious non-compliance of a number of the businesses who use these types of signage.

Section 6.08.B.13 of the Zoning Ordinance relates to A-Frame signage and states that; *"No A-frame signs permitted anywhere within the Town of Fountain Hills after December 31, 2018."* Section 6.08.0.3 of the Zoning Ordinance relates to Banners and states; *"Banners, balloons and pennants are permitted for events such as special sales events with advance notification to the Town for not more than sixty (60) consecutive hours per month. The provisions of this subsection 6.08(D) (3) shall expire on December 31, 2018."*

The proposed amendments are virtually the same as in previous years, with new expiration dates in the two sections of Chapter 6 of the Zoning Ordinance being extended out two years to December 31, 2020.

If the proposed amendments are approved, A-frame signs and banners will be allowed until December 31, 2020, according to the conditions and regulations set forth in the Zoning Ordinance.

Mr. Rodgers said that the Planning and Zoning Commission recommended adoption of the ordinance, with a recommendation that Code Enforcement perform quarterly sign sweeps and work with the Chamber to keep the business community apprised of current regulations.

Brief discussion was held on the plan for a complete review and possible rewrite of the Town's sign ordinance, and that would probably occur before the December 31, 2020, expiration date, so any changes included in such rewrite would supersede this ordinance.

Mr. Arnson said that he was planning to be working with staff on review and rewrite of the sign ordinance based on the recent Reed v. Town of Gilbert case which indicated that ordinances that were content-based would not survive in the courts. He said that it is not a legal requirement for the Town to do so, but most cities and towns in Arizona are reviewing their sign codes and making some changes.

Vice Mayor Tolis **MOVED** to adopt Ordinance 18-10 as written (without the recommended quarterly sweeps); **SECONDED** by Councilmember Brown.

i. Public Hearing

Mayor Dickey opened the Public Hearing. There being no public comment, the Public Hearing was closed.

ii. Ordinance 18-10, a text amendment to the Town of Fountain Hills Zoning Ordinance, Chapter 6, Sign Regulations, Sections 6.08.B.11 and 6.08.D.1.C to extend the expiration date to December 31, 2020, for A-frame signs and banners for special sales events. (Case #Z2018-10)

After brief discussion, **MOTION** passed 5 – 2 with the following roll call vote:

Vice Mayor Tolis	AYE
Councilmember Brown	AYE
Councilmember Scharnow	AYE
Councilmember Magazine	NAY
Councilmember Leckrone	AYE
Councilmember Spelich	AYE
Mayor Dickey	NAY

D. CONSIDERATION OF request for extension of a Special Use Permit from Verizon Wireless.

Ms. Moore explained that a Special Use Permit was approved in June of 2018 for Verizon to be able to install three cellular facilities on the building located at 16845 East Avenue of the Fountains.

Project Manager Darren Snodgrass with Verizon came forward and said that they have had some lengthy negotiations regarding the lease on the property and until they came to an agreement, they were unable to finalize the plans. He said that their plans are to have this completed well before the end of the six-month requested extension.

i. Public Hearing

Mayor Dickey opened the Public Hearing. There being no public comment, the Public Hearing was closed.

ii. Request for a six-month extension to the approved Special Use Permit #SU2018-01 to allow Verizon Wireless to install a cellular antenna with associated roof-mounted equipment to be 2-feet 4-inches above the maximum allowed height of 54 feet at 16845 East Avenue of the Fountains. (Case #SU2018-01)

Vice Mayor Tolis **MOVED** to approve the six-month extension; **SECONDED** by Councilmember Scharnow; passed unanimously (7-0).

E. CONSIDERATION OF award of contract with Off-Site Sweeping (company name) for sweeping services.

Mr. Miller said that for a number of years the Town had its own street sweeping equipment and employees, but they found it was more cost-effective to contract for the services.

Public Works Director Justin Weldy corrected a statement made in the agenda action form. He said that he had stated that this was an extension of the Mesa contract in pricing. He said that it was an extension of a contract with Mesa, but the pricing was negotiated at the rate the Town is currently paying to another vendor.

Mr. Weldy said that the Town has been confined to one sweeping contractor and have faced some challenges, most recently with waiting up to two weeks to receive services after the storm events. He said that over the last several years the Town has requested offers from other vendors, but no one was interested in coming so far out. He said they were able to come to an agreement with this contractor with which Mesa has secured a contract.

He said that the Mesa contract was at \$30/centerline mile for 15,000 miles. He said that staff was able to negotiate for 1,200 miles nearly identical to the current contract at \$60/centerline mile. He said that as part of the negotiations they were able to receiving pricing for special sweeping, storm events or other, from \$106 to \$95. He said that the difference in pricing between Mesa and Fountain Hills is due to the quantity difference. The more miles, the lower the rate per mile.

Mr. Weldy said that based on the challenges they have faced staff still believes this is the best fit and in the best interests of the Town for the money. He clarified that the current proposal was \$72,620, with up to \$90,000 to be used for special sweeping or storm events.

Mr. Weldy said that for the Town to provide this service, they would need two sweepers, each costing between \$250,000 and \$310,000, as well as hire staff. Before, they had three staff members, averaging \$50,000 a year including benefits for each member. Additionally, they would be required to have a recant station which is a car wash designed for street sweepers. Based on these costs, they believe it is still in the best interests of the Town to contract for the services.

Bob Shelstrom, Fountain Hills, said that he had contacted Mr. Weldy about this and wondered why no one applied. He suggested that perhaps it was the way the Town does business. He asked if they could contract with whoever Scottsdale uses and extend that contract.

Councilmember Magazine **MOVED** to approve the contract with Off-Site Sweeping (company name) for sweeping services; **SECONDED** by Councilmember Scharnow; passed unanimously (7-0).

- F. CONSIDERATION OF confirming FY2019 Town Council Subcommittees A and B Appointments, as proposed by the Mayor, for the purpose of interviewing and recommending applicants to the Town's boards and commissions.

Mr. Miller explained that currently they have eight separate subcommittees for interviewing and making recommendations to the Mayor for appointments to the various boards and commissions of the Town. He said that in talking with the Mayor they were suggesting that this be reduced to two separate subcommittees, each covering four of the Town's boards and commissions for one year, and then switching with the other subcommittee. In this way, all Councilmembers get to be involved with selection/recommendation for all of the eight boards/commissions of the Town.

Councilmember Brown **MOVED** to approve the listing as provided (see below); **SECONDED** by Councilmember Magazine; passed unanimously (7-0).

SUBCOMMITTEE A (Term 01/01/2019 through 12/31/2019)

Councilmember Magazine, Councilmember Scharnow, Councilmember Spelich

Board of Adjust
Community Services Advisory Commission
Sister Cities Advisory Commission
Strategic Planning Advisory Commission

SUBCOMMITTEE B (Term 01/01/2020 through 12/31/2020)

Vice Mayor Tolis, Councilmember Brown, Councilmember Leckrone

Building Safety Board of Appeals
McDowell Mountain Preservation Commission
Municipal Property Corporation
Planning and Zoning Commission

G. CONSIDERATION OF selection of Council representatives to various organizations.

Mayor Dickey briefly reviewed the listing of organizations on which the Town has openings for anyone on Council that may wish to serve. She said that there may also be others which they may be interested in serving on, and they should just let her know. After brief review of the list, the following assignments were accepted:

EVP – Board of Directors	Vice Mayor Tolis
GPEC – Mayors/Supervisors	Mayor Dickey
GPEC – Board of Directors	Councilmember Magazine
League – Executive Committee	Mayor Dickey (applying)
League – Public Safety, Military Affairs and Courts Policy Committee	Councilmember Leckrone
League – Transportation, Infrastructure and Public Works Policy Committee	Councilmember Spelich
MAG – Regional Council	Councilmember Scharnow
Valley Metro (RPTA) Board of Directors	Mayor Dickey
	Councilmember Scharnow
	Mayor Dickey (alternate)

9. COUNCIL DISCUSSION/DIRECTION to the TOWN MANAGER

Item(s) listed below are related only to the propriety of (i) placing such item (s) on a future agenda for action or (ii) directing staff to conduct further research and report back to the Council:

Vice Mayor Tolis said that he had previously requested a report and discussion on the costs and plans for the old fire station. Mr. Miller reported that they have that scheduled for January 15, 2019.

Vice Mayor Tolis said that he has received questions from the community on how the Fountain Hills High School is not adhering to the rules and regulations of the Dark Skies program. Mr. Miller noted that schools are exempt under the ordinance, but staff would bring to the attention of school administration to see if they could be turned off during the evening when nothing is going on.

10. SUMMARY OF COUNCIL REQUESTS and REPORT ON RECENT ACTIVITIES by the Mayor, individual Councilmembers, and the Town Manager.

Mayor Dickey reported that she and the other new councilmembers had recently attended a two-day training for newly-elected officials presented by the League of Arizona Cities and Towns. She also noted that the next Council meeting would be on January 15, 2019.

11. ADJOURNMENT.

Councilmember Brown **MOVED** to adjourn; **SECONDED** by Councilmember Magazine; passed unanimously (7-0).

The Regular Meeting of the Fountain Hills Town Council held December 18, 2018, adjourned at 8:22 p.m.

TOWN OF FOUNTAIN HILLS

Ginny Dickey, Mayor

ATTEST AND PREPARED BY:

Elizabeth A. Burke, Town Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Session held by the Town Council of Fountain Hills in the Town Hall Council Chambers on the 18th day of December, 2018. I further certify that the meeting was duly called and that a quorum was present.

DATED this 15th day of January, 2019.

Elizabeth A. Burke, Town Clerk



TOWN OF FOUNTAIN HILLS

TOWN COUNCIL AGENDA ACTION FORM

Meeting Date: 1/15/2019

Meeting Type: Regular Session

Agenda Type: Consent

Submitting Department: Community Services

Staff Contact Information: Corey Povar, Recreation Manager, 480-816-5170, cpovar@fh.az.gov

REQUEST TO COUNCIL (Agenda Language): CONSIDERATION OF approving a SPECIAL EVENT LIQUOR LICENSE APPLICATION submitted by Boris Biloskirka representing the Fountain Hills VFW Post No. 7507 Veterans who will be hosting a beer garden located at North Saguardo Blvd and Avenue of the Fountains, in conjunction with the Great Fair on Feb 22 - 24, 2019 from 7:00 AM to 10:00 PM.

Applicant: Boris Biloskirka

Applicant Contact Information: (480) 466-6850, [REDACTED] E. Westridge Dr Fountain Hills, AZ 85268

Owner: Same

Owner Contact Information: Same

Property Location: Saguardo Blvd and Avenue of the Fountains, Fountain Hills, AZ 85268

Related Ordinance, Policy or Guiding Principle: A.R.S. §4-203.02; 4-244; 4-261 and R19-1-228, R19-1-235, and R19-1-309

Staff Summary (background): The purpose of this item is to obtain Council's approval regarding the special event liquor license application submitted by Boris Biloskirka representing the Fountain Hills VFW Post No. 7507 Veterans for submission to the Arizona Department of Liquor. This special event liquor license is being obtained for the purpose of holding a beer garden in conjunction with the Great Fair. The special event liquor license application was reviewed by staff for compliance with Town ordinances and staff unanimously recommends approval of this special event liquor license application as submitted.

Risk Analysis (options or alternatives with implications): N/A

Fiscal Impact (initial and ongoing costs; budget status): N/A

Budget Reference (page number): N/A

Funding Source: NA

If Multiple Funds utilized, list here:

Budgeted; if No, attach Budget Adjustment Form: NA

Recommendation(s) by Board(s) or Commission(s): N/A

Staff Recommendation(s): Approve

List Attachment(s): Applications

SUGGESTED MOTION (for Council use): Move to approve the Special Event Liquor License

Prepared by:



Corey Povar, Recreation Manager

12/18/2018

Approved:



Grady E. Miller, Town Manager

12/18/2018

Director's Approval:



Rachael Goodwin, Community Services Director

12/18/2018



12-15-13 11:22 RCV

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

FOR DLIC USE ONLY

Received Date:

Job #:

CSR:

License #:

APPLICATION FOR SPECIAL EVENT LICENSE

Fees: \$25.00 per day for 1-10 days (consecutive) Cash Checks or Money Orders Only
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.

SECTION 1 Applicant must be a member of a qualifying nonprofit organization, political party, or Government entity and authorized by an Officer, Director, or Chairperson of the Organization.

1. Applicant: Biloskirka Boris - [REDACTED]
2. Applicant's mailing address: [REDACTED] Westridge Dr. Fountain Hills AZ 85268
3. Applicant's home/cell phone: (480) 466-6850 Applicant's business phone: ()
4. Applicant's email address: bobilo369@gmail.com

SECTION 2 Name of Organization, Candidate or Political Party/Gov.: Fountain Hills VFW Post No. 7507 Vete

Name of Licensed Contractor (if any): _____

SECTION 3 Non-Profit/IRS Tax Exempt Number: 501c19 ; 74-2514547

SECTION 4 Event Location: Fountain Hills Fair

Event Address: Saguaro Blvd. & Ave. of the Fountains, Fountain Hills, AZ 85268

SECTION 5 Dates and Hours of Event. Days must be consecutive but may not exceed 10 consecutive days.
See A.R.S. § 4-244(15) and (17) for legal hours of service.

PLEASE FILL OUT A SEPARATE APPLICATION FOR EACH "NON-CONSECUTIVE" DAY

	Date	Day of Week	Event Start Time AM/PM	License End Time AM/PM
DAY 1:	<u>Feb. 22, 2019</u>	<u>Friday</u>	<u>8:00 AM</u>	<u>10:00 PM</u>
DAY 2:	<u>Feb. 23, 2019</u>	<u>Saturday</u>	<u>8:00 AM</u>	<u>10:00 PM</u>
DAY 3:	<u>Feb. 24, 2019</u>	<u>Sunday</u>	<u>8:00 AM</u>	<u>10:00 PM</u>
DAY 4:	_____	_____	_____	_____
DAY 5:	_____	_____	_____	_____
DAY 6:	_____	_____	_____	_____
DAY 7:	_____	_____	_____	_____
DAY 8:	_____	_____	_____	_____
DAY 9:	_____	_____	_____	_____
DAY 10:	_____	_____	_____	_____

SECTION 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.)

Number of Police 2 Number of Security Personnel ☒ Fencing ☐ Barriers

Explanation: double stranded rope around perimeter of beer garden

SECTION 7 Will this event be held on a currently licensed premise and within the already approved premises? ☐ Yes ☒ No
(If yes, Local Governing Body Signature not required)

Name of Business License Number Phone (Include Area Code)

SECTION 8 How is this special event going to conduct all dispensing, serving, and selling of spirituous liquors? Please read R-19-318 for explanation 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 USING RETAIL LICENSE, PLEASE SUBMIT A LETTER OF AGREEMENT FROM THE AGENT/OWNER OF THE LICENSED PREMISES TO SUSPEND OR RUN CONCURRENT WITH THE PERMANENT LICENSE DURING THE EVENT. IF THE SPECIAL EVENT IS ONLY USING A PORTION OF THE PREMISES, AGENT/OWNER WILL NEED TO SUSPEND THAT PORTION OF THE PREMISES.)

SECTION 9 What is the purpose of this event?

☒ On-site consumption ☐ Off-site (auction/wine/distilled spirits pull) ☐ Both

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 days have been issued to this organization during the calendar year? 0
(The number cannot exceed 10 days per year.)

3. Is the organization using the services of a licensed contractor or other person to manage the sale or service of alcohol?

☐ Yes ☒ No (If yes, must be a licensed contractor or licensee of series 6, 7, 11, or 12)

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 Fountain Hills VFW Post 7507 Percentage: 100%

Address 9624 N. Monterey Dr. Fountain Hills, AZ 85268

Name _____ Percentage: _____

Address _____
Street City State Zip

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 A SPECIAL EVENT UNLESS THEY ARE IN AUCTION WINE OR DISTILLED SPIRITS PULL SEALED CONTAINERS OR THE SPECIAL EVENT LICENSE IS STACKED WITH WINE /CRAFT DISTILLERY FESTIVAL LICENSE.

SECTION 11 License premises diagram. The licensed premises for your special event is the area in which you are authorized to sell, dispense or serve alcoholic beverages under the provisions of your license. Please attach a diagram of your special event licensed premises. Please show dimensions, serving areas, fencing, barricades, or other control measures and security position.

ATTACH DIAGRAM

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. Please contact the local governing board for additional application requirements and submission deadlines. Additional licensing fees may also be required before approval may be granted. For more information, please contact your local jurisdiction.

NOTARY

I, (Print Full Name) Boris Biloskinka, hereby declare that I am the APPLICANT, I have read this document and verify the contents and all statements are true, correct and complete to the best of my knowledge.

X (Signature)

Applicant Signature

State of

Arizona

County of

Maricopa

the foregoing instrument was acknowledged before me this

18th

Day

of

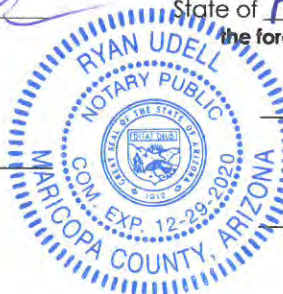
Dec

Month

2018

Year

My commission expires on: 12-29-2020



Signature of NOTARY PUBLIC

LOCAL GOVERNING BOARD

Date Received: _____			
I, _____ (Government Official)	_____ recommend	☐ APPROVAL	☐ DISAPPROVAL
On behalf of _____ (City, Town, County)	_____ Signature	_____ Date	_____ Phone

DLIC USE ONLY

☐ APPROVAL ☐ DISAPPROVAL	BY: _____	DATE: ____/____/____
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A.R.S. § 41-1030. Invalidity of rules not made according to this chapter; prohibited agency action; prohibited acts by state employees; enforcement; notice

B. An agency shall not base a licensing decision in whole or in part on a licensing requirement or condition that is not specifically authorized by statute, rule or state tribal gaming compact. A general grant of authority in statute does not constitute a basis for imposing a licensing requirement or condition unless a rule is made pursuant to that general grant of authority that specifically authorizes the requirement or condition.

D. THIS SECTION MAY BE ENFORCED IN A PRIVATE CIVIL ACTION AND RELIEF MAY BE AWARDED AGAINST THE STATE. THE COURT MAY AWARD REASONABLE ATTORNEY FEES, DAMAGES AND ALL FEES ASSOCIATED WITH THE LICENSE APPLICATION TO A PARTY THAT PREVAILS IN AN ACTION AGAINST THE STATE FOR A VIOLATION OF THIS SECTION.

E. A STATE EMPLOYEE MAY NOT INTENTIONALLY OR KNOWINGLY VIOLATE THIS SECTION. A VIOLATION OF THIS SECTION IS CAUSE FOR DISCIPLINARY ACTION OR DISMISSAL PURSUANT TO THE AGENCY'S ADOPTED PERSONNEL POLICY.

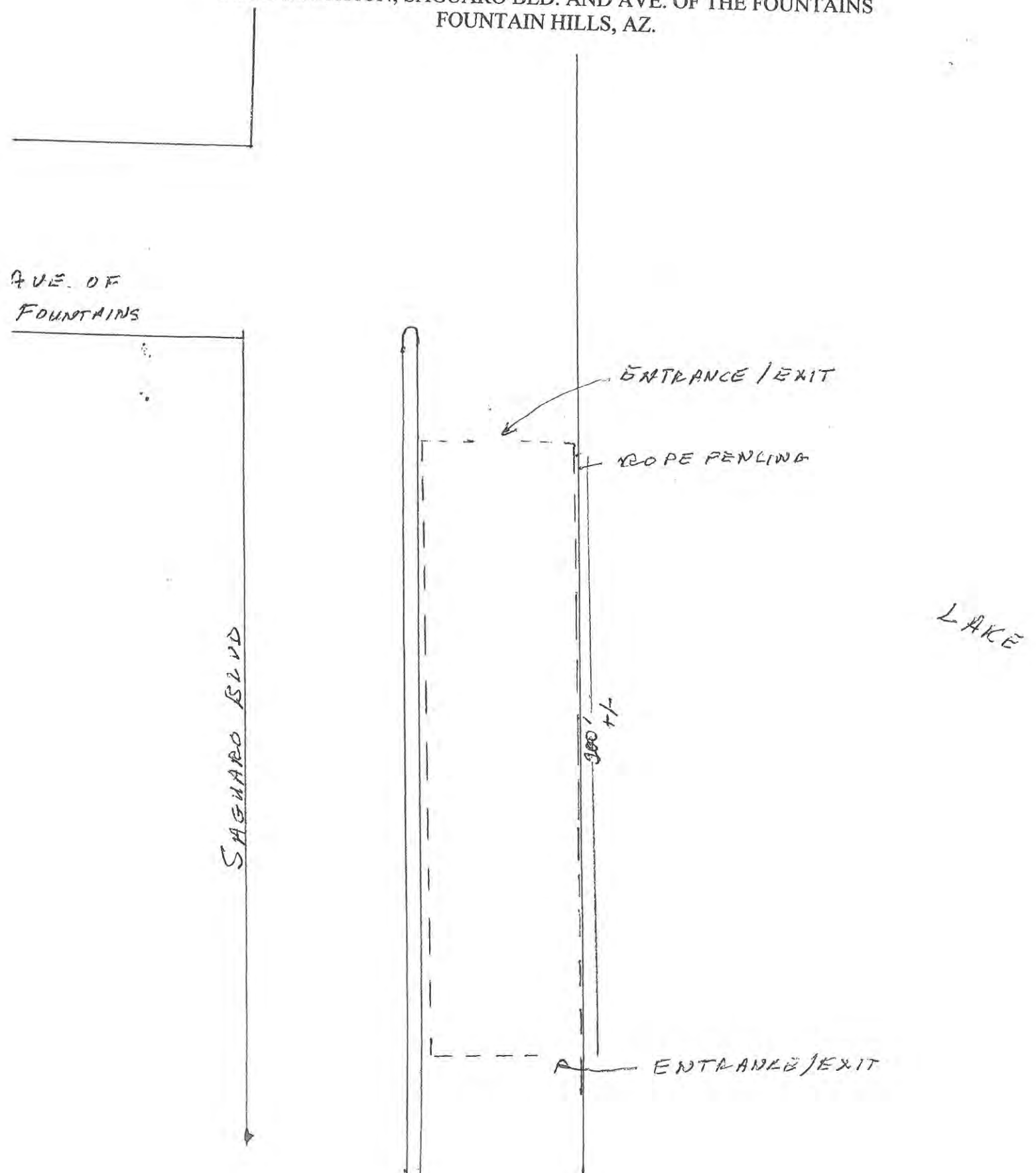
F. THIS SECTION DOES NOT ABROGATE THE IMMUNITY PROVIDED BY SECTION 12-820.01 OR 12-820.0

21

FOUNTAIN HILLS FAIR

BEER GARDEN

MAIN LOCATION; SAGUARO BLD. AND AVE. OF THE FOUNTAINS
FOUNTAIN HILLS, AZ.





TOWN OF FOUNTAIN HILLS

TOWN COUNCIL AGENDA ACTION FORM

Meeting Date: 1/15/2019

Meeting Type: Regular Session

Agenda Type: Consent

Submitting Department: Community Services

Staff Contact Information: Corey Povar, Recreation Manager, 480-816-5170, cpovar@fh.az.gov

REQUEST TO COUNCIL (Agenda Language): CONSIDERATION OF approving a SPECIAL EVENT LIQUOR LICENSE APPLICATION submitted by Debra Biloskirka representing the Fountain Hills VFW Post No. 7507 Veterans Foundation who will be hosting a beer garden located at North Verde River Drive and Avenue of the Fountains, in conjunction with the Great Fair on Feb 22 - 24, 2019 from 7:00 AM to 10:00 PM.

Applicant: Debra Biloskirka

Applicant Contact Information: (480) 466-6850, [REDACTED] E. Westridge Dr Fountain Hills, AZ 85268

Owner: Same

Owner Contact Information: Same

Property Location: North Verde River Drive and Avenue of the Fountains, Fountain Hills, AZ 85268

Related Ordinance, Policy or Guiding Principle: A.R.S. §4-203.02; 4-244; 4-261 and R19-1-228, R19-1-235, and R19-1-309

Staff Summary (background): The purpose of this item is to obtain Council's approval regarding the special event liquor license application submitted by Debra Biloskirka representing the Fountain Hills VFW Post No. 7507 Veterans Foundation for submission to the Arizona Department of Liquor. This special event liquor license is being obtained for the purpose of holding a beer garden in conjunction with the Great Fair. The special event liquor license application was reviewed by staff for compliance with Town ordinances and staff unanimously recommends approval of this special event liquor license application as submitted.

Risk Analysis (options or alternatives with implications): N/A

Fiscal Impact (initial and ongoing costs; budget status): N/A

Budget Reference (page number): N/A

Funding Source: NA

If Multiple Funds utilized, list here:

Budgeted; if No, attach Budget Adjustment Form: NA

Recommendation(s) by Board(s) or Commission(s): N/A

Staff Recommendation(s): Approve

List Attachment(s): Applications

SUGGESTED MOTION (for Council use): Move to approve the Special Event Liquor License

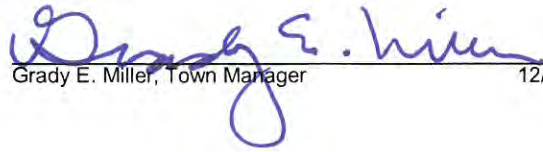
Prepared by:



Corey Povar, Recreation Manager

12/18/2018

Approved:



Grady E. Miller, Town Manager

12/18/2018

Director's Approval:



Rachael Goodwin, Community Services Director

12/18/2018



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

12-13-13 11:02 RCVD

FOR DLIC USE ONLY

Received Date:

Job #:

CSR:

License #:

APPLICATION FOR SPECIAL EVENT LICENSE

Fees: \$25.00 per day for 1-10 days (consecutive) Cash Checks or Money Orders Only
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.

SECTION 1 Applicant must be a member of a qualifying nonprofit organization, political party, or Government entity and authorized by an Officer, Director, or Chairperson of the Organization.

1. Applicant: Biloskirka Debra
2. Applicant's mailing address: E. Westridge Dr. Fountain Hills AZ 85268
3. Applicant's home/cell phone: (480) 466-6850 Applicant's business phone: ()
4. Applicant's email address: Debbdlmgt2@cox.net

SECTION 2 Name of Organization, Candidate or Political Party/Gov.: Fountain Hills VFW Post No. 7507 Vete

Name of Licensed Contractor (if any):

SECTION 3 Non-Profit/IRS Tax Exempt Number: 501c3 ; 35-2533468

SECTION 4 Event Location: Fountain Hills Fair

Event Address: N. Verde Dr. & Ave. of the Fountains, Fountain Hills, AZ 85268

SECTION 5 Dates and Hours of Event. Days must be consecutive but may not exceed 10 consecutive days.
See A.R.S. § 4-244(15) and (17) for legal hours of service.

PLEASE FILL OUT A SEPARATE APPLICATION FOR EACH "NON-CONSECUTIVE" DAY

	Date	Day of Week	Event Start Time AM/PM	License End Time AM/PM
DAY 1:	Feb. 22, 2019	Friday	8:00 AM	10:00 PM
DAY 2:	Feb. 23, 2019	Saturday	8:00 AM	10:00 PM
DAY 3:	Feb. 24, 2019	Sunday	8:00 AM	10:00 PM
DAY 4:				
DAY 5:				
DAY 6:				
DAY 7:				
DAY 8:				
DAY 9:				
DAY 10:				

SECTION 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.)

Number of Police 2 Number of Security Personnel ☒ Fencing ☐ Barriers

Explanation: double stranded rope or plastic fence around perimeter of beer garden

SECTION 7 Will this event be held on a currently licensed premise and within the already approved premises? ☐ Yes ☒ No
(If yes, Local Governing Body Signature not required)

Name of Business

License Number

Phone (Include Area Code)

SECTION 8 How is this special event going to conduct all dispensing, serving, and selling of spirituous liquors? Please read R-19-318 for explanation 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 USING RETAIL LICENSE, PLEASE SUBMIT A LETTER OF AGREEMENT FROM THE AGENT/OWNER OF THE LICENSED PREMISES TO SUSPEND OR RUN CONCURRENT WITH THE PERMANENT LICENSE DURING THE EVENT. IF THE SPECIAL EVENT IS ONLY USING A PORTION OF THE PREMISES, AGENT/OWNER WILL NEED TO SUSPEND THAT PORTION OF THE PREMISES.)

SECTION 9 What is the purpose of this event?

☒ On-site consumption ☐ Off-site (auction/wine/distilled spirits pull) ☐ Both

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 days have been issued to this organization during the calendar year? 0
(The number cannot exceed 10 days per year.)

3. Is the organization using the services of a licensed contractor or other person to manage the sale or service of alcohol?

☐ Yes ☒ No (If yes, must be a licensed contractor or licensee of series 6, 7, 11, or 12)

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 Fountain Hills VFW Post 7507 Foundation Percentage: 25%

Address 9624 N. Monterey Dr. Fountain Hills, AZ 85268

Name Fountain Hills VFW Post 7507 Percentage: 75%

Address 9624 N. Monterey Dr. Fountain Hills, AZ 85268

Street

City

State

Zip

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 A SPECIAL EVENT UNLESS THEY ARE IN AUCTION WINE OR DISTILLED SPIRITS PULL SEALED CONTAINERS OR THE SPECIAL EVENT LICENSE IS STACKED WITH WINE /CRAFT DISTILLERY FESTIVAL LICENSE.

SECTION 11 License premises diagram. The licensed premises for your special event is the area in which you are authorized to sell, dispense or serve alcoholic beverages under the provisions of your license. Please attach a diagram of your special event licensed premises. Please show dimensions, serving areas, fencing, barricades, or other control measures and security position.

ATTACH DIAGRAM

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. Please contact the local governing board for additional application requirements and submission deadlines. Additional licensing fees may also be required before approval may be granted. For more information, please contact your local jurisdiction.

NOTARY

I, (Print Full Name) Debra Biloshirka, hereby declare that I am the APPLICANT, I have read this document and verify the contents and all statements are true, correct and complete to the best of my knowledge.

X (Signature)

Debra Biloshirka
Applicant Signature

State of Arizona

County of Maricopa

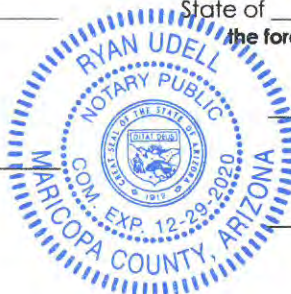
the foregoing instrument was acknowledged before me this

18th
Day

of Dec.
Month

2018
Year

My commission expires on: 12-29-2020



[Signature]
Signature of NOTARY PUBLIC

LOCAL GOVERNING BOARD

Date Received: _____			
I, _____ (Government Official)	_____ recommend	☐ APPROVAL	☐ DISAPPROVAL
On behalf of _____ (City, Town, County)	_____ Signature	_____ Date	_____ Phone

DLLC USE ONLY

☐ APPROVAL ☐ DISAPPROVAL	BY: _____	DATE: ____/____/____
--	-----------	----------------------

A.R.S. § 41-1030. Invalidity of rules not made according to this chapter; prohibited agency action; prohibited acts by state employees; enforcement; notice

B. An agency shall not base a licensing decision in whole or in part on a licensing requirement or condition that is not specifically authorized by statute, rule or state tribal gaming compact. A general grant of authority in statute does not constitute a basis for imposing a licensing requirement or condition unless a rule is made pursuant to that general grant of authority that specifically authorizes the requirement or condition.

D. THIS SECTION MAY BE ENFORCED IN A PRIVATE CIVIL ACTION AND RELIEF MAY BE AWARDED AGAINST THE STATE. THE COURT MAY AWARD REASONABLE ATTORNEY FEES, DAMAGES AND ALL FEES ASSOCIATED WITH THE LICENSE APPLICATION TO A PARTY THAT PREVAILS IN AN ACTION AGAINST THE STATE FOR A VIOLATION OF THIS SECTION.

E. A STATE EMPLOYEE MAY NOT INTENTIONALLY OR KNOWINGLY VIOLATE THIS SECTION. A VIOLATION OF THIS SECTION IS CAUSE FOR DISCIPLINARY ACTION OR DISMISSAL PURSUANT TO THE AGENCY'S ADOPTED PERSONNEL POLICY.

F. THIS SECTION DOES NOT ABROGATE THE IMMUNITY PROVIDED BY SECTION 12-820.01 OR 12-820.0

NT

FOUNTAIN HILLS FAIR
VFW POST 7507 FOUNDATION
MINI BEER GARDEN LOCATION
RIVER VERDE DR. & AVE. OF THE FOUNTAINS, FOUNTAIN HILLS, AZ.

VERDE RIVER DR.

MINI BEER GARDEN

AVE. OF THE FOUNTAINS



TOWN OF FOUNTAIN HILLS

TOWN COUNCIL AGENDA ACTION FORM

Meeting Date: 1/15/2019

Meeting Type: Regular Session

Agenda Type: Consent

Submitting Department: Community Services

Staff Contact Information: Corey Povar, Recreation Manager, 480-816-5170, cpovar@fh.az.gov

REQUEST TO COUNCIL (Agenda Language): CONSIDERATION OF approving a SPECIAL EVENT LIQUOR LICENSE APPLICATION submitted by Merita Kraya representing Euro Pizza Cafe located at 12645 North Saguaro Blvd, Fountain Hills, AZ. who will be hosting a beer garden in conjunction with the Mountain 2 Fountain race on March 3, 2019 from 7:00 AM to 12:00 PM.

Applicant: Merita Kraya

Applicant Contact Information: (480) 836-0208, 12645 North Saguaro Blvd. Fountain Hills, AZ 85268

Owner: Same

Owner Contact Information: Same

Property Location: 12645 North Saguaro Blvd, Fountain Hills, AZ 85268

Related Ordinance, Policy or Guiding Principle: A.R.S. §4-203.02; 4-244; 4-261 and R19-1-228, R19-1-235, and R19-1-309

Staff Summary (background): The purpose of this item is to obtain Council's approval regarding the special event liquor license application submitted by Merita Kraya representing Euro Pizza Cafe for submission to the Arizona Department of Liquor. This special event liquor license is being obtained for the purpose of holding a beer garden in conjunction with the Mountain 2 Fountain race and the Together We Live Organization. The special event liquor license application was reviewed by staff for compliance with Town ordinances and staff unanimously recommends approval of this special event liquor license application as submitted.

Risk Analysis (options or alternatives with implications): N/A

Fiscal Impact (initial and ongoing costs; budget status): N/A

Budget Reference (page number): N/A

Funding Source: NA

If Multiple Funds utilized, list here:

Budgeted; if No, attach Budget Adjustment Form: NA

Recommendation(s) by Board(s) or Commission(s): N/A

Staff Recommendation(s): Approve

List Attachment(s): Applications

SUGGESTED MOTION (for Council use): Move to approve the Special Event Liquor License

Prepared by:



Corey Povar, Recreation Manager

12/18/2018

Approved:



Grady E. Miller, Town Manager

12/18/2018

Director's Approval:



Rachael Goodwin, Community Services Director

12/18/2018



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

Received Date:

Job #:

CSR:

License #:

APPLICATION FOR SPECIAL EVENT LICENSE

Fees: \$25.00 per day for 1-10 days (consecutive) Cash Checks or Money Orders Only
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.

SECTION 1 Applicant must be a member of a qualifying nonprofit organization, political party, or Government entity and authorized by an Officer, Director, or Chairperson of the Organization.

1. Applicant: Kraya Merita
2. Applicant's mailing address: E. Glenpoint Dr Fountain Hills AZ 85268
3. Applicant's home/cell phone: (480) 229-1288 Applicant's business phone: (480) 836-0208
4. Applicant's email address: europizzacafe@cox.net

SECTION 2 Name of Organization, Candidate or Political Party/Gov.: 26ether We live Inc.

Name of Licensed Contractor (if any):

SECTION 3 Non-Profit/IRS Tax Exempt Number: 82-1088762

SECTION 4 Event Location: Fountain Hills Park

Event Address: 12645 N. Saguaro Blvd Fountain Hills, AZ 85268

SECTION 5 Dates and Hours of Event. Days must be consecutive but may not exceed 10 consecutive days.
See A.R.S. § 4-244(15) and (17) for legal hours of service.

PLEASE FILL OUT A SEPARATE APPLICATION FOR EACH "NON-CONSECUTIVE" DAY

	Date	Day of Week	Event Start Time AM/PM	License End Time AM/PM
DAY 1:	<u>3/3/18</u>	<u>Sunday</u>	<u>7</u>	<u>12</u>
DAY 2:				
DAY 3:				
DAY 4:				
DAY 5:				
DAY 6:				
DAY 7:				
DAY 8:				
DAY 9:				
DAY 10:				

SECTION 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.)

3 Number of Police 10 Number of Security Personnel ☒ Fencing ☒ Barriers

Explanation: Police and security personnel will be situated in the entrance and barrier and fence all around the area where beer will be consumed.

SECTION 7 Will this event be held on a currently licensed premise and within the already approved premises? ☐ Yes ☐ No
(If yes, Local Governing Body Signature not required)

Euro Pizza Cafe 12074623 480-836-0208
Name of Business License Number Phone (Include Area Code)

SECTION 8 How is this special event going to conduct all dispensing, serving, and selling of spirituous liquors? Please read R-19-318 for explanation 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 USING RETAIL LICENSE, PLEASE SUBMIT A LETTER OF AGREEMENT FROM THE AGENT/OWNER OF THE LICENSED PREMISES TO SUSPEND OR RUN CONCURRENT WITH THE PERMANENT LICENSE DURING THE EVENT. IF THE SPECIAL EVENT IS ONLY USING A PORTION OF THE PREMISES, AGENT/OWNER WILL NEED TO SUSPEND THAT PORTION OF THE PREMISES.)

SECTION 9 What is the purpose of this event?

☒ On-site consumption ☐ Off-site (auction/wine/distilled spirits pull) ☐ Both

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 days have been issued to this organization during the calendar year? 0
(The number cannot exceed 10 days per year.)

3. Is the organization using the services of a licensed contractor or other person to manage the sale or service of alcohol?
☐ Yes ☒ No (If yes, must be a licensed contractor or licensee of series 6, 7, 11, or 12)

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 Together we live Percentage: 25%

Address

Name Percentage:

Address Street City State Zip

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 A SPECIAL EVENT UNLESS THEY ARE IN AUCTION WINE OR DISTILLED SPIRITS PULL SEALED CONTAINERS OR THE SPECIAL EVENT LICENSE IS STACKED WITH WINE /CRAFT DISTILLERY FESTIVAL LICENSE.

SECTION 11 License premises diagram. The licensed premises for your special event is the area in which you are authorized to sell, dispense or serve alcoholic beverages under the provisions of your license. Please attach a diagram of your special event licensed premises. Please show dimensions, serving areas, fencing, barricades, or other control measures and security position.

ATTACH DIAGRAM

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. Please contact the local governing board for additional application requirements and submission deadlines. Additional licensing fees may also be required before approval may be granted. For more information, please contact your local jurisdiction.

NOTARY

I, (Print Full Name) Merita Kraja, hereby declare that I am the APPLICANT, I have read this document and verify the contents and all statements are true, correct and complete to the best of my knowledge.

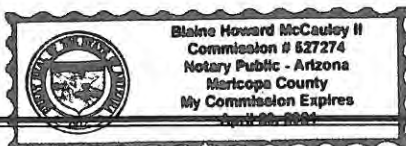
X (Signature)

[Signature]
Applicant Signature

State of Arizona County of Maricopa
the foregoing instrument was acknowledged before me this

17th of December 2018
Day Month Year

My commission expires on: 4/23/2021



[Signature]
Signature of NOTARY PUBLIC

LOCAL GOVERNING BOARD

Date Received: _____			
I, _____ (Government Official)	_____ (Title)	recommend	☐ APPROVAL ☐ DISAPPROVAL
On behalf of _____ (City, Town, County)	_____ Signature	_____ Date	_____ Phone

DLLC USE ONLY

☐ APPROVAL ☐ DISAPPROVAL	BY: _____	DATE: ____/____/____
--	-----------	----------------------

A.R.S. § 41-1030. Invalidity of rules not made according to this chapter; prohibited agency action; prohibited acts by state employees; enforcement; notice

B. An agency shall not base a licensing decision in whole or in part on a licensing requirement or condition that is not specifically authorized by statute, rule or state tribal gaming compact. A general grant of authority in statute does not constitute a basis for imposing a licensing requirement or condition unless a rule is made pursuant to that general grant of authority that specifically authorizes the requirement or condition.

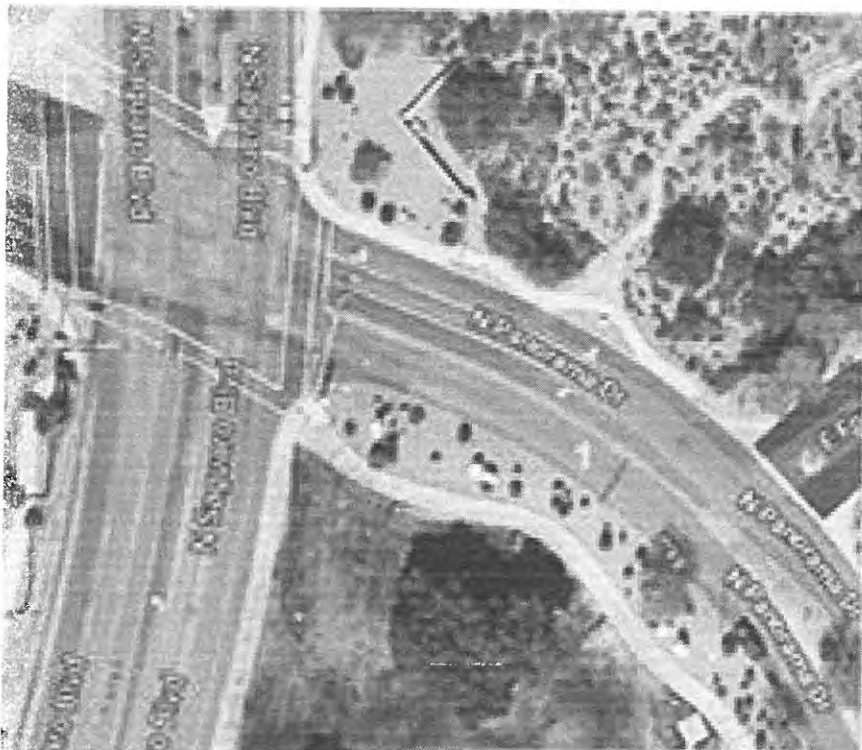
D. THIS SECTION MAY BE ENFORCED IN A PRIVATE CIVIL ACTION AND RELIEF MAY BE AWARDED AGAINST THE STATE. THE COURT MAY AWARD REASONABLE ATTORNEY FEES, DAMAGES AND ALL FEES ASSOCIATED WITH THE LICENSE APPLICATION TO A PARTY THAT PREVAILS IN AN ACTION AGAINST THE STATE FOR A VIOLATION OF THIS SECTION.

E. A STATE EMPLOYEE MAY NOT INTENTIONALLY OR KNOWINGLY VIOLATE THIS SECTION. A VIOLATION OF THIS SECTION IS CAUSE FOR DISCIPLINARY ACTION OR DISMISSAL PURSUANT TO THE AGENCY'S ADOPTED PERSONNEL POLICY.

F. THIS SECTION DOES NOT ABROGATE THE IMMUNITY PROVIDED BY SECTION 12-820.01 OR 12-820.0



1. Finish line
2. Results tent
3. Runner buffet
4. Vendor area 6-10 tents
5. Gear pickup
6. Fence
7. Officer securing entrance



1. Start of the 5K and 3K



TOWN OF FOUNTAIN HILLS

TOWN COUNCIL AGENDA ACTION FORM

Meeting Date: 1/15/2019

Meeting Type: Regular Session

Agenda Type: Consent

Submitting Department: Community Services

Staff Contact Information: Corey Povar, Recreation Manager, 480-816-5170, cpovar@fh.az.gov

REQUEST TO COUNCIL (Agenda Language): CONSIDERATION OF approving a FAIR/FESTIVAL LICENCE APPLICATION for Desert Diamond Distillery Inc. (John Patt) to participate as a vendor along the Avenue of the Fountains, in conjunction with the Fountain Hills Art and Wine Affaire, from 10:00 AM to 5:00 PM daily, Friday, March 8 through Sunday, March 10, 2019.

Applicant: John Patt

Applicant Contact Information: 928-757-7611

Owner: John Patt, [REDACTED] Olympic Drive Kingman, AZ 86401

Owner Contact Information: 928-7577611

Property Location: [REDACTED] Olympic Drive Kingman, AZ 86401

Related Ordinance, Policy or Guiding Principle: A.R.S. §4-203.02; 4-244; 4-261 and R19-1-228, R19-1-235, and R19-1-309

Staff Summary (background): The purpose of this item is to obtain Council's approval regarding the Fair/Festival Liquor License Application submitted by John Patt representing Desert Diamond Distillery Inc., for submission to the Arizona Department of Liquor. The Fair/Festival Liquor License Application was reviewed by staff for compliance with Town ordinances and staff unanimously recommends approval of this special event liquor license application as submitted.

Risk Analysis (options or alternatives with implications): N/A

Fiscal Impact (initial and ongoing costs; budget status): N/A

Budget Reference (page number): N/A

Funding Source: NA

If Multiple Funds utilized, list here:

Budgeted; if No, attach Budget Adjustment Form: NA

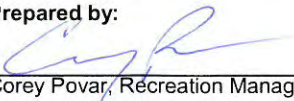
Recommendation(s) by Board(s) or Commission(s): N/A

Staff Recommendation(s): Approve

List Attachment(s): Applications

SUGGESTED MOTION (for Council use): Move to approve the Fair/Festival License Application as presented.

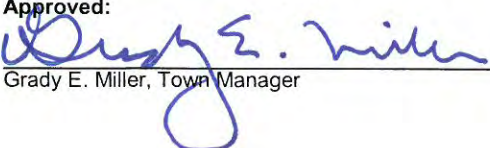
Prepared by:


Corey Povar, Recreation Manager 12/26/2018

Director's Approval:


Rachael Goodwin, Community Services Director 12/26/2018

Approved:


Grady E. Miller, Town Manager 12/26/2018



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

Received Date:

Job #:

CSR:

License #:

FAIR/FESTIVAL LICENSE APPLICATION

A.R.S. § 4-205.11 Craft Distillery A.R.S. § 4-203.02 at Special Event
A.R.S. § 4-203.03 Farm Winery Fee: \$15.00 per Day

A service fee of \$25 will be charged for all dishonored checks (A.R.S. 44-6852).

If the fair/festival 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 7). When the days of the fair/festival are not consecutive, a separate license for each uninterrupted period is needed.

SECTION 1 Application type:

☐ Craft Distillery/Wine Fair

☒ Craft Distillery/Wine Festival

1. Individual/Agent's Name: John William Pratt Liquor License #: 18083000
2. Business name: Desert Diamond Distillery Inc Contact Phone #: 928-757-7611
3. Mailing address: [Redacted] Olympic Dr. Kingman AZ 86401
Street Address City State Zip Code
4. Location of fair/festival: Ave of the Fountains Mountain Hills Maricopa 85068
Street address City County Zip Code
5. Email Address: patteline@aash.com
6. Will this event be held on a currently licensed premise and within the already approved premises? ☐ Yes ☒ No

If yes, please provide the License # _____

SECTION 2 Date & Hours:

Fair/Festival Days permitted: A total of 150 days per Craft Distillery/Farm Winery per calendar year.

	Date	Day of Week	Start Time AM/PM	End Time AM/PM
1.	<u>3/8/19</u>	<u>Fri</u>	<u>10am</u>	<u>5pm</u>
2.	<u>3/9/19</u>	<u>SAT</u>	<u>10am</u>	<u>5pm</u>
3.	<u>3/10/19</u>	<u>SUN</u>	<u>10am</u>	<u>5pm</u>
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____
7.	_____	_____	_____	_____

Please attach an additional sheet if necessary

SECTION 3 To complete this application, all questions must be answered:

1. Have you received permission for use of the site for the sale/consumption of liquor from the owner named in Section 3?
- ☒ Yes (Please submit letter from Agent/Owner of Site) ☐ No
2. Will the liquor you sell/serve be manufactured/produced products of your licensed premises named in Section One?
- ☒ Yes ☐ No
3. List the number of days you have held a licensed Fair/Festival in the current calendar year 9
4. What security and control measures will you take to prevent violations of state liquor laws at this event?
- Number of Police Officers on Site: _____ Fencing ☒ Yes ☐ No
- Number of Security Personnel on Site: _____ Barriers ☒ Yes ☐ No
5. I have taken responsible steps to ensure individuals operating the fair/festival licensed premises and employees who serve, sell, or furnish liquor at this fair/festival have knowledge of Arizona liquor laws (R19-1-302) ☒ Yes ☐ No

SECTION 4 Controlling Person of Location:
(Person authorizing use of location)

1. Name: Thunderbird Artists Daytime Contact Phone #: 480-837-5637
2. Mailing address: 15648 N. Eagles Nest Dr. Fountain Hills AZ 85268
3. Email Address: thunderbirdartists.com

SECTION 5 Licensed premises diagram. The licensed premises for your fair/festival is the area you are authorized to sell, dispense or serve alcoholic beverages under the provisions of your license identified in Section 1, line #2 of this application. Please attach a diagram of your special event licensed premise. Please include dimensions of the premises, serving areas, fencing, barricades, or other control measures and security positions.

ATTACH DIAGRAM

NOTARY: to be completed only by the Individual/Agent named in section #1

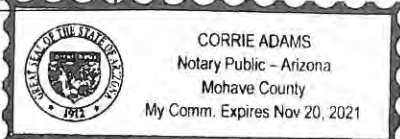
I, (Print Full Name) JOHN W. ADAMS, hereby declare that I am the APPLICANT, I have read this document and verify the contents and all statements are true, correct and complete to the best of my knowledge.

X (Signature) [Signature] Applicant Signature

State of Arizona County of Mohave
the foregoing instrument was acknowledged before me this

21 of December 2018
Day Month Year

My commission expires on: Nov 20, 2021

 CORRIE ADAMS
Notary Public - Arizona
Mohave County
My Comm. Expires Nov 20, 2021

Corrie Adams
Signature of NOTARY PUBLIC

The local governing body (city, town or municipality where the fair/festival will take place) 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.

GOVERNING BOARD

I, _____ recommend ☐ APPROVAL ☐ DISAPPROVAL
(Government Official) (Title)

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

DLIC USE ONLY

☐ APPROVAL ☐ DISAPPROVAL BY: _____ DATE: _____

A.R.S. § 41-1030. Invalidity of rules not made according to this chapter; prohibited agency action; prohibited acts by state employees; enforcement; notice

B. An agency shall not base a licensing decision in whole or in part on a licensing requirement or condition that is not specifically authorized by statute, rule or state tribal gaming compact. A general grant of authority in statute does not constitute a basis for imposing a licensing requirement or condition unless a rule is made pursuant to that general grant of authority that specifically authorizes the requirement or condition.

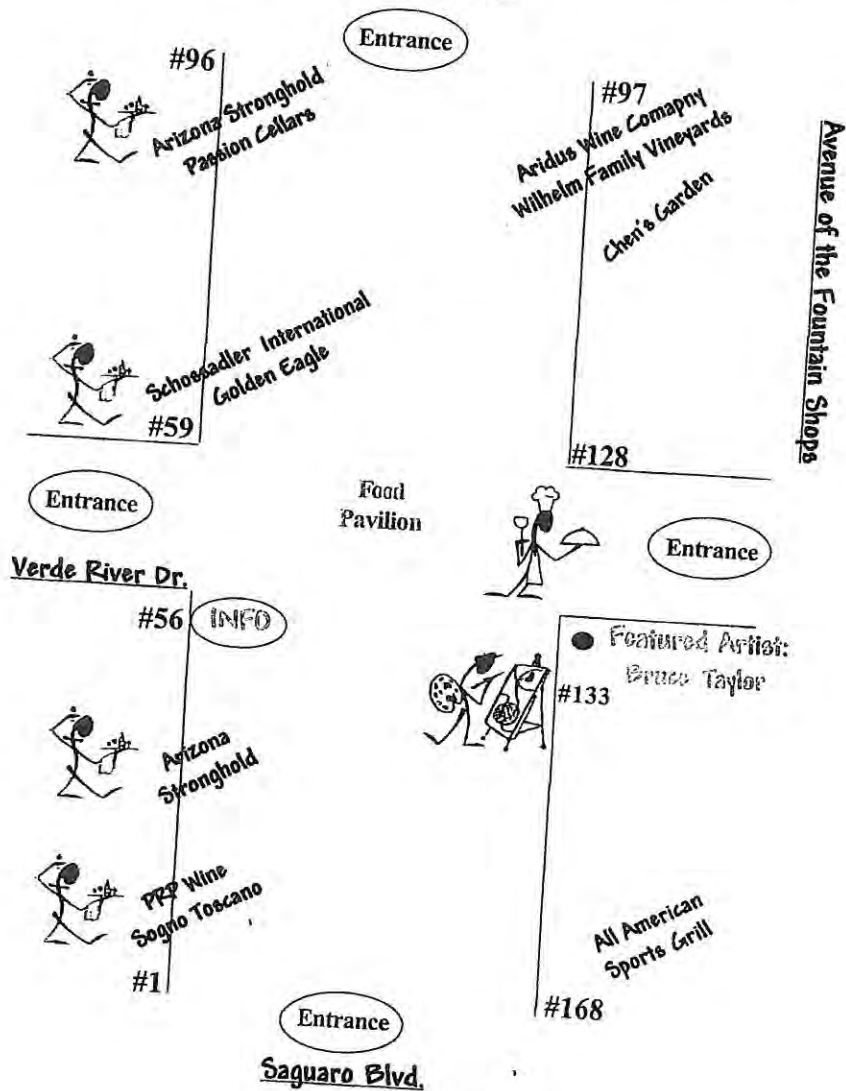
D. THIS SECTION MAY BE ENFORCED IN A PRIVATE CIVIL ACTION AND RELIEF MAY BE AWARDED AGAINST THE STATE. THE COURT MAY AWARD REASONABLE ATTORNEY FEES, DAMAGES AND ALL FEES ASSOCIATED WITH THE LICENSE APPLICATION TO A PARTY THAT PREVAILS IN AN ACTION AGAINST THE STATE FOR A VIOLATION OF THIS SECTION.

E. A STATE EMPLOYEE MAY NOT INTENTIONALLY OR KNOWINGLY VIOLATE THIS SECTION. A VIOLATION OF THIS SECTION IS CAUSE FOR DISCIPLINARY ACTION OR DISMISSAL PURSUANT TO THE AGENCY'S ADOPTED PERSONNEL POLICY.

F. THIS SECTION DOES NOT ABROGATE THE IMMUNITY PROVIDED BY SECTION 12-820.01 OR 12-820.02.

Fountain Hills Fine Art & Wine Affaire AREA MAP

La Montana Drive



For more information contact:
Thunderbird.Artists @ 480-837-5637

Visit our website:
www.ThunderbirdArtists.com



TOWN OF FOUNTAIN HILLS

TOWN COUNCIL AGENDA ACTION FORM

Meeting Date: 1/15/2019

Meeting Type: Regular Session

Agenda Type: Consent

Submitting Department: Community Services

Staff Contact Information: Corey Povar, Recreation Manager, 480-816-5170, cpovar@fh.az.gov

REQUEST TO COUNCIL (Agenda Language): CONSIDERATION OF approving a SPECIAL EVENT LIQUOR LICENSE APPLICATION submitted by Kim Kamins representing Fearless Kitty Rescue located at 16832 E. Avenue of the Fountains, Fountain Hills, AZ for the purpose of a fundraiser to be held on March 1, 2019 from 5:30 PM to 8:00 PM.

Applicant: Kim Kamins

Applicant Contact Information: 480-837-7777

Owner: Kim Kamins

Owner Contact Information: 623-466-5946, 16832 E. Avenue of the Fountains, Fountain Hills, AZ 85268

Property Location: 16832 E. Avenue of the Fountains, Fountain Hills, AZ 85268

Related Ordinance, Policy or Guiding Principle: A.R.S. §4-203.02; 4-244; 4-261 and R19-1-228, R19-1-235, and R19-1-309

Staff Summary (background): The purpose of this item is to obtain Council's approval regarding the Special Event Liquor License Application submitted by Kim Kamins representing Fearless Kitty Rescue for submission to the Arizona Department of Liquor. The Special Event Liquor License Application was reviewed by staff for compliance with Town ordinances and staff unanimously recommends approval of this special event liquor license application as submitted.

Risk Analysis (options or alternatives with implications): N/A

Fiscal Impact (initial and ongoing costs; budget status): N/A

Budget Reference (page number): N/A

Funding Source: NA

If Multiple Funds utilized, list here:

Budgeted; if No, attach Budget Adjustment Form: NA

Recommendation(s) by Board(s) or Commission(s): N/A

Staff Recommendation(s): Approve

List Attachment(s): Applications

SUGGESTED MOTION (for Council use): Move to approve the Special Event Liquor License

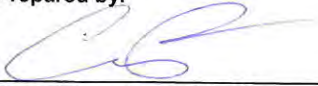
Approved:



Grady E. Miller, Town Manager

12/26/2018

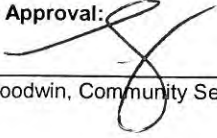
Prepared by:



Corey Povar, Recreation Manager

12/26/2018

Director's Approval:



Rachael Goodwin, Community Services Director

12/26/2018



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

FOR DLIC USE ONLY

Received Date:

Job #:

CSR:

License #:

APPLICATION FOR SPECIAL EVENT LICENSE

Fees: \$25.00 per day for 1-10 days (consecutive) Cash Checks or Money Orders Only
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.

SECTION 1 Applicant must be a member of a qualifying nonprofit organization, political party, or Government entity and authorized by an Officer, Director, or Chairperson of the Organization.

1. Applicant: Kamins Kim A [Redacted]
2. Applicant's mailing address: 16832 E. Ave of the Fountains Fountain Hills AZ
3. Applicant's home/cell phone: (623) 466-5946 Applicant's business phone: (480) 837-7777
4. Applicant's email address: Kim@fearlesskittyrescue.org

SECTION 2 Name of Organization, Candidate or Political Party/Gov.: Fearless Kitty Rescue

Name of Licensed Contractor (if any): N/A

SECTION 3 Non-Profit/IRS Tax Exempt Number: 46-0993077

SECTION 4 Event Location: Fearless Kitty Rescue

Event Address: 16832 E. Ave. of the Fountains, Fountain Hills

SECTION 5 Dates and Hours of Event. Days must be consecutive but may not exceed 10 consecutive days.
See A.R.S. § 4-244(15) and (17) for legal hours of service.

PLEASE FILL OUT A SEPARATE APPLICATION FOR EACH "NON-CONSECUTIVE" DAY

	Date	Day of Week	Event Start Time AM/PM	License End Time AM/PM
DAY 1:	<u>3/1/19</u>	<u>Friday</u>	<u>5:30</u>	<u>8:00</u>
DAY 2:				
DAY 3:				
DAY 4:				
DAY 5:				
DAY 6:				
DAY 7:				
DAY 8:				
DAY 9:				
DAY 10:				

SECTION 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.)

Number of Police _____ Number of Security Personnel _____ ☒ Fencing ☐ Barriers

Explanation: The event will be held indoor in our facility and partially outdoor. The outdoor area will be completely closed off with fencing. Outdoor area is private property

SECTION 7 Will this event be held on a currently licensed premise and within the already approved premises? ☐ Yes ☒ No
(If yes, Local Governing Body Signature not required)

Name of Business License Number Phone (Include Area Code)

SECTION 8 How is this special event going to conduct all dispensing, serving, and selling of spirituous liquors? Please read R-19-318 for explanation 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
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(IF USING RETAIL LICENSE, PLEASE SUBMIT A LETTER OF AGREEMENT FROM THE AGENT/OWNER OF THE LICENSED PREMISES TO SUSPEND OR RUN CONCURRENT WITH THE PERMANENT LICENSE DURING THE EVENT. IF THE SPECIAL EVENT IS ONLY USING A PORTION OF THE PREMISES, AGENT/OWNER WILL NEED TO SUSPEND THAT PORTION OF THE PREMISES.)

SECTION 9 What is the purpose of this event?

☒ On-site consumption ☐ Off-site (auction/wine/distilled spirits pull) ☐ Both

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 days have been issued to this organization during the calendar year? 0
(The number cannot exceed 10 days per year.)

3. Is the organization using the services of a licensed contractor or other person to manage the sale or service of alcohol?

☐ Yes ☒ No (If yes, must be a licensed contractor or licensee of series 6, 7, 11, or 12)

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 Fearless Kitty Rescue Percentage: 100%
Address 16832 E. Ave of the Fountains, Fountain Hills
Name _____ Percentage: _____
Address _____
Street City State Zip

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.

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NOTARY

I, (Print Full Name) Kimberly A Kamins, hereby declare that I am the APPLICANT, I have read this document and verify the contents and all statements are true, correct and complete to the best of my knowledge.

X (Signature)

K. A. Kamins
Applicant Signature

State of

Arizona

County of

Maricopa

the foregoing instrument was acknowledged before me this

Day

26

of

Month

December

Year

My commission expires on:

June 30, 2019



RHONDA M. BRENNEMAN
Notary Public - State of Arizona
MARICOPA COUNTY
My Commission Expires June 30, 2019

Rhonda M. Brenneman
Signature of NOTARY PUBLIC

LOCAL GOVERNING BOARD

Date Received: _____			
I, _____ (Government Official)	_____ (Title)	recommend	☐ APPROVAL ☐ DISAPPROVAL
On behalf of _____ (City, Town, County)	_____ Signature	_____ Date	_____ Phone

DLLC USE ONLY

☐ APPROVAL ☐ DISAPPROVAL BY: _____ DATE: ____/____/____

A.R.S. § 41-1030. Invalidity of rules not made according to this chapter; prohibited agency action; prohibited acts by state employees; enforcement; notice

B. An agency shall not base a licensing decision in whole or in part on a licensing requirement or condition that is not specifically authorized by statute, rule or state tribal gaming compact. A general grant of authority in statute does not constitute a basis for imposing a licensing requirement or condition unless a rule is made pursuant to that general grant of authority that specifically authorizes the requirement or condition.

D. THIS SECTION MAY BE ENFORCED IN A PRIVATE CIVIL ACTION AND RELIEF MAY BE AWARDED AGAINST THE STATE. THE COURT MAY AWARD REASONABLE ATTORNEY FEES, DAMAGES AND ALL FEES ASSOCIATED WITH THE LICENSE APPLICATION TO A PARTY THAT PREVAILS IN AN ACTION AGAINST THE STATE FOR A VIOLATION OF THIS SECTION.

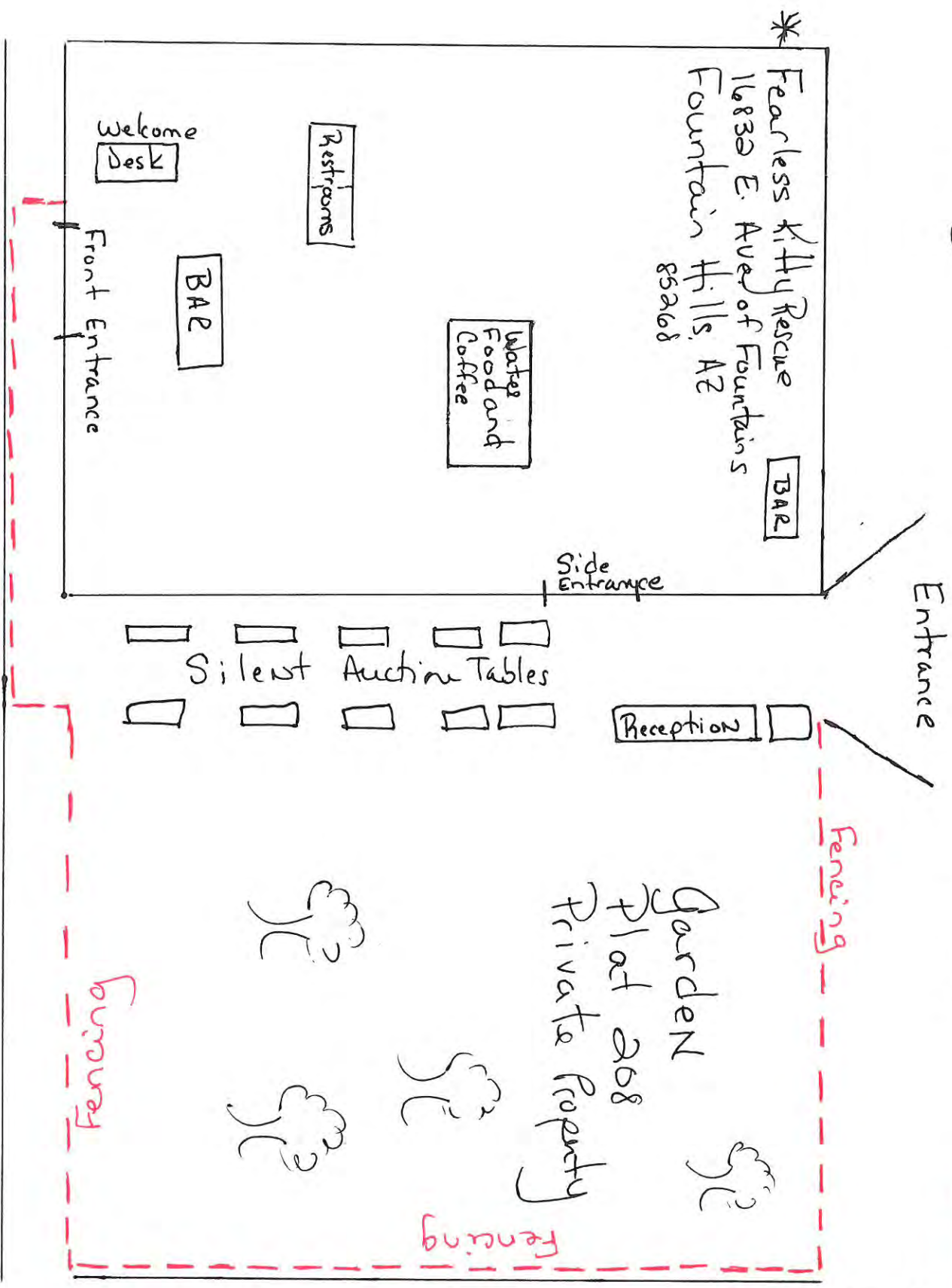
E. A STATE EMPLOYEE MAY NOT INTENTIONALLY OR KNOWINGLY VIOLATE THIS SECTION. A VIOLATION OF THIS SECTION IS CAUSE FOR DISCIPLINARY ACTION OR DISMISSAL PURSUANT TO THE AGENCY'S ADOPTED PERSONNEL POLICY.

F. THIS SECTION DOES NOT ABROGATE THE IMMUNITY PROVIDED BY SECTION 12-820.01 OR 12-820.0

Talking Lot

Talking lot

---Fencing



Public Sidewalk

Public Sidewalk

Public Sidewalk

Avenue of the Fountains



TOWN OF FOUNTAIN HILLS

TOWN COUNCIL AGENDA ACTION FORM

Meeting Date: 1/15/2019

Meeting Type: Regular Session

Agenda Type: Consent

Submitting Department: Community Services

Staff Contact Information: Corey Povar, Recreation Manager, 480-816-5170, cpovar@fh.az.gov

REQUEST TO COUNCIL (Agenda Language): CONSIDERATION OF approving a FAIR/FESTIVAL LICENCE APPLICATION for Odyssey Cellars (John McLoughlin) to participate as a vendor along the Avenue of the Fountains, in conjunction with the Fountain Hills Art and Wine Affaire, from 10:00 AM to 5:00 PM daily, Friday, March 8 through Sunday, March 10, 2019.

Applicant: John McLoughlin

Applicant Contact Information: 480-229-2266

Owner: John McLoughlin, [REDACTED] E. Hampton Avenue Ste.110 Mesa, AZ 85209

Owner Contact Information: 480-229-2266

Property Location: [REDACTED] E. Hampton Avenue Ste.110 Mesa, AZ 85209

Related Ordinance, Policy or Guiding Principle: A.R.S. §4-203.02; 4-244; 4-261 and R19-1-228, R19-1-235, and R19-1-309

Staff Summary (background): The purpose of this item is to obtain Council's approval regarding the Fair/Festival Liquor License Application submitted by John McLoughlin representing Odyssey Cellars, for submission to the Arizona Department of Liquor. The Fair/Festival Liquor License Application was reviewed by staff for compliance with Town ordinances and staff unanimously recommends approval of this special event liquor license application as submitted.

Risk Analysis (options or alternatives with implications): N/A

Fiscal Impact (initial and ongoing costs; budget status): N/A

Budget Reference (page number): N/A

Funding Source: NA

If Multiple Funds utilized, list here:

Budgeted; if No, attach Budget Adjustment Form: NA

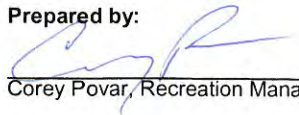
Recommendation(s) by Board(s) or Commission(s): N/A

Staff Recommendation(s): Approve

List Attachment(s): Applications

SUGGESTED MOTION (for Council use): Move to approve the Fair/Festival License Application as presented.

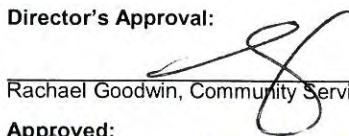
Prepared by:



Corey Povar, Recreation Manager

12/26/2018

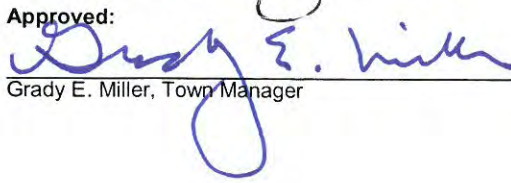
Director's Approval:



Rachael Goodwin, Community Services Director

12/26/2018

Approved:



Grady E. Miller, Town Manager

12/26/2018



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

Received Date:
Job #:
CSR:
License #:

FAIR/FESTIVAL LICENSE APPLICATION

A.R.S. § 4-205.11 Craft Distillery A.R.S. § 4-203.02 at Special Event
A.R.S. § 4-203.03 Farm Winery Fee: \$15.00 per Day

A service fee of \$25 will be charged for all dishonored checks (A.R.S. 44-6852).

If the fair/festival 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 7). When the days of the fair/festival are not consecutive, a separate license for each uninterrupted period is needed.

SECTION 1 Application type:

☐ Craft Distillery/Wine Fair

☒ Craft Distillery/Wine Festival

1. Individual/Agent's Name: John McLoughlin Liquor License #: 13023012
2. Business name: Odyssey Cellars Contact Phone #: 480-229-2266
3. Mailing address: [Redacted] E Hampton Ave Ste 110 Mesa AZ 85209
4. Location of fair/festival: 16810 E Avenue of the Fountains Fountain Hills Maricopa 85268
5. Email Address: john@cellar433.com
6. Will this event be held on a currently licensed premise and within the already approved premises? ☐ Yes ☒ No
If yes, please provide the License # _____

SECTION 2 Date & Hours:

Fair/Festival Days permitted: A total of 150 days per Craft Distillery/Farm Winery per calendar year.

	Date	Day of Week	Start Time AM/PM	End Time AM/PM
1.	<u>03/08/2019</u>	<u>Friday</u>	<u>10:00 AM</u>	<u>5:00 PM</u>
2.	<u>03/09/2019</u>	<u>Sat</u>	<u>10:00 AM</u>	<u>5:00 PM</u>
3.	<u>03/10/2019</u>	<u>Sunday</u>	<u>10:00 AM</u>	<u>5:00 PM</u>
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____
7.	_____	_____	_____	_____

Please attach an additional sheet if necessary

SECTION 3 To complete this application, all questions must be answered:

1. Have you received permission for use of the site for the sale/consumption of liquor from the owner named in Section 3?

☒ Yes (Please submit letter from Agent/Owner of Site) ☐ No

2. Will the liquor you sell/serve be manufactured/produced products of your licensed premises named in Section One?

☐ Yes ☐ No

3. List the number of days you have held a licensed Fair/Festival in the current calendar year _____

4. What security and control measures will you take to prevent violations of state liquor laws at this event?

Number of Police Officers on Site: 1

Fencing ☒ Yes ☐ No

Number of Security Personnel on Site: 4

Barriers ☒ Yes ☐ No

5. I have taken responsible steps to ensure individuals operating the fair/festival licensed premises and employees who serve, sell, or furnish liquor at this fair/festival have knowledge of Arizona liquor laws (R19-1-302) ☒ Yes ☐ No

SECTION 4 Controlling Person of Location:
(Person authorizing use of location)

1. Name: Corey Povar Daytime Contact Phone #: 480-816-5100
First Last

2. Mailing address: 16810 E Avenue of the Fountains Fountain Hills AZ 85268
Street address City State Zip Code

3. Email Address: c.povar@fh.az.gov

SECTION 5 Licensed premises diagram. The licensed premises for your fair/festival is the area you are authorized to sell, dispense or serve alcoholic beverages under the provisions of your license identified in Section 1, line #2 of this application. Please attach a diagram of your special event licensed premise. Please include dimensions of the premises, serving areas, fencing, barricades, or other control measures and security positions.

ATTACH DIAGRAM

NOTARY: to be completed only by the Individual/Agent named in section #1

I, (Print Full Name) John McLaughlin, hereby declare that I am the APPLICANT, I have read this document and verify the contents and all statements are true, correct and complete to the best of my knowledge.

X (Signature)

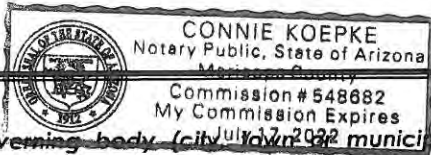
Applicant Signature

State of Arizona County of Maricopa
the foregoing instrument was acknowledged before me this

7th of November 2018
Day Month Year

My commission expires on: 07/17/2022

Connie Koepke
Signature of NOTARY PUBLIC



The local governing body (city, town or municipality where the fair/festival will take place) 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.

GOVERNING BOARD

I, _____ recommend ☐ APPROVAL ☐ DISAPPROVAL
(Government Official) (Title)

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

DLLC USE ONLY

☐ APPROVAL ☐ DISAPPROVAL BY: _____ DATE: _____

A.R.S. § 41-1030. Invalidity of rules not made according to this chapter; prohibited agency action; prohibited acts by state employees; enforcement; notice

B. An agency shall not base a licensing decision in whole or in part on a licensing requirement or condition that is not specifically authorized by statute, rule or state tribal gaming compact. A general grant of authority in statute does not constitute a basis for imposing a licensing requirement or condition unless a rule is made pursuant to that general grant of authority that specifically authorizes the requirement or condition.

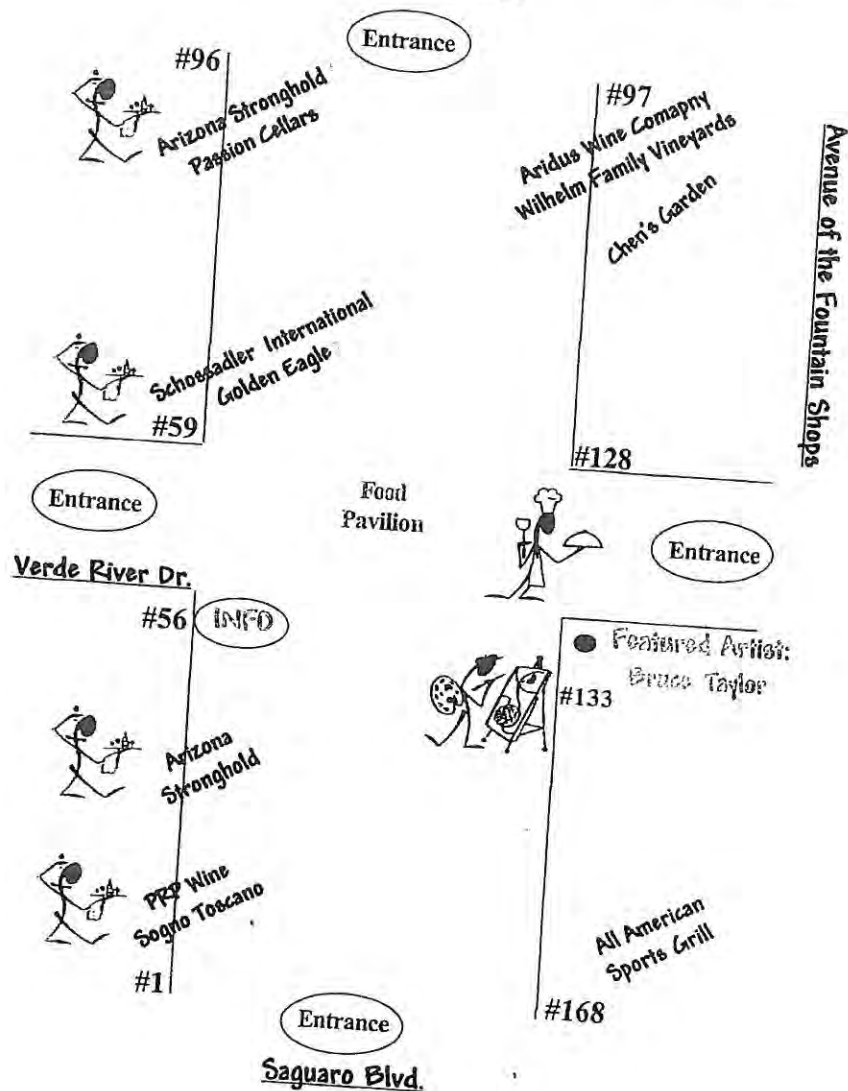
D. THIS SECTION MAY BE ENFORCED IN A PRIVATE CIVIL ACTION AND RELIEF MAY BE AWARDED AGAINST THE STATE. THE COURT MAY AWARD REASONABLE ATTORNEY FEES, DAMAGES AND ALL FEES ASSOCIATED WITH THE LICENSE APPLICATION TO A PARTY THAT PREVAILS IN AN ACTION AGAINST THE STATE FOR A VIOLATION OF THIS SECTION.

E. A STATE EMPLOYEE MAY NOT INTENTIONALLY OR KNOWINGLY VIOLATE THIS SECTION. A VIOLATION OF THIS SECTION IS CAUSE FOR DISCIPLINARY ACTION OR DISMISSAL PURSUANT TO THE AGENCY'S ADOPTED PERSONNEL POLICY.

F. THIS SECTION DOES NOT ABROGATE THE IMMUNITY PROVIDED BY SECTION 12-820.01 OR 12-820.02.

Fountain Hills Fine Art & Wine Affaire AREA MAP

La Montana Drive



For more information contact:
Thunderbird Artists @ 480-837-5637

Visit our website:
www.ThunderbirdArtists.com



TOWN OF FOUNTAIN HILLS

TOWN COUNCIL AGENDA ACTION FORM

Meeting Date: 1/15/2019

Meeting Type: Regular Session

Agenda Type: Consent

Submitting Department: Development Services

Staff Contact Information: Randy Harrel; Town Engineer; rharrel@fh.az.gov ; 480-816-5112

REQUEST TO COUNCIL (Agenda Language): CONSIDERATION OF Resolution 2019-01, abandonment of the 10' Public Utility and Drainage Easement at the rear of Plat 505-B, Block 1, Lot 57 (15846 E. Tepee Drive), as recorded in Book 158, Page 43, records of Maricopa County, Arizona, with stipulation. (EA 2018-20)

Applicant: Stephan Schoepke

Applicant Contact Information: Tele. 920-251-4555; E-mail: sschoepke1953@gmail.com

Owner: Same

Owner Contact Information: Same

Property Location: 15846 E. Tepee Drive

Related Ordinance, Policy or Guiding Principle: N/A

Staff Summary (background): This item on the Town Council's agenda is a proposal to abandon the pre-incorporation 10' Public Utility and Drainage Easement at the rear of Plat 505-B, Block 1. Lot 57.

All of the public utilities have approved of abandonment of this easement. A 10'x10' Public Utility Easement should be granted by the applicant at the southerly (front) corner of the lot, for existing and potential future utility boxes on and adjacent to the lot there. (The applicant has been advised of this stipulation.)

(Note: The pre-incorporation swimming pool and fence on this lot currently encroach into this easement area.)

The applicant has applied for a building permit (BP 2018-484) to construct a masonry fence, which would enclose part of this easement area, needed due to the applicant's parking of his RV in the rear yard. (Approval of either this easement abandonment or an Encroachment Permit is a requirement of that building permit application.)

Staff has reviewed the site to determine any on-site drainage issues in addition to the Town's general interest in the easement. There is no need for the Town to retain the drainage easement proposed to be abandoned, with the understanding that the owners of Lot 57 are required to pass the developed flows generated by the upstream lots across their property.

Risk Analysis (options or alternatives with implications): N/A

Fiscal Impact (initial and ongoing costs; budget status): N/A

Budget Reference (page number): N/A

Funding Source: NA

If Multiple Funds utilized, list here: N/A

Budgeted; if No, attach Budget Adjustment Form: NA

Recommendation(s) by Board(s) or Commission(s): N/A

Staff Recommendation(s): Staff recommends approval of Resolution 2019-01, abandonment of the 10' Public Utility and Drainage Easement on Plat 505-B, Block 1, Lot 57, subject to the following stipulation:

* Grant a 10'x10' Public Utility Easement at the southerly (front) corner of the lot.

List Attachment(s): Aerial Photo Map; Resolution 2019-01

SUGGESTED MOTION (for Council use): Move to approve Resolution 2019-01, abandonment of the 10' Public Utility and Drainage Easement at the rear of Plat 505-B, Block 1, Lot 57, with stipulation.

Prepared by:



Randy Harrel, Town Engineer

1/7/2019

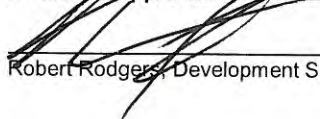
Approved:



Grady E. Miller, Town Manager

1/8/2019

Director's Approval:



Robert Rodgers, Development Services Director

1/7/2019

RESOLUTION 2019-01

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF FOUNTAIN HILLS, ARIZONA, ABANDONING WHATEVER RIGHT, TITLE, OR INTEREST IT HAS IN THE 10' PUBLIC UTILITY AND DRAINAGE EASEMENT LOCATED AT THE REAR PROPERTY LINE OF PLAT 505-B, BLOCK 1, LOT 57, FOUNTAIN HILLS, ARIZONA, AS RECORDED IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA, RECORDED IN BOOK 158 OF MAPS, PAGE 43

RECITALS:

WHEREAS, the Mayor and Council of the Town of Fountain Hills (the "Town Council"), as the governing body of real property located in the Town of Fountain Hills (the "Town"), may require the dedication of public streets, sewer, water, drainage, and other utility easements or rights-of-way within any proposed subdivision; and

WHEREAS, the Town Council has the authority to accept or reject offers of dedication of private property by easement, deed, subdivision, plat or other lawful means; and

WHEREAS, all present utility companies have received notification of the proposed abandonment.

ENACTMENTS:

NOW THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF FOUNTAIN HILLS, as follows:

SECTION 1. That the certain public utility and drainage easement, located at the rear property line of Plat 505-B, Block 1, Lot 57, (15846 E. Tepee Blvd.) Fountain Hills, as recorded the Office of the County Recorder of Maricopa County, Arizona, Book 158 of Maps, Page 43, are hereby declared to be abandoned by the Town. Certain lots within this subdivision are subject to lot-to-lot drainage runoff. The property owner is required to pass the developed flows generated by the upstream lots across their property.

SECTION 2 That this Resolution is one of abandonment and disclaimer by the Town solely for the purpose of removing any potential cloud on the title to said property and that the Town in no way attempts to affect the rights of any private party to oppose the abandonment or assert any right resulting there from or existing previous to any action by the Town.

PASSED AND ADOPTED BY the Mayor and Council of the Town of Fountain Hills, this 15th day of January, 2019.

FOR THE TOWN OF FOUNTAIN HILLS:

ATTESTED TO:

Ginny Dickey, Mayor

Elizabeth A. Burke, Town Clerk

REVIEWED BY:

APPROVED AS TO FORM:

Grady E. Miller, Town Manager

Aaron D. Arnson, Town Attorney



DEVELOPMENT SERVICES

2017 AERIAL
SITE PLAN

PLAT 505B, BLOCK 1, LOT 57
ADDRESS: 15846 E TEPEE DR

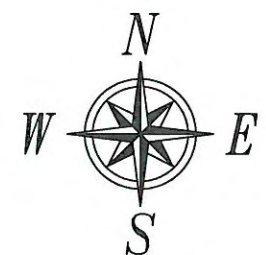
ZONING: R1-10

LOT AREA: 12,368 SF

(AREAS ARE APPROXIMATE)

LOTLINE 
RIGHT OF WAY 
CENTERLINE 
EASEMENT 
ABAND. EASEMENT 

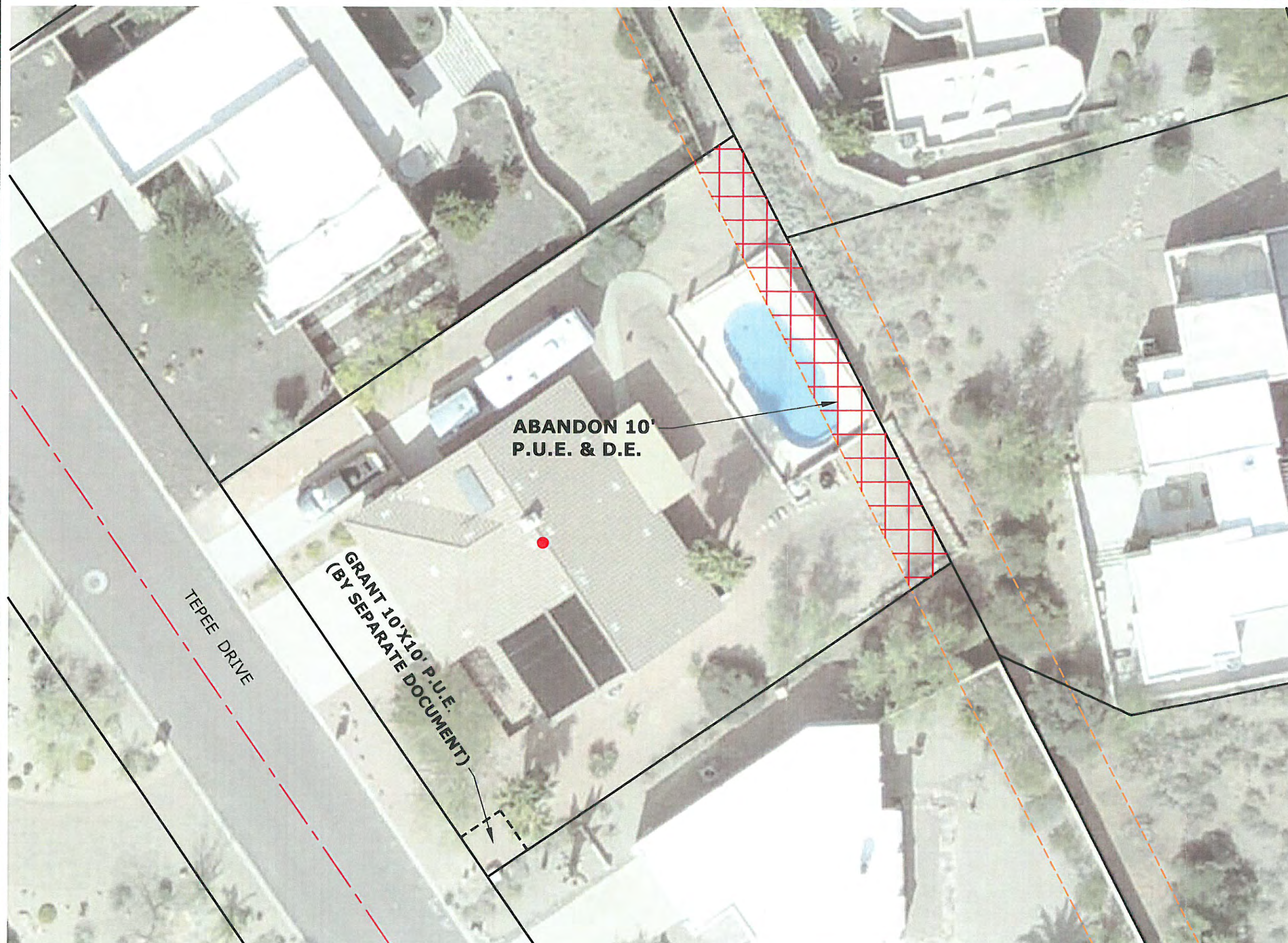
SUBJECT HOUSE 



0 10' 20'
SCALE: 1" = 20'

- AERIAL PHOTO FLIGHT: 11/17
- TOPOGRAPHICAL MAP: 9/91
- FEMA FLOOD DELINIATION: 10/13

THIS TOPO/AERIAL MAPPING IS
SUITABLE FOR GENERAL PLANNING
PURPOSES, BUT SHOULD NOT BE
USED FOR DESIGN.





TOWN OF FOUNTAIN HILLS

TOWN COUNCIL AGENDA ACTION FORM

Meeting Date: 1/15/2019

Meeting Type: Regular Session

Agenda Type: Regular

Submitting Department: Administration

Staff Contact Information: Craig Rudolphy, Finance Director, 480-816-5162; crudolphy@fh.az.gov

REQUEST TO COUNCIL (Agenda Language): PRESENTATION of Development Impact Fee Final Report for Fiscal Years 2017 and 2018. PUBLIC HEARING of Development Impact Fee Final Report for Fiscal Years 2017 and 2018.

Applicant:

Applicant Contact Information:

Owner:

Owner Contact Information:

Property Location:

Related Ordinance, Policy or Guiding Principle:

Staff Summary (background): ARS 9-463.05 (G.2). requires a biennial audit of development fees and a public hearing on the audit. The audit was conducted by Willdan Financial Services for FY16-17 and FY17-18 and reviewed the land use assumptions, the infrastructure improvement plan as well as the level of service. No audit issues were found and the conclusion was the development and development impact fee collections and expenditures are consistent with the 10-year plan identified in the 2014 report.

Risk Analysis (options or alternatives with implications):

Fiscal Impact (initial and ongoing costs; budget status): **None**

Budget Reference (page number):

Funding Source: NA

If Multiple Funds utilized, list here:

Budgeted; if No, attach Budget Adjustment Form: NA

Recommendation(s) by Board(s) or Commission(s):

Staff Recommendation(s):

List Attachment(s): Development Impact Fee Final Report

SUGGESTED MOTION (for Council use):

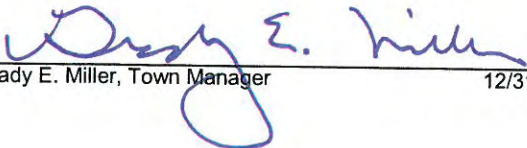
Prepared by:

NA 8/2/2017

Director's Approval:


Craig Rudolph, Finance Director 12/31/2018

Approved:


Grady E. Miller, Town Manager 12/31/2018



FY 2016-17 & FY 2017-18

Development Impact Fee FINAL REPORT

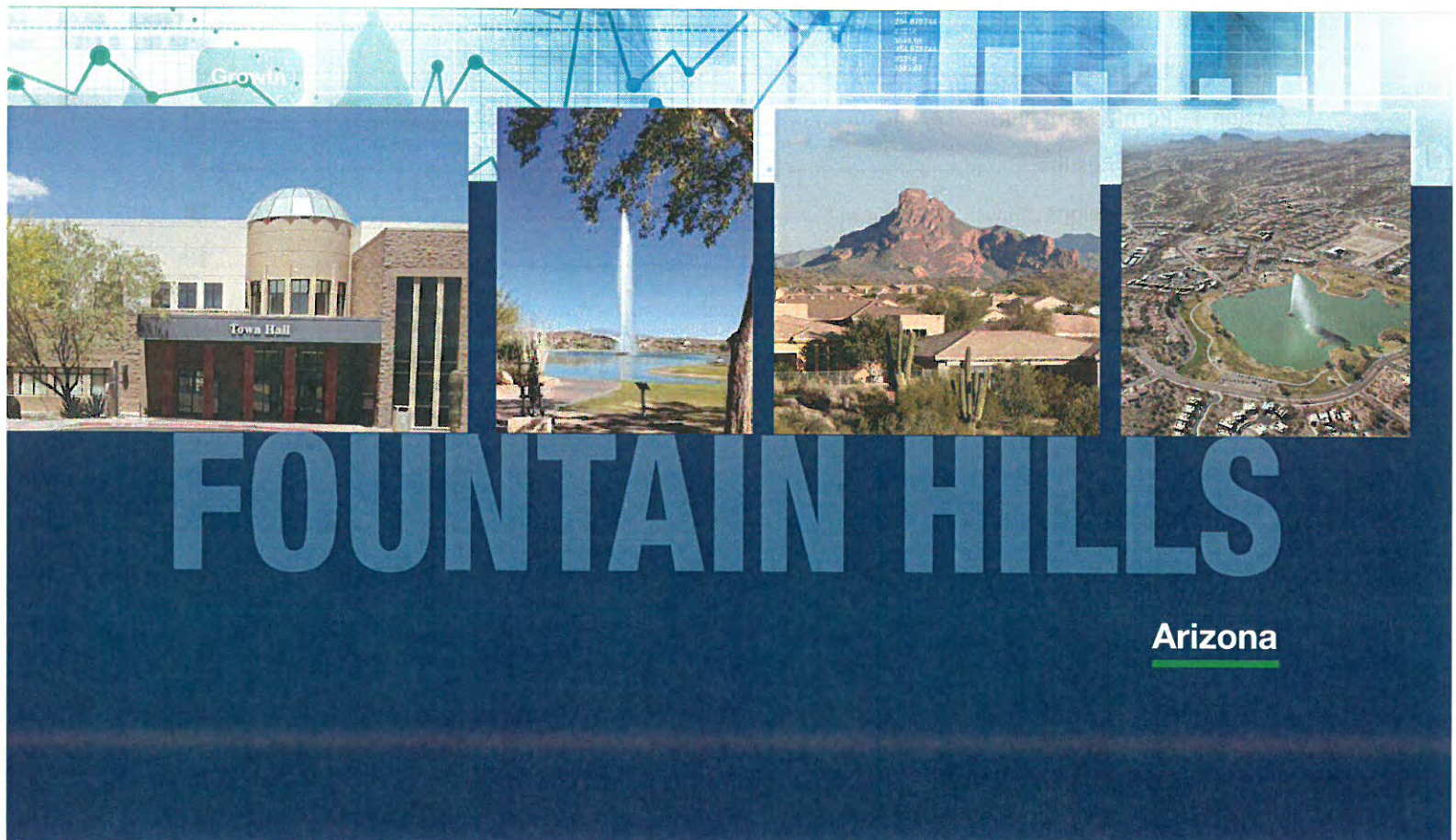


Table of Contents

Section 1 - Introduction	1
1.1. Introduction	1
1.2. Organization of this Report	1
1.3. Audit Approach	2
1.4. Audit Objectives	2
1.5. Audit Results	3
1.6. Audit Limitations	3
Section 2 - Parks and Recreation	5
2.1. Fee Development	5
2.2. Land Use Assumptions	5
2.3. Infrastructure Improvement Plan	6
2.4. Level of Service	6
Section 3 - Fire and EMS	7
3.1. Fee Development	7
3.2. Land Use Assumptions	7
3.3. Level of Service	8
Section 4 - Permit Sampling	9
4.1. Sampling Results	9
Section 5 - Conclusions	10
5.1. Land Use Assumptions	10
5.2. Infrastructure Improvement Plan	10
5.3. Level of Service	10
5.4. Final Conclusion	10

Section 1 - Introduction

1.1. Introduction

Willdan Financial Services (“Willdan”) was retained by the Town of Fountain Hills, Arizona (“Fountain Hills”) to conduct a Biennial Development Impact Fee Audit (“Audit”) as required under Arizona Revised Statutes (ARS) 9-463.05. This report details the results of the Audit for the audited period fiscal year (FY) 2016-17 and FY 2017-18.

1.2. Organization of this Report

This Audit presents a comparison of the development projections (land use assumptions); capital needs (infrastructure improvement plan); and the level of service (LOS) as identified in the May 7, 2014 Development Impact Fee Report (2014 Report), to the development, capital expenditures and level of service experienced by Fountain Hills in FY 2016-18. The report is organized as follows:

- Section 1 - Introduction
- Section 2 – Parks and Recreation
- Section 3 – Fire and Emergency
- Section 4 – Permit Sampling
- Section 5 – Conclusions and Recommendations

The appendices to this report are as follows:

- Appendix A - ARS§ 9-463.05
- Appendix B – Parks and Recreation Supporting Documents
- Appendix C – Fire and EMS Supporting Documents
- Appendix D – Permit Sampling Results



1.3. Audit Approach

Willdan staff supporting the Audit meet the definition of “Qualified Professional” as set forth in ARS§ 9-463.05(T)(8). Consistent with the requirements of ARS§ 9-463.05(G)(2), Willdan audit staff were neither employees or officials of Fountain Hills nor did they prepare the infrastructure improvement plan (IIP)¹.

Audit activities consisted solely of document review and discussions with Fountain Hills staff via email and teleconference. Audit activities did not include site visits, first-hand data collection, or independent verification of data submitted by Fountain Hills.

In particular, in support of this audit, Willdan:

- a) Reviewed IIP forecast and actual expenditures.
- b) Reviewed projected and actual IIP-related fee offsets or credits.
- c) Reviewed LUA forecasted and actual developments.
- d) Reviewed LOS at two points in time: time of the initial study and the audit timeframe.
- e) Permit data for purposes of sampling to verify the accuracy of the application of the fees.

1.4. Audit Objectives

The primary objectives of the Audit were to:

- a) Audit Fountain Hills’ Biennial Development Impact Fees for the periods FY 2017 and FY 2018;
- b) Comply with ARS§ 9-463.05 by:
 - i. Reviewing the progress of anticipated development as identified in the LUA;
 - ii. Reviewing the progress of the infrastructure improvements plan;
 - iii. Reviewing collections and expenditures of development impact fees for each project in the plan; and
 - iv. Evaluating any inequities in implementing the plan or imposing the development fee.

¹ Fountain Hills’ Land Use Assumptions, Infrastructure Improvements Plans, and Development Impact Fees reports were prepared by Raftelis Financial Consultants March 10 and May 7 2014.



1.5. Audit Results

Based on Willdan's scope of services performed as part of this Audit as documented in this Report, the results of this audit follow.

- a) Fountain Hills' Biennial System Development Fees for the periods FY 2017 and FY 2018 comply with ARS§ 9-463.05 as further discussed in sections two and three;
- b) With respect to ARS§ 9-463.05 compliance:
 - i. Willdan's review of the progress of the LUA, identified minor differences between projected and actual development, but anticipates the development over the 10-year study period will not significantly vary from projections. The audit of the LUA are further discussed in sections two and three;
 - ii. Willdan's review of collections and expenditures of the development impact fees for each project in the plan, indicate that no expenditures were made with development impact fee funds in the third and fourth years of the study period, as further discussed in sections two and three; and
 - iii. Willdan's evaluation of any inequities in implementing the plan or imposing the development impact fees indicates that the fees were assessed in an appropriate manner based upon the size and type of the development as further discussed in section four.

1.6. Audit Limitations

Willdan's role in this Audit was solely that of third-party independent auditor. The results presented in this Audit Report are predicated upon information provided by Fountain Hills and representations made by Fountain Hills personnel. Willdan made reasonable efforts given the nature of this audit to assess the reasonableness of such representations. However, Willdan has no means to determine the extent to which material facts concerning information provided have been fully and accurately disclosed, nor is this a forensic audit. All findings in this report are based solely on Willdan's review of materials furnished by Fountain Hills as identified or publicly available information as cited as well as information obtained by Willdan through emails and meetings with key Fountain Hills staff involved in this audit. Review of additional documentation or disclosure or discovery of material facts could change the findings cited in this Report.



This report documents the audit for the sole purpose of demonstrating compliance with the requirements of ARS§ 9-463.05(G)(2); no other use is expressed or implied. Nothing in this report can be considered a legal opinion.



Section 2 - Parks and Recreation

2.1. Fee Development

The 2014 Report, identified the parks and recreation development impact fee as based on investments (existing and new) of \$22,024,182. The investments equated to the fee per dwelling unit as identified in Table 2-1. Parks and recreation development impact fees are not assessed on non-residential developments.

Table 2-1
Parks and Recreation Development Impact Fee

Residential (per Dwelling Unit)
\$1,301

2.2. Land Use Assumptions

The biennial audit requires an audit of the anticipated growth projections that were adopted in Fountain Hills's land use assumptions (LUA) as compared to the growth by development type that was actually experienced. Table 2-2 summarizes the projected development in the 2014 Report and the actual development that was experienced by Fountain Hills in FY 2017 and FY 2018.

Table 2-2
Projected versus Actual Development

	Residential (Dwelling Units)	Multifamily (Dwelling Units)
Actual	106	53
Projected	<u>60</u>	<u>45</u>
Difference	46	8

As indicated in Table 2-2, the actual development for both single family and multifamily developments exceeded the 2014 Report projections. As is often the case in the development of financial plans, utility rate studies and impact fee studies, the data that is used for projection purposes are based on the best available data at the time. The actual development identified in Table 2-2 represent a "snapshot" in time, in this case the third and fourth years of the 10-year study period. Through discussions with Town staff, it was identified that a parcel of State land that was expected to be developed, has not yet been advertised for sale and therefore the population projections originally developed will not be met. Thus, the Town may want to consider revisiting its land use assumptions to reflect the change in anticipated development from the delay in the State land sale.



2.3. Infrastructure Improvement Plan

The 2014 Report identified existing parks and recreation assets of \$24,303,333 plus additional CIP costs of \$28,313,000 and study costs of \$9,286. There were subtractions in the IIP for grant funds and developer funded improvements of \$3,001,637 and \$27,600,000 respectively for a total IIP value of \$22,204,182.

Between FY 2017 and FY 2018 Fountain Hills generated \$502,186 in parks and recreation development impact fee revenues and \$6,963 in interest income. There were no expenditures of parks and recreation development impact fees generated from the fees effective as of the 2014 Report during the FY 2016-17 through FY 2017-18 period.

2.4. Level of Service

Level of service projections are intended to ensure that new development is only being asked to pay for facilities or capital needs at the same level as is currently being experienced by existing Fountain Hills development and are not being asked to increase the overall level of service, without a corresponding funding source from existing development to increase their level of service.

The 2014 IIP indicated the need for a single park improvement funded by development impact fees, a 3.4-acre park in FY 2022-23, therefore no additional park improvements were necessary during the period examined in this Audit.

During the study period, there will be times of increased level of service and times of a lower level of service compared to the 2014 report identified level of service, based on when facilities are constructed or acquired in relation to the amount of new development that has occurred. The IIP identified the need for a new park in FY 2022-23 indicating that the existing park facilities are sufficient to meet the level of service needs based on the anticipated population growth through the first 4 years of the 10-year study period. Staff continuously monitors the level of service with the overall objective of achieving the designated level of service at the end of the 10-year study period.



Section 3 - Fire and EMS

3.1. Fee Development

The 2014 Report, identified the fire and EMS development impact fee as based on investments (existing and new) of \$5,921,033. The investments equated to the fees per unit as identified in Table 3-1.

Table 3-1
Fire and EMS Development Impact Fees

Residential (per Dwelling Unit)	Commercial/Industrial (per square foot)
\$300	\$0.243

3.2. Land Use Assumptions

The biennial audit requires an audit of the anticipated growth projections that were adopted in Fountain Hills's LUA as compared to the growth by development type that was actually experienced. Table 3-2 summarizes the projected development in the 2014 Report and the actual development that was experienced by Fountain Hills in FY 2017 and FY 2018.

Table 3-2
Projected versus Actual Development

	Single Family (Dwelling Units)	Multifamily (Dwelling Units)	Industrial (1,000 sqft)	Commercial (1,000 sqft)
Actual ⁽¹⁾	107	53	0	427.63
Projected	60	45	0.98	22.38
Difference	47	8	(0.98)	405.25
(1) The actual single family developments reflect a permit that was issued in 2007, but later cancelled. It was reactivated in FY 2017 and assessed a fee equivalent to the difference between the 2007 fee and the 2017 Fee.				

As indicated in Table 3-2, the actual developments for residential (single family and multifamily) and commercial developments exceeded the 2014 Report projections whereas the actual industrial developments fell short of the projected developments. As is often the case in the development of financial plans, utility rate studies and impact fee studies, the data that is used for projection purposes are based on the best available data at the time. The actual development identified in Table 3-2 represent a "snapshot" in time, in this case the third and fourth years of the 10-year study period. Through discussions with Town staff, it was identified that a parcel of State land that was expected to be developed, has not yet been advertised for sale and therefore the population projections originally developed will not be met. Thus, the Town may want to consider revisiting its land use assumptions to reflect the change in anticipated development from the delay in the State land sale.



Infrastructure Improvement Plan

The 2014 Report identified existing fire and EMS assets of \$4,289,257 plus additional CIP costs of \$2,767,000, interest on new debt of \$1,560,139 and study costs of \$9,286. There were subtractions in the IIP for grant funds and developer funded improvements of \$59,789 and \$2,644,859 respectively for a total IIP value of \$5,921,033.

Between FY 2017 and FY 2018 Fountain Hills generated \$194,393 in fire and EMS development impact fee revenues and \$2,020 in interest earnings. There were no expenditures of fire and EMS development impact fees generated from the fees effective as of the 2014 Report during the FY 2016-17 through FY 2017-18 period.

As discussed previously, the development projections are not anticipated to occur as originally projected. The Town therefore, generated a different amount impact fee revenue than originally projected, which in turn affects the funding of the new fire station. The Town may want to revisit the IIP and the development impact fees themselves in light of the differences in growth compared to the land use assumptions used as the basis for the current development impact fee.

3.3. Level of Service

Level of service projections are intended to ensure that new development is only being asked to pay for facilities or capital needs at the same level as is currently being experienced by existing Fountain Hills development and are not being asked to increase the overall level of service, without a corresponding funding source from existing development to increase their level of service.

The IIP identified the need for a new fire station (Fire Station #3) by FY 2022-23 indicating that the existing facilities are sufficient to meet the level of service needs based on the anticipated population growth through the first four years of the 10-year study period. While the delay in the sale of State land does not impact the level of service at this current "snapshot" in time, it is recommended that staff continuously monitor the level of service with the overall objective of achieving the designated level of service at the end of the 10-year study period.



Section 4 - Permit Sampling

4.1. Sampling Results

As part of the audit process Willdan took a random sample of residential (20) permits and non-residential (3) permits that were issued between FY 2017 and FY 2018. The purpose of the sampling was to identify any instances where the fee that was assessed to the development varied from the fee that should have been assessed based on a per dwelling unit or square footage of development basis. Our sampling review did not identify any developments that were assessed incorrect development impact fees.



Section 5 - Conclusions

5.1. Land Use Assumptions

Willdan conducted an audit of Fountain Hills's actual development projections for FY 2017 and FY 2018 and compared the actual new development with the development projections in the 2014 Report. While there were variances between what had been originally projected and what actually occurred, the original projections were based on the best available data at the time of the study. Projected development on a parcel of State land is no longer anticipated to occur as planned as the land has not yet been sold. As such, the Town may want to consider revising the land use assumptions to reflect the delay in development.

5.2. Infrastructure Improvement Plan

We reviewed the projects that were included in the 10-year study period (per the 2014 Report). As was the case with the LUA, the IIP was developed based on the best available information at the time of the analysis, and the actual expenditures differed from what was projected. There were no projects anticipated to be funded by either the parks and recreation or the fire and EMS development impact fees. Consistent with the plan, the Town did not expend any development impact fee revenues effective since the 2014 Report in the third and fourth years of the study period.

The Town may want to consider updating its IIP and development impact fees to reflect changes in anticipated development due to the delay in the sale of State land.

5.3. Level of Service

The level of service for a given fee area is in flux over time and will change as new projects are incorporated into Fountain Hills's existing facilities and networks or as development within Fountain Hills changes. The parks and recreation and EMS systems for the Town were overbuilt in order to accommodate new development in the short term. New facilities are not anticipated to be constructed until FY 2022-23. As such, as new development occurs until the new facilities are acquired or constructed, there will be a decrease in the overall level of service (while still achieving the Town's standard). We recommend that the Town closely monitor the level of service in the future as the timing of the sale of State land becomes more clear and make adjustments to the IIP as appropriate.

5.4. Final Conclusion

It is our opinion that Fountain Hills's development, development impact fee collections and expenditures are consistent with the 10-year plan identified in the 2014 Report, and is consistent with ARS§ 9-463.05.

APPENDIX A

9-463.05. Development fees: imposition by cities and towns; infrastructure improvements plan; annual report; advisory committee; limitation on actions; definitions

A. A municipality may assess development fees to offset costs to the municipality associated with providing necessary public services to a development, including the costs of infrastructure, improvements, real property, engineering and architectural services, financing and professional services required for the preparation or revision of a development fee pursuant to this section, including the relevant portion of the infrastructure improvements plan.

B. Development fees assessed by a municipality under this section are subject to the following requirements:

1. Development fees shall result in a beneficial use to the development.

2. The municipality shall calculate the development fee based on the infrastructure improvements plan adopted pursuant to this section.

3. The development fee shall not exceed a proportionate share of the cost of necessary public services, based on service units, needed to provide necessary public services to the development.

4. Costs for necessary public services made necessary by new development shall be based on the same level of service provided to existing development in the service area.

5. Development fees may not be used for any of the following:

(a) Construction, acquisition or expansion of public facilities or assets other than necessary public services or facility expansions identified in the infrastructure improvements plan.

(b) Repair, operation or maintenance of existing or new necessary public services or facility expansions.

(c) Upgrading, updating, expanding, correcting or replacing existing necessary public services to serve existing development in order to meet stricter safety, efficiency, environmental or regulatory standards.

(d) Upgrading, updating, expanding, correcting or replacing existing necessary public services to provide a higher level of service to existing development.

(e) Administrative, maintenance or operating costs of the municipality.

6. Any development for which a development fee has been paid is entitled to the use and benefit of the services for which the fee was imposed and is entitled to receive immediate service from any existing facility with available capacity to serve the new service units if the available capacity has not been reserved or pledged in connection with the construction or financing of the facility.

7. Development fees may be collected if any of the following occurs:

(a) The collection is made to pay for a necessary public service or facility expansion that is identified in the infrastructure improvements plan and the municipality plans to complete construction and to have the service available within the time period established in the infrastructure improvement plan, but in no event longer than the time period provided in subsection H, paragraph 3 of this section.

(b) The municipality reserves in the infrastructure improvements plan adopted pursuant to this section or otherwise agrees to reserve capacity to serve future development.

(c) The municipality requires or agrees to allow the owner of a development to construct or finance the necessary public service or facility expansion and any of the following apply:

(i) The costs incurred or money advanced are credited against or reimbursed from the development fees otherwise due from a development.

(ii) The municipality reimburses the owner for those costs from the development fees paid from all developments that will use those necessary public services or facility expansions.

(iii) For those costs incurred the municipality allows the owner to assign the credits or reimbursement rights from the development fees otherwise due from a development to other developments for the same category of necessary public services in the same service area.

8. Projected interest charges and other finance costs may be included in determining the amount of development fees only if the monies are used for the payment of principal and interest on the portion of the bonds, notes or other obligations issued to finance construction of necessary public services or facility expansions identified in the infrastructure improvements plan.

9. Monies received from development fees assessed pursuant to this section shall be placed in a separate fund and accounted for separately and may only be used for the purposes authorized by this section. Monies received from a development fee identified in an infrastructure improvements plan adopted or updated pursuant to subsection D of this section shall be used to provide the same category of necessary public services or facility expansions for which the development fee was assessed and for the benefit of the same service area, as defined in the infrastructure improvements plan, in which the development fee was assessed. Interest earned on monies in the separate fund shall be credited to the fund.

10. The schedule for payment of fees shall be provided by the municipality. Based on the cost identified in the infrastructure improvements plan, the municipality shall provide a credit toward the payment of a development fee for the required or agreed to dedication of public sites, improvements and other necessary public services or facility expansions included in the infrastructure improvements plan and for which a development fee is assessed, to the extent the public sites, improvements and necessary public services or facility expansions are provided by the developer. The developer of residential dwelling units shall be required to pay development fees when construction permits for the dwelling units are issued, or at a later time if specified in a development agreement pursuant to section 9-500.05. If a development agreement provides for fees to be paid at a time later than the issuance of construction permits, the deferred fees shall be paid no later than fifteen days after the issuance of a certificate of occupancy. The development agreement shall provide for the value of any deferred fees to be supported by appropriate security, including a surety bond, letter of credit or cash bond.

11. If a municipality requires as a condition of development approval the construction or improvement of, contributions to or dedication of any facilities that were not included in a previously adopted infrastructure improvements plan, the municipality shall cause the infrastructure improvements plan to be amended to include the facilities and shall provide a credit toward the payment of a development fee for the construction, improvement, contribution or dedication of the facilities to the extent that the facilities will substitute for or otherwise reduce the need for other similar facilities in the infrastructure improvements plan for which development fees were assessed.

12. The municipality shall forecast the contribution to be made in the future in cash or by taxes, fees, assessments or other sources of revenue derived from the property owner towards the capital costs of the necessary public service covered by the development fee and shall include these contributions in determining the extent of the burden imposed by the development. Beginning August 1, 2014, for purposes of calculating the required offset to development fees pursuant to this subsection, if a municipality imposes a construction contracting or similar excise tax rate in excess of the percentage amount of the transaction privilege tax rate imposed on the majority of other transaction privilege tax classifications, the entire excess portion of the construction contracting or similar excise tax shall be treated as a contribution to the capital costs of necessary public services provided to development for which development fees are assessed, unless the excess portion was already taken into account for such purpose pursuant to this subsection.

13. If development fees are assessed by a municipality, the fees shall be assessed against commercial, residential and industrial development, except that the municipality may distinguish between different categories of residential, commercial and industrial development in assessing the costs to the municipality of providing necessary public services to new development and in determining the amount of the development fee applicable to the category of development. If a municipality agrees to waive any of the development fees assessed on a development, the municipality shall reimburse the appropriate development fee accounts for the amount that was waived. The municipality shall provide notice of any such waiver to the advisory committee established pursuant to subsection G of this section within thirty days.

14. In determining and assessing a development fee applying to land in a community facilities district established under title 48, chapter 4, article 6, the municipality shall take into account all public infrastructure provided by the district and capital costs paid by the district for necessary public services and shall not assess a portion of the development fee based on the infrastructure or costs.

C. A municipality shall give at least thirty days' advance notice of intention to assess a development fee and shall release to the public and post on its website or the website of an association of cities and towns if a municipality does not have a website a written report of the land use assumptions and infrastructure improvements plan adopted pursuant to subsection D of this section. The municipality shall conduct a public hearing on the proposed development fee at any time after the expiration of the thirty day notice of intention to assess a development fee and at least thirty days before the scheduled date of adoption of the fee by the governing body. Within sixty days after the date of the public hearing on the proposed development fee, a municipality shall approve or disapprove the imposition of the development fee. A municipality shall not adopt an ordinance, order or resolution approving a development fee as an emergency measure. A development fee assessed pursuant to this section shall not be effective until seventy-five days after its formal adoption by the governing body of the municipality. Nothing in this subsection shall affect any development fee adopted before July 24, 1982.

D. Before the adoption or amendment of a development fee, the governing body of the municipality shall adopt or update the land use assumptions and infrastructure improvements plan for the designated service area. The municipality shall conduct a public hearing on the land use assumptions and infrastructure improvements plan at least thirty days before the adoption or update of the plan. The municipality shall release the plan to the public, post the plan on its website or the website of an association of cities and towns if the municipality does not have a website, including in the posting its land use assumptions, the time period of the projections, a description of the necessary public services included in the infrastructure improvements plan and a map of the service area to which the land use assumptions apply, make available to the public the documents used to prepare the assumptions and plan and provide public notice at least sixty days before the public hearing, subject to the following:

1. The land use assumptions and infrastructure improvements plan shall be approved or disapproved within sixty days after the public hearing on the land use assumptions and infrastructure improvements plan and at least thirty days before the public hearing on the report required by subsection C of this section. A municipality shall not adopt an ordinance, order or resolution approving the land use assumptions or infrastructure improvements plan as an emergency measure.

2. An infrastructure improvements plan shall be developed by qualified professionals using generally accepted engineering and planning practices pursuant to subsection E of this section.

3. A municipality shall update the land use assumptions and infrastructure improvements plan at least every five years. The initial five year period begins on the day the infrastructure improvements plan is adopted. The municipality shall review and evaluate its current land use assumptions and shall cause an update of the infrastructure improvements plan to be prepared pursuant to this section.

4. Within sixty days after completion of the updated land use assumptions and infrastructure improvements plan, the municipality shall schedule and provide notice of a public hearing to discuss and review the update and shall determine whether to amend the assumptions and plan.

5. A municipality shall hold a public hearing to discuss the proposed amendments to the land use assumptions, the infrastructure improvements plan or the development fee. The land use assumptions and the infrastructure improvements plan, including the amount of any proposed changes to the development fee per service unit, shall be made available to the public on or before the date of the first publication of the notice of the hearing on the amendments.

6. The notice and hearing procedures prescribed in paragraph 1 of this subsection apply to a hearing on the amendment of land use assumptions, an infrastructure improvements plan or a development fee. Within sixty days after the date of the public hearing on the amendments, a municipality shall approve or disapprove the amendments to the land use assumptions, infrastructure improvements plan or development fee. A municipality shall not adopt an ordinance, order or resolution approving the amended land use assumptions, infrastructure improvements plan or development fee as an emergency measure.

7. The advisory committee established under subsection G of this section shall file its written comments on any proposed or updated land use assumptions, infrastructure improvements plan and development fees before the fifth business day before the date of the public hearing on the proposed or updated assumptions, plan and fees.

8. If, at the time an update as prescribed in paragraph 3 of this subsection is required, the municipality determines that no changes to the land use assumptions, infrastructure improvements plan or development fees are needed, the municipality may as an alternative to the updating requirements of this subsection publish notice of its determination on its website and include the following:

(a) A statement that the municipality has determined that no change to the land use assumptions, infrastructure improvements plan or development fee is necessary.

(b) A description and map of the service area in which an update has been determined to be unnecessary.

(c) A statement that by a specified date, which shall be at least sixty days after the date of publication of the first notice, a person may make a written request to the municipality requesting that the land use assumptions, infrastructure improvements plan or development fee be updated.

(d) A statement identifying the person or entity to whom the written request for an update should be sent.

9. If, by the date specified pursuant to paragraph 8 of this subsection, a person requests in writing that the land use assumptions, infrastructure improvements plan or development fee be updated, the municipality shall cause, accept or reject an update of the assumptions and plan to be prepared pursuant to this subsection.

10. Notwithstanding the notice and hearing requirements for adoption of an infrastructure improvements plan, a municipality may amend an infrastructure improvements plan adopted pursuant to this section without a public hearing if the amendment addresses only elements of necessary public services in the existing infrastructure improvements plan and the changes to the plan will not, individually or cumulatively with other amendments adopted pursuant to this subsection, increase the level of service in the service area or cause a development fee increase of greater than five per cent when a new or modified development fee is assessed pursuant to this section. The municipality shall provide notice of any such amendment at least thirty days before adoption, shall post the amendment on its website or on the website of an association of cities and towns if the municipality does not have a website and shall provide notice to the advisory committee established pursuant to subsection G of this section that the amendment complies with this subsection.

E. For each necessary public service that is the subject of a development fee, the infrastructure improvements plan shall include:

1. A description of the existing necessary public services in the service area and the costs to upgrade, update, improve, expand, correct or replace those necessary public services to meet existing needs and usage and stricter safety, efficiency, environmental or regulatory standards, which shall be prepared by qualified professionals licensed in this state, as applicable.

2. An analysis of the total capacity, the level of current usage and commitments for usage of capacity of the existing necessary public services, which shall be prepared by qualified professionals licensed in this state, as applicable.
 3. A description of all or the parts of the necessary public services or facility expansions and their costs necessitated by and attributable to development in the service area based on the approved land use assumptions, including a forecast of the costs of infrastructure, improvements, real property, financing, engineering and architectural services, which shall be prepared by qualified professionals licensed in this state, as applicable.
 4. A table establishing the specific level or quantity of use, consumption, generation or discharge of a service unit for each category of necessary public services or facility expansions and an equivalency or conversion table establishing the ratio of a service unit to various types of land uses, including residential, commercial and industrial.
 5. The total number of projected service units necessitated by and attributable to new development in the service area based on the approved land use assumptions and calculated pursuant to generally accepted engineering and planning criteria.
 6. The projected demand for necessary public services or facility expansions required by new service units for a period not to exceed ten years.
 7. A forecast of revenues generated by new service units other than development fees, which shall include estimated state-shared revenue, highway users revenue, federal revenue, ad valorem property taxes, construction contracting or similar excise taxes and the capital recovery portion of utility fees attributable to development based on the approved land use assumptions, and a plan to include these contributions in determining the extent of the burden imposed by the development as required in subsection B, paragraph 12 of this section.
- F. A municipality's development fee ordinance shall provide that a new development fee or an increased portion of a modified development fee shall not be assessed against a development for twenty-four months after the date that the municipality issues the final approval for a commercial, industrial or multifamily development or the date that the first building permit is issued for a residential development pursuant to an approved site plan or subdivision plat, provided that no subsequent changes are made to the approved site plan or subdivision plat that would increase the number of service units. If the number of service units increases, the new or increased portion of a modified development fee shall be limited to the amount attributable to the additional service units. The twenty-four month period shall not be extended by a renewal or amendment of the site plan or the final subdivision plat that was the subject of the final approval. The municipality shall issue, on request, a written statement of the development fee schedule applicable to the development. If, after the date of the municipality's final approval of a development, the municipality reduces the development fee assessed on development, the reduced fee shall apply to the development.

G. A municipality shall do one of the following:

1. Before the adoption of proposed or updated land use assumptions, infrastructure improvements plan and development fees as prescribed in subsection D of this section, the municipality shall appoint an infrastructure improvements advisory committee, subject to the following requirements:
 - (a) The advisory committee shall be composed of at least five members who are appointed by the governing body of the municipality. At least fifty per cent of the members of the advisory committee must be representatives of the real estate, development or building industries, of which at least one member of the committee must be from the home building industry. Members shall not be employees or officials of the municipality.
 - (b) The advisory committee shall serve in an advisory capacity and shall:

(i) Advise the municipality in adopting land use assumptions and in determining whether the assumptions are in conformance with the general plan of the municipality.

(ii) Review the infrastructure improvements plan and file written comments.

(iii) Monitor and evaluate implementation of the infrastructure improvements plan.

(iv) Every year file reports with respect to the progress of the infrastructure improvements plan and the collection and expenditures of development fees and report to the municipality any perceived inequities in implementing the plan or imposing the development fee.

(v) Advise the municipality of the need to update or revise the land use assumptions, infrastructure improvements plan and development fee.

(c) The municipality shall make available to the advisory committee any professional reports with respect to developing and implementing the infrastructure improvements plan.

(d) The municipality shall adopt procedural rules for the advisory committee to follow in carrying out the committee's duties.

2. In lieu of creating an advisory committee pursuant to paragraph 1 of this subsection, provide for a biennial certified audit of the municipality's land use assumptions, infrastructure improvements plan and development fees. An audit pursuant to this paragraph shall be conducted by one or more qualified professionals who are not employees or officials of the municipality and who did not prepare the infrastructure improvements plan. The audit shall review the progress of the infrastructure improvements plan, including the collection and expenditures of development fees for each project in the plan, and evaluate any inequities in implementing the plan or imposing the development fee. The municipality shall post the findings of the audit on the municipality's website or the website of an association of cities and towns if the municipality does not have a website and shall conduct a public hearing on the audit within sixty days of the release of the audit to the public.

H. On written request, an owner of real property for which a development fee has been paid after July 31, 2014 is entitled to a refund of a development fee or any part of a development fee if:

1. Pursuant to subsection B, paragraph 6 of this section, existing facilities are available and service is not provided.

2. The municipality has, after collecting the fee to construct a facility when service is not available, failed to complete construction within the time period identified in the infrastructure improvements plan, but in no event later than the time period specified in paragraph 3 of this subsection.

3. For a development fee other than a development fee for water or wastewater facilities, any part of the development fee is not spent as authorized by this section within ten years after the fee has been paid or, for a development fee for water or wastewater facilities, any part of the development fee is not spent as authorized by this section within fifteen years after the fee has been paid.

I. If the development fee was collected for the construction of all or a portion of a specific item of infrastructure, and on completion of the infrastructure the municipality determines that the actual cost of construction was less than the forecasted cost of construction on which the development fee was based and the difference between the actual and estimated cost is greater than ten per cent, the current owner may receive a refund of the portion of the development fee equal to the difference between the development fee paid and the development fee that would have been due if the development fee had been calculated at the actual construction cost.

J. A refund shall include any interest earned by the municipality from the date of collection to the date of refund on the amount of the refunded fee. All refunds shall be made to the record owner of the property at the time the

refund is paid. If the development fee is paid by a governmental entity, the refund shall be paid to the governmental entity.

K. A development fee that was adopted before January 1, 2012 may continue to be assessed only to the extent that it will be used to provide a necessary public service for which development fees can be assessed pursuant to this section and shall be replaced by a development fee imposed under this section on or before August 1, 2014. Any municipality having a development fee that has not been replaced under this section on or before August 1, 2014 shall not collect development fees until the development fee has been replaced with a fee that complies with this section. Any development fee monies collected before January 1, 2012 remaining in a development fee account:

1. Shall be used towards the same category of necessary public services as authorized by this section.

2. If development fees were collected for a purpose not authorized by this section, shall be used for the purpose for which they were collected on or before January 1, 2020, and after which, if not spent, shall be distributed equally among the categories of necessary public services authorized by this section.

L. A moratorium shall not be placed on development for the sole purpose of awaiting completion of all or any part of the process necessary to develop, adopt or update development fees.

M. In any judicial action interpreting this section, all powers conferred on municipal governments in this section shall be narrowly construed to ensure that development fees are not used to impose on new residents a burden all taxpayers of a municipality should bear equally.

N. Each municipality that assesses development fees shall submit an annual report accounting for the collection and use of the fees for each service area. The annual report shall include the following:

1. The amount assessed by the municipality for each type of development fee.

2. The balance of each fund maintained for each type of development fee assessed as of the beginning and end of the fiscal year.

3. The amount of interest or other earnings on the monies in each fund as of the end of the fiscal year.

4. The amount of development fee monies used to repay:

- (a) Bonds issued by the municipality to pay the cost of a capital improvement project that is the subject of a development fee assessment, including the amount needed to repay the debt service obligations on each facility for which development fees have been identified as the source of funding and the time frames in which the debt service will be repaid.

- (b) Monies advanced by the municipality from funds other than the funds established for development fees in order to pay the cost of a capital improvement project that is the subject of a development fee assessment, the total amount advanced by the municipality for each facility, the source of the monies advanced and the terms under which the monies will be repaid to the municipality.

5. The amount of development fee monies spent on each capital improvement project that is the subject of a development fee assessment and the physical location of each capital improvement project.

6. The amount of development fee monies spent for each purpose other than a capital improvement project that is the subject of a development fee assessment.

O. Within ninety days following the end of each fiscal year, each municipality shall submit a copy of the annual report to the city clerk and post the report on the municipality's website or the website of an association of cities and towns if the municipality does not have a website. Copies shall be made available to the public on request. The annual report may contain financial information that has not been audited.

P. A municipality that fails to file the report and post the report on the municipality's website or the website of an association of cities and towns if the municipality does not have a website as required by this section shall not collect development fees until the report is filed and posted.

Q. Any action to collect a development fee shall be commenced within two years after the obligation to pay the fee accrues.

R. A municipality may continue to assess a development fee adopted before January 1, 2012 for any facility that was financed before June 1, 2011 if:

1. Development fees were pledged to repay debt service obligations related to the construction of the facility.
2. After August 1, 2014, any development fees collected under this subsection are used solely for the payment of principal and interest on the portion of the bonds, notes or other debt service obligations issued before June 1, 2011 to finance construction of the facility.

S. Through August 1, 2014, a development fee adopted before January 1, 2012 may be used to finance construction of a facility and may be pledged to repay debt service obligations if:

1. The facility that is being financed is a facility that is described under subsection T, paragraph 7, subdivisions (a) through (g) of this section.
2. The facility was included in an infrastructure improvements plan adopted before June 1, 2011.
3. The development fees are used for the payment of principal and interest on the portion of the bonds, notes or other debt service obligations issued to finance construction of the necessary public services or facility expansions identified in the infrastructure improvement plan.

T. For the purposes of this section:

1. "Dedication" means the actual conveyance date or the date an improvement, facility or real or personal property is placed into service, whichever occurs first.

2. "Development" means:

(a) The subdivision of land.

(b) The construction, reconstruction, conversion, structural alteration, relocation or enlargement of any structure that adds or increases the number of service units.

(c) Any use or extension of the use of land that increases the number of service units.

3. "Facility expansion" means the expansion of the capacity of an existing facility that serves the same function as an otherwise new necessary public service in order that the existing facility may serve new development. Facility expansion does not include the repair, maintenance, modernization or expansion of an existing facility to better serve existing development.

4. "Final approval" means:

(a) For a nonresidential or multifamily development, the approval of a site plan or, if no site plan is submitted for the development, the approval of a final subdivision plat.

(b) For a single family residential development, the approval of a final subdivision plat.

5. "Infrastructure improvements plan" means a written plan that identifies each necessary public service or facility expansion that is proposed to be the subject of a development fee and otherwise complies with the requirements of this section, and may be the municipality's capital improvements plan.
6. "Land use assumptions" means projections of changes in land uses, densities, intensities and population for a specified service area over a period of at least ten years and pursuant to the general plan of the municipality.
7. "Necessary public service" means any of the following facilities that have a life expectancy of three or more years and that are owned and operated by or on behalf of the municipality:
- (a) Water facilities, including the supply, transportation, treatment, purification and distribution of water, and any appurtenances for those facilities.
 - (b) Wastewater facilities, including collection, interception, transportation, treatment and disposal of wastewater, and any appurtenances for those facilities.
 - (c) Storm water, drainage and flood control facilities, including any appurtenances for those facilities.
 - (d) Library facilities of up to ten thousand square feet that provide a direct benefit to development, not including equipment, vehicles or appurtenances.
 - (e) Street facilities located in the service area, including arterial or collector streets or roads that have been designated on an officially adopted plan of the municipality, traffic signals and rights-of-way and improvements thereon.
 - (f) Fire and police facilities, including all appurtenances, equipment and vehicles. Fire and police facilities do not include a facility or portion of a facility that is used to replace services that were once provided elsewhere in the municipality, vehicles and equipment used to provide administrative services, helicopters or airplanes or a facility that is used for training firefighters or officers from more than one station or substation.
 - (g) Neighborhood parks and recreational facilities on real property up to thirty acres in area, or parks and recreational facilities larger than thirty acres if the facilities provide a direct benefit to the development. Park and recreational facilities do not include vehicles, equipment or that portion of any facility that is used for amusement parks, aquariums, aquatic centers, auditoriums, arenas, arts and cultural facilities, bandstand and orchestra facilities, bathhouses, boathouses, clubhouses, community centers greater than three thousand square feet in floor area, environmental education centers, equestrian facilities, golf course facilities, greenhouses, lakes, museums, theme parks, water reclamation or riparian areas, wetlands, zoo facilities or similar recreational facilities, but may include swimming pools.
 - (h) Any facility that was financed and that meets all of the requirements prescribed in subsection R of this section.
8. "Qualified professional" means a professional engineer, surveyor, financial analyst or planner providing services within the scope of the person's license, education or experience.
9. "Service area" means any specified area within the boundaries of a municipality in which development will be served by necessary public services or facility expansions and within which a substantial nexus exists between the necessary public services or facility expansions and the development being served as prescribed in the infrastructure improvements plan.
10. "Service unit" means a standardized measure of consumption, use, generation or discharge attributable to an individual unit of development calculated pursuant to generally accepted engineering or planning standards for a particular category of necessary public services or facility expansions.

APPENDIX B

Summary of the Collection and Use of Development Fees

	Fund/ 710 Law Enforcement	720 Fire & Emergency	740 Parks & Recreation	750 Open Space	Total
Beginning Balance 07/01/16	\$ 203,484	\$ 104,364	\$ 257,335	\$ 1,681,947	\$ 2,247,130
Revenues					
Development Fees Collected	-	21,666	89,769	-	111,435
Transfers	-	-	-	-	-
Interest/Earnings	-	412	1,442	2,564	4,418
Total Revenues	-	22,078	91,211	2,564	115,853
Expenditures					
Professional Fees	-	-	-	535	535
Capital Project Expenditures	203,484	51,822	144,897	18,997	419,200
Total Expenditures	203,484	51,822	144,897	19,532	419,735
Net Increase <Decrease>	(203,484)	(29,744)	(53,686)	(16,968)	(303,882)
Ending Balance 06/30/17	\$ -	\$ 74,620	\$ 203,649	\$ 1,664,979	\$ 1,943,248

Note:

1. No bonds were issued to pay the cost of a capital improvement project that is the subject of a development fee assessment.
2. No monies were advanced from funds other than the funds established for development fees.

Summary of the Collection and Use of Development Fees

	Fund/	720	740	750	
		Fire &	Parks &		
		<u>Emergency</u>	<u>Recreation</u>	<u>Open Space</u>	<u>Total</u>
Beginning Balance 07/01/17	\$	74,620	\$ 203,649	\$ 1,664,979	\$ 1,943,248
Revenues					
Development Fees Collected		172,727	412,417	-	585,144
Transfers		-	-	-	-
Interest/Earnings		<u>1,608</u>	<u>5,521</u>	<u>2,260</u>	<u>9,389</u>
Total Revenues		<u>174,335</u>	<u>417,938</u>	<u>2,260</u>	<u>594,533</u>
Expenditures					
Professional Fees		-	-	535	535
Capital Project Expenditures		<u>-</u>	<u>-</u>	<u>1,103,232</u>	<u>1,103,232</u>
Total Expenditures		<u>-</u>	<u>-</u>	<u>1,103,767</u>	<u>1,103,767</u>
Net Increase <Decrease>		<u>174,335</u>	<u>417,938</u>	<u>(1,101,507)</u>	<u>(509,234)</u>
Ending Balance 06/30/18	\$	<u>248,955</u>	<u>621,587</u>	<u>563,472</u>	<u>1,434,014</u>

Note:

1. No bonds were issued to pay the cost of a capital improvement project that is the subject of a development fee assessment.
2. No monies were advanced from funds other than the funds established for development fees.

APPENDIX C

Town of Fountain Hills, Arizona
Annual Development Fee Report
Fiscal Year 2018

Summary of the Collection and Use of Development Fees

	Fund/ 720 Fire & Emergency	740 Parks & Recreation	750 Open Space	Total
Beginning Balance 07/01/17	\$ 74,620	\$ 203,649	\$ 1,664,979	\$ 1,943,248
Revenues				
Development Fees Collected	172,727	412,417	-	585,144
Transfers	-	-	-	-
Interest/Earnings	<u>1,608</u>	<u>5,521</u>	<u>2,260</u>	<u>9,389</u>
Total Revenues	<u>174,335</u>	<u>417,938</u>	<u>2,260</u>	<u>594,533</u>
Expenditures				
Professional Fees	-	-	535	535
Capital Project Expenditures	<u>-</u>	<u>-</u>	<u>1,103,232</u>	<u>1,103,232</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>1,103,767</u>	<u>1,103,767</u>
Net Increase <Decrease>	<u>174,335</u>	<u>417,938</u>	<u>(1,101,507)</u>	<u>(509,234)</u>
Ending Balance 06/30/18	<u>\$ 248,955</u>	<u>\$ 621,587</u>	<u>\$ 563,472</u>	<u>\$ 1,434,014</u>

Note:

1. No bonds were issued to pay the cost of a capital improvement project that is the subject of a development fee assessment.
2. No monies were advanced from funds other than the funds established for development fees.

APPENDIX D

Single Family/Multifamily								
	Sample No.	Permit No.	Class	Fee Category	Assessed Fee	Adopted Fee	Difference	Notes
FY 2016-17	1	6992	Single Family	Parks & Recreation	\$1,301.00	\$1,301.00	\$0.00	
	2	7126	Single Family	Parks & Recreation	1,301.00	1,301.00	0.00	
	3	7149	Single Family	Parks & Recreation	1,301.00	1,301.00	0.00	
	4	7193	Single Family	Parks & Recreation	1,301.00	1,301.00	0.00	
	5	7199	Single Family	Parks & Recreation	1,301.00	1,301.00	0.00	
	6	7208	Single Family	Parks & Recreation	1,301.00	1,301.00	0.00	
	7	7336	Single Family	Parks & Recreation	1,301.00	1,301.00	0.00	
	8	7350	Single Family	Parks & Recreation	1,301.00	1,301.00	0.00	
	9	7432	Single Family	Parks & Recreation	1,301.00	1,301.00	0.00	
	10	7443	Single Family	Parks & Recreation	1,301.00	1,301.00	0.00	
	11	7460	Single Family	Parks & Recreation	1,301.00	1,301.00	0.00	
	12	7472	Single Family	Parks & Recreation	1,301.00	1,301.00	0.00	
	13	7528	Single Family	Parks & Recreation	1,301.00	1,301.00	0.00	
	14	7646	Single Family	Parks & Recreation	1,301.00	1,301.00	0.00	
	15	7665	Single Family	Parks & Recreation	1,301.00	1,301.00	0.00	
	16	7680	Single Family	Parks & Recreation	1,301.00	1,301.00	0.00	
	17	7718	Single Family	Parks & Recreation	1,301.00	1,301.00	0.00	
	18	7449	Multifamily	Parks & Recreation	1,301.00	1,301.00	0.00	
	19	7684	Multifamily	Parks & Recreation	1,301.00	1,301.00	0.00	
	20	7812	Multifamily	Parks & Recreation	1,301.00	1,301.00	0.00	

Single Family/Multifamily								
	Sample No.	Permit No.	Class	Fee Category	Assessed Fee	Adopted Fee	Difference	Notes
FY 2017-18	1	7975	Single Family	Parks & Recreation	\$1,301.00	\$1,301.00	\$0.00	
	2	7994	Single Family	Parks & Recreation	1,301.00	1,301.00	0.00	
	3	8109	Single Family	Parks & Recreation	1,301.00	1,301.00	0.00	
	4	8134	Single Family	Parks & Recreation	1,301.00	1,301.00	0.00	
	5	8184	Single Family	Parks & Recreation	1,301.00	1,301.00	0.00	
	6	8232	Single Family	Parks & Recreation	1,301.00	1,301.00	0.00	
	7	8267	Single Family	Parks & Recreation	1,301.00	1,301.00	0.00	
	8	8261	Single Family	Parks & Recreation	1,301.00	1,301.00	0.00	
	9	8341	Single Family	Parks & Recreation	1,301.00	1,301.00	0.00	
	10	8369	Single Family	Parks & Recreation	1,301.00	1,301.00	0.00	
	11	8438	Single Family	Parks & Recreation	1,301.00	1,301.00	0.00	
	12	8468	Single Family	Parks & Recreation	1,301.00	1,301.00	0.00	
	13	8502	Single Family	Parks & Recreation	1,301.00	1,301.00	0.00	
	14	8527	Single Family	Parks & Recreation	1,301.00	1,301.00	0.00	
	15	8647	Single Family	Parks & Recreation	1,301.00	1,301.00	0.00	
	16	8696	Single Family	Parks & Recreation	1,301.00	1,301.00	0.00	
	17	8758	Single Family	Parks & Recreation	1,301.00	1,301.00	0.00	
	18	8270	Multifamily	Parks & Recreation	1,301.00	1,301.00	0.00	
	19	8517	Multifamily	Parks & Recreation	1,301.00	1,301.00	0.00	
	20	8610	Multifamily	Parks & Recreation	1,301.00	1,301.00	0.00	

Single Family/Multifamily								
	Sample No.	Permit No.	Class	Fee Category	Assessed Fee	Adopted Fee	Difference	Notes
FY 2016-17	1	6992	Single Family	Fire & EMS	\$300.00	\$300.00	\$0.00	
	2	7126	Single Family	Fire & EMS	300.00	300.00	0.00	
	3	7149	Single Family	Fire & EMS	300.00	300.00	0.00	
	4	7193	Single Family	Fire & EMS	300.00	300.00	0.00	
	5	7199	Single Family	Fire & EMS	300.00	300.00	0.00	
	6	7208	Single Family	Fire & EMS	300.00	300.00	0.00	
	7	7336	Single Family	Fire & EMS	300.00	300.00	0.00	
	8	7350	Single Family	Fire & EMS	300.00	300.00	0.00	
	9	7432	Single Family	Fire & EMS	300.00	300.00	0.00	
	10	7443	Single Family	Fire & EMS	300.00	300.00	0.00	
	11	7460	Single Family	Fire & EMS	300.00	300.00	0.00	
	12	7472	Single Family	Fire & EMS	300.00	300.00	0.00	
	13	7528	Single Family	Fire & EMS	300.00	300.00	0.00	
	14	7646	Single Family	Fire & EMS	300.00	300.00	0.00	
	15	7665	Single Family	Fire & EMS	300.00	300.00	0.00	
	16	7680	Single Family	Fire & EMS	300.00	300.00	0.00	
	17	7718	Single Family	Fire & EMS	300.00	300.00	0.00	
	18	7449	Multifamily	Fire & EMS	300.00	300.00	0.00	
	19	7684	Multifamily	Fire & EMS	300.00	300.00	0.00	
	20	7812	Multifamily	Fire & EMS	300.00	300.00	0.00	

Single Family/Multifamily								
	Sample No.	Permit No.	Class	Fee Category	Assessed Fee	Adopted Fee	Difference	Notes
FY 2017-18	1	7975	Single Family	Fire & EMS	\$300.00	\$300.00	\$0.00	
	2	7994	Single Family	Fire & EMS	300.00	300.00	0.00	
	3	8109	Single Family	Fire & EMS	300.00	300.00	0.00	
	4	8134	Single Family	Fire & EMS	300.00	300.00	0.00	
	5	8184	Single Family	Fire & EMS	300.00	300.00	0.00	
	6	8232	Single Family	Fire & EMS	300.00	300.00	0.00	
	7	8267	Single Family	Fire & EMS	300.00	300.00	0.00	
	8	8261	Single Family	Fire & EMS	300.00	300.00	0.00	
	9	8341	Single Family	Fire & EMS	300.00	300.00	0.00	
	10	8369	Single Family	Fire & EMS	300.00	300.00	0.00	
	11	8438	Single Family	Fire & EMS	300.00	300.00	0.00	
	12	8468	Single Family	Fire & EMS	300.00	300.00	0.00	
	13	8502	Single Family	Fire & EMS	300.00	300.00	0.00	
	14	8527	Single Family	Fire & EMS	300.00	300.00	0.00	
	15	8647	Single Family	Fire & EMS	300.00	300.00	0.00	
	16	8696	Single Family	Fire & EMS	300.00	300.00	0.00	
	17	8757	Single Family	Fire & EMS	300.00	300.00	0.00	
	18	8270	Multifamily	Fire & EMS	300.00	300.00	0.00	
	19	8517	Multifamily	Fire & EMS	300.00	300.00	0.00	
	20	8610	Multifamily	Fire & EMS	300.00	300.00	0.00	

Non-Residential									
	Sample No.	Permit No.	Fee Category	Square Feet	Rate \$/sqft	Assessed Fee	Adopted Fee	Difference	Notes
FY 2016-17	1 - Commercial	7627	Parks and Recreation	3,973	\$0.000	\$0.00	\$0.00	\$0.00	

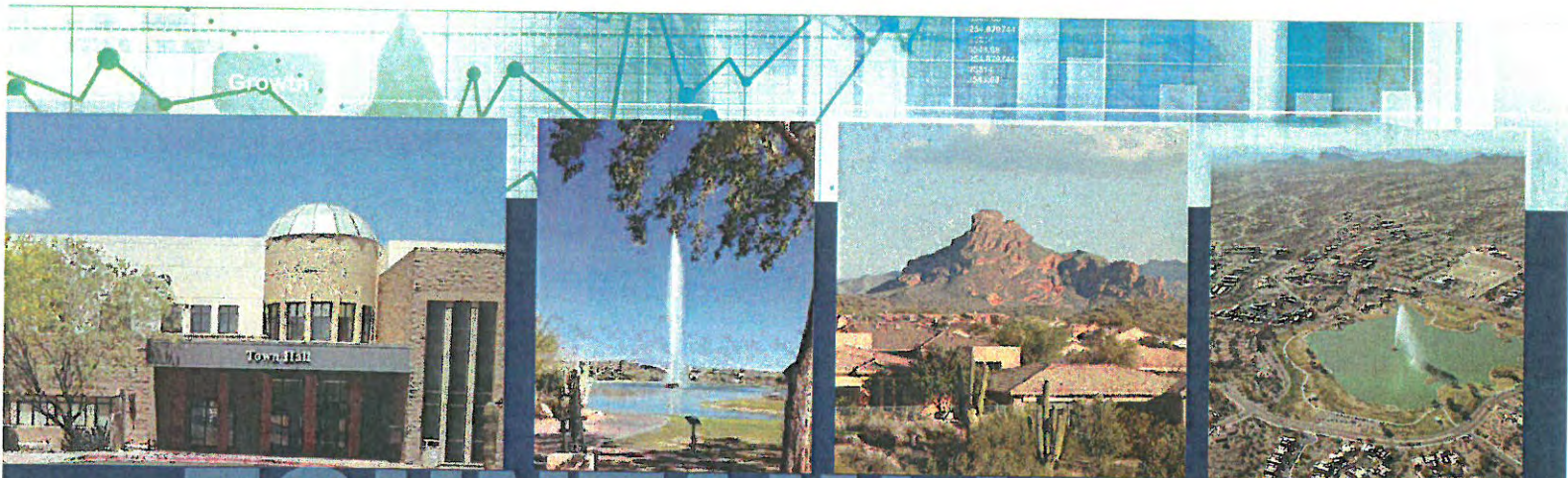
Non-Residential									
	Sample No.	Permit No.	Fee Category	Square Feet	Rate \$/sqft	Assessed Fee	Adopted Fee	Difference	Notes
FY 2017-18	1 - Commercial	8722	Parks and Recreation	179,238	\$0.000	\$0.00	\$0.00	\$0.00	
	2 - Commercial	8891	Parks and Recreation	36,362	\$0.000	0.00	0.00	0.00	

Non-Residential									
	Sample No.	Permit No.	Fee Category	Square Feet	Rate \$/sqft	Assessed Fee	Adopted Fee	Difference	Notes
FY 2016-17	1 - Commercial	7627	Fire and EMS	3,973	\$0.243	\$965.44	\$965.44	\$0.00	

Non-Residential									
	Sample	Permit No.	Fee Category	Square Feet	Rate \$/sqft	Assessed Fee	Adopted Fee	Difference	Notes
FY 2017-18	1 - Commercial	8722	Fire and EMS	179,238	\$0.243	\$43,554.83	\$43,554.83	\$0.00	
	2 - Commercial	8891	Fire and EMS	36,362	0.243	8,835.97	8,835.97	0.00	



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www.willdan.com



FOUNTAIN HILLS

Arizona



TOWN OF FOUNTAIN HILLS

TOWN COUNCIL AGENDA ACTION FORM

Meeting Date: 1/15/2019

Meeting Type: Regular Session

Agenda Type: Regular

Submitting Department: Public Works

Staff Contact Information: Raymond Rees/rrees@fh.az.gov/480-816-5180

REQUEST TO COUNCIL (Agenda Language): CONSIDERATION OF awarding contract 2018-002 to Allied Waste Transportation, Inc., d/b/a Republic Services of Phoenix for the Town of Fountain Hills' residential curbside solid waste collection services.

Applicant: Town of Fountain Hills

Applicant Contact Information: N/A

Owner: N/A

Owner Contact Information: N/A

Property Location: N/A

Related Ordinance, Policy or Guiding Principle: Town Code Chapter 10, Article 10-1 Solid Waste Disposal and Recycling

Staff Summary (background): Allied Waste Transportation has been under contract for curbside trash and recycling collection services with the Town Of Fountain Hills since November 4, 2010. It was a five-year contract with three one-year annual renewals. This contract expired on November 3, 2018. The Town and Allied Waste Transportation are operating on a contract extension. On May 20, 2018 the Town released a "Request for Proposals" for curbside trash and recycling services. The deadline for proposals was July 28, 2018. Three proposals were submitted to the Town. Members of the review team individually scored each proposal, as outlined on the RFP and a company was selected based on those tabulations.

As part of the RFP, the Town incorporated updates to the "Scope of Services" and added new services. An extra day between trash pick-ups for those who have twice-weekly trash collection was added. Even though the extra day was added between service pick-ups, the collection trucks are still limited to only 4 days a week on Town streets. New services provided by the vendor will be an annual household hazardous waste collection event, electronics collection, and annual bulk curbside collection. The household hazardous waste and electronics collection events will be conducted in a central location within the Town and the bulk collection will be conducted by zone collection, mirroring the curbside collection schedule. Currently, the Town is paying for household hazardous waste and electronics collection events with funds collected from the environmental fee. The cost of the additional services will be incorporated into the pricing set forth in the contract. By incorporating the cost of the household hazardous waste collection event at \$41,000 and electronics collection event at \$750, the town will save approximately \$42,000 annually.

If the contract is awarded, the new rate for one trash and one recycling weekly collection will be \$14.37 per month. The rate for twice weekly collection will be \$19.37 per month. An annual price escalator of 3.5% will be added to services in the contract on the anniversary date of the contract. For more cost comparisons please see the attachment.

Risk Analysis (options or alternatives with implications): Without a long term contract there is the possibility of town-wide collection services disruption.

Fiscal Impact (initial and ongoing costs; budget status): N/A

Budget Reference (page number): N/A

Funding Source: NA

If Multiple Funds utilized, list here: N/a

Budgeted; if No, attach Budget Adjustment Form: NA

Recommendation(s) by Board(s) or Commission(s): N/A

Staff Recommendation(s): Approve

List Attachment(s): Contract 2018-002, Cost Comparison Table and Republic Services Presentation

SUGGESTED MOTION (for Council use): Move to approve contract 2018-02 with Allied Waste Transportation, Inc., d/b/a Republic Services of Phoenix for the Town of Fountain Hills' residential curbside solid waste collection services.

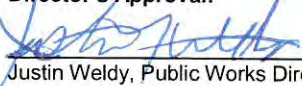
Prepared by:


Raymond Rees, Facilities/Environmental Supervisor 12/3/2018

Approved:


Grady E. Miller, Town Manager Date

Director's Approval:


Justin Weldy, Public Works Director 12/3/2018



Residential Curbside Trash and Recycling Comparison Table

	Current Monthly Cost	Proposed Monthly Cost
Once weekly trash and recycling	\$11.58	\$14.37*
Twice weekly trash and one recycling	\$16.64	\$19.37
Once weekly green waste	\$15.00	\$15.00
Bulk pick up (on-call)	\$50 per 6 cubic yards	\$50 per 6 cubic yards

* The proposed increase in cost translates into an average increase of approximately 3% over 8 years of the original contract

All rates are subject to a 3.5% increase on the anniversary date of the signed agreement

Town of Fountain Hills



Who We Are

- Largest publically traded corporation in Arizona
- Employer of over 32,000 people nationwide
- Many of our vendors and staff live in Fountain Hills
- Arizona's largest recycling processor
- Sustainably minded company, focused on recycling education, diversion and finding cleaner fuel alternatives.
- Recyclingsimplified.com



We are a Community Partner

- Recycling and Trash provider for over 8 years in Fountain Hills
- Republic Rewards Grant: Provided and awarded annual community grants of \$10,000. The 2018 winner will be announced and awarded January 15th, 2019.
- Member of the Fountain Hills Chamber of Commerce
- Consistently participate in town events and donate event boxes as needed
 - Make A Difference Day, Independence Day, Ice Rink, and more.



Rates Comparison- Old/New

Current Rate:

1x per week trash- \$7.63 / month

1x per week recycling- \$3.95 / month

Total: \$11.58

New Rate 2019:

1x per week trash- \$8.43 / month

1x per week recycling- \$5.94 / month

Total: \$14.37

New Contract also includes: Annual Spring Cleaning (Bulk Collection), Household Hazardous Waste collection and Electronics Recycling Event at no extra cost.



Reason for Increase

- Over the Past 8 years we have only increased our rate by .24 cents or 2.07%
- China Sword
 - Recycling commodity value crash
 - Processing cost increase to meet quality demands
 - Additional employees, slower belt speeds
- Increased cost of Capital
- Overall cost of labor increases
 - Minimum wage increase, competitive driver and mechanic wages
- Increased maintenance costs



Fountain Hills Proposal vs. Other Municipalities

Fountain Hills : \$14.37/ month for 1x per week trash and recycling

Republic Services Contracts:

Buckeye- \$16.87 (19,000 homes)

Lake Havasu- \$17.70 (27,960 homes)

Anthem- \$18.09 (10,000 homes)

Other Municipalities:

Scottsdale- \$17.25

Phoenix- \$26.80

Mesa- \$36.27



We look forward to our
future partnership,
Thank you



**SOLID WASTE SERVICES AGREEMENT
BETWEEN
TOWN OF FOUNTAIN HILLS
AND
ALLIED WASTE TRANSPORTATION, INC.**

This SOLID WASTE SERVICES AGREEMENT (this "Agreement") is made on January 15, 2019 (the "Effective Date") between the Town of Fountain Hills, an Arizona municipal corporation (the "Town") and Allied Waste Transportation, Inc., a Delaware corporation, d/b/a Republic Services of Phoenix (the "Contractor").

RECITALS

A. The Town issued a Request For Proposals, "Solid Waste Services (PW2018-002)" (the "RFP"), a copy of which is attached hereto as Exhibit A and incorporated herein by reference, seeking proposals from vendors for residential curbside solid waste collection and disposal services, bulk waste collection and disposal services, residential recycling services, green waste services, Town facility solid waste services, Town facility recycling services and special event solid waste and recycling services within the corporate limits of the Town of Fountain Hills (the "Services").

B. The Contractor submitted a proposal in response to the RFP (the "Proposal"), which is attached hereto as Exhibit B and incorporated herein by reference, and the Town desires to enter into an Agreement with the Contractor for the Services.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated herein by reference, the following mutual covenants and conditions, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Town and the Contractor hereby agree as follows:

1. **Definitions.** As used herein, and notwithstanding any other contrary definition given these terms under Arizona law, the parties hereto specifically agree that the terms defined below shall, for the purpose of this Agreement, have the meanings as set forth in this Section. The words "shall," "will" and "must" are always mandatory and not merely discretionary. The word "may" indicates something that is not mandatory but permissible. When not inconsistent with the context, words in the plural shall include the singular and vice versa, words importing persons shall include firms and corporations, words in the present tense shall include the future and use of the masculine gender shall include the feminine gender. The terms "herein," "hereunder," "hereby," "hereto," "hereof" and any similar terms, shall refer to this Agreement; the term "heretofore" shall mean before the date of adoption of this Agreement; and the term "hereafter" shall mean after the initial date of adoption of this Agreement.

1.1 "Backdoor" means a location at the front, side or rear of a Residential Service Unit acceptable to both the Resident and Contractor as the location for Residential

Collection Service. If an appropriate location cannot be agreed upon, the Contract Administrator shall designate the location for Residential Collection Service.

1.2 “Bulk Waste” means Solid Waste composed of materials not easily containerized in a Solid Waste Cart or Recycling Cart such as, but not limited to, Green Waste, furniture, cardboard and large appliances.

1.3 “Bulk Waste Collection Services” means Collection of Bulk Waste and delivery to the Disposal Facility or the Recycling Facility by the Contractor.

1.4 “Bulk Waste Services” means Bulk Waste Collection Services and the disposal of Bulk Waste at the Disposal Facility or recycling of Bulk Waste at the Recycling Facility.

1.5 “Business Day” means any day, Monday through Friday, from 5:00 AM, Local Time to 5:00 PM, Local Time.

1.6 “Cart” means a Recycling Cart, a Solid Waste Cart or a Green Waste Cart, as applicable.

1.7 “Council” means the Mayor and Town Council of the Town of Fountain Hills, Arizona.

1.8 “Collection” means the act of picking up Solid Waste or Bulk Waste from Residential Units and delivery of the Solid Waste or Bulk Waste to the Disposal Facility. Collection shall also mean the act of picking up Recyclable Materials from Residential Units or Town Facilities and delivery of the Recyclable Materials to the Recycling Facility.

1.9 “Collection Service” means Residential Solid Waste Collection Services, Residential Bulk Waste Collection Services, Residential Recycling Collection Services, Residential Green Waste Collection Services, Town Facility Solid Waste Collection Services, Town Facility Recycling Collection Services, Special Event Solid Waste Collection Services and Special Event Recycling Collection Services.

1.10 “Commencement Date” means the earliest date the Contractor shall commence the Collection Services in accordance with this Agreement on the days set forth on the map attached as Exhibit D, attached hereto and incorporated herein by reference.

1.11 “Construction Debris” means solid waste derived from the construction, repair or remodeling of buildings or other structures.

1.12 “Construction and Demolition Waste” shall include Construction Debris and Demolition Debris.

1.13 “Contamination” means the existence of any material or substance on or contained in Recyclable Materials that would result in failure to meet Recovered Material specifications.

1.14 “Contract Administrator” means the Town Manager of the Town, or his designee or designees, who shall represent the Town in the administration and supervision of this Agreement.

1.15 “Container” means any metal or plastic container, with a capacity of approximately 300 gallons designed to or intended to be mechanically dumped into a loader-packer type garbage truck and used for Town Facility Recycling Services. All such Containers must be clearly marked in a manner as approved by the Town.

1.16 “Demolition Debris” means solid waste derived from the demolition of buildings or other structures.

1.17 “Disposal Facility” means a facility, area of land or excavation in which Solid Waste and Bulk Waste are placed for permanent disposal. Disposal Facility does not include a land application unit, surface impoundment, injection well, compost pile or waste pile or an area containing ash from the on-site combustion of coal that does not contain household waste, household hazardous waste or conditionally exempt small quantity generator waste.

1.18 “Disposal Services” means the disposal of Solid Waste and Bulk Waste by the Contractor.

1.19 “Expiration Date” means January 14, 2024 at 11:59 PM, Local Time.

1.20 “Green Waste” means organic yard waste, including but not limited to, grass clippings, tree trimmings, brush clippings, and other similar material.

1.21 “Green Waste Cart” means a receptacle with wheels with a capacity of up to approximately 96 gallons designed or intended to be mechanically dumped into a load-packer type garbage truck and approved by the Town Manager or authorized designee for the Collection of Green Waste from Residential Service Units. All Green Waste Carts shall be green in color and clearly distinguishable from Solid Waste Carts.

1.22 “Hazardous Waste” means solid waste as described in 40 Code of Federal Regulations part 261, as amended.

1.23 “Local Time” means the time in Phoenix, Arizona.

1.24 “Materials Acceptance Protocol (MAP)” means the document which identifies the types and standards for the Recyclable Materials which are to be collected and processed under this Agreement. The MAP is attached hereto as Exhibit E and incorporated herein by reference.

1.25 “Missed Block” shall mean, as determined by three or more customers on a block, that each customer deems that her/his respective properly-prepared Cart that was set out at the Collection location on the scheduled Collection day was not picked up by the Contractor.

1.26 “Missed Collection” shall mean, as determined by the customer, a properly prepared Cart that was set out at the Collection location on the scheduled Collection day that was not picked up by the Contractor.

1.27 “Non-recyclable Waste” means the portion of Solid Waste, exclusive of Hazardous Waste, that is not Recyclable Materials.

1.28 “Person” means an individual, corporation, company, association, partnership, unit of local government, state agency, Federal agency, or other legal entity.

1.29 “Process,” “Processed” or “Processing” means the separation, sorting, crushing, baling, shredding, flattening or other treatment of Recyclable Materials into Recovered Materials.

1.30 “Processing Fee” means the per ton fee for receipt and processing of Recyclable Materials.

1.31 “Recovered Material(s)” means Recyclable Materials which have been processed at the Recycling Facility to market specifications.

1.32 “Recyclable Materials” means those materials which are capable of being recycled and which would otherwise be processed or disposed of as Solid Waste.

1.33 “Recyclable Materials Collection Services” means the provision of Residential Recycling Collection Service, Town Facility Recycling Collection Service and Special Event Recycling Collection Service by the Contractor.

1.34 “Recycling” means any process by which materials which would otherwise become Solid Waste are collected, separated, or processed and reused or returned to use in the form of raw materials or products.

1.35 “Recycling Cart” means a receptacle with wheels with a capacity of up to approximately 96 gallons designed or intended to be mechanically dumped into a loader-packer type garbage truck and approved by the Town Manager for the Collection of Recyclable Materials from Residential Service Units, Town Facilities and special events. All such Recycling Carts must be clearly marked in a manner as approved by the Town Manager or authorized designee.

1.36 “Recycling Facility” means a Solid Waste Facility that is owned, operated or used for the storage, treatment or processing of Recyclable Materials and that handles wastes that have a significant adverse effect on the environment.

1.37 “Recycling Services” means the Collection of Recyclable Materials by the Contractor from Residential Service Units and Town Facilities in the Town, delivery of Recyclable Materials to Recycling Facility, and processing and marketing of Recyclable Materials at the Recycling Facility.

1.38 “Rejects” means material other than Residue, such as Non-recyclable Waste or materials other than those defined in the MAP, which is delivered with Recyclable Materials and which shall be handled and accounted for separately from Recyclable Materials and Residue.

1.39 “Residential Bulk Waste” means Bulk Waste that is generated and disposed of at a Residential Service Unit.

1.40 “Residential Bulk Waste Collection Service” means the Collection of Bulk Waste by the Contractor from Residential Service Units and the delivery of the Bulk Waste to the Disposal Facility or Recycling Facility.

1.41 “Residential Green Waste Service” means the Collection of Green Waste by the Contractor from Residential Service Units and the delivery of Green Waste to a green Waste processing facility.

1.42 “Residential Recyclable Materials” means any Recyclable Materials that is generated from Residential Service Units, not including Construction and Demolition Waste or Hazardous Waste.

1.43 “Residential Recycling Collection Services” means the Collection of Recyclable Materials by the Contractor from Residential Service Units and the delivery of the Recyclable Materials to the Recycling Facility.

1.44 “Residential Recycling Services” means the Collection of Recyclable Materials by the Contractor from Residential Service Units, delivery of the Recyclable Materials to the Recycling Facility and processing and marketing of the Recyclable Materials at the Recycling Facility.

1.45 “Residential Services” means Residential Solid Waste Services, Residential Bulk Waste Collection Services, Residential Green Waste Services and Residential Recycling Services.

1.46 “Residential Service Unit” mean residential dwellings and establishments identified by the Town to receive Residential Services from the Contractor and utilizing (i) a Solid Waste Cart for the accumulation and set-out of Residential Solid Waste and (ii) a Recycling Cart for the accumulation and set-out of Residential Recyclable Materials. Town, at its sole discretion, may add or delete Residential Units.

1.47 “Residential Solid Waste” means any garbage, Green Waste or rubbish that is generated from Residential Service Units, not including Construction and Demolition Waste or Hazardous Waste.

1.48 “Residential Solid Waste Collection Services” means the Collection of Solid Waste by the Contractor from Residential Service Units and delivery of the Solid Waste to the Disposal Facility.

1.49 “Residential Solid Waste Services” means the Collection of Solid Waste by the Contractor from Residential Service Units, delivery of the Solid Waste to the Disposal Facility, and disposal of the Solid Waste at the Disposal Facility.

1.50 “Residue” means that portion of the Recyclable Materials accepted by the Contractor which is not converted to Recovered Materials due to spoilage, breakage, contamination and/or transportation or processing inefficiencies, other than Rejects.

1.51 “Residue Allowance” means that portion of incoming Program Recyclables defined as Residue and shall not exceed the overall annual Residue Allowance of 15%.

1.52 “Scavenging” means the unauthorized removal of Recyclable Material after the generators thereof divest control physically or as a matter of appropriate law, rule or regulation.

1.53 “Solid Waste” means any garbage, trash, rubbish, waste tire, refuse, sludge from a waste treatment plant, water supply treatment plant or pollution control facility and other discarded material, including solid, liquid, semisolid or contained gaseous material unless otherwise excluded by the Arizona Revised Statutes.

1.54 “Solid Waste Cart” means a receptacle with wheels with a capacity of up to approximately 96 gallons designed or intended to be mechanically dumped into a loader-packer type garbage truck and approved by the Town Manager for the Collection of Residential Solid Waste. All such Solid Waste Carts must be clearly marked in a manner as approved by the Town Manager or authorized designee.

1.55 “Solid Waste Facility” means a transfer facility and any site owned, operated or utilized by any person for the storage, processing, treatment or disposal of solid waste, conditionally exempt small quantity generator waste or household hazardous waste unless otherwise excluded by Arizona Revised Statutes.

1.56 “Special Event Solid Waste Collection Services” means the Collection of Solid Waste by the Contractor from special events as requested by the Town and delivery of the Solid Waste to the Disposal Facility.

1.57 “Special Event Recycling Collection Services” means the Collection of Recyclable Materials from special events as requested by the Town via Containers or Recycling Carts and delivery to the Recycling Facility by the Contractor.

1.58 “Source Separated Materials” means materials that are separated by material type by the generator.

1.59 “State” means the State of Arizona.

1.60 “Ton” means a unit of weight equal to 2,000 pounds.

1.61 "Town Facility" means any Town-owned or operated facility designated by the Town for Town Facility Recycling Services. The Town has the sole authority to add or eliminate Town Facilities.

1.62 "Town Facility Recycling Collection Services" means the Collection of Recyclable Materials from Town Facilities via Containers or Recycling Carts and delivery to the Recycling Facility by the Contractor.

1.63 "Town Facility Solid Waste Collection Services" means the Collection of Solid Waste by the Contractor from a Town Facility and delivery of the Solid Waste to the Disposal Facility.

1.64 "Town Revenue Rate" means the minimum payment by Contractor to Town per ton of Recyclable Materials received at the Recycling Facility.

2. Representations.

2.1 Relationship of the Parties. It is clearly understood that each party will act in its individual capacity and not as an agent, employee, partner, joint venturer, or associate of the other. An employee or agent of one party shall not be deemed or construed to be the employee or agent of the other for any purpose whatsoever. The Contractor is advised that taxes or Social Security payments will not be withheld from any Town payments issued hereunder and Contractor agrees to be fully and solely responsible for the payment of such taxes or any other tax applicable to this Agreement.

2.2 Representations by Town. The Town represents to the Contractor that the Town is duly organized and existing in good standing under the laws of the State and is duly qualified and authorized to carry on the governmental functions and operations as contemplated by this Agreement. The Town further represents that the person signing on its behalf has been properly authorized and empowered to enter into this Agreement. The Town acknowledges that it has read this Agreement, understands it, and agrees to be bound by it.

2.3 Representations by Contractor. The Contractor represents to the Town that at the time of execution of this Agreement:

A. Authority. The Contractor is duly qualified and in good standing to do business in the State and is duly qualified and in good standing to do business wherever necessary to carry on the business and operations contemplated by this Agreement. The Contractor further represents that the person signing on its behalf has been properly authorized and empowered to enter this Agreement. The Contractor further acknowledges that it has read this Agreement, understands it, and agrees to be bound by it.

B. Recyclable Materials Processing. The Contractor has the right to receive Recyclable Materials processing and marketing services from its affiliate, River Recycling, LLC, as attested to in the affidavit attached hereto as Exhibit F and incorporated herein by reference, for the Initial Term and Renewal Terms (as defined in Section 3 below).

C. Solid Waste Disposal. The Contractor has entered for the right to receive Disposal Services at the Cave Creek Transfer Station (which the Contractor owns and operates), as attested to in the affidavit attached hereto as Exhibit G and incorporated herein by reference, for the Initial Term and Renewal Terms.

D. Licenses; Materials. The Contractor has obtained all applicable environmental and other governmental permits, licenses, permits and authorizations that are (1) necessary for providing the Services and (2) required to be issued under Federal, State, local law, regulation, rule or ordinance. Contractor shall maintain in current status all Federal, State and local licenses, permits and authorizations required for the operation of the business conducted by the Contractor. The Town has no obligation to provide Contractor, its employees or subcontractors any business registrations or licenses required to perform the specific services set forth in this Agreement. The Town has no obligation to provide tools, equipment or material to Consultant.

E. Insurance/Bonds. The Contractor has obtained and submitted to the Town certificates of insurance for all required insurance coverages specified in this Agreement.

F. No Legal Action Pending. To the best of the Contractor's knowledge, there is no action, suit or proceeding, at law or equity, before or by any court or government authority, pending or threatened against the Contractor, wherein an unfavorable decision, ruling or finding would materially adversely affect the performance by the Contractor of its obligation hereunder or the other transactions contemplated hereby, or which, in any way, would adversely affect the validity or enforceability of this Agreement, or any other contract or instrument entered into by the Contractor in connection with the transactions contemplated hereby.

Contractor agrees that it shall take all steps necessary to ensure that the representations set forth in this Section 2.3 shall remain true and correct for the entire Term of this Agreement.

3. Term of Agreement.

3.1 Initial Term. Unless sooner terminated in accordance with the provisions in this Agreement, the term of this Agreement shall commence on the Commencement Date and shall continue in effect until the Expiration Date (the "Initial Term").

3.2 Option to Renew. After the Initial Term, the parties shall have the option upon written agreement to renew this Agreement for up to three additional one-year terms (each, a "Renewal Term"). The Initial Term and any Renewal Terms shall be collectively referred to herein as the "Term." To exercise its option, Town shall provide written notice to Contractor (each an "Option Notice") not later than 60 calendar days preceding the scheduled Expiration Date of the then-current Term. The Contractor shall, within 15 calendar days following receipt of the Town's Option Notice, either accept or reject the Town's request. If the Contractor fails to accept or reject the Town's renewal request within 15 days following receipt of the Town's Option Notice, the Contractor shall be deemed to have consented to renewal of the

Agreement for one year. This provision in no way limits the Town's right to terminate this Agreement at any time during the Term pursuant to the provisions in this Agreement.

4. Solid Waste Services, Bulk Waste Services and Recycling Services. The Contractor shall begin providing the services set forth in this Section on their respective Commencement Dates, as determined on the days set forth on the map included on Exhibit D, and the Contractor shall change rates for such services not greater than as set forth on Exhibit C.

4.1 Solid Waste.

A. Residential Solid Waste Services. Contractor shall collect, once per week on a scheduled day, all Solid Waste Carts from each Residential Service Unit in the Town. Contractor shall deliver the Residential Solid Waste collected to the Disposal Facility and dispose of the Residential Solid Waste at the Disposal Facility. Upon the receipt of a written work order from the Town, Contractor shall provide additional Solid Waste Cart collection and non-collection day Collection Services.

B. Annual Residential Bulk Waste Services. Contractor shall provide a process for collecting residential bulk waste of up to six cubic yards from each Residential Service Unit in the Town once per year by routes/areas on dates and in the sequence approved in writing by the Town. Contractor shall provide notice Contractor shall deliver the Bulk Waste collected to the Recycling Facility or the Disposal Facility. If the Bulk Waste is delivered to the Recycling Facility, Contractor shall process and market the Bulk Waste at the Recycling Facility. If the Bulk Waste is delivered to the Disposal Facility, Contractor shall dispose of the Residential Solid Waste at the Disposal Facility. Upon the receipt of a written work order from the Town, Contractor shall provide additional Bulk Waste Collection Services.

C. Town Facility Solid Waste Services. Contractor shall collect, not less than once per week, all Solid Waste in Solid Waste Carts or Containers at Town Facilities shown in the table below:

Table 4.1

Town Facilities	Address	Container Size	Collection Frequency
Town Civic Center	13001 La Montana	8 YD	Twice per week
Streets Department	17137 Falcon Dr.	6 YD	Twice per week
Fountain Park	13000 Saguaro Blvd.	8 YD	Once per week
Four Peaks Park	17300 Calaveras Ave.	6 YD	Once per week
Golden Eagle Park	14725 Golden Eagle	4 YD(1); 6 YD(2)	Once per week
Desert Vista Park	11800 Desert Vista	6 YD	Once per week

D. Special Event Solid Waste Services. Upon request of the Town, the Contractor shall deliver Solid Waste Carts or containers to the site of a special event and shall collect and dispose of Solid Waste collected in such Solid Waste Carts or Containers.

4.2 Recycling.

A. Residential Recycling Services. Contractor shall collect, once per week on a scheduled day, all Recyclable Materials via single stream in a Residential Recycling Cart from each Residential Service Unit in the Town. Contractor shall deliver the Recyclable Materials collected to the Recycling Facility. In addition, Contractor shall process and market the Recyclable Materials delivered to the Recycling Facility.

B. Town Facility Recycling Collection. Contractor shall collect, on a frequency solely decided by the Town, all Recyclable Materials from each Town Facility listed in Table 4.1 above. Contractor shall deliver the Recyclable Materials collected to the Recycling Facility. In addition, Contractor shall process and market the Recyclable Materials delivered to the Recycling Facility.

C. Special Events Recycling Collection. Upon request of the Town, Contractor shall deliver Recycling Carts to the site of a special event and shall collect and process all Recyclable Materials collected by such Recycling Carts, the frequency of which shall be at the Town's sole discretion.

E. Disposal Prohibited. The Contractor shall be prohibited from (1) disposal of and/or landfilling of any Recyclable Materials accepted or processed at the Recycling Facility or (2) marketing Recyclable Materials to markets that the Contractor knows or reasonably should have anticipated will dispose of and/or landfill the Recyclable Materials, except when approved in writing by the Town.

4.3 Residential Green Waste Collection. Contractor shall collect, once per week on a scheduled day, all Green Waste via Residential Green Waste Cart from each Residential service Unit in the Town that has selected the green waste option and has agreed to pay the additional cost of same. Contractor shall deliver all Green Waste collected from Green Waste Carts at Residential service Units to a Green Waste processing facility.

4.4 Backdoor Collection Services. Contractor shall provide Backdoor Collection Services for Residential Solid Waste and Recyclable Materials from Residential Service Units if all adult occupants residing therein are handicapped, or due to age or verified physical limitations, cannot safely move Carts and if a request for Backdoor Collection Services has been made to and approved by the Town, in the manner required by the Town. The Town shall notify the Contractor in writing of any Residential Service Unit requiring Backdoor Collection Services. No additional monies shall be due to the Contractor for the provision of Backdoor Collection Services. Contractor shall provide Backdoor Collection Services on the same scheduled Collection day that Collection Services would otherwise be provided to the Residential Service Unit.

4.5 Manner of Providing Services. Unless otherwise stated in this Agreement, the Contractor shall be solely responsible for all aspects of the management, operations and maintenance and equipment relating to the Services including, but not limited to, the following:

A. Rejected Loads. Transportation and disposal of Rejected Loads (as defined in subsection 5.2 below) at the Recycling Facility to the Disposal Facility.

B. Residue and Rejects. Transportation and disposal of Residue and Rejects at the Recycling Facility to the Disposal Facility.

C. Recovered Materials. The shipping and marketing of Recovered Materials processed at the Recycling Facility.

D. Records. The maintenance of complete and accurate records and the provision of reports to the Town in accordance with the requirements of this Agreement.

E. Maintenance. The preventive maintenance, maintenance and repair of systems and equipment including vehicles, buildings, grounds and other equipment.

F. Clean-up. The prevention and clean-up of litter, spillage, dust and odor as set-forth in this Agreement.

G. Personnel. The recruitment, hiring and training of all managerial, supervisory and operating personnel providing the Services.

H. Carts. Cart maintenance and delivery of new Solid Waste Carts, Recycling Carts and Green Waste Carts, as applicable. Contractor shall also be solely responsible for Storage of unused Carts.

4.6 Part-Time Residents. Contractor shall provide each Residential Unit the opportunity to annually stop service temporarily for a period of up to six continuous months upon notification by the resident.

4.7 Annual Household Hazardous Materials Collection. Contractor shall provide a household hazardous waste (*i.e.*, paints, solvents, pesticides, herbicides, oils, etc.) collection events to occur at least once per calendar year.

4.8. Annual Electronics Recycling Event. Contractor shall provide electronic recycling (including but not limited to AC Adapters, Calculators, Cameras, Cell Phones, CD Rom/DVD Drives, Computers (PCs / laptops / servers / tablets), digital cable boxes, docking stations, electric motors, fax machines, hard drives, keyboards & mice, medical equipment, metals, modems, monitors (LCD & LED), wires/cables/power cords, power tools, printers, routers, DVD players and video game equipment) events to occur at least once per calendar year, as set forth in Exhibit B, or as otherwise pre-approved in writing by the Town.

5. Inspection of Loads and Rejected Loads.

5.1 Contractor's Right to Inspect Loads. The Contractor may inspect each delivery of Recyclable Materials prior to and upon their discharge at the Recycling Facility for consistency with the MAP.

5.2 Unacceptable Loads. Contractor may not designate a load as an unacceptable load for any reason other than those identified in this Section. Prior to departure from the Recycling Facility of the vehicle delivering Recyclable Materials to the Recycling Facility, Contractor may designate a load as a “Rejected Load” for the following reasons:

A. Excessive Non-Recyclable Waste. A load of Recyclable Materials contains more than 15% Non-recyclable Waste by weight.

B. Public Health Danger. A load of Recyclable Materials presents a substantial endangerment, such as disease or death, to the public or employee health or safety.

C. Hazardous Waste. A load contains Hazardous Waste that cannot be easily separated from acceptable materials.

5.3 Procedure upon Rejection of Load.

A. Notice of Rejected Load. If the Contractor designates a load as a Rejected Load for the reasons set forth in subsections 5.2(A) and (B) above, Contractor must immediately provide written notice to the Town, including the reason the load was designated a Rejected Load. If Contractor fails to provide notice in accordance with this subsection, Contractor shall accept the load.

B. Right to Inspect Rejected Loads. Upon receipt of the notice by the Town in accordance with subsection 5.3(A) above, Contractor shall retain the Rejected Load for an additional 24 hours to allow the Town a right to inspect the load. The Town may waive the right to inspect the load. Failure to inspect the load within 24 hours of receipt of notice shall be deemed a waiver of the right to inspect the load.

C. Dispute or Acceptance of Designation as Rejected Load. If the Town inspects the load, the Town may dispute or accept the designation as a Rejected Load. If the Town disputes the rejection of the load for the reasons set forth in Section 5.2(A) or (B) above, the Contract Administrator’s decision as to whether the load will or will not be accepted shall be final and conclusive. If the load is not deemed a Rejected Load by the Contract Administrator, the Contractor shall accept and process the load as long as it does not contain Hazardous Waste (which is covered by Section 5.4 below).

D. Costs for Rejected Loads not due to Hazardous Waste. Contractor shall, at its sole expense, pay for transportation and disposal costs of Rejected Loads for the reasons set forth in subsections 5.2(A) and (B) above.

5.4 Procedure upon Rejection of Load due to Hazardous Waste. If Contractor discovers Hazardous Waste before collecting it, Contractor may refuse to collect the entire Recycling Cart or Solid Waste Cart of waste. In such situations, Contractor shall contact the generator of such waste to remove and dispose of it properly. If any Hazardous Waste is not discovered by Contractor before it is collected, Contractor may, in its sole discretion, (A) remove, transport and dispose of such Hazardous Waste at a location authorized to accept such Hazardous Waste in accordance with all applicable laws and (B) charge the depositor or

generator of such Hazardous Waste all direct and indirect costs incurred due to removal, remediation, handling, transportation, delivery and disposal of such Hazardous Waste. The Town shall provide all reasonable assistance to Contractor to conduct an investigation to determine the identity of the depositor or generator of the Hazardous Waste.

6. Handling of Rejects and Residue.

6.1 Handling of Rejects. The Contractor shall segregate and store all Rejects and shall notify the Town prior to their removal for disposal to permit the Town's inspection thereof. The Town shall have the right to inspect such Rejects within 24 hours of notification and to make its own determination as to whether such materials are in fact Rejects, as defined herein. Contractor shall, at its sole expense, pay for transportation and disposal costs of Rejects.

6.2 Handling of Residue. Contractor shall be solely responsible for ensuring that Residue which is culled from Program Recyclables accepted by Contractor or which is the result of processing activity shall not exceed the overall annual Residue Allowance of 15%. If the residue exceeds the Residue Allowance, Town may assess liquidated damages in accordance with Section 18 of this Agreement. Contractor, at its sole expense, shall bear costs of transporting and disposal of all Residue.

7. Collection and Processing Equipment.

7.1 Collection Services Vehicles.

A. Appearance of Collection Services Vehicles. Contractor shall paint all Collection Service vehicles uniformly with the name of Contractor, customer service office telephone number and the unique identification number of the vehicle in letters not less than six inches high on each side and the rear of the vehicle. All Collection Services vehicles shall be uniquely numbered and a record kept of the vehicle to which each number is assigned. No advertising shall be permitted on vehicles, except for events sponsored by the Town, which shall be advertised on request of the Town.

B. Age of Collection Services Vehicles. Contractor shall provide all Collection Services pursuant to this Agreement with Collection vehicles **less than seven years** of age. The **average age** for the Collection vehicles to be used for performance of Collection Services provided pursuant to this Agreement **shall not exceed three years of age.**

7.2 Collection Services Carts. Town shall have the sole decision in determining the appearance of the Carts.

A. Purchase and Initial Distribution of Carts. The Contractor, at its sole cost, shall purchase all Carts required for the provision of Collection Services pursuant to this Agreement. In addition, the Contractor, at its sole cost, shall deliver one Solid Waste Cart, one Recycling Cart and one Green Waste Cart (for Residential Service Units choosing the optional Green Waste Service) to each Residential Service Unit prior to the Commencement Date, unless instructed otherwise by the Town. The Contractor shall attach a program introduction notice to each Cart delivered.

B. Subsequent Distribution, Maintenance and Storage. After the initial distribution of Carts, Contractor, at its sole cost, shall deliver Cart(s) to a Residential Service Unit within two business days of the request by the Town. Contractor shall attach a program introduction notice to each Cart delivered.

C. Cart Care and Maintenance. Contractor's employees shall take care to prevent damage to Carts by unnecessarily rough treatment. Contractor shall be solely responsible for Cart maintenance.

D. Reserve Carts. Contractor shall maintain a minimum of 15 Solid Waste Carts, 15 Recycling Carts and 15 Green Waste Carts at a secure location within the corporate limits of the Town to ensure that extra or replacement Carts can be expeditiously provided upon the request of the Town. Subject to space availability, the Town can accommodate the reserve Solid Waste Carts, Recycling Carts and Green Waste Carts at its Street Yard, located at 17137 Falcon Drive, which Carts shall be accessible to the Contractor during the Town's normal business hours.

E. Replacement of Carts. Upon notification to Contractor by the Town or a customer that a Cart has been lost, destroyed, stolen or that it has been damaged beyond repair, Contractor shall purchase, if necessary, and deliver a replacement Cart to such customer within two business days. At the expense of the Contractor, each Residential Service Unit shall be entitled to unlimited replacements of destroyed or damaged beyond repair Cart(s) for the life of the Agreement at no cost to the Town or the customer if determined by the Contract Administrator or authorized designee that such destruction or damage was caused by the Contractor or Contractor's employees or equipment. For additional replacements beyond those as provided in this Agreement or for Carts purchased by written authorization of the Town Manager, Town shall reimburse Contractor the purchase cost paid by Contractor for the Cart.

7.3 Collection and Processing Equipment, Excluding Carts.

A. Purchase, Operation and Maintenance. Unless otherwise stated in this Agreement, Contractor shall be solely responsible for all costs of purchasing, operating and maintaining Collection and processing equipment for the Term of this Agreement. Town, at its sole discretion, shall determine whether the Contractor is or is not properly maintaining the Collection and processing equipment. If the Town determines the Contractor is not properly maintaining the Collection and/or processing equipment, Contractor shall replace such equipment in accordance with this Agreement and Town may assess liquidated damages in accordance with Section 18 of this Agreement.

B. Replacement. Unless otherwise stated in this Agreement, Contractor shall be solely responsible for the replacement of Collection and processing equipment if such equipment is lost, stolen or damaged beyond normal wear and tear. If Contractor or Town determines that Collection and/or processing equipment requires replacement, Contractor shall replace such equipment within 14 calendar days with comparable equipment. Contractor shall be responsible to make the appearance of the replacement equipment in adherence with the requirements of this Section.

7.4 Ownership.

A. Collection Services Equipment other than Carts and Containers. Ownership of Collection Services Equipment other than Carts shall rest with Contractor.

B. Carts and Containers. Ownership of Carts and containers shall rest with the Contractor during and after the term of the Agreement.

7.5 Disposal Facility and Recycling Facility Equipment. The Disposal Facility, Recycling Facility and any other processing center used to perform the Services shall be equipped with adequately sized truck scales and computerized record-keeping systems for weighing and recording all incoming and outgoing delivery vehicles and vehicles transporting Recyclable Materials to markets. Contractor shall separately weigh, record and tabulate each load from Town.

8. Personnel. Contractor shall assign a qualified person or persons who will be charge of its operations within the Town and authorized to make decisions on Contractor's behalf and shall provide the name, office telephone number, mobile phone number, email address and facsimile number of Contractor's representatives and key personnel to the Contract Administrator. Contractor agrees that the Town shall have 24 hour access to said representative via a non-toll call from the corporate limits of the Town. Such records shall be updated as personnel or contact information changes. In addition, Contractor shall adhere to the following requirements:

8.1 Key Personnel. Contractor shall provide adequate, experienced personnel, capable of and devoted to the successful completion of the Services to be performed under this Agreement. Contractor agrees to assign specific individuals to key positions. Contractor agrees that, upon commencement of the Services to be performed under this Agreement, key personnel shall not be removed or replaced without written notice to the Town, which Contractor will endeavor to make prior to the removal or replacement of such key personnel. If key personnel are not available to perform the Services for a continuous period exceeding 30 calendar days, or are expected to devote substantially less effort to the Services than initially anticipated, Contractor shall immediately notify the Town of same and shall, subject to the concurrence of the Town, replace such personnel with personnel of substantially equal or superior ability and qualifications. If deemed qualified, the Contractor is encouraged to hire Town residents to fill vacant positions at all levels.

8.2 Uniforms. Contractor shall furnish each employee involved in the performance of this Contract with a uniform and safety vest, shirt or jacket which clearly displays the name of Contractor. Such uniforms and safety equipment shall make the employee readily visible to other motorists. Contractor's employees shall wear complete uniforms and safety vest, shirt or jacket at all times.

8.3 Safety Training. Contractor shall provide regularly scheduled, on-going operating and safety training for all employees. In addition, Contractor's employees shall be trained to perform their duties to maximize the Town's recycling rate, minimize contamination

and promote recycling at all times. Such meetings shall be mandatory for all Collection and supervisory personnel and held not less than once per month. All temporary and newly hired permanent Collection personnel and supervisory employees must receive comprehensive safety and operational training prior to working on the Collection vehicles or performing duties under this Agreement. Training manuals and schedules shall be maintained at the local office of Contractor and available for review at any time by Contract Administrator.

8.4 General Training. All employees involved in the performance of this Agreement including office and all Collection personnel, must be provided adequate training before and during their employment with the Contractor. This training shall familiarize employees with the required duties and standards of performance, specific requirement on routes to which they will be assigned, teach the route layouts previously established and approved and provide necessary knowledge to eliminate delays and Missed Collections. All supervisory and Collection employees must be provided equipment and supplies prior to and during the performance of their duties. All Collection, administrative, supervisory and customer service personnel must receive customer service training prior to and during the time they are employed by the Contractor.

8.5 Contact with Others. Contractor's employees shall treat all customers, co-workers, Town employees and any individual with whom they come in contact in the performance of their duties in a polite and courteous manner. Rudeness, belligerence and the use of profanity are strictly prohibited. The Town reserves the right to direct Contractor to remove any employee who violates this policy from providing services to the Town, pursuant to this Agreement.

8.6 Compliance with Laws, Monitoring and Inspections. In performance of Collection Services, Contractor's employees must adhere to applicable municipal, Town, State and Federal laws. Town reserves the right to make a complaint regarding any employee of the Contractor who violates any provision herein, or who is wanton, negligent or discourteous in the performance of his/her duties. The Town may recommend appropriate action be taken by the Contractor and may require the Contractor to remove any unacceptable employee, as determined by the Town, from service to the Town. Contractor will be responsible for all compliance monitoring and inspection necessary pursuant to the Town's variance with the Maricopa County Environmental Services Division with respect to the services provided under this Agreement.

9. Hours of Operation and Holidays. Contractor shall not make any changes to the hours of operation as provided in this Section without the prior, written approval of the Contract Administrator.

9.1 Residential Collection Services. Excluding Holidays (as defined in subsection 9.7 below), Contractor shall provide Residential Collection Services from **Monday through Friday, 6:00 AM, Local Time to 5:00 PM, Local Time.** Residential Collection Services that fall on a Holiday shall be collected as set forth in Section 9.7 below.

9.2 Town Facility Recycling Services. Excluding Holidays, Contractor shall provide Town Facility Recycling Services from **Monday through Friday, 6:00 AM, Local**

Time to 5:00 PM, Local Time. Town Facility Recycling Services that fall on a Holiday shall be collected on the following day.

9.3 Town Facility Solid Waste Services. Excluding Holidays, Contractor shall provide Town Facility Solid Waste Services **from Monday through Friday, 6:00 AM, Local Time to 5:00 PM, Local Time.** Town Facility Solid Waste Services that fall on a Holiday shall be collected on the following day.

9.4 Extension of Collection Services Hours of Operation. If the Contractor determines that the Collection Services will not be completed by 5:00 PM, Local Time on the scheduled Collection day, the Contractor shall notify the Town by 3:00 PM, Local Time and request an extension of the Collection hours. The Contractor shall inform the Town of the areas not completed, the reason for non-completion and the expected time of completion. The Town must approve any extension of hours of operation.

9.5 Disposal Facility. Excluding holidays as defined in subsection 9.7 below, Contractor shall maintain, or cause its provider to maintain, the Disposal Facility open and available to receive Solid Waste **seven days per week between 7:00 AM, Local Time to 6:00 PM, Local Time.**

9.6 Recycling Facility. Excluding Holidays, Contractor shall maintain or cause its provider to maintain the Recycling Facility open and available to receive Recyclable Materials seven days per week between 7:00 AM, Local Time to 6:00 PM, Local Time.

9.7 Holidays. The Town, at its sole discretion, may add or delete holidays. If the Town elects to add or delete holidays, the Town will provide the Contractor notice in accordance with the provisions of this Agreement. If a holiday occurs on a scheduled Collection day, Contractor shall perform the scheduled Collection for the holiday on the next calendar day after the scheduled Collection day. For purposes of this Agreement, "Holidays" shall include the following:

- A. New Year's Day
- B. Independence Day
- C. Thanksgiving Day
- D. Christmas Day

10. Customer Service Complaints; Billing. Contractor and Contractor's employees understand that customer service is of great importance to the Town. Contractor and its employees will work diligently to provide high quality customer services to the Town and all customers.

10.1 Customer Service Complaint Resolution Procedure. All customer service complaints shall initially be directed to the Contractor. The Contractor will generate an electronic work order outlining all legitimate complaints received. The work order will contain (A) date and time of call, (B) customer name, address and phone number and (C) type of complaint. A copy of the work order will then be electronically submitted to the Town,

including a schedule for resolution. The Contractor will resolve each customer complaint in a timely manner as set forth below:

A. Same Day Request. If the complaint is a Missed Collection or Missed Block, Contractor shall pick up the Missed Collection or Missed Block on that same day if the complaint is received by the Contractor prior to 11:00 AM, Local Time.

B. Next Day Request. If the complaint is a Missed Collection or Missed Block, Contractor shall pick up the Missed Collection or Missed Block before 5:00 PM, Local Time on the next calendar day if the complaint is received by the Contractor after 11:00 AM, Local Time.

C. Other Complaints. If the complaint other than a Missed Collection or Missed Block, Contractor shall resolve the complaint within 24 hours of written notice of such complaint to Contractor.

10.2 Work Order Reporting. Upon resolution of the customer complaint, Contractor will close the work order and resubmit it to the Town. The closed work order will include (A) Contractor's determination as to legitimacy of the complaint, (B) the date, time and action taken to resolve complaint and (C) the name of responsible contact at Contractor's location regarding the complaint.

11. Damage to Property. The Contractor shall take all necessary precautions to protect public and private property during the performance of this Contract. Except for reasonable wear and tear, the Contractor shall repair or replace any private or public property that is damaged by the Contractor. Such property damages shall be addressed for repair or replacement, at no charge to the property owner, within 48 hours with property of the same or equivalent value at the time of the damage. If the Contractor fails to address the repair or replacement of damaged property within 48 hours, the Town may, but shall not be obligated to, repair or replace such damaged property and the cost of doing so (A) shall be paid by the Contractor to the Town within 30 days of receipt of demand therefore or (B) may be deducted by the Town from only amounts owing to the Contractor.

12. Spillage and Leakage, Litter, Dust and Odor.

12.1 Spillage and Leakage. Contractor shall clean up any spilled or blowing materials as well as fluids spilled or leaked from Contractor's vehicles by the Contractor, Contractor's employees or authorized person or entity providing service to the Contractor. During transport, all materials shall be contained, covered and enclosed so that leaking, spilling and blowing of materials does not occur. Contractor shall perform all cleanups within two hours of the spillage or leakage.

12.2 Litter. If Contractor operates the Disposal Facility, the Recycling Facility or the processing facility for Green Waste, the Contractor shall be required to pick up any and all litter (including any glass spillage) which blows or falls from the Disposal Facility, Recycling Facility or Green Waste facility onto the site or adjoining or surrounding property by the end of

each workday or by the end of the first shift, if operated for more than ten hours per day. All on-site parking areas and roadways shall be swept at least once per month.

12.3 Dust and Odor. If Contractor operates the Disposal Facility, the Recycling Facility or Green Waste facility the Disposal Facility, Recycling Facility and Green Waste facility shall be operated to prevent the escape of dust and odors. The Contractor shall routinely clean the tip floor and the process and storage areas.

13. Recordkeeping, Reporting, Audited Financial Statements and Reporting Format.

13.1 Recordkeeping. The Contractor shall create, maintain and make available records as defined in, and required by, all applicable local, State and Federal laws, rules and regulations and any reports as are reasonably necessary to:

A. Deliveries. Document Recyclable Materials deliveries, Residential Solid Waste deliveries, time delivered to Recycling Facility, time delivered to Disposal Facility, tonnage of material delivered, Rejected Loads by date collected and other information as requested by Contract Administrator (a monthly summary shall also be submitted to the Town).

B. Missed Collections; Problem Set-out. Document Missed Collections, consistent Late Set-outs and consistent Improper Set-outs on a daily basis including the address, time and date for each and the reason, photograph and notice for Improper Set-outs (a monthly summary shall also be submitted to the Town).

C. Recovered Material. Provide averages from the Recycling Facility of Recovered Material from Recyclable Materials tons marketed by commodity, entity marketed to, price paid by the end market and other information as reasonably requested by Contract Administrator (a monthly and annual summary shall also be submitted to the Town).

D. Recyclable Materials. For Recyclable Materials, document incoming tonnages, residue tonnages, rejects tonnages, hazardous waste tonnages, marketed tonnages by commodity and inventory tonnages by commodity. Contractor shall provide an explanation if incoming tonnages does not equal the total of rejects tonnages, hazardous waste tonnages, marketed tonnages by commodity and inventory tonnages by commodity (a monthly and annual summary shall also be submitted to the Town).

E. Hazardous Waste. Document Hazardous Waste including the source, tonnage, date received, disposal facility and other information as requested by Contract Administrator (a monthly and annual summary shall also be submitted to the Town).

F. Other Regulatory Documents. Such other documents and reports as the Town may reasonably require to verify compliance with the Agreement or to meet the Town's reporting requirements with the State (a monthly and annual summary shall also be submitted to the Town).

G. Residue; Rejects. Document Residue and Rejects separately including tonnage, description of material, source of material (i.e. Recyclable Materials, hauler,

etc.), disposition and other information as requested by Contract Administrator. A monthly and annual summary shall also be submitted to the Town.

H. Availability of Documents. All of Contractor's records shall be available to Town and its representatives at reasonable times and places throughout the term of this Agreement and for a period of five years after last or final payment.

13.2 Reporting.

A. Initial Reports.

1. Transition Plan. The Contractor shall provide a transition plan 90 calendar days prior to Commencement Date. This plan shall detail transition to the Contractor providing Solid Waste Service, Bulk Waste Service, Recycling Service and Residential Green Waste Service. This transition plan will be submitted for approval by the Contract Administrator.

2. Processing and Marketing Plan. The Contractor shall provide a processing and marketing plan 90 calendar days prior to Commencement Date. This plan shall detail the processing and marketing of all Recyclable Materials and Recyclable Materials at the site. This processing and marketing plan will be submitted for approval by the Contract Administrator.

3. Hazardous Waste Contingency Plan. The Contractor shall provide a Hazardous Waste contingency plan, 30 calendar days prior to the Commencement Date, to the Contract Administrator and to the Town's Risk Manager. This plan shall detail what actions shall be taken by the Contractor upon discovery of Hazardous Waste. This contingency plan will be reviewed by the Contract Administrator. The plan shall include a copy of a signed contract(s) with a permitted Hazardous Waste transporter(s) to handle any Hazardous Waste discovered. The plan must comply with all State and Federal regulations regarding the handling of Hazardous Waste. Non-conformance with any State or Federal regulation shall cause rejection of the plan. This Hazardous Waste contingency plan will be submitted for approval by the Contract Administrator.

B. Monthly Reports. Contractor shall submit all monthly reports required by this Agreement to the Town Manager or authorized designee within seven calendar days following the end of each calendar month.

C. Annual Reports. Contractor shall submit all annual reports required by this Agreement to the Towns Manager or authorized designee within 30 calendar days following the end of the Town's fiscal year.

13.3 Audited Financial Statements. The Contractor will be required to submit audited financial statements prepared by an external accounting firm within 90 calendar days of the end of the Contractor's fiscal year end. The audited financial statements may be issued by either the Contractor, or by Republic Services, Inc. In the event Contractor is acquired, the

Contractor shall notify the Town of the transfer in ownership, whereupon the Town shall have the option to require that the audited financial statements be submitted by the acquiring entity. The Contractor has provided a Guaranty Agreement by Republic Services, Inc., a copy of which is attached hereto and incorporated herein as Exhibit H. In the event Contractor is acquired, the Town shall have the option to require that the acquiring entity provide a Guaranty Agreement in a form acceptable to the Town Attorney. The financial basis records shall be kept in accordance with generally accepted accounting principles.

13.4 Report Format. Within 14 days after the Commencement Date, the Contractor will be required to submit to the Town for its approval the format and sample contents of the records to be maintained and the reports to be generated in fulfillment of the requirements of the Agreement. Contractor shall submit all reports in electronic format approved by the Town and in hard copy.

14. Billing and Collections, Payment and Annual Adjustments.

14.1 Billing and Collection.

A. Solid Waste, Bulk Waste, Recycling and Disposal Services. The Contractor shall bill Residential Service Units for Residential Solid Waste, Bulk Waste, Recycling Services and Residential Green Waste Services in accordance with the rate structure established on Forms 5, 7 and 8 respectively, attached hereto as a part of Exhibit C and as may subsequently be adjusted as set forth in this Agreement.

1. Understandable Bills. Bills will be clear, concise and understandable. Bills must be fully itemized, clearly delineating all activity during the billing period, including optional charges, rebates and credits.

2. Uniform Billing. Contractor shall bill all Residential Service Units in a uniform, non-discriminatory manner, regardless of level of service. Payment shall be due no sooner than the 15th day of each billing period, and the due date shall be listed on each bill. Bills shall be mailed no later than the first day of the billing period. Contractor shall provide a process to accept payments from a homeowners' association or its authorized representative for Service Units within that homeowners' association.

a. Town Materials and Announcements. Contractor shall include reasonable Town provided newsletters, announcements and similar materials and information at no additional cost to the Town. The Town and Contractor shall set the schedule and other reasonable parameters therefore.

b. Information Concerning Annual Residential Bulk Waste Service, Household Hazardous Waste Events and Electronic Recycling Events. At least 30 days before each scheduled: (i) Annual Residential Bulk Waste Service, (ii) Household Hazardous Waste Event and (iii) Electronic Recycling Event, Contractor will provide a pamphlet (approved in writing by the Town) in the bills sent to customers in the Town setting forth, as applicable: (i)

the routes and schedule for the Annual Residential Bulk Waste Service pickup, (ii) Household Hazardous Waste Event date, time and locations, and (iii) Electronic Recycling Event date time and location, together with requirements, limitation and answers to frequently asked questions related thereto. The same information shall be conspicuously and continuously posted on the Contractors website and on its billing page for customers within the Town.

3. Customer Dispute. In case of a bill dispute, the Contractor must respond to a written complaint from a resident within 15 days.

4. Refunds. Refund checks will be issued promptly, but no later than the next billing cycle following resolution of the request or 30 days, whichever is earlier. Credits for service will be issued no later than the next billing cycle following the determination that a credit is warranted.

5. Individual Rights. Contractor shall not deny service, deny access, or otherwise discriminate against citizens on the basis of race, color, religion, national origin, sex, age, or disability. Contractor shall comply at all times with all other applicable federal, state, and local laws and regulations, and as amended from time to time, relating to nondiscrimination.

6. Equal Opportunity. Contractor shall strictly adhere to applicable equal employment opportunity requirements of federal, state, and local regulations as amended from time to time.

7. Protection of Privacy. Except as provided in herein, Contractor shall not disclose personally identifiable information concerning any customer without the prior written or electronic consent of the customer concerned. Contractor may disclose such information if the disclosure is: (a) necessary to render, or conduct a legitimate business activity related to Services provided by the Contractor to the customer; or (b) made pursuant to a court order authorizing such disclosure, if the customer is notified of such order by the person to whom the order is directed.

8. Collection Matters. Contractor shall establish a procedure for addressing delinquent accounts and shall be solely responsible for courteous resolution of any collection matters. The Contractor shall be permitted to pick up the Solid Waste Cart, Recycling Cart and Green Waste Cart from any Residential Service Unit for which fees for service have become delinquent by more than 60 days after the first notice of delinquency by the Contractor to the customer. The Contractor shall not receive any payment from the Town on account of excessive delinquencies.

B. Recycling Facilities Processing and Marketing Services. Contractor shall submit a monthly bill on or before the 15th day of each month to the Town for all services performed during the immediate prior calendar month. Contractor shall ensure that each bill (1) describes services provided to the Town, (2) includes all charges for the prior month, and (3) includes any other information the Town requests. Contractor shall bill Town in

accordance with the Rate Structure established on Form 5 and as may subsequently be adjusted as set forth in this Agreement.

14.2 Town Payment to Contractor.

A. Town Facility Solid Waste Collection Services. Town shall pay Contractor for Town Facility Solid Waste Collection Services at the rates set forth on Form 6.1 in an amount equal to the Town's authorized Town Facility Solid Waste Collection Services minus any disputed amounts and minus any liquidated damages.

B. Town Facility Recycling Collection Services. Town shall pay Contractor for Town Facility Recycling Collection Services at the rates set forth on Form 6.2 in an amount equal to Town's authorized Town Facility Recycling Collection Services minus any disputed amounts and minus any liquidated damages.

14.3 Payment for Variance; Inspections. For the duration of this Agreement, Contractor shall be solely responsible for the costs associated with the request for and issuance of a variance by the Maricopa County Environmental Services Division with respect to services to be provided pursuant to this Agreement. Contractor shall also be responsible for conducting any inspections required as a condition upon the Town's variance. Contractor shall provide the Town with (A) quarterly reports detailing the inspections completed and (B) other such information or reports as may be requested by the Town from time to time to comply with the requirements of the variance.

14.4 Annual Rate Adjustments. All costs proposed in Form 6 shall remain fixed from the execution of this Agreement through January 14, 2024. Thereafter the costs shall be adjusted as set forth in Exhibit B, unless otherwise agreed to in writing by the Town. .

15. Public Education Activities. Contractor shall provide the following services associated with public education notices at no cost to the Town or the customer. Contractor will at no time place public education notices inside customers' mailboxes. Contractor shall not distribute any public education notices to Residential Service Units within the Service Area without written approval from Contract Administrator.

15.1 Development, Printing and Distribution of Improper Set-out Notice. Contractor shall develop, print and distribute, at Contractor's own expense, an improper set-out notice. The improper set-out notice shall be approved by the Town and shall include one original with two copies. The improper set-out notice shall include (A) the date (B) reason for non-Collection and (C) Contractor's customer service telephone number and (D) any other information the Town requests. Contractor shall attach the original improper set-out notice via a non-adhesive means to the handle of the Cart. Contractor shall take a digital photo of set-out that receives an improper set-out notice. Contractor shall maintain copies of improper set-out notices and digital photos in a format that enables Contractor to immediately retrieve a requested notice or photo by address. Contractor shall provide a monthly report of improper set-out notices as set forth in this Agreement.

16. Ownership of Solid Waste and Recyclable Materials. Title to Solid Waste, including Bulk Waste, shall pass to the Contractor once the Contractor takes possession of the materials at the Residential Service Unit. Title to Recyclable Materials shall remain with the Town until the Recyclable Materials are processed and sold. The risk of loss to the Recyclable Materials shall pass to Contractor at the time they are picked up by the Contractor. After the risk of loss passes to Contractor, if any Recyclable Materials are lost, damaged or scavenged, Contractor shall be liable to the Town for that sum of funds that would have been paid to the Town in accordance with the provisions of this Agreement. Title to and liability for Hazardous Waste shall at no time pass to the Town or the Contractor and shall, at all times, remain with the generator of the Hazardous Waste.

17. [Intentionally Deleted]

18. Liquidated Damages. Contractor understands that if Contractor does not timely perform its obligations pursuant to the terms of this Agreement, Town will suffer damages which are difficult to determine and adequately specify. The acts or omissions set forth in this Section 18 shall be considered a breach of the Contract. The Contractor shall be liable for liquidated damages amount(s) upon determination of the Town that performance has not occurred consistent with the provisions of the Agreement. The Town shall notify the Contractor in writing or electronically of each act or omission in this Agreement reported to or discovered by the Town. It shall be the duty of the Contractor to take whatever steps or action may be necessary to remedy the cause of the complaint. The Contractor agrees, in addition to any other remedies available to the Town, that the Town may deduct the full amount of any damages from any payment due to the Contractor. The remedy available to the Town under this paragraph shall be in addition to all other remedies which the Town may have under law or at equity.

18.1 Missed Collection. \$25 for each Missed Collection above two misses per Collection day, to be assessed at the end of each Collection month. A Missed Collection occurs when (A) a resident reports that their material was set at the curb by 6:00 AM, Local Time and was not collected (B) the address was not reported by the Contractor as a late set-out or an improper set-out. Contractor may dispute the designation as a Missed Collection to the Contract Administrator. In the case of a dispute, the Contract Administrator's determination shall be final as to whether a set-out is a Missed Collection.

18.2 Missed Block. \$250 for each incident of the Contractor failing to pick up material on a block. A Missed Block occurs when one side of a street between cross streets or an entire cul-de-sac where residents from at least three households on that street report that they had their material out before 6:00 AM, Local Time the material was not picked up, the material was properly sorted and the address was not reported by the Contractor as a late set-out. Contractor may dispute the designation as a Missed Block to the Contract Administrator. In the case of a dispute, the Contract Administrator's determination shall be final as to whether a block is a Missed Block.

18.3 Less than Majority Collected. \$2,500 for each incident for failure to complete a majority (50%) of the Collections on a given day.

18.4 Failed Spill Clean-up. \$250 for each incident for failure to clean up material spilled or littered by Contractor within six hours of verbal or written notification.

18.5 Failed Vehicle Maintenance. \$100 for each incident for failure to maintain vehicle in manner which prevents nuisances such as leaky seals or hydraulics.

18.6 Failed Correction of Missed Collection. \$250 for each incident for failure or neglect to collect materials from a Missed Collection location within the amount of time specified in this Agreement.

18.7 Failed Cart Maintenance. \$100 for each incident for failure to maintain Carts or Containers in proper working order ten days after notice has been provided by the Town.

18.8 Fail to Timely Complete Reports. \$250 for each incident for failure to timely provide a complete monthly or annual report.

18.9 Failure to Return Carts. \$100 for each incident for failure to return Carts or Containers to their original locations after collection. For the purposes of this subsection, "original location" shall mean within ten feet of the location at which the Cart was placed immediately prior to the Contractor picking it up for service. Contractor shall not be penalized for any Carts returned to their original location which are subsequently moved by a third party.

18.10 Failure to Provide Updated Maps. \$50 per day for each day beyond 30 days after change in routing for failure to provide updated route maps to Town after change in routing.

18.11 Failure to leave Education Tag. \$100 for each incident for failure to leave an education tag when material that is inappropriately prepared is not collected.

18.12 Failure to Label. \$100 for each incident for distributing Carts without labels that include text and graphics depicting what materials may be placed in the containers.

18.13 Failed Customer Complaint Response. \$100 per Business Day thereafter per incident for failure to respond to any customer complaint received by the close of the following Business Day.

18.14 Failure to Document Customer Complaints. \$50 per Business Day thereafter per incident for failure to provide the Town with the required resolved customer complaint documentation upon request of the Town.

18.15 Failure to Accept Materials. \$3,000 for each day for failure to be able to accept materials on any day after the date upon which service begins on which materials are to be collected.

18.16 Failed Reject Handling. \$500 for each occurrence for failure to handle Rejects in accordance with this Agreement.

18.17 Failure to Meet Residue Allowance. For Failure to meet annual Residue Allowance in accordance with this Agreement: (A) \$500 for 0.01% to 5.00% over the Residue Allowance; (B) \$1,000 for 5.01% to 10.00% over the Residue Allowance; (C) \$1,500 for each 10.01% to 15.00% over the Residue Allowance; (D) \$2,000 for 15.01% to 20.00% over the Residue Allowance; and (E) \$2,500 for 20.01% or more over the Residue Allowance.

Exceptions: For the purposes of this Agreement, the Contractor shall not be deemed to be liable for penalties where its inability to perform Collection Service is the result of conditions of Force Majeure as set forth in Section 25 of this Agreement, inclement weather severe enough that trucks cannot safely take Collections, provided however, that the Contractor shall obtain the approval for the delay from the Town prior to 3:00 PM, Local Time of the scheduled Collection day.

19. Payment Withheld. In addition to express provisions elsewhere contained in this Agreement, Town may withhold from any payment otherwise due the Contractor such amount as determined necessary to protect the Town's interests on account of: (i) Unsatisfactory progress of the work not caused by condition beyond Contractor's control; (ii) Defective work not corrected; (iii) Contractor's failure to carry out instructions or orders of the Town or its representative; (iv) A reasonable doubt that the Agreement can be completed for the balance then unpaid; (v) Execution of work not in accordance with the Agreement; (vi) Claim filed by or against Contractor or reasonable evidence indicating problem filing of claims; (vii) Failure of Contractor to make payments to any subcontractor for material or labor; (viii) Damage to another contractor; (ix) Unsafe working conditions allowed to persist by Contractor; (x) Failure of Contractor to provide required reports and other reports as required by Town; (xi) Use of any subcontractors without the Town's prior, written approval; or (xii) Failure of Contractor to provide accurate invoices and supporting data as describe elsewhere in this agreement. When the foregoing defaults have been cured, payment shall be made for amounts withheld because of them and the Town shall never be liable for interest on any delayed or late payment. The Town's right to withhold payments under this Section will be reasonable in light of the nature of the claims and the amount of available insurance and performance bonds pursuant to this Agreement.

20. Performance Guaranty. Contractor shall furnish the Town with a Performance Bond covering faithful performance of this Agreement. The bond shall be submitted within 45 days following the Effective Date, but in no event later than the Commencement Date. The Bond shall be in an amount not less than annual value of this Agreement and in the form approved by the Town Attorney. The term of the Bond shall be not less than one year beginning on the Commencement Date. The Contractor shall furnish the Town with a renewal of the Bond for an additional term of not less than one year from the expiration date of the Bond then in effect for each year this Agreement is in effect. The renewal of the Bond shall be submitted at least 30 days prior to the expiration date of the Bond then in effect. Notwithstanding the foregoing, the Surety shall not be obligated to renew the Performance Bond for any successive year. Non-renewal shall not be construed as a default by the Contractor under the bond and shall not be actionable under any bond provided. The Performance Bond shall be limited to one and only one surety which shall be issued by a Surety Company authorized to do business in the

State of Arizona and have A.M. Best rating of "A" or better and the "T" Underwriting limitation is not exceeded by this Bond.

21. Taxes. Contractor shall be responsible for and shall pay all sales, consumer, use and other taxes. When equipment, materials or supplies generally taxable to the Contractor are eligible for a tax exemption due to the nature of the item, Contractor shall assist Town in applying for and obtaining such tax credits and exemptions which shall be paid or credited to Town.

22. Compliance with Laws and Regulations. The Contractor shall keep fully informed and shall at all times during the performance of its duties under this Agreement ensure that it and any person for whom the Contractor is responsible remains in compliance with all rules, regulations, ordinances, statutes or laws affecting the Services including the following: (i) existing and future Town and County ordinances and regulations, (ii) existing and future State and Federal laws, (iii) existing and future Occupational Safety and Health Administration ("OSHA") standards, (iv) applicable laws, statutes, codes, rules and regulations related to or prohibiting discrimination in employment in the performance of its work under this Agreement and (v) requirements as established by the Congress of the United States in the Fair Labor Standards Act, as amended from time to time.

23. Town Inspection Rights.

23.1 Town's Right to Inspect Records, Books, Data and Documents. The Town or any of its duly authorized representatives shall have access, within 24 hours of notification, to all books, records, data and documents of the Contractor related to the services provided under this Agreement for inspection and audit, at Town's expense. Additionally, the Contractor shall give the Town written notice of any other professional relationships it enters into with the Town or any of its agencies or component units during the period of this Agreement.

23.2 Town's Rights to Inspect Facilities and Equipment. The Town or any of its duly authorized representatives shall have access, within 24 hours of notification, to inspect Contractor's facilities, including the Disposal Facility and Recycling Facility if operated by the Contractor, and equipment and perform such inspections, as Town deems reasonably necessary, to determine whether the services required to be provided by Contractor under this Agreement conform to the terms hereof and/or the terms of this Agreement. Town shall conduct the inspection of facilities and equipment during hours of operation. Contractor shall make available to Town all reasonable facilities and assistance to facilitate the performance of inspections by Town's representatives.

24. Dispute Resolution.

24.1 Interpretation of Agreement. Except as provided otherwise in this Agreement and to the extent permitted by law, the Contract Administrator shall be responsible for interpreting this Agreement to resolve disputes that may arise hereunder. The parties agree that any decision rendered by the Contract Administrator in connection with such matters shall be final and binding upon Contractor, the customer and the Town.

24.2 Definition of Claim. As used herein “claim” means a written demand or assertion by one of the parties seeking, as a legal right, the payment of money, adjustment or interpretation of the Agreement terms, or other relief, arising under or relating to this Agreement. A voucher, invoice, or request for payment that is not in dispute when submitted is not a claim under this subsection. However, where the submission is subsequently not acted upon in a reasonable time, or disputed either as to liability or amount, it may be converted to a claim for the purpose of this subsection. A claim by the Contractor shall be made in writing and submitted to the Contract Administrator. When a controversy cannot be resolved by mutual agreement, the Contractor shall submit a written request for final decision to the Contract Administrator. The written request shall set forth all the facts surrounding the controversy.

24.3 Process for Dispute Resolution. In connection with any claim under this clause, the Contractor, at the discretion of the Contract Administrator, may be afforded an opportunity to be heard and to offer evidence in support of its claim. The Contract Administrator shall render a written decision on all claims within 30 Business Days of receipt of the Contractor’s written claim, unless the Contract Administrator determines that a longer period is necessary to resolve the claim. The decision shall be furnished to the Contractor by certified mail, return receipt requested, or by any other method that provides evidence of receipt. If a decision is not issued within 30 calendar days, the Contract Administrator shall notify the Contractor of the time within which a decision shall be rendered and the reasons for such time extension. Pending resolution of a claim, the Contractor shall proceed diligently with the performance of the Agreement in accordance with subsection 24.4 below.

24.4 Operations during Dispute. In the event that any dispute arises between Town and Contractor relating to this Agreement performance or compensation hereunder, Contractor shall continue to render service and receive compensation in full compliance with all terms and conditions of this Agreement as interpreted, in good faith, by the Town, regardless of such dispute. The Contractor expressly recognizes the paramount right and duty of Town to provide adequate services to its residents and further agrees, in consideration of the execution of this Agreement, that in the event of such a dispute, if any, it will not seek injunctive relief in any court without first negotiating with Town in good faith for an adjustment on the matter or matters in dispute and, upon failure of said negotiations to resolve the dispute shall present the matter to mediation before a mediator of the parties’ choosing. If mediation fails, Contractor shall present the matter to a court in Arizona. Notwithstanding the other provisions in this subsection, Town reserves the right to terminate this Agreement at any time whenever the service provided by Contractor fails to meet reasonable standards of the trade, after Town provides written notice to Contractor pursuant to Section 28 of this Agreement. Upon termination, Town may call the performance bond and apply the cash and surety bond for the cost of service in excess of that charged to Town by the firm engaged for the balance of the Agreement period.

25. Force Majeure. Except for any payment obligation by either party, if the Town or Contractor is unable to perform or is delayed in its performance of any of its obligations under this Agreement by reason of any event of force majeure, such inability or delay shall be excused at any time during which compliance therewith is prevented by such event and during such period thereafter as may be reasonably necessary for the Town or Contractor to correct the adverse effect of such event of force majeure. An event of “Force Majeure” shall mean the

following events or circumstances to the extent that they delay the Town or Contractor from performing any of its obligations (other than payment obligations) under this Agreement: acts of God, tornadoes, hurricanes, floods, sinkholes, fires and explosions (except those caused by negligence of Contractor, its agents and assigns), landslides, earthquakes, epidemics, quarantine, pestilence and extremely abnormal and excessively inclement weather, acts of public enemy, acts of war, terrorism, effects of nuclear radiation, blockades, insurrection, riots, civil disturbances or national or international calamities, suspension, termination or interruption of utilities necessary to the operation of either the Disposal Facility or the Recycling Facility. In order to be entitled to the benefit of this Section, a party claiming an event of Force Majeure shall be required to give prompt written notice to the other party specifying in detail the event of Force Majeure and shall further be required to use its best efforts to cure the event of Force Majeure.

26. Indemnification. To the fullest extent permitted by law, the Contractor, as Indemnitor, shall indemnify, defend and hold Town, its officers, officials, employees, agents and volunteers ("Indemnitees") harmless from and against any and all liability, claims, losses, suits, actions, damages and expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation (collectively "Claims")) for any personal injury, bodily injury, loss of life or loss or damage to property or any violation of any Federal, state or local law or ordinance or other cause related to or arising out of Contractor's performance of its obligations pursuant to the terms of this Agreement, caused, in whole or in part by the negligent or intentional acts or omissions of Contractors, its owners, officers, directors, employees, subcontractors or agents or in the performance of this Agreement. This indemnity includes any claim or amount arising out of or recovered under the Workers Compensation Law or arising out of the failure of Indemnitor to conform to any Federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Indemnitor from and against any and all Claims. It is agreed that Contractor will be responsible for primary loss investigation defense and judgment costs where this indemnification is applicable. The amount and type of insurance coverage requirements set forth below will in no way be construed as limiting the scope of the indemnity in this Section.

27. Insurance.

27.1 General.

A. Insurer Qualifications. Without limiting any obligations or liabilities of Contractor, Contractor shall purchase and maintain, at its own expense, hereinafter stipulated minimum insurance with insurance companies duly licensed by the State of Arizona with an AM Best, Inc. rating of A- or above with standard policies and ISO. Failure to maintain insurance as specified herein may result in termination of this Agreement at the Town's option.

B. No Representation of Coverage Adequacy. By requiring insurance herein, the Town does not represent that coverage and limits will be adequate to protect Contractor. The Town reserves the right to review ACORD form certificates of insurance and/or applicable blanket-form endorsements cited in this Agreement but has no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements set forth in

this Agreement or failure to identify any insurance deficiency shall not relieve Contractor from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Agreement.

C. Additional Insured. All insurance coverage and self-insured retention or deductible portions, except Workers' Compensation insurance and Professional Liability insurance, if applicable, shall name, to the fullest extent permitted by law for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, directors, officials and employees as Additional Insured as specified under the respective coverage sections of this Agreement.

D. Coverage Term. All insurance required herein shall be maintained in full force and effect until all work or services required to be performed under the terms of this Agreement are satisfactorily performed, completed and formally accepted by the Town, unless specified otherwise in this Agreement.

E. Primary Insurance. Contractor's insurance shall be primary insurance with respect to performance of this Agreement and in the protection of the Town as an Additional Insured.

F. Waiver. All policies, except for Professional Liability, if applicable, including Workers' Compensation insurance, shall contain a waiver of rights of recovery (subrogation) against the Town, its agents, representatives, officials, officers and employees for any claims arising out of the work or services of Contractor. Contractor shall arrange to have such subrogation waivers incorporated into each policy via formal written blanket-form endorsement thereto.

G. Policy Deductibles and/or Self-Insured Retentions. The policies set forth in these requirements may provide coverage that contains deductibles or self-insured retention amounts. Such deductibles or self-insured retention shall not be applicable with respect to the policy limits provided to the Town. Contractor shall be solely responsible for any such deductible or self-insured retention amount.

H. Use of Subcontractors. If any work under this Agreement is subcontracted in any way, Contractor shall execute written agreements with its subcontractors containing the indemnification provisions set forth in this Section and insurance requirements set forth herein protecting the Town and Contractor. Contractor shall be responsible for executing any agreements with its subcontractors and obtaining certificates of insurance verifying the insurance requirements.

I. Evidence of Insurance. Prior to commencing any work or services under this Agreement, Contractor will provide the Town with suitable evidence of insurance in the form of ACORD certificates of insurance, issued by Contractor's insurance insurer(s) as evidence that policies are placed with insurers rated A-VIII (or higher) by A.M. Best as specified herein and provide the required coverages, conditions and limits of coverage specified in this Agreement and that such coverage and provisions are in full force and effect. The Town shall reasonably rely upon the certificates of insurance as evidence of coverage but such acceptance

and reliance shall not waive or alter in any way the insurance requirements or obligations of this Agreement. In the event any insurance policy required by this Agreement is written on a "claims made" basis, coverage shall extend for two years past completion of the Services and the Town's acceptance of the Contractor's work or services and as evidenced by annual certificates of insurance. If any of the policies required by this Agreement expire during the life of this Agreement, it shall be Contractor's responsibility to forward renewal certificates to the Town 15 days prior to the expiration date. All certificates of insurance shall be identified by referencing the RFP number and title or this Agreement. Additionally, certificates of insurance and declaration page(s) of the insurance policies submitted without referencing the appropriate RFP number and title or reference to this Agreement, as applicable, will be subject to rejection and may be returned or discarded. Certificates of insurance shall specifically include the following provisions:

1. The Town, its agents, representatives, officers, directors, officials and employees are Additional Insureds as follows:

a. Commercial General Liability - Under Insurance Services Office, Inc., ("ISO") Form CG 20 10 04 13 or equivalent.

b. Auto Liability - Under ISO Form DA-9U74C or equivalent.

2. Contractor's insurance shall be primary insurance as respects performance of the Agreement.

3. All policies, including Workers' Compensation, waive rights of recovery (subrogation) against Town, its agents, representatives, officers, officials and employees for any claims arising out of work or services performed by Contractor under this Agreement.

4. A 30-day advance notice cancellation provision. If ACORD certificate of insurance form is used, the phrases in the cancellation provision "endeavor to" and "but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives" shall be deleted. Certificate forms other than ACORD form shall have similar restrictive language deleted.

27.2 Required Insurance Coverage.

A. Commercial General Liability. Contractor shall maintain "occurrence" form Commercial General Liability insurance with an unimpaired limit of not less than \$3,000,000 for each occurrence, \$5,000,000 Products and Completed Operations Annual Aggregate and a \$5,000,000 General Aggregate Limit. The policy shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury. Coverage under the policy will be at least as broad as ISO policy form CG 00 0413 or equivalent thereof, including but not limited to, separation of insured's clause. To the fullest extent allowed by law, for claims arising out of the performance of this

Agreement, the Town, its agents, representatives, officers, officials and employees shall be cited as an Additional Insured under ISO, Commercial General Liability Additional Insured Endorsement form CG 20 10 0413, or equivalent, which shall read "Who is an Insured (Section II) is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of "your work" for that insured by or for you." If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.

B. Vehicle Liability. Contractor shall maintain Business Automobile Liability insurance with a limit of \$2,000,000 each occurrence on Contractor's owned, hired and non-owned vehicles assigned to or used in the performance of the Contractor's work or services under this Agreement. Coverage will be at least as broad as ISO coverage code "1" "any auto" policy form CA 00 01 1013 or equivalent thereof. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, directors, officials and employees shall be cited as an Additional Insured under ISO Business Auto policy Designated Insured Endorsement form CA DA-9U74C or equivalent. If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.

C. Workers' Compensation Insurance. Contractor shall maintain Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction over Contractor's employees engaged in the performance of work or services under this Agreement and shall also maintain Employers Liability Insurance of not less than \$500,000 for each accident, \$500,000 disease for each employee and \$1,000,000 disease policy limit.

27.3 Cancellation and Expiration Notice. Insurance required herein shall not be canceled, or materially changed without 30 calendar days' prior, written notice to the Town, other than Workers' Compensation.

28. Termination; Cancellation.

28.1 By the Town for Cause. In the event there should occur any Material Breach or Material Default in the performance of any covenant or obligation of Contractor which has not been remedied within 30 days after receipt of written notice from the Town specifying such breach or default (or such longer period of time as is reasonably necessary to cure any such breach or default which is not capable of being cured within 30 days, provided that the Contractor has undertaken the cure within such 30 days and proceeds diligently thereafter to cure in an expeditious manner; provided further that such cure period shall not exceed 90 days), the Town, may if such breach or default is continuing, terminate this Agreement upon written notice to the Contractor. The following events shall, without limitation, constitute a Material Breach or a Material Default by Contractor for purposes of this Section: (i) contractor shall abandon as hereinafter defined, the performance of Collection Services for a period of five consecutive calendar days unless caused by event of Force Majeure. As used herein, the term "abandon" shall refer to voluntary cessation of performance of Collection Service or operation of the Disposal Facility or Recycling Facility; (ii) the failure of Contractor to process Recyclable Materials for a period of five consecutive calendar days at any time after the Commencement

Date; (iii) if the Contractor's hazardous substance contingency plan as required by this Agreement hereof shall fail to comply with all Federal and State regulations regarding the handling of hazardous waste; (iv) the failure of Contractor to pay amounts owed to the Town under the terms of this Agreement within 14 calendar days after such amounts become finally due and payable; (v) if Contractor shall be not paying its debts when they become due; shall have filed, or consented by answer or otherwise to the following against it of, a petition for relief or reorganization and bankruptcy or insolvency law of any jurisdiction; shall make an assignment for the benefit of its creditors in lieu of taking advantage of any such bankruptcy or insolvency law; shall consent to the appointment of custodian, receiver, trustee or other officer with similar powers with respect to any substantial part of its property; shall be adjudicated insolvent or shall take corporate action for the purpose of any of the forgoing; and (vi) the default by Contractor with respect to any obligation to any third party pertaining to the Contractor or to Collection Services, which may permit any third party, either immediately or following notice and/or the passage of time to accelerate the maturity of any obligation of the Contractor, to assume control of the Contractor or take possession of or to transfer or caused to be transferred to any third party any portion of the assets of the Contractor, but only if such default materially interferes with or prevents Contractor's performance under the terms of this Agreement.

A. Failure to Cure. If the Contractor shall fail to cure its Breach or Default as specified in this Section, the Town may terminate this Agreement upon ten days written notice. In such case, the Contractor shall not be entitled to receive further payment for services rendered from the effective date of the notice of termination.

B. Notice of Termination. Upon receipt of Notice of Termination, Contractor shall promptly discontinue all affected work unless the Notice of Termination directs otherwise, deliver or otherwise make available to Town all data, drawings, specifications, reports, estimates, summaries, such other information as may have been required under the terms of Agreement whether completed or in process.

C. Town's Right to Mitigate. In addition, Town may enter into a separate contract for the completion of the Agreement, according to its terms and provisions, or use such other methods as in Town's sole opinion shall be required for the completion of the Agreement. All damages, costs and charges incurred by Town, together with the cost of completing the terms and provisions of the Agreement, shall be deducted from any monies due or which may become due to Contractor. In case the damages and expenses so incurred by Town shall exceed the unpaid balance, then Contractor shall be liable and shall pay to Town the amount of such excess.

D. Contractor Not in Breach. If after Notice of Termination it is determined for any reason that Contractor was not in Breach or Default, then the rights and obligations of the Town and the Contractor shall be the same as if the Notice of Termination had not been issued pursuant to the termination for cause clause as set forth in paragraph 1 of this Section.

28.2 For Town's Convenience. This Agreement is for the convenience of the Town and, as such, may be terminated without cause 120 days after receipt by Contractor of written notice by the Town. In such instance, an adjustment shall be made to the Contractor, for

the reasonable costs of the work performed through the date of termination. Termination costs do not include lost profits, consequential damages, delay damages, unabsorbed or under absorbed overhead of the Contractor or its subcontractors and/or failure to include termination for convenience clause into its subcontracts and material purchase orders shall not expose the Town to liability for lost profits in conjunction with a termination for convenience settlement or equitable adjustment. Contractor expressly waives any claims for lost profit or consequential damages, delay damages, or indirect costs which may arise from the Town's election to terminate this contract in whole or in part for its convenience.

28.3 Due to Work Stoppage. This Agreement may be terminated by the Town upon 30 days' written notice to Contractor in the event that the Services are permanently abandoned. In the event of such termination due to work stoppage, payment shall be made by the Town to the Contractor for the undisputed portion of its fee due as of the termination date.

28.4 Conflict of Interest. This Agreement is subject to the provisions of ARIZ. REV. STAT. § 38-511. The Town may cancel this Agreement without penalty or further obligations by the Town or any of its departments or agencies if any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of the Town or any of its departments or agencies 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 Town or a consultant to any other party of the Agreement with respect to the subject matter of the Agreement.

28.5 Gratuities. The Town may, by written notice to the Contractor, cancel this Agreement if it is found by the Town that gratuities, in the form of economic opportunity, future employment, entertainment, gifts or otherwise, were offered or given by the Contractor or any agent or representative of the Contractor to any officer, agent or employee of the Town for the purpose of securing this Agreement. In the event this Agreement is cancelled by the Town pursuant to this provision, the Town shall be entitled, in addition to any other rights and remedies, to recover or withhold from the Contractor an amount equal to 150% of the gratuity.

28.6 Agreement Subject to Appropriation. The provisions of this Agreement for payment of funds by the Town shall be effective when funds are appropriated for purposes of this Agreement and are actually available for payment. The Town shall be the sole judge and authority in determining the availability of funds under this Agreement and the Town shall keep the Contractor fully informed as to the availability of funds for the Agreement. The obligation of the Town to make any payment pursuant to this Agreement is a current expense of the Town, payable exclusively from such annual appropriations and is not a general obligation or indebtedness of the Town. If the Town Council fails to appropriate money sufficient to pay the amounts as set forth in this Agreement during any immediately succeeding fiscal year, this Agreement shall terminate at the end of then-current fiscal year and the Town and the Contractor shall be relieved of any subsequent obligation under this Agreement.

28.7 By Contractor For Cause. In the event there should occur any Material Breach or Material Default in the performance of any covenant or obligation of Town which has not been remedied within 30 days after receipt of written notice from the Contractor specifying such breach or default (or such longer period of time as is reasonably necessary to cure any such

breach or default which is not capable of being cured within 30 days, provided that the Town has undertaken the cure within such 30 days and proceeds diligently thereafter to cure in an expeditious manner), the Contractor, may if such breach or default is continuing, terminate this Agreement upon written notice to the Town. The following events shall, without limitation, constitute a Material Breach or a Material Default by Town for purposes of this Section: (i) The failure of Town to pay amounts owed to the Contractor under the terms of this Agreement within 45 days after such amounts become finally due and payable or (ii) If Town shall have filed, or consented by answer or otherwise to the following against it of, a petition for relief or reorganization and bankruptcy or insolvency law of any jurisdiction; shall make an assignment for the benefit of its creditors in lieu of taking advantage of any such bankruptcy or insolvency law; shall consent to the appointment of custodian, receiver, trustee or other officer with similar powers with respect to any substantial part of its property; shall be adjudicated insolvent or shall take official action for the purpose of any of the foregoing.

A. Failure to Cure. If Town shall fail to cure its Breach or Default as specified in subsection 28.7 hereof, the Contractor may terminate this Agreement upon ten days written notice. In such case, the Town shall not be entitled to receive further payment from the Contractor from the effective date of the Notice of Termination.

B. Damages. All damages, costs and charges incurred by Contractor, together with the cost of completing the terms and provisions of the Agreement, shall be deducted from any monies due or which may become due to Town. In case the damages and expenses so incurred by Contractor shall exceed the unpaid balance, then Town shall be liable and shall pay to Contractor the amount of such excess.

29. Miscellaneous.

29.1 Survival. Any rights either party may have in the event it terminates this Agreement pursuant to the terms hereof shall survive such termination.

29.2 Joint Preparation. The preparation of this Agreement has been a joint effort of the parties and the resulting document shall not, solely as a matter of judicial construction, be construed more severely against one of the parties than the other.

29.3 Further Assurance. Contractor and Town agree to execute, acknowledge and deliver and cause to be done, executed, acknowledged and delivered all such further documents and perform such acts as shall reasonably be requested of it in order to carry out this Agreement and give effect hereto. Accordingly, without in any manner limiting the specific rights and obligations set forth in this Agreement, the parties declare their intention to cooperate with each other in effecting the terms of this Agreement.

29.4 Time of the Essence. For purposes herein, the parties agree that time shall be of the essence of this Agreement and the representations and warranties made are all material and of the essence of this Agreement.

29.5 Captions and Section Headings. Captions and section headings contained in this Agreement are for convenience and reference only and in no way define, describe, extend, or limit the scope or intent of this Agreement, nor the intent of any provision hereof.

29.6 No Waiver. No waiver of any provision in this Agreement shall be effective unless it is in writing, signed by the party against whom it is asserted and any such written waiver shall only be applicable to the specific instance to which it relates and shall not be deemed to be a continuing or future waiver.

29.7 Exhibits. All Exhibits attached hereto contain additional terms of this Agreement and are incorporated into this Agreement by reference.

29.8 Independent Contractor. The Contractor acknowledges and agrees that the Services provided under this Agreement are being provided as an independent contractor, not as an employee or agent of the Town. Contractor, its employees and subcontractors are not entitled to workers' compensation benefits from the Town. The Town does not have the authority to supervise or control the actual work of Contractor, its employees or subcontractors. The Contractor and not the Town, shall determine the time of its performance of the services provided under this Agreement so long as Contractor meets the requirements of its agreed scope of work. Contractor is neither prohibited from entering into other contracts nor prohibited from practicing its profession elsewhere. Town and Contractor do not intend to nor will they combine business operations under this Agreement.

29.9 Amendments. This Agreement may be modified only by a written amendment signed by persons duly authorized to enter into contracts on behalf of the Town and the Contractor.

29.10 Provisions Required by Law. Each and every provision of law and any clause required by law to be in the Agreement will be read and enforced as though it were included herein and, if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party, the Agreement will promptly be physically amended to make such insertion or correction.

29.11 Severability. In the event that any provision of this Agreement shall, for any reason, be determined to be invalid, illegal, or unenforceable in any respect by a Court of competent jurisdiction, the parties hereto shall negotiate in good faith and agree to such amendments, modifications, or supplements of or to this Agreement or such other appropriate actions as shall, to the maximum extent practicable in light of such determination, implement and give effect to the intentions of the parties as reflected herein and the other provisions of this Agreement shall, as so amended, modified, or supplemented, or otherwise affected by such action remain in full force and effect.

29.12 Entire Agreement; Interpretation; Parol Evidence. This Agreement represents the entire agreement of the parties with respect to its subject matter and all previous agreements, whether oral or written, entered into prior to this Agreement are hereby revoked and superseded by this Agreement. No representations, warranties, inducements or oral agreements have been made by any of the parties except as expressly set forth herein, or in any other

contemporaneous written agreement executed for the purposes of carrying out the provisions of this Agreement. This Agreement shall be construed and interpreted according to its plain meaning and no presumption shall be deemed to apply in favor of, or against the party drafting the Agreement. The parties acknowledge and agree that each has had the opportunity to seek and utilize legal counsel in the drafting of, review of and entry into this Agreement.

29.13 Assignment. No right or interest in this Agreement shall be assigned by Contractor without prior, written permission of the Town signed by the Town Manager and no delegation of any duty of Contractor shall be made without prior, written permission of the Town signed by the Town Manager. Any attempted assignment or delegation by Contractor in violation of this provision shall be a breach of this Agreement by Contractor. This Agreement and the rights and obligation contained herein shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

29.14 Subcontracts. This Agreement and any permits required for performance of the Agreement may not be assigned, subcontracted, conveyed, or otherwise disposed of without the prior, written approval of the Town, which will not be unreasonably withheld. No such assignment or subcontracting shall relieve Contractor of its liability under this Agreement. In the event Contractor elects to use any subcontractors, this does not relieve Contractor from any prime responsibility of full and complete satisfactory and acceptable performance under any awarded Agreement. However, the Agreement may be assigned for the purpose of financing after notification of the terms of such assignment to the Town Manager or authorized designee.

29.15 Rights and Remedies. No provision in this Agreement shall be construed, expressly or by implication, as waiver by the Town of any existing or future right and/or remedy available by law in the event of any claim of default or breach of this Agreement. The failure of the Town to insist upon the strict performance of any term or condition of this Agreement or to exercise or delay the exercise of any right or remedy provided in this Agreement, or by law, or the Town's acceptance of and payment for services, shall not release the Contractor from any responsibilities or obligations imposed by this Agreement or by law and shall not be deemed a waiver of any right of the Town to insist upon the strict performance of this Agreement.

29.16 Attorneys' Fees. In the event either party brings any action for any relief, declaratory or otherwise, arising out of this Agreement or on account of any breach or default hereof, the prevailing party shall be entitled to receive from the other party reasonable attorneys' fees and reasonable costs and expenses, determined by the court sitting without a jury, which shall be deemed to have accrued on the commencement of such action and shall be enforced whether or not such action is prosecuted through judgment.

29.17 Liens. All materials or services shall be free of all liens and, if the Town requests, a formal release of all liens shall be delivered to the Town.

29.18 Offset.

A. Offset for Damages. In addition to all other remedies at law or equity, the Town may offset from any money due to the Contractor any amounts Contractor

owes to the Town for damages resulting from breach or deficiencies in performance or breach of any obligation under this Agreement.

B. Offset for Delinquent Fees or Taxes. The Town may offset from any money due to the Contractor any amounts Contractor owes to the Town for delinquent fees, transaction privilege taxes and property taxes, including any interest or penalties.

29.19 Notices and Requests. Unless a specific time frame for notice is otherwise specifically set forth in this Agreement (including, but not limited to Subsections 5.3, 5.4, 6.1, 9.4, 23.1, 25 and 29.21), any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if: (A) delivered to the party at the address set forth below; (B) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below; (C) given to a recognized and reputable overnight delivery service, to the address set forth below ;or (D) delivered by e-mail transmission, with receipt confirmation, to the e-mail address set forth below:

If to the Town:	Town of Fountain Hills 16705 East Avenue of the Fountains Fountain Hills, Arizona 85268 E-mail: gmliller@fh.az.gov Attn: Grady Miller, Town Manager
With copy to:	Pierce Coleman PLLC 4711 East Falcon Drive, Suite 111 Mesa, Arizona 85215 E-mail: aaron@piercecoleman.com Attn: Aaron D. Arnson, Town Attorney
If to Contractor:	Republic Services of Phoenix 4811 West Lower Buckeye Road Phoenix, Arizona 85043 Email: dhamblin@republicservices.com Attn: David Hamblin, General Manager
With a copy to:	Republic Services, Inc. 18500 N. Allied Way Phoenix, Arizona 85054 Attn: General Counsel

or at such other address and to the attention of such other person or officer, as any party may designate in writing by notice duly given pursuant to this subsection. Notices shall be deemed received (A) when delivered to the party, (B) three Business Days after being placed in the U.S. Mail, properly addressed, with sufficient postage, (C) the following Business Day after being given to a recognized overnight delivery service, with the person giving the notice paying all required charges and instructing the delivery service to deliver on the following Business Day, or (D) when received by facsimile transmission during the normal business hours of the recipient. If a copy of a notice is also given to a party's counsel or other recipient, the provisions above

governing the date on which a notice is deemed to have been received by a party shall mean and refer to the date on which the party and not its counsel or other recipient to which a copy of the notice may be sent, is deemed to have received the notice.

29.20 Confidentiality of Records. The Contractor shall establish and maintain procedures and controls that are acceptable to the Town for the purpose of ensuring that information contained in its records or obtained from the Town or from others in carrying out its obligations under this Agreement shall not be used or disclosed by it, its agents, officers, or employees, except as required to perform Contractor's duties under this Agreement. Persons requesting such information should be referred to the Town. Contractor also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of Contractor as needed for the performance of duties under this Agreement.

29.21 Records and Audit Rights. Contractor's and its subcontractor's books, records, correspondence, accounting procedures and practices and any other supporting evidence relating to this Agreement, including the papers of any Contractor and its subcontractors' employees who perform any work or Services pursuant to this Agreement to ensure that the Contractor and its subcontractors are complying with the warranty under subsection 29.22 below (all the foregoing hereinafter referred to as "Records"), shall be open to inspection and subject to audit and/or reproduction during normal working hours by the Town, to the extent necessary to adequately permit (A) evaluation and verification of any invoices, payments or claims based on Contractor's and its subcontractors' actual costs (including direct and indirect costs and overhead allocations) incurred, or units expended directly in the performance of work under this Agreement and (B) evaluation of the Contractor's and its subcontractors' compliance with the Arizona employer sanctions laws referenced in subsection 29.22 below. To the extent necessary for the Town to audit Records as set forth in this subsection, Contractor and its subcontractors hereby waive any rights to keep such Records confidential. For the purpose of evaluating or verifying such actual or claimed costs or units expended, the Town shall have access to said Records, even if located at its subcontractors' facilities, from the effective date of this Agreement for the duration of the work and until three years after the date of final payment by the Town to Contractor pursuant to this Agreement. Contractor and its subcontractors shall provide the Town with adequate and appropriate workspace so that the Town can conduct audits in compliance with the provisions of this subsection. The Town shall give Contractor or its subcontractors reasonable advance notice of intended audits. Contractor shall require its subcontractors to comply with the provisions of this subsection by insertion of the requirements hereof in any subcontract pursuant to this Agreement.

29.22 E-verify Requirements. To the extent applicable under ARIZ. REV. STAT. § 41-4401, the Contractor and its subcontractors warrant compliance with all Federal immigration laws and regulations that relate to their employees and compliance with the E-verify requirements under ARIZ. REV. STAT. § 23-214(A). Contractor's or its subcontractor's failure to comply with such warranty shall be deemed a material breach of this Agreement and may result in the termination of this Agreement by the Town.

29.23 Scrutinized Business Operations. Pursuant to ARIZ. REV. STAT. §§ 35-391.06 and 35-393.06, the Contractor certifies that it does not have scrutinized business operations in Sudan or Iran. For the purpose of this subsection the term "scrutinized business

operations” shall have the meanings set forth in ARIZ. REV. STAT. § 35-391 or 35-393, as applicable. If the Town determines that the Contractor submitted a false certification, the Town may impose remedies as provided by law including terminating this Agreement pursuant to subsection 28.1 above.

29.24 Conflicting Terms. In the event of any inconsistency, conflict or ambiguity among the Agreement, the Scope of Work, the Fee Proposal, the RFP and the Contractor’s Proposal, the documents shall govern in the order listed herein.

29.25 Applicable Law; Venue. This Agreement shall be governed by the laws of the State of Arizona and suit pertaining to this Agreement may be brought only in courts in the State of Arizona, Maricopa County.

[Signatures on following page]

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

"Town"

TOWN OF FOUNTAIN HILLS, an Arizona
municipal corporation

_____, Mayor

ATTEST:

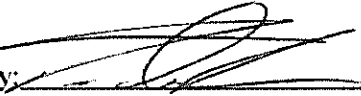
Elizabeth A. Burke, Town Clerk

APPROVED AS TO FORM:

Aaron D. Arnson, Town Attorney

"Contractor"

ALLIED WASTE TRANSPORTATION,
INC., a Delaware corporation

By: 

Name: Tim Oudman

Its: Vice President

[illegible]

Notary Public in and for the State of Arizona

STATE OF Arizona)
) ss.
COUNTY OF Maricopa)

Jeannette Mount
Notary Public in and for the State of Arizona

April 1, 2021

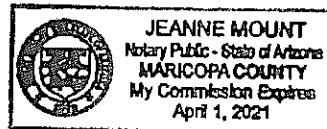


EXHIBIT A
TO
SOLID WASTE SERVICES AGREEMENT
BETWEEN
THE TOWN OF FOUNTAIN HILLS
AND

[RFP]

See following pages.



**TOWN OF FOUNTAIN HILLS
DEVELOPMENT SERVICES DEPARTMENT
PW 2018-02**

REQUEST FOR PROPOSALS

Town of Fountain Hills
16705 East Avenue of the Fountains
Fountain Hills, Arizona 85268

SOLICITATION INFORMATION AND SELECTION SCHEDULE

Solicitation Title:	Solid Waste Services
Solicitation Number:	PW2018-02
Release Date:	May 30, 2018
Advertisement Dates:	May 30, 2018 – Fountain Hills Times May 31, 2018 – Arizona Business Gazette
MANDATORY Pre-Submittal Conference:	June 12, 2018 3:00 p.m. (local time, Phoenix, Arizona) Fountain Hills Town Hall Council Chambers 16705 East Avenue of the Fountains Fountain Hills, Arizona 85268
Final Date for Inquires	July 5, 2018
Proposal Due Date and Time:	July 23, 2018 3:00 p.m. (local time, Phoenix, Arizona)
Shortlist Announced for Oral Interviews:	July 26, 2018
Oral Interviews (if necessary)	August 8, 2018
Target Town Council Award Date:	September 18, 2018
Anticipated Agreement Start Date:	TBD based upon award date
Town Representative:	Raymond Rees rrees@fh.az.gov 480-816-816-5180

* In the event that a Vendor cannot be selected based solely on Proposals submitted, Oral Interviews may be conducted at the Town's sole discretion.

** The Town of Fountain Hills reserves the right to amend the solicitation schedule as necessary.

SECTION A

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS DEPARTMENT
PW2018-002**

TABLE OF CONTENTS

<u>Section A</u>	<u>Page</u>
I. RFP Process, Award of Agreement	A-1
II. Proposal Format; Scoring	A-7
III. Oral Interviews; Scoring	A-15
IV. Required Forms	A-16
V. Attachment 1 – Town Map	A-29
 <u>Section B</u>	
Draft Solid Waste Services Agreement	B-1

SECTION A

I. RFP PROCESS; AWARD OF AGREEMENT

1.1 Purpose; Scope of Work. The Town of Fountain Hills (the "Town") is issuing this Request For Proposals (this "RFP") seeking proposals ("Proposals") from qualified, licensed firms ("Proposers") with demonstrated experience and qualifications to provide curbside solid waste collection and disposal services, bulk waste collection and disposal services, recycling services and green waste services within the corporate limits of the Town (the "Services"), as more particularly described in the Draft Solid Waste Services Agreement as Section B, and incorporated herein by reference.

A. A Town map is attached hereto as Attachment 1 and the estimated total number of curbside residential units serviceable units (including townhomes and patio homes multifamily homes, some of which may not require service) within the corporate limits of the Town is 9,300 and this number should be used in preparing the Proposal. The Town estimates that 30% of Fountain Hills residents are part-time based upon data utilized by the Fountain Hills Sanitary District. The Town has not independently verified this estimate. The Town is also not able to provide information as to how many of the part-time residents live in single family detached homes (requiring individual Carts) as opposed to multifamily homes that do not utilize individual Carts for the residents.

B. A resident cannot opt out of Waste Services and Recycling Services; Green Waste Services are required to be offered by the Contractor, but participation by residents is voluntary. Residents may receive additional Solid Waste Carts so long as such additional Carts are picked up on the same day as the initial Solid Waste Cart. The Proposer shall propose a price for additional Solid Waste Carts. See Forms 5.1 and 5.2.

C. Fountain Hills has approximately eight locations for front loading containers, including local parks, municipal buildings and two fire stations. The Town may sponsor one or two special events each year (*i.e.* St. Patrick's Day celebration) that would require large front loading containers.

1.2 Preparation/Submission of Proposal. Proposers are invited to participate in the competitive selection process for the Services outlined in this RFP. Responding parties shall review their Proposal submissions to ensure the following requirements are met.

A. Irregular or Non-responsive Proposals. The Town shall consider as "irregular" or "non-responsive" and may reject any Proposal not prepared and submitted in accordance with this RFP, or any Proposal lacking sufficient information to enable the Town to make a reasonable determination of compliance to the minimum qualifications. Unauthorized conditions, limitations, or provisions shall be cause for rejection. Proposals may be deemed non-responsive at any time during the evaluation process, without limitation, if, in the sole opinion of the Town Manager or authorized designee, any of the following are true:

- (1) Proposer does not meet the minimum required skill, experience or requirements to perform or provide the Services.

**SECTION A
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

- (2) Proposer has a past record of failing to fully perform or fulfill contractual obligations.
- (3) Proposer cannot demonstrate financial stability.
- (4) Proposer's Proposal contains false, inaccurate or misleading statements that, in the opinion of the Town Manager or authorized designee, are intended to mislead the Town in its evaluation of the Proposal.

B. Submittal Quantities. Interested Proposers must submit **one original** and **four copies (five total submittals)** of the Proposal. In addition, interested parties must submit **one original copy** of the Proposal on a CD-ROM (or electronic media pre-approved in writing by the Town) in printable Adobe or Microsoft Word format (or other format pre-approved in writing by the Town). Failure to adhere to the submittal quantity criteria may result in the Proposal being considered non-responsive.

C. Required Submittal. The Proposal shall be submitted with a cover letter with an **original ink** signature by a person authorized to bind the Proposer. Proposals submitted without a cover letter with an **original ink signature** by a person authorized to bind the Proposer may be considered non-responsive. The Proposal shall be a maximum of **fifteen** pages to address the Proposal criteria (excluding resumes and the Proposer Information Form, but including the materials necessary to address project understanding, general information, organizational chart, photos, tables, graphs, and diagrams). Each page side (maximum 8 1/2" x 11") with criteria information shall be counted. However, one page may be substituted with an 11" x 17" sheet of paper, folded to 8 1/2" x 11", showing a proposed project schedule or organizational chart and only having information on one side. Cover, back, table of contents and tabs may be used and shall not be included in the page count, unless they include additional project-specific information or Proposal criteria responses. The minimum allowable font for the Proposal is **11 pt, Arial or Times New Roman**. Failure to adhere to the page limit, size and font criteria may result in the Proposal being considered non-responsive. Telegraphic (facsimile), electronic (e-mail) or mailgram Proposals will not be considered.

D. Proposer Responsibilities. All Proposers shall (1) examine the entire RFP, (2) seek clarification of any item or requirement that may not be clear, (3) check all responses for accuracy before submitting a Proposal and (4) submit the entire Proposal by the Proposal Due Date and Time. Late Proposals will not be considered. A Proposer submitting a late Proposal shall be so notified. Negligence in preparing a Proposal shall not be good cause for withdrawal after the Proposal Due Date and Time.

E. Sealed Submittals. All Proposals shall be sealed and clearly marked with the RFP number and title, (PW2018-002) Fountain Hills 2020 Solid Waste Services, on the lower left hand corner of the mailing envelope. A return address must also appear on the outside of the sealed Proposal. The Town is not responsible for the pre-opening of, post-opening of, or the failure to open, any Proposals not properly addressed or identified.

F. Pricing. The Proposer shall submit the same number of copies of the Fee Proposal as described in Subsection 1.2(B) (Submittal Quantities) in a separate, sealed envelope

**SECTION A
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

enclosed with the Proposer's Proposal. Pricing shall be inclusive of all of the Services in the Scope of Work as described in the Draft Solid Waste Agreement in Section B. A sample Fee Proposal is attached to the Draft Solid Waste Agreement as Exhibit C. The estimated number of residential units set forth in Section 1.1 above should be used in submitting the Proposal, including pricing.

G. Address. All Proposals shall be directed to the following address: Town Clerk, 16705 East Avenue of the Fountains, Fountain Hills, Arizona 85268 or hand-delivered to the Town Clerk's office by the Proposal Due Date and Time indicated on the cover page of this RFP.

H. Pricing Errors. If price is a consideration and in case of error in the extension of prices in the Proposal, the unit price shall govern. Periods of time, stated as number of days, shall be calendar days.

I. Proposal Irrevocable. In order to allow for an adequate evaluation, the Town requires the Proposal to be valid and irrevocable for **180** days after the Proposal Due Date and Time indicated on the cover of this RFP.

J. Amendment/Withdrawal of Proposal. At any time prior to the specified Proposal Due Date and Time, a Proposer (or designated representative) may amend or withdraw its Proposal. Any erasures, interlineations, or other modifications in the Proposal shall be initialed in **original ink** by the authorized person signing the Proposal. Facsimile, electronic (e-mail) or mailgram Proposal amendments or withdrawals will not be considered. No Proposal shall be altered, amended or withdrawn after the specified Proposal Due Date and Time.

1.3 Cost of Proposal Preparation. The Town does not reimburse the cost of developing, presenting or providing any response to this solicitation. Proposals submitted for consideration should be prepared simply and economically, providing adequate information in a straightforward and concise manner. The Proposer is responsible for all costs incurred in responding to this RFP. All materials and documents submitted in response to this RFP become the property of the Town and will not be returned.

1.4 Inquiries.

A. Written Inquiries. Any question related to the RFP, including any part of the Scope of Work, shall be directed to the Town Representative whose name appears on the cover page of this RFP. Questions shall be submitted in writing by the date indicated on the cover page of this RFP. In the event the Town offices are closed on the Final Date for Inquiries, the Proposer may submit the question(s) to the Town Representative via e-mail or voicemail. Any correspondence related to the RFP shall refer to the title and number, page and paragraph. However, the Proposer shall not place the RFP number and title on the outside of any envelope containing questions, because such an envelope may be identified as a sealed Proposal and may not be opened until the Proposal Due Date and Time.

B. Inquiries Answered. Verbal or telephone inquiries directed to Town staff **will not be answered**. Prior to the Proposal Due Date listed on the cover page of this RFP, or any amendment thereto, answers to properly and timely submitted questions received in writing or

**SECTION A
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

via e-mail will be mailed, sent via facsimile and/or e-mailed to all parties who obtained an RFP package from the Town and who legibly provided a mailing address, facsimile and/or e-mail address to the Town. No questions, submitted in any form, will be answered after the Final Date for Inquiries.

C. Pre-Submittal Conference. A Pre-Submittal Conference may be held. If scheduled, the date and time of this conference will be indicated on the cover page of this RFP. This conference may be designated as mandatory or non-mandatory on the cover page of this RFP. Additionally, if the Pre-Submittal Conference is designated as mandatory, failure to attend shall render that Proposer's Proposal non-responsive. Proposers are strongly encouraged to attend those Pre-Submittal Conferences designated as non-mandatory. The purpose of this conference will be to clarify the contents of this RFP in order to prevent any misunderstanding of the Town's requirements. Any doubt as to the requirements of this RFP or any apparent omission or discrepancy should be presented to the Town at this conference. The Town will then determine if any action is necessary and may issue a written amendment or addendum to the RFP. Oral statements or instructions will not constitute amendments or addenda to this RFP.

1.5 Addenda. Any addendum issued as a result of any change in this RFP shall become part of the RFP and must be acknowledged in the Proposal submittal. Failure to indicate receipt of the addendum may result in the Proposal being rejected as non-responsive. It shall be the Proposer's responsibility to check for addenda issued to this RFP. Any addendum issued by the Town with respect to this RFP will be available at:

Town of Fountain Hills Town Hall,
16705 East Avenue of the Fountains, Fountain Hills, Arizona 85268
Town of Fountain Hills website at: www.fh.az.gov/bids

1.6 Payment Requirements; Payment Discounts. Any Proposal that requires payment in less than 30 calendar days shall not be considered. Payment discounts of 30 calendar days or less will not be deducted from the Proposal Price in determining the low Proposal. The Town shall be entitled to take advantage of any payment discount offered, provided payment is made within the discount period. Payment discounts shall be indicated on Price Sheet.

1.7 Federal Excise Tax; Transaction Privilege Tax. The Town is exempt from Federal Excise Tax, including the Federal Transportation Tax. Transaction privilege tax, if any, shall be included in the unit price for each line item. It shall not be considered a lump sum payment item.

1.8 Public Record. All Proposals shall become the property of the Town and shall become a matter of public record available for review, subsequent to the award notification, in accordance with the Town's Procurement Code.

1.9 Confidential Information. If a Proposer believes that a Proposal or protest contains information that should be withheld from the public record, a statement advising the RFP Administrator of this fact shall accompany the submission and the information shall be clearly identified. The information identified by the Proposer as confidential shall not be disclosed until the Procurement Agent makes a written determination. The Procurement Agent shall review the statement and information with the Town Attorney and shall determine in writing whether the

**SECTION A
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

information shall be withheld. If the Town Attorney determines that it is proper to disclose the information, the RFP Administrator shall inform the Proposer in writing of such determination.

1.10 Proposer Licensing and Registration. Prior to the award of the Agreement, the successful Proposer shall be registered with the Arizona Corporation Commission and authorized to do business in Arizona. The Proposer shall provide licensure information with the Proposal. Corporations and partnerships shall be able to provide a Certificate of Good Standing from the Arizona Corporation Commission. A Town of Fountain Hills business license is also required.

1.11 Certification. By submitting a Proposal, the Proposer certifies:

A. No Collusion. The submission of the Proposal did not involve collusion or other anti-competitive practices.

B. No Discrimination. It shall not discriminate against any employee or applicant for employment in violation of Federal Executive Order 11246.

C. No Gratuity. It has not given, offered to give, nor intends to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip favor or service to a Town employee, officer or agent in connection with the submitted Proposal. It (including the Proposer's employees, representatives, agents, lobbyists, attorneys, and subcontractors) has refrained, under penalty of disqualification, from direct or indirect contact for the purpose of influencing the selection or creating bias in the selection process with any person who may play a part in the selection process, including the Selection Committee, elected officials, the Town Manager, Assistant Town Managers, Department Heads, and other Town staff. All contact must be addressed to the Town's Procurement Agent, except for questions submitted as set forth in Subsection 1.4 (Inquiries), above. Any attempt to influence the selection process by any means shall void the submitted Proposal and any resulting Agreement.

D. Financial Stability. It is financially stable, solvent and has adequate cash reserves to meet all financial obligations including any potential costs resulting from an award of the Agreement.

E. No Signature/False or Misleading Statement. The signature on the cover letter of the Proposal and the Proposer Information Form is genuine and the person signing has the authority to bind the Proposer. Failure to sign the Proposal and the Proposer Information Form, or signing either with a false or misleading statement, shall void the submitted Proposal and any resulting Agreement.

F. Draft Solid Waste Agreement. In addition to reviewing and understanding the submittal requirements, it has reviewed the attached sample Draft Solid Waste Agreement including the Scope of Work and other Exhibits.

G. Initial Term of Agreement. The Town's intent is that the Initial Term of the Agreement will be five years, with the three additional one-year option terms thereafter. Upon execution, the Effective Date and the Expiration Date will be established and set forth in the Agreement.

**SECTION A
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

H. If a Proposer currently providing waste collection service within the corporate limits of the Town is awarded the contract, such hauler will not be required to replace every Cart already placed on each property.

1.12 Award of Agreement.

A. Selection. A Selection Committee composed of representatives from the Town will conduct the selection process according to the schedule listed on the cover page of this RFP. Proposals shall be opened at the time and place designated on the cover page of this RFP. The name of each Proposer and the identity of the RFP for which the Proposal was submitted shall be publicly read and recorded in the presence of witnesses. PRICES SHALL NOT BE READ. The Selection Committee shall award the agreement to the responsible and responsive Proposer whose Proposal is determined, in writing, to be the most advantageous to the Town and best meets the overall needs of the Town taking into consideration the evaluation criteria set forth in this RFP. The amount of applicable transaction privilege or use tax of the Town shall not be a factor in determining the most advantageous Proposal. After the Town has entered into an Agreement with the successful Proposer, the successful Proposal and the scoring documentation shall be open for public inspection.

B. Line Item Option. Unless the Proposal states otherwise, or unless otherwise provided within this RFP, the Town reserves the right to award by individual line item, by group of line items, or as a total, whichever is deemed most advantageous to the Town.

C. Multiple Award. The Town, at its sole discretion, may elect to enter into Agreements with multiple Proposers who are qualified to provide the Services. The final terms and conditions of the proposed Agreement will be negotiated by the Town with the successful offerors.

D. Form of Agreement. The selected Proposer will be required to execute the Town's Draft Solid Waste Agreement in a form acceptable to the Town Attorney. A sample of the standard agreement is included with this RFP. If the Town is unsuccessful in negotiating an Agreement with the highest-scoring Proposer, the Town may then negotiate with the second, then third, highest-scoring Proposer until an Agreement is executed. Town Council approval may be required. The Town reserves the right to terminate the selection process at any time.

E. Waiver; Rejection; Reissuance. Notwithstanding any other provision of this RFP, the Town expressly reserves the right to: (1) waive any immaterial defect or informality, (2) reject any or all Proposals or portions thereof and (3) cancel or reissue an RFP.

F. Protests. Any Proposer may protest this RFP, the proposed award of an Agreement, or the actual award of an Agreement. All protests will be considered in accordance with the Town Procurement Code.

1.13 Offer. A Proposal is an offer to contract with the Town based upon the terms, conditions and specifications contained in this RFP and the Proposer's responsive Proposal, unless any of the terms, conditions, or specifications are modified by a written addendum or agreement amendment. Provided, however, that no contractual relationship shall be established until the

**SECTION A
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

Proposer has signed, and the Town has approved (including approval by Town Council, where applicable) and properly executed, a Draft Solid Waste Agreement between the Town and the Proposer in the form acceptable to the Town Attorney. A sample Draft Solid Waste Agreement is included herein.

II. PROPOSAL FORMAT; SCORING

2.1 Evaluation Process. Each submittal will be reviewed for compliance with the Proposal requirements by the Selection Committee. If necessary, the Selection Committee may conduct oral interviews with up to three of the highest ranked Proposers based upon the Proposal submittal scoring.

2.2 Proposal Format and Scoring. Proposals shall be organized and submitted in the format as outlined below. Failure to conform to the designated format, standards and minimum requirements may result in a determination that the Proposal is non-responsive. Additionally, the Selection Committee will evaluate and award points to each Proposal based upon the evaluation criteria as outlined in this document. Points listed below are the maximum number of points possible for each criteria; there is no minimum number that the Selection Committee must award.

2.2 Forms: Organization. Proposals shall be organized and submitted in the format indicated in the table below. The content of each chapter of the Proposal shall include the information described in subsection 2.3 below. The Proposer shall complete all forms in full. Forms not completed in full may result in disqualification. Forms 6, 7 and 8 allow the Proposer an opportunity to quote separate prices based on if Proposer is or is not awarded Residential Solid Waste Services, Residential Bulk Waste Services, Residential Recycling Services and Town Facility Recycling Services. If there is any doubt to the meaning of the same, Proposer may submit an inquiry to the Town in accordance with the requirements as set forth in this RFP.

Chapter	Content
Chapter 1	Letter of Intent Form 1: Statement of Organization Form 2: Certificate of Insurability Form 3: Acknowledgement of Addenda
Chapter 2	Form 4: Experience Key Personnel Statement of Independence Disclosure of Preclusion from Participating in Public Procurement Litigation, Regulatory Actions and Payment of Liquidated Damages
Chapter 3	Financial Statement
Chapter 4	Method of Approach
Chapter 5	Billing
Chapter 6	Cost Information

**SECTION A
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

2.3 Content. The Proposal shall contain all of the following information, organized as set forth below.

A: Chapter 1: General Information: 5 points

1. Letter of Intent. One page cover letter as described in subsection 1.3(C). The cover letter shall include the following statements:

- a. "Proposal is binding offer for a 180 calendar day period from the opening date as specified in this RFP."
- b. "The information contained in this Proposal or any part thereof, including its exhibits, schedules and other documents and instruments delivered or to be delivered to the Town, are true, accurate and complete to the Proposer's knowledge. This Proposal includes all information necessary to ensure that the statements herein do not in whole or in part mislead the Town as to any materials facts."

2. Statement of Organization. Proposer must complete **Form 1**. Proposers are permitted to supply additional information that will assist the Town in understanding the legal organization of the Proposer. Include the legal name, address, identification number and legal form of the Proposer (e.g., partnership, corporation, joint venture, sole proprietorship). If a joint venture, identify the members of the joint venture and provide all of the information required under this section for each member. If the Proposer is a wholly owned subsidiary of another company, identify the parent company.

3. Certificate of Insurability. Proposer must complete **Form 2**. Failure to complete Form 2 may result in rejection of the Proposal.

4. Acknowledgement of Addenda. Proposer must complete **Form 3**. Failure to acknowledge all addenda may result in rejection of the Proposal.

B: Chapter 2: Experience and Qualifications of the Proposer: 20 points

1. Experience. Proposer must complete **Form 4**. Proposers are permitted to supply additional information that will assist the Town in understanding the Proposer's experience.

2. Key Personnel. Proposer shall provide an organization chart for key personnel and job descriptions indicating the qualifications and experience of key personnel the Proposer would assign to the transition team and to the ongoing management of the Services provided under the Agreement. For positions that are currently unfilled, identify minimum qualifications for that position. Specify the amount of time each individual will be dedicated to work on the Agreement. Provide resumes, names and phone numbers of municipal references of the key proposed management team members. At a minimum, key personnel shall include general manager, operations manager and maintenance manager or other personnel that will have regular contact with the Town.

**SECTION A
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

3. Statement of Independence. The Proposer shall list and describe the Proposer's or the Proposer's subcontractor's professional relationships involving the Town or any of its agencies or component units for the past five years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the Services sought in this RFP.

4. Disclosure of Preclusion from Participating in Public Procurement. If the firm, business or person submitting this Proposal has been debarred, suspended or otherwise lawfully precluded from participating in any public procurement activity, including being disapproved as a subcontractor with any Federal, state or local government, or if any such preclusion from participation from any public procurement activity is currently pending, the Proposer shall fully explain the circumstances relating to the preclusion or proposed preclusion in the Proposal. The Proposer shall include a letter with its Proposal setting forth the name and address of the governmental entity, the effective date of this suspension or debarment, the duration of the suspension or debarment and the relevant circumstances relating to the suspension or debarment. If suspension or debarment is currently pending, a detailed description of all relevant circumstances including the details enumerated above shall be provided. The Selection Committee will conduct oral interviews with at least three, but not more than five, of the highest ranked Proposers based upon the Proposal submittal scoring; provided; however, that fewer than three may be interviewed in the event that less than three qualified Proposals are received. After the Town has entered into an Agreement with the successful Proposer, the successful Proposal and the scoring documentation shall be open for public inspection.

5. Litigation, Regulatory Actions and Liquidated Damages History. Proposer shall describe all past and pending civil, legal, regulatory and criminal actions in which \$2,500 or more was initially sought or ultimately obtained, that: (a) are (i) now pending or which have occurred in the past five years, (ii) against key personnel, Proposer, Proposer's subcontractors and all subsidiaries owned by Proposer and (iii) related to the scope of work described by this RFP and occurring within Arizona, New Mexico, California, Nevada, Utah or Colorado; or (b) involve a governmental entity as a party.

6. Compliance Records. In addition to the compliance information provided in response to other sections of this RFP, Proposer shall submit copies of all notices of violations, corrective action notices, enforcement actions or orders, warning notices or other forms of permit violation/non-compliance documentation that the Proposer and Proposer's subcontractors received in the past five years from public agencies for vehicles and other equipment and vehicle staging, maintenance, processing, green waste processing, transfer and disposal facilities in Arizona, which are owned or operated by the Proposer, Proposer's subcontractors, or Proposer's parent company and subsidiaries. In addition, provide a statement disclosing any and all fines, penalties, settlements, or damages of any kind paid by Proposer, Proposer's subcontractors, Proposer's parent company and subsidiaries, to public agencies in the past five years.

C: Chapter 3: Financial Statement:

10 points

Proposer shall furnish a copy of the Proposer's most recent audited financial statement. If In the event the Proposer does not have an audited financial statement, Proposer may substitute non-audited financial statement and complete federal tax return for the last two years.

**SECTION A
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

D: Chapter 4: Method of Approach:

40 points

1. General Proposal Requirements. Proposers proposing on any Service Option must provide the following:

a. Description of Collection Equipment. Proposer shall describe the collection equipment that will be used to perform services. Proposer shall describe (*i.e.* manufacturer, capacity, color and other specifications) the Solid Waste Carts and Recycling Carts to be purchased. If requested, Proposer shall provide a sample of the Solid Waste Carts, Recycling Carts and Green Waste Carts. Proposer shall specify the number of collection vehicles, make, model, age, description of equipment and materials to be collected via the vehicle. The maximum age of a collection vehicle to be used within the corporate limits of the Town is seven years. Proposer shall describe the future equipment to be acquired and provide a timeline for acquisition of new equipment. Proposer shall identify if the collection service will be performed with one-person or two- person crews. Proposer shall state the average age of the collection vehicles to be used for the Agreement.

b. Collection Route Schedules and Maps. Proposer shall include a proposed route schedule and maps, detailing the collection areas and routes, sequence and corresponding days of the week.

c. Disposal and Processing Contracts. Proposer shall provide proof of disposal and processing contracts. If proposer owns the disposal and processing facilities, provide proof of ownership, along with proof of the processing facilities' capacity to handle solid waste from the Town.

d. Approach to Minimize Container Damage. Proposer shall describe procedures used to minimize damage to plastic refuse and recycling containers.

e. Self-haulers. Proposer shall state whether self-haulers will be permitted to deliver materials directly to the Disposal Facility and/or Recycling Facility. If self-haulers are able to deliver materials, Proposer shall state the days and hours that self-haulers may deliver materials, the process for delivery of materials, the costs for delivery of materials and other relevant information.

2. Recycling Service Proposal Requirements. In addition to the information required for all Proposers, Proposers bidding on Residential Recycling Services, Town Facility Recycling Services. Neighborhood Recycling Drop-off Services and/or Special Event Recycling Services must provide the following:

a. Recyclable Materials to be Collected. Proposer shall identify all Recyclable Materials to be collected. Town recommends the Proposer collect the following materials:

- Aluminum cans and foil.
- Steel/tin cans
- Glass food and beverage containers (flint, amber and green)

**SECTION A
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

- Newspaper, slick paper inserts
- Magazines, paperback books
- Residential mixed paper, junk mail inserts
- Telephone books and Yellow Pages
- Cardboard (corrugated, chipboard)
- Aerosol cans
- Plastic bottles and containers (Recycling logo #1 through #6)

b. Recyclable Materials Accepted by Processing Facility. Proposer shall identify all Recyclable Materials accepted by the Processing Facility. If there are Recyclable Materials accepted by the Processing Facility that are not to be collected by the Proposer, Proposer shall explain the reason such recyclable materials are not to be collected.

c. Approach to Minimize Over-Compaction of Recyclables. Describe approach to reduce residual of recyclable loads delivered to processing center.

d. Processing Site Information. Provide the following information related to each processing facility:

- Name, location and description of the processing facility where recyclable materials will be handled.
- Name of owner and operator of the facility, identifying if the company that owns and/or operates the processing facility is the same as the Proposer, a related-party entity, or subcontractor.
- Contact name and phone number of the processing facility site manager.
- The contract with the processing facility.
- Operating procedures particularly related to inspection and handling of hazardous materials inadvertently delivered to the facility and related to the sorting equipment used to segregate and consolidate recyclable materials.

e. Permitted and Available Processing Capacity. Proposer shall state the daily and annual permitted capacity of the processing facility. If the processing facility is not owned and operated by the Proposer, provide a letter from the processing facility owner and operator that documents its commitment to provide the processing services proposed in the Proposal and guaranteeing the capacity required over the term of the Solid Waste Service Agreement. If the capacity guaranteed to the Town relies on development of a new facility or expansion of an existing facility, describe the development or expansion plans, additional capacity to be constructed, schedule for development/expansion and permitting status of the development/expansion plan.

f. Import Restrictions or Fees. Proposer shall list any import restrictions, taxes, or fees that will be applicable to the receipt of the Town's recyclable materials, specifying for each tax or fee the per-ton dollar amount of such fee. Proposer should describe any import fees that might affect the revenue typically generated from a particular recyclable material. The Town is not currently aware of any such fees locally.

**SECTION A
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

However, as the Town is neither in the solid waste business nor aware of the final destination of any recyclable materials collected in the Town, the Town must rely on the Proposer to disclose any such fees. Proposer should discuss the ability of the host jurisdiction or state to increase or levy taxes, host fees, or other fees. If there is an import restriction on accepting materials from outside of the local jurisdiction, describe the process to have the import restriction waived.

3. Solid Waste Services. Proposer shall describe the method for performing Residential Solid Waste Services, Town Facilities Solid Waste Services and Special Event Solid Waste Services. Proposer shall describe whether the system shall be fully automated or semi-automated. In addition, Proposer shall describe how out of Cart set-out shall be handled and other pertinent information.

a. Disposal Site Information. Provide the following Information related to each disposal facility:

- Name, location and description of the disposal facility where recyclable materials will be handled.
- Name of owner and operator of the facility, identifying if the company that owns and/or operates the disposal facility is the same as the Proposer, a related-party entity, or subcontractor.
- Contact name and phone number of the disposal facility site manager.
- The contract with the disposal facility.
- Operating procedures particularly related to inspection and handling of hazardous materials inadvertently delivered to the facility and related to the sorting equipment used to segregate and consolidate recyclable materials.

b. Permitted and Available Disposal Capacity. Proposer shall state the daily and annual permitted capacity of the disposal facility. If the disposal facility is not owned and operated by the Proposer, provide a letter from the disposal facility owner and operator that documents its commitment to provide the disposal services proposed in the Proposal and guaranteeing the capacity required over the term of the Solid Waste Service Agreement. If the capacity guaranteed to the Town relies on development of a new facility or expansion of an existing facility, describe the development or expansion plans, additional capacity to be constructed, schedule for development/expansion and permitting status of the development/expansion plan.

4. Quarterly Residential Bulk Waste Services.

a. Proposer shall describe the method for performing Residential Bulk Waste Services on a quarterly basis (four times a year as approved by the Town) including routes, sequencing and proposed schedule. Proposer shall also describe: (i) the equipment, personnel and process to be utilized for the quarterly Residential Bulk Waste Services pickup (items for pickup cannot be placed on the streets because of lack of curbing and sidewalks); and (iii) how Bulk Waste in excess of the allotted amount shall be handled and other pertinent information.

**SECTION A
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

b. Proposer shall also describe how it will communicate information concerning each scheduled quarterly Residential Bulk Waste Service to customers including, at a minimum, providing a pamphlet (approved in writing by the Town) in the bills sent to Residential Service Unit customers setting forth the routes and schedule for the Quarterly Residential Bulk Waste Service pickup, together with requirements, limitation and answers to frequently asked questions related thereto, and conspicuously and continuously posting on Proposer's website and on its billing page for customers within the Town.

5. Residential Green Waste Services Proposal Requirements. In addition to the information required for all Proposers, Proposers bidding on Residential Green Waste Services must provide the following:

a. Green Waste Processing Site Information. Provide the following information related to each processing facility to be used:

- Name, location and description of the green waste processing facility.
- Name of owner and operator of the facility, identifying if the company that owns and/or operates the processing facility is the same as the Proposer, a related-party, entity or subcontractor.
- Contact name and phone number of the site manager.
- The contract with the green waste processing facility.
- Operating procedures particularly related to inspection and handling of hazardous materials inadvertently delivered to the facility and related to the pre-processing activities, green waste processing methods.
- Marketing plans for finished products.

b. Permitted and Available Processing Capacity. State the daily and annual permitted capacity of the processing facility. If the processing facility is not owned and operated by the Proposer, provide a letter from the processing facility owner and operator that documents its commitment to provide the green waste processing services proposed in the Proposal and guaranteeing the capacity required over the term of the Agreement. If the capacity guaranteed to the Town relies on development of a new facility or expansion of an existing facility, describe the development or expansion plans, additional capacity to be constructed, schedule for development/expansion and permitting status of the development/expansion plan.

c. Materials Accepted for Processing. Provide a list of the materials accepted at the facility for green waste processing.

d. Import Restrictions or Fees. Proposer shall list any import restrictions, taxes, or fees that will be applicable to the receipt of the Town's green waste materials, specifying for each tax or fee the per-ton dollar amount of such fee. Discuss the ability of the host jurisdiction or state to increase or levy taxes, host fees, or other fees. If there is an import restriction on accepting materials from outside of the local jurisdiction, describe the process to have the import restriction waived.

**SECTION A
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

6. Annual Household Hazardous Materials Collection. Each Proposer shall include in its Proposal a plan for household hazardous waste (*i.e.*, paints, solvents, pesticides, herbicides, oils, etc.) collection events to occur at leaser once per calendar year.

7. Annual Electronics Recycling Event. Each Proposer shall include in its Proposal a plan for electronic recycling (including but not limited to AC Adapters, Calculators, Cameras, Cell Phones, CD Rom/DVD Drives, Computers (PCs / laptops / servers / tablets), digital cable boxes, docking stations, electric motors, fax machines, hard drives, keyboards & mice, medical equipment, metals, modems, monitors (LCD & LED), wires / cables / power cords, power tools, printers, routers, DVD players and video game equipment) events to occur at least once per calendar year.

E. Chapter 5: Billing 5 points

Proposer shall submit information related to its proposed method of billing. The proposed form of billing structure shall meet the minimum standards set forth in the sample Solid Waste Disposal Agreement.

F. Chapter 6: Cost Information 20 points

Proposer shall complete the forms set forth below:

1. Residential Services. Each Proposer submitting a Proposal for Residential Solid Waste Services, Residential Bulk Waste Services and Residential Recycling Services, Proposer shall complete **Form 5**, including:

- 5.1 Costs for Residential Solid Waste Services – Solid Waste and Recycling collection on the same single day each week;
- 5.1.A Costs for Residential Solid Waste Services - Multiple Day Collection. “Multiple Day Collection” means two Solid Waste pick-ups in each week, with Recycling picked up on the same day as one of the two Solid Waste pick-ups.
- 5.2 Costs for Residential Solid Waste Services - without Recycling one day a week; and
- 5.3 Residential Recycling Processing and Marketing Rate and Town Facility Recycling Processing and Marketing Rate

2. Town Facility Services and Special Event Services. Each Proposer submitting a Proposal for Town Facility Solid Waste Services, Town Facility Recycling Services, Special Events Solid Waste Services and Special Events Recycling Services shall complete **Form 6**, including:

- 6.1 Costs for Town Facility Solid Waste Services;
- 6.2 Costs for Town Facility Recycling Services; and

**SECTION A
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

6.3 Costs for Special Events Solid Waste Services and Special Events Recycling Services.

3. Neighborhood Recycling. Each Proposer submitting a Proposal for Neighborhood Recycling Drop-off Services shall complete **Form 7** (including 7.1 and 7.2).

4. Green Waste. Each Proposer submitting a Proposal for Residential Green Waste Services shall complete **Form 8**.

5. Pricing Escalator. Each Proposer shall provide any periodic price escalator on an annual basis for each of the intended five years in the initial term of the contract and provide an example demonstrating how the escalator would be applied.

Total Possible Points for Written Submittal:

100

III. ORAL INTERVIEWS: SCORING

In the event that a Proposer cannot be selected based solely on the Proposals submitted, up to three Proposers may be selected for oral interviews. The selected Proposers will be invited to participate in discussions with the Selection Committee on the date indicated on the cover page of this RFP and awarded points based upon the criteria as outlined below. Proposers may be given additional information for these oral interviews. These discussions will relate less to the past experience and qualifications already detailed in the Proposals and relate more to: (i) identifying the Proposing firms' program approach and to an appraisal of the people who would be directly involved in this Services for this RFP; (ii) exploring with the Proposer the scope and nature of the project, the Proposer's proposed method of performance and the relative utility of alternate methods of approach; and (iii) an appraisal of the people who would be directly involved in this Services for this RFP.

Oral Interview Points:

General Information	10
Experience and Qualifications of the Proposer	25
Key Positions	20
Proposed Services Provided	35
Favorable Evaluation by Maricopa County Department of Environmental Health Service	10
Total Possible Points for Oral Interview	100

TOTAL POINTS POSSIBLE FOR THIS RFP:

200

V. REQUIRED FORMS

FORM 1: STATEMENT OF ORGANIZATION

1. PROPOSER

Full Name of Business: _____

Principal Business Address: _____

Principal Phone Number: _____

Local Business Address: _____

Local Business Contact Person: _____

Local Business Fax: _____

Local Business E-Mail: _____

Type of Organization: _____

Tax ID #: _____

License #: _____

Provide names of authorized representative(s) of the Proposer who has legal authority to bind the Proposer in contractual obligations:

(a) _____

(b) _____

(c) _____

2. SERVICE OPTIONS

Service Options Proposed (check all that apply):

_____ Residential Solid Waste Services, Residential Bulk Waste Services, Residential Recycling Services and Town Facility Recycling Services.

_____ Town Facility Solid Waste Services

_____ Neighborhood Recycling Drop-off Services

_____ Residential Green Waste Services

3. SUBCONTRACTOR

List of all firms participating in this Proposal:

	Name	Address	Area of Responsibility
(a)	_____	_____	_____
(b)	_____	_____	_____
(c)	_____	_____	_____
(d)	_____	_____	_____

FORM 2: CERTIFICATE OF INSURABILITY

By submitting a Proposal, the submitting Proposer certifies that it is fully aware that the Insurance Requirements contained in the Agreement apply whether awarded one or more Service Options pursuant to this RFP. Furthermore, the Proposer assures the Town of Fountain Hills that it is able to produce the insurance coverage required should it be selected for award of the Agreement.

Should the Proposer's firm be awarded the Agreement by the Town and then be unable to produce the insurance coverage specified within ten calendar days, it is fully aware and understands that it may not be considered for further projects by the Town of Fountain Hills.

Signature of Proposer

Printed Name of Signee

Company Name

Date

SECTION A

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS DEPARTMENT
PW2018-002**

FORM 3: ACKNOWLEDGEMENT OF ADDENDA:

By submission of this Proposal, Proposer hereby certifies receipt of all the addenda listed in the table below.

Addendum Number	Description of Addendum

**SECTION A
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

FORM 4: EXPERIENCE

Proposer shall provide a minimum of five references of public agencies, cities, towns, private companies, contracts and communities presently being served by the Proposer with similar services to those being proposed in this proposal

1. Name of Public Agency: _____
Address: _____

Phone Number: _____
Contact Person: _____
Year Contract Initiated: _____
Number of Residential Units Served: _____
Description of Services: _____

2. Name of Public Agency: _____
Address: _____

Phone Number: _____
Contact Person: _____
Year Contract Initiated: _____
Number of Residential Units Served: _____
Description of Services: _____

3. Name of Public Agency: _____
Address: _____

Phone Number: _____
Contact Person: _____
Year Contract Initiated: _____
Number of Residential Units Served: _____
Description of Services: _____

**SECTION A
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

FORM 5: COST FORM FOR RESIDENTIAL SOLID WASTE SERVICES, RESIDENTIAL BULK WASTE SERVICES, RESIDENTIAL RECYCLING SERVICES AND TOWN FACILITY RECYCLING SERVICES

Form 5.1 - Costs for Residential Solid Waste Services

Service Rate	Monday through Friday Collection Week	
	Same Day Collection [1]	Different Day Collection [2]
Residential Solid Waste Services		
1. Solid Waste Collection Service Rate	\$ /Unit/Month	\$ /Unit/Month
2. Solid Waste Cart Rate [3]		
65 Gallon	\$ /Unit/Month	\$ /Unit/Month
96 Gallon	\$ /Unit/Month	\$ /Unit/Month
3. Solid Waste Disposal Rate [4]	\$ /Unit/Month	\$ /Unit/Month
4. Additional Solid Waste Cart Collection Service Rate [5]	\$ /Unit/Month	\$ /Unit/Month
5. Additional Solid Waste Cart Rate [3][5]	\$ /Unit/Month	\$ /Unit/Month
6. Additional Solid Waste Cart Disposal Rate [4][5]	[6]	[6]
7. Non-Collection Day Collection Rate [7]	\$ /Unit/Month	\$ /Unit/Month
8. Non-Collection Day Disposal Rate [4][7]	[6]	[6]
Quarterly Residential Bulk Waste Services		
1. Bulk Waste Collection Rate	\$ /6 CY	\$ /6 CY
2. Bulk Waste Disposal Rate [4]	\$ 6 CY	\$ /6 CY
Residential Recycling Services		
1. Recycling Collection Service Rate	\$ /Unit/Month	\$ /Unit/Month
2. Recycling Cart Rate [3][8]		
65 Gallon	\$ /Unit/Month	\$ /Unit/Month
96 Gallon	\$ /Unit/Month	\$ /Unit/Month
Residential Cart Change Rate [9]	\$ /Cart	\$ /Cart

- [1] Same Day Collection means Contractor shall perform both Residential Solid Waste Services and Residential Recycling Services on the same day of the week for each Residential Service Unit.
- [2] Different Day Collections means Contractor may perform Residential Solid Waste Services and Residential Recycling Services on different days of the week for each Residential Service Unit.
- [3] Cart Rate means the cost for purchase up to and including the initial delivery of the Carts to Residential Service Units. Contractor shall be responsible for the costs associated with the maintenance, delivery after the initial delivery and storage of Carts. Ownership of the Carts in the possession of Residential Service Units at the expiration of the Agreement shall rest with the Contractor.
- [4] Disposal Rate shall be the sole fee charged for the disposal of Solid Waste and Bulk Waste.
- [5] Additional Solid Waste Service means the cost associated with an additional Solid Waste Cart for a Residential Service Unit.
- [6] Additional Solid Waste Cart Disposal Rate shall be equal to Solid Waste Disposal Rate.
- [7] Non-Collection Day Collection Rate shall mean the provision of Solid Waste Collection Services by the Contractor on a day other than the Residential Service Unit's scheduled Collection day.
- [8] Proposer shall provide a choice of the size of Carts for solid waste and recycling (65 & 96-gal) to enable residents to choose the level of service most appropriate for their situation. The default level of service will be the 96 gallon Carts. Recycle Carts shall be a standard blue color with the recycle logo imprinted on the container; provided, however, that the Town may, at its sole discretion, allow for alternative Recycling Cart colors that are clearly marked or colored to easily distinguish them from the Solid Waste Cart and

**SECTION A
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

the Green Waste Cart and so long as the recycle logo is clearly displayed. All Carts must be Proposer grade, wheeled containers. Each must have a permanently attached lid, and be designed to easily fit through gates and doors.

- [9] Proposer shall provide residents with a one-time ability to request a change in Cart size. Any additional changes in Cart size will be individually charged to the resident, per Cart.

**SECTION A
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

FORM 5: COST FORM FOR RESIDENTIAL SOLID WASTE SERVICES, RESIDENTIAL BULK WASTE SERVICES, RESIDENTIAL RECYCLING SERVICES AND TOWN FACILITY RECYCLING SERVICES

Form 5.1.A - Costs for Residential Solid Waste Services

Service Rate	Monday through Friday Collection Week
	Multiple Day Collection [1]
Residential Solid Waste Services	
1. Solid Waste Collection Service Rate	\$ /Unit/Month
2. Solid Waste Cart Rate [2]	
65 Gallon	\$ /Unit/Month
96 Gallon	\$ /Unit/Month
3. Solid Waste Disposal Rate [3]	\$ /Unit/Month
4. Additional Solid Waste Cart Collection Service Rate [4]	\$ /Unit/Month
5. Additional Solid Waste Cart Rate [2][4]	\$ /Unit/Month
6. Additional Solid Waste Cart Disposal Rate [3][4]	[6]
7. Non-Collection Day Collection Rate [6]	\$ /Unit/Month
8. Non-Collection Day Disposal Rate [3][6]	[6]
Residential Bulk Waste Services	
1. Bulk Waste Collection Rate	\$ /6 CY
2. Bulk Waste Disposal Rate [3]	\$ /6 CY
3. Semiannual Bulk Waste Event	\$ /6 CY
Residential Recycling Services	
1. Recycling Collection Service Rate	\$ /Unit/Month
2. Recycling Cart Rate [2][7]	
65 Gallon	\$ /Unit/Month
96 Gallon	\$ /Unit/Month
Residential Cart Change Rate [8]	\$ /Cart

- [1] Multiple Day Collection means Contractor shall perform, for each Residential Service Unit, Residential Solid Waste Services on two days each week and Residential Recycling Services on the same day of the week as one of the Residential Solid Waste Services days.
- [2] Cart Rate means the cost for purchase up to and including the initial delivery of the Carts to Residential Service Units. Contractor shall be responsible for the costs associated with the maintenance, delivery after the initial delivery and storage of Carts. Ownership of the Carts in the possession of Residential Service Units at the expiration of the Agreement shall rest with the Contractor.
- [3] Disposal Rate shall be the sole fee charged for the disposal of Solid Waste and Bulk Waste.
- [4] Additional Solid Waste Service means the cost associated with an additional Solid Waste Cart for a Residential Service Unit.
- [5] Additional Solid Waste Cart Disposal Rate shall be equal to Solid Waste Disposal Rate.
- [6] Non-Collection Day Collection Rate shall mean the provision of Solid Waste Collection Services by the Contractor on a day other than the Residential Service Unit's scheduled Collection day.
- [7] Proposer shall provide a choice of the size of Carts for solid waste and recycling (65 & 96-gal) to enable residents to choose the level of service most appropriate for their situation. The default level of service will be the 96 gallon Carts. Recycle Carts shall be a standard blue color with the recycle logo imprinted on the container; provided, however, that the Town may, at its sole discretion, allow for alternative Recycling Cart colors that are clearly marked or colored to easily distinguish them from the Solid Waste Cart and the Green Waste Cart and so long as the recycle logo is clearly displayed. All Carts must be Contractor grade, wheeled containers. Each must have a permanently attached lid, and be designed to easily fit through gates and doors.
- [8] Proposer shall provide residents with a one-time ability to request a change in Cart size. Any additional changes in Cart size will be individually charged to the resident, per Cart.

**SECTION A
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

**FORM 5: COST FORM FOR RESIDENTIAL SOLID WASTE SERVICES, RESIDENTIAL BULK
WASTE SERVICES, RESIDENTIAL RECYCLING SERVICES AND TOWN FACILITY
RECYCLING SERVICES (continued)**

**Form 5.2 - Costs for Residential Solid Waste Services
WITHOUT RECYCLING**

Service Rate	Monday through Friday Collection Week	
	Same Day Collection [1]	Different Day Collection [2]
Residential Solid Waste Services		
1. Solid Waste Collection Service Rate	\$ /Unit/Month	\$ /Unit/Month
2. Solid Waste Cart Rate [1][6]		
65 Gallon	\$ /Unit/Month	\$ /Unit/Month
96 Gallon	\$ /Unit/Month	\$ /Unit/Month
3. Solid Waste Disposal Rate [2]	\$ /Unit/Month	\$ /Unit/Month
4. Additional Solid Waste Cart Collection Service Rate [3]	\$ /Unit/Month	\$ /Unit/Month
5. Additional Solid Waste Cart Rate [1][3]	\$ /Unit/Month	\$ /Unit/Month
6. Additional Solid Waste Cart Disposal Rate [2][3]	[6]	[6]
7. Non-Collection Day Collection Rate [5]	\$ /Unit/Month	\$ /Unit/Month
8. Non-Collection Day Disposal Rate [2][5]	[6]	[6]
Quarterly Residential Bulk Waste Services		
1. Bulk Waste Collection Rate	\$ /6 CY	\$ /6 CY
2. Bulk Waste Disposal Rate [2]	\$ /6 CY	\$ /6 CY
Residential Cart Change Rate [7]	\$ /Cart	\$ /Cart

- [1] Cart Rate means the cost for purchase up to and including the initial delivery of the Carts to Residential Service Units. Contractor shall be responsible for the costs associated with the maintenance, delivery after the initial delivery and storage of Carts. Ownership of the Carts in the possession of Residential Service Units at the expiration of the Agreement shall rest with the Contractor.
- [2] Disposal Rate shall be the sole fee charged for the disposal of Solid Waste and Bulk Waste.
- [3] Additional Solid Waste Service means the cost associated with an additional Solid Waste Cart for a Residential Service Unit.
- [4] Additional Solid Waste Cart Disposal Rate shall be equal to Solid Waste Disposal Rate.
- [5] Non-Collection Day Collection Rate shall mean the provision of Solid Waste Collection Services by the Contractor on a day other than the Residential Service Unit's scheduled Collection day.
- [6] Proposer shall provide a choice of the size of Carts for solid waste (65& 96-gal) to enable residents to choose the level of service most appropriate for their situation. The default level of service will be the 96 gallon Carts. All Carts must be Proposer grade, wheeled containers. Each must have a permanently attached lid, and be designed to easily fit through gates and doors.
- [7] Proposer shall provide residents with a one-time ability to request a change in Cart size. Any additional changes in Cart size will be individually charged to the resident, per Cart.

**SECTION A
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

FORM 5: COST FORM FOR RESIDENTIAL SOLID WASTE SERVICES, RESIDENTIAL BULK WASTE SERVICES, RESIDENTIAL RECYCLING SERVICES AND TOWN FACILITY RECYCLING SERVICES (continued)

Form 5.3 - Residential Recycling Processing and Marketing Rate and Town Facility Recycling Processing and Marketing Rate

Type of Recyclable Material [1]	Processing/Marketing Fee [2]	Flat per Ton Payment [3][7]	Revenue Share [4][7]
	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___% to Town and ___% to Contractor
	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___% to Town and ___% to Contractor
	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___% to Town and ___% to Contractor
	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___% to Town and ___% to Contractor
	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___% to Town and ___% to Contractor
	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___% to Town and ___% to Contractor
	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___% to Town and ___% to Contractor
	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___% to Town and ___% to Contractor
	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___% to Town and ___% to Contractor
	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___% to Town and ___% to Contractor

[1] Proposer shall list the type of Recyclable Material.

[2] Processing/Marketing Fee shall be the sole fee charged for the processing and marketing of Recyclable Materials.

[3] Incoming Tons means the tons of recorded at the scale house at the Recycling Facility upon arrival of the Collection vehicle.

[4] Outgoing Tons means the tons of Recyclable Materials sold.

[5] The intent of columns 3 and 4 is to allow the Town to have a baseline by which to compare the cost savings to the Town against the added benefit to the citizens. The Town intends that none of the revenue from Recycling shall be paid to the Town; Contractor shall retain all such revenues.

**SECTION A
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

**FORM 6: COST FORM FOR TOWN FACILITY SOLID WASTE SERVICES AND SPECIAL
EVENTS SOLID WASTE SERVICES**

Form 6.1 - Costs for Town Facility Solid Waste Services

		Collection Frequency per Week						
Rates		1x	2x	3x	4x	5x	6x	7x
Solid Waste Cart Service								
96 gallons	Collection Rate [1]							
	Disposal Rate [1] [2]							
	Cart Rental Rate [1] [3]							
Container Service								
2 CY	Collection Rate [1]							
	Disposal Rate [1] [2]							
	Container Rental Rate [1] [4]							
4 CY	Collection Rate [1]							
	Disposal Rate [1] [2]							
	Container Rental Rate [1] [4]							
6 CY	Collection Rate [1]							
	Disposal Rate [1] [2]							
	Container Rental Rate [1] [4]							
8 CY	Collection Rate [1]							
	Disposal Rate [1] [2]							
	Container Rental Rate [1] [4]							

- [1] Collection Rate, Disposal Rate and Container Rental Rate shall be stated in \$/Container/Month.
 [2] Disposal Rate shall be the sole fee charged for the disposal of Solid Waste.
 [3] Cart Rate means the cost for purchase up to and including the initial delivery of the Carts to Residential Service Units. Contractor shall be responsible for the costs associated with the maintenance, delivery after the initial delivery and storage of Carts. Ownership of the Carts in the possession of Town Facilities at the expiration of the Agreement shall rest with the Contractor.
 [4] Container Rental Rate shall be the sole fee charged by the Contractor for the purchase, maintenance, delivery and all other costs associated with the Container.

Form 6.2 - Costs for Town Facility Recycling Services [1]

Collection Frequency	Collection Rate	Processing/Marketing Fee	Container Rental Rate [2]
1 x per week	\$ /Container/Month	[3]	\$ /Container/Month
2 x per week	\$ /Container/Month	[3]	\$ /Container/Month
3 x per week	\$ /Container/Month	[3]	\$ /Container/Month
4 x per week	\$ /Container/Month	[3]	\$ /Container/Month
5 x per week	\$ /Container/Month	[3]	\$ /Container/Month
6 x per week	\$ /Container/Month	[3]	\$ /Container/Month
7 x per week	\$ /Container/Month	[3]	\$ /Container/Month

- [1] Town Facility Recycling Services shall be provided via Containers as set forth in the Solid Waste Service Agreement.
 [2] Container Rental Rate shall be the sole fee charged by the Contractor for the purchase, maintenance, delivery and all other costs associated with the Container.
 [3] Shall be equal to the fee for residential recycling processing and marketing as stated in table 5.2 above.

**SECTION A
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

**FORM 6: COST FORM FOR TOWN FACILITY SOLID WASTE SERVICES AND SPECIAL
EVENTS SOLID WASTE SERVICES (continued)**

Form 6.3 - Costs for Special Events Solid Waste Services and Special Events Recycling Services

Solid Waste			
Roll-off Size	Collection Rate	Disposal Rate	Container Rental Rate
10 CY	\$ /Container/Pull	\$ /Ton	\$ /Container
20 CY	\$ /Container/Pull	[1]	\$ /Container
30 CY	\$ /Container/Pull	[1]	\$ /Container
40 CY	\$ /Container/Pull	[1]	\$ /Container

[1] Disposal Rate shall be equal to Disposal Rate for a 10 CY.

Special Event Recycling Services		
Collection Frequency	Collection Rate	Processing/Marketing Fee
1 x per event	\$ /96 Gallon Cart/Event	[1]
2 x per event	\$ /96 Gallon Cart/Event	[1]
3 x per event	\$ /96 Gallon Cart/Event	[1]
4 x per event	\$ /96 Gallon Cart/Event	[1]
5 x per event	\$ /96 Gallon Cart/Event	[1]
6 x per event	\$ /96 Gallon Cart/Event	[1]
7 x per event	\$ /96 Gallon Cart/Event	[1]

[1] Shall be equal to the fee for residential recycling processing and marketing as stated in Form 5 above.

**SECTION A
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

FORM 7: COST FORM FOR NEIGHBORHOOD RECYCLING DROP-OFF SERVICES

Form 7.1 - Costs for Neighborhood Recycling Drop-off Services [1]

Collection Frequency	Collection Rate	Container Rental Rate [2]
1 x per week	\$ /Container/Month	\$ /Container/Month
2 x per week	\$ /Container/Month	\$ /Container/Month
3 x per week	\$ /Container/Month	\$ /Container/Month
4 x per week	\$ /Container/Month	\$ /Container/Month
5 x per week	\$ /Container/Month	\$ /Container/Month
6 x per week	\$ /Container/Month	\$ /Container/Month
7 x per week	\$ /Container/Month	\$ /Container/Month

- [1] Neighborhood Recycling Drop-off Services shall be provided via Containers as set forth in the Solid Waste Services Agreement.
- [2] Container Rental Rate shall be the sole fee charged by the Contractor for the purchase, maintenance, delivery and all other costs associated with the Container.

Form 7.2 - Neighborhood Recycling Drop-off Services Processing and Marketing Rate

Type of Recyclable Material [1]	Processing/Marketing Fee [2]	Flat per Ton Payment [3][7]	Revenue Share [4][7]
	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___% to Town and ___% to Contractor
	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___% to Town and ___% to Contractor
	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___% to Town and ___% to Contractor
	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___% to Town and ___% to Contractor
	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___% to Town and ___% to Contractor
	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___% to Town and ___% to Contractor
	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___% to Town and ___% to Contractor
	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___% to Town and ___% to Contractor
	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___% to Town and ___% to Contractor
	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	\$ /Incoming Ton [5] \$ /Outgoing Ton [6]	___% to Town and ___% to Contractor

- [1] Proposer shall list the type of Recyclable Material.
- [2] Processing/Marketing Fee shall be the sole fee charged for the processing and marketing of Recyclable Materials.
- [3] Incoming Tons means the tons of recorded at the scale house at the Recycling Facility upon arrival of the Collection vehicle.
- [4] Outgoing Tons means the tons of Recyclable Materials sold.
- [5] The intent of columns 3 and 4 is to allow the Town to have a baseline by which to compare the cost savings to the Town against the added benefit to the citizens. The Town intends that none of the revenue from Recycling shall be paid to the Town; Contractor shall retain all such revenues.

**SECTION A
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

FORM 8: COST FORM FOR RESIDENTIAL GREEN WASTE SERVICES

Service Rate	Monday through Friday Collection Week	
	Same Day Collection [1]	Different Day Collection [2]
Residential Green Waste Services		
1. Residential Green Waste Collection Service Rate	\$ /Unit/Month	\$ /Unit/Month
2. Residential Green Waste Processing and Marketing Rate	\$ /Unit/Month	\$ /Unit/Month

- [1] Same Day Collection means Contractor shall perform both Residential Solid Waste Services and Residential Recycling services on the same day of the week for each Residential Service Unit.
- [2] Different Day Collections means Contractor may perform Residential Solid Waste Services and Residential Recycling Services on different days of the week for each Residential Service Unit.

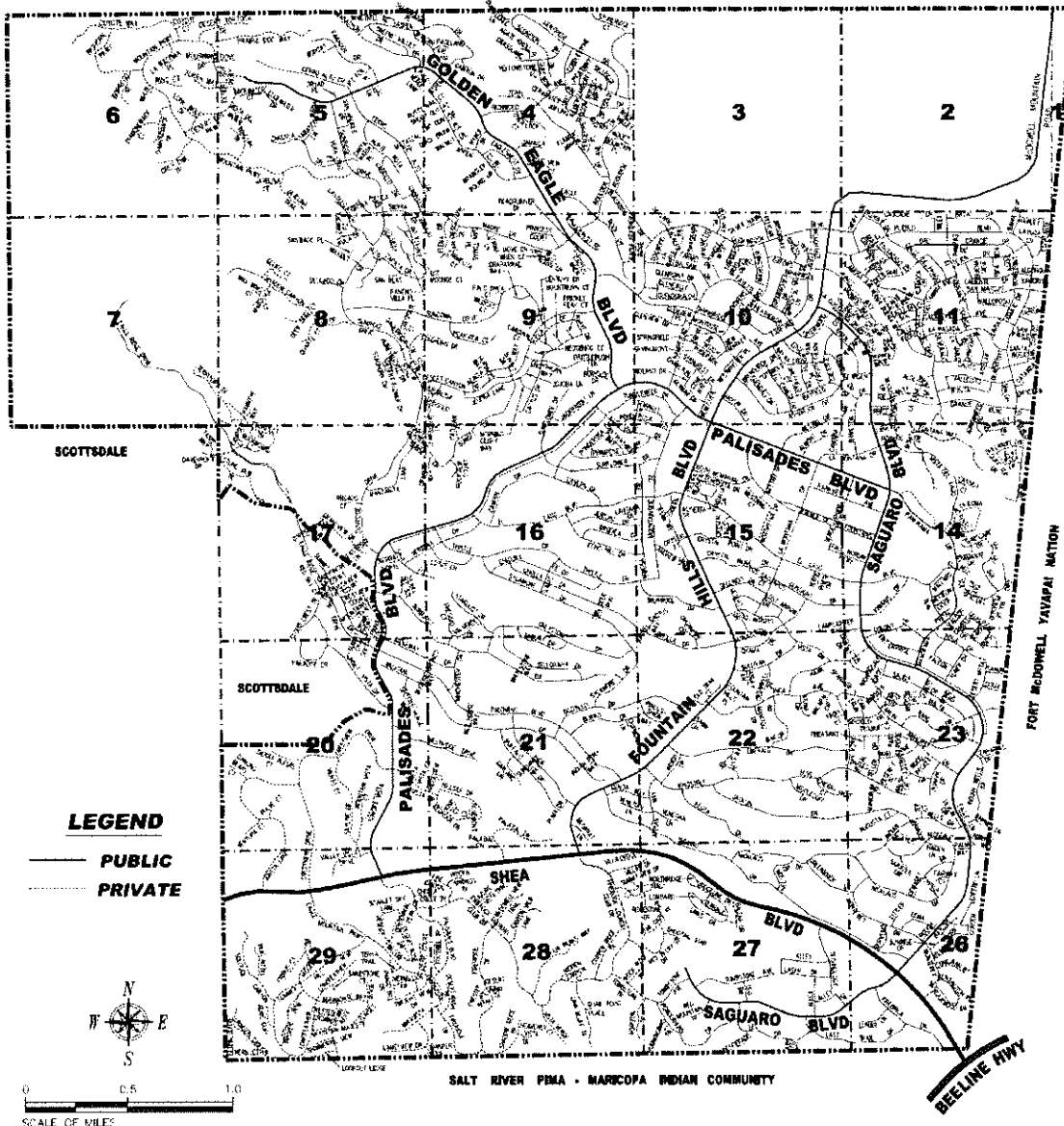
V. ATTACHMENT 1 - TOWN MAP



Town of Fountain Hills STREET MAP

Map Date: JANUARY 1, 2016

MC DOWELL MOUNTAIN PARK



SECTION B

**Sample
Solid Waste Services Agreement**

**SAMPLE
SOLID WASTE SERVICES AGREEMENT
BETWEEN
TOWN OF FOUNTAIN HILLS
AND**

This SOLID WASTE SERVICES AGREEMENT (this "Agreement") is made on _____, 2018 (the "Effective Date") between the Town of Fountain Hills, an Arizona municipal corporation (the "Town") and _____, a(n) _____ (the "Contractor").

RECITALS

A. The Town issued a Request For Proposals, "Solid Waste Services (PW2018-002)" (the "RFP"), a copy of which is attached hereto as Exhibit A and incorporated herein by reference, seeking proposals from vendors for residential curbside solid waste collection and disposal services, bulk waste collection and disposal services, residential recycling services, green waste services, Town facility solid waste services, Town facility recycling services and special event solid waste and recycling services within the corporate limits of the Town of Fountain Hills (the "Services").

B. The Contractor submitted a proposal in response to the RFP (the "Proposal"), which is attached hereto as Exhibit B and incorporated herein by reference, and the Town desires to enter into an Agreement with the Contractor for the Services.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated herein by reference, the following mutual covenants and conditions, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Town and the Contractor hereby agree as follows:

1. Definitions. As used herein, and notwithstanding any other contrary definition given these terms under Arizona law, the parties hereto specifically agree that the terms defined below shall, for the purpose of this Agreement, have the meanings as set forth in this Section. The words "shall," "will" and "must" are always mandatory and not merely discretionary. The word "may" indicates something that is not mandatory but permissible. When not inconsistent with the context, words in the plural shall include the singular and vice versa, words importing persons shall include firms and corporations, words in the present tense shall include the future and use of the masculine gender shall include the feminine gender. The terms "herein," "hereunder," "hereby," "hereto," "hereof" and any similar terms, shall refer to this Agreement; the term "heretofore" shall mean before the date of adoption of this Agreement; and the term "hereafter" shall mean after the initial date of adoption of this Agreement.

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

1.1 “Backdoor” means a location at the front, side or rear of a Residential Service Unit acceptable to both the Resident and Contractor as the location for Residential Collection Service. If an appropriate location cannot be agreed upon, the Contract Administrator shall designate the location for Residential Collection Service.

1.2 “Bulk Waste” means Solid Waste composed of materials not easily containerized in a Solid Waste Cart or Recycling Cart such as, but not limited to, Green Waste, furniture, cardboard and large appliances.

1.3 “Bulk Waste Collection Services” means Collection of Bulk Waste and delivery to the Disposal Facility or the Recycling Facility by the Contractor.

1.4 “Bulk Waste Services” means Bulk Waste Collection Services and the disposal of Bulk Waste at the Disposal Facility or recycling of Bulk Waste at the Recycling Facility.

1.5 “Business Day” means any day, Monday through Friday, from 5:00 AM, Local Time to 5:00 PM, Local Time.

1.6 “Cart” means a Recycling Cart, a Solid Waste Cart or a Green Waste Cart, as applicable.

1.7 “Council” means the Mayor and Town Council of the Town of Fountain Hills, Arizona.

1.8 “Collection” means the act of picking up Solid Waste or Bulk Waste from Residential Units and delivery of the Solid Waste or Bulk Waste to the Disposal Facility. Collection shall also mean the act of picking up Program Recyclables from Residential Units or Town Facilities and delivery of the Program Recyclables to the Recycling Facility.

1.9 “Collection Service” means Residential Solid Waste Collection Services, Residential Bulk Waste Collection Services, Residential Recycling Collection Services, Residential Green Waste Collection Services, Town Facility Solid Waste Collection Services, Town Facility Recycling Collection Services, Special Event Solid Waste Collection Services and Special Event Recycling Collection Services.

1.10 “Commencement Date” means the earliest date the Contractor shall commence the Collection Services in accordance with this Agreement and pursuant to the phase-in schedule set forth in Exhibit D, attached hereto and incorporated herein by reference.

1.11 “Construction Debris” means solid waste derived from the construction, repair or remodeling of buildings or other structures.

1.12 “Construction and Demolition Waste” shall include Construction Debris and Demolition Debris.

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

1.13 “Contamination” means the existence of any material or substance on or contained in Recyclable Materials that would result in failure to meet Recovered Material specifications.

1.14 “Contract Administrator” means the Town Manager of the Town, or his designee or designees, who shall represent the Town in the administration and supervision of this Agreement.

1.15 “Container” means any metal or plastic container, with a capacity of approximately 300 gallons designed to or intended to be mechanically dumped into a loader-packer type garbage truck and used for Town Facility Recycling Services. All such Containers must be clearly marked in a manner as approved by the Town.

1.16 “Demolition Debris” means solid waste derived from the demolition of buildings or other structures.

1.17 “Disposal Facility” means a facility, area of land or excavation in which Solid Waste and Bulk Waste are placed for permanent disposal. Disposal Facility does not include a land application unit, surface impoundment, injection well, compost pile or waste pile or an area containing ash from the on-site combustion of coal that does not contain household waste, household hazardous waste or conditionally exempt small quantity generator waste.

1.18 “Disposal Services” means the disposal of Solid Waste and Bulk Waste by the Contractor.

1.19 “Expiration Date” means June 30, 20__ at 11:59 PM, Local Time.

1.20 “Green Waste” means organic yard waste, including but not limited to, grass clippings, tree trimmings, brush clippings, and other similar material.

1.21 “Green Waste Cart” means a receptacle with wheels with a capacity of up to approximately 96 gallons designed or intended to be mechanically dumped into a load-packer type garbage truck and approved by the Town Manager or authorized designee for the Collection of Green Waste from Residential Service Units. All Green Waste Carts shall be green in color and clearly distinguishable from Solid Waste Carts.

1.22 “Hazardous Waste” means solid waste as described in 40 Code of Federal Regulations part 261, as amended.

1.23 “Local Time” means the time in Phoenix, Arizona.

1.24 “Materials Acceptance Protocol (MAP)” means the document which identifies the types and standards for the Recyclable Materials which are to be collected and processed under this Agreement. The MAP is attached hereto as Exhibit E and incorporated herein by reference.

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

1.25 "Missed Block" shall mean, as determined by three or more customers on a block, that each customer deems that her/his respective properly-prepared Cart that was set out at the Collection location on the scheduled Collection day was not picked up by the Contractor.

1.26 "Missed Collection" shall mean, as determined by the customer, a properly prepared Cart that was set out at the Collection location on the scheduled Collection day that was not picked up by the Contractor.

1.27 "Nonprogram Recyclable" means any Recyclable Materials, excluding Program Recyclables, delivered to the Recycling Facility.

1.28 "Nonprogram User" means any generator of Nonprogram Recyclables.

1.29 "Non-recyclable Waste" means the portion of Solid Waste, exclusive of Hazardous Waste, that is not Program Recyclables.

1.30 "Person" means an individual, corporation, company, association, partnership, unit of local government, state agency, Federal agency, or other legal entity.

1.31 "Process", "Processed" or "Processing" means the separation, sorting, crushing, baling, shredding, flattening or other treatment of Program Recyclables into Recovered Materials.

1.32 "Processing Fee" means the per ton fee for receipt and processing of Program Recyclables.

1.33 "Program Recyclables" means the Recyclable Materials as defined in the MAP originating from sources within the Town which are collected single stream and delivered by the Contractor or self haulers, delivered to the Recycling Facility, and processed and marketed by the Recycling Facility.

1.34 "Recovered Material(s)" means Recyclable Materials which have been processed at the Recycling Facility to market specifications.

1.35 "Recyclable Materials" means those materials which are capable of being recycled and which would otherwise be processed or disposed of as Solid Waste.

1.36 "Recyclable Materials Collection Services" means the provision of Residential Recycling Collection Service, Town Facility Recycling Collection Service and Special Event Recycling Collection Service by the Contractor.

1.37 "Recycling" means any process by which materials which would otherwise become Solid Waste are collected, separated, or processed and reused or returned to use in the form of raw materials or products.

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

1.38 “Recycling Cart” means a receptacle with wheels with a capacity of up to approximately 96 gallons designed or intended to be mechanically dumped into a loader-packer type garbage truck and approved by the Town Manager for the Collection of Program Recyclables from Residential Service Units, Town Facilities and special events. All such Recycling Carts must be clearly marked in a manner as approved by the Town Manager or authorized designee.

1.39 “Recycling Facility” means a Solid Waste Facility that is owned, operated or used for the storage, treatment or processing of Recyclable Materials and that handles wastes that have a significant adverse effect on the environment.

1.40 “Recycling Services” means the Collection of Recyclable Materials by the Contractor from Residential Service Units and Town Facilities in the Town, delivery of Recyclable Materials to Recycling Facility, and processing and marketing of Recyclable Materials at the Recycling Facility.

1.41 “Rejects” means material other than Residue, such as Non-recyclable Waste or materials other than those defined in the MAP, which is delivered with Recyclable Materials and which shall be handled and accounted for separately from Recyclable Materials and Residue.

1.42 “Residential Bulk Waste” means Bulk Waste that is generated and disposed of at a Residential Service Unit.

1.43 “Residential Bulk Waste Collection Service” means the Collection of Bulk Waste by the Contractor from Residential Service Units and the delivery of the Bulk Waste to the Disposal Facility or Recycling Facility.

1.44 “Residential Green Waste Service” means the Collection of Green Waste by the Contractor from Residential Service Units and the delivery of Green Waste to a green Waste processing facility.

1.45 “Residential Recyclable Materials” means any Recyclable Materials that is generated from Residential Service Units, not including Construction and Demolition Waste or Hazardous Waste.

1.46 “Residential Recycling Collection Services” means the Collection of Recyclable Materials by the Contractor from Residential Service Units and the delivery of the Recyclable Materials to the Recycling Facility.

1.47 “Residential Recycling Services” means the Collection of Recyclable Materials by the Contractor from Residential Service Units, delivery of the Recyclable Materials to the Recycling Facility and processing and marketing of the Recyclable Materials at the Recycling Facility.

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

1.48 “Residential Services” means Residential Solid Waste Services, Residential Bulk Waste Collection Services, Residential Green Waste Services and Residential Recycling Services.

1.49 “Residential Service Unit” mean residential dwellings and establishments identified by the Town to receive Residential Services from the Contractor and utilizing (i) a Solid Waste Cart for the accumulation and set-out of Residential Solid Waste and (ii) a Recycling Cart for the accumulation and set-out of Residential Recyclable Materials. Town, at its sole discretion, may add or delete Residential Units.

1.50 “Residential Solid Waste” means any garbage, Green Waste or rubbish that is generated from Residential Service Units, not including Construction and Demolition Waste or Hazardous Waste.

1.51 “Residential Solid Waste Collection Services” means the Collection of Solid Waste by the Contractor from Residential Service Units and delivery of the Solid Waste to the Disposal Facility.

1.52 “Residential Solid Waste Services” means the Collection of Solid Waste by the Contractor from Residential Service Units, delivery of the Solid Waste to the Disposal Facility, and disposal of the Solid Waste at the Disposal Facility.

1.53 “Residue” means that portion of the Recyclable Materials accepted by the Contractor which is not converted to Recovered Materials due to spoilage, breakage, contamination and/or transportation or processing inefficiencies, other than Rejects.

1.54 “Residue Allowance” means that portion of incoming Program Recyclables defined as Residue and shall not exceed the overall annual Residue Allowance of 15%.

1.55 “Scavenging” means the unauthorized removal of Recyclable Material after the generators thereof divest control physically or as a matter of appropriate law, rule or regulation.

1.56 “Solid Waste” means any garbage, trash, rubbish, waste tire, refuse, sludge from a waste treatment plant, water supply treatment plant or pollution control facility and other discarded material, including solid, liquid, semisolid or contained gaseous material unless otherwise excluded by the Arizona Revised Statutes.

1.57 “Solid Waste Cart” means a receptacle with wheels with a capacity of up to approximately 96 gallons designed or intended to be mechanically dumped into a loader-packer type garbage truck and approved by the Town Manager for the Collection of Residential Solid Waste. All such Solid Waste Carts must be clearly marked in a manner as approved by the Town Manager or authorized designee.

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

1.58 "Solid Waste Facility" means a transfer facility and any site owned, operated or utilized by any person for the storage, processing, treatment or disposal of solid waste, conditionally exempt small quantity generator waste or household hazardous waste unless otherwise excluded by Arizona Revised Statutes.

1.59 "Special Event Solid Waste Collection Services" means the Collection of Solid Waste by the Contractor from special events as requested by the Town and delivery of the Solid Waste to the Disposal Facility.

1.60 "Special Event Recycling Collection Services" means the Collection of Recyclable Materials from special events as requested by the Town via Containers or Recycling Carts and delivery to the Recycling Facility by the Contractor.

1.61 "Source Separated Materials" means materials that are separated by material type by the generator.

1.62 "State" means the State of Arizona.

1.63 "Ton" means a unit of weight equal to 2,000 pounds.

1.64 "Town Facility" means any Town-owned or operated facility designated by the Town for Town Facility Recycling Services. The Town has the sole authority to add or eliminate Town Facilities.

1.65 "Town Facility Recycling Collection Services" means the Collection of Recyclable Materials from Town Facilities via Containers or Recycling Carts and delivery to the Recycling Facility by the Contractor.

1.66 "Town Facility Solid Waste Collection Services" means the Collection of Solid Waste by the Contractor from a Town Facility and delivery of the Solid Waste to the Disposal Facility.

1.67 "Town Revenue Rate" means the minimum payment by Contractor to Town per ton of Program Recyclables received at the Recycling Facility.

2. Representations.

2.1 Relationship of the Parties. It is clearly understood that each party will act in its individual capacity and not as an agent, employee, partner, joint venturer, or associate of the other. An employee or agent of one party shall not be deemed or construed to be the employee or agent of the other for any purpose whatsoever. The Contractor is advised that taxes or Social Security payments will not be withheld from any Town payments issued hereunder and Contractor agrees to be fully and solely responsible for the payment of such taxes or any other tax applicable to this Agreement.

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

2.2 Representations by Town. The Town represents to the Contractor that the Town is duly organized and existing in good standing under the laws of the State and is duly qualified and authorized to carry on the governmental functions and operations as contemplated by this Agreement. The Town further represents that the person signing on its behalf has been properly authorized and empowered to enter into this Agreement. The Town acknowledges that it has read this Agreement, understands it, and agrees to be bound by it.

2.3 Representations by Contractor. The Contractor represents to the Town that at the time of execution of this Agreement:

A. Authority. The Contractor is duly qualified and in good standing to do business in the State and is duly qualified and in good standing to do business wherever necessary to carry on the business and operations contemplated by this Agreement. The Contractor further represents that the person signing on its behalf has been properly authorized and empowered to enter this Agreement. The Contractor further acknowledges that it has read this Agreement, understands it, and agrees to be bound by it.

B. Recyclable Materials Processing. The Contractor has entered into a contract for Recyclable Materials processing and marketing services, a true and correct copy of which is attached hereto as Exhibit F and incorporated herein by reference, for the Initial Term and Renewal Terms (as defined in Section 3 below).

C. Solid Waste Disposal. The Contractor has entered into a contract for Disposal Services, attached hereto as Exhibit G and incorporated herein by reference, for the Initial Term and Renewal Terms.

D. Licenses; Materials. The Contractor has obtained all applicable environmental and other governmental permits, licenses, permits and authorizations that are (1) necessary for providing the Services and (2) required to be issued under Federal, State, local law, regulation, rule or ordinance. Contractor shall maintain in current status all Federal, State and local licenses, permits and authorizations required for the operation of the business conducted by the Contractor. The Town has no obligation to provide Contractor, its employees or subcontractors any business registrations or licenses required to perform the specific services set forth in this Agreement. The Town has no obligation to provide tools, equipment or material to Consultant.

E. Insurance/Bonds. The Contractor has obtained and submitted to the Town (1) certificates of insurance for all required insurance coverages specified in this Agreement and (2) documentation of performance bond as required by this Agreement.

F. No legal Action Pending. To the best of the Contractor's knowledge, there is no action, suit or proceeding, at law or equity, before or by any court or government authority, pending or threatened against the Contractor, wherein an unfavorable decision, ruling or finding would materially adversely affect the performance by the Contractor of its obligation hereunder or the other transactions contemplated hereby, or which, in any way, would adversely affect the validity or enforceability of this Agreement, or any other contract or

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

instrument entered into by the Contractor in connection with the transactions contemplated hereby.

Contractor agrees that it shall take all steps necessary to ensure that the representations set forth in this Section 2.3 shall remain true and correct for the entire Term of this Agreement.

3. Term of Agreement.

3.1 Initial Term. Unless sooner terminated in accordance with the provisions in this Agreement, the term of this Agreement shall commence on the Commencement Date and shall continue in effect until the Expiration Date (the "Initial Term").

3.2 Option to Renew. After the Initial Term, Town shall have the option at its sole discretion to renew this Agreement for up to three additional one-year terms (each, a "Renewal Term"). The Initial Term and any Renewal Terms shall be collectively referred to herein as the "Term." To exercise its option, Town shall provide written notice to Contractor (each an "Option Notice") not later than 60 calendar days preceding the scheduled Expiration Date of the then-current Term. The Contractor shall, within 15 calendar days following receipt of the Town's Option Notice, either accept or reject the Town's request. If the Contractor fails to accept or reject the Town's renewal request within 15 days following receipt of the Town's Option Notice, the Contractor shall be deemed to have consented to renewal of the Agreement for one year. This provision in no way limits the Town's right to terminate this Agreement at any time during the Term pursuant to the provisions in this Agreement.

4. Solid Waste Services, Bulk Waste Services and Recycling Services. The Contractor shall begin providing the services set forth in this Section on their respective Commencement Dates, as determined by the phase-in schedule included on Exhibit D, and the Contractor shall change rates for such services not greater than as set forth on Exhibit C.

4.1 Solid Waste.

A. Residential Solid Waste Services. Contractor shall collect, once per week on a scheduled day, all Solid Waste Carts from each Residential Service Unit in the Town. Contractor shall deliver the Residential Solid Waste collected to the Disposal Facility and dispose of the Residential Solid Waste at the Disposal Facility. Upon the receipt of a written work order from the Town, Contractor shall provide additional Solid Waste Cart collection and non-collection day Collection Services.

B. Quarterly Residential Bulk Waste Services. Contractor shall provide a process for collecting residential bulk waste of up to six cubic yards from each Residential Service Unit in the Town quarterly (four (4) times per year) by routes/areas on dates and in the sequence approved in writing by the Town. Contractor shall provide notice Contractor shall deliver the Bulk Waste collected to the Recycling Facility or the Disposal Facility. If the Bulk Waste is delivered to the Recycling Facility, Contractor shall process and market the Bulk Waste at the Recycling Facility. If the Bulk Waste is delivered to the Disposal Facility, Contractor shall dispose of the Residential Solid Waste at the Disposal Facility. Upon the receipt

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

of a written work order from the Town, Contractor shall provide additional Bulk Waste Collection Services.

C. Town Facility Solid Waste Services. Contractor shall collect, not less than once per week, all Solid Waste in Solid Waste Carts or Containers at Town Facilities shown in the table below:

Table 4.1

Town Facilities	Address	Container Size	Collection Frequency

D. Special Event Solid Waste Services. Upon request of the Town, the Contractor shall deliver Solid Waste Carts or containers to the site of a special event and shall collect and dispose of Solid Waste collected in such Solid Waste Carts or Containers.

4.2 Recycling.

A. Residential Recycling Services. Contractor shall collect, once per week on a scheduled day, all Program Recyclables via single stream in a Residential Recycling Cart from each Residential Service Unit in the Town. Contractor shall deliver the Program Recyclables collected to the Recycling Facility. In addition, Contractor shall process and market the Program Recyclables delivered to the Recycling Facility.

B. Town Facility Recycling Collection. Contractor shall collect, on a frequency solely decided by the Town, all Program Recyclables from each Town Facility listed in Table 4.1 above. Contractor shall deliver the Program Recyclables collected to the Recycling Facility. In addition, Contractor shall process and market the Program Recyclables delivered to the Recycling Facility.

C. Special Events Recycling Collection. Upon request of the Town, Contractor shall deliver Recycling Carts to the site of a special event and shall collect and process all Program Recyclables collected by such Recycling Carts, the frequency of which shall be at the Town's sole discretion.

D. Neighborhood Recycling Drop-off Services. Contractor shall be solely responsible for providing single stream Collection, Processing and Marketing of Recyclable Materials generated and disposed of at the Neighborhood Recycling Drop-off Sites. The Town shall have the sole authority in determining the frequency of Collection for each Neighborhood Recycling Drop-off Sites.

Table 4.2 – Neighborhood Recycling Drop-off Service Site

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

Neighborhood Recycling Drop-off Service Site	Address

E. Disposal Prohibited. The Contractor shall be prohibited from (1) disposal of and/or landfilling of any Program Recyclables accepted or processed at the Recycling Facility or (2) marketing Program Recyclables to markets that the Contractor knows or reasonably should have anticipated will dispose of and/or landfill the Program Recyclables, except when approved in writing by the Town.

4.3 Residential Green Waste Collection. Contractor shall collect, once per week on a scheduled day, all Green Waste via Residential Green Waste Cart from each Residential service Unit in the Town that has selected the green waste option and has agreed to pay the additional cost of same. Contractor shall deliver all Green Waste collected from Green Waste Carts at Residential service Units to a Green Waste processing facility.

4.4 Backdoor Collection Services. Contractor shall provide Backdoor Collection Services for Residential Solid Waste and Recyclable Materials from Residential Service Units if all adult occupants residing therein are handicapped, or due to age or verified physical limitations, cannot safely move Carts and if a request for Backdoor Collection Services has been made to and approved by the Town, in the manner required by the Town. The Town shall notify the Contractor in writing of any Residential Service Unit requiring Backdoor Collection Services. No additional monies shall be due to the Contractor for the provision of Backdoor Collection Services. Contractor shall provide Backdoor Collection Services on the same scheduled Collection day that Collection Services would otherwise be provided to the Residential Service Unit.

4.5 Manner of Providing Services. Unless otherwise stated in this Agreement, the Contractor shall be solely responsible for all aspects of the management, operations and maintenance and equipment relating to the Services including, but not limited to, the following:

A. Rejected Loads. Transportation and disposal of Rejected Loads (as defined in subsection 5.2 below) at the Recycling Facility to the Disposal Facility.

B. Residue and Rejects. Transportation and disposal of Residue and Rejects at the Recycling Facility to the Disposal Facility.

C. Recovered Materials. The shipping and marketing of Recovered Materials processed at the Recycling Facility.

D. Records. The maintenance of complete and accurate records and the provision of reports to the Town in accordance with the requirements of this Agreement.

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

E. Maintenance. The preventive maintenance, maintenance and repair of systems and equipment including vehicles, buildings, grounds and other equipment.

F. Clean-up. The prevention and clean-up of litter, spillage, dust and odor as set-forth in this Agreement.

G. Personnel. The recruitment, hiring and training of all managerial, supervisory and operating personnel providing the Services.

H. Carts. Cart maintenance and delivery of new Solid Waste Carts, Recycling Carts and Green Waste Carts, as applicable, once the program begins. Contractor shall also be solely responsible for Storage of unused Carts.

4.6 Part-Time Residents. Contractor shall provide each Residential Unit the opportunity to annually stop service temporarily for a period of up to six continuous months upon notification by the resident.

4.7 Annual Household Hazardous Materials Collection. Contractor shall provide a household hazardous waste (*i.e.*, paints, solvents, pesticides, herbicides, oils, etc.) collection events to occur at least once per calendar year. Contractor shall

4.8. Annual Electronics Recycling Event. Contractor shall provide electronic recycling (including but not limited to AC Adapters, Calculators, Cameras, Cell Phones, CD Rom/DVD Drives, Computers (PCs / laptops / servers / tablets), digital cable boxes, docking stations, electric motors, fax machines, hard drives, keyboards & mice, medical equipment, metals, modems, monitors (LCD & LED), wires/cables/power cords, power tools, printers, routers, DVD players and video game equipment) events to occur at least once per calendar year, as set forth in Exhibit B, or as otherwise pre-approved in writing by the Town.

5. Inspection of Loads and Rejected Loads.

5.1 Contractor's Right to Inspect Loads. The Contractor may inspect each delivery of Program Recyclables prior to and upon their discharge at the Recycling Facility for consistency with the MAP.

5.2 Unacceptable Loads. Contractor may not designate a load as an unacceptable load for any reason other than those identified in this Section. Prior to departure from the Recycling Facility of the vehicle delivering Recyclable Materials to the Recycling Facility, Contractor may designate a load as a "Rejected Load" for the following reasons:

A. Excessive Non-Recyclable Waste. A load of Program Recyclables contains more than 15% Non-recyclable Waste by weight.

B. Public Health Danger. A load of Program Recyclables presents a substantial endangerment, such as disease or death, to the public or employee health or safety.

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

C. Hazardous Waste. A load contains Hazardous Waste that cannot be easily separated from acceptable materials.

5.3 Procedure upon Rejection of Load.

A. Notice of Rejected Load. If the Contractor designates a load as a Rejected Load for the reasons set forth in subsections 5.2(A) and (B) above, Contractor must immediately provide written notice to the Town, including the reason the load was designated a Rejected Load. If Contractor fails to provide notice in accordance with this subsection, Contractor shall accept the load.

B. Right to Inspect Rejected Loads. Upon receipt of the notice by the Town in accordance with subsection 5.3(A) above, Contractor shall retain the Rejected Load for an additional 24 hours to allow the Town a right to inspect the load. The Town may waive the right to inspect the load. Failure to inspect the load within 24 hours of receipt of notice shall be deemed a waiver of the right to inspect the load.

C. Dispute or Acceptance of Designation as Rejected Load. If the Town inspects the load, the Town may dispute or accept the designation as a Rejected Load. If the Town disputes the rejection of the load, the Contract Administrator's decision as to whether the load will or will not be accepted shall be final and conclusive. If the load is not deemed a Rejected Load by the Contract Administrator, the Contractor shall accept and process the load.

D. Costs for Rejected Loads not due to Hazardous Waste. Contractor shall, at its sole expense, pay for transportation and disposal costs of Rejected Loads for the reasons set forth in subsections 5.2(A) and (B) above.

5.4 Procedure upon Rejection of Load due to Hazardous Waste.

A. Notice of Rejected Load due to Hazardous Waste. If the Contractor designates a load as a Rejected Load for the reason set forth in subsection 5.2(C) above, Contractor must immediately provide written notice to the Town, including the reason the load was designated as containing Hazardous Waste. If Contractor fails to provide notice in accordance with this Section, Contractor shall accept the load.

B. Right to Inspect Hazardous Waste. Upon receipt of the notice by the Town in accordance with subsection 5.4(A) above, Contractor shall retain the load for an additional 12 hours to allow the Town to inspect the load. The Town may waive the right to inspect the load. Failure of the Town to inspect the load within 12 hours of receipt of notice shall be deemed a waiver of the right to inspect the load.

C. Dispute or Acceptance of Designation as Hazardous Waste. If the Town inspects the load, Town may dispute or accept the designation as containing Hazardous Waste. If the Town disputes the rejection of the load, the Contract Administrator's decision as to whether the load will or will not be accepted shall be final and conclusive. If the load is not

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

deemed a Rejected Load by the Contract Administrator, the Contractor shall accept and process the load.

D. Costs for Hazardous Waste. For costs related to disposal of Hazardous Waste that the Contractor fails to provide notice in accordance with subsection 5.4(A) above, Contractor shall, at Contractor's sole expense, handle and dispose of the Hazardous Waste. If Contractor provides notice in accordance with subsection 5.4(A) above as to a load with Hazardous Waste and the Town determines that the load does contain Hazardous Waste, Town shall have the right to (1) handle and dispose of the Hazardous Waste or (2) require the Contractor to handle and dispose of the Hazardous Waste. If Contractor provides notice in accordance with subsection 5.4(A) above and either the Town concurs that the load contains Hazardous Waste or the Contract Administrator concludes that the load contains Hazardous Waste, and the Town elects not to dispose of the Hazardous Waste as permitted in this subsection, Contractor may bill the source of the Hazardous Waste the cost of handling and disposal of the Hazardous Waste.

6. Handling of Rejects and Residue.

6.1 Handling of Rejects. The Contractor shall segregate and store all Rejects and shall notify the Town prior to their removal for disposal to permit the Town's inspection thereof. The Town shall have the right to inspect such Rejects within 24 hours of notification and to make its own determination as to whether such materials are in fact Rejects, as defined herein. Contractor shall, at its sole expense, pay for transportation and disposal costs of Rejects.

6.2 Handling of Residue. Contractor shall be solely responsible for ensuring that Residue which is culled from Program Recyclables accepted by Contractor or which is the result of processing activity shall not exceed the overall annual Residue Allowance of 15%. If the residue exceeds the Residue Allowance, Town may assess liquidated damages in accordance with Section 18 of this Agreement. Contractor, at its sole expense, shall bear costs of transporting and disposal of all Residue.

7. Collection and Processing Equipment.

7.1 Collection Services Vehicles.

A. Appearance of Collection Services Vehicles. Contractor shall paint all Collection Service vehicles uniformly with the name of Contractor, customer service office telephone number and the unique identification number of the vehicle in letters not less than six inches high on each side and the rear of the vehicle. All Collection Services vehicles shall be uniquely numbered and a record kept of the vehicle to which each number is assigned. No advertising shall be permitted on vehicles, except for events sponsored by the Town, which shall be advertised on request of the Town.

B. Age of Collection Services Vehicles. Contractor shall provide all Collection Services pursuant to this Agreement with Collection vehicles **less than seven years**

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

of age. The **average age** for the Collection vehicles to be used for performance of Collection Services provided pursuant to this Agreement **shall not exceed three years of age**.

7.2 Collection Services Carts. Town shall have the sole decision in determining the appearance of the Carts.

A. Purchase and Initial Distribution of Carts. The Contractor, at its sole cost, shall purchase all Carts required for the provision of Collection Services pursuant to this Agreement. In addition, the Contractor, at its sole cost, shall deliver one Solid Waste Cart, one Recycling Cart and one Green Waste Cart (for Residential Service Units choosing the optional Green Waste Service) to each Residential Service Unit prior to the Commencement Date, unless instructed otherwise by the Town. The Contractor shall attach a program introduction notice to each Cart delivered.

B. Subsequent Distribution, Maintenance and Storage. After the initial distribution of Carts, Contractor, at its sole cost, shall deliver Cart(s) to a Residential Service Unit within two business days of the request by the Town. Contractor shall attach a program introduction notice to each Cart delivered.

C. Cart Care and Maintenance. Contractor's employees shall take care to prevent damage to Carts by unnecessarily rough treatment. Contractor shall be solely responsible for Cart maintenance.

D. Reserve Carts. Contractor shall maintain a minimum of 15 Solid Waste Carts, 15 Recycling Carts and 15 Green Waste Carts at a secure location within the corporate limits of the Town to ensure that extra or replacement Carts can be expeditiously provided upon the request of the Town. Subject to space availability, the Town can accommodate the reserve Solid Waste Carts, Recycling Carts and Green Waste Carts at its Street Yard, located at 17137 Falcon Drive, which Carts shall be accessible to the Contractor during the Town's normal business hours.

E. Replacement of Carts. Upon notification to Contractor by the Town or a customer that a Cart has been lost, destroyed, stolen or that it has been damaged beyond repair, Contractor shall purchase, if necessary, and deliver a replacement Cart to such customer within two business days. At the expense of the Contractor, each Residential Service Unit shall be entitled to unlimited replacements of destroyed or damaged beyond repair Cart(s) for the life of the Agreement at no cost to the Town or the customer if determined by the Contract Administrator or authorized designee that such destruction or damage was caused by the Contractor or Contractor's employees or equipment. For additional replacements beyond those as provided in this Agreement or for Carts purchased by written authorization of the Town Manager, Town shall reimburse Contractor the purchase cost paid by Contractor for the Cart.

7.3 Collection and Processing Equipment, Excluding Carts.

A. Purchase, Operation and Maintenance. Unless otherwise stated in this Agreement, Contractor shall be solely responsible for all costs of purchasing, operating and

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

maintaining Collection and processing equipment for the Term of this Agreement. Town, at its sole discretion, shall determine whether the Contractor is or is not properly maintaining the Collection and processing equipment. If the Town determines the Contractor is not properly maintaining the Collection and/or processing equipment, Contractor shall replace such equipment in accordance with this Agreement and Town may assess liquidated damages in accordance with Section 18 of this Agreement.

B. Replacement. Unless otherwise stated in this Agreement, Contractor shall be solely responsible for the replacement of Collection and processing equipment if such equipment is lost, stolen or damaged beyond normal wear and tear. If Contractor or Town determines that Collection and/or processing equipment requires replacement, Contractor shall replace such equipment within 14 calendar days with comparable equipment. Contractor shall be responsible to make the appearance of the replacement equipment in adherence with the requirements of this Section.

7.4 Ownership.

A. Collection Services Equipment other than Carts and Containers. Ownership of Collection Services Equipment other than Carts shall rest with Contractor.

B. Carts and Containers. Ownership of Carts and containers shall rest with the Contractor during and after the term of the Agreement.

7.5 Disposal Facility and Recycling Facility Equipment. The Disposal Facility, Recycling Facility and any other processing center used to perform the Services shall be equipped with adequately sized truck scales and computerized record-keeping systems for weighing and recording all incoming and outgoing delivery vehicles and vehicles transporting Recyclable Materials to markets. The Recycling Facility shall be capable of recording the type of Recyclable Materials received for each incoming truck. Additionally, the Recycling Facility shall be capable of recording the weights of each type of Recyclable Material which are shipped. Contractor shall separately weigh, record and tabulate each load from Town.

8. Personnel. Contractor shall assign a qualified person or persons who will be charge of its operations within the Town and authorized to make decisions on Contractor's behalf and shall provide the name, office telephone number, mobile phone number, email address and facsimile number of Contractor's representatives and key personnel to the Contract Administrator. Contractor agrees that the Town shall have 24 hour access to said representative via a non-toll call from the corporate limits of the Town. Such records shall be updated as personnel or contact information changes. In addition, Contractor shall adhere to the following requirements:

8.1 Key Personnel. Contractor shall provide adequate, experienced personnel, capable of and devoted to the successful completion of the Services to be performed under this Agreement. Contractor agrees to assign specific individuals to key positions. Contractor agrees that, upon commencement of the Services to be performed under this Agreement, key personnel shall not be removed or replaced without prior written notice to the Town. If key personnel are

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

not available to perform the Services for a continuous period exceeding 30 calendar days, or are expected to devote substantially less effort to the Services than initially anticipated, Contractor shall immediately notify the Town of same and shall, subject to the concurrence of the Town, replace such personnel with personnel of substantially equal or superior ability and qualifications. If deemed qualified, the Contractor is encouraged to hire Town residents to fill vacant positions at all levels.

8.2 Uniforms. Contractor shall furnish each employee involved in the performance of this Contract with a uniform and safety vest, shirt or jacket which clearly displays the name of Contractor. Such uniforms and safety equipment shall make the employee readily visible to other motorists. Contractor's employees shall wear complete uniforms and safety vest, shirt or jacket at all times.

8.3 Safety Training. Contractor shall provide regularly scheduled, on-going operating and safety training for all employees. In addition, Contractor's employees shall be trained to perform their duties to maximize the Town's recycling rate, minimize contamination and promote recycling at all times. Such meetings shall be mandatory for all Collection and supervisory personnel and held not less than once per month. All temporary and newly hired permanent Collection personnel and supervisory employees must receive comprehensive safety and operational training prior to working on the Collection vehicles or performing duties under this Agreement. Training manuals and schedules shall be maintained at the local office of Contractor and available for review at any time by Contract Administrator.

8.4 General Training. All employees involved in the performance of this Agreement including office and all Collection personnel, must be provided adequate training before and during their employment with the Contractor. This training shall familiarize employees with the required duties and standards of performance, specific requirement on routes to which they will be assigned, teach the route layouts previously established and approved and provide necessary knowledge to eliminate delays and Missed Collections. All supervisory and Collection employees must be provided equipment and supplies prior to and during the performance of their duties. All Collection, administrative, supervisory and customer service personnel must receive customer service training prior to and during the time they are employed by the Contractor.

8.5 Contact with Others. Contractor's employees shall treat all customers, co-workers, Town employees and any individual with whom they come in contact in the performance of their duties in a polite and courteous manner. Rudeness, belligerence and the use of profanity are strictly prohibited. The Town reserves the right to direct Contractor to remove any employee who violates this policy from providing services to the Town, pursuant to this Agreement.

8.6 Compliance with Laws, Monitoring and Inspections. In performance of Collection Services, Contractor's employees must adhere to municipal, Town, State and Federal laws. Town reserves the right to make a complaint regarding any employee of the Contractor who violates any provision herein, or who is wanton, negligent or discourteous in the performance of his/her duties. The Town may recommend appropriate action be taken by the

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

Contractor and may require the Contractor to remove any unacceptable employee, as determined by the Town, from service to the Town. Contractor will be responsible for all compliance monitoring and inspection necessary pursuant to the Town's variance with the Maricopa County Environmental Services Division.

9. Hours of Operation and Holidays. Contractor shall not make any changes to the hours of operation as provided in this Section without the prior, written approval of the Contract Administrator.

9.1 Residential Collection Services. Excluding Holidays (as defined in subsection 9.7 below), Contractor shall provide Residential Collection Services from **Monday through Friday, 6:00 AM, Local Time to 5:00 PM, Local Time.** Residential Collection Services that fall on a Holiday shall be collected as set forth in Section 9.7 below.

9.2 Town Facility Recycling Services. Excluding Holidays, Contractor shall provide Town Facility Recycling Services from **Monday through Friday, 6:00 AM, Local Time to 5:00 PM, Local Time.** Town Facility Recycling Services that fall on a Holiday shall be collected on the following day.

9.3 Town Facility Solid Waste Services. Excluding Holidays, Contractor shall provide Town Facility Solid Waste Services **from Monday through Friday, 6:00 AM, Local Time to 5:00 PM, Local Time.** Town Facility Solid Waste Services that fall on a Holiday shall be collected on the following day.

9.4 Extension of Collection Services Hours of Operation. If the Contractor determines that the Collection Services will not be completed by 5:00 PM, Local Time on the scheduled Collection day, the Contractor shall notify the Town by 3:00 PM, Local Time and request an extension of the Collection hours. The Contractor shall inform the Town of the areas not completed, the reason for non-completion and the expected time of completion. The Town must approve any extension of hours of operation.

9.5 Disposal Facility. Excluding holidays as defined in subsection 9.7 below, Contractor shall maintain, or cause its provider to maintain, the Disposal Facility open and available to receive Solid Waste **seven days per week between 7:00 AM, Local Time to 6:00 PM, Local Time.**

9.6 Recycling Facility. Excluding Holidays, Contractor shall maintain or cause its provider to maintain the Recycling Facility open and available to receive Program Recyclables seven days per week between 7:00 AM, Local Time to 6:00 PM, Local Time.

9.7 Holidays. The Town, at its sole discretion, may add or delete holidays. If the Town elects to add or delete holidays, the Town will provide the Contractor notice in accordance with the provisions of this Agreement. If a holiday occurs on a scheduled Collection day, Contractor shall perform the scheduled Collection for the holiday on the next calendar day after the scheduled Collection day. For purposes of this Agreement, "Holidays" shall include the following:

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

- A. New Year's Day
- B. Independence Day
- C. Thanksgiving Day
- D. Christmas Day

10. Customer Service Complaints; Billing. Contractor and Contractor's employees understand that customer service is of great importance to the Town. Contractor and its employees will work diligently to provide high quality customer services to the Town and all customers.

10.1 Customer Service Complaint Resolution Procedure. All customer service complaints shall initially be directed to the Contractor. The Contractor will generate an electronic work order outlining all legitimate complaints received. The work order will contain (A) date and time of call, (B) customer name, address and phone number and (C) type of complaint. A copy of the work order will then be electronically submitted to the Town, including a schedule for resolution. The Contractor will resolve each customer complaint in a timely manner as set forth below:

A. Same Day Request. If the complaint is a Missed Collection or Missed Block, Contractor shall pick up the Missed Collection or Missed Block on that same day if the complaint is received by the Contractor prior to 11:00 AM, Local Time.

B. Next Day Request. If the complaint is a Missed Collection or Missed Block, Contractor shall pick up the Missed Collection or Missed Block before 5:00 PM, Local Time on the next calendar day if the complaint is received by the Contractor after 11:00 AM, Local Time.

C. Other Complaints. If the complaint other than a Missed Collection or Missed Block, Contractor shall resolve the complaint within 24 hours of written notice of such complaint to Contractor.

10.2 Work Order Reporting. Upon resolution of the customer complaint, Contractor will close the work order and resubmit it to the Town. The closed work order will include (A) Contractor's determination as to legitimacy of the complaint, (B) the date, time and action taken to resolve complaint and (C) the name of responsible contact at Contractor's location regarding the complaint.

11. Damage to Property. The Contractor shall take all necessary precautions to protect public and private property during the performance of this Contract. Except for reasonable wear and tear, the Contractor shall repair or replace any private or public property that is damaged by the Contractor. Such property damages shall be addressed for repair or replacement, at no charge to the property owner, within 48 hours with property of the same or equivalent value at the time of the damage. If the Contractor fails to address the repair or replacement of damaged property within 48 hours, the Town may, but shall not be obligated to, repair or replace such damaged property and the cost of doing so (A) shall be paid by the

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

Contractor to the Town within 30 days of receipt of demand therefore or (B) may be deducted by the Town from only amounts owing to the Contractor.

12. Spillage and Leakage, Litter, Dust and Odor.

12.1 Spillage and Leakage. Contractor shall clean up any spilled or blowing materials as well as fluids spilled or leaked from Contractor's vehicles by the Contractor, Contractor's employees or authorized person or entity providing service to the Contractor. During transport, all materials shall be contained, covered and enclosed so that leaking, spilling and blowing of materials does not occur. Contractor shall perform all cleanups within two hours of the spillage or leakage.

12.2 Litter. If Contractor operates the Disposal Facility, the Recycling Facility or the processing facility for Green Waste, the Contractor shall be required to pick up any and all litter (including any glass spillage) which blows or falls from the Disposal Facility, Recycling Facility or Green Waste facility onto the site or adjoining or surrounding property by the end of each workday or by the end of the first shift, if operated for more than ten hours per day. All on-site parking areas and roadways shall be swept at least once per month.

12.3 Dust and Odor. If Contractor operates the Disposal Facility, the Recycling Facility or Green Waste facility the Disposal Facility, Recycling Facility and Green Waste facility shall be operated to prevent the escape of dust and odors. The Contractor shall routinely clean the tip floor and the process and storage areas.

13. Recordkeeping, Reporting, Audited Financial Statements and Reporting Format.

13.1 Recordkeeping. The Contractor shall create, maintain and make available records as defined in, and required by, all applicable local, State and Federal laws, rules and regulations and any reports as are reasonably necessary to:

A. Deliveries. Document Program Recyclables deliveries, Residential Solid Waste deliveries, time delivered to Recycling Facility, time delivered to Disposal Facility, tonnage of material delivered, Rejected Loads by date collected and other information as requested by Contract Administrator (a monthly summary shall also be submitted to the Town).

B. Missed Collections; Problem Set-out. Document Missed Collections, Late Set-outs and Improper Set-outs on a daily basis including the address, time and date for each and the reason, photograph and notice for Improper Set-outs (a monthly summary shall also be submitted to the Town).

C. Recovered Material. Document Recovered Material from Program Recyclables tons marketed by commodity, entity marketed to, price paid by the end market and other information as requested by Contract Administrator (a monthly and annual summary shall also be submitted to the Town).

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

D. Program Recyclables. For Program Recyclables, document incoming tonnages, residue tonnages, rejects tonnages, hazardous waste tonnages, marketed tonnages by commodity and inventory tonnages by commodity. Contractor shall provide an explanation if incoming tonnages does not equal the total of rejects tonnages, hazardous waste tonnages, marketed tonnages by commodity and inventory tonnages by commodity (a monthly and annual summary shall also be submitted to the Town).

E. Hazardous Waste. Document Hazardous Waste including the source, tonnage, date received, disposal facility and other information as requested by Contract Administrator (a monthly and annual summary shall also be submitted to the Town).

F. Other Regulatory Documents. Such other documents and reports as the Town may reasonably require to verify compliance with the Agreement or to meet the Town's reporting requirements with the State (a monthly and annual summary shall also be submitted to the Town).

G. Residue; Rejects. Document Residue and Rejects separately including tonnage, description of material, source of material (i.e. Program Recyclables, Nonprogram Recyclables, hauler, etc.), disposition and other information as requested by Contract Administrator (a monthly and annual summary shall also be submitted to the Town).

H. Recovered Materials Marketing. Report the activities to research, investigate and develop new markets for Recovered Materials (a monthly and annual summary shall also be submitted to the Town).

I. Availability of Documents. All of Contractor's records shall be available to Town and its representatives at reasonable times and places throughout the term of this Agreement and for a period of five years after last or final payment.

13.2 Reporting.

A. Initial Reports.

1. Transition Plan. The Contractor shall provide a transition plan 90 calendar days prior to Commencement Date. This plan shall detail transition to the Contractor providing Solid Waste Service, Bulk Waste Service, Recycling Service and Residential Green Waste Service. This transition plan will be submitted for approval by the Contract Administrator.

2. Processing and Marketing Plan. The Contractor shall provide a processing and marketing plan 90 calendar days prior to Commencement Date. This plan shall detail the processing and marketing of all Program Recyclables and Recyclable Materials at the site. This processing and marketing plan will be submitted for approval by the Contract Administrator.

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

3. Hazardous Waste Contingency Plan. The Contractor shall provide a Hazardous Waste contingency plan, 30 calendar days prior to the Commencement Date, to the Contract Administrator and to the Town's Risk Manager. This plan shall detail what actions shall be taken by the Contractor upon discovery of Hazardous Waste. This contingency plan will be reviewed by the Contract Administrator. The plan shall include a copy of a signed contract(s) with a permitted Hazardous Waste transporter(s) to handle any Hazardous Waste discovered. The plan must comply with all State and Federal regulations regarding the handling of Hazardous Waste. Non-conformance with any State or Federal regulation shall cause rejection of the plan. This Hazardous Waste contingency plan will be submitted for approval by the Contract Administrator.

B. Monthly Reports. Contractor shall submit all monthly reports required by this Agreement to the Town Manager or authorized designee within seven calendar days following the end of each calendar month.

C. Annual Reports. Contractor shall submit all annual reports required by this Agreement to the Towns Manager or authorized designee within 30 calendar days following the end of the Town's fiscal year.

13.3 Audited Financial Statements. The Contractor will be required to submit audited financial statements prepared by an external accounting firm for itself as a whole within 90 calendar days of the end of the Contractor's fiscal year end. The audited financial statements may be issued by either the Contractor, or by , and shall contain detailed information collection, processing and marketing of Recyclable Materials which shall include at a minimum Contractor's income statement and balance sheet; proof that all insurance policies relative to this Agreement are in effect; and information on any outstanding lawsuits that might adversely impact Town. In the event Contractor is acquired, the Contractor shall notify the Town of the transfer in ownership, whereupon the Town shall have the option to require that the audited financial statements be submitted by the acquiring entity. The Contractor has provided a Guaranty Agreement by , a copy of which is attached hereto and incorporated herein as Exhibit H. In the event Contractor is acquired, the Town shall have the option to require that the acquiring entity provide a Guaranty Agreement in a form acceptable to the Town Attorney. The financial basis records shall be kept in accordance with generally accepted accounting principles.

13.4 Report Format. Within 14 days after the Commencement Date, the Contractor will be required to submit to the Town for its approval the format and sample contents of the records to be maintained and the reports to be generated in fulfillment of the requirements of the Agreement. Contractor shall submit all reports in electronic format approved by the Town and in hard copy.

14. Customer List, Billing and Collections, Payment and Annual Adjustments.

14.1 Customer List. On or prior to , 20 , the Town shall provide Contractor with a Residential Service Unit customer list and a Town Facility customer list.

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

Regardless of the customer list, Contractor shall provide Collection Services to all Residential Services Units in accordance with this Agreement.

14.2 Billing and Collection.

A. Solid Waste, Bulk Waste, Recycling and Disposal Services. The Contractor shall bill Residential Service Units for Residential Solid Waste, Bulk Waste, Recycling Services and Residential Green Waste Services in accordance with the rate structure established on Forms 5 and 8 respectively, attached hereto as a part of Exhibit C and as may subsequently be adjusted as set forth in this Agreement.

1. Understandable Bills. Bills will be clear, concise and understandable. Bills must be fully itemized, clearly delineating all activity during the billing period, including optional charges, rebates and credits.

2. Uniform Billing. Contractor shall bill all Residential Service Units in a uniform, non-discriminatory manner, regardless of level of service. Payment shall be due no sooner than the 15th day of each billing period, and the due date shall be listed on each bill. Bills shall be mailed no later than the first day of the billing period. Contractor shall provide a process to accept payments from a homeowners' association or its authorized representative for Service Units within that homeowners' association.

a. Town Materials and Announcements. Contractor shall include reasonable Town provided newsletters, announcements and similar materials and information at no additional cost to the Town. The Town and Contractor shall set the schedule and other reasonable parameters therefore.

b. Information Concerning Quarterly Residential Bulk Waste Service, Household Hazardous Waste Events and Electronic Recycling Events. At least 30 days before each scheduled: (i) Quarterly Residential Bulk Waste Service, (ii) Household Hazardous Waste Event and (iii) Electronic Recycling Event, Contractor will provide a pamphlet (approved in writing by the Town) in the bills sent to customers in the Town setting forth, as applicable: (i) the routes and schedule for the Quarterly Residential Bulk Waste Service pickup, (ii) Household Hazardous Waste Event date, time and locations, and (iii) Electronic Recycling Event date time and location, together with requirements, limitation and answers to frequently asked questions related thereto. The same information shall be conspicuously and continuously posted on the Contractors website and on its billing page for customers within the Town.

3. Customer Dispute. In case of a bill dispute, the Contractor must respond to a written complaint from a resident within 15 days.

4. Refunds. Refund checks will be issued promptly, but no later than the next billing cycle following resolution of the request or 30 days, whichever

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

is earlier. Credits for service will be issued no later than the next billing cycle following the determination that a credit is warranted.

5. Individual Rights. Contractor shall not deny service, deny access, or otherwise discriminate against citizens on the basis of race, color, religion, national origin, sex, age, or disability. Contractor shall comply at all times with all other applicable federal, state, and local laws and regulations, and as amended from time to time, relating to nondiscrimination.

6. Equal Opportunity. Contractor shall strictly adhere to applicable equal employment opportunity requirements of federal, state, and local regulations as amended from time to time.

7. Protection of Privacy.

a. At the time of delivery of the Carts to a Residential Service Unit and at least once a year thereafter, Contractor shall provide notice in the form of a separate, written statement to each Residential Service Unit that clearly and conspicuously informs the occupant of:

(1) The nature of personally identifiable information collected or to be collected and the nature of the use of such information.

(2) The nature, frequency, and purpose of any disclosure which may be made of such information, including any identification of the types of persons to whom the disclosure may be made.

(3) The period during which such information will be maintained by the Contractor.

(4) The times and place at which the Customer may have access to such information in accordance with subsection 14.2(A)(7)(e) below.

(5) The limitations provided by this Section with respect to the collection and disclosure of information by Contractor and the right of the Customer to enforce such limitations.

b. For purposes of the subsection, the term "personally identifiable information" does not include any record aggregate data which does not identify particular persons.

c. Except as provided in herein, Contractor shall not disclose personally identifiable information concerning any customer without the prior written or electronic consent of the customer concerned.

d. Contractor may disclose such information if the disclosure is:

(1) Necessary to render, or conduct a legitimate business activity related to Services provided by the Contractor to the customer.

(2) Made pursuant to a court order authorizing such disclosure, if the customer is notified of such order by the person to whom the order is directed.

e. A customer shall be provided, free of charge, access to all personally identifiable information regarding that customer which is collected and maintained by Contractor. Such information shall be made available to the customer at reasonable times and at a convenient place designated by Contractor. A customer shall be provided reasonable opportunity to correct any error in such information.

f. Contractor shall destroy personally identifiable information if the information is no longer necessary for the purpose for which it was collected and there are no pending request or orders for access to such information under subsection 14.2(A)(7)(e) or pursuant to a court order.

8. Collection Matters. Contractor shall establish a procedure for addressing delinquent accounts and shall be solely responsible for courteous resolution of any collection matters. The Contractor shall be permitted to pick up the Solid Waste Cart, Recycling Cart and Green Waste Cart from any Residential Service Unit for which fees for service have become delinquent by more than 60 days after the first notice of delinquency by the Contractor to the customer. The Contractor shall not receive any payment from the Town on account of excessive delinquencies.

B. Recycling Facilities Processing and Marketing Services. Contractor shall submit a monthly bill on or before the 15th day of each month to the Town for all services performed during the immediate prior calendar month. Contractor shall ensure that each bill (1) describes services provided to the Town, (2) includes all charges for the prior month, and (3) includes any other information the Town requests. Contractor shall bill Town in accordance with the Rate Structure established on Form 5 and as may subsequently be adjusted as set forth in this Agreement.

14.3 Town Payment to Contractor.

A. Town Facility Solid Waste Collection Services. Town shall pay Contractor for Town Facility Solid Waste Collection Services at the rates set forth on Form 6.1 in an amount equal to the Town's authorized Town Facility Solid Waste Collection Services minus any disputed amounts and minus any liquidated damages.

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

B. Town Facility Recycling Collection Services. Town shall pay Contractor for Town Facility Recycling Collection Services at the rates set forth on Form 6.2 in an amount equal to Town's authorized Town Facility Recycling Collection Services minus any disputed amounts and minus any liquidated damages.

14.4 Payment for Variance; Inspections. For the duration of this Agreement, Contractor shall be solely responsible for the costs associated with the request for and issuance of a variance by the Maricopa County Environmental Services Division with respect to services to be provided pursuant to this Agreement. Contractor shall also be responsible for conducting any inspections required as a condition upon the Town's variance. Contractor shall provide the Town with (A) quarterly reports detailing the inspections completed and (B) other such information or reports as may be requested by the Town from time to time to comply with the requirements of the variance.

14.5 Annual Rate Adjustments. All costs proposed in Forms 5, 6, 7 and 8 (inclusive) shall remain fixed from the execution of this Agreement through June 30, 20____. Thereafter the costs shall be adjusted as set forth in Exhibit B, unless otherwise agreed to in writing by the Town. .

15. Public Education Activities. Contractor shall provide the following services associated with public education notices at no cost to the Town or the customer. Contractor will at no time place public education notices inside customers' mailboxes. Contractor shall not distribute any public education notices to Residential Service Units within the Service Area without written approval from Contract Administrator.

15.1 Distribution of Program Introduction Notice. Contractor shall distribute, at Contractor's own expense, a program introduction notice for each Residential Service Unit for which Contractor delivers a Cart. The program introduction notice shall be delivered to each Residential Service Unit twice before Collection begins. Contractor shall deliver the first notice via first class mail not later than 60 days prior to the Commencement Date. Thereafter, Contractor shall attach a program introduction notice via a non-adhesive means to each Cart delivered to a customer or picked up by a customer at the Contractor's office.

15.2 Development, Printing and Distribution of Improper Set-out Notice. Contractor shall develop, print and distribute, at Contractor's own expense, an improper set-out notice. The improper set-out notice shall be approved by the Town and shall include one original with two copies. The improper set-out notice shall include (A) the date (B) reason for non-Collection and (C) Contractor's customer service telephone number and (D) any other information the Town requests. Contractor shall attach the original improper set-out notice via a non-adhesive means to the handle of the Cart. Contractor shall take a digital photo of set-out that receives an improper set-out notice. Contractor shall maintain copies of improper set-out notices and digital photos in a format that enables Contractor to immediately retrieve a requested notice or photo by address. Contractor shall provide a monthly report of improper set-out notices as set forth in this Agreement.

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

16. Ownership of Solid Waste and Program Recyclables. Title to Solid Waste, including Bulk Waste, shall pass to the Contractor once the Contractor takes possession of the materials at the Residential Service Unit. Title to Program Recyclables shall remain with the Town until the Recyclable Materials are processed and sold. The risk of loss to the Recyclable Materials shall pass to Contractor at the time they are picked up by the Contractor. After the risk of loss passes to Contractor, if any Recyclable Materials are lost, damaged or scavenged, Contractor shall be liable to the Town for that sum of funds that would have been paid to the Town in accordance with the provisions of this Agreement.

17. Addition and Deletion of Recyclable Materials. The Town reserves the right to add or delete other Program Recyclables to the program or delete Recyclable Materials from the program if the contracting parties agree it is economically and technically feasible. Additional fees, if any, for recovery of additional Recoverable Materials may be negotiated and implemented as a change in service fee in an amendment to this Agreement.

18. Liquidated Damages. Contractor understands that if Contractor does not timely perform its obligations pursuant to the terms of this Agreement, Town will suffer damages which are difficult to determine and adequately specify. The acts or omissions set forth in this Section 18 shall be considered a breach of the Contract. The Contractor shall be liable for liquidated damages amount(s) upon determination of the Town that performance has not occurred consistent with the provisions of the Agreement. The Town shall notify the Contractor in writing or electronically of each act or omission in this Agreement reported to or discovered by the Town. It shall be the duty of the Contractor to take whatever steps or action may be necessary to remedy the cause of the complaint. The Contractor agrees, in addition to any other remedies available to the Town, that the Town may deduct the full amount of any damages from any payment due to the Contractor. The remedy available to the Town under this paragraph shall be in addition to all other remedies which the Town may have under law or at equity.

18.1 Missed Collection. \$25 for each Missed Collection above two misses per Collection day, to be assessed at the end of each Collection month. A Missed Collection occurs when (A) a resident reports that their material was set at the curb by 6:00 AM, Local Time and was not collected (B) the address was not reported by the Contractor as a late set-out or an improper set-out. Contractor may dispute the designation as a Missed Collection to the Contract Administrator. In the case of a dispute, the Contract Administrator's determination shall be final as to whether a set-out is a Missed Collection.

18.2 Missed Block. \$250 for each incident of the Contractor failing to pick up material on a block. A Missed Block occurs when one side of a street between cross streets or an entire cul-de-sac where residents from at least three households on that street report that they had their material out before 6:00 AM, Local Time the material was not picked up, the material was properly sorted and the address was not reported by the Contractor as a late set-out. Contractor may dispute the designation as a Missed Block to the Contract Administrator. In the case of a dispute, the Contract Administrator's determination shall be final as to whether a block is a Missed Block.

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

18.3 Less than Majority Collected. \$2,500 for each incident for failure to complete a majority (50%) of the Collections on a given day.

18.4 Failed Spill Clean-up. \$250 for each incident for failure to clean up material spilled or littered by Contractor within six hours of verbal or written notification.

18.5 Failed Vehicle Maintenance. \$100 for each incident for failure to maintain vehicle in manner which prevents nuisances such as leaky seals or hydraulics.

18.6 Failed Correction of Missed Collection. \$250 for each incident for failure or neglect to collect materials from a Missed Collection location within the amount of time specified in this Agreement.

18.7 Failed Cart Maintenance. \$100 for each incident for failure to maintain Carts or Containers in proper working order ten days after notice has been provided by the Town.

18.8 Fail to Timely Complete Reports. \$250 for each incident for failure to timely provide a complete monthly or annual report.

18.9 Failure to Return Carts. \$100 for each incident for failure to return Carts or Containers to their original locations after collection. For the purposes of this subsection, "original location" shall mean within ten feet of the location at which the Cart was placed immediately prior to the Contractor picking it up for service. Contractor shall not be penalized for any Carts returned to their original location which are subsequently moved by a third party.

18.10 Failure to Provide Updated Maps. \$50 per day for each day beyond 30 days after change in routing for failure to provide updated route maps to Town after change in routing.

18.11 Failure to leave Education Tag. \$100 for each incident for failure to leave an education tag when material that is inappropriately prepared is not collected.

18.12 Failure to Label. \$100 for each incident for distributing Carts without labels that include text and graphics depicting what materials may be placed in the containers.

18.13 Failed Customer Complaint Response. \$100 per Business Day thereafter per incident for failure to respond to any customer complaint received by the close of the following Business Day.

18.14 Failure to Document Customer Complaints. \$50 per Business Day thereafter per incident for failure to provide the Town with the required resolved customer complaint documentation.

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

18.15 Failure to Accept Materials. \$3,000 for each day for failure to be able to accept materials on any day after the date upon which service begins on which materials are to be collected.

18.16 Failed Reject Handling. \$500 for each occurrence for failure to handle Rejects in accordance with this Agreement.

18.17 Failure to meet Residue Allowance. For Failure to meet annual Residue Allowance in accordance with this Agreement: (A) \$500 for 0.01% to 5.00% over the Residue Allowance; (B) \$1,000 for 5.01% to 10.00% over the Residue Allowance; (C) \$1,500 for each 10.01% to 15.00% over the Residue Allowance; (D) \$2,000 for 15.01% to 20.00% over the Residue Allowance; and (E) \$2,500 for 20.01% or more over the Residue Allowance.

Exceptions: For the purposes of this Agreement, the Contractor shall not be deemed to be liable for penalties where its inability to perform Collection Service is the result of conditions of Force Majeure as set forth in Section 25 of this Agreement, inclement weather severe enough that trucks cannot safely take Collections, provided however, that the Contractor shall obtain the approval for the delay from the Town prior to 3:00 PM, Local Time of the scheduled Collection day.

19. Payment Withheld. In addition to express provisions elsewhere contained in this Agreement, Town may withhold from any payment otherwise due the Contractor such amount as determined necessary to protect the Town's interests on account of: (i) Unsatisfactory progress of the work not caused by condition beyond Contractor's control; (ii) Defective work not corrected; (iii) Contractor's failure to carry out instructions or orders of the Town or its representative; (iv) A reasonable doubt that the Agreement can be completed for the balance then unpaid; (v) Execution of work not in accordance with the Agreement; (vi) Claim filed by or against Contractor or reasonable evidence indicating problem filing of claims; (vii) Failure of Contractor to make payments to any subcontractor for material or labor; (viii) Damage to another contractor; (ix) Unsafe working conditions allowed to persist by Contractor; (x) Failure of Contractor to provide required reports and other reports as required by Town; (xi) Use of any subcontractors without the Town's prior, written approval; or (xii) Failure of Contractor to provide accurate invoices and supporting data as describe elsewhere in this agreement. When the foregoing defaults have been cured, payment shall be made for amounts withheld because of them and the Town shall never be liable for interest on any delayed or late payment. The Town's right to withhold payments under this Section will be reasonable in light of the nature of the claims and the amount of available insurance and performance bonds pursuant to this Agreement.

20. Performance Guaranty. Contractor shall furnish the Town with a Performance Bond covering faithful performance of this Agreement. The bond shall be submitted within 45 days following the Effective Date, but in no event later than the Commencement Date. The Bond shall be in an amount not less than annual value of this Agreement and in the form approved by the Town Attorney. The term of the Bond shall be not less than one year beginning on the Commencement Date. The Contractor shall furnish the Town with a renewal of the Bond for an additional term of not less than one year from the expiration date of the Bond then in

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

effect for each year this Agreement is in effect. The renewal of the Bond shall be submitted at least 30 days prior to the expiration date of the Bond then in effect. Notwithstanding the foregoing, the Surety shall not be obligated to renew the Performance Bond for any successive year. Non-renewal shall not be construed as a default by the Contractor under the bond and shall not be actionable under any bond provided. The Performance Bond shall be limited to one and only one surety which shall be issued by a Surety Company authorized to do business in the State of Arizona and have A.M. Best rating of "A" or better and the "T" Underwriting limitation is not exceeded by this Bond.

21. Taxes. Contractor shall be responsible for and shall pay all sales, consumer, use and other taxes. When equipment, materials or supplies generally taxable to the Contractor are eligible for a tax exemption due to the nature of the item, Contractor shall assist Town in applying for and obtaining such tax credits and exemptions which shall be paid or credited to Town.

22. Compliance with Laws and Regulations. The Contractor shall keep fully informed and shall at all times during the performance of its duties under this Agreement ensure that it and any person for whom the Contractor is responsible remains in compliance with all rules, regulations, ordinances, statutes or laws affecting the Services including the following: (i) existing and future Town and County ordinances and regulations, (ii) existing and future State and Federal laws, (iii) existing and future Occupational Safety and Health Administration ("OSHA") standards, (iv) applicable laws, statutes, codes, rules and regulations related to or prohibiting discrimination in employment in the performance of its work under this Agreement and (v) requirements as established by the Congress of the United States in the Fair Labor Standards Act, as amended from time to time.

23. Town Inspection Rights.

23.1 Town's Right to Inspect Records, Books, Data and Documents. The Town or any of its duly authorized representatives shall have access, within 24 hours of notification, to all books, records, data and documents of the Contractor for inspection and audit, at Town's expense. Additionally, the Contractor shall give the Town written notice of any other professional relationships it enters into with the Town or any of its agencies or component units during the period of this Agreement.

23.2 Town's Rights to Inspect Facilities and Equipment. The Town or any of its duly authorized representatives shall have access, within 24 hours of notification, to inspect Contractor's facilities, including the Disposal Facility and Recycling Facility if operated by the Contractor, and equipment and perform such inspections, as Town deems reasonably necessary, to determine whether the services required to be provided by Contractor under this Agreement conform to the terms hereof and/or the terms of this Agreement. Town shall conduct the inspection of facilities and equipment during hours of operation. Contractor shall make available to Town all reasonable facilities and assistance to facilitate the performance of inspections by Town's representatives.

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

24. Dispute Resolution.

24.1 Interpretation of Agreement. Except as provided otherwise in this Agreement and to the extent permitted by law, the Contract Administrator shall be responsible for interpreting this Agreement to resolve disputes that may arise hereunder. The parties agree that any decision rendered by the Contract Administrator in connection with such matters shall be final and binding upon Contractor, the customer and the Town.

24.2 Definition of Claim. As used herein "claim" means a written demand or assertion by one of the parties seeking, as a legal right, the payment of money, adjustment or interpretation of the Agreement terms, or other relief, arising under or relating to this Agreement. A voucher, invoice, or request for payment that is not in dispute when submitted is not a claim under this subsection. However, where the submission is subsequently not acted upon in a reasonable time, or disputed either as to liability or amount, it may be converted to a claim for the purpose of this subsection. A claim by the Contractor shall be made in writing and submitted to the Contract Administrator. When a controversy cannot be resolved by mutual agreement, the Contractor shall submit a written request for final decision to the Contract Administrator. The written request shall set forth all the facts surrounding the controversy.

24.3 Process for Dispute Resolution. In connection with any claim under this clause, the Contractor, at the discretion of the Contract Administrator, may be afforded an opportunity to be heard and to offer evidence in support of its claim. The Contract Administrator shall render a written decision on all claims within 30 Business Days of receipt of the Contractor's written claim, unless the Contract Administrator determines that a longer period is necessary to resolve the claim. The decision shall be furnished to the Contractor by certified mail, return receipt requested, or by any other method that provides evidence of receipt. If a decision is not issued within 30 calendar days, the Contract Administrator shall notify the Contractor of the time within which a decision shall be rendered and the reasons for such time extension. The Contract Administrator's decision shall be final and conclusive. Pending resolution of a claim, the Contractor shall proceed diligently with the performance of the Agreement in accordance with subsection 24.4 below.

24.4 Operations during Dispute. In the event that any dispute arises between Town and Contractor relating to this Agreement performance or compensation hereunder, Contractor shall continue to render service and receive compensation in full compliance with all terms and conditions of this Agreement as interpreted, in good faith, by the Town, regardless of such dispute. The Contractor expressly recognizes the paramount right and duty of Town to provide adequate services to its residents and further agrees, in consideration of the execution of this Agreement, that in the event of such a dispute, if any, it will not seek injunctive relief in any court without first negotiating with Town in good faith for an adjustment on the matter or matters in dispute and, upon failure of said negotiations to resolve the dispute shall present the matter to mediation in the courts of Arizona. If mediation fails, Contractor shall present the matter to a court in Arizona. Notwithstanding the other provisions in this subsection, Town reserves the right to terminate this Agreement at any time whenever the service provided by Contractor fails to meet reasonable standards of the trade, after Town provides written notice to Contractor pursuant to Section 28 of this Agreement. Upon termination, Town may call the performance

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

bond and apply the cash and surety bond for the cost of service in excess of that charged to Town by the firm engaged for the balance of the Agreement period.

25. Force Majeure. Except for any payment obligation by either party, if the Town or Contractor is unable to perform or is delayed in its performance of any of its obligations under this Agreement by reason of any event of force majeure, such inability or delay shall be excused at any time during which compliance therewith is prevented by such event and during such period thereafter as may be reasonably necessary for the Town or Contractor to correct the adverse effect of such event of force majeure. An event of "Force Majeure" shall mean the following events or circumstances to the extent that they delay the Town or Contractor from performing any of its obligations (other than payment obligations) under this Agreement: acts of God, tornadoes, hurricanes, floods, sinkholes, fires and explosions (except those caused by negligence of Contractor, its agents and assigns), landslides, earthquakes, epidemics, quarantine, pestilence and extremely abnormal and excessively inclement weather, acts of public enemy, acts of war, terrorism, effects of nuclear radiation, blockades, insurrection, riots, civil disturbances or national or international calamities, suspension, termination or interruption of utilities necessary to the operation of either the Disposal Facility or the Recycling Facility. In order to be entitled to the benefit of this Section, a party claiming an event of Force Majeure shall be required to give prompt written notice to the other party specifying in detail the event of Force Majeure and shall further be required to use its best efforts to cure the event of Force Majeure.

26. Indemnification. To the fullest extent permitted by law, the Contractor, as Indemnitor, shall indemnify, defend and hold Town, its officers, officials, employees, agents and volunteers ("Indemnitees") harmless from and against any and all liability, claims, losses, suits, actions, damages and expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation (collectively "Claims")) for any personal injury, bodily injury, loss of life or loss or damage to property or any violation of any Federal, state or local law or ordinance or other cause related to or arising out of Contractor's performance of its obligations pursuant to the terms of this Agreement, caused, in whole or in part by the negligent or intentional acts or omissions of Contractors, its owners, officers, directors, employees, subcontractors or agents or on account of the performance or character of this Agreement. This indemnity includes any claim or amount arising out of or recovered under the Workers Compensation Law or arising out of the failure of Indemnitor to conform to any Federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnatee shall, in all instances except for Claims arising solely from the negligent or willful acts or omissions of the Indemnatee, be indemnified by Indemnitor from and against any and all Claims. It is agreed that Contractor will be responsible for primary loss investigation defense and judgment costs where this indemnification is applicable. The amount and type of insurance coverage requirements set forth below will in no way be construed as limiting the scope of the indemnity in this Section.

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

27. Insurance.

27.1 General.

A. Insurer Qualifications. Without limiting any obligations or liabilities of Contractor, Contractor shall purchase and maintain, at its own expense, hereinafter stipulated minimum insurance with insurance companies duly licensed by the State of Arizona with an AM Best, Inc. rating of A- or above with policies and forms satisfactory to the Town. Failure to maintain insurance as specified herein may result in termination of this Agreement at the Town's option.

B. No Representation of Coverage Adequacy. By requiring insurance herein, the Town does not represent that coverage and limits will be adequate to protect Contractor. The Town reserves the right to review any and all of the insurance policies and/or endorsements cited in this Agreement but has no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements set forth in this Agreement or failure to identify any insurance deficiency shall not relieve Contractor from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Agreement.

C. Additional Insured. All insurance coverage and self-insured retention or deductible portions, except Workers' Compensation insurance and Professional Liability insurance, if applicable, shall name, to the fullest extent permitted by law for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, directors, officials and employees as Additional Insured as specified under the respective coverage sections of this Agreement.

D. Coverage Term. All insurance required herein shall be maintained in full force and effect until all work or services required to be performed under the terms of this Agreement are satisfactorily performed, completed and formally accepted by the Town, unless specified otherwise in this Agreement.

E. Primary Insurance. Contractor's insurance shall be primary insurance with respect to performance of this Agreement and in the protection of the Town as an Additional Insured.

F. Waiver. All policies, except for Professional Liability, including Workers' Compensation insurance, shall contain a waiver of rights of recovery (subrogation) against the Town, its agents, representatives, officials, officers and employees for any claims arising out of the work or services of Contractor. Contractor shall arrange to have such subrogation waivers incorporated into each policy via formal written endorsement thereto.

G. Policy Deductibles and/or Self-Insured Retentions. The policies set forth in these requirements may provide coverage that contains deductibles or self-insured retention amounts. Such deductibles or self-insured retention shall not be applicable with respect

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

to the policy limits provided to the Town. Contractor shall be solely responsible for any such deductible or self-insured retention amount.

H. Use of Subcontractors. If any work under this Agreement is subcontracted in any way, Contractor shall execute written agreements with its subcontractors containing the indemnification provisions set forth in this Section and insurance requirements set forth herein protecting the Town and Contractor. Contractor shall be responsible for executing any agreements with its subcontractors and obtaining certificates of insurance verifying the insurance requirements.

I. Evidence of Insurance. Prior to commencing any work or services under this Agreement, Contractor will provide the Town with suitable evidence of insurance in the form of certificates of insurance and a copy of the declaration page(s) of the insurance policies as required by this Agreement, issued by Contractor's insurance insurer(s) as evidence that policies are placed with acceptable insurers as specified herein and provide the required coverages, conditions and limits of coverage specified in this Agreement and that such coverage and provisions are in full force and effect. Confidential information such as the policy premium may be redacted from the declaration page(s) of each insurance policy, provided that such redactions do not alter any of the information required by this Agreement. The Town shall reasonably rely upon the certificates of insurance and declaration page(s) of the insurance policies as evidence of coverage but such acceptance and reliance shall not waive or alter in any way the insurance requirements or obligations of this Agreement. In the event any insurance policy required by this Agreement is written on a "claims made" basis, coverage shall extend for two years past completion of the Services and the Town's acceptance of the Contractor's work or services and as evidenced by annual certificates of insurance. If any of the policies required by this Agreement expire during the life of this Agreement, it shall be Contractor's responsibility to forward renewal certificates and declaration page(s) to the Town 30 days prior to the expiration date. All certificates of insurance and declarations required by this Agreement shall be identified by referencing the RFP number and title or this Agreement. Additionally, certificates of insurance and declaration page(s) of the insurance policies submitted without referencing the appropriate RFP number and title or reference to this Agreement, as applicable, will be subject to rejection and may be returned or discarded. Certificates of insurance and declaration page(s) shall specifically include the following provisions:

1. The Town, its agents, representatives, officers, directors, officials and employees are Additional Insureds as follows:

- a. Commercial General Liability - Under Insurance Services Office, Inc., ("ISO") Form CG 20 10 03 97 or equivalent.
- b. Auto Liability - Under ISO Form CA 20 48 or equivalent.
- c. Excess Liability - Follow Form to underlying insurance.

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

2. Contractor's insurance shall be primary insurance as respects performance of the Agreement.

3. All policies, except for Professional Liability, including Workers' Compensation, waive rights of recovery (subrogation) against Town, its agents, representatives, officers, officials and employees for any claims arising out of work or services performed by Contractor under this Agreement.

4. A 30-day advance notice cancellation provision. If ACORD certificate of insurance form is used, the phrases in the cancellation provision "endeavor to" and "but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives" shall be deleted. Certificate forms other than ACORD form shall have similar restrictive language deleted.

27.2 Required Insurance Coverage.

A. Commercial General Liability. Contractor shall maintain "occurrence" form Commercial General Liability insurance with an unimpaired limit of not less than \$3,000,000 for each occurrence, \$5,000,000 Products and Completed Operations Annual Aggregate and a \$5,000,000 General Aggregate Limit. The policy shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury. Coverage under the policy will be at least as broad as ISO policy form CG 00 010 93 or equivalent thereof, including but not limited to, separation of insured's clause. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, officials and employees shall be cited as an Additional Insured under ISO, Commercial General Liability Additional Insured Endorsement form CG 20 10 03 97, or equivalent, which shall read "Who is an Insured (Section II) is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of "your work" for that insured by or for you." If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.

B. Vehicle Liability. Contractor shall maintain Business Automobile Liability insurance with a limit of \$2,000,000 each occurrence on Contractor's owned, hired and non-owned vehicles assigned to or used in the performance of the Contractor's work or services under this Agreement. Coverage will be at least as broad as ISO coverage code "1" "any auto" policy form CA 00 01 12 93 or equivalent thereof. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, directors, officials and employees shall be cited as an Additional Insured under ISO Business Auto policy Designated Insured Endorsement form CA 20 48 or equivalent. If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.

C. Professional Liability. If this Agreement is the subject of any professional services or work, or if the Contractor engages in any professional services or work adjunct or residual to performing the work under this Agreement, the Contractor shall maintain

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

Professional Liability insurance covering negligent errors and omissions arising out of the Services performed by the Contractor, or anyone employed by the Contractor, or anyone for whose negligent acts, mistakes, errors and omissions the Contractor is legally liable, with an unimpaired liability insurance limit of \$2,000,000 each claim and \$2,000,000 annual aggregate. In the event the Professional Liability insurance policy is written on a "claims made" basis, coverage shall extend for two years past completion and acceptance of the Services and the Contractor shall be required to submit certificates of insurance and a copy of the declaration page(s) of the insurance policies evidencing proper coverage is in effect as required above.

D. Workers' Compensation Insurance. Contractor shall maintain Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction over Contractor's employees engaged in the performance of work or services under this Agreement and shall also maintain Employers Liability Insurance of not less than \$500,000 for each accident, \$500,000 disease for each employee and \$1,000,000 disease policy limit.

27.3 Cancellation and Expiration Notice. Insurance required herein shall not expire, be canceled, or materially change without 30 calendar days' prior, written notice to the Town.

28. Termination; Cancellation.

28.1 By the Town for Cause. In the event there should occur any Material Breach or Material Default in the performance of any covenant or obligation of Contractor which has not been remedied within 30 days after receipt of written notice from the Town specifying such breach or default (or such longer period of time as is reasonably necessary to cure any such breach or default which is not capable of being cured within 30 days, provided that the Contractor has undertaken the cure within such 30 days and proceeds diligently thereafter to cure in an expeditious manner; provided further that such cure period shall not exceed 90 days), the Town, may if such breach or default is continuing, terminate this Agreement upon written notice to the Contractor. The following events shall, without limitation, constitute a Material Breach or a Material Default by Contractor for purposes of this Section: (i) contractor shall abandon as hereinafter defined, the performance of Collection Services for a period of five consecutive calendar days unless caused by event of Force Majeure. As used herein, the term "abandon" shall refer to voluntary cessation of performance of Collection Service or operation of the Disposal Facility or Recycling Facility; (ii) the failure of Contractor to process Program Recyclables for a period of five consecutive calendar days at any time after the Commencement Date; (iii) if the Contractor's hazardous substance contingency plan as required by this Agreement hereof shall fail to comply with all Federal and State regulations regarding the handling of hazardous waste; (iv) the failure of Contractor to pay amounts owed to the Town under the terms of this Agreement within 14 calendar days after such amounts become finally due and payable; (v) if Contractor shall be not paying its debts when they become due; shall have filed, or consented by answer or otherwise to the following against it of, a petition for relief or reorganization and bankruptcy or insolvency law of any jurisdiction; shall make an assignment for the benefit of its creditors in lieu of taking advantage of any such bankruptcy or insolvency law; shall consent to the appointment of custodian, receiver, trustee or other officer with similar

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

powers with respect to any substantial part of its property; shall be adjudicated insolvent or shall take corporate action for the purpose of any of the forgoing; and (vi) the default by Contractor with respect to any obligation to any third party pertaining to the Contractor or to Collection Services, which may permit any third party, either immediately or following notice and/or the passage of time to accelerate the maturity of any obligation of the Contractor, to assume control of the Contractor or take possession of or to transfer or caused to be transferred to any third party any portion of the assets of the Contractor, but only if such default materially interferes with or prevents Contractor's performance under the terms of this Agreement.

A. Failure to Cure. If the Contractor shall fail to cure its Breach or Default as specified in this Section, the Town may terminate this Agreement upon ten days written notice. In such case, the Contractor shall not be entitled to receive further payment for services rendered from the effective date of the notice of termination.

B. Notice of Termination. Upon receipt of Notice of Termination, Contractor shall promptly discontinue all affected work unless the Notice of Termination directs otherwise, deliver or otherwise make available to Town all data, drawings, specifications, reports, estimates, summaries, such other information as may have been required under the terms of Agreement whether completed or in process.

C. Town's Right to Mitigate. In addition, Town may enter into a separate contract for the completion of the Agreement, according to its terms and provisions, or use such other methods as in Town's sole opinion shall be required for the completion of the Agreement. All damages, costs and charges incurred by Town, together with the cost of completing the terms and provisions of the Agreement, shall be deducted from any monies due or which may become due to Contractor. In case the damages and expenses so incurred by Town shall exceed the unpaid balance, then Contractor shall be liable and shall pay to Town the amount of such excess.

D. Contractor Not in Breach. If after Notice of Termination it is determined for any reason that Contractor was not in Breach or Default, then the rights and obligations of the Town and the Contractor shall be the same as if the Notice of Termination had not been issued pursuant to the termination for cause clause as set forth in paragraph 1 of this Section.

28.2 For Town's Convenience. This Agreement is for the convenience of the Town and, as such, may be terminated without cause after receipt by Contractor of written notice by the Town. In such instance, an adjustment shall be made to the Contractor, for the reasonable costs of the work performed through the date of termination. Termination costs do not include lost profits, consequential damages, delay damages, unabsorbed or under absorbed overhead of the Contractor or its subcontractors and/or failure to include termination for convenience clause into its subcontracts and material purchase orders shall not expose the Town to liability for lost profits in conjunction with a termination for convenience settlement or equitable adjustment. Contractor expressly waives any claims for lost profit or consequential damages, delay damages, or indirect costs which may arise from the Town's election to terminate this contract in whole or in part for its convenience.

28.3 Due to Work Stoppage. This Agreement may be terminated by the Town upon 30 days' written notice to Contractor in the event that the Services are permanently abandoned. In the event of such termination due to work stoppage, payment shall be made by the Town to the Contractor for the undisputed portion of its fee due as of the termination date.

28.4 Conflict of Interest. This Agreement is subject to the provisions of ARIZ. REV. STAT. § 38-511. The Town may cancel this Agreement without penalty or further obligations by the Town or any of its departments or agencies if any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of the Town or any of its departments or agencies 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 Town or a consultant to any other party of the Agreement with respect to the subject matter of the Agreement.

28.5 Gratuities. The Town may, by written notice to the Contractor, cancel this Agreement if it is found by the Town that gratuities, in the form of economic opportunity, future employment, entertainment, gifts or otherwise, were offered or given by the Contractor or any agent or representative of the Contractor to any officer, agent or employee of the Town for the purpose of securing this Agreement. In the event this Agreement is cancelled by the Town pursuant to this provision, the Town shall be entitled, in addition to any other rights and remedies, to recover or withhold from the Contractor an amount equal to 150% of the gratuity.

28.6 Agreement Subject to Appropriation. The provisions of this Agreement for payment of funds by the Town shall be effective when funds are appropriated for purposes of this Agreement and are actually available for payment. The Town shall be the sole judge and authority in determining the availability of funds under this Agreement and the Town shall keep the Contractor fully informed as to the availability of funds for the Agreement. The obligation of the Town to make any payment pursuant to this Agreement is a current expense of the Town, payable exclusively from such annual appropriations and is not a general obligation or indebtedness of the Town. If the Town Council fails to appropriate money sufficient to pay the amounts as set forth in this Agreement during any immediately succeeding fiscal year, this Agreement shall terminate at the end of then-current fiscal year and the Town and the Contractor shall be relieved of any subsequent obligation under this Agreement.

28.7 By Contractor For Cause. In the event there should occur any Material Breach or Material Default in the performance of any covenant or obligation of Town which has not been remedied within 30 days after receipt of written notice from the Contractor specifying such breach or default (or such longer period of time as is reasonably necessary to cure any such breach or default which is not capable of being cured within 30 days, provided that the Town has undertaken the cure within such 30 days and proceeds diligently thereafter to cure in an expeditious manner), the Contractor, may if such breach or default is continuing, terminate this Agreement upon written notice to the Town. The following events shall, without limitation, constitute a Material Breach or a Material Default by Town for purposes of this Section: (i) The failure of Town to pay amounts owed to the Contractor under the terms of this Agreement within 45 days after such amounts become finally due and payable or (ii) If Town shall have filed, or

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

consented by answer or otherwise to the following against it of, a petition for relief or reorganization and bankruptcy or insolvency law of any jurisdiction; shall make an assignment for the benefit of its creditors in lieu of taking advantage of any such bankruptcy or insolvency law; shall consent to the appointment of custodian, receiver, trustee or other officer with similar powers with respect to any substantial part of its property; shall be adjudicated insolvent or shall take official action for the purpose of any of the foregoing.

A. Failure to Cure. If Town shall fail to cure its Breach or Default as specified in subsection 28.7 hereof, the Contractor may terminate this Agreement upon ten days written notice. In such case, the Town shall not be entitled to receive further payment from the Contractor from the effective date of the Notice of Termination.

B. Damages. All damages, costs and charges incurred by Contractor, together with the cost of completing the terms and provisions of the Agreement, shall be deducted from any monies due or which may become due to Town. In case the damages and expenses so incurred by Contractor shall exceed the unpaid balance, then Town shall be liable and shall pay to Contractor the amount of such excess.

29. Miscellaneous.

29.1 Survival. Any rights either party may have in the event it terminates this Agreement pursuant to the terms hereof shall survive such termination.

29.2 Joint Preparation. The preparation of this Agreement has been a joint effort of the parties and the resulting document shall not, solely as a matter of judicial construction, be construed more severely against one of the parties than the other.

29.3 Further Assurance. Contractor and Town agree to execute, acknowledge and deliver and cause to be done, executed, acknowledged and delivered all such further documents and perform such acts as shall reasonably be requested of it in order to carry out this Agreement and give effect hereto. Accordingly, without in any manner limiting the specific rights and obligations set forth in this Agreement, the parties declare their intention to cooperate with each other in effecting the terms of this Agreement.

29.4 Time of the Essence. For purposes herein, the parties agree that time shall be of the essence of this Agreement and the representations and warranties made are all material and of the essence of this Agreement.

29.5 Captions and Section Headings. Captions and section headings contained in this Agreement are for convenience and reference only and in no way define, describe, extend, or limit the scope or intent of this Agreement, nor the intent of any provision hereof.

29.6 No Waiver. No waiver of any provision in this Agreement shall be effective unless it is in writing, signed by the party against whom it is asserted and any such written waiver shall only be applicable to the specific instance to which it relates and shall not be deemed to be a continuing or future waiver.

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

29.7 Exhibits. All Exhibits attached hereto contain additional terms of this Agreement and are incorporated into this Agreement by reference.

29.8 Independent Contractor. The Contractor acknowledges and agrees that the Services provided under this Agreement are being provided as an independent contractor, not as an employee or agent of the Town. Contractor, its employees and subcontractors are not entitled to workers' compensation benefits from the Town. The Town does not have the authority to supervise or control the actual work of Contractor, its employees or subcontractors. The Contractor and not the Town, shall determine the time of its performance of the services provided under this Agreement so long as Contractor meets the requirements of its agreed scope of work. Contractor is neither prohibited from entering into other contracts nor prohibited from practicing its profession elsewhere. Town and Contractor do not intend to nor will they combine business operations under this Agreement.

29.9 Amendments. This Agreement may be modified only by a written amendment signed by persons duly authorized to enter into contracts on behalf of the Town and the Contractor.

29.10 Provisions Required by Law. Each and every provision of law and any clause required by law to be in the Agreement will be read and enforced as though it were included herein and, if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party, the Agreement will promptly be physically amended to make such insertion or correction.

29.11 Severability. In the event that any provision of this Agreement shall, for any reason, be determined to be invalid, illegal, or unenforceable in any respect by a Court of competent jurisdiction, the parties hereto shall negotiate in good faith and agree to such amendments, modifications, or supplements of or to this Agreement or such other appropriate actions as shall, to the maximum extent practicable in light of such determination, implement and give effect to the intentions of the parties as reflected herein and the other provisions of this Agreement shall, as so amended, modified, or supplemented, or otherwise affected by such action remain in full force and effect.

29.12 Entire Agreement; Interpretation; Parol Evidence. This Agreement represents the entire agreement of the parties with respect to its subject matter and all previous agreements, whether oral or written, entered into prior to this Agreement are hereby revoked and superseded by this Agreement. No representations, warranties, inducements or oral agreements have been made by any of the parties except as expressly set forth herein, or in any other contemporaneous written agreement executed for the purposes of carrying out the provisions of this Agreement. This Agreement shall be construed and interpreted according to its plain meaning and no presumption shall be deemed to apply in favor of, or against the party drafting the Agreement. The parties acknowledge and agree that each has had the opportunity to seek and utilize legal counsel in the drafting of, review of and entry into this Agreement.

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

29.13 Assignment. No right or interest in this Agreement shall be assigned by Contractor without prior, written permission of the Town signed by the Town Manager and no delegation of any duty of Contractor shall be made without prior, written permission of the Town signed by the Town Manager. Any attempted assignment or delegation by Contractor in violation of this provision shall be a breach of this Agreement by Contractor. This Agreement and the rights and obligation contained herein shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

29.14 Subcontracts. This Agreement and any permits required for performance of the Agreement may not be assigned, subcontracted, conveyed, or otherwise disposed of without the prior, written approval of the Town, which will not be unreasonably withheld. No such assignment or subcontracting shall relieve Contractor of its liability under this Agreement. In the event Contractor elects to use any subcontractors, this does not relieve Contractor from any prime responsibility of full and complete satisfactory and acceptable performance under any awarded Agreement. However, the Agreement may be assigned for the purpose of financing after notification of the terms of such assignment to the Town Manager or authorized designee.

29.15 Rights and Remedies. No provision in this Agreement shall be construed, expressly or by implication, as waiver by the Town of any existing or future right and/or remedy available by law in the event of any claim of default or breach of this Agreement. The failure of the Town to insist upon the strict performance of any term or condition of this Agreement or to exercise or delay the exercise of any right or remedy provided in this Agreement, or by law, or the Town's acceptance of and payment for services, shall not release the Contractor from any responsibilities or obligations imposed by this Agreement or by law and shall not be deemed a waiver of any right of the Town to insist upon the strict performance of this Agreement.

29.16 Attorneys' Fees. In the event either party brings any action for any relief, declaratory or otherwise, arising out of this Agreement or on account of any breach or default hereof, the prevailing party shall be entitled to receive from the other party reasonable attorneys' fees and reasonable costs and expenses, determined by the court sitting without a jury, which shall be deemed to have accrued on the commencement of such action and shall be enforced whether or not such action is prosecuted through judgment.

29.17 Liens. All materials or services shall be free of all liens and, if the Town requests, a formal release of all liens shall be delivered to the Town.

29.18 Offset.

A. Offset for Damages. In addition to all other remedies at law or equity, the Town may offset from any money due to the Contractor any amounts Contractor owes to the Town for damages resulting from breach or deficiencies in performance or breach of any obligation under this Agreement.

B. Offset for Delinquent Fees or Taxes. The Town may offset from any money due to the Contractor any amounts Contractor owes to the Town for delinquent fees, transaction privilege taxes and property taxes, including any interest or penalties.

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

29.19 Notices and Requests. Unless a specific time frame for notice is otherwise specifically set forth in this Agreement (including, but not limited to Subsections 5.3, 5.4, 6.1, 9.4, 23.1, 25 and 29.21), any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if: (A) delivered to the party at the address set forth below; (B) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below; (C) given to a recognized and reputable overnight delivery service, to the address set forth below ;or (D) delivered by e-mail transmission, with receipt confirmation, to the e-mail address set forth below:

If to the Town: Town of Fountain Hills
 16705 East Avenue of the Fountains
 Fountain Hills, Arizona 85268
 E-mail: [gmiller@fh.az.gov](mailto:gmillers@fh.az.gov)
 Attn: Grady Miller, Town Manager

With copy to: Dickinson Wright PLLC.
 1850 N. Central Ave., Suite 1400
 Phoenix, Arizona 85004
 E-mail: sholcomb@dickinsonwright.com
 Attn: Scott Holcomb

If to Contractor: _____

 E-mail: _____
 Attn: _____

or at such other address and to the attention of such other person or officer, as any party may designate in writing by notice duly given pursuant to this subsection. Notices shall be deemed received (A) when delivered to the party, (B) three Business Days after being placed in the U.S. Mail, properly addressed, with sufficient postage, (C) the following Business Day after being given to a recognized overnight delivery service, with the person giving the notice paying all required charges and instructing the delivery service to deliver on the following Business Day, or (D) when received by facsimile transmission during the normal business hours of the recipient. If a copy of a notice is also given to a party's counsel or other recipient, the provisions above governing the date on which a notice is deemed to have been received by a party shall mean and refer to the date on which the party and not its counsel or other recipient to which a copy of the notice may be sent, is deemed to have received the notice.

29.20 Confidentiality of Records. The Contractor shall establish and maintain procedures and controls that are acceptable to the Town for the purpose of ensuring that information contained in its records or obtained from the Town or from others in carrying out its obligations under this Agreement shall not be used or disclosed by it, its agents, officers, or employees, except as required to perform Contractor's duties under this Agreement. Persons requesting such information should be referred to the Town. Contractor also agrees that any

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

information pertaining to individual persons shall not be divulged other than to employees or officers of Contractor as needed for the performance of duties under this Agreement.

29.21 Records and Audit Rights. Contractor's and its subcontractor's books, records, correspondence, accounting procedures and practices and any other supporting evidence relating to this Agreement, including the papers of any Contractor and its subcontractors' employees who perform any work or Services pursuant to this Agreement to ensure that the Contractor and its subcontractors are complying with the warranty under subsection 29.22 below (all the foregoing hereinafter referred to as "Records"), shall be open to inspection and subject to audit and/or reproduction during normal working hours by the Town, to the extent necessary to adequately permit (A) evaluation and verification of any invoices, payments or claims based on Contractor's and its subcontractors' actual costs (including direct and indirect costs and overhead allocations) incurred, or units expended directly in the performance of work under this Agreement and (B) evaluation of the Contractor's and its subcontractors' compliance with the Arizona employer sanctions laws referenced in subsection 29.22 below. To the extent necessary for the Town to audit Records as set forth in this subsection, Contractor and its subcontractors hereby waive any rights to keep such Records confidential. For the purpose of evaluating or verifying such actual or claimed costs or units expended, the Town shall have access to said Records, even if located at its subcontractors' facilities, from the effective date of this Agreement for the duration of the work and until three years after the date of final payment by the Town to Contractor pursuant to this Agreement. Contractor and its subcontractors shall provide the Town with adequate and appropriate workspace so that the Town can conduct audits in compliance with the provisions of this subsection. The Town shall give Contractor or its subcontractors reasonable advance notice of intended audits. Contractor shall require its subcontractors to comply with the provisions of this subsection by insertion of the requirements hereof in any subcontract pursuant to this Agreement.

29.22 E-verify Requirements. To the extent applicable under ARIZ. REV. STAT. § 41-4401, the Contractor and its subcontractors warrant compliance with all Federal immigration laws and regulations that relate to their employees and compliance with the E-verify requirements under ARIZ. REV. STAT. § 23-214(A). Contractor's or its subcontractor's failure to comply with such warranty shall be deemed a material breach of this Agreement and may result in the termination of this Agreement by the Town.

29.23 Scrutinized Business Operations. Pursuant to ARIZ. REV. STAT. §§ 35-391.06 and 35-393.06, the Contractor certifies that it does not have scrutinized business operations in Sudan or Iran. For the purpose of this subsection the term "scrutinized business operations" shall have the meanings set forth in ARIZ. REV. STAT. § 35-391 or 35-393, as applicable. If the Town determines that the Contractor submitted a false certification, the Town may impose remedies as provided by law including terminating this Agreement pursuant to subsection 28.1 above.

29.24 Conflicting Terms. In the event of any inconsistency, conflict or ambiguity among the Agreement, the Scope of Work, the Fee Proposal, the RFP and the Contractor's Proposal, the documents shall govern in the order listed herein.

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

29.25 Applicable Law; Venue. This Agreement shall be governed by the laws of the State of Arizona and suit pertaining to this Agreement may be brought only in courts in the State of Arizona, Maricopa County.

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

“Town”

“Contractor”

TOWN OF FOUNTAIN HILLS, an Arizona
municipal corporation

_____,
a(n) _____

_____, Mayor

By: _____

ATTEST:

Name: _____

Bevelyn J. Bender, Town Clerk

Its: _____

APPROVED AS TO FORM:

Attorneys for the Town of Fountain Hills

**SECTION B
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

(ACKNOWLEDGEMENTS)

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

This instrument was acknowledged before me on _____, 2018,
by _____, the Mayor of the TOWN OF FOUNTAIN HILLS, an Arizona municipal
corporation, on behalf of the Town of Fountain Hills.

Notary Public in and for the State of Arizona

My Commission Expires:

STATE OF _____)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me on _____, 2018,
by _____ as _____ of _____
_____, a(n) _____, on behalf of the corporation.

Notary Public in and for the State of _____

My Commission Expires:

EXHIBIT B
TO
SOLID WASTE SERVICES AGREEMENT
BETWEEN
THE TOWN OF FOUNTAIN HILLS
AND

[Contractor's Proposal]

See following pages.

EXHIBIT A
TO
SOLID WASTE SERVICES AGREEMENT
BETWEEN
THE TOWN OF FOUNTAIN HILLS
AND

[RFP]

See following pages.

EXHIBIT C
TO
SOLID WASTE SERVICES AGREEMENT
BETWEEN
THE TOWN OF FOUNTAIN HILLS
AND

[Fee Proposal – Completed Forms 5 - 7]

See following page(s).

EXHIBIT D
TO
SOLID WASTE SERVICES AGREEMENT
BETWEEN
THE TOWN OF FOUNTAIN HILLS
AND

[Phase-in Schedule/Map]

See following page(s).

EXHIBIT E
TO
SOLID WASTE SERVICES AGREEMENT
BETWEEN
THE TOWN OF FOUNTAIN HILLS
AND

[Materials Acceptance Protocol]

See following page(s).

EXHIBIT F
TO
SOLID WASTE SERVICES AGREEMENT
BETWEEN
THE TOWN OF FOUNTAIN HILLS
AND

[Recycling Materials Processing Contract]

See following page(s).

EXHIBIT G
TO
SOLID WASTE SERVICES AGREEMENT
BETWEEN
THE TOWN OF FOUNTAIN HILLS
AND

[Disposal Services Contract]

See following page(s).

EXHIBIT H
TO
SOLID WASTE SERVICES AGREEMENT
BETWEEN
THE TOWN OF FOUNTAIN HILLS
AND

[Guaranty Agreement]

See following page(s).

PHOENIX 77018-1 466528v4

EXHIBIT B
TO
SOLID WASTE SERVICES AGREEMENT
BETWEEN
THE TOWN OF FOUNTAIN HILLS
AND

[Contractor's Proposal]

See following pages.



TOWN OF FOUNTAIN HILLS, ARIZONA

Submitted by Allied Waste
Transportation, Inc., dba
Republic Services of
Phoenix



Proposal for Solid Waste Services
Solicitation PW 2018-02
COPY



LETTER OF INTENT

July 23, 2018

Town of Fountain Hills
16705 East Avenue of the Fountains
Fountain Hills, Arizona 85268

Subject: *Response to Request for Proposal for Solid Waste Services, PW2018-02*

Dear Mr. Rees and Selection Committee,

Allied Waste Transportation, Inc., dba Republic Services of Phoenix is pleased to respond to the Town of Fountain Hills Request for Proposal for Solid Waste Services. As the Town's current recycling and waste services provider, we are confident our more than eight year track record of reliable service and our community partnership mindset will continue to create value for Fountain Hills, helping to strengthen the community and quality of life along the way.

By continuing our partnership, the Town's residents can continue to rely on Republic Services to handle their recycling and waste service needs in a way that is easy and effortless for them. Our drivers are deeply familiar with each neighborhood street and place safety and customer experience above all else. Residents and town staff will not have to worry about the disruption of cart removals and deliveries that comes with switching providers.

We are a committed community partner and greatly value being a good neighbor and supporting the communities where we live and work. This is why Republic centers our charitable giving around community development and neighborhood revitalization to help build stronger, safer communities. Our proposal includes not only what is required in the RFP, but also includes our continued partnership through community events sponsorships and Republic Rewards. This rewards program donates \$10,000 annually to a Fountain Hills non-profit or charitable organization, most recently awarded to the Fearless Kitty Rescue.

The enclosed proposal is binding offer for a 180 calendar day period from the opening date as specified in this RFP. The information contained in this Proposal or any part thereof, including its exhibits, schedules and other documents and instruments delivered or to be delivered to the Town, are true, accurate and complete to the Proposer's knowledge. This proposal includes all information necessary to ensure that the statements herein do not in whole or in part mislead the Town as to any materials facts.

On behalf of more than 1,500 Republic employees that live and work in the greater Phoenix area, and our drivers who service Fountain Hills' residents each week, we appreciate the opportunity to keep your business through this submittal and look forward to a long and continued partnership for years to come.

Sincerely,

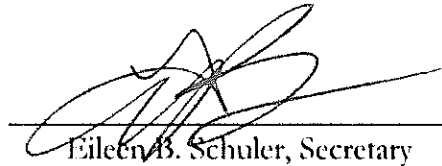
Tim Oudman
Vice President

Allied Waste Transportation, Inc., dba Republic Services of Phoenix

CERTIFICATE OF SECRETARY

The undersigned, Secretary of Allied Waste Transportation, Inc., a Delaware corporation (the "Corporation"), does hereby certify on behalf of the Corporation, that **TIM OUDMAN** is a duly elected Vice President of the Corporation, that in such capacity he, the President or any other Vice President of the Corporation, can exercise such power and perform such duties as usually accompanies such offices, and implicit in such power is the authority to execute and submit a bid (the "Bid") to provide Solid Waste Services for the Town of Fountain Hills (the "Town") in the State of Arizona, and to execute a contract with the Town for such services should the Bid be awarded to the Corporation, and that there is no current intention to remove him from such office.

IN WITNESS WHEREOF, the undersigned has hereunto set her hand this 2nd day of July, 2018.



Eileen B. Schuler, Secretary



**REPUBLIC
SERVICES**

Solid Waste Services



TABLE OF CONTENTS

CHAPTER 1: GENERAL INFORMATION

1. Letter of Intent
2. Statement of Organization
3. Certificate of Insurability
4. Acknowledgement of Addenda

CHAPTER 2: EXPERIENCE AND QUALIFICATIONS OF THE PROPOSER

1. Experience
2. Key Personnel
3. Statement of Independence
4. Disclosure of Preclusion from Participating in Public Procurement
5. Litigation, Regulatory Actions and Liquidated Damages History
6. Compliance Records

CHAPTER 3: FINANCIAL STATEMENT

CHAPTER 4: METHOD OF APPROACH

1. General Proposal Requirements
2. Recycling Service Proposal Requirements
3. Solid Waste Services
4. Quarterly Residential Bulk Waste Services
5. Residential Green Waste Services Proposal Requirements
6. Annual Household Hazardous Materials Collection
7. Annual Electronics Recycling Event

CHAPTER 5: BILLING

CHAPTER 6: COST INFORMATION

ATTACHMENTS

- 1 - FORM 1: Statement of Organization
- 2 - FORM 2: Certificate of Insurability
- 3 - FORM 3: Acknowledgement of Addenda
- 4 - FORM 4: Experience
- 5 - Litigation
- 6 - Compliance
- 7 - Affidavit of Ownership: Cave Creek Transfer Station
- 8 - Affidavit of Ownership: Southwest Regional Landfill
- 9 - Affidavit of Ownership: River Recycling
- 10 - Letter from Salt River Landfill: Green Waste Processing

ENCLOSURES

- Summary Annual Report
- Cost Information (separate sealed envelope)



CHAPTER 1: GENERAL INFORMATION

1. LETTER OF INTENT

2. STATEMENT OF ORGANIZATION

Form 1: Please See Attachment 1

3. CERTIFICATE OF INSURABILITY

Form 2: Please See Attachment 2

4. ACKNOWLEDGMENT OF ADDENDA

Form 3: Please See Attachment 3

CHAPTER 2: EXPERIENCE AND QUALIFICATIONS

1. EXPERIENCE

Form 4: Please See Attachment 4

2. KEY PERSONNEL

Our local team is vital to the continued successful delivery of this contract and its daily operations. This team's unique combination of collection experience, recycling expertise, and innovative management systems will ensure reliable service for the duration of the contract. Our local and area management teams have extensive industry experience in operating and managing solid waste companies and have substantial experience in the region.

Some of the key members of the local team have been servicing Fountain Hills since the conversion to single hauler system in 2011. The key positions and roles involved in the delivery of this contract are listed below:

General Manager: Tricia Ponce de Leon has been with Republic Services since 2004 and is responsible for leading the business unit in Metro Phoenix - North. Responsibilities include 200 employees, a transfer station, and 2 recycling centers. She is responsible for P&L Management, Operations, Risk Management, Customer Relations and Satisfaction, Sales, and Marketing Management. Tricia graduated from Arizona State University with a BA in Accounting. Tricia worked for Waste Management, Newell Rubbermaid and Phillip & Company, where she gained knowledge and experience in distribution, manufacturing, and service industries, in well-



Solid Waste Services



established companies, start-ups and troubled companies and divisions. Tricia began her career with Republic Services in 2004, as Assistant District Controller for Allied Waste of Phoenix. She has held several positions with Republic Services including Division Controller, Operations Manager and Assistant General Manager, and General Manager in San Diego. Tricia moved back to Phoenix as General Manager in early 2016. Tricia will dedicate approximately 10% of her full time equivalent work week to this Agreement.

References:

Raymond Rees, Facilities/Environmental Supervisor
Town of Fountain Hills
480-816-5180

Robert van den Akker, Environmental Manager
City of Buckeye
623.349.6805

Business Unit Controller: **Jennifer Wilson** is currently responsible for all administrative, accounting and statistical reporting functions for Republic Services. She ensures that financial controls and records are maintained in accordance with company policy and legal requirements. She is responsible for providing and reviewing financial statements and variance analyses, billing, account reconciliation. In addition Ms. Wilson is responsible for providing analytical support and assistance for the division goals and action plans. She develops and coordinates the annual budget, negotiates contract rates for municipal bids, and manages and trains staff in the accounting department. Jennifer joined Republic Services in 2016. She has B.S. Degree in Business Finance and MBA from Regis University. Jennifer will dedicate approximately 10% of her full time equivalent work week to this Agreement.

Operations Manager: **Terrence Sims** manages the daily operations for the North Phoenix hauling division and ensures maximum productivity and route management systems for commercial, roll off and residential routes and establishes productivity improvement goals where needed. Responsibilities include the development of supervisory goals and objectives, management of labor hours, and disposal expenses. He manages the budget for the operations department, which includes approval of purchase orders and vendor pricing. He also interacts with customers and local, state and federal government employees to resolve customer service concerns and ensure regulatory compliance standards are met. Terrence joined Republic in 2017. He has gained his knowledge in Operations and Logistics from FedEx and DHL. Terrence will dedicate approximately 15% of his full time equivalent work week to this Agreement.

Maintenance Manager: **Wayne Kolacki** has been in the solid waste industry for over 20 years. He is responsible for overseeing all aspects of our fleet maintenance program. Mr. Kolacki ensures that all repair and maintenance work is performed in a safe, efficient and timely manner; reallocating resources among sites as appropriate. He oversees coordination, planning and scheduling of all repair work to increase productivity, while effectively managing the department's overtime. Wayne is a graduate of Allied Institute of Technology, Chicago, IL with a degree in Automotive and Diesel Technology. He is ASE Certified Heavy Truck Master Technician. Additional training includes DOT, Hazardous Materials Handling, OSHA, finance,



various tire testing seminars, and development courses through American Management Association. Wayne will dedicate approximately 10% of his full time equivalent work week to this Agreement.

Operations Supervisor: James Ory is responsible for route maps, route restructuring and supervision of employees providing waste collection and disposal. He is responsible for developing work schedules to match staffing levels, initiating work assignments and monitoring progress to improve work efficiencies. James joined Republic in 2017 and is focused on efficiency, customer satisfaction, and employee engagement. James will dedicate approximately 40% of his full time work week to this Agreement.

3. STATEMENT OF INDEPENDENCE

Republic Services has been very careful to maintain proper communications channels throughout this process and will continue to maintain appropriate relationships with elected official and town staff for the new agreement. We are not aware of any conflict that would preclude us from participating in this process or the subsequent contract.

4. DISCLOSURE OF PRECLUSION FROM PARTICIPATING IN PUBLIC PROCUREMENT

Allied Waste Transportation, Inc., dba Republic Services of Phoenix, has not been debarred, suspended or otherwise lawfully precluded from participating in any public procurement activity, including being disapproved as a subcontractor with any Federal, state or local government.

5. LITIGATION, REGULATORY ACTIONS AND LIQUIDATED DAMAGES HISTORY

Please See Attachment 5: Litigation

6. COMPLIANCE RECORDS

Please See Attachment 6: Compliance

CHAPTER 3: FINANCIAL STATEMENT:

Republic Services is among the leading recycling and waste services companies in the United States. With annual revenues exceeding \$10.0 billion, Republic is the largest Arizona based company. Our financial stability and local leadership will guarantee the financial strength and stability to exceed Town of Fountain Hill's expectations for the duration of the contract and beyond.

Republic Services' financial stability allows us to guarantee our commitments and obligations presented to the Town of Fountain Hills in our proposal. We have the capacity to continually



invest in equipment and preventative maintenance, as evidenced by the youngest fleet in the industry.

Republic Services' most recent audited Financial Statement is included in the enclosed copy of the 2017 Summary Annual Report. The Annual Report to Shareholders have been prepared in accordance with Securities and Exchange Commission requirements, with New York Stock Exchange Commission requirements, and in accordance with generally accepted accounting principles (GAAP).

CHAPTER 4: METHOD OF APPROACH

Republic Services has been servicing the Town of Fountain Hills even before we were selected as the single hauler when the town decided to have single provider for residential trash and recycling service in 2011. Our management and employees have been long time members of this community. We work to exceed your expectations with continued outstanding customer service. **In a survey conducted by an independent polling firm in January 2018, a majority of residents polled thought it was a good decision that the town went to a single hauler, and almost 70% polled found Republic Services favorable provider.**

Successful collection operations begin with a skillful operations supervisor. Your Republic Services local operations supervisor is responsible for the day-to-day collection operations, including development and evaluation of routing (in conjunction with the general manager and operations manager), training and oversight of drivers, and implementation and enforcement of safety procedures.

We ensure our operations supervisors are not overloaded, nor tied to a desk. On average, we maintain a 15:1 ratio of routes to supervisor, which means that items needing attention are dealt with immediately, and that the supervisor knows your community intimately. In addition, our supervisors are out on the routes regularly. At least twice per week, they conduct ride-a longs with drivers on their routes. This creates great opportunities for driver mentoring, ensures quality control on the route, and keeps the supervisor directly aware and familiar with the nuances of the route and the community. Few if any other companies in the industry dedicate their operations staff to success in this manner.

Our Operations Team can communicate with the residents and commercial customers easily using several forms of technology. Our web and smartphone based app, called My Resource™, enables customers to see their accounts, make service requests, or raise issues for resolution. This app also enables our operations team to offer alerts or emails to customers regarding changes in service for holidays or inclement weather, or even holidays. We also employ a technology known as call-em-all, which is a phone- based capability for distributing operations updates when needed to customers on effected routes.

1 a. DESCRIPTION OF COLLECTION EQUIPMENT

Republic will continue to service all single-family containers using automated side load (ASL) truck. The ASL is proven to retrieve and return containers in even the most hard-to-reach



locations such as narrow streets, courts and alleyways, enabling the industry's most efficient, safe, and environmentally responsible curbside automated collection services. Each collection vehicle is operated by a single driver and is painted in a uniform manner, featuring our logo and company contact information.

We will continue to service the Town of Fountain Hills with the following trucks:

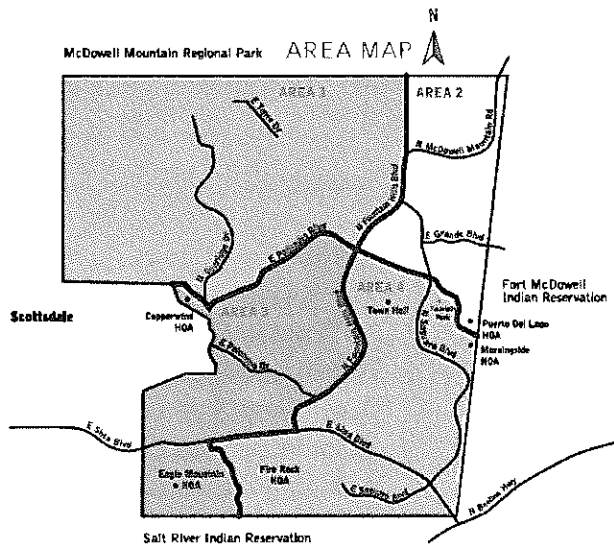
<u>Unit Number</u>	<u>Year</u>	<u>Make</u>	<u>Model</u>	<u>Body</u>	<u>Truck Type</u>
2500	2018	Peterbilt	PB520	McNeilus	Automated Side Load
2501	2018	Peterbilt	PB520	McNeilus	Automated Side Load
2502	2018	Peterbilt	PB520	McNeilus	Automated Side Load
2503	2018	Peterbilt	PB520	McNeilus	Automated Side Load
2506	2018	Peterbilt	PB520	McNeilus	Automated Side Load
2017	2018	Peterbilt	2512	McNeilus	Rear Load

1 b. COLLECTION ROUTE SCHEDULES AND MAPS

Establishing the most optimized routes for a community has dramatic effects on the quality of service, safety and efficiency of the collection operation through shorter routes, safety in the neighborhoods, and ultimately the wear and tear on the streets in the municipality.

Collection routes will operate Monday through Friday except when certain holidays fall on Monday and all collection days are moved one day back with Friday being collected on Saturday. Solid waste and recyclables will be collected on the same day to minimize the effort from our residents.

As the current single provider of residential services, we have a proven route optimization process for your municipality, which involves collaboration between the local management team and our drivers. The Area Map shows current service areas. Each area represents different service days. We have planned routes to ensure that trucks are not conducting collection on streets during times that are known for congestion or traffic, such as art fairs and community events. To accommodate the change in service days from Monday through Thursday, to Monday through Friday, we will make the town's requested changes with the least disruption of day and time to residents.



1 c. DISPOSAL AND PROCESSING CONTRACTS

Garbage collected from the Town of Fountain Hills will be direct transferred to the Republic Services owned transfer station located at 1855 E Deer Valley Road, Phoenix. From there, the materials will be transferred and hauled to the Company owned Southwest Regional Municipal Solid Waste Landfill located at 24427 SR-85, Buckeye, AZ 85326. Recycling materials will be processed at River Recycling. Proof of Ownership for Disposal and Processing is attached as follows: Cave Creek Transfer Station - Attachment 7, Southwest Regional Landfill - Attachment 8, and River Recycling- Attachment 9.

1 d. APPROACH TO MINIMIZE CONTAINER DAMAGE

Republic Services maintenance team continues to work with the truck manufacturer to make the proper adjustments on the lifting mechanism on the collection vehicles. By doing so, the container life will be extended dramatically. Proper maintenance on the lifting mechanism will also take place on a regular basis to ensure that the adjustments are made as needed. The arm is buffered with a rubber lining and is in the drivers view while the cart is being serviced. When the driver or maintenance technician identifies any collection vehicle that is doing unnecessary damage to the containers, we will immediately make the proper adjustments to minimize container damage.

Republic Services will also maintain appropriate cart inventory to ensure replacement carts are available upon request of the Town. Each Residential Service Unit shall be entitled to unlimited replacements for destroyed or damaged carts for the life of the Agreement.



1 e. SELF-HAULERS

Republic Services will work diligently to provide a variety of collection services that meets the needs of the residents of the Town of Fountain Hills. By providing weekly solid waste, recyclable material, green waste and quarterly bulk collection program to the residents, we hope to minimize the need for residents to self-haul materials. In the event a resident has extra material and desires to self-haul, the following procedure will take place. All self-hauled loads should be tarped prior to entering the disposal location. The self-hauler must show proof of primary residence in the Town of Fountain Hills. All self-haulers must adhere to the safety rules and regulations posted at the disposal site. The designated disposal site for self-hauled loads from the Town of Fountain Hills will be the Cave Creek Transfer Station. Cave Creek Transfer Station is located at 1855 E. Deer Valley Road in Phoenix. The rate for Fountain Hills residents will remain at \$25.00 per ton with a one ton minimum charge.

2. RECYCLING SERVICE PROPOSAL REQUIREMENTS

We will offer all single-family customers weekly, fully automated single-stream recycling collection services. Recycling containers will be serviced with the same equipment and manner as residential solid waste containers.

Furthermore, Republic Services will make necessary arrangements so that Neighborhood Recycling Drop-off and or Special Event Recycling Services will be accommodated. The use of roll-off containers, front load style containers, and "special event" recyclable cardboard boxes are the types of containers available to meet the Town's needs.

2a. RECYCLABLE MATERIALS TO BE COLLECTED

The following is a list of recyclable materials collected from the Town's residents that will be processed at Republic's recycling facility:

- Aluminum cans and foil
- Steel/tin cans
- Glass food and beverage containers (flint, amber, and green)
- Newspaper, slick paper inserts
- Magazines, paperback books
- Residential mixed paper, junk mail inserts
- Telephone books and Yellow Pages
- Cardboard (corrugated, chipboard)
- Plastic bottles and containers (recycling logo #1 through #6)

In the event additional items are deemed to be recyclable by a processing facility, we will be proactive in our efforts to divert this material from the landfills. In the event the processing facility deems item(s) to be non-recyclable, Republic will work diligently with the town representatives to educate residents.



2b. RECYCLABLE MATERIALS ACCEPTED BY PROCESSING FACILITY

Recyclable materials collected from the Town of Fountain Hills will be consistent with materials accepted by the recycling facility.

2c. APPROACH TO MINIMIZE OVER-COMPACTION OF RECYCLABLES

Republic is committed to keeping contamination in recyclables at the absolutely lowest level possible. Reducing residue begins with education, limiting non-recyclable materials and contamination in recycling bins. The local management team will collaborate with Town staff to develop proactive public education programs to ensure the lowest level of contamination and the highest levels of diversion. Working with individual customers to reduce contamination in the materials set out for collection is one of the keys to collecting clean loads. Republic believes the success of its recycling program is due to consistent interaction with the individual customer. Customer education and Republic's involvement is vital in meeting and exceeding diversion requirements and establishing solid sustainability practices. By ensuring customers receive appropriate and easily accessible educational material we are able to deliver clean material to the recycling facility. There will be periodic and random cart and bin checks by our in-field supervisors to help identify contamination prior to collection. Republic drivers are trained to monitor loads to limit over-compaction of recyclable materials.

2d. PROCESSING SITE INFORMATION

We are committed to investing in recycling processing infrastructure where appropriate as evidenced by our recent acquisition of ReCommunity in 2017. Republic Services now owns and operates River Recycling facility and is located at the Salt River Pima Maricopa Indian Community Landfill, 13602 N. Beeline Highway, Scottsdale, Arizona, 85256. River Recycling's Plant Manager is Mike Howell. He may be reached at 760-457-6149.

River Recycling routinely inspects each load that is brought into the recycling facility. Upon inspection, any loads that are deemed as contaminated and/or hazardous are immediately staged separately and will be further examined and inspected.

Trucks tip their loads and materials are pushed by a loader into stockpiles in preparation for processing. The mixed material travels to a quality control station where contaminants and undesirable material are removed.

Republic has recently upgraded several pieces of equipment at River Recycling and will continue to upgrade machinery in the next year and in the future to ensure we increase efficiency and maximize our recycling efforts.



2e. PERMITTED AND AVAILABLE PROCESSING CAPACITY

River Recycling Facility is currently processing approximately 250 tons per day, and has an annual capacity of 80,000 tons. Republic continues to invest in proven technologies to control costs, increase capacity, and to simplify and streamline recycling for our customers.

2f. IMPORT RESTRICTIONS OR FEES

Republic Services has no import restrictions, taxes, or fees that will be applicable to the receipt of the Town's recyclable materials.

3. SOLID WASTE SERVICES

Republic Services has the experience and knowledge to successfully continue services and accommodate new services required by the Town of Fountain Hills and its residents. Residential Solid Waste Service will be provided to the residents via fully automated Residential Side Load Trucks. In addition, we will provide bulky item (out of cart set out) collection to the residents utilizing Residential Rear-Load Trucks. Depending on the size and type of the container(s) requested by the town, Special Event and Town Facilities Solid Waste Services will be provided either by, fully automated Commercial Front Load Trucks, fully automated Residential Side Load Trucks, Rear-load trucks or Roll Off Trucks. Each piece of equipment with the exception of the Rear Load Truck requires its own style of container. These different style containers will be provided to the residents and town depending on the type of service that is requested.

3a. DISPOSAL SITE INFORMATION

Cave Creek Transfer Station
1855 E Deer Valley Road
Phoenix, AZ 85024

Cave Creek Transfer Station is owned and operated by Allied Waste Transportation Inc. The facility is managed Jim O'Neal. Mr. O'Neal may be reached at 602-714-0168.

Cave Creek Transfer operators periodically inspects each load that is brought into the recycling facility. Upon inspection, any loads that are deemed as contaminated and/or hazardous are immediately staged separately and will be further examined and inspected.

3b. PERMITTED AND AVAILABLE DISPOSAL CAPACITY

Garbage collected from the Town of Fountain Hills will be hauled to the Republic Services owned Cave Creek Transfer at 1855 E. Deer Valley Road, Phoenix. From there, the materials will be transferred and hauled to the Company owned Southwest Regional Municipal Solid Waste Landfill located at 24427 SR-85, Buckeye, AZ 85326. Republic's Southwest Regional



Landfill has 85 years of remaining capacity and can accommodate all the solid waste disposal needs of the Town of Fountain Hills through the term of the contract.

4. QUARTERLY RESIDENTIAL BULK WASTE SERVICES

Republic Services will collect residential bulk waste of up to six cubic yards from each residential unit in the town once per quarter. We will work with town staff to establish quarterly bulk service schedule that supports the town's Growing Greener Initiatives.

4a. METHOD FOR PERFORMING RESIDENTIAL BULK WASTE SERVICES

Bulky Waste will be serviced using a two-person (driver and helper) Rear Load truck. Materials collected will be delivered to a disposal facility or recycling facility.

4b. RESIDENTIAL BULK WASTE COMMUNICATION

Pamphlets or brochures will be mailed to residents that will include pick-up schedule and section maps for the quarterly bulk waste service pickup. Requirements, limitations, and answers to frequently asked questions will also be included. The same information will be available on the Republic website. Maps and schedule magnets may also be provided.

5. RESIDENTIAL GREEN WASTE SERVICES PROPOSAL

We will offer all residential customers weekly, automated collection of accepted yard waste materials. Yard waste containers will be serviced with the same equipment and manner as residential solid waste and recycling containers.

5a. GREEN WASTE PROCESSING SITE INFORMATION

Salt River Landfill located at 13602 N. Beeline Highway in Scottsdale, Arizona 85256. The mailing address is the same as the site address. Salt River Landfill and Green Waste Processing facility phone number is (480) 941-3427. The landfill is owned and managed by the Salt River Pima Maricopa Indian Community.

5b. PERMITTED AND AVAILABLE PROCESSING CAPACITY

There is no daily and annual maximum capacity for Green waste Processing. Please see Attachment 10 – Letter from Salt River Landfill Green Waste Processing.

5c. MATERIALS ACCEPTED FOR PROCESSING



Acceptable materials include: tree, bush and grass clippings, tree trunks less than four feet in diameter, brush, leaves, twigs, branches, and unpainted and untreated lumber.

5d. IMPORT RESTRICTIONS OR FEES

No import restrictions or fees.

6. ANNUAL HOUSEHOLD HAZARDOUS MATERIALS COLLECTION

Household Hazardous Waste (HHW) is often trapped in residential garages, or thrown into the traditional waste stream, leading to contamination. Our HHW service offers a reliable and responsible solution to properly deal with this complicated waste stream.

Not all household products can be thrown in the regular garbage. You can rely on Republic Services to provide safe, convenient disposal options for household hazardous materials to prevent potential harm to the environment, our employees or others.

Residents may bring their household hazardous waste materials to an agreed upon designated location during the annual household hazardous waste event. Materials to be collected: Oil-based paint, paint thinners, solvents, paint removers, gasoline, diesel fuel, lighter fluid, waste oil, pesticides, fertilizers, drain and oven cleaners, adhesives, pool chemicals, aerosol cans.

7. ANNUAL ELECTRONICS RECYCLING EVENT

Republic Services has held several community electronics recycling events in the Phoenix Metro area. The annual electronics recycling event will be held in conjunction with the household hazardous waste event. Materials that will be collected are: including but not limited to AC Adapters, Calculators, Cameras, Cell Phones, CD Rom/DVD Drives, Computers (PCs / laptops / servers / tablets), digital cable boxes, docking stations, electric motors, fax machines, hard drives, keyboards & mice, medical equipment, metals, modems, monitors (LCD & LED), wires / cables / power cords, power tools, printers, routers, DVD players and video game equipment).

CHAPTER 5

BILLING

Republic Services shall bill Residential Service Units for Residential Solid Waste, Bulk Waste, Recycling Services and Residential Green Waste Services in accordance with the contracted rate structure. Residents may choose to be billed annually, semi-annually, or quarterly. Invoices will be clear, concise and simple to read. Invoices will be itemized, clearly delineating all activity during the billing period, including optional charges and credits. Payment shall be due no sooner than the 15th day of the billing period, and the due date shall be listed on each invoice. Republic Services will accommodate to bill and accept payments from a homeowners'



association or its authorized representative for Service Units within that homeowners' association.

CHAPTER 6

COST INFORMATION - FORM 5-8: Submitted in a separate, sealed envelope



REPUBLIC
SERVICES

Solid Waste Services



ATTACHMENT 1

FORM 1: STATEMENT OF ORGANIZATION

V. REQUIRED FORMS

FORM 1: STATEMENT OF ORGANIZATION

1. PROPOSER

Full Name of Business: Allied Waste Transportation, Inc.
Principal Business Address: 1855 E. Deer Valley Road
Phoenix, AZ 85024
Principal Phone Number: 602-442-7285
Local Business Address: 1855 E. Deer Valley Road
Phoenix, AZ 85024
Local Business Contact Person: Tricia Ponce de Leon
Local Business Fax: _____
Local Business E-Mail: tponcedeleon@republicservices.com
Type of Organization: Corporation
Tax ID #: 52-2044849
License #: 301

Provide names of authorized representative(s) of the Proposer who has legal authority to bind the Proposer in contractual obligations:

- (a) Tim Oudman
(b) _____
(c) _____

2. SERVICE OPTIONS

Service Options Proposed (check all that apply):

- ☒ Residential Solid Waste Services, Residential Bulk Waste Services, Residential Recycling Services and Town Facility Recycling Services.
☒ Town Facility Solid Waste Services
☒ Neighborhood Recycling Drop-off Services
☒ Residential Green Waste Services

3. SUBCONTRACTOR

List of all firms participating in this Proposal:

	Name	Address	Area of Responsibility
(a)	_____	_____	_____
(b)	_____	_____	_____
(c)	_____	_____	_____
(d)	_____	_____	_____



REPUBLIC
SERVICES

Solid Waste Services



ATTACHMENT 2

FORM 2: STATEMENT OF INSURABILITY

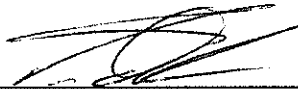
**SECTION A
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

FORM 2: CERTIFICATE OF INSURABILITY

By submitting a Proposal, the submitting Proposer certifies that it is fully aware that the Insurance Requirements contained in the Agreement apply whether awarded one or more Service Options pursuant to this RFP. Furthermore, the Proposer assures the Town of Fountain Hills that it is able to produce the insurance coverage required should it be selected for award of the Agreement.

Should the Proposer's firm be awarded the Agreement by the Town and then be unable to produce the insurance coverage specified within ten calendar days, it is fully aware and understands that it may not be considered for further projects by the Town of Fountain Hills.



Signature of Proposer

Tim Oudman

Printed Name of Signee
Allied Waste Transportation, Inc.
dba Republic Services of Phoenix

Company Name

July 23, 2018

Date



REPUBLIC
SERVICES

Solid Waste Services



ATTACHMENT 3

FORM 3: ACKNOWLEDGEMENT OF ADDENDA

FORM 3: ACKNOWLEDGEMENT OF ADDENDA:

By submission of this Proposal, Proposer hereby certifies receipt of all the addenda listed in the table below.

Addendum Number	Description of Addendum
1	Addendum 1 Dated July 18, 2018 - Inquiries and Responses



**TOWN OF FOUNTAIN HILLS
DEVELOPMENT SERVICES DEPARTMENT**

**ADDENDUM NO. 1 DATED JULY 18, 2018
TO REQUEST FOR PROPOSALS**

**SOLICITATION TITLE: SOLID WASTE SERVICES
SOLICITATION NUMBER: PW2018-02 ("RFP")**

Pursuant to Sections 1.4(B) and 1.5 of the RFP, the Town of Fountain Hills, Arizona ("Town") issues this Addendum to provide clarification to the RFP in response to written inquiries submitted to the Town. The RFP remains otherwise unchanged except as amended by prior Addenda (if any) issued by the Town pursuant to Section 1.5 of the RFP.

INQUIRES AND RESPONSES

1. Will the Town award a commodity to different haulers, i.e., can a supplier win only Green Waste (Section 1.12(C))?

Town Response: No.

2. Should Section 5.2(A) of the Sample Solid Waste Services Agreement be changed to meet recent China contamination requirements of .05%?

Town Response: No.

3. May the due date for monthly reports referenced in Section 13.2(B) of the Sample Solid Waste Services Agreement be changed to thirty calendar days, rather than seven days, following the end of each calendar month?

Town Response: Yes

4. Is there a contradiction between Sections 6.2 and 18.17 of the Sample Waste Services Agreement concerning Residue Allowances and liquidated damages?

Town Response: No. Section 6.2 of the Sample Waste Services Agreement indicates that if the Residue Allowance is exceeded, the Town may impose damages that are calculated pursuant to Section 18.17. Section 18.17 sets forth dollar amounts in relation to the percentage of Residue over the Residue

Allowance. Section 6.2 sets the Residue Allowance to 15%. Section 18.17 indicates the liquidated damages for Residue amounts in excess of the Residue Allowance, or in other words, in excess of 15%.

5. If the supplier/vendor no-bids green waste, will the response be viewed as non-compliant?

Town Response: Yes

6. To prevent customer confusion and to offer the most competitive price, will the Town consider a bid for only 1&1 service (rather than 1&1, 2&1, 1x trash)?

Town Response: No

7. Is the Annual Household Hazardous Material Collection service (referenced in Section 4.7 of the Sample Waste Services Agreement) to be provided at a central location?

Town Response: Yes

8. Is the Annual Electronics Recycling Event (referenced in Section 4.8 of the Sample Waste Services Agreement) to be provided at a central location?

Town Response: Yes

9. In reference to the Annual Rate Adjustment, Section 14.5 of the Sample Waste Services Agreement indicates that all costs shall remain fixed from the execution of the Agreement, and thereafter all costs shall be adjusted as set forth in Exhibit B thereto. Is the supplier to establish annual increases at the outset of the contract?

Town Response: Yes

Will there be a separate adjustment for fuel?

Town Response: No

10. What is the Town's monetary expectations for marketing?

Town Response: The Town will evaluate marketing on a response-by-response basis.

11. Does the 15-page limit include the following?
- i. Cover/transmittal letter
 - ii. Form 1: Statement of organization
 - iii. Form 2: Certificate of insurability
 - iv. Form 3: Acknowledgement of addenda
 - v. Form 4: Experience
 - vi. Form 5: Cost form for residential solid waste services, residential bulk waste services, residential recycling services and town facility recycling services
 - vii. Form 6: Cost form for Town facility solid waste services and special events solid waste services
 - viii. Form 7: Cost form for neighborhood recycling drop-off services
 - ix. Form 8: Cost form for residential green waste services
 - x. Attachments

Town Response: No

12. Since the Town is requesting quarterly pick up, should the pricing be /unit/month?

Town Response: Yes

13. What population growth does the Town expect over the next 5 years?

Town Response: 2016 Population = 24,483
2020 Est. Population: 25,900

14. Please confirm the current vacation hold process and billing status? Is there no charge or is the hauler able to continue to charge monthly/quarterly?

Town Response: No Charge.

15. If the supplier/vendor has comments or proposed changes to the Sample Solid Waste Services Agreement, does the Town want the supplier/vendor to submit them?

Town Response: Yes.

In what format?

Town Response: List form.

16. Does the Town intend to negotiate with the successful supplier/vendor?

Town Response: Depends on the impact to the contract.

17. If the supplier/vendor is a subsidiary of a public company that files a consolidated tax return on behalf of itself and all of its affiliates, can the supplier/vendor submit the parent company's financial statements?

Town Response: Yes.

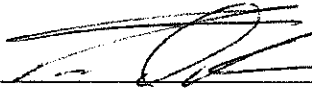
ACKNOWLEDGEMENT OF ADDENDA

Allied Waste Transportation, Inc.

dba Republic Services of Phoenix acknowledges that it has/they have received the
(Proposer name)

foregoing Addendum No. 1.

Date: July 23, 2018

By: 

Name: Tim Oudman

Title: Vice President

PHOENIX 77018-1 479883v1



REPUBLIC
SERVICES

Solid Waste Services



ATTACHMENT 4

FORM 4: EXPERIENCE

**SECTION A
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

FORM 4: EXPERIENCE

Proposer shall provide a minimum of five references of public agencies, cities, towns, private companies, contracts and communities presently being served by the Proposer with similar services to those being proposed in this proposal

1. Name of Public Agency: Buckeye, Arizona
Address: 530 Monroe Ave., Buckeye, AZ 85325

Phone Number: 623-349-6815
Contact Person: Scott Lowe - Public Works Director
Year Contract Initiated: 2008
Number of Residential Units Served: 18,700
Description of Services: Once per week automated trash and recycling
service and quarterly bulk service
2. Name of Public Agency: Community of Anthem
Address: 3701 W. Anthem Way, Suite 102
Anthem, Arizona 85086
Phone Number: 623-742-6129
Contact Person: Neal Shearer - CEO
Year Contract Initiated: 1998
Number of Residential Units Served: 10,000
Description of Services: Once per week automated trash and recycling
service, quarterly bulk service, Annual Household Hazardous,
electronics recycling event
3. Name of Public Agency: Lake Havasu City, AZ
Address: 2330 McCullough Blvd N.,
Lake Havasu, AZ 86403
Phone Number: 928-855-2116
Contact Person: Charlie Cassens - City Manager
Year Contract Initiated: 1992
Number of Residential Units Served: 27,500
Description of Services: Converted from manual once weekly trash
and recycle service to automated side-load

FORM 4: EXPERIENCE (continued)

4. Name of Public Agency	Huntington Beach, California
Address	2000 Main Street 4th Floor
	Huntington Beach, California
Phone Number	714-536-5511
Contact Person	Fred Wilson - City Manager
Year Contract Initiated	1982
Number of Residential Units Served	47,570
Description of Services	Once per week automated trash and recycling, bulk collection
	Commercial and industrial waste collection to all businesses
5. Name of Public Agency	Chula Vista, California
Address	276 Fourth Avenue
	Chula Vista, California
Phone Number	619-585-5790
Contact Person	Gary Halbert - City Manager
Year Contract Initiated	1982
Number of Residential Units Served	56,000
Description of Services	Exclusive automated residential trash, recycling, and yard waste
	Commercial and industrial waste collection to all businesses



REPUBLIC
SERVICES

Solid Waste Services



ATTACHMENT 5

FORM 5: LITIGATION

Short Matter Name	Court Case Number	Matter: Open/Closed	Description	Filing Date	Organizational Unit > Org. Unit (w/ path)
Allstate, Lopez vs. Allied Waste	CC2013135358RC	Closed	Auto Liability/Insurance Defense	07/30/2013	Arizona > Allied Waste Transportation, Inc. > 4753 Allied Waste Services of Phoenix
Armstrong, Owen John vs Robert A Henson and AWIN Leasing Co, Inc		Closed	Auto Liability/Insurance Defense	12/15/2014	Arizona > Allied Waste Transportation, Inc. > 4753 Allied Waste Services of Phoenix
Esposito, Anthony-Scappino, Sharon vs Celestina Castillo incl Allied Waste Svcs-Hargus Disp	CIVDS1402665	Closed	Auto Liability/Insurance Defense	03/06/2014	Arizona > Allied Waste Transportation, Inc. > 785 Allied Waste Services of Bullhead City
Hill, Charles vs. Republic Services	CC2017039015SC	Closed	Auto Liability/Insurance Defense	02/27/2017	Arizona > Allied Waste Transportation, Inc. > 4753 Allied Waste Services of Phoenix
Husting, Michael vs Republic Services	CV2014091169	Closed	Auto Liability/Insurance Defense	08/22/2014	Arizona > Allied Waste Transportation, Inc. > 4753 Allied Waste Services of Phoenix
McGill, Lesley vs. Allied Waste Industries	58015CV201800618	Open	Auto Liability/Insurance Defense	05/29/2018	Arizona > Allied Waste Transportation, Inc. > 785 Allied Waste Services of Bullhead City
Passarelli, Kristine and Jacob(minor) vs. Tompkins and AWIN Leasing	CV2014052327	Closed	Auto Liability/Insurance Defense	02/13/2014	Arizona > Allied Waste Transportation, Inc. > 4753 Allied Waste Services of Phoenix
Riley, Mike vs. Christopher Alan Skowera, Allied Waste	JCV201600661	Closed	Auto Liability/Insurance Defense	06/01/2016	Arizona > Allied Waste Transportation, Inc. > 527 Allied Waste Services of Lake Havasu City
Soto, Lilia vs. Republic Services, Andrew Monroe	CV2017002659	Closed	Auto Liability/Insurance Defense	01/30/2017	Arizona > Allied Waste Transportation, Inc. > 4753 Allied Waste Services of Phoenix
Stevenson, John vs. Republic Services, INC.	CV2018-00368	Open	Auto Liability/Insurance Defense	03/08/2018	Arizona > Allied Waste Transportation, Inc. > 4753 Allied Waste Services of Phoenix
Villa Ocotillo vs Republic Services	CC2018046404	Closed	Auto Liability/Insurance Defense	03/07/2018	Arizona > Allied Waste Transportation, Inc. > 4753 Allied Waste Services of Phoenix
Wilson, Richard Ibarra vs. Central AZ College & Republic Services	CV20054350	Closed	Auto Liability/Insurance Defense	10/29/2015	Arizona > Allied Waste Transportation, Inc. > 4753 Allied Waste Services of Phoenix



REPUBLIC
SERVICES

Solid Waste Services



ATTACHMENT 6

FORM 6: COMPLIANCE

Company Name	Facility Name	Facility State	Violation Type	Action Caption	Action Date	Violation Date	Case Num	Violation Desc	Violation Status	Resolution Type	Issuing Agency
Allied Waste Transportation, Inc.	Allied Waste Services of Mesa	Arizona	Area of Concern/Citations	Notification of Correction of Deficiencies	9/25/2013	9/25/2013		Allegation that the facility failed to submit documentation regarding: 1) most current and complete information for facility; 2) 12 month sensor tests/ .2 gallon/hr automatic tank gauging test results for last 12 months; 3) operational test report for each automatic line leak detector; 4) line tightness report for eac line; 5) calibration, maintenance and repair of release detection equipment located on site; 6) financial assurance mechanism(s) to demonstrate financial responsibility.	Pending		Arizona Department of Environmental Quality
Allied Waste Transportation, Inc.	Allied Waste Services of Phoenix	Arizona	Administrative	Notice of Violation	7/18/2013	7/18/2013	0981280610	Allegation that frontload bins were serviced outside of collection hours.	Resolved	Return to Compliance	City of Phoenix, Public Works Department, Solid Waste Field Services Division
Allied Waste Transportation, Inc.	Germann Transfer Station	Arizona	Area of Concern/Citations	Letter of Outstanding Violation	3/8/2016	3/8/2016		Allegations the site is in violation of County stormwater quality control regulations by not posting the required construction permits.	Resolved	Return to Compliance	Maricopa County Environmental Services Department



REPUBLIC
SERVICES

Solid Waste Services



ATTACHMENT 7

AFFIDAVIT OF OWNERSHIP: CAVE CREEK TRANSFER STATION

AFFIDAVIT

STATE OF ARIZONA)
) ss.
County of Maricopa)

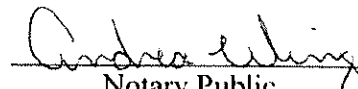
The undersigned, being duly sworn, deposes and states as follows:

1. I am the duly elected, qualified and acting Vice President and Secretary of Allied Waste Transportation, Inc., a Delaware corporation ("AWT");
2. AWT owns and/or operates a transfer station located at 1855 E. Deer Valley Road, Phoenix, Arizona, 85024, known as Cave Creek Transfer Station; and
3. Further Affiant sayeth naught.

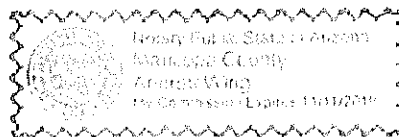
DATE: July 16, 2018.


Eileen B. Schuler

SUBSCRIBED and SWORN to before me, the undersigned notary public, on July 16, 2018.


Notary Public

My Commission Expires: 11/11/18





REPUBLIC
SERVICES

Solid Waste Services



ATTACHMENT 9

AFFIDAVIT OF OWNERSHIP: RIVER RECYCLING

AFFIDAVIT

STATE OF ARIZONA)
) ss.
County of Maricopa)

The undersigned, being duly sworn, deposes and states as follows:

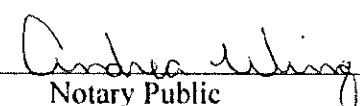
1. I am the duly elected, qualified and acting Vice President and Secretary of River Recycling, LLC, a Delaware limited liability company ("RR");
2. RR owns and/or operates a material recycling facility located at 13602 N. Beeline Highway, Scottsdale, Arizona, 85256, known as Scottsdale River Recycling; and
3. Further Affiant sayeth naught.

DATE: July 16, 2018.

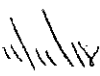


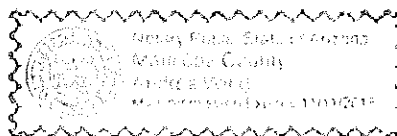
Eileen B. Schuler

SUBSCRIBED and SWORN to before me, the undersigned notary public, on July 16, 2018.



Notary Public

My Commission Expires: 





REPUBLIC
SERVICES

Solid Waste Services



ATTACHMENT 10

LETTER FROM SALT RIVER LANDFILL: GREEN WASTE PROCESSING



SALT RIVER LANDFILL
PIMA-MARICOPA INDIAN COMMUNITY
13602 E. Beeline Highway/SR 87 Phone: (480)941-3427
Scottsdale, AZ 85256 Fax: (480)949-4261

July 10, 2018

Tricia Ponce de Leon
General Manager
Republic Services
4811 W. Lower Buckeye Road
Phoenix AZ 85043

RE: Green Waste and Solid Waste Disposal Services

Dear Ms. Ponce de Leon:

May this letter confirm the Salt River Landfill's ability and desire to accept and process the Town of Fountain Hill's green waste and/or solid waste as may be delivered by Republic Services should they be awarded the bid. The Salt River Landfill does not have daily or annual permitted capacity restrictions.

Our commitment to recycling continues to be a priority for both the Salt River Pima-Maricopa Indian Community and the Landfill Enterprise. Landfill capacity is a precious and valuable commodity, and it would be environmentally irresponsible to not divert such easily recyclable material.

Green waste recycling has been conducted here at the Salt River Landfill for over 15 years. Green waste is brought to the facility by Mesa, Scottsdale, Salt River Project, East Valley residents and many landscaper/lawn maintenance companies. Accepting the Town of Fountain Hill's yard trash will not impact our current green waste operations. No expansion is necessary.

The acceptable materials include: tree, bush and grass clippings, tree trunks less than four feet in diameter, brush, leaves, twigs, branches, and unpainted and untreated lumber. Green waste must be separated from other wastes destined for landfill disposal prior to arriving at the facility. Contaminated green waste loads will be directed to disposal in the landfill.

Western Organics is the current vendor that processes the green waste and ships it to markets. The process involves grinding green waste into mulch, stockpiling it into manageable piles and loading it for transport to other facilities. The majority of the material is transported to Western Organic's Phoenix facility for further processing and then bagged and sold at various retail outlets. Some of the material is used as a wood chip material transported to a power plant producing "green energy".



SALT RIVER LANDFILL
PIMA-MARICOPA INDIAN COMMUNITY
13602 E. Beeline Highway/SR 87 Phone: (480)941-3427
Scottsdale, AZ 85256 Fax: (480)949-4261

Western Organics is always looking for outlets for processed green waste. If Fountain Hills is looking to be becoming a user of some of then end products (effectively completing the loop of recycling) we will be happy to facilitate discussions.

No import restrictions or additional fees exist.

If you have any questions, please feel free to contact me at 480-302-6473.

Sincerely,

Richard Allen

Richard Allen
CEO
Salt River Landfill

EXHIBIT C
TO
SOLID WASTE SERVICES AGREEMENT
BETWEEN
THE TOWN OF FOUNTAIN HILLS
AND

[Fee Proposal – Completed Forms 5 - 8]

See following page(s).

**SECTION A
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

**FORM 5: COST FORM FOR RESIDENTIAL SOLID WASTE SERVICES, RESIDENTIAL
BULK WASTE SERVICES, RESIDENTIAL RECYCLING SERVICES AND TOWN FACILITY
RECYCLING SERVICES**

Form 5.1 - Costs for Residential Solid Waste Services

Service Rate	Monday through Friday Collection Week	
	Same Day Collection [1]	Different Day Collection [2]
Residential Solid Waste Services		
1. Solid Waste Collection Service Rate	\$ 8.43 /Unit/Month	\$ 8.43 /Unit/Month
2. Solid Waste Cart Rate [3]		
65 Gallon	\$ 0.00 /Unit/Month	\$ 0.00 /Unit/Month
96 Gallon	\$ 0.00 /Unit/Month	\$ 0.00 /Unit/Month
3. Solid Waste Disposal Rate [4]	\$ 0.00 /Unit/Month	\$ 0.00 /Unit/Month
4. Additional Solid Waste Cart Collection Service Rate [5]	\$ 0.00 /Unit/Month	\$ 0.00 /Unit/Month
5. Additional Solid Waste Cart Rate [3][5]	\$ 5.00 /Unit/Month	\$ 5.00 /Unit/Month
6. Additional Solid Waste Cart Disposal Rate [4][5]	0.00 [6]	0.00 [6]
7. Non-Collection Day Collection Rate [7]	\$25.00 /Unit/Month	\$ 25.00 /Unit/Month
8. Non-Collection Day Disposal Rate [4][7]	0.00 [6]	0.00 [6]
Quarterly Residential Bulk Waste Services		
1. Bulk Waste Collection Rate	\$ 50.00 CY **	\$ 50.00 CY **
2. Bulk Waste Disposal Rate [4]	\$ 0.00 CY	\$ 0.00 CY
Residential Recycling Services		
1. Recycling Collection Service Rate	\$ 5.94 /Unit/Month	\$ 5.94 /Unit/Month
2. Recycling Cart Rate [3][8]		
65 Gallon	\$ 0.00 /Unit/Month	\$ 0.00 /Unit/Month
96 Gallon	\$ 0.00 /Unit/Month	\$ 0.00 /Unit/Month
Residential Cart Change Rate [9]	\$ 25.00 /Cart	\$25.00 /Cart

- [1] Same Day Collection means Contractor shall perform both Residential Solid Waste Services and Residential Recycling Services on the same day of the week for each Residential Service Unit.
- [2] Different Day Collections means Contractor may perform Residential Solid Waste Services and Residential Recycling Services on different days of the week for each Residential Service Unit.
- [3] Cart Rate means the cost for purchase up to and including the initial delivery of the Carts to Residential Service Units. Contractor shall be responsible for the costs associated with the maintenance, delivery after the initial delivery and storage of Carts. Ownership of the Carts in the possession of Residential Service Units at the expiration of the Agreement shall rest with the Contractor.
- [4] Disposal Rate shall be the sole fee charged for the disposal of Solid Waste and Bulk Waste.
- [5] Additional Solid Waste Service means the cost associated with an additional Solid Waste Cart for a Residential Service Unit.
- [6] Additional Solid Waste Cart Disposal Rate shall be equal to Solid Waste Disposal Rate.
- [7] Non-Collection Day Collection Rate shall mean the provision of Solid Waste Collection Services by the Contractor on a day other than the Residential Service Unit's scheduled Collection day.
- [8] Proposer shall provide a choice of the size of Carts for solid waste and recycling (65 & 96-gal) to enable residents to choose the level of service most appropriate for their situation. The default level of service will be the 96 gallon Carts. Recycle Carts shall be a standard blue color with the recycle logo imprinted on the container; provided, however, that the Town may, at its sole discretion, allow for alternative Recycling Cart colors that are clearly marked or colored to easily distinguish them from the Solid Waste Cart and

**SECTION A
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

the Green Waste Cart and so long as the recycle logo is clearly displayed. All Carts must be Proposer grade, wheeled containers. Each must have a permanently attached lid, and be designed to easily fit through gates and doors.

- [9] Proposer shall provide residents with a one-time ability to request a change in Cart size. Any additional changes in Cart size will be individually charged to the resident, per Cart.

*Annual (Spring Cleaning) bulk rate, annual household hazardous waste and electronics event is included in solid waste collection rate.

**Bulk waste and collection rate of \$50.00/6CY is for residents who request pick-up more than the annual pick-up included in base rate.

***ALL RATES ARE SUBJECT TO AN ANNUAL INCREASE ON THE ANNIVERSARY DATE OF THE SIGNED AGREEMENT. INCREASE % IS BASED ON CPI: WATER, SEWER, TRASH.

**SECTION A
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

**FORM 5: COST FORM FOR RESIDENTIAL SOLID WASTE SERVICES, RESIDENTIAL
BULK WASTE SERVICES, RESIDENTIAL RECYCLING SERVICES AND TOWN FACILITY
RECYCLING SERVICES**

Form 5.1.A - Costs for Residential Solid Waste Services

Service Rate	Monday through Friday Collection Week
	Multiple Day Collection [1]
Residential Solid Waste Services	
1. Solid Waste Collection Service Rate	\$ 13.43 /Unit/Month
2. Solid Waste Cart Rate [2] 65 Gallon	\$ 0.00 /Unit/Month
96 Gallon	\$ 0.00 /Unit/Month
3. Solid Waste Disposal Rate [3]	\$ 0.00 /Unit/Month
4. Additional Solid Waste Cart Collection Service Rate [4]	\$ 5.00 /Unit/Month
5. Additional Solid Waste Cart Rate [2][4]	\$ 5.00 /Unit/Month
6. Additional Solid Waste Cart Disposal Rate [3][4]	0.00 [6]
7. Non-Collection Day Collection Rate [6]	\$ 25.00 /Unit/Month
8. Non-Collection Day Disposal Rate [3][6]	0.00 [6]
Residential Bulk Waste Services	
1. Bulk Waste Collection Rate	\$ 50.00**/6 CY
2. Bulk Waste Disposal Rate [3]	\$ 0.00 /6 CY
3. Semiannual Bulk Waste Event	\$ /6 CY
Residential Recycling Services	
1. Recycling Collection Service Rate	\$ 5.94 /Unit/Month
2. Recycling Cart Rate [2][7] 65 Gallon	\$ 0.00 /Unit/Month
96 Gallon	\$ 0.00 /Unit/Month
Residential Cart Change Rate [8]	\$ 25.00 /Cart

- [1] Multiple Day Collection means Contractor shall perform, for each Residential Service Unit, Residential Solid Waste Services on two days each week and Residential Recycling Services on the same day of the week as one of the Residential Solid Waste Services days.
- [2] Cart Rate means the cost for purchase up to and including the initial delivery of the Carts to Residential Service Units. Contractor shall be responsible for the costs associated with the maintenance, delivery after the initial delivery and storage of Carts. Ownership of the Carts in the possession of Residential Service Units at the expiration of the Agreement shall rest with the Contractor.
- [3] Disposal Rate shall be the sole fee charged for the disposal of Solid Waste and Bulk Waste.
- [4] Additional Solid Waste Service means the cost associated with an additional Solid Waste Cart for a Residential Service Unit.
- [5] Additional Solid Waste Cart Disposal Rate shall be equal to Solid Waste Disposal Rate.
- [6] Non-Collection Day Collection Rate shall mean the provision of Solid Waste Collection Services by the Contractor on a day other than the Residential Service Unit's scheduled Collection day.
- [7] Proposer shall provide a choice of the size of Carts for solid waste and recycling (65 & 96-gal) to enable residents to choose the level of service most appropriate for their situation. The default level of service will be the 96 gallon Carts. Recycle Carts shall be a standard blue color with the recycle logo imprinted on the container; provided, however, that the Town may, at its sole discretion, allow for alternative Recycling Cart colors that are clearly marked or colored to easily distinguish them from the Solid Waste Cart and the Green Waste Cart and so long as the recycle logo is clearly displayed. All Carts must be Contractor grade, wheeled containers. Each must have a permanently attached lid, and be designed to easily fit through gates and doors.
- [8] Proposer shall provide residents with a one-time ability to request a change in Cart size. Any additional changes in Cart size will be individually charged to the resident, per Cart.

*****ALL RATES ARE SUBJECT TO AN ANNUAL INCREASE ON THE ANNIVERSARY
DATE OF THE SIGNED AGREEMENT. INCREASE % IS BASED ON CPI: WATER,
SEWER, TRASH.**

**SECTION A
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

**FORM 5: COST FORM FOR RESIDENTIAL SOLID WASTE SERVICES, RESIDENTIAL BULK
WASTE SERVICES, RESIDENTIAL RECYCLING SERVICES AND TOWN FACILITY
RECYCLING SERVICES (continued)**

**Form 5.2 - Costs for Residential Solid Waste Services
WITHOUT RECYCLING**

Service Rate	Monday through Friday Collection Week	
	Same Day Collection [1]	Different Day Collection [2]
Residential Solid Waste Services		
1. Solid Waste Collection Service Rate	\$ 19.37/Unit/Month *	\$ 19.37/Unit/Month *
2. Solid Waste Cart Rate [1][6] 65 Gallon	\$ 0.00/Unit/Month	\$ 0.00 /Unit/Month
96 Gallon	\$ 0.00/Unit/Month	\$ 0.00 /Unit/Month
3. Solid Waste Disposal Rate [2]	\$ 0.00/Unit/Month	\$ 0.00 /Unit/Month
4. Additional Solid Waste Cart Collection Service Rate [3]	\$ 5.00/Unit/Month	\$ 5.00 /Unit/Month
5. Additional Solid Waste Cart Rate [1][3]	\$ 0.00 /Unit/Month	\$ 0.00 /Unit/Month
6. Additional Solid Waste Cart Disposal Rate [2][3]	0.00 [6]	0.00 [6]
7. Non-Collection Day Collection Rate [5]	\$ 25.00/Unit/Month	\$ 25.00/Unit/Month
8. Non-Collection Day Disposal Rate [2][5]	0.00 [6]	0.00 [6]
Quarterly Residential Bulk Waste Services		
1. Bulk Waste Collection Rate	\$50.00/6 CY **	\$ 50.00/6 CY **
2. Bulk Waste Disposal Rate [2]	\$ 0.00/6 CY	\$ 0.00/6 CY
Residential Cart Change Rate [7]	\$ 25.00 /Cart	\$ 25.00 /Cart

- [1] Cart Rate means the cost for purchase up to and including the initial delivery of the Carts to Residential Service Units. Contractor shall be responsible for the costs associated with the maintenance, delivery after the initial delivery and storage of Carts. Ownership of the Carts in the possession of Residential Service Units at the expiration of the Agreement shall rest with the Contractor.
- [2] Disposal Rate shall be the sole fee charged for the disposal of Solid Waste and Bulk Waste.
- [3] Additional Solid Waste Service means the cost associated with an additional Solid Waste Cart for a Residential Service Unit.
- [4] Additional Solid Waste Cart Disposal Rate shall be equal to Solid Waste Disposal Rate.
- [5] Non-Collection Day Collection Rate shall mean the provision of Solid Waste Collection Services by the Contractor on a day other than the Residential Service Unit's scheduled Collection day.
- [6] Proposer shall provide a choice of the size of Carts for solid waste (65& 96-gal) to enable residents to choose the level of service most appropriate for their situation. The default level of service will be the 96 gallon Carts. All Carts must be Proposer grade, wheeled containers. Each must have a permanently attached lid, and be designed to easily fit through gates and doors.
- [7] Proposer shall provide residents with a one-time ability to request a change in Cart size. Any additional changes in Cart size will be individually charged to the resident, per Cart.

*Annual (Spring Cleaning) bulk rate, annual household hazardous waste and electronics event is included in solid waste collection rate.

**Bulk waste and collection rate of \$50.00/6CY is for residents who request pick-up more than the annual pick-up included in base rate.

***ALL RATES ARE SUBJECT TO AN ANNUAL INCREASE ON THE ANNIVERSARY DATE OF THE SIGNED AGREEMENT. INCREASE % IS BASED ON CPI: WATER, SEWER, TRASH.

**SECTION A
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

FORM 5: COST FORM FOR RESIDENTIAL SOLID WASTE SERVICES, RESIDENTIAL BULK WASTE SERVICES, RESIDENTIAL RECYCLING SERVICES AND TOWN FACILITY RECYCLING SERVICES (continued)

Form 5.3 - Residential Recycling Processing and Marketing Rate and Town Facility Recycling Processing and Marketing Rate

Type of Recyclable Material [1]	Processing/Marketing Fee [2]	Flat per Ton Payment [3][7]	Revenue Share [4][7]
Please see note below	\$ /Incoming Ton [5]	\$ /Incoming Ton [5]	% to Town and
	\$ /Outgoing Ton [6]	\$ /Outgoing Ton [6]	% to Contractor
	\$ /Incoming Ton [5]	\$ /Incoming Ton [5]	% to Town and
	\$ /Outgoing Ton [6]	\$ /Outgoing Ton [6]	% to Contractor
	\$ /Incoming Ton [5]	\$ /Incoming Ton [5]	% to Town and
	\$ /Outgoing Ton [6]	\$ /Outgoing Ton [6]	% to Contractor
	\$ /Incoming Ton [5]	\$ /Incoming Ton [5]	% to Town and
	\$ /Outgoing Ton [6]	\$ /Outgoing Ton [6]	% to Contractor
	\$ /Incoming Ton [5]	\$ /Incoming Ton [5]	% to Town and
	\$ /Outgoing Ton [6]	\$ /Outgoing Ton [6]	% to Contractor
	\$ /Incoming Ton [5]	\$ /Incoming Ton [5]	% to Town and
	\$ /Outgoing Ton [6]	\$ /Outgoing Ton [6]	% to Contractor
	\$ /Incoming Ton [5]	\$ /Incoming Ton [5]	% to Town and
	\$ /Outgoing Ton [6]	\$ /Outgoing Ton [6]	% to Contractor
	\$ /Incoming Ton [5]	\$ /Incoming Ton [5]	% to Town and
	\$ /Outgoing Ton [6]	\$ /Outgoing Ton [6]	% to Contractor
	\$ /Incoming Ton [5]	\$ /Incoming Ton [5]	% to Town and
	\$ /Outgoing Ton [6]	\$ /Outgoing Ton [6]	% to Contractor

[1] Proposer shall list the type of Recyclable Material.

[2] Processing/Marketing Fee shall be the sole fee charged for the processing and marketing of Recyclable Materials.

[3] Incoming Tons means the tons of recorded at the scale house at the Recycling Facility upon arrival of the Collection vehicle.

[4] Outgoing Tons means the tons of Recyclable Materials sold.

[5] The intent of columns 3 and 4 is to allow the Town to have a baseline by which to compare the cost savings to the Town against the added benefit to the citizens. The Town intends that none of the revenue from Recycling shall be paid to the Town; Contractor shall retain all such revenues.

NOTE: Recycling materials collected from Fountain Hills will not be subject to a processing fee and no rebate will be paid to the town. Republic Rewards will continue to be available to residents who participate in the recycling program.

**SECTION A
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

**FORM 6: COST FORM FOR TOWN FACILITY SOLID WASTE SERVICES AND SPECIAL
EVENTS SOLID WASTE SERVICES**

Form 6.1 - Costs for Town Facility Solid Waste Services

		Collection Frequency per Week						
Rates		1x	2x	3x	4x	5x	6x	7x
Solid Waste Cart Service								
96 gallons	Collection Rate [1]	8.43	13.43	18.43	23.43	28.43	33.43	N/A
	Disposal Rate [1] [2]	-	-	-	-	-	-	-
	Cart Rental Rate [1] [3]							
Container Service								
2 CY	Collection Rate [1]	30.00	45.00	60.00	75.00	90.00	105.00	120.00
	Disposal Rate [1] [2]							
	Container Rental Rate [1] [4]							
4 CY	Collection Rate [1]	40.00	65.00	90.00	115.00	140.00	165.00	190.00
	Disposal Rate [1] [2]							
	Container Rental Rate [1] [4]							
6 CY	Collection Rate [1]	50.00	100.00	150.00	200.00	250.00	300.00	350.00
	Disposal Rate [1] [2]							
	Container Rental Rate [1] [4]							
8 CY	Collection Rate [1]	65.00	130.00	190.00	250.00	310.00	370.00	430.00
	Disposal Rate [1] [2]							
	Container Rental Rate [1] [4]							

- [1] Collection Rate, Disposal Rate and Container Rental Rate shall be stated in \$/Container/Month.
 [2] Disposal Rate shall be the sole fee charged for the disposal of Solid Waste.
 [3] Cart Rate means the cost for purchase up to and including the initial delivery of the Carts to Residential Service Units. Contractor shall be responsible for the costs associated with the maintenance, delivery after the initial delivery and storage of Carts. Ownership of the Carts in the possession of Town Facilities at the expiration of the Agreement shall rest with the Contractor.
 [4] Container Rental Rate shall be the sole fee charged by the Contractor for the purchase, maintenance, delivery and all other costs associated with the Container.

Form 6.2 - Costs for Town Facility Recycling Services [1]

Collection Frequency	Collection Rate	Processing/Marketing Fee	Container Rental Rate [2]
1 x per week	\$25.00/Container/Month	[3]	\$ 0 /Container/Month
2 x per week	\$50.00/Container/Month	[3]	\$ 0 /Container/Month
3 x per week	\$75.00/Container/Month	[3]	\$ 0 /Container/Month
4 x per week	\$100.00/Container/Month	[3]	\$ 0 /Container/Month
5 x per week	\$125.00/Container/Month	[3]	\$ 0 /Container/Month
6 x per week	\$ N/A /Container/Month	[3]	\$ 0 /Container/Month
7 x per week	\$ N/A /Container/Month	[3]	\$ 0 /Container/Month

- [1] Town Facility Recycling Services shall be provided via Containers as set forth in the Solid Waste Service Agreement.
 [2] Container Rental Rate shall be the sole fee charged by the Contractor for the purchase, maintenance, delivery and all other costs associated with the Container.
 [3] Shall be equal to the fee for residential recycling processing and marketing as stated in table 5.2 above.

**SECTION A
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

**FORM 6: COST FORM FOR TOWN FACILITY SOLID WASTE SERVICES AND SPECIAL
EVENTS SOLID WASTE SERVICES (continued)**

Form 6.3 - Costs for Special Events Solid Waste Services and Special Events Recycling Services

Solid Waste			
Roll-off Size	Collection Rate	Disposal Rate	Container Rental Rate
10 CY	\$ 75.00 /Container/Pull	\$ 30.00 /Ton	\$ 0 /Container
20 CY	\$ 75.00 /Container/Pull	[1]	\$ 0 /Container
30 CY	\$ 75.00 /Container/Pull	[1]	\$ 0 /Container
40 CY	\$ 75.00 /Container/Pull	[1]	\$ 0 /Container

[1] Disposal Rate shall be equal to Disposal Rate for a 10 CY.

Special Event Recycling Services		
Collection Frequency	Collection Rate	Processing/Marketing Fee
1 x per event	\$ 25.00 6 Gallon Cart/Event	[1]
2 x per event	\$ 50.00 6 Gallon Cart/Event	[1]
3 x per event	\$ 75.00 6 Gallon Cart/Event	[1]
4 x per event	\$ 100.00 6 Gallon Cart/Event	[1]
5 x per event	\$ 125.00 6 Gallon Cart/Event	[1]
6 x per event	\$ 150.00 6 Gallon Cart/Event	[1]
7 x per event	\$ 175.00 6 Gallon Cart/Event	[1]

[1] Shall be equal to the fee for residential recycling processing and marketing as stated in Form 5 above.

**SECTION A
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

FORM 7: COST FORM FOR NEIGHBORHOOD RECYCLING DROP-OFF SERVICES

Form 7.1 - Costs for Neighborhood Recycling Drop-off Services [1]

Collection Frequency	Collection Rate		Container Rental Rate [2]	
1 x per week	\$ 200.00	/Container/Month	\$ 0	/Container/Month
2 x per week	\$ 400.00	/Container/Month	\$ 0	/Container/Month
3 x per week	\$ 600.00	/Container/Month	\$ 0	/Container/Month
4 x per week	\$ 800.00	/Container/Month	\$ 0	/Container/Month
5 x per week	\$1000.00	/Container/Month	\$ 0	/Container/Month
6 x per week	\$1200.00	/Container/Month	\$ 0	/Container/Month
7 x per week	\$1400.00	/Container/Month	\$ 0	/Container/Month

- [1] Neighborhood Recycling Drop-off Services shall be provided via Containers as set forth in the Solid Waste Services Agreement.
- [2] Container Rental Rate shall be the sole fee charged by the Contractor for the purchase, maintenance, delivery and all other costs associated with the Container.

Form 7.2 - Neighborhood Recycling Drop-off Services Processing and Marketing Rate

Type of Recyclable Material [1]	Processing/Marketing Fee [2]		Flat per Ton Payment [3][7]		Revenue Share [4][7]
Please see note below	\$	/Incoming Ton [5]	\$	/Incoming Ton [5]	% to Town and
	\$	/Outgoing Ton [6]	\$	/Outgoing Ton [6]	% to Contractor
	\$	/Incoming Ton [5]	\$	/Incoming Ton [5]	% to Town and
	\$	/Outgoing Ton [6]	\$	/Outgoing Ton [6]	% to Contractor
	\$	/Incoming Ton [5]	\$	/Incoming Ton [5]	% to Town and
	\$	/Outgoing Ton [6]	\$	/Outgoing Ton [6]	% to Contractor
	\$	/Incoming Ton [5]	\$	/Incoming Ton [5]	% to Town and
	\$	/Outgoing Ton [6]	\$	/Outgoing Ton [6]	% to Contractor
	\$	/Incoming Ton [5]	\$	/Incoming Ton [5]	% to Town and
	\$	/Outgoing Ton [6]	\$	/Outgoing Ton [6]	% to Contractor
	\$	/Incoming Ton [5]	\$	/Incoming Ton [5]	% to Town and
	\$	/Outgoing Ton [6]	\$	/Outgoing Ton [6]	% to Contractor
	\$	/Incoming Ton [5]	\$	/Incoming Ton [5]	% to Town and
	\$	/Outgoing Ton [6]	\$	/Outgoing Ton [6]	% to Contractor
	\$	/Incoming Ton [5]	\$	/Incoming Ton [5]	% to Town and
	\$	/Outgoing Ton [6]	\$	/Outgoing Ton [6]	% to Contractor
	\$	/Incoming Ton [5]	\$	/Incoming Ton [5]	% to Town and
	\$	/Outgoing Ton [6]	\$	/Outgoing Ton [6]	% to Contractor

- [1] Proposer shall list the type of Recyclable Material.
- [2] Processing/Marketing Fee shall be the sole fee charged for the processing and marketing of Recyclable Materials.
- [3] Incoming Tons means the tons of recorded at the scale house at the Recycling Facility upon arrival of the Collection vehicle.
- [4] Outgoing Tons means the tons of Recyclable Materials sold.
- [5] The intent of columns 3 and 4 is to allow the Town to have a baseline by which to compare the cost savings to the Town against the added benefit to the citizens. The Town intends that none of the revenue from Recycling shall be paid to the Town; Contractor shall retain all such revenues.

NOTE: Recycling materials collected from Fountain Hills will not be subject to a processing fee and no rebate will be paid to the town.

**SECTION A
DEPARTMENT**

**TOWN OF FOUNTAIN HILLS
PUBLIC WORKS
PW2018-002**

FORM 8: COST FORM FOR RESIDENTIAL GREEN WASTE SERVICES

Service Rate	Monday through Friday Collection Week	
	Same Day Collection [1]	Different Day Collection [2]
Residential Green Waste Services		
1. Residential Green Waste Collection Service Rate	\$15.00 /Unit/Month	\$ 15.00/Unit/Month
2. Residential Green Waste Processing and Marketing Rate	\$ 0.00 /Unit/Month	\$ 0.00 /Unit/Month

[1] Same Day Collection means Contractor shall perform both Residential Solid Waste Services and Residential Recycling services on the same day of the week for each Residential Service Unit.

[2] Different Day Collections means Contractor may perform Residential Solid Waste Services and Residential Recycling Services on different days of the week for each Residential Service Unit.

EXHIBIT D
TO
SOLID WASTE SERVICES AGREEMENT
BETWEEN
THE TOWN OF FOUNTAIN HILLS
AND

[Map]

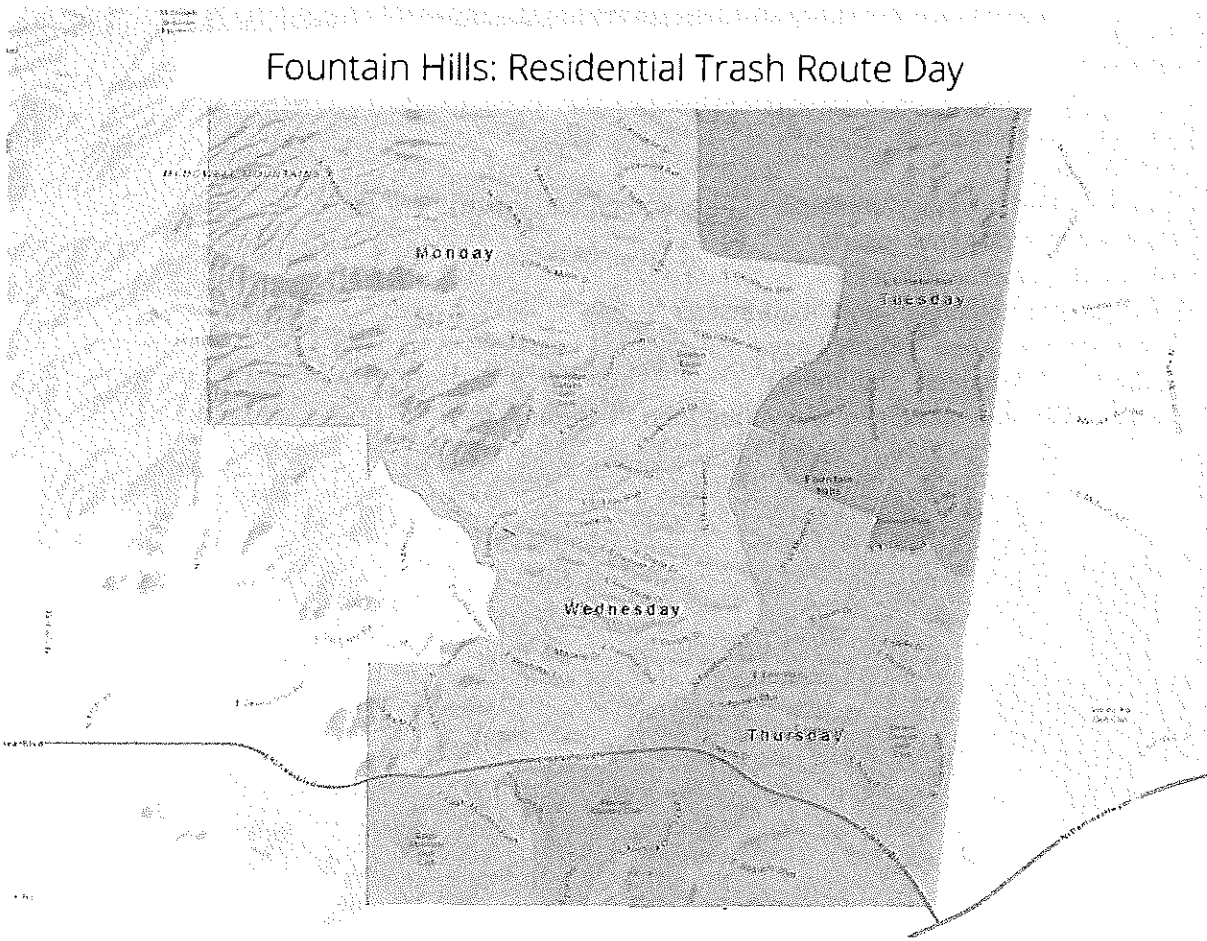


EXHIBIT E
TO
SOLID WASTE SERVICES AGREEMENT
BETWEEN
THE TOWN OF FOUNTAIN HILLS
AND

[Materials Acceptance Protocol]

The following is a list of recyclable materials collected from the Town's residents that will be processed at Contractor's recycling facility:

Aluminum cans and foil
Steel/tin cans
Glass food and beverage containers (flint, amber, and green)
Newspaper, slick paper inserts
Magazines, paperback books
Residential mixed paper, junk mail inserts
Telephone books and Yellow Pages
Cardboard (corrugated, chipboard)
Plastic bottles and containers (recycling logo #1 through #6)

EXHIBIT F
TO
SOLID WASTE SERVICES AGREEMENT
BETWEEN
THE TOWN OF FOUNTAIN HILLS
AND

[Recyclable Materials Affidavit]

See

following

page(s).

AFFIDAVIT

STATE OF ARIZONA)
) ss.
County of Maricopa)

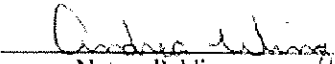
The undersigned, being duly sworn, deposes and states as follows:

1. I am the duly elected, qualified and acting Vice President and Secretary of River Recycling, L.L.C, a Delaware limited liability company ("RR");
2. RR owns and/or operates a material recycling facility located at 13602 N. Beeline Highway, Scottsdale, Arizona, 85256, known as Scottsdale River Recycling; and
3. Further Affiant sayeth naught.

DATE: July 16, 2018.


Eileen B. Schuler

SUBSCRIBED and SWORN to before me, the undersigned notary public, on July 16, 2018.


Notary Public

My Commission Expires: 

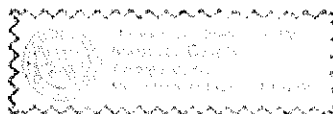


EXHIBIT G
TO
SOLID WASTE SERVICES AGREEMENT
BETWEEN
THE TOWN OF FOUNTAIN HILLS
AND

[Disposal Services Affidavit]

See following page(s).

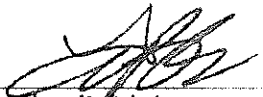
AFFIDAVIT

STATE OF ARIZONA)
) ss.
County of Maricopa)

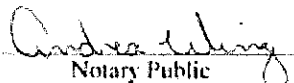
The undersigned, being duly sworn, deposes and states as follows:

1. I am the duly elected, qualified and acting Vice President and Secretary of Allied Waste Transportation, Inc., a Delaware corporation ("AWT");
2. AWT owns and/or operates a transfer station located at 1855 E. Deer Valley Road, Phoenix, Arizona, 85024, known as Cave Creek Transfer Station; and
3. Further Affiant sayeth naught.

DATE: July 16, 2018.


Eileen B. Schuler

SUBSCRIBED and SWORN to before me, the undersigned notary public, on July 16, 2018.


Notary Public

My Commission Expires: 11/16/19

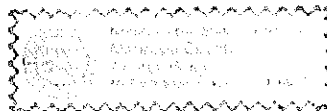


EXHIBIT H
TO
SOLID WASTE SERVICES AGREEMENT
BETWEEN
THE TOWN OF FOUNTAIN HILLS
AND

[Guaranty Agreement]

See following page(s).

GUARANTY

THIS GUARANTY is made and entered into as of January 15, 2019 by Republic Services, Inc., a Delaware corporation ("Guarantor"), in favor of the Town of Fountain Hills, an Arizona municipal corporation (the "Guaranteed Party").

Recitals

A. Allied Waste Transportation, Inc., a Delaware corporation d/b/a Republic Services of Phoenix ("Subsidiary"), and the Guaranteed Party are parties to that certain Solid Waste Services Agreement, dated as of January 15, 2019 (the "Agreement").

B. As an inducement to the Guaranteed Party to enter into the Agreement, Guarantor has agreed to guarantee the performance of Subsidiary's obligations under the Agreement.

In consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Agreement

1. Guaranty. Guarantor irrevocably and unconditionally guarantees to the Guaranteed Party the due and punctual performance of each obligation of Subsidiary contained in the Agreement in accordance with its terms and conditions. Guarantor agrees that if Subsidiary shall fail to perform any of its obligations under the Agreement when due in accordance with the terms of the Agreement, it shall, upon demand made by the Guaranteed Party, immediately perform the obligation, to the extent that such performance is required to be made or performed by Subsidiary. Notwithstanding anything to the contrary contained in this Guaranty, this Guaranty pertains only to those obligations owed by Subsidiary under the Agreement, and shall in no way alter or expand any obligation owing under the Agreement or diminish any defense available to Subsidiary under the Agreement. This Guaranty in no way alters the respective obligations, rights, defenses, setoffs, counterclaims, or privileges of the parties to the Agreement, all of which shall be equally available to Guarantor as to Subsidiary in the event the Guaranteed Party makes a claim under this Guaranty. The Guaranteed Party, however, may commence any action or proceeding based upon this Guaranty directly against Guarantor without making Subsidiary a party defendant in such action or proceeding and it shall not be necessary for the Guaranteed Party to bring any action or proceeding first against Subsidiary to recover from the Guarantor.

Guarantor agrees that the obligations of Guarantor pursuant to this Guaranty shall remain in full force and effect without regard to, and shall not be released, discharged or affected in any way by any of the following (whether or not Guarantor shall have any knowledge thereof):

(a) any termination, amendment, modification or other change in the Agreement;

(b) any failure, omission or delay on the part of Subsidiary, Guarantor, any or any other guarantor of Subsidiary's obligations to conform or comply with any term of the Agreement;

(c) any waiver, compromise, release, settlement or extension of time of performance or observance of any of the obligations or agreements contained in the Agreement;

(d) any dissolution of Guarantor or any voluntary or involuntary bankruptcy, insolvency, reorganization, arrangement, readjustment, assignment for the benefit of creditors, composition, receivership, liquidation, marshalling of assets and liabilities or similar events or proceedings with respect to Subsidiary, Guarantor or any other guarantor of Subsidiary's obligations, as applicable, or any of their respective property or creditors, or any action taken by any trustee or receiver or by any court in any such proceeding;

(e) any merger or consolidation of Subsidiary, Guarantor or any other guarantor of Subsidiary's obligations into or with any person, or any sale, lease or transfer of any of the assets of Subsidiary, Guarantor or any other guarantor of Subsidiary's obligations to any other person; or

(f) any change in the ownership of the capital stock of Subsidiary, Guarantor or any other guarantor of Subsidiary's obligations or any change in the relationship between Subsidiary, Guarantor or any other guarantor of Subsidiary's obligations, or any termination of any such relationship.

2. Representations and Warranties. Guarantor represents and warrants to the Guaranteed Party that this Guaranty has been duly executed and delivered by Guarantor and constitutes the legal, valid and binding obligation of Guarantor, enforceable against Guarantor in accordance with its terms.

3. Miscellaneous

(a) Governing Law. This Guaranty shall be governed by and construed in accordance with the laws of the State of Arizona without reference to the choice of law principles thereof. Any legal action, suit or proceeding arising out of or relating to this Agreement shall be instituted exclusively in the state or federal courts of the State of Arizona.

(b) No Third Party Benefits. Nothing in this Guaranty is intended, and it shall not be construed, to confer any rights or benefits upon any person other than the Guaranteed Party and no other third party shall have any rights or remedies hereunder.

(c) Notices. All notices and other communications to Guarantor under this Guaranty shall be sufficiently given for all purposes hereunder if in writing and: (i) delivered personally; or (ii) sent by documented overnight delivery service, in each case, to the following:

Republic Services, Inc.
18500 North Allied Way
Phoenix, AZ 85054
Attn: General Counsel

or to such other address and/or to the attention of such other person as Guarantor may designate by written notice to the Guaranteed Party.

(d) Binding Effect: Assignment. This Guaranty shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns; provided, however, that no party hereto may assign its rights or delegate its obligations under this Guaranty without the express written consent of the other party hereto.

(e) Headings. The headings contained in this Guaranty are inserted for convenience only and will not affect the meaning or interpretation of this Guaranty.

(f) Amendment; No Waiver. This Guaranty may not be modified or amended except by an instrument in writing signed by the party against whom enforcement of any such modification or amendment is sought. Any party hereto may, only by an instrument in writing, waive compliance by the other party hereto with any term or provision of this Guaranty. The waiver by any party hereto of a breach of any term or provision of this Guaranty shall not be construed as a waiver of any subsequent breach.

IN WITNESS WHEREOF, Guarantor has executed this Guaranty as of the date first above written.

Republic Services, Inc.

By: 
Name: Nicole Giardinoto
Its: SVP Investor Relations
and Treasurer



TOWN OF FOUNTAIN HILLS

TOWN COUNCIL AGENDA ACTION FORM

Meeting Date: 1/15/2019

Meeting Type: Regular Session

Agenda Type: Consent

Submitting Department: Administration

Staff Contact Information: Craig Rudolphy, Finance Director, 480-816-5162; crudolphy@fh.az.gov

REQUEST TO COUNCIL (Agenda Language): CONSIDERATION OF two budget transfers: 1) Development Services in the amount of \$44,413 to contractual services from salaries and benefits to allow for more third party inspections; and 2) Town Clerk in the amount of \$11,827.50, to part-time salaries from professional services to allow for the use of a temporary employee.

Applicant:

Applicant Contact Information:

Owner:

Owner Contact Information:

Property Location:

Related Ordinance, Policy or Guiding Principle:

Staff Summary (background): 1) Development Services in the amount of \$44,413 to contractual services from salaries and benefits to allow for more third party inspections. An amount was budgeted for the hiring of a part-time employee. After a job search, an acceptable employee could not be hired. Development Services needs to continue building inspections and will use this transfer to continue the current contract with Brown & Associates. 2) Town Clerk in the amount of \$11,827.50 to part-time salaries from professional services to allow for the use of a temporary employee. The employee will scan Clerk documents such as minutes, resolutions, ordinances, etc. and move the scanned documents into the Laserfiche program.

Risk Analysis (options or alternatives with implications):

Fiscal Impact (initial and ongoing costs; budget status): **None**

Budget Reference (page number):

Funding Source: General Fund

If Multiple Funds utilized, list here:

Budgeted; if No, attach Budget Adjustment Form: NA

Recommendation(s) by Board(s) or Commission(s):

Staff Recommendation(s): Approve

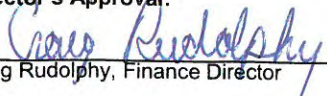
List Attachment(s): Budget transfer documents

SUGGESTED MOTION (for Council use): Approve budget transfers for Development Services and Town Clerk.

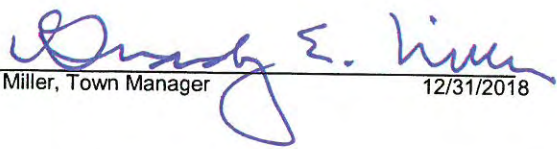
Prepared by:

NA 8/2/2017

Director's Approval:


Craig Rudolph, Finance Director 12/31/2018

Approved:


Grady E. Miller, Town Manager 12/31/2018



TOWN OF FOUNTAIN HILLS

16800 E. Avenue of the Fountains - Fountain Hills, AZ 85208

12/13/2018 08:42
BBogdan

TOWN OF FOUNTAIN HILLS
BUDGET AMENDMENT JOURNAL ENTRY PROOF

P 2
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CLERK: BBogdan

YEAR PER JNL
SRC ACCOUNT

EFF DATE	JNL DESC	REF 1	REF 2	REF 3	ACCOUNT DESC LINE DESC	T OB	DEBIT	CREDIT
2019 6 38								
BUA TCAD-5002								
12/12/2018	TEMP HIRE		TOWN CLERK		T SALARIES-PART TIME TEMP PARTTIME HIRE	5	11,827.50	
BUA TCLEG-6402								
12/12/2018	TEMP HIRE		TOWN CLERK		T PROFESSIONAL FEES TEMP PARTTIME HIRE	5		11,827.50
					JOURNAL 2019/06/38	TOTAL	.00	.00



TOWN OF FOUNTAIN HILLS

16705 E. Avenue of the Fountains - Fountain Hills, AZ 85268



12/13/2018 08:42
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TOWN OF FOUNTAIN HILLS
BUDGET AMENDMENTS JOURNAL ENTRY PROOF

P 1
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LN	ORG ACCOUNT	OBJECT PROJ	ORG DESCRIPTION	ACCOUNT DESCRIPTION LINE DESCRIPTION	EFF DATE	PREV BUDGET	BUDGET CHANGE	AMENDED BUDGET	ERR
YEAR-PER JOURNAL	EFF-DATE	REF 1	REF 2	SRC JNL-DESC	ENTITY	AMEND			
2019 06	38 12/12/2018			TOWN CLERK BUA TEMP HIRE	1	1			
1	TCAD 5002		CLERK-ADMIN	SALARIES-PART TIME		.00	11,827.50	11,827.50	
	100-10-10-103-100-0106-5002-			TEMP PARTTIME HIRE		12/12/2018			
2	TCLEG 6402		CLERK-LEGISLATION	PROFESSIONAL FEES		12,210.00	-11,827.50	382.50	
	100-10-10-103-100-1220-6402-			TEMP PARTTIME HIRE		12/12/2018			
** JOURNAL TOTAL							0.00		

MAYOR

DATE



TOWN OF FOUNTAIN HILLS

10000 N. Avenue of the Fountains • Fountain Hills, AZ 85268

12/11/2018 07:39
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TOWN OF FOUNTAIN HILLS BUDGET AMENDMENT JOURNAL ENTRY PROOF

P 2
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CLERK: BBogdan

YEAR PER JNL
SRC ACCOUNT

EFF DATE	JNL DESC	REF 1	REF 2	REF 3	ACCOUNT DESC LINE DESC	T OB	DEBIT	CREDIT
2019 6 25								
BUA DVSBS-6412								
12/11/2018	INSPECTOR		DVSBS		T CONTRACTUAL SERVICES	5	44,413.00	
BUA DVSBS-5002					CONTRACTED INSPECTOR			
12/11/2018	INSPECTOR		DVSBS		T SALARIES-PART TIME	5		40,693.00
BUA DVSBS-5201					CONTRACTED INSPECTOR			
12/11/2018	INSPECTOR		DVSBS		T FICA	5		2,523.00
BUA DVSBS-5202					CONTRACTED INSPECTOR			
12/11/2018	INSPECTOR		DVSBS		T MEDICARE	5		591.00
BUA DVSBS-5203					CONTRACTED INSPECTOR			
12/11/2018	INSPECTOR		DVSBS		T WORKERS COMPENSATION	5		531.00
BUA DVSBS-5204					CONTRACTED INSPECTOR			
12/11/2018	INSPECTOR		DVSBS		T UNEMPLOYMENT INSURANCE	5		25.00
BUA DVSBS-5307					CONTRACTED INSPECTOR			
12/11/2018	INSPECTOR		DVSBS		T BONUS	5		50.00
					CONTRACTED INSPECTOR			
JOURNAL 2019/06/25						TOTAL	.00	.00



TOWN OF FOUNTAIN HILLS

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TOWN OF FOUNTAIN HILLS BUDGET AMENDMENTS JOURNAL ENTRY PROOF

P 1
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LN	ORG ACCOUNT	OBJECT PROJ	ORG DESCRIPTION	ACCOUNT DESCRIPTION LINE DESCRIPTION	EFF DATE	PREV BUDGET	BUDGET CHANGE	AMENDED BUDGET	ERR
YEAR-PER	JOURNAL	EFF-DATE	REF 1	REF 2	SRC JNL-DESC	ENTITY	AMEND		
2019	06	25 12/11/2018		DVSBS	BUA INSPECTOR	1	1		
1	DVSBS	6412	BUILDING SAFETY		CONTRACTUAL SERVICES				
		100-20-40-402-100-0240-6412-			CONTRACTED INSPECTOR	60,000.00	44,413.00	104,413.00	
						12/11/2018			
2	DVSBS	5002	BUILDING SAFETY		SALARIES-PART TIME				
		100-20-40-402-100-0240-5002-			CONTRACTED INSPECTOR	91,922.00	-40,693.00	51,229.00	
						12/11/2018			
3	DVSBS	5201	BUILDING SAFETY		FICA				
		100-20-40-402-100-0240-5201-			CONTRACTED INSPECTOR	5,698.00	-2,523.00	3,175.00	
						12/11/2018			
4	DVSBS	5202	BUILDING SAFETY		MEDICARE				
		100-20-40-402-100-0240-5202-			CONTRACTED INSPECTOR	3,447.00	-591.00	2,856.00	
						12/11/2018			
5	DVSBS	5203	BUILDING SAFETY		WORKERS COMPENSATION				
		100-20-40-402-100-0240-5203-			CONTRACTED INSPECTOR	2,216.00	-531.00	1,685.00	
						12/11/2018			
6	DVSBS	5204	BUILDING SAFETY		UNEMPLOYMENT INSURANCE				
		100-20-40-402-100-0240-5204-			CONTRACTED INSPECTOR	125.00	-25.00	100.00	
						12/11/2018			
7	DVSBS	5307	BUILDING SAFETY		BONUS				
		100-20-40-402-100-0240-5307-			CONTRACTED INSPECTOR	250.00	-50.00	200.00	
						12/11/2018			
					*** JOURNAL TOTAL		0.00		

MAYOR

DATE



TOWN OF FOUNTAIN HILLS

TOWN COUNCIL AGENDA ACTION FORM

Meeting Date: 1/15/2019

Meeting Type: Regular Session

Agenda Type: Regular

Submitting Department: Community Services

Staff Contact Information: Marissa Moore, AICP, 480-816-5139, mmoore@fh.az.gov

REQUEST TO COUNCIL (Agenda Language): CONSIDERATION OF ORDINANCE 18-15, amending Section 5.06.G. of the Fountain Hills Zoning Ordinance relating to large detached accessory buildings in single-family residential zoning districts; amending Section 1.12 to create a definition for the front plane of a primary building and the street side plane of a primary building; and amending Sections 1.12, 5.06.F, 5.06.H., 5.09.B., 10.03.A.8., and 15.03.A.8. for consistency. Case #Z2018-08

Applicant: Development Services Department

Applicant Contact Information: Marissa Moore, AICP, Senior Planner, 480-816-5139, mmoore@fh.az.gov

Owner: Town of Fountain Hills

Owner Contact Information: Development Services Department

Property Location: Town-wide

Related Ordinance, Policy or Guiding Principle:

Fountain Hills Zoning Ordinance – Section 1.12 Definitions

Fountain Hills Zoning Ordinance – Chapter 5. General Provisions

Fountain Hills Zoning Ordinance – Chapter 10. Single Family Residential Zoning Districts

Fountain Hills Zoning Ordinance – Chapter 15. Mobile Home Zoning Districts

Staff Summary (background):

At the December 18, 2018 Town Council meeting, staff made a presentation on this proposed zoning amendment, including a PowerPoint presentation. The Council discussed the colors and materials of structures located in front of the principal building, what it would look like to allow a large accessory structure to be located within the rear yard setback from the perspective of a neighboring property, whether or not kitchen facilities should be allowed in guesthouses. Two councilmen stated that they would like more time to understand the proposed amendments, and Council voted unanimously to continue consideration of these proposed amendments until the January 15, 2019 Town Council meeting.

It is important to note that making changes to the Zoning Ordinance related to the kitchen facilities (specifically oven/stove) in guesthouses requires a Zoning Text Amendment, which was not included in the public hearing notification for the attached Ordinance. Proposed Zoning Text Amendments must be properly advertised and taken through the Planning and Zoning Commission and Town Council public hearing process to to meet State public notice requirements, and allow ample consideration for this issue.

Staff has received a number of inquiries over the past 2 years relating to the location of large detached accessory buildings on lots within single-family zoning districts. A “large” accessory building is any structure 120 square feet or larger. A large accessory building cannot exceed 30% of the footprint of the living area of the principal building, and can be a maximum of 15 feet in height. A building permit is required to construct a large accessory building.

(It should be noted that “small” accessory buildings are less than 120 square feet in size, can be a maximum of 12 feet in height, can be located within 3 feet of a side or rear property line, and can be constructed without a building permit. Staff is not recommending these buildings be allowed to be located in front of the principal building.)

One common request is to allow large detached accessory buildings (garages, guest houses/casitas, pool houses, and so forth) in front of the principal building. Currently the Zoning Ordinance states that these buildings must be located “behind the front of the primary structure”. The intent is to require detached structures to be located in an area of the property where the building would be visually “incidental” to the main house. Some lots are built with the principal building set back quite far into the lot. This then precludes the owner from adding these types of buildings in front of the principal building, and if the lot is small there may be no place on the property that a large accessory building can be located.

Another frequent concern is that corner lots have two street frontages and almost always a rear yard and side yard. The predominant setbacks are generally 20 feet from the front and street-side lot lines and 25 feet from the rear lot line(s). The intent of this is to allow for space between structures for air movement, light, fire safety, and privacy, as well as creating a visual consistency in the character of the neighborhood. However, the “rear” lot line, as defined by the Zoning Ordinance, most frequently is the “side” lot line of the abutting lot. In cases such as this, allowing large accessory structures to be located in the rear yard setback, while meeting the side yard setback for the property’s respective zoning district, will help corner lots have more developable area. The principal building must still meet the rear yard setback. Small accessory buildings would still be able to be located 3 feet from the side and rear property line and can be constructed without a permit.

These requests have become more frequent as more residents are wanting to have family – primarily aging relatives – nearby while still providing privacy and personal space. Helping families create living situations to allow for this type of family culture can add to the sustainability of a community. As family members age, and younger generations start to settle down, allowing for this type of transition housing helps support residents meeting their familial needs and the desire to be near one another.

Another common request is for detached buildings to be located in front of the principal structure. Having a garage being the focal point of a residence at the curb is not visually appealing and studies have shown it can actually reduce property values for lacking “curb appeal”. While staff believes there shouldn’t be restrictions on locating a garage in front of a principal structure, prohibiting overhead garage doors from facing the street front may prevent any negative visual impacts.

Corner lots that have the principal building facing the street side lot line gives the owner the impression that what zoning defines as the “rear yard” to them is their “side yard”. In actuality, it is a rear yard with a significantly greater setback than a side yard. Property owners also often think their street side yard is their front. With regulations prohibiting accessory buildings to be located in front of the front plane of the house, in addition to the large rear yard setback, development on corner lots can be restrictive.

Allowing for more use of a lot can add to the property value and better use of the land intended to be developed for single-family residential uses.

Staff is proposing amendments to the Zoning Ordinance to create a definition of the “front plane of the primary structure” to help clarify what that means, and to allow large accessory buildings to be located in front of the front plane of the principal building, with some restrictions. In order to ensure accessory buildings located in front of the front plane of the principal building have minimal negative visual impacts, staff is proposing the following additional restrictions be applied to large accessory buildings:

- a. Shall be completely enclosed;
- b. Shall be constructed of materials and of a color that match the principal building;
- c. Cannot have any overhead garage doors facing any street front;

As stated above, staff is also proposing to allow large accessory buildings in the rear yard setback on corner lots within certain zoning small-lot districts, so long as it meets the side yard setback for that zoning district.

Because a building permit is required to construct these buildings, staff will be able to review the proposed structure to ensure it complies with these additional criteria.

Risk Analysis (options or alternatives with implications): If the proposed amendments are approved, large accessory buildings may be located in front of the front or street side plane of the principal buildings and within the rear yard setback on corner lots in certain zoning districts allowing for more and better use of these properties. If the proposed amendments are denied, the existing regulations will remain in effect.

Fiscal Impact (initial and ongoing costs; budget status): N/A

Budget Reference (page number): N/A

Funding Source: NA

If Multiple Funds utilized, list here: N/A

Budgeted; if No, attach Budget Adjustment Form: NA

Recommendation(s) by Board(s) or Commission(s): At the December 6, 2018 Planning and Zoning Commission meeting, the Commission made a motion to forward a recommendation to APPROVE ORDINANCE 18-15, amending Section 5.06.G. of the Fountain Hills Zoning Ordinance relating to large detached accessory buildings in single-family residential zoning districts; amending Section 1.12 to create a definition for the front plane of a primary building and the street side plane of a primary building; and amending Sections 1.12, 5.06.F, 5.06.H., 5.09.B., 10.03.A.8., and 15.03.A.8. for consistency, with the additional stipulations that the color of the large accessory building must be the same as the color of the principal building, and there shall be no rooftop equipment. The motion passed unanimously (4-0).

Staff Recommendation(s): Staff recommends the Town Council APPROVE ORDINANCE 18-15, amending Section 5.06.G. of the Fountain Hills Zoning Ordinance relating to large detached accessory buildings in single-family residential zoning districts; amending Section 1.12 to create a definition for the front plane of a primary building and the street side plane of a primary building; and amending Sections 1.12, 5.06.F, 5.06.H., 5.09.B., 10.03.A.8., and 15.03.A.8. for consistency.

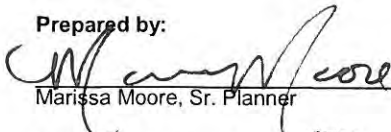
List Attachment(s):

Draft Ordinance #18-15

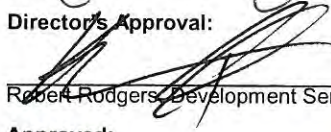
Draft of proposed Zoning Ordinance Amendments

SUGGESTED MOTION (for Council use): Motion to APPROVE ORDINANCE 18-15, amending Section 5.06.G. of the Fountain Hills Zoning Ordinance relating to large detached accessory buildings in single-family residential zoning districts; amending Section 1.12 to create a definition for the front plane of a primary building and the street side plane of a primary building; and amending Sections 1.12, 5.06.F, 5.06.H., 5.09.B., 10.03.A.8., and 15.03.A.8. for consistency as recommended by staff.

Prepared by:

 1/8/19
Marissa Moore, Sr. Planner 1/7/2019

Director's Approval:

 1/8/19
Robert Rodgers, Development Services Director 1/7/2019

Approved:

 1/8/19
Grady E. Miller, Town Manager 1/7/2019

ORDINANCE 18-15

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE TOWN OF FOUNTAIN HILLS, ARIZONA, AMENDING SECTION 5.06.G. OF THE FOUNTAIN HILLS ZONING ORDINANCE RELATING TO LARGE DETACHED ACCESSORY BUILDINGS IN SINGLE-FAMILY RESIDENTIAL ZONING DISTRICTS; AMENDING SECTION 1.12 TO CREATE DEFINITIONS OF THE TERMS ACCESSORY BUILDING, PRINCIPAL BUILDING, FRONT PLANE OF A PRINCIPAL BUILDING, AND STREET SIDE PLANE OF A PRINCIPAL BUILDING; AND AMENDING SECTIONS 5.06.F., 5.06.H., 5.09.B., 10.03.A.8., AND 15.03.A.8. FOR CONSISTENCY.

WHEREAS, the Town of Fountain Hills (the "Town") adopted Ordinance No. 93-22 on November 18, 1993, which adopted the Zoning Ordinance for the Town of Fountain Hills (the "Zoning Ordinance"); and

WHEREAS, the Mayor and Council of the Town (the "Town Council") has determined it is in the best interests of the Town to amend the Zoning Ordinance to amend requirements for Large Accessory Buildings on Corner Lots and in front of the Front Plane of a Principal Building; and

WHEREAS, in accordance with the Zoning Ordinance and pursuant to ARIZ. REV. STAT. § 9-462.04, public hearings were advertised in the November 21, 2018, and November 28, 2018, editions of the *Times of Fountain Hills*; and

WHEREAS, public hearings were held by the Fountain Hills Planning & Zoning Commission on December 6, 2018, and by the Town Council on December 18, 2018, and January 15, 2019.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE TOWN OF FOUNTAIN HILLS as follows:

SECTION 1. The recitals above are hereby incorporated as if fully set forth herein.

SECTION 2. The Fountain Hills Zoning Ordinance Chapter 5 (General Provisions), Section 1.12 is hereby amended to read as follows:

Building, Accessory: A building that does not share a livable, enclosed connection to the principal building and that is subordinate to, and the use of which is customarily incidental to, that of the ~~main~~ principal building on the same lot or parcel.

Building, Principal: A building in which is conducted the principal use of the lot on which the building is situated. In any residential district, any dwelling shall be deemed to be the main building of the lot on which the same is situated. Guest houses or other accessory buildings with sleeping quarters shall not be considered a principal building.

Front Plane of a Principal Building: A line running parallel to the front lot line and which touches the point of the principal building closest to the front property line.

Street Side Plane of a Principal Building: A line running parallel to the street side lot line and which touches the point of the principal building closest to the street side property line.

SECTION 3. The Fountain Hills Zoning Ordinance Chapter 5 (General Provisions), Section 5.06. is hereby amended to read as follows:

F. Small Accessory Buildings (Detached):

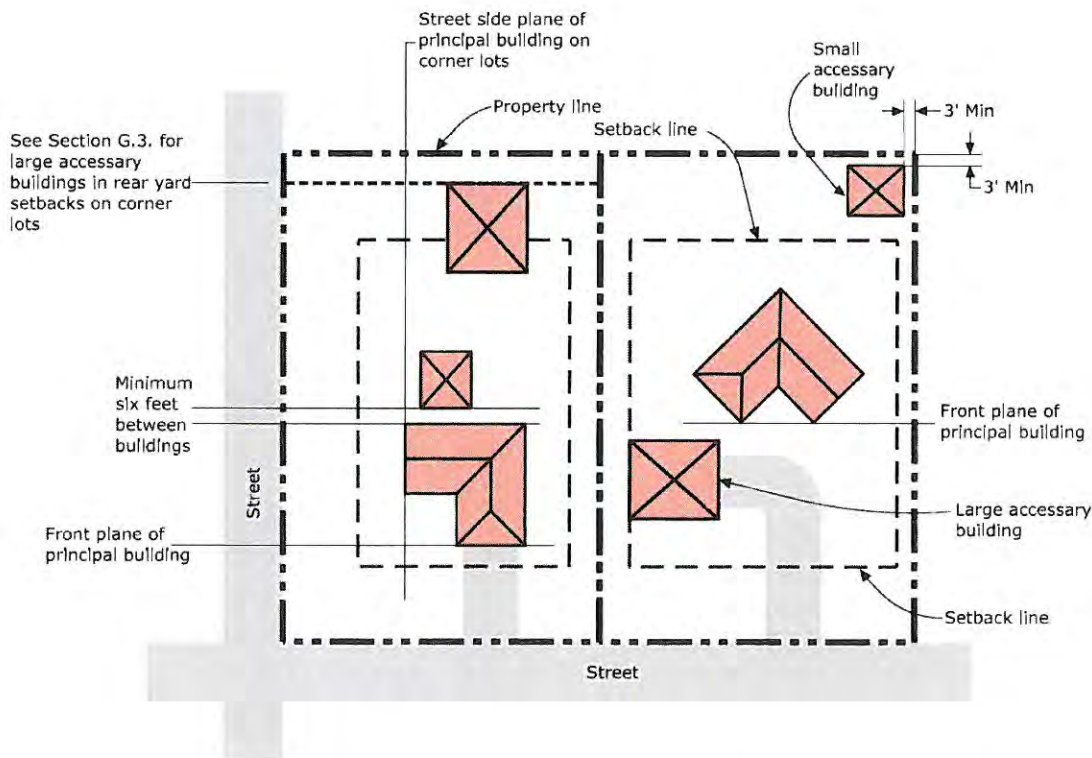
Any detached accessory building of one-hundred-twenty (120) square feet or less in size in any residential zone shall not be located in the front or street side yard, shall be at least six (6) feet from any other building ~~the primary~~, shall be at least three (3) feet from any rear and interior side lot lines, shall be located behind the front plane of the ~~primary principal structure building~~ and behind the street side plane of the ~~primary principal structure building~~ on the street side of a corner lot, and shall not exceed twelve (12) feet in height.

G. Large Accessory Buildings (Detached):

~~Any detached accessory building greater than 120 square feet in size, shall not be located in any building setback, shall be at least six (6) feet from the main structure, shall be located behind the front line of the primary structure on the front, and behind the street side of the primary structure on the street side of a corner lot, and shall not exceed fifteen (15) feet in height.~~

1. Any detached accessory building greater than one-hundred-twenty (120) square feet in size in any residential zone:
 - a. Shall not be located in any building setback, except as outlined in G.3 below;
 - b. Shall be at least six (6) feet from any other building;
 - c. Shall not exceed fifteen (15) feet in height;
 - d. Shall not exceed thirty (30) percent of the square footage of the footprint of the livable area of the principal building;
 - e. Shall not contain kitchen facilities (oven or stove);
 - f. Shall be connected to the principal building's utilities, and shall not have 220-volt electrical service to any part or common wall, with the exception of a hardwired air conditioning unit;

- g. Shall not be located between the street side plane of the principal building and the street side lot line.
2. Any detached accessory building greater than one-hundred-twenty (120) square feet constructed in front of the front plane of the principal building in any residential zone:
 - a. Shall be completely enclosed;
 - b. Shall be constructed of materials and of a color that match the principal building;
 - c. Cannot have any overhead garage doors facing any street front;
3. On corner lots in Single-Family Residential Zoning Districts (R1-6, R1-6A, R1-8, R1-8A, R1-10, R1-10A only), Any detached accessory building greater than one-hundred-twenty (120) square feet may be located within the rear yard setback, but shall be no closer to the rear lot line than a distance equal to the zoning district's side yard setback, as set forth in Chapter 10 of this Zoning Ordinance. All other zoning and subdivision regulations must be met.



H. Solar Units:

Solar heating, cooling units, solar greenhouses and associated apparatus shall be located behind the front lineplane of the ~~primary~~principal structure building, and behind the street side plane of the ~~primary~~principal structure building on the street side of a corner lot, shall not cover more than thirty (30) percent of any side or rear yard, shall be at least three (3) feet from any rear and side lot lines, shall be at least six (6) feet from any other structure, and shall not exceed twelve (12) feet in height. With the exception of the solar panels, any solar heating or cooling unit shall be screened from ~~public~~street view. An application for a Solar Unit that does not meet the above requirements may be ~~appealed to~~granted by the Town Council by Special Use Permit only.

SECTION 4. The Fountain Hills Zoning Ordinance Chapter 5 (General Provisions), Section 5.09. is hereby amended to read as follows:

Arches: When not located in any required building setback area, an arch in a facade wall may be placed in front of the front plane of the primary principal structure building at a height not to exceed twelve (12) feet and a width not to exceed ten (10) feet. One arch, not exceeding twelve (12) feet in height and ten (10) feet in width, may be located along the side or the rear of the primary principal structure building if it is not located in the side (interior or street) and required rear yard setback areas.

SECTION 5. The Fountain Hills Zoning Ordinance Chapter 10 (Single Family Residential Zoning Districts) is hereby amended to read as follows:

10.02.A.13. Guest Houses, attached or detached, provided that:

- a. The Structure structure must conform to all minimum setback requirements.
- b. An attached Guest House may be located in front of the primary principal structure building if the Guest House is attached by a four (4)- foot wide common wall or doorway.
- c. ~~A detached Guest House structure must be located no further in front of the main structure than ½ the distance of any one side of the Guest House.~~
- d.c. ~~May~~Shall not exceed thirty (30) percent of the square footage of the footprint of the livable area of the ~~primary structure~~principal building.
- e.d. Shall not exceed fifteen (15) feet in height.
- f. ~~e. An detached-attached~~ Guest House shall not contain any of the following:
 1. An attached garage.
 2. Kitchen facilities (oven or stove).

~~g.f.~~ Must be connected to ~~primary~~ principal structure's building's utilities, and shall not have two-hundred-twenty (220) volt electrical service to any part or common wall, with the exception of a hardwired air conditioning unit.

~~h.g. May~~Shall not be used for any commercial or non-residential uses.

Section 10.03.A.8. No playground equipment, ornamental figures, or designs denoting a Day Care Center shall be allowed in front of the ~~house line~~ front plane of the principal building.

SECTION 6. The Fountain Hills Zoning Ordinance Chapter 5 (General Provisions), Chapter 15 is hereby amended to read as follows:

Section 15.03.A.8. No playground equipment ~~and~~, ornamental figures, or designs denoting a Day Care Center shall be allowed in front of the ~~house line~~ front plane of the principal building.

SECTION 7. 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 of this Ordinance.

SECTION 8. The Mayor, the Town Manager, the Town Clerk and the Town Attorney are hereby authorized and directed to execute all documents and take all steps necessary to carry out the purpose and intent of this Ordinance.

[SIGNATURES ON FOLLOWING PAGE]

PASSED AND ADOPTED by the Mayor and Council of the Town of Fountain Hills,
Arizona, January 15, 2019.

FOR THE TOWN OF FOUNTAIN HILLS:

ATTESTED TO:

Ginny Dickey, Mayor

Elizabeth E. Burke, Town Clerk

REVIEWED BY:

APPROVED AS TO FORM:

Grady E. Miller, Town Manager

Aaron D. Arnson, Town Attorney

Chapter 5. General Provisions

Section 5.06 Yard, Lot, and Area Requirements

F. Small Accessory Buildings (Detached):

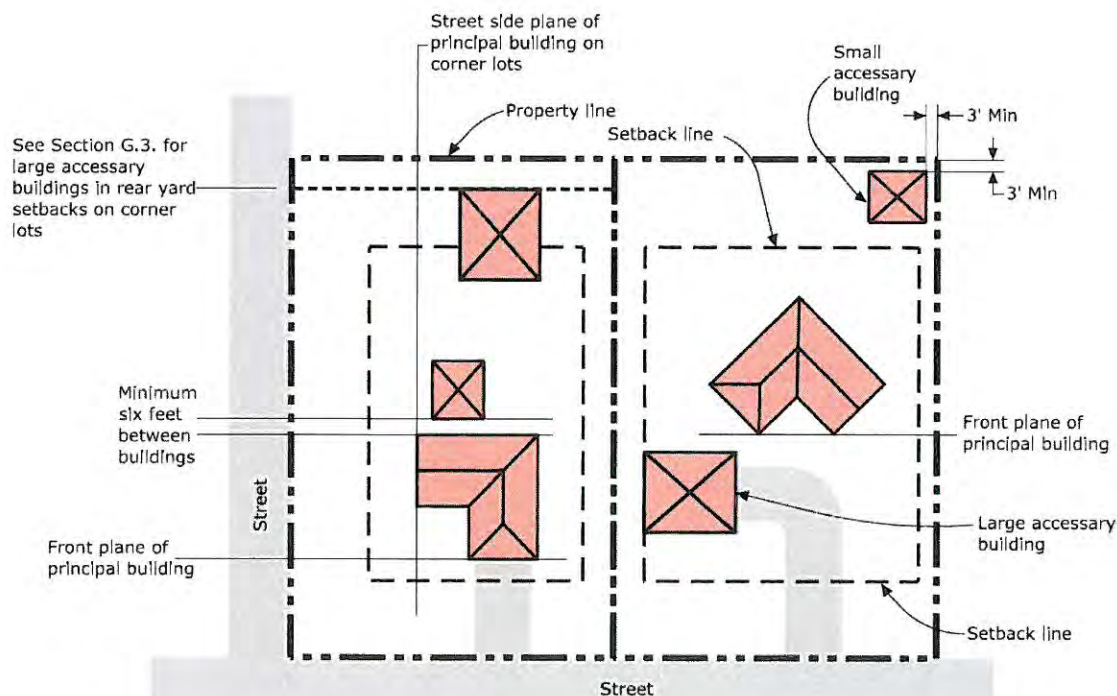
Any detached accessory building One-Hundred-Twenty (120) square feet or less in size in any zone shall not be located in the required front or street side yard, shall be at least six (6) feet from the main structure ~~any other building~~, shall be at least three (3) feet from any rear and interior side lot lines, shall be located behind the front plane of the ~~primary principal structure building~~ and behind the street side plane of the ~~primary principal structure building~~ on the street side of a corner lot, and shall not exceed twelve (12) feet in height.

G. Large Accessory Buildings (Detached):

~~Any detached accessory building greater than 120 square feet in size, shall not be located in any building setback, shall be at least six (6) feet from the main structure, shall be located behind the front line of the primary structure on the front, and behind the street side of the primary structure on the street side of a corner lot, and shall not exceed fifteen (15) feet in height.~~

1. Any detached accessory building greater than one-hundred-twenty (120) square feet in size in any residential zone:
 - a. Shall not be located in any building setback, except as outlined in G.3 below;
 - b. Shall be at least six (6) feet from any other building;
 - c. Shall not exceed fifteen (15) feet in height;
 - d. Shall not exceed thirty (30) percent of the square footage of the footprint of the livable area of the principal building;
 - e. Shall not contain kitchen facilities (oven or stove);
 - f. Shall be connected to the principal building's utilities, and shall not have 220-volt electrical service to any part or common wall, with the exception of a hardwired air conditioning unit;

- g. Shall not be located between the street side plane of the principal building and the street side lot line.
2. Any detached accessory building greater than one-hundred-twenty (120) square feet constructed in front of the front plane of the principal building in any residential zone:
- a. Shall be completely enclosed;
 - b. Shall be constructed of materials and of a color that match the principal building;
 - c. Cannot have any overhead garage doors facing any street front;
3. On corner lots in Single-Family Residential Zoning Districts (R1-6, R1-6A, R1-8, R1-8A, R1-10, R1-10A only), Any detached accessory building greater than one-hundred-twenty (120) square feet may be located within the rear yard setback, but shall be no closer to the rear lot line than a distance equal to the zoning district's side yard setback, as set forth in Chapter 10 of this Zoning Ordinance. All other zoning and subdivision regulations must be met.



H. Solar Units:

Solar heating, cooling units, solar greenhouses and associated apparatus shall be located behind the front lineplane of the ~~primary~~principal structure building, and behind the street side plane of the ~~primary~~ principal structure building on ~~the street side of a corner lot~~, shall not cover more than thirty (30) percent of any side or rear yard, shall be at least three (3) feet from any rear and side lot lines, shall be at least six (6) feet from any other structure, and shall not exceed twelve (12) feet in height. With the exception of the solar panels, any solar heating or cooling unit shall be screened from ~~public~~ street view. An application for a Solar Unit that does not meet the above requirements may be ~~appealed to~~ granted by the Town Council by Special Use Permit only.

Section 5.09 Walls and Fences

- B. When not located in any required building setback area, an arch in a facade wall may be placed in front of the front plane of the ~~primary~~ principal structure building at a height not to exceed twelve (12) feet and a width not to exceed ten (10) feet. One arch, not exceeding twelve (12) feet in height and ten (10) feet in width, may be located along the side or the rear of the ~~primary~~ principal structure building if it is not located in the side (interior or street) and required rear yard setback areas.

Chapter 10

SINGLE-FAMILY RESIDENTIAL ZONING DISTRICTS: R1-190, R1-43, R1-35, R1-35H, R1-18, R1-10, R1-10A, R1-8, R1-8A, R1-6, R1-6A

10.02.A.13. Guest Houses, attached or detached, provided that:

a. ~~The Structure~~ structure must conform to all minimum setback requirements.

b. An attached Guest House may be located in front of the ~~primary principal structure building~~ if the Guest House is attached by a four (4)- foot wide common wall or doorway.

~~c. A detached Guest House structure must be located no further in front of the main structure than ½ the distance of any one side of the Guest House.~~

~~d.c.~~ May Shall not exceed thirty (30) percent of the square footage of the footprint of the livable area of the ~~primary structure principal building~~.

e.d. Shall not exceed fifteen (15) feet in height.

f. ~~e. An detached-attached~~ Guest House shall not contain any of the following:

1. An attached garage.

2. Kitchen facilities (oven or stove).

~~g.f.~~ Must be connected to ~~primary principal structure's building's~~ utilities, and shall not have two-hundred-twenty (220) volt electrical service to any part or common wall, with the exception of a hardwired air conditioning unit.

~~h.g. May~~Shall not be used for any commercial or non-residential uses.

Section 10.03 Uses Subject to Temporary Use Permit

A. Day Care Center for the Care of More Than Five (5) People:

8. No playground equipment and ornamental figures or designs denoting a Day Care Center shall be allowed in front of the house line.

Chapter 15 MOBILE HOME ZONING DISTRICT

Section 15.03 Uses Subject to Temporary Use Permit A. Day Care Center for the Care of More Than Five (5) People:

8. No playground equipment, ornamental figures, or designs denoting a Day Care Center shall be allowed in front of the ~~house line~~ front plane of the principal building.



TOWN OF FOUNTAIN HILLS

TOWN COUNCIL AGENDA ACTION FORM

Meeting Date: 1/15/2019

Meeting Type: Regular Session

Agenda Type: Regular

Submitting Department: Administration

Staff Contact Information: David Trimble 480-816-5125 Dtrimble@fh.az.gov

REQUEST TO COUNCIL (Agenda Language): CONSIDERATION OF resolution 2019-06 approving the Town of Fountain Hills' Arizona Lottery Fund Grant Application for the fiscal year 2018-2019 for public transportation.

Applicant: Click or tap here to enter text.

Applicant Contact Information: Click or tap here to enter text.

Owner: Click or tap here to enter text.

Owner Contact Information: Click or tap here to enter text.

Property Location: Click or tap here to enter text.

Related Ordinance, Policy or Guiding Principle: Click or tap here to enter text.

Staff Summary (background): A portion of the Arizona Lottery Fund is allocated to cities and towns for public transportation. This grant allocation depends on the population of the city/town and yearly Arizona Lottery revenues. The past several years has yielded approximately \$65,000 per year and staff expects the amount for FY 2019 to be \$64,588. In order to obtain this allocation cities and towns are required to provide an application to Valley Metro. The monies can only be spent on public transit service and/or transit facilities. The application is attached to this form.

Risk Analysis (options or alternatives with implications): Click or tap here to enter text.

Fiscal Impact (initial and ongoing costs; budget status): None

Budget Reference (page number): 304

Funding Source: NA

If Multiple Funds utilized, list here: Click or tap here to enter text.

Budgeted; if No, attach Budget Adjustment Form: NA

Recommendation(s) by Board(s) or Commission(s): Click or tap here to enter text.

Staff Recommendation(s): Click or tap here to enter text.

List Attachment(s): Arizona Lottery Fund (ALF) Grant Application for Fiscal Year 2018-19 to Valley Metro. FY 2019 ALF distribution by city worksheet.

SUGGESTED MOTION (for Council use): Move to approve Resolution 2019-06

Prepared by:

Director's Approval:

David Trimble

David Trimble, Administrative Services Director

12/24/2018

NA

Date

Approved:

A handwritten signature in blue ink, appearing to read "Grady E. Miller", is written over a horizontal line.

Grady E. Miller, Town Manager

Date

RESOLUTION NO. 2019-06

**A RESOLUTION OF THE MAYOR AND TOWN COUNCIL OF
FOUNTAIN HILLS, MARICOPA COUNTY, ARIZONA,
APPROVING THE TOWN OF FOUNTAIN HILLS' ARIZONA
LOTTERY FUND GRANT APPLICATION FOR THE FISCAL
YEAR 2018-19**

RECITALS:

WHEREAS, the Arizona Lottery Fund ("ALF") allocates funding to Arizona towns and cities for public transportation projects; and

WHEREAS, the Town of Fountain Hills ("Town") desires to apply for ALF funding to improve accessibility for the Town's residents to public transportation networks; and

WHEREAS, the Town must submit its ALF Grant Application for Fiscal Year 2018-19 to Valley Metro on or by January 31, 2019.

ENACTMENTS:

NOW THEREFORE BE IT RESOLVED BY THE MAYOR AND TOWN COUNCIL OF FOUNTAIN HILLS as follows:

SECTION 1. That the Town of Fountain Hills, through its Mayor and Council, hereby approves the Town's ALF Grant Application for Fiscal Year 2018-19 attached hereto as Exhibit A, and authorizes its execution by the Town Manager and Town Chief Financial Officer.

SECTION 2. That the Town of Fountain Hills, through its Mayor and Council, hereby authorizes the Town Manager and Town Chief Financial Officer to submit the ALF Grant Application for Fiscal Year 2018-19 to Valley Metro on or by January 31, 2019.

PASSED AND ADOPTED by the Mayor and Council of the Fountain Hills, Maricopa County, Arizona, this 15th day of January, 2019.

FOR THE TOWN OF FOUNTAIN HILLS:

ATTESTED TO:

Ginny Dickey, Mayor

Elizabeth A. Burke, Town Clerk

REVIEWED BY:

APPROVED AS TO FORM:

Grady E. Miller, Town Manager

Aaron D. Arnson, Town Attorney

EXHIBIT A

ALF GRANT APPLICATION FOR FISCAL YEAR 2018-19

**ALF GRANT APPLICATION FOR
FISCAL YEAR 2018-19**

SECTION I: APPLICANT INFORMATION

Applicant: Town of Fountain Hills	Contact: David Trimble
Address: 16705 E. Avenue of the Fountains	Phone: 480-816-5125
Fountain Hills, AZ	Fax: 480-837-6362
e-mail address: dtrimble@fh.az.gov	

SECTION II: FUNDING REQUEST

Project Funding Summary (include funding from all project applications)

a. Total all ALF Being Requested for Transit Projects (from Project Forms)	\$	64,588
b. Total Other Funds included in the Projects (from Project Forms)	\$	-
c. Grand Total all Funds	\$	64,588

SECTION III: PRIOR YEAR ALF PROJECT STATUS

Funding is available for two years unless an extension is requested. Funding that is not spent within two years is subject to possible redistribution through the annual distribution process to other jurisdictions.

1. Have ALF distributions received by your jurisdiction on or before June 30, 2018 been expended?
Yes _____ X _____
2. If the funds have been expended, were they spent on the projects as indicated in prior applications?
Yes X No _____
3. If the funds described above have not been expended, what is your ALF fund balance?
\$ 225,882.00
4. If the answer to lines 1 or 2 are no, provide a brief description of why the funds were not expended or were not expended on projects originally submitted in an application and explain when the funds are planned to be expended.

The Park N' Ride project at the Town Hall location has advanced and is nearing completion. The bus shelter install is the final remaining step in this process. We are hoping to have this completed by the end of March 2019. This process could be a model for future bus shelters in the Town of Fountain Hills. We are hoping this will increase awareness and ridership for Town residents.

Authorized chief financial officer signature:

Craig Rudolfsky Date: 1/2/19
Finance Director
Title

Authorized jurisdictional signature**:

Date: _____
Town Manager
Title

**Signatory should be city, town or county manager or program director.

**ALF GRANT APPLICATION FOR
FISCAL YEAR 2018-19**

SECTION I: APPLICANT INFORMATION

Applicant: Town of Fountain Hills

Contact: David Trimble

SECTION II: PROJECT REQUEST(S)

1. Transit Project

- a. Project Title: Park N Ride
- b. Project Location: La Montana & El Lago, Fountain Hills, AZ
- c. Project Description: Planning, relocation and construction of a Park N Ride lot for the Valley metro #514 bus route - "Scottsdale Express". This is the sole bus route currently serving the Town of Fountain Hills. The final pick up and drop off location is currently located at Palisades and La Montana. The new location would be approximately 1/3 mile from the current location. The proposed location is well suited as the main public transportation hub due its proximity to Town Hall, Community Center, and Library. Also, the proposed location has ample parking, is Town-owned, and should provide long-term stability. Additional project information may be attached.
- d. ALF funding requested (also include on line 2a) \$30,000
- e. Other Funds included in the Project (include on line 2b on page 1) \$0
- f. Total Project Cost \$30,000
- g. Type of Project: ☐ Planning ☒ Capital ☐ Operations ☐ Other
- h. Is the project included in the Regional Transportation Plan? (Yes or No) No
- i. Is the project included in the TIP or UPWP? (Yes or No) Yes

The Park N' Ride project is in process and nearing completion. The concrete and other ground work has been completed. We are awaiting the bus shelter structure that will be installed. We expect this to be completed by the end of March 2019. The \$30,000 listed is the amount that is approximately remaining to be expended of this \$150,000 project.

2. Transit Project

- a. Project Title: Additional Bus Stop Shelters
- b. Project Location: Palisades & Fountain Hills Blvd.
- c. Project Description: The current Valley Metro #514 Express bus service runs along Palisades blvd from Shea blvd to the middle of Town. There are 6 stops along the route within Fountain Hills and we are proposing construction of bus stop shelters at one of the busier locations, Palisades & Fountain Hills Blvd. Since Palisades blvd is a divided road, most of these bus stops will require two shelters. One shelter is part of the Park N' Ride project listed above at Town Hall that is currently in progress. Additional bus stop shelters could be built along this route to accomodate all stops on both sides of the street. We are proposing building 3 of them in the next fiscal year with available funding (approx \$60,000 each). Remaining shelters could be built with future funding.
- Additional project information may be attached.
- d. ALF funding requested (also include on page 1 line 2a) \$180,000
- e. Other Funds included in the Project (include on line 2b on page 1) \$0
- f. Total Project Cost \$180,000
- g. Type of Project: ☐ Planning ☒ Capital ☐ Operations ☐ Other
- h. Is the project included in the Regional Transportation Plan? (Yes or No) No
- i. Is the project included in the TIP or UPWP? (Yes or No) Yes

**ALF GRANT APPLICATION FOR
FISCAL YEAR 2018-19**

SECTION I: APPLICANT INFORMATION

Applicant: Town of Fountain Hills

Contact: David Trimble

SECTION II: PROJECT REQUEST(S)

3. Transit Project

a. Project Title: Last Mile First Mile

b. Project Location: Fountain Hills to 136th & Shea AND Fountain Hills to Gilbert/McDowell Park N' Ride

c. Project Description:

The Town would like to provide help for residents that work or live in Fountain Hills to connect with existing public transportation networks in the greater Phoenix area. Specifically, the Town would contract with a transportation provider to transport people to the bus stop located at 136th & Shea Blvd. in Scottsdale AND to the Park N' Ride in Mesa located at Gilbert/McDowell & the 202 Red Mountain Freeway. This would allow residents that live or work in Fountain Hills to connect with the bus system and would also provide access to the light rail transportation option.

Additional project information may be attached.

d. ALF funding requested (also include on line 2a) \$80,470

e. Other Funds included in the Project (include on line 2b on page 1) \$0

f. Total Project Cost \$80,470

g. Type of Project: ☐ Planning ☐ Capital ☒ Operations ☐ Other _____

h. Is the project included in the Regional Transportation Plan? (Yes or No) No

i. Is the project included in the TIP or UPWP? (Yes or No) No

4. Transit Project

a. Project Title: _____

b. Project Location: _____

c. Project Description: _____

Additional project information may be attached.

d. ALF funding requested (also include on page 1 line 2a) \$

e. Other Funds included in the Project (include on line 2b on page 1) \$

f. Total Project Cost \$

g. Type of Project: ☐ Planning ☐ Capital ☐ Operations ☐ Other _____

h. Is the project included in the Regional Transportation Plan? (Yes or No)

i. Is the project included in the TIP or UPWP? (Yes or No)

FY 2019 Arizona Lottery Local Transportation Assistance Fund Distribution

	2015 Population (1)	% of County Population	FY 2019 ALF Amount (2)
Apache Junction	305	0.007%	\$ 838
Avondale	79,476	1.950%	\$ 218,360
Buckeye	62,541	1.534%	\$ 171,831
Carefree	3,566	0.087%	\$ 9,798
Cave Creek	5,543	0.136%	\$ 15,229
Chandler	245,168	6.014%	\$ 673,598
El Mirage	33,655	0.826%	\$ 92,467
Fountain Hills	23,508	0.577%	\$ 64,588
Gila Bend	1,991	0.049%	\$ 5,470
Gilbert	233,881	5.737%	\$ 642,587
Glendale	236,222	5.795%	\$ 649,019
Goodyear	75,550	1.853%	\$ 207,573
Guadalupe	6,093	0.149%	\$ 16,740
Litchfield Park	6,152	0.151%	\$ 16,903
Mesa	466,450	11.443%	\$ 1,281,570
Paradise Valley	13,735	0.337%	\$ 37,737
Peoria	162,055	3.975%	\$ 445,245
Phoenix	1,536,015	37.680%	\$ 4,220,195
Queen Creek	32,959	0.809%	\$ 90,555
Scottsdale	233,524	5.729%	\$ 641,606
Surprise	126,343	3.099%	\$ 347,127
Tempe	173,868	4.265%	\$ 477,702
Tolleson	6,895	0.169%	\$ 18,944
Wickenburg	6,681	0.164%	\$ 18,356
Youngtown	6,510	0.160%	\$ 17,886
Maricopa County	297,753	7.304%	\$ 818,076
Totals	4,076,439	100.00%	\$ 11,200,000
Maricopa County Population	4,076,439	Estimated Allocation	\$ 11,200,000

(1) Population source MAG Population estimates July 1, 2015

(2) FY 2019 budget allocation



TOWN OF FOUNTAIN HILLS

TOWN COUNCIL AGENDA ACTION FORM

Meeting Date: 1/15/2019
Agenda Type: Regular

Meeting Type: Regular Session
Submitting Department: Public Works

Staff Contact Information: Justin T. Weldy, 480-816-5133 jweldy@fh.az.gov

REQUEST TO COUNCIL (Agenda Language): CONSIDERATION OF approving a three year Cooperative Purchasing Agreement (C2019-061) with Pipe Line Video Inspections LLC for storm drain pipe, structure cleaning and television services in the amount of \$150,000.00

Applicant: NA

Applicant Contact Information: NA

Owner: Click or tap here to enter text.

Owner Contact Information: NA

Property Location: NA

Related Ordinance, Policy or Guiding Principle: NA

Staff Summary (background): The Town conducts annual inspections of its storm drain system which consists of 407 catch basins and over 73,000 linear feet of storm drains and culverts. Staff checks for proper drainage and overall condition of the system. Staff also receives notifications from residents and property management companies when they see issues regarding Town-owned storm drain infrastructure. Since the Town does not have the equipment capable of cleaning and televising the storm drain system we need to contract with a company that can provide these types of services. Pipe Line Video Inspections, LLC which has a cooperative purchasing contract with the City of Mesa will be contracted to clean storm drain pipes and catch basins that have become full of debris and silt. They will also use video cameras to film the condition of the pipes so staff can assess the need for repairs. The proposed contract total is \$150,000

Risk Analysis (options or alternatives with implications): The Town's storm drain pipes, catch basins and other related storm drain infrastructure become filled with silt and debris after storm events. Gone unaddressed they become clogged and will not convey storm water properly. This can cause localized flooding in areas which includes nearby residential homes and businesses during and after major storm events

Fiscal Impact (initial and ongoing costs; budget status): \$150,000

Budget Reference (page number): 314

Funding Source: Multiple Funds

If Multiple Funds utilized, list here: ENVAD, HURF, 4POP, AOTFOP, DVOP, FPOP, GEPOP, FACOP, STAD, and STPAVE

Budgeted; if No, attach Budget Adjustment Form: Yes

Recommendation(s) by Board(s) or Commission(s): NA

Staff Recommendation(s): Staff recommends approval of the proposed cooperative purchasing agreement C2019-061 as presented

List Attachment(s): Cooperative Purchasing Agreement C2019-061, City of Mesa Agreement 2018228

SUGGESTED MOTION (for Council use): Motion to approve Cooperative Purchasing Agreement C2019-61 with Pipe Line Video Inspections, LLC in the amount of \$150,000.00

Prepared by:

Approved:

Justin Weldy, Public Works Director

12/11/2018

Grady E. Miller, Town Manager

1/16/2018

Director's Approval:

Justin Weldy, Public Works Director

12/11/2018

REQUEST FOR LEGAL SERVICES

Name/Phone Number/E-mail of Requestor: Justin T. Weldy 480-816-5133 jweldy@fh.az.gov	Date of Request: 12/11/2018 Date Director Approved Request: 12/11/2018								
Procurement Approval by: Craig Rudolphy 12/12/2018 Yes ☒ No: ☐ - Contact Finance Director	Due Date (From Town Attorney's office): 12/26/2018 - Deadline for return of request from Legal is 10 business days after Procurement Approval. - Deadline for completed packet items submitted to the Town Clerk - 12 PM the Wednesday 2 weeks prior to the date of the Council meeting.								
Council Meeting Date: 1/15/2019 Item <u>does not</u> require Council approval ☐									
Request for Legal staff: Prepare a Cooperative Purchase Agreement between Pipeline video Inspections LLC, dba AIMS Companies and the Town of Fountain Hills for vactor services and miscellaneous work in an amount \$50,000 with the option to renewal for (2) one (1) year periods. See attached City of Mesa documents.									
Proposed Agenda Language (if applicable): Consent Agenda Item ☐ Regular Agenda Item ☒									
CONSIDERATION of <u>approval for Cooperative Purchase Agreement between Pipeline video Inspections LLC, dba AIMS Companies and the Town of Fountain Hills for vactor services and miscellaneous work in an amount \$50,000 with the option to renewal for (2) one (1) year periods</u>									
Vendor/Consultant/Agreement/Agency Information: Contact Name: <u>Todd Smith</u> Entity Name: <u>Pipeline Video Inspection, LLC dba AIMS Companies</u> Entity Address: <u>1616 S. 31st Avenue Phoenix, AZ 85009</u> Entity Phone, Fax and E-mail address: <u>602-237-0292; 602-237-0294(F); Tsmith@AIMSCompanies.com</u> Town of Fountain Hills Business License Number: <u>6862</u> Arizona Corporation Commission File Number: <u>L-1239074-0</u>									
Documents Requested: ☐ Ordinance # _____ (Draft attached Y/ / N) Publication Dates for Zoning Actions: _____ ☐ Resolution # _____ (Draft attached Y/ / N) ☐ Easement _____ (Specify Type) ☐ Deed _____ (Specify Type) ☐ IGA / Amendment (Corresponding Resolution Required) ☐ PSA / Amendment	☐ PA (Purchase) / Amendment ☐ IFB (Invitation for Bid) ☐ RFQ (Request for Qualifications) ☐ RFP (Request for Proposals) ☐ CSA (Construction) / Amendment ☐ QSP _____ ☒ Cooperative Purchasing Agreement Approval _____ ☐ Other _____								
Required Contract/Agreement Information: Method of Vendor Selection: <u>Co-Op</u> Term of Contract/Agreement: <u>September 1, 2018 - August 31, 2021 w/ maximum of two (2) year renewals</u> Contract Amount (this contract): <u>\$50,000</u> Cumulative Contract Amount: <u>\$150,000</u> Brief description of services/goods being sought: <u>Storm sewer pipe cleaning, Television services, small repairs and lining/ coating when needed</u> Contract # assigned: <u>C2019-061</u> Funding Source: <u>ENVAD</u> Project No. <u>6225</u> Budget Transfer Required: _____; if yes, attach appropriate documentation									
Staff Check List: A "request for legal services form" will be returned if submitted without the necessary information and attachments. <table style="width: 100%;"> <tr> <td>*Scope of Work or Specifications Attached</td> <td>*QSP Document Attached</td> </tr> <tr> <td>*Fee Proposal or Price Sheet Attached</td> <td>*Underlying Cooperative Purchasing Agreement Attached</td> </tr> <tr> <td>*Proposal or Statement of Qualifications from Vendor Attached</td> <td></td> </tr> <tr> <td>*Bid/RFQ/RFP Schedule Attached</td> <td></td> </tr> </table>		*Scope of Work or Specifications Attached	*QSP Document Attached	*Fee Proposal or Price Sheet Attached	*Underlying Cooperative Purchasing Agreement Attached	*Proposal or Statement of Qualifications from Vendor Attached		*Bid/RFQ/RFP Schedule Attached	
*Scope of Work or Specifications Attached	*QSP Document Attached								
*Fee Proposal or Price Sheet Attached	*Underlying Cooperative Purchasing Agreement Attached								
*Proposal or Statement of Qualifications from Vendor Attached									
*Bid/RFQ/RFP Schedule Attached									

**COOPERATIVE PURCHASING AGREEMENT
BETWEEN
THE TOWN OF FOUNTAIN HILLS
AND
PIPELINE VIDEO INSPECTION, LLC
D/B/A AIMS COMPANIES**

THIS COOPERATIVE PURCHASING AGREEMENT (this "Agreement") is entered into as of January 15, 2019, between the Town of Fountain Hills, an Arizona municipal corporation (the "Town"), and Pipeline Video Inspection, LLC, an Arizona limited liability company, d/b/a AIMS Companies (the "Contractor").

RECITALS

A. After a competitive procurement process, the City of Mesa, Arizona ("Mesa") entered into Contract No. 2018228, dated August 20, 2018 (the "Mesa Contract"), for the performance of vactor and related services. A copy of the Mesa Contract is attached hereto as Exhibit A and incorporated herein by reference, to the extent not inconsistent with this Agreement.

B. The Town is permitted, pursuant to Section 3-3-27 of the Town Code, to make purchases under the Mesa Contract, at its discretion and with the agreement of the awarded Contractor, and the Mesa Contract permits its cooperative use by other public entities, including the Town.

C. The Town and the Contractor desire to enter into this Agreement for the purpose of (i) acknowledging their cooperative contractual relationship under the Mesa Contract and this Agreement, (ii) establishing the terms and conditions by which the Contractor may provide the Town with vactor and related services, including but not limited to storm sewer pipe cleaning, television services, minor repairs, and lining/coating work as necessary (the "Materials and Services"), and (iii) setting the maximum aggregate amount to be expended pursuant to this Agreement related to the Materials and Services.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing introduction and recitals, which are incorporated herein by reference, the following mutual covenants and conditions, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Town and the Contractor hereby agree as follows:

1. Term of Agreement. This Agreement shall be effective as of the date first set forth above and shall remain in full force and effect until August 31, 2021 (the "Initial Term"), unless terminated as otherwise provided in this Agreement or the Mesa Contract. After the expiration of the Initial Term, this Agreement may be renewed for up to two successive one-year terms (each, a "Renewal Term") if: (i) it is deemed in the best interests of the Town, subject to availability and appropriation of funds for renewal in each subsequent year, (ii) the term of the Mesa Contract has

not expired or has been extended, (iii) at least 30 days prior to the end of the then-current term of this Agreement, the Contractor requests, in writing, to extend this Agreement for an additional one-year term and (iv) the Town approves the additional one-year term in writing (including any price adjustments approved as part of the Mesa Contract), as evidenced by the Town Manager's signature thereon, which approval may be withheld by the Town for any reason. The Contractor's failure to seek a renewal of this Agreement shall cause this Agreement to terminate at the end of the then-current term of this Agreement; provided, however, that the Town may, at its discretion and with the agreement of the Contractor, elect to waive this requirement and renew this Agreement. The Initial Term and any Renewal Term(s) are collectively referred to herein as the "Term." Upon renewal, the terms and conditions of this Agreement shall remain in full force and effect.

2. Scope of Work. This is an indefinite quantity and indefinite delivery Agreement for Materials and Services under the terms and conditions of the Mesa Contract. The Town does not guarantee that any minimum or maximum number of purchases will be made pursuant to this Agreement. Purchases will only be made when the Town identifies a need and proper authorization and documentation have been approved. For purchase(s) determined by the Town to be appropriate for this Agreement, the Contractor shall provide the Materials and Services to the Town in such quantities and configurations agreed upon between the parties, in a written invoice, quote, work order or other form of written agreement describing the work to be completed (each, a "Work Order"). Each Work Order approved and accepted by the parties pursuant to this Agreement shall (i) contain a reference to this Agreement and the Mesa Contract and (ii) be attached hereto as Exhibit B and incorporated herein by reference. Work Orders submitted without referencing this Agreement and the Mesa Contract will be subject to rejection.

2.1 Inspection; Acceptance. All Materials and Services are subject to final inspection and acceptance by the Town. Materials failing to conform to the requirements of this Agreement and/or the Mesa Contract will be held at Contractor's risk and may be returned to the Contractor. If so returned, all costs are the responsibility of the Contractor. Upon discovery of non-conforming Materials or Services, the Town may elect to do any or all of the following by written notice to the Contractor: (i) waive the non-conformance; (ii) stop the work immediately; or (iii) bring Materials or Services into compliance and withhold the cost of same from any payments due to the Contractor.

2.2 Cancellation. The Town reserves the right to cancel Work Orders within a reasonable period of time after issuance. Should a Work Order be canceled, the Town agrees to reimburse the Contractor, but only for actual and documentable costs incurred by the Contractor due to and after issuance of the Work Order. The Town will not reimburse the Contractor for any costs incurred after receipt of Town notice of cancellation, or for lost profits, shipment of product prior to issuance of Work Order or for anything not expressly permitted pursuant to this Agreement.

3. Compensation. The Town shall pay Contractor for the Initial Term and for each subsequent Renewal Term, if any, an annual aggregate amount not to exceed \$50,000.00 for the Materials and Services at the rates set forth in the Mesa Contract and as more particularly set forth in the Contractor Proposal. The maximum aggregate amount for this Agreement, including all Renewal Terms, shall not exceed \$150,000.00.

4. Payments. The Town shall pay the Contractor monthly, based upon acceptance and delivery of Materials and/or Services performed and completed to date, and upon submission and approval of invoices. Each invoice shall (i) contain a reference to this Agreement and the Mesa Contract and (ii) document and itemize all work completed to date. The invoice statement shall include a record of materials delivered, time expended, and work performed in sufficient detail to justify payment. Additionally, invoices submitted without referencing this Agreement and the Mesa Contract will be subject to rejection and may be returned.
5. Records and Audit Rights. To ensure that the Contractor and its subcontractors are complying with the warranty under Section 6 below, Contractor's and its subcontractors' books, records, correspondence, accounting procedures and practices, and any other supporting evidence relating to this Agreement, including the papers of any Contractor and its subcontractors' employees who perform any work or services pursuant to this Agreement (all of the foregoing hereinafter referred to as "Records"), shall be open to inspection and subject to audit and/or reproduction during normal working hours by the Town, to the extent necessary to adequately permit evaluation of the Contractor's and its subcontractors' compliance with the Arizona employer sanctions laws referenced in Section 6 below. To the extent necessary for the Town to audit Records as set forth in this Section, Contractor and its subcontractors hereby waive any rights to keep such Records confidential. For the purpose of evaluating or verifying such actual or claimed costs or units expended, the Town shall have access to said Records, even if located at its subcontractors' facilities, from the effective date of this Agreement for the duration of the work and until three years after the date of final payment by the Town to Contractor pursuant to this Agreement. Contractor and its subcontractors shall provide the Town with adequate and appropriate workspace so that the Town can conduct audits in compliance with the provisions of this Section. The Town shall give Contractor or its subcontractors reasonable advance notice of intended audits. Contractor shall require its subcontractors to comply with the provisions of this Section by insertion of the requirements hereof in any subcontract pursuant to this Agreement.
6. E-verify Requirements. To the extent applicable under ARIZ. REV. STAT. § 41-4401, the Contractor and its subcontractors warrant compliance with all federal immigration laws and regulations that relate to their employees and their compliance with the E-verify requirements under ARIZ. REV. STAT. § 23-214(A). Contractor's or its subcontractors' failure to comply with such warranty shall be deemed a material breach of this Agreement and may result in the termination of this Agreement by the Town.
7. Israel. Contractor certifies that it is not currently engaged in and agrees for the duration of this Agreement that it will not engage in a "boycott," as that term is defined in ARIZ. REV. STAT. § 35-393, of Israel.
8. Conflict of Interest. This Agreement may be canceled by the Town pursuant to ARIZ. REV. STAT. § 38-511.
9. Applicable Law; Venue. This Agreement shall be governed by the laws of the State of Arizona and a suit pertaining to this Agreement may be brought only in courts in Maricopa County, Arizona.
10. Agreement Subject to Appropriation. The Town is obligated only to pay its obligations set forth in this Agreement as may lawfully be made from funds appropriated and

budgeted for that purpose during the Town's then current fiscal year. The Town's obligations under this Agreement are current expenses subject to the "budget law" and the unfettered legislative discretion of the Town concerning budgeted purposes and appropriation of funds. Should the Town elect not to appropriate and budget funds to pay its Agreement obligations, this Agreement shall be deemed terminated at the end of the then-current fiscal year term for which such funds were appropriated and budgeted for such purpose and the Town shall be relieved of any subsequent obligation under this Agreement. The parties agree that the Town has no obligation or duty of good faith to budget or appropriate the payment of the Town's obligations set forth in this Agreement in any budget in any fiscal year other than the fiscal year in which this Agreement is executed and delivered. The Town shall be the sole judge and authority in determining the availability of funds for its obligations under this Agreement. The Town shall keep Contractor informed as to the availability of funds for this Agreement. The obligation of the Town to make any payment pursuant to this Agreement is not a general obligation or indebtedness of the Town. Contractor hereby waives any and all rights to bring any claim against the Town from or relating in any way to the Town's termination of this Agreement pursuant to this section.

11. Conflicting Terms. In the event of any inconsistency, conflict or ambiguity among the terms of this Agreement, any Town-approved work orders, the Mesa Contract, and invoices, the documents shall govern in the order listed herein. Notwithstanding the foregoing, and in conformity with Section 2 above, unauthorized exceptions, conditions, limitations or provisions in conflict with the terms of this Agreement or the Mesa Contract (collectively, the "Unauthorized Conditions"), other than the Town's project-specific requirements, are expressly declared void and shall be of no force and effect. Acceptance by the Town of any work order or invoice containing any such Unauthorized Conditions or failure to demand full compliance with the terms and conditions set forth in this Agreement or under the Mesa Contract shall not alter such terms and conditions or relieve Contractor from, nor be construed or deemed a waiver of, its requirements and obligations in the performance of this Agreement.

12. Rights and Privileges. To the extent provided under the Mesa Contract, the Town shall be afforded all of the rights and privileges afforded to Mesa and shall be the "City" (as defined in the Mesa Contract) for the purposes of the portions of the Mesa Contract that are incorporated herein by reference.

13. Indemnification: Insurance. In addition to and in no way limiting the provisions set forth in Section 12 above, the Town shall be afforded all of the insurance coverage and indemnifications afforded to Mesa to the extent provided under the Mesa Contract, and such insurance coverage and indemnifications shall inure and apply with equal effect to the Town under this Agreement including, but not limited to, the Contractor's obligation to provide the indemnification and insurance. In any event, the Contractor shall indemnify, defend and hold harmless the Town and each council member, officer, employee or agent thereof (the Town and any such person being herein called an "Indemnified Party"), for, from and against any and all losses, claims, damages, liabilities, costs and expenses (including, but not limited to, reasonable attorneys' fees, court costs and the costs of appellate proceedings) to which any such Indemnified Party may become subject, under any theory of liability whatsoever ("Claims"), insofar as such Claims (or actions in respect thereof) relate to, arise out of, or are caused by or based upon the negligent acts, intentional misconduct, errors, mistakes or omissions, in connection with the work or services of the Contractor, its officers, employees, agents, or any tier of subcontractor in the performance of this Agreement.

14. Notices and Requests. Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (i) delivered to the party at the address set forth below, (ii) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below or (iii) given to a recognized and reputable overnight delivery service, to the address set forth below:

If to the Town: Town of Fountain Hills
 16705 East Avenue of the Fountains
 Fountain Hills, Arizona 85268
 Attn: Grady E. Miller, Town Manager

With copy to: Pierce Coleman PLLC
 4711 E. Falcon Drive, Suite 111
 Mesa, Arizona 85215
 Attn: Aaron D. Arnson, Town Attorney

If to Contractor: Pipeline Video Inspection, LLC
 d/b/a AIMS Companies
 1616 S. 31st Avenue
 Phoenix, Arizona 85009
 Attn: Todd Smith

or at such other address, and to the attention of such other person or officer, as any party may designate in writing by notice duly given pursuant to this subsection. Notices shall be deemed received: (i) when delivered to the party, (ii) three business days after being placed in the U.S. Mail, properly addressed, with sufficient postage or (iii) the following business day after being given to a recognized overnight delivery service, with the person giving the notice paying all required charges and instructing the delivery service to deliver on the following business day. If a copy of a notice is also given to a party's counsel or other recipient, the provisions above governing the date on which a notice is deemed to have been received by a party shall mean and refer to the date on which the party, and not its counsel or other recipient to which a copy of the notice may be sent, is deemed to have received the notice.

[SIGNATURES APPEAR ON FOLLOWING PAGES]

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

"Town"

TOWN OF FOUNTAIN HILLS,
an Arizona municipal corporation

1/7/19
Grady E. Miller, Town Manager

ATTEST:

Elizabeth A. Burke, Town Clerk

APPROVED AS TO FORM:

Aaron D. Arnson, Town Attorney

(ACKNOWLEDGEMENT)

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

On _____, 2019, before me personally appeared Grady E. Miller, the Town Manager of the TOWN OF FOUNTAIN HILLS, an Arizona municipal corporation, whose identity was proven to me on the basis of satisfactory evidence to be the person who he claims to be, and acknowledged that he signed the above document, on behalf of the Town of Fountain Hills.

Notary Public

(Affix notary seal here)

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

"Contractor"

PIPELINE VIDEO INSPECTION, LLC,
an Arizona limited liability company
DBA AIMS COMPANIES

By: [Signature]

Name: STEVEN HUDSON

Its: VICE PRESIDENT

(ACKNOWLEDGEMENT)

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

On JANUARY 2, 2019, before me personally appeared STEVEN HUDSON,
the VICE PRESIDENT of PIPELINE VIDEO INSPECTION, LLC, an Arizona limited liability
company, D/B/A AIMS COMPANIES, whose identity was proven to me on the basis of satisfactory
evidence to be the person who he claims to be, and acknowledged that he signed the above document,
on behalf of the limited liability company.



[Signature]
Notary Public

(Affix notary seal here)

EXHIBIT A
TO
COOPERATIVE PURCHASING AGREEMENT
BETWEEN
THE TOWN OF FOUNTAIN HILLS
AND
PIPELINE VIDEO INSPECTION, LLC
DBA AIMS COMPANIES

[Mesa Contract]

See following pages.



AGREEMENT PURSUANT TO SOLICITATION

**CITY OF MESA AGREEMENT 2018228
VACTOR SERVICES**

CITY OF MESA, Arizona ("City")

Department Name	City of Mesa – Purchasing Division
Mailing Address	P.O. Box 1466
	Mesa, AZ 85211-1466
Delivery Address	20 East Main St, Suite 400
	Mesa, AZ 85201
Attention	Brandy Andersen, CPPB, MPA Procurement Officer
E-Mail	brandy.andersen@mesaaz.gov
Telephone	(480) 644-6426
Facsimile	(480) 644-2655

AND

PIPELINE VIDEO INSPECTION, LLC dba AIMS COMPANIES ("Contractor")

Mailing Address	1616 S. 31 st Ave.
	Phoenix, AZ 85009
Delivery Address	1616 S. 31 st Ave.
	Phoenix, AZ 85009
Attention	Todd Smith, Project Manager
E-Mail	TSmith@AIMSCompanies.com
Telephone	602-237-0292, ext. 106
Facsimile	602-237-0294

CITY OF MESA AGREEMENT PURSUANT TO SOLICITATION

This agreement pursuant to solicitation ("Agreement") is entered into this 20th day of August 2018, by and between the City of Mesa, Arizona, an Arizona municipal corporation ("City"), and AIMS Companies, an Arizona company ("Contractor"). The City and Contractor are each a "Party" to the Agreement or together are "Parties" to the Agreement.

RECITALS

- A. The City issued solicitation number **2018228** ("Solicitation") for **VECTOR SERVICES**, to which Contractor provided a response ("Response"); and
- B. The City Selected Contractor's Response as being in the best interest of the City and wishes to engage Contractor in providing the services/materials described in the Solicitation and Response.

In consideration of the reciprocal promises contained in the Agreement, and for other valuable and good consideration, which the Parties acknowledge the receipt and sufficiency of, the Parties agree to the following Terms & Conditions.

TERMS & CONDITIONS

1. **Term.** This Agreement is for a term beginning on **September 1, 2018** and ending on **August 31, 2021**. The use of the word "Term" in the Agreement includes the aforementioned period as well as any applicable extensions or renewals in accordance with this Section 1.
 - 1.1 **Renewals.** On the mutual written agreement of the Parties, the Term may be renewed up to a maximum of two (2) years. Any renewal(s) will be a continuation of the same terms and conditions as in effect immediately prior to the expiration of the then-current term.
 - 1.2 **Extension for Procurement Processes.** Upon the expiration of the Term of this Agreement, including any renewals permitted herein, at the City's sole discretion this Agreement may be extended on a month-to-month basis for a maximum of six (6) months to allow for the City's procurement processes in the selection of a vendor to provide the services/materials provided under this Agreement. The City will notify the Contractor in writing of its intent to extend the Agreement at least thirty (30) calendar days prior to the expiration of the Term. Any extension under this Subsection 1.2 will be a continuation of the same terms and conditions as in effect immediately prior to the expiration of the then-current term.
2. **Scope of Work.** The Contractor will provide the necessary staff, services and associated resources to provide the City with the services, materials, and obligations attached to this Agreement as **Exhibit A** ("Scope of Work") Contractor will be responsible for all costs and expenses incurred by Contractor that are incident to the performance of the Scope of Work unless otherwise stated in **Exhibit A**. Contractor will supply all equipment and instrumentalities necessary to perform the Scope of Work. If set forth in **Exhibit A**, the City will provide Contractor's personnel with adequate workspace and such other related facilities as may be required by Contractor to carry out the Scope of Work.

The Agreement is based on the Solicitation and Response which are hereby incorporated by reference into the Agreement as if written out and included herein. In addition to the requirements specifically set forth in the Scope of Work, the Parties acknowledge and agree that the Contractor shall perform in accordance with all terms, conditions, specifications and other requirements set forth within the Solicitation and Response unless modified herein.

3. **Orders.** Orders be placed with the Contractor by either a: (i) Purchase Order when for a one-time purchase; (ii) Notice to Proceed, or (iii) Delivery Order off of a Master Agreement for Requirement

Contract where multiple as-needed orders will be placed with the Contractor. The City may use the Internet to communicate with Contractor and to place orders as permitted under this Agreement

4. **Document Order of Precedence.** In the event of any inconsistency between the terms of the body of the Agreement, the Exhibits, the Solicitation, and Response, the language of the documents will control in the following order.

- a. Agreement
- b. Exhibits
 1. Mesa Standard Terms & Conditions
 2. Scope of Work
 3. Other Exhibits not listed above
- c. Solicitation including any addenda
- d. Contractor Response

5. **Payment.**

- 5.1 **General.** Subject to the provisions of the Agreement, the City will pay Contractor the sum(s) described in **Exhibit B ("Pricing")** in consideration of Contractor's performance of the Scope of Work during the Term.

- 5.2 **Prices.** All pricing shall be firm for the Term and all extensions or renewals of the Term except where otherwise provided in this Agreement, and include all costs of the Contractor providing the materials/service including transportation, insurance and warranty costs. No fuel surcharges will be accepted unless allowed in this Agreement. The City shall not be invoiced at prices higher than those stated in the Agreement.

The Contractor further agrees that any reductions in the price of the materials or services covered by this Agreement will apply to the undelivered balance. The Contractor shall promptly notify the City of such price reductions.

No price modifications will be accepted without proper request by the Contractor and response by the City's Purchasing Division.

- 5.3 **Price Adjustment.** Any requests for reasonable price adjustments must be submitted in accordance with this Section 5.3. Requests for adjustment in cost of labor and/or materials must be supported by appropriate documentation. There is no guarantee the City will accept a price adjustment therefore Contractor should be prepared for the Pricing to be firm over the Term of the Agreement. The City is only willing to entertain price adjustments based on an increase to Contractor's actual expenses or other reasonable adjustment in providing the services/materials under the Agreement. If the City agrees to the adjusted price terms, the City shall issue written approval of the change.

During the sixty (60) day period prior to Contract expiration or annual anniversary or bi-annual date of the Agreement, the Contractor may submit a written request to the City to allow an increase to the prices in an amount not to exceed the twelve (12) month change in the **Consumer Price Index for All Urban Consumers** (CPI-U), US City Average, All Items, Not Seasonally Adjusted as published by the U.S. Department of Labor, Bureau of Labor Statistics (<http://www.bls.gov/cpi/home.htm>). The City shall review the request for adjustment and respond in writing; such response and approval shall not be unreasonably withheld.

- 5.4 **Renewal and Extension Pricing.** Any extension of the Agreement will be at the same pricing as the initial Term. If the Agreement is renewed in accordance with Section 1, pricing may be adjusted for amounts other than inflation that represent actual costs to the Contractor based on the mutual agreement of the parties. The Contractor may submit a

request for a price adjustment along with appropriate supporting documentation demonstrating the cost to the Contractor. Renewal prices shall be firm for the term of the renewal period and may be adjusted thereafter as outlined in the previous section. There is no guarantee the City will accept a price adjustment.

5.5 **Invoices.** Payment will be made to Contractor following the City's receipt of a properly completed invoice. Any issues regarding billing or invoicing must be directed to the City Department/Division requesting the service or material from the Contractor. A properly completed invoice should contain, at a minimum, all of the following:

- a. Contractor name, address, and contact information;
- b. City billing information;
- c. City contract number as listed on the first page of the Agreement;
- d. Invoice number and date;
- e. Payment terms;
- f. Date of service or delivery;
- g. Description of materials or services provided;
- h. If materials provided, the quantity delivered and pricing of each unit;
- i. Applicable Taxes; and
- j. Total amount due.

5.6 **Payment of Funds.** Contractor acknowledges the City may, at its option and where available use a Procurement Card/e-Payables to make payment for orders under the Agreement. Otherwise, payment will be through a traditional method of a check or Electronic Funds Transfer (EFT) as available.

5.7 **Disallowed Costs, Overpayment.** If at any time the City determines that a cost for which payment was made to Contractor is a disallowed cost, such as an overpayment or a charge for materials/service not in accordance with the Agreement, the City will notify Contractor in writing of the disallowance; such notice will state the means of correction which may be, but is not limited to, adjustment of any future claim/invoice submitted by Contractor in the amount of the disallowance, or to require repayment of the disallowed amount by Contractor. Contractor will be provided with the opportunity to respond to the notice.

6. **Insurance.**

6.1 Contractor must obtain and maintain at its expense throughout the term of Contractor's agreement, at a minimum, the types and amounts of insurance set forth in this Section 6 from insurance companies authorized to do business in the State of Arizona; the insurance must cover the materials/service to be provided by Contractor under the Agreement. For any insurance required under the Agreement, Contractor will name the City of Mesa, its agents, representatives, officials, volunteers, officers, elected officials, and employees as additional insured, as evidenced by providing either an additional insured endorsement or proper insurance policy excerpts.

6.2 Nothing in this Section 6 limits Contractor's responsibility to the City. The insurance requirements herein are minimum requirements for the Agreement and in no way limit any indemnity promise(s) contained in the Agreement.

6.3 The City does not warrant the minimum limits contained herein are sufficient to protect Contractor and subcontractor(s) from liabilities that might arise out of performance under the Agreement by Contractor, its agents, representatives, employees, or subcontractor(s). Contractor is encouraged to purchase additional insurance as Contractor determines may be necessary.

- 6.4 Each insurance policy required under the Agreement must be in effect at or prior to the execution of the Agreement and remain in effect for the term of the Agreement.
- 6.5 Prior to the execution of the Agreement, Contractor will provide the City with a Certificate of Insurance (using an appropriate "ACORD" or equivalent certificate) signed by the issuer with applicable endorsements. The City reserves the right to request additional copies of any or all of the policies, endorsements, or notices relating thereto required under the Agreement.
- 6.6 When the City requires a Certificate of Insurance to be furnished, Contractor's insurance is primary of all other sources available. When the City is a certificate holder and/or an additional insured, Contractor agrees no policy will expire, be canceled, or be materially changed to affect the coverage available without advance written notice to the City.
- 6.7 The policies required by the Agreement must contain a waiver of transfer rights of recovery (waiver of subrogation) against the City, its agents, representatives, officials, volunteers, officers, elected officials, and employees for any claims arising out of the work of Contractor.
- 6.8 All insurance certificates and applicable endorsements are subject to review and approval by the City's Risk Management Division.
- 6.9 **Types and Amounts of Insurance.** Contractor must obtain and retain throughout the term of the Agreement, at a minimum, the following:
- 6.9.1 Worker's compensation insurance in accordance with the provisions of Arizona law. If Contractor operates with no employees, Contractor must provide the City with written proof Contractor has no employees. If employees are hired during the course of this Agreement, Contractor must procure worker's compensations in accordance with Arizona law.
 - 6.9.2 The Contractor shall maintain at all times during the term of this contract, a minimum amount of \$1 million per occurrence/\$2 million aggregate Commercial General Liability insurance, including Contractual Liability. For General Liability insurance, the City of Mesa, their agents, officials, volunteers, officers, elected officials or employees shall be named as additional insured, as evidenced by providing an additional insured endorsement.
 - 6.9.3 Automobile liability, bodily injury and property damage with a limit of \$1 million per occurrence including owned, hired and non-owned autos.
7. **Requirements Contract.** Contractor acknowledges and agrees the Agreement is a requirements contract; the Agreement does not guarantee any purchases will be made (minimum or maximum). Orders will only be placed when the City identifies a need and issues a purchase order or a written notice to proceed. The City reserves the right to cancel purchase orders or a notice to proceed within a reasonable period of time of issuance; any such cancellation will be in writing. Should a purchase order or notice to proceed be canceled, the City agrees to reimburse Contractor for any actual and documented costs incurred by Contractor. The City will not reimburse Contractor for any avoidable costs incurred after receipt of cancellation including, but not limited to, lost profits, shipment of product, or performance of services.
8. **Notices.** All notices to be given pursuant to the Agreement will be delivered to the Contractor as listed on Page 1 of this Agreement. Notice will be delivered pursuant to the requirements set forth the Mesa Standard Terms and Conditions that is attached to the Agreement as **Exhibit C**.

9. **Representations of Contractor.** To the best of Contractor's knowledge, Contractor agrees that:
- a. Contractor has no obligations, legal or otherwise, inconsistent with the terms of the Agreement or with Contractor's undertaking of the relationship with the City;
 - b. Performance of the services called for by the Agreement do not and will not violate any applicable law, rule, regulation, or any proprietary or other right of any third party;
 - c. Contractor will not use in the performance of Contractor's responsibilities under the Agreement any proprietary information or trade secret of a former employer of its employees (other than City, if applicable); and
 - d. Contractor has not entered into and will not enter into any agreement, whether oral or written, in conflict with the Agreement.
10. **Mesa Standard Terms and Conditions.** Exhibit C to the Agreement is the Mesa Standard Terms and Conditions as modified by the Parties, which are incorporated by reference into the Agreement as though fully set forth herein. In the event of any inconsistency between the terms of the Agreement and the Mesa Standard Terms and Conditions, the language of the Agreement will control. The Parties or a Party are referred to as a "party" or "parties" in the Mesa Standard Terms and Conditions. The Term is referred to as the "term" in the Mesa Standard Terms and Conditions.
11. **Counterparts and Facsimile or Electronic Signatures.** This Agreement may be executed in two (2) or more counterparts, each of which will be deemed an original and all of which, taken together, will constitute one agreement. A facsimile or other electronically delivered signature to the Agreement will be deemed an original and binding upon the Party against whom enforcement is sought.
12. **Incorporation of Recitals and Exhibits.** All Recitals and Exhibits to the Agreement are hereby incorporated by reference into the Agreement as if written out and included herein. In the event of any inconsistency between the terms of the body of the Agreement and the Exhibits, the language of the Agreement will control.
- Exhibits to this Agreement are the following:
- o (A) Scope of Work / Technical Specifications
 - o (B) Pricing
 - o (C) Mesa Standard Terms and Conditions
13. **Attorneys' Fees.** The prevailing Party in any litigation arising out of the Agreement will be entitled to the recovery of its reasonable attorney's fees, court costs, and other litigation related costs and fees from the other Party.
14. **Additional Acts.** The Parties agree to execute promptly such other documents and to perform such other acts as may be reasonably necessary to carry out the purpose and intent of the Agreement.
15. **Headings.** The headings of the Agreement are for reference only and will not limit or define the meaning of any provision of the Agreement.

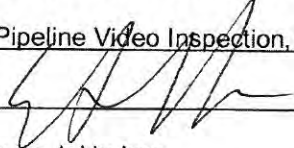
RESPONDENT CERTIFICATION

By submitting the Response and signing this Certification, the Respondent understands and certifies to all of the following:

- a) The information provided in Respondent's Response is true and accurate to the best of Respondent's knowledge.
- b) Respondent is under no legal prohibition that would prevent Respondent from contracting with the City of Mesa.
- c) Respondent has read and understands the Solicitation packet as a whole (including attachments, exhibits, and referenced documents) and: (i) can attest that Respondent is in compliance with the requirements of the Solicitation packet; and (ii) is capable of fully carrying out the requirements of the Solicitation as set forth in Respondent's Response.
- d) To Respondent's knowledge, Respondent and Respondent's employees have no known, undisclosed conflicts of interest as defined by applicable law or City of Mesa Procurement Rules. If Respondent or Respondent employees have a known conflict of interest, Respondent has disclosed the conflict in its Response.
- e) Respondent did not engage in any anti-competitive practices related to its Response or the Solicitation. The prices offered by Respondent were independently developed without consultation or collusion with any other Respondents or potential Respondents.
- f) No gifts, payments or other consideration were made to any City employee, officer, elected official, agent, or consultant who has or may have a role in the procurement process for the services/materials covered by the Solicitation.
- g) Respondent grants the City of Mesa permission to copy all parts of its Response including, without limitation, any documents and materials copyrighted by Respondent: (i) for the City's use in evaluating the Response; and (ii) to be disclosed in response to a public records request under Arizona's public records law (A.R.S. § 39-121 et. seq.) or other applicable law, subpoena, or other judicial process provided such disclosure is in accordance with City of Mesa Procurement Rule 6.13.
- h) If a contract is awarded to Respondent as a result of the Response submitted to the Solicitation Respondent will:
 - i. Provide the materials or services specified in the Response in compliance with all applicable federal, state, and local statutes, rules and policies;
 - ii. Honor all elements of the Response submitted by Respondent to the City including, but not limited to, the price and the materials/services to be provided; and
 - iii. Enter into an agreement with the City based on the terms and conditions of the Solicitation and the Response, subject to any negotiated exceptions and terms.
- i) Respondent is current in all obligations due to the City including any amounts owed the City and any licenses/permits required for the general lawful conduct of business. Respondent shall acquire all licenses/permits necessary to lawfully conduct business specific to the Solicitation prior to the execution of a contract with the City pertaining to the Solicitation.
- j) The signatory of this Certification is an officer or duly authorized agent of Respondent with full power and authority to submit binding offers for the goods/services specified herein. Respondent intends by the submission of this Certification to be bound by the terms of the Certification, Solicitation, and Response, subject to any negotiated terms/exceptions.

ACCEPTED AND AGREED TO BY RESPONDENT:

Company Name: Pipeline Video Inspection, LLC dba AIMS Companies

Signature: 

Printed Name: Steven J. Hudson

Title: Vice President

Date: July 6, 2018

City Acceptance of Offer

The below document will be executed when Agreement is finalized and awarded.

ACCEPTANCE OF OFFER:

The offer is hereby accepted. The Contractor is now bound to sell the materials or services specified in the Contract, including all terms and conditions, specifications, addenda, etc. This contract shall henceforth be referred to as Contract Number **2018228**.

Awarded this



Digitally signed by Edward Quedens
DN: cn=Edward Quedens, o=City of Mesa,
ou=~~Business Services Department~~,
email=ed.quedens@mesaz.gov, c=US
Location: City of Mesa
Date: 2018.08.22 16:40:01 -07'00'
Adobe Acrobat version: 2018.009.20050

Edward Quedens, CPPO, C.P.M.
As Business Services Director

REVIEWED BY:



8/21/18

By:

Brandy Andersen, CPPB, MPA

EXHIBIT A SCOPE OF WORK

1. **SCOPE OF WORK:** Contractor will provide storm drain cleaning, storm drain pipe cleaning, culvert cleaning, box culvert cleaning, pressure washer separators/vaults, sumps, wet well, and drywell cleaning and inspections for the City of Mesa (City) Transportation Department and Fleet Services. Services will be on an as needed basis.

Work will be performed at a variety of locations within City limits. Locations will also include but are not limited to: privately owned property, commercial property and property owned by other government agencies, all for which permission to enter has been obtained.

Quantities represent the City's best estimate of current requirements. There are no guarantees implied or warranted. Quantities will not bind the City to accept nor require the City to pay for services exceeding actual needs nor for any items for which funds are not available.

The City intends to award by Group; however, the City reserves the right to change this award method based on the bids received if deemed to be in the best interest of the City.

2. **VECTOR SERVICES REQUIREMENTS PER GROUP:**

Group I – Work Requirements

A City Representative will contact the Contractor when vector services are required. Services include but are not limited to: vector truck/high velocity jet rodding services or suctions/pumping truck for storm drain cleaning, storm drain pipe cleaning, culvert cleaning, box culvert cleaning, wet well, drywell cleaning and inspection. Contractor will be able to provide services on an as needed, on call basis. The City will notify Contractor when such services are needed. Contractor will respond back to City Representative within twenty-four (24) hours of notification. City Representative will provide a map, detailed outline of work to be performed, and a notice to proceed.

Contractor will begin requested services no later than two (2) business days after receiving the notice to proceed, unless otherwise mutually agreed upon by both parties. Work will be completed within seven (7) days of the project start date.

Contractor will replace felt and rock when cleaning dry wells, no extra compensation will be paid for this service and will be included in the unit bid price.

The City will provide dump site locations for the Contractor to deposit silt and debris collected from the job sites. Contractor will decant all excess fluid into the closest sanitary manhole prior to dumping solids into the City's assigned dump location. In the event the Contractor's Operator creates a mess while dumping solids, Contractor is responsible for cleaning their mess within twenty-four (24) hours. Cleaning requirements will be determined by the City Representative.

The City will not pay for downtime if Contractor's vehicle and/or equipment is disabled or broken down while performing work for the City.

The City will not pay for travel time from Contractor's shop to the first jobsite. Upon arrival to the first jobsite, the City will begin paying the Contractor for services as defined in the agreement. Once Contractor has cleaned and emptied truck after last job is completed, payment for services will cease. The City will not pay for travel time from truck clean-out location to Contractor's yard.

Group II – Work Requirements

Contractor is required to provide suction/pumping services on a variety of pressure washer sumps, sumps, separators, and vaults in multiple locations. The City Representative will provide the Contractor with a map and required frequency for cleaning services. The Contractor will remove non-hazardous liquid, high solids, oily water or sludge from oil/water separators, floor drains, sand traps, pits, sumps, trenches, clarifiers, closed drums and underground waste tanks and haul to

disposal site. Contractor will be responsible for disposing waste at a legal disposal site that meets all federal, state, and local laws.

3. **EQUIPMENT:** Contractor's vehicles and equipment will be neat in appearance and easily identified with Contractor's name on side of vehicle. Contractor's vehicles and equipment will be maintained in a safe and mechanically sound working condition.

All vehicles and equipment will display the company's name and phone number. All vehicles must have lighting in accordance with the City of Mesa Temporary Traffic Control Manual <http://www.mesaaz.gov/home/showdocument?id=8062>.

All trucks and other equipment must be in compliance with all applicable federal, state and local rules and regulations.

Trucks or equipment designated for use under this contract shall not be used for any other work while conducting services for the City. Contractor will not solicit work from private citizens while performing work for the City.

Contractor will not permit placing and/or use of equipment in such a manner as to block vehicular traffic lanes or create safety hazards. Contractor will be responsible for all appropriate warning devices.

The City will not provide storage space for Contractor's vehicles, materials, supplies or equipment. Vehicles and equipment will have all necessary tools needed to perform the assigned work.

Group I – Equipment Requirements

All trucks and other equipment will be equipped with a back-up alarm and rotating flashers, strobe lights or light bar and arrow board.

Contractor's equipment will comply with the following minimum capabilities:

- Minimum 10 cu. Yard box capacity
- Minimum 1500 gal. on board tank capacity
- Minimum 80 GPM at 2000 psi jet rodder water pump capacity

Vactor truck will be equipped with an Automatic Vehicle Location (AVL) System capable of identifying the routes completed by the truck as well as identifying when a Power Take-Off (PTO) is being operated during the process. Contractor will provide a City Representative with the method and ability to access the real time data of the AVL system.

Contractor will have all hand tools and pipe plugs needed to perform assigned work. Contractor must have the capability of providing two (2) trucks simultaneously, with adequate crew, in the event the City requires such services.

Group II – Equipment Requirements

- Contractor's truck must be high capacity vacuum trucks
- Contractor's trucks must have 3000+ gallon tanks
- Contractor will have the capability to remove and transport hazardous material
- Contractor's truck must be capable of removing non-hazardous liquid, high solids, oily water or sludge from oil/water separators, floor drains, sand traps, pits, sumps, trenches, clarifiers, closed drums and underground waste tanks

4. **CONTRACTOR RESPONSIBILITIES.** Contractor will provide all equipment, materials, supplies and personnel necessary to provide storm drain cleaning, storm drain pipe cleaning, culvert cleaning, box culvert cleaning, pressure washer separators/vaults, sums, wet well, drywell cleaning and inspection.

Contractor will be responsible for the following:

- Vactor Services to be in compliance with all federal, state and local laws, regulations, statutes, codes, etc.
- Compliance with all City, state, and Maricopa County dust control requirements, including obtaining permits if required.
- Contractor will obtain water (daily) from a designated City owned and metered hydrant while performing services under this contract. Obtaining City of Mesa water for use other than for performing work under the City of Mesa Vactor Services agreement #2018228, could result in termination of the contract.

The Contract Administrator will designate the hydrant(s) to be used. Contractor will read water meter daily at the beginning and end of shift to determine water usage. The amount of water used will be added to the daily log sheet and provided to the City of Mesa prior to invoicing. The Contractor will not be responsible for obtaining a meter or paying for water usage.

Contractor will follow all City, County, State, Federal, and Occupational Safety and Health Administration (OSHA) rules and regulations pertaining to work being performed.

Contractor will notify City Representative daily, prior to 7:00 a.m. of Vactor crew status and daily schedule.

5. **PERSONNEL:** Contractor will provide all management, supervision and labor necessary for efficient and effective management of this contract. Contractor will designate a supervisor to monitor this contract who is able to communicate with the City's Representative in English to oversee and inspect work performed by Contractor's personnel assigned to this contract. Contractor will act and work in a professional manner as to not bring undue criticism or embarrassment to the City.

The designated supervisor will be immediately available during work activities to receive communications from the City of Mesa staff by cellular phone.

Contractor will utilize only trained, competent employees in the performance of this contract. At the request of the City, Contractor will remove any incompetent, abusive or disorderly employees, whether supervisory or non-supervisory, from work under this contract.

Safety vests or high visibility clothing that meets ANSI Class II or better must be worn by Contractor employees at all times while working on site.

6. **DELIVERY REQUIREMENTS:** Contractor will be able to provide services on an as needed, on call basis, as well as pre-scheduled cleanings. Contractor must be able to respond verbally within twenty-four (24) hours of notification from City Representative. City Representative will notify Contractor when the City is in need of storm drain cleaning, storm drain pipe cleaning, culvert cleaning, box culvert cleaning, pressure washer separators/vaults, sumps, wet well, drywell cleaning and inspection. Contractor will begin services no later than two (2) business days after receiving the Notice to Proceed, unless the start date is mutually agreed upon by the City Representative and Contractor. Work schedule will be Monday through Thursday 6:00 a.m. to 5:00

pm., excluding City of Mesa holidays. The City reserves the right to make and/or approve schedule changes to allow Contractor to complete work that was missed as a result of, including but not limited to: inclement weather and holidays, etc. Any and all rescheduled work will be billed and paid at the normal rates. Contractor will not charge, and the City will not pay overtime for rescheduled work.

Holiday Schedule. The following is a list of holidays on which contract service will not be performed unless previously approved by the City (except emergency service):

- a. New Year's Day - January 1st
- b. Martin Luther King Day – Third Monday in January
- c. President's Day – Third Monday in February
- d. Memorial Day – Last Monday in May
- e. Independence Day – July 4th
- e. Labor Day – First Monday in September
- f. Veteran's Day – November 11th
- g. Thanksgiving Holiday – Fourth Thursday and following Friday in November
- h. Christmas Day – December 25th

7. **WORK AREA:** Contractor will keep the assigned work area safe for all residents, motorists, and pedestrians during the project. Contractor will, upon completion of work, leave the public right of way/worksites in a neat and clean condition. No special payment will be made for this item and price shall be included in the unit bid price(s). Contractor will restore any damaged City property or private property to its original condition as determined by the City.
8. **TRAFFIC CONTROL:** Contractor will:
- a. Be responsible for all traffic control, including barricades, if necessary. Traffic control will be included in the bid price(s).
 - b. Ensure protection of work area at all times, unless a City Representative authorizes a waiver.
 - c. Remove all equipment and materials from each site and leave the site clean at the end of each workday and upon completion of each assigned task.

Barricading area for work performed within the public right-of-way shall comply with the City of Mesa Temporary Traffic Control Manual.

<http://mesaaz.gov/business/barricading-temporary-traffic-control-permits>

Contractor will be responsible for obtaining a City Temporary Traffic Control (TTC) permit prior to commencing any work if they are to restrict access (partial or complete closures) on public streets, sidewalks, bike lanes, alleys or other public facilities except as noted in the City TTC Rules and Procedures. The permit authorizes restrictions to be in place as specified on the permit but does not guarantee the requestor exclusive rights to occupy a particular portion of the public right-of-way. Weather, emergencies, incidents, or other projects and special events might require rescheduling of activities. The City will attempt to identify all known potential conflicts, so they can be resolved cooperatively among those involved.

Contractor may call 480-644-4TTC (4882) or e-mail barricade@mesaaz.gov with any questions.

9. **PROTECTION OF THE PUBLIC DAMAGES TO EXISTING STRUCTURES:** Contractor will note a significant portion of the projects will occur in residential areas. Contractor will exercise due care to minimize any damages to fences, trees, shrubs, landscaping and general property. Contractor will exercise caution at all times for the protection of person and property. All fines, penalties and/or repair charges resulting from the Contractor's actions will be the sole responsibility of Contractor at no additional cost to the City. Contractor will immediately notify the City Representative of damages.

Contractor will not permit placing or use of equipment in such a manner as to block vehicle traffic lanes or create safety hazards. Contractor will be responsible for all appropriate warning devices.

10. **INVOICE AND PAYMENT (INVOICE AUTHORIZATION):**

- a. City Representative and Contractor will agree upon work requested and clarify any questions and concerns prior to starting work.
- b. Contractor will fax, scan, or hand deliver a list of completed work, including quantities at the end of each work day. City Representative and Contractor will agree on method of notification.
- c. A City Representative will inspect the work once completed.
- d. The City will provide the Contractor an invoice authorization every two (2) weeks for satisfactorily work completed.
- e. After invoice authorization is received from the City, Contractor will submit an invoice to the City Representative for completed work. Contractor's invoice will reflect the quantities and dollar amount stated on the invoice authorization.
- f. The City Representative will compare the invoice authorization to Contractor invoice and approve payment for authorized work.
- g. Contractor will provide City Representative with completed route map and task list prior to invoicing.

11. **METHOD OF INVOICING (CONTRACTOR'S INVOICE):** Contractor will submit invoices on a regular, consistent basis of not less than fifteen (15) days and no more than thirty (30) days unless otherwise directed by a City Representative.

Contractor's invoice will include the following information:

- a. City of Mesa Contract and Master Agreement numbers (to be provided by City upon contract award)
- b. Line items listed individually by the written description in the contract
- c. Period invoice covers, i.e. "June 1, 2018 through June 15, 2018"
- d. Contract price extended and totaled
- e. Work area with quantity completed and accepted during this time period
- f. Items grouped by Work Order and subtotaled
- g. Invoice number and date

Mail invoices to: City of Mesa Transportation Department
PO Box 1466
Mesa, AZ 85211-1466

**EXHIBIT B
PRICING**

Group I

Item No.	Description	Unit of Measure	Unit Price	Estimated Annual Quantity	Total Price
1	Fleet - Perform cleaning services through the use of high pressure hydro jetting, vacuuming (Vactor) and pumping to include but not be limited to: drywells, wet wells, catch basins, storm drain pipes. Equipment and personnel shall include vactor truck and two (2) man crew.	Hour	\$140.00	250	\$35,000.00
2	Transportation - Perform cleaning services through the use of high pressure hydro jetting, vacuuming (Vactor) and pumping to include but not be limited to: drywells, wet wells, catch basins, storm drain pipes. Equipment and personnel shall include vactor truck and two (2) man crew.	Hour	\$140.00	1,200	\$168,000.00
3	Extra crew member - must be approved by the City.	Hour	\$29.50	500	\$14,750.00
4	Minimum 3,000 gallon water truck with operator.	Hour	\$59.50	20	\$1,190.00
Group I Total					\$218,940.00

Group II					
Item No.	Description	Unit of Measure	Unit Price	Estimated Annual Quantity	Total Price
5	Scheduled Service for Fleet: Vacuum, remove non-hazardous liquid, high solids, oily water or sludge from oil/water separators, floor drains, sand traps, pits, sumps, clarifiers, closed drums and underground waste tanks and haul to disposal site. This includes all equipment, personnel, and any dump fees.	Gallon	\$0.55	36,000	\$19,800.00
6	Scheduled Service for Transportation: Vacuum, remove non-hazardous liquid, high solids, oily water or sludge from oil/water separators, floor drains, sand traps, pits, sumps, clarifiers, closed drums and underground waste tanks and haul to disposal site. This includes all equipment, personnel, and any dump fees.	Gallon	\$0.40	40,000	\$16,000.00
7	Special projects authorized by the City: Remove non-hazardous liquid, high solids, oily water or sludge from trenches/trench drains and haul to legal dump site. This includes all equipment, personnel, travel time and any dump fees. Hourly rate bid will be paid; no extra payment will be made for travel time.	Hour	\$215.00	50	\$10,750.00
8	Cost for disposal of materials for special projects - to be used with line #7. Number of gallons will depend upon the project.	Gallon	\$0.45	1	\$0.45
Group II Total					\$46,550.45

EXHIBIT C
MESA STANDARD TERMS AND CONDITIONS

1. **INDEPENDENT CONTRACTOR.** It is expressly understood that the relationship of Contractor to the City will be that of an independent contractor. Contractor and all persons employed by Contractor, either directly or indirectly, are Contractor's employees, not City employees. Accordingly, Contractor and Contractor's employees are not entitled to any benefits provided to City employees including, but not limited to, health benefits, enrollment in a retirement system, paid time off or other rights afforded City employees. Contractor employees will not be regarded as City employees or agents for any purpose, including the payment of unemployment or workers' compensation. If any Contractor employees or subcontractors assert a claim for wages or other employment benefits against the City, Contractor will defend, indemnify and hold harmless the City from all such claims.
2. **SUBCONTRACTING.** Contractor may not subcontract work under this Agreement without the express written permission of the City. If Contractor has received authorization to subcontract work, it is agreed that all subcontractors performing work under the Agreement must comply with its provisions. Further, all agreements between Contractor and its subcontractors must provide that the terms and conditions of this Agreement be incorporated therein.
3. **ASSIGNMENT.** This Agreement may not be assigned either in whole or in part without first receiving the City's written consent. Any attempted assignment, either in whole or in part, without such consent will be null and void and in such event the City will have the right at its option to terminate the Agreement. No granting of consent to any assignment will relieve Contractor from any of its obligations and liabilities under the Agreement.
4. **SUCCESSORS AND ASSIGNS, BINDING EFFECT.** This Agreement will be binding upon and inure to the benefit of the parties and their respective permitted successors and assigns.
5. **NO THIRD PARTY BENEFICIARIES.** This Agreement is intended for the exclusive benefit of the parties. Nothing set forth in this Agreement is intended to create, or will create, any benefits, rights, or responsibilities in any third parties.
6. **NON- EXCLUSIVITY.** The City, in its sole discretion, reserves the right to request the materials or services set forth herein from other sources when deemed necessary and appropriate. No exclusive rights are encompassed through this Agreement.
7. **AMENDMENTS.** There will be no oral changes to this Agreement. This Agreement can only be modified in a writing signed by both parties. No charge for extra work or material will be allowed unless approved in writing, in advance, by the City and Contractor.
8. **TIME OF THE ESSENCE.** Time is of the essence to the performance of the parties' obligations under this Agreement.
9. **COMPLIANCE WITH APPLICABLE LAWS.**
 - a. **General.** Contractor must procure all permits and licenses, and pay all charges and fees necessary and incidental to the lawful conduct of business. Contractor must stay fully informed of existing and future federal, state, and local laws, ordinances, and regulations that in any manner affect the fulfillment of this Agreement and must comply with the same at its own expense. Contractor bears full responsibility for training, safety, and providing necessary equipment for all Contractor personnel to achieve throughout the term of the Agreement. Upon request, Contractor will demonstrate to the City's satisfaction any programs, procedures, and other activities used to ensure compliance.
 - b. **Drug-Free Workplace.** Contractor is hereby advised that the City has adopted a policy establishing a drug-free workplace for itself and those doing business with the City to ensure the safety and health of all persons working on City contracts and projects. Contractor will require a drug-free workplace for all Contractor personnel working under this Agreement. Specifically, all Contractor personnel who are working under this Agreement must be notified in writing by Contractor that they are prohibited from the manufacture, distribution,

dispensation, possession, or unlawful use of a controlled substance in the workplace. Contractor agrees to prohibit the use of intoxicating substances by all Contractor personnel, and will ensure that Contractor personnel do not use or possess illegal drugs while in the course of performing their duties.

- c. **Federal and State Immigration Laws.** Contractor agrees to comply with the Immigration Reform and Control Act of 1986 (IRCA) in performance under this Agreement and to permit the City and its agents to inspect applicable personnel records to verify such compliance as permitted by law. Contractor will ensure and keep appropriate records to demonstrate that all Contractor personnel have a legal right to live and work in the United States.
 - i. As applicable to Contractor, under the provisions of A.R.S. § 41-4401, Contractor hereby warrants to the City that Contractor and each of its subcontractors will comply with, and are contractually obligated to comply with, all federal immigration laws and regulations that relate to their employees and A.R.S. § 23-214(A) (hereinafter "Contractor Immigration Warranty").
 - ii. A breach of the Contractor Immigration Warranty will constitute as a material breach of this Agreement and will subject Contractor to penalties up to and including termination of this Agreement at the sole discretion of the City.
 - iii. The City retains the legal right to inspect the papers of all Contractor personnel who provide services under this Agreement to ensure that Contractor or its subcontractors are complying with the Contractor Immigration Warranty. Contractor agrees to assist the City in regard to any such inspections.
 - iv. The City may, at its sole discretion, conduct random verification of the employment records of Contractor and any subcontractor to ensure compliance with the Contractor Immigration Warranty. Contractor agrees to assist the City in regard to any random verification performed.
 - v. Neither Contractor nor any subcontractor will be deemed to have materially breached the Contractor Immigration Warranty if Contractor or subcontractor establishes that it has complied with the employment verification provisions prescribed by Sections 274A and 274B of the Federal Immigration and Nationality Act and the E-Verify requirements prescribed by A.R.S. § 23-214 (A).
- d. **Nondiscrimination.** Contractor understands and acknowledges that it is the policy of the City of Mesa to promote non-discrimination. As such, Contractor represents and warrants that it does not discriminate against any employee or applicant for employment or person to whom it provides services because of race, color, national origin, age, disability, religion, sex, sexual orientation, gender identity and expression, veterans' status, marital status, or genetic information, and represents and warrants that it complies with all applicable federal, state, and local laws and executive orders regarding employment. Contractor and Contractor's personnel will comply with applicable provisions of Title VII of the U.S. Civil Rights Act of 1964, as amended, Section 504 of the Federal Rehabilitation Act, the Americans with Disabilities Act (42 U.S.C. § 12101 et seq.), and applicable rules in performance under this Agreement.
- e. **State Sponsors of Terrorism Prohibition.** Per A.R.S. § 35-392, Contractor must not be in violation of section 6(j) of the Federal Export Administration Act and subsequently prohibited by the State of Arizona from selling goods or services to the City.

10. **SALES/USE TAX, OTHER TAXES.**

- a. Contractor is responsible for the payment of all taxes including federal, state, and local taxes related to or arising out of Contractor's services under this Agreement, including by way of illustration but not limitation, federal and state income tax, Social Security tax, unemployment insurance taxes, and any other taxes or business license fees as required. If any taxing authority should deem Contractor or Contractor employees an employee of the City, or should otherwise claim the City is liable for the payment of taxes that are Contractor's responsibility

under this Agreement, Contractor will indemnify the City for any tax liability, interest, and penalties imposed upon the City.

- b. The City is exempt from paying certain federal excise taxes and will furnish an exemption certificate upon request. The City is not exempt from state and local sales/use taxes.
11. **AMOUNTS DUE THE CITY.** Contractor must be current and remain current in all obligations due to the City during the performance of services under the Agreement. Payments to Contractor may be offset by any delinquent amounts due the City or fees and charges owed to the City.
12. **PUBLIC RECORDS.** Contractor acknowledges that the City is a public entity, subject to Arizona's public records laws (A.R.S. § 39-121 et. seq.) and that any documents related to this Agreement may be subject to disclosure pursuant to state law in response to a public records request or to subpoena or other judicial process.
 - 12.1. If Contractor believes document related to the Agreement contains trade secrets or other proprietary data, Contractor must notify the City and include with the notification a statement that explains and supports Contractor's claim. Contractor also must specifically identify the trade secrets or other proprietary data that Contractor believes should remain confidential.
 - 12.2. In the event the City determines it is legally required to disclose pursuant to law any documents or information Contractor deems confidential trade secrets or proprietary data, the City, to the extent possible, will provide Contractor with prompt written notice by certified mail, fax, email or other method that tracks delivery status of the requirement to disclose the information so Contractor may seek a protective order from a court having jurisdiction over the matter or obtain other appropriate remedies. The notice will include a time period for Contractor to seek court ordered protection or other legal remedies as deemed appropriate by Contractor. If Contractor does not obtain such court ordered protection by the expiration of said time period, the City may release the information without further notice to Contractor.
13. **AUDITS AND RECORDS.** Contractor must preserve the records related to this Agreement for six (6) years after completion of the Agreement. The City or its authorized agent reserves the right to inspect any records related to the performance of work specified herein. In addition, the City may inspect any and all payroll, billing or other relevant records kept by Contractor in relation to the Agreement. Contractor will permit such inspections and audits during normal business hours and upon reasonable notice by the City. The audit of records may occur at Contractor's place of business or at City offices, as determined by the City.
14. **BACKGROUND CHECK.** The City may conduct criminal, driver history, and all other requested background checks of Contractor personnel who would perform services under the Agreement or who will have access to the City's information, data, or facilities in accordance with the City's current background check policies. Any officer, employee, or agent that fails the background check must be replaced immediately for any reasonable cause not prohibited by law.
15. **SECURITY CLEARANCE AND REMOVAL OF CONTRACTOR PERSONNEL.** The City will have final authority, based on security reasons: (i) to determine when security clearance of Contractor personnel is required; (ii) to determine the nature of the security clearance, up to and including fingerprinting Contractor personnel; and (iii) to determine whether or not any individual or entity may provide services under this Agreement. If the City objects to any Contractor personnel for any reasonable cause not prohibited by law, then Contractor will, upon notice from the City, remove any such individual from performance of services under this Agreement.
16. **DEFAULT.**
 - a. A party will be in default if that party:
 - i. Is or becomes insolvent or is a party to any voluntary bankruptcy or receivership proceeding, makes an assignment for a creditor, or there is any similar action that affects Contractor's capability to perform under the Agreement;

- ii. Is the subject of a petition for involuntary bankruptcy not removed within sixty (60) calendar days;
 - iii. Conducts business in an unethical manner as set forth in the City Procurement Rules Article 7 or in an illegal manner; or
 - iv. Fails to carry out any term, promise, or condition of the Agreement.
 - b. Contractor will be in default of this Agreement if Contractor is debarred from participating in City procurements and solicitations in accordance with Article 6 of the City's Procurement Rules.
 - c. **Notice and Opportunity to Cure.** In the event a party is in default then the other party may, at its option and at any time, provide written notice to the defaulting party of the default. The defaulting party will have thirty (30) days from receipt of the notice to cure the default; the thirty (30) day cure period may be extended by mutual agreement of the parties, but no cure period may exceed ninety (90) days. A default notice will be deemed to be sufficient if it is reasonably calculated to provide notice of the nature and extent of such default. Failure of the non-defaulting party to provide notice of the default does not waive any rights under the Agreement.
 - d. **Anticipatory Repudiation.** Whenever the City in good faith has reason to question Contractor's intent or ability to perform, the City may demand that Contractor give a written assurance of its intent and ability to perform. In the event that the demand is made and no written assurance is given within five (5) calendar days, the City may treat this failure as an anticipatory repudiation of the Agreement.
17. **REMEDIES.** The remedies set forth in this Agreement are not exclusive. Election of one remedy will not preclude the use of other remedies. In the event of default:
- a. The non-defaulting party may terminate the Agreement, and the termination will be effective immediately or at such other date as specified by the terminating party.
 - b. The City may purchase the services required under the Agreement from the open market, complete required work itself, or have it completed at the expense of Contractor. If the cost of obtaining substitute services exceeds the contract price, the City may recover the excess cost by: (i) requiring immediate reimbursement to the City; (ii) deduction from an unpaid balance due to Contractor; (iii) collection against the proposal and/or performance security, if any; (iv) collection against liquidated damages (if applicable); or (v) a combination of the aforementioned remedies or other remedies as provided by law. Costs includes any and all, fees, and expenses incurred in obtaining substitute services and expended in obtaining reimbursement, including, but not limited to, administrative expenses, attorneys' fees, and costs.
 - c. The non-defaulting party will have all other rights granted under this Agreement and all rights at law or in equity that may be available to it.
 - d. Neither party will be liable for incidental, special, or consequential damages.
18. **CONTINUATION DURING DISPUTES.** Contractor agrees that during any dispute between the parties, Contractor will continue to perform its obligations until the dispute is settled, instructed to cease performance by the City, enjoined or prohibited by judicial action, or otherwise required or obligated to cease performance by other provisions in this Agreement.
19. **TERMINATION FOR CONVENIENCE.** The City reserves the right to terminate this Agreement in part or in whole upon thirty (30) calendar days' written notice.
20. **TERMINATION FOR CONFLICT OF INTEREST (A.R.S. § 38-511).** Pursuant to A.R.S. § 38-511, the City may cancel this Agreement within three (3) years after its execution, without penalty or further obligation, if any person significantly involved in initiating, securing, drafting, or creating the Agreement for the City becomes an employee or agent of Contractor.

21. **TERMINATION FOR NON-APPROPRIATION AND MODIFICATION FOR BUDGETARY CONSTRAINT.** The City is a governmental agency which relies upon the appropriation of funds by its governing body to satisfy its obligations. If the City reasonably determines that it does not have funds to meet its obligations under this Agreement, the City will have the right to terminate the Agreement without penalty on the last day of the fiscal period for which funds were legally available. In the event of such termination, the City agrees to provide written notice of its intent to terminate thirty (30) calendar days prior to the stated termination date.
22. **PAYMENT TO CONTRACTOR UPON TERMINATION.** Upon termination of this Agreement, Contractor will be entitled only to payment for those services performed up to the date of termination, and any authorized expenses already incurred up to such date of termination. The City will make final payment within thirty (30) calendar days after the City has both completed its appraisal of the materials and services provided and received Contractor's properly prepared final invoice.
23. **NON-WAIVER OF RIGHTS.** There will be no waiver of any provision of this agreement unless approved in writing and signed by the waiving party. Failure or delay to exercise any rights or remedies provided herein or by law or in equity, or the acceptance of, or payment for, any services hereunder, will not release the other party of any of the warranties or other obligations of the Agreement and will not be deemed a waiver of any such rights or remedies.
24. **INDEMNIFICATION/LIABILITY.**
- a. To the fullest extent permitted by law, Contractor agrees to defend, indemnify, and hold the City, its officers, agents, and employees, harmless from and against any and all liabilities, demands, claims, suits, losses, damages, causes of action, fines or judgments, including costs, attorneys', witnesses', and expert witnesses' fees, and expenses incident thereto, relating to, arising out of, or resulting from: (i) the services provided by Contractor personnel under this Agreement; (ii) any negligent acts, errors, mistakes or omissions by Contractor or Contractor personnel; and (iii) Contractor or Contractor personnel's failure to comply with or fulfill the obligations established by this Agreement.
 - b. Contractor will update the City during the course of the litigation to timely notify the City of any issues that may involve the independent negligence of the City that is not covered by this indemnification.
 - c. The City assumes no liability for actions of Contractor and will not indemnify or hold Contractor or any third party harmless for claims based on this Agreement or use of Contractor-provided supplies or services.
25. **WARRANTY.** Contractor warrants that the services and materials will conform to the requirements of the Agreement. Additionally, Contractor warrants that all services will be performed in a good, workman-like and professional manner. The City's acceptance of service or materials provided by Contractor will not relieve Contractor from its obligations under this warranty. If any materials or services are of a substandard or unsatisfactory manner as determined by the City, Contractor, at no additional charge to the City, will provide materials or redo such services until in accordance with this Agreement and to the City's reasonable satisfaction.
- Unless otherwise agreed, Contractor warrants that materials will be new, unused, of most current manufacture and not discontinued, will be free of defects in materials and workmanship, will be provided in accordance with manufacturer's standard warranty for at least one (1) year unless otherwise specified, and will perform in accordance with manufacturer's published specifications.
26. **THE CITY'S RIGHT TO RECOVER AGAINST THIRD PARTIES.** Contractor will do nothing to prejudice the City's right to recover against third parties for any loss, destruction, or damage to City property, and will at the City's request and expense, furnish to the City reasonable assistance and cooperation, including assistance in the prosecution or defense of suit and the execution of instruments of assignment in favor of the City in obtaining recovery.
27. **NO GUARANTEE OF WORK.** Contractor acknowledges and agrees that it is not entitled to deliver any specific amount of materials or services or any materials or services at all under this Agreement

and acknowledges and agrees that the materials or services will be requested by the City on an as needed basis at the sole discretion of the City. Any document referencing quantities or performance frequencies represent the City's best estimate of current requirements, but will not bind the City to purchase, accept, or pay for materials or services which exceed its actual needs.

28. **OWNERSHIP.** All deliverables, services, and information provided by Contractor or the City pursuant to this Agreement (whether electronically or manually generated) including without limitation, reports, test plans, and survey results, graphics, and technical tables, originally prepared in the performance of this Agreement, are the property of the City and will not be used or released by Contractor or any other person except with prior written permission by the City.
29. **USE OF NAME.** Contractor will not use the name of the City of Mesa in any advertising or publicity without obtaining the prior written consent of the City.
30. **PROHIBITED ACTS.** Pursuant to A.R.S. § 38-504, a current or former public officer or employee within the last twelve (12) months shall not represent another organization before the City on any matter for which the officer or employee was directly concerned and personally participated in during their service or employment or over which they had a substantial or material administrative discretion. Further, while employed by the City and for two (2) years thereafter, public officers or employees are prohibited from disclosing or using, without appropriate authorization, any confidential information acquired by such personnel in the course of his or her official duties at the City.
31. **FOB DESTINATION FREIGHT PREPAID AND ALLOWED.** All deliveries will be FOB destination freight prepaid and allowed unless otherwise agreed.
32. **RISK OF LOSS.** Contractor agrees to bear all risks of loss, injury, or destruction of goods or equipment incidental to providing these services and such loss, injury, or destruction will not release Contractor from any obligation hereunder.
33. **SAFEGUARDING CITY PROPERTY.** Contractor will be responsible for any damage to City real property or damage or loss of City personal property when such property is the responsibility of or in the custody of Contractor or its employees.
34. **WARRANTY OF RIGHTS.** Contractor warrants it has title to, or the right to allow the City to use, the materials and services being provided and that the City may use same without suit, trouble or hindrance from Contractor or third parties.
35. **PROPRIETARY RIGHTS INDEMNIFICATION.** Without limiting the foregoing, Contractor will without limitation, at its expense defend the City against all claims asserted by any person that anything provided by Contractor infringes a patent, copyright, trade secret or other intellectual property right and must, without limitation, pay the costs, damages and attorneys' fees awarded against the City in any such action, or pay any settlement of such action or claim. Each party agrees to notify the other promptly of any matters to which this provision may apply and to cooperate with each other in connection with such defense or settlement. If a preliminary or final judgment is obtained against the City's use or operation of the items provided by Contractor hereunder or any part thereof by reason of any alleged infringement, Contractor will, at its expense and without limitation, either: (a) modify the item so that it becomes non-infringing; (b) procure for the City the right to continue to use the item; (c) substitute for the infringing item other item(s) having at least equivalent capability; or (d) refund to the City an amount equal to the price paid, less reasonable usage, from the time of installation acceptance through cessation of use, which amount will be calculated on a useful life not less than five (5) years, plus any additional costs the City may incur to acquire substitute supplies or services.
36. **CONTRACT ADMINISTRATION.** The contract will be administered by the Purchasing Administrator and/or an authorized representative from the using department. All questions regarding the contract will be referred to the administrator for resolution. Supplements may be written to the contract for the addition or deletion of services. Payment will be negotiated and determined by the contract administrator(s).

37. **FORCE MAJEURE.** Failure by either party to perform its duties and obligations will be excused by unforeseeable circumstances beyond its reasonable control, including acts of nature, acts of the public enemy, riots, fire, explosion, legislation, and governmental regulation. The party whose performance is so affected will within five (5) calendar days of the unforeseeable circumstance notify the other party of all pertinent facts and identify the force majeure event. The party whose performance is so affected must also take all reasonable steps, promptly and diligently, to prevent such causes if it is feasible to do so, or to minimize or eliminate the effect thereof. The delivery or performance date will be extended for a period equal to the time lost by reason of delay, plus such additional time as may be reasonably necessary to overcome the effect of the delay, provided however, under no circumstances will delays caused by a force majeure extend beyond one hundred-twenty (120) calendar days from the scheduled delivery or completion date of a task unless agreed upon by the parties.

38. **COOPERATIVE USE OF CONTRACT.** The City has entered into various cooperative purchasing agreements with other Arizona government agencies, including the Strategic Alliance for Volume Expenditures (SAVE) cooperative. Under the SAVE Cooperative Purchasing Agreement, any contract may be extended for use by other municipalities, school districts and government agencies in the State of Arizona with the approval of Contractor. Any such usage by other entities must be in accordance with the statutes, codes, ordinances, charter and/or procurement rules and regulations of the respective government agency.

The City currently holds or may enter into Intergovernmental Governmental Agreements (IGA) with numerous governmental entities. These agreements allow the entities, with the approval of Contractor, to purchase their requirements under the terms and conditions of this Agreement.

A contractor, subcontractor or vendor or any employee of a contractor, subcontractor or vendor who is contracted to provide services on a regular basis at an individual school shall obtain a valid fingerprint clearance card pursuant to title 41, chapter 12, article 3.1. A school district governing board shall adopt policies to exempt a person from the requirements of this subsection if the person's normal job duties are not likely to result in independent access to or unsupervised contact with pupils. A school district, its governing board members, its school council members and its employees are exempt from civil liability for the consequences of adoption and implementation of policies and procedures pursuant to this subsection unless the school district, its governing board members, its school council members or its employees are guilty of gross negligence or intentional misconduct.

Additionally, Contractor will comply with the governing body's fingerprinting policy of each individual school district and public entity. Contractor, subcontractors, vendors and their employees will not provide services on school district properties until authorized by the school district.

Orders placed by other agencies and payment thereof will be the sole responsibility of that agency. The City is not responsible for any disputes arising out of transactions made by others.

39. **FUEL CHARGES AND PRICE INCREASES.** No fuel surcharges will be accepted. No price increases will be accepted without proper request by Contractor and response by the City's Purchasing Division.
40. **NOTICES.** All notices to be given pursuant to this Agreement must be delivered to the parties at their respective addresses. Notices may be (i) personally delivered; (ii) sent via certified or registered mail, postage prepaid; (iii) sent via overnight courier; or (iv) sent via facsimile. If provided by personal delivery, receipt will be deemed effective upon delivery. If sent via certified or registered mail, receipt will be deemed effective three (3) calendar days after being deposited in the United States mail. If sent via overnight courier or facsimile, receipt will be deemed effective two (2) calendar days after the sending thereof.
41. **GOVERNING LAW, FORUM.** This Agreement is governed by the laws of the State of Arizona. The exclusive forum selected for any proceeding or suit in law or equity arising from or incident to this Agreement will be Maricopa County, Arizona.

42. **INTEGRATION CLAUSE.** This Agreement, including all attachments and exhibits hereto, supersede all prior oral or written agreements, if any, between the parties and constitutes the entire agreement between the parties with respect to the work to be performed.
43. **PROVISIONS REQUIRED BY LAW.** Any provision required by law to be in this Agreement is a part of this Agreement as if fully stated in it.
44. **SEVERABILITY.** If any provision of this Agreement is declared void or unenforceable, such provision will be severed from this Agreement, which will otherwise remain in full force and effect. The parties will negotiate diligently in good faith for such amendment(s) of this Agreement as may be necessary to achieve the original intent of this Agreement, notwithstanding such invalidity or unenforceability.
45. **SURVIVING PROVISIONS.** Notwithstanding any completion, termination, or other expiration of this Agreement, all provisions which, by the terms of reasonable interpretation thereof, set forth rights and obligations that extend beyond completion, termination, or other expiration of this Agreement, will survive and remain in full force and effect. Except as specifically provided in this Agreement, completion, termination, or other expiration of this Agreement will not release any party from any liability or obligation arising prior to the date of termination.
46. **A.R.S. SECTIONS 1-501 and 1-502.** Pursuant to Arizona Revised Statutes Sections 1-501 and 1-502, any person who applies to the City for a local public benefit (the definition of which includes a grant, contract or loan) must demonstrate his or her lawful presence in the United States. As the Agreement is deemed a local public benefit, if Contractor is an individual (natural) person or sole proprietorship, Contractor agrees to sign and submit the necessary documentation to prove compliance with the statutes as applicable.



CONTRACT/GRANT INFORMATION SHEET - NEW CONTRACT

Date: 12/11/2018			
Staff's Name: Justin T. Weldy		Department: Public Works	
Vendor's Name: Pipeline Video Inspections		Vendor Number:	1592
Address: 1616 S. 31 st Avenue. Phoenix AZ 852009			
Phone: 602-237-0992			
Received W9 (if applicable): ☒ Y ☐ N			
Business License # (if applicable): 6862 Exp. Date: 3/1/2019			

ACCOUNTING SUMMARY	Org	Object	Project/#	\$
Accounting Code:	ENVAD	6225		50,000.00
Accounting Code:				
Accounting Code:				
TBD(used for variety of different things/departments):				

CONTRACT SUMMARY

Contract Number Assigned:	C2019-061		
Contract Total:	150,000.00		
Brief Description of Service:	Storm Drain services		
If Renewable:	Original	Total # of Renewals Max:	2
FY Cumulative Vendor Totals:	Does this Contract put it over \$30,000	☒ Yes	☐ No
Contract Beginning Date:	1/15/2019		
Contract Expiration Date:	8/31/2021		
Budgeted Expenditure:	☒ Yes	☐ No	
Budget Page #:	315		
Approved by Council:	☒ Yes; Date: 1/15/2019	☐ No	
Insurance Certificate provided:	☒ Yes	☐ No	☐ N/A
Warranty Period:	☐ Yes	☒ No	If Yes, expires Click here to enter a date.
Estimate Start Date:	1/16/2019		
Estimate Completion Date:	8/31/2021		

GRANT SUMMARY

Paid for by Grant:	☐ Yes	☐ No
Name of Grantee:		
Grant Number Assigned:		Resolution Number:
Date Council Approved:		



TOWN OF FOUNTAIN HILLS

TOWN COUNCIL AGENDA ACTION FORM

Meeting Date: 1/15/2019

Meeting Type: Regular Session

Agenda Type: Regular

Submitting Department: Public Works

Staff Contact Information: Justin T. Weldy 480-816-5133 jweldy@fh.az.gov

REQUEST TO COUNCIL (Agenda Language): CONSIDERATION OF a report regarding the old Fire Station #2 located at 16821 E Saguaro.

Applicant: NA

Applicant Contact Information: NA

Owner: NA

Owner Contact Information: NA

Property Location: NA

Related Ordinance, Policy or Guiding Principle: NA

Staff Summary (background): The Council intent following the completion of the new Fire Station 2 has been to sell the property that the old fire station sits on. The proceeds from the sale of the property would be placed in the Capital Fund which is utilized for capital improvement projects which is an appropriate use of the funds.

Fire Station 2 is located at 16821 E Saguaro. The facility was built in 1996-1997 and consists of 2,498 sq ft of living space, 2,529 sq ft of garage space and 200 sq ft of patio. The lot is zoned R-3 (multi family) and is 1.03 Acres. A Comprehensive Asbestos Survey (required by state law) has been completed. The laboratory results indicate no asbestos containing materials in the samples collected and analyzed.

There are two options for selling the property.

1. Sell the building as is.

OR

2. Demolish the building and onsite improvements at a cost of \$50,000 to \$75,000 and sell the vacant lot.

In either of these scenarios, the Town is under obligation of state law (A.R.S. §§ 9-402 and 9-403, 9-402) to dispose of the property in a competitive manner as follows:

- A. A city or town may sell and convey all or any part of its real or personal property, whether or not the property is devoted exclusively to public use.
- B. The sale shall not be made until an invitation for bids for the purchase of the property has been published as provided by section 39-204 and notice has been posted in three or more public places within the city or town.

- C. If no newspaper is published within the city or town, then the invitation for bids shall be published as provided by section 39-204, and by posting notices for bidders in three or more public places within the city or town.

Risk Analysis (options or alternatives with implications): NA

Fiscal Impact (initial and ongoing costs; budget status): NA

Budget Reference (page number): NA

Funding Source: NA

If Multiple Funds utilized, list here: NA

Budgeted; if No, attach Budget Adjustment Form: NA

Recommendation(s) by Board(s) or Commission(s): NA

Staff Recommendation(s): NA

List Attachment(s): NA

SUGGESTED MOTION (for Council use): Move to direct staff to act on one of the two options.

Prepared by: Justin T. Weldy

Approved:

Justin Weldy, Public Works Director 1/7/2019

Grady E. Miller, Town Manager 1/8/2019

Director's Approval:

Justin Weldy, Public Works Director 1/7/2019



TOWN OF FOUNTAIN HILLS

TOWN COUNCIL AGENDA ACTION FORM

Meeting Date: 1/15/2019

Meeting Type: Regular

Agenda Type: Regular

Submitting Department: Administration

Staff Contact Information: Elizabeth A. Burke, Town Clerk, 480-816-5115; eburke@fh.az.gov

REQUEST TO COUNCIL (Agenda Language): DISCUSSION with possible direction to staff relating to any item included in the League of Arizona Cities and Towns' weekly Legislative Bulletin(s) or relating to any action proposed or pending before the State Legislature.

Applicant: NA

Applicant Contact Information: NA

Owner: N/A

Owner Contact Information: NA

Property Location: NA

Related Ordinance, Policy or Guiding Principle: A.R.S. §38-431.01

Staff Summary (background): This agenda item will appear on the Regular Meeting agendas through the end of this year's Legislative session. It is intended to provide an opportunity for Council to discuss any proposed or pending legislation before the State Legislature.

Risk Analysis (options or alternatives with implications): NA

Fiscal Impact (initial and ongoing costs; budget status): NA

Budget Reference (page number): NA

Funding Source: NA

If Multiple Funds utilized, list here:

Budgeted; if No, attach Budget Adjustment Form: NA

Recommendation(s) by Board(s) or Commission(s): NA

Staff Recommendation(s): Approve

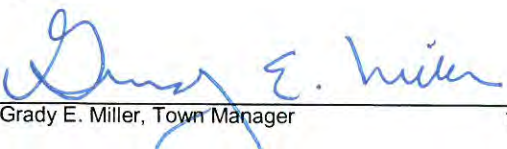
List Attachment(s): League of Arizona Cities and Towns' 2019 Municipal Policy Statement.

SUGGESTED MOTION (for Council use): No action; discussion and possible direction.

Prepared by:

Approved:


Elizabeth A. Burke, Town Clerk 1/3/2019


Grady E. Miller, Town Manager 1/3/2019

OVERVIEW

Cities and towns in Arizona are home to nearly 80% of the state's residents and more than 90% of the state's business activity. They are the level of government closest to the people, most accessible to them and most responsive to their needs. They provide the vast majority of first-responder—police and fire—services and are national leaders in business development, government efficiency and quality-of-life amenities. Arizona's cities and towns are an essential part of the continuum of government in our state.

CORE PRINCIPLES

The League of Arizona Cities and Towns is guided by two core principles:

- 1) Preserve local decision-making; and
- 2) Protect shared revenues

LEGISLATIVE PRIORITIES

The League supports legislation respecting the role of municipal government and its core principles and opposes measures that undermine them. The following policy priorities were developed with input from our members and will ensure that cities and towns can maintain the high-quality municipal government services that businesses and citizens rely on.

EFFICIENT AND FISCALLY RESPONSIBLE GOVERNMENT

Cities and towns work to meet citizens' expectations that their local government provides streamlined business processes and the best customer service at the lowest possible expense. Revenue streams, including shared revenues, must be protected and remain sustainable to support efficient delivery of services



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to our citizens. These concepts contribute to the effort of achieving this objective:

- Explore potential modifications to the impact fee statutes to ensure new development pays for the associated demand of new and expanded infrastructure
- Seek a remedy to the inequitable treatment for tax collection on retail sales by remote sellers
- Explore policies that permit current Public Safety Personnel Retirement System members to voluntarily convert to a defined contribution plan, providing increased flexibility to members and cost savings to the plan
- Support the creation of a housing tax credit to increase affordable housing and reduce the costs of and demand on public services as a result of a lack of housing
- Permit the use of unspent monies from legacy volunteer fire department profit sharing plans to reduce unfunded liabilities in the PSPRS

TOURISM AND ECONOMIC DEVELOPMENT

Tourism is a major sector of our state's economy and that of many cities and towns. Our state's climate and natural resources attract tourists from all over the world, representing a multi-billion dollar industry that generates tax revenues and creates jobs. Cities and towns support policies that enhance tourism and the ease of travel into our state.

- Support federal efforts that increase international tourism into Arizona

SAFE COMMUNITIES AND SUSTAINABLE NEIGHBORHOODS

The protection of citizens, communities and neighborhoods is a core function of local government. It is essential for cities and towns to have the tools necessary to address nuisances without a one-size-fits-all state-level policy that intervenes in citizens' quiet enjoyment of their neighborhoods. It is equally important to ensure vital public safety and emergency services are accessible and able to respond quickly to residents' needs.

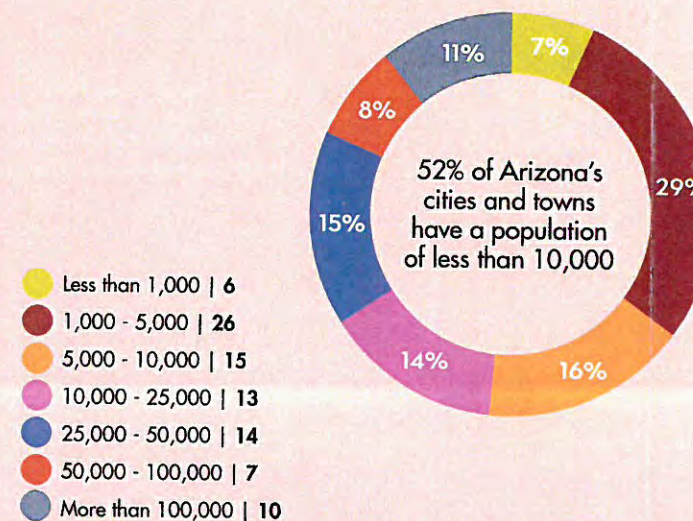
- Allow for local regulation of short-term home rentals to protect the residential character of neighborhoods
- Support the appointment of a local government representative on the State Liquor Board to ensure a local perspective on Board decisions
- Support legislation that balances the safety of children in school buildings near airports with the preservation of airports' long-term viability and economic benefits
- Examine and explore resources to adequately fund the statewide 9-1-1 system
- Support a non-discrimination policy that includes gender identity and sexual orientation

LOCAL ELECTIONS

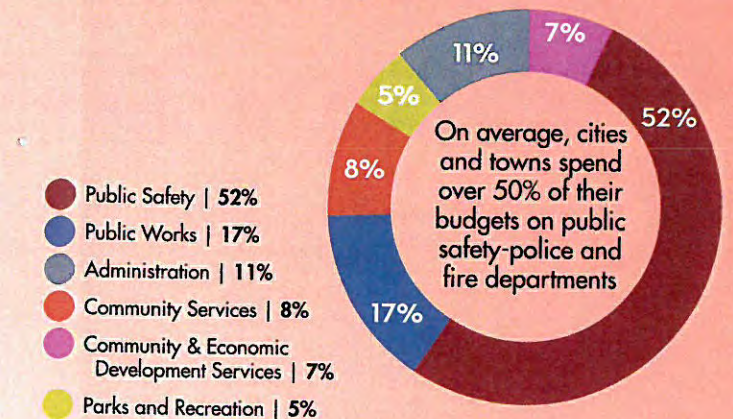
Cities and towns support policies that allow leaders with municipal government experience to seamlessly transition to higher office.

- Seek equity in state law for city and town elected officials to transfer campaign funds to a legislative or statewide office

Population Breakdown of Arizona's 91 Cities and Towns



Where Local Revenue Is Spent



The majority of Arizonans live in one of the state's 91 incorporated cities and towns.

