

Contract #171674

Biennial Development Impact Fee

Audit Services

HeinfeldMeech

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**1. HeinfeldMeech's Response to
RFQ#171674**



Tucson • Phoenix • Flagstaff
HeinfeldMeech.com

February 1, 2017

City of Tucson
Department of Procurement
Attn: Jenn Myers
255 W. Alameda, 6th Floor
Tucson, AZ 85701
Email: jenn.myers@tucsonaz.gov

Thank you for the opportunity to present our quotation for Biennial Development Impact Fee Audit Services to the City of Tucson (City).

We recognize the City's need for an experienced governmental accounting firm that will be timely and efficient with minimal disruption to your accounting staff. As a Certified Public Accounting firm with extensive experience auditing Arizona municipalities, we have the necessary knowledge and qualifications to provide guidance to the City regarding this type of service.

Should you have any questions or require additional clarification, please feel free to contact me at (520) 742-2611, ext 133 or diane.bradley@heinfeldmeech.com or Corey Arvizu, CPA, Managing Partner, at (520) 903-6865 or corey.arvizu@heinfeldmeech.com.

Sincerely,

A handwritten signature in cursive script that reads "Diane Bradley".

Diane Bradley
Partner - Administration

A. Method of Approach

i. Understanding to Services to be Performed and Steps to be Taken

Our approach will structure the certification as an agreed-upon procedures (AUP) engagement performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. An AUP engagement is one where the CPA firm is engaged to issue a written report of findings based on specific procedures agreed to by the City.

In an AUP engagement, the determination that agreed upon procedures are sufficient to meet compliance with state statute is solely the responsibility of City management overseeing the engagement. However, our engagement team will lead the planning phase of the engagement and assist in determining which procedures will be feasible and meet the guidelines of an AUP engagement in accordance with attestation standards. This collaborative process will allow the City to provide input regarding the procedures to be performed to ensure procedures are specific to the City's Infrastructure Improvement Plans (IIP) and address matters important to the City's constituents. However, all transactions sampled will be determined by Heinfeld Meech therefore alleviating concerns that City management has control over the execution of all procedures.

Possible procedures to determine compliance with ARS 9-463.05G(2) may include, but not limited to, the following. **These procedures are an example and can be modified accordingly based on the City's particular infrastructure improvement plans.**

A. The progress of the infrastructure improvements plans.

1. Compare growth projections of key data elements reported in the IIPs to actual results. A list of all variances will be reported.

B. The collection and expenditures of development fees for each project in the plan.

1. Select a sample of impact fees assessed (exact number to be determined based on total population) and determine fees were charged in accordance with authorized fee schedules and that each permit holder is charged the same rate as another equivalent permit holder. Any inequities in the imposition of development fees will be reported.
2. Select a sample of expenditures (exact number to be determined based on total population) and determine that the expenditure was associated with an approved project in the City's IIPs.

C. Evaluating any inequities in implementing the plan or imposing the development fee.

1. "Inequities" and "level of service" is assumed to mean that each developer/unit is charged the same rate as another equivalent developer/unit. This can be tested by recalculating impact fees at the transaction level for the sample mentioned in step B.1. above.

D. The progress of the infrastructure improvement plans.

1. Compare budgeted project expenditures to actual expenditures to date. Variances exceeding a specified amount will be reported.

ii. Ability to Provide Services

Heinfeld, Meech & Co., P.C. is the industry leader for governmental audit services in the State of Arizona, currently providing compliance assurance services to over 190 governmental entities, including 17 Arizona municipalities. Our firm is a member of the American Institute of Certified Public Accountants (AICPA) Governmental Audit Quality Center, which is committed to the highest standards of quality in governmental audits. The Center is a national community of CPA firms that demonstrate a commitment to governmental audit quality and raise awareness about the importance of governmental audits. Our focus on the public sector also ensures you that the assigned engagement supervisors will be knowledgeable, experienced and qualified.

Heinfeld, Meech & Co. is familiar with A.R.S. 9-463.05 and the history of development fees in Arizona. Specifically, the firm is familiar with the concepts of documenting land use assumptions, information used to prepare an infrastructure improvement plan, the assessment of development fees and the accounting for development fees transactions.

Our firm has been contracted with nine municipalities in Arizona to perform the Biennial Certification of Land Use Assumptions, Infrastructure Improvement Plan and Development Impact Fees for the Period August 1, 2014 through July 31, 2016.

In addition, our experience with financial reporting systems used by municipalities will aid in conducting this engagement. Many procedures performed will require the review of financial activity recorded in the general ledger of the City as well as specific development fee transactions. Our familiarity with account codes, general ledgers, and financial reporting will facilitate the audit.

The term "audit" is not defined in the A.R.S., however the term as commonly used applies to attestation services performed by a licensed certified public accountant. Licensed CPAs must follow professional standards regarding procedures, documentation, and independence when performing attestation services.

iii. Staffing Levels and Timeline

Engagement Staffing

Direction and supervision exercised over the engagement to ensure compliance with professional standards, as well as a high level of client service, includes the following.

Engagement Partner (5-10% of engagement hours):

- Assistance with scheduling and team assignments
- Review of planning documentation and initial engagement plan
- Technical review of working papers
- Responsibility to address any concerns from City management regarding engagement matters
- Responsibility to address and complete technical and complex assurance procedures
- Technical assistance to City personnel
- Authorization of issuance of engagement reports to the City and other parties

Engagement Manager (10-15% of engagement hours):

- Assistance with planning of the engagement
- Plans and monitors overall engagement progress
- Fieldwork supervision for critical portions of the engagement
- Supervision of in-charge accountant and any assigned associates
- Responsibility to address and complete technical and complex assurance procedures
- Technical assistance to City personnel
- Initial reviews of working papers and certain compliance reports

In-Charge Accountant (40-50% of engagement hours):

- Supervision of fieldwork at the City
- Providing technical assistance to City as necessary during the engagement process
- Providing questionnaires with information to be prepared in advance by the City before fieldwork
- Completion of engagement procedures to meet deadlines, including delegation of work to assigned associates
- Interviewing City personnel for data and direction in obtaining information
- Supervision of other assigned associates during all stages of the engagement
- Responsibility for maintenance of proper engagement working papers and supporting documentation
- Preparation of final assurance reports for clients
- Conducting entrance and exit conferences with clients

Engagement Timeline

Our firm agrees to meet the City's time constraints and reporting deadline requirements. Our approach is to minimize work conducted on-site at our clients to minimize disruption to their employees' daily routines. We estimate that two staff members will be on-site for fieldwork for approximately three days.

Upon award of the contract, exact fieldwork dates will be determined upon discussions between assigned firm staff and the engagement liaison with the City. The below timetable anticipates assistance by your staff in the timely preparation of requested information as needed by the engagement team.

Engagement Segment	Date
Engagement letter issued to City	Upon contract award by City
Fieldwork dates determined in Discussion with City liaison	Early February
Fieldwork	Late February - March
Report draft submitted to City	By mid-April
Submission of final reports to City	By April 30
Attendance at public meeting	As scheduled within 60 days of final report delivery

B. Qualifications & Experience

i. Qualified Professional Credentials

As described above, Heinfeld, Meech & Co., P.C. has extensive experience providing assurance services to Arizona municipalities and other local governments. Therefore, the firm and the assigned engagement supervisors meet the definition of qualified professional provided in A.R.S. 9-463.05(8). In addition, the individuals to be assigned to this engagement have not been employees or officials of the City of Tucson and did not provide services related to the preparation of the infrastructure improvements plan for the City.

ii. Brief Description of the Firm

Office Location

This engagement will be managed and supervised from the firm's office located at 10120 N. Oracle Rd., Tucson, AZ 85704.

Length of Time in Business

Heinfeld, Meech & Co., P.C. was founded as an Arizona corporation and licensed as a Certified Public Accounting firm by the Arizona State Board of Accountancy in 1986.

Total Number of Employees and Number of Local Employees

The firm's staff totals 46 with offices in Tucson, Phoenix and Flagstaff, Arizona. Our extensive governmental practice in Arizona means that the City will receive high-quality, local service throughout this engagement. The firm's total staff in Arizona currently includes the following categories:

Our entire audit and consulting teams specialize in serving Arizona local governments.

Partners	9	Staff Associates	11
Managers	10	Interns	3
Senior Associates	7	Administrative	6

Services Provided by the Firm

Heinfeld, Meech & Co., P.C. is a properly licensed Arizona Certified Public Accounting firm and is a member firm of the American Institute of Certified Public Accountants. Our range of services for governmental entities includes the following:

Assurance Services and Reporting:

- Financial Statement audits
- Specializing in OMB Single Audits (Uniform Guidance)
- Reviews and preparation of Comprehensive Annual Financial Reports for Certificate of Excellence Awards
- Agreed-upon procedures
- Impact fee agreed-upon procedures
- Special compliance reporting for municipalities and counties
- Program-specific audits
- Assistance with financial statement preparation
- Popular Annual Financial Reports (PAFRs)

Consulting Services:

- Recommendations for business operations
- Reviews of accounting policies and procedures
- On-site presentations and staff trainings
- Fraud investigations
- Budget reviews
- Assistance with Capital Assets procedures
- Procurement reviews and investigations
- Cash receipts procedures
- Preparation of internal audit manuals
- Classification studies

References

Below are three current assurance clients of our firm. Additional municipality references can be provided upon request.

City of Chandler

Contact: Penny Malia, Accounting Manager

MS 702/P. O. Box 4008

Chandler, AZ 85244-4008

(480) 782-2332

penny.malia@chandleraz.gov

Scope of work: Financial statement audit of the City, Single Audit, review of CAFR for GFOA submission, expenditure limitation report audit, HURF audit report, ADEQ landfill assurance, financial statement audits of Self-Insurance Fund, Workers' Compensation & Employer Liability Trust, Firefighters Employee Benefit Trust, and Chandler Cultural Foundation (non-profit), and biennial impact fee agreed-upon procedures

Audit dates: June 30, 2003 through 2016

Town of Oro Valley

Contact: Stacey Lemos, CPA, Finance Director

11000 N. La Canada Dr.

Oro Valley, AZ 85737-7015

(520) 229-4732

slemos@orovallaz.gov

Scope of work: Financial statement audit, LTAF II report, expenditure limitation report audit, CAFR preparation assistance, and review of CAFR for GFOA submission, and biennial impact fee agreed-upon procedures

Audit dates: June 30, 2007 through 2016

City of Peoria

Contact: Yiannis Kalaitzidis, Accounting Supervisor

8401 W. Monroe St.

Peoria, AZ 85345

(623) 773-7344

yiannis.kalaitzidis@peoriaaz.gov

Scope of work: Financial statement audit of the City, Single Audit, review of CAFR for GFOA submission, financial statement audits of Vistancia Community Facilities District, Workers' Compensation Trust, and Employee Benefit Trust, HURF audit report, expenditure limitation report audit and 2 biennial impact fee agreed-upon procedures

Audit dates: June 30, 2003 through 2016

iii. Experience with Similar Services

The nine Arizona municipalities listed below have contracted our firm to perform their biennial audit of land use assumptions, infrastructure improvement plan and system development fee services for 2016. Our approach for these engagements is similar to that outlined in this quotation.

Name	Name	Name
City of Chandler	Town of Oro Valley	City of Eloy
City of Peoria	City of San Luis	City of Surprise
City of Goodyear	Town of Prescott Valley	City of Casa Grande

Below is a selection of the governmental financial statement and compliance audits we have completed within the past five years; a complete listing of our audit engagements can be provided upon request.

Name	Years	Name	Years
Town of Gilbert	2012-2016	City of Scottsdale	2015-2016
City of Chandler	2012-2016	City of Peoria	2012-2016
Town of Oro Valley	2012-2016	City of Eloy	2013-2016
City of Peoria	2013-2016	City of Tempe	2012-2016
Arizona Municipal Water Users Association	2013-2016	Public Safety Personnel Retirement System	2012-2016
Tucson Unified S.D.	2012-2016	Sunnyside Unified S.D.	2012-2016
City of Sierra Vista	2012-2016	City of Maricopa	2012-2016
Pima County Stadium District	2012-2016	Northwest Fire District	2012-2016
Amphitheater Unified S.D.	2012-2016	Flowing Wells Unified S.D.	2012-2016
Regional Transportation Authority of Pima County	2012-2016	Pima County Health Benefits Trust	2014-2016

iv. Subcontractors

Subcontractors will not be utilized for the completion of this engagement.

v. Assigned Engagement Supervisors

Engagement Partner

Corey Arvizu, CPA – With 20 years of experience with HeinfeldMeech, Corey has been the engagement partner for 590 governmental audits, including over 120 audits of municipalities. His clients have included the City of Chandler, Town of Gilbert, Town of Oro Valley, City of Maricopa, City of Sierra Vista, City of El Mirage, City of Eloy, Regional Public Transportation Authority of Pima County, Pima County Stadium District, Northwest Fire District, and Tucson Unified School District. He also is the engagement partner on the 2016 biennial development impact fee audits for the City of Chandler and Town of Oro Valley.

Corey served as the Chairperson for the Executive Committee for the AICPA's Governmental Audit Quality Center from 2008 to 2011 and he is also a former member of the AICPA's Professional Ethics Executive Committee. Corey is currently a member of the AICPA's Practice Monitoring Task Force for Single Audits and the planning committee for the AICPA National Governmental & Non-for-Profit Training Program conference. He also served as a member of Special Review Committee (SRC) of the GFOA Certificate of Excellence program from 2006 to 2016.

Corey also maintains memberships in the following professional organizations: AICPA, ASCPA, Association of Government Accountants (AGA), Government Finance Officers Association (GFOA) and Government Finance Officers Association of Arizona (GFOAz).

Engagement Manager

Casey R. Good, CPA – With six years of experience in our firm's auditing division, Casey has assisted with 105 financial statement audits of local governments. His experience has included audits for Tucson Unified School District, Yuma County Intergovernmental Public Transportation Authority, City of Maricopa, San Xavier District of the Tohono O'odham Nation, Picture Rocks Fire District, Regional Transportation Authority of Pima County, Pima Association of Governments, Vail Unified School District and Marana Unified School District. Casey is a member of the ASCPA, AICPA and Association of Government Accountants and he also served as the Treasurer of the Southern Arizona Chapter of the AGA from 2013 to 2016.

In-Charge Accountant

Patrick Copeland – Since joining our firm in 2015, Patrick has been a team member on 33 financial and compliance audits of local governments. His experience has included audits for the City of Maricopa, City of Rio Rancho, City of Goodyear, City of Tombstone, Picture Rocks Fire District, Sierra Vista Unified School District, Oracle Elementary School District, and Tanque Verde Unified School District. His experience prior to joining our firm included three years working in the Financial Services Division of the University of Arizona. Patrick has also completed all sections of the Certified Public Accounting examination.

C. Price Proposal

CITY OF TUCSON DEPARTMENT OF PROCUREMENT
255 W. ALAMEDA, 8TH FLOOR, TUCSON, AZ 85701
P. O. BOX 27210, TUCSON, AZ 85726-7210
FAX: (520) 791-4735

SERVICE AGREEMENT NO. 171674
PAGE 2 OF 15
SENIOR CONTRACT OFFICER: JENN MYERS
Phone: (520) 837-4137

AGREEMENT FOR SERVICES NO. 171674 BIENNIAL DEVELOPMENT IMPACT FEE AUDIT SERVICES

THIS AGREEMENT is made and entered into by and between the City of Tucson, hereinafter referred to as the "City", and Heinfeld, Meech & Co., P.C., hereinafter referred to as the "Contractor".

I. SCOPE OF SERVICES

The City of Tucson is seeking quotes from qualified professionals for a certified audit of the City's land use assumptions, infrastructure improvement plan, and system development fees pursuant to Arizona Revised Statute (ARS) 9-463.05. The services are required to be completed as soon as possible.

According to (ARS) 9-463.05 the audit shall review:

- Progress of the infrastructure improvements plan, and
- Collections and expenditures of development impact fees for each project in the plan, and
- Evaluate any inequities in implementing the plan or imposing the development fee.

The Proposer is responsible for outlining their audit approach in the proposal to meet the above requirements.

The Proposer is responsible for being familiar with:

- All local conditions
- Federal, State and Local laws, ordinances, rules and regulations that may, in any manner, affect cost, progress or performance of the work.

Tucson collects the following System Development Fees:

- Police
- Fire
- Parks and Recreation
- Roads

In accordance with Senate Bill 1525 (50th Legislature First Regular Session (2011)) Tucson updated its Land Use Assumptions Report and adopted its Infrastructure Improvements Plan on October 9, 2014.

Please refer to <https://www.tucsonaz.gov/finance/budget/development-impact-fees> for Land Use Assumptions, Infrastructure Improvements Plan, and Development Impact Fees Study.

Tucson publishes information regarding development impact fees on its public website and will provide all relevant plans, studies, and documents needed to perform the scope of work. These may include, but are not limited to:

- Land Use Assumptions, IIP, and Development Fees (adopted 10/09/2014)
- Annual Development Fee Reports

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255 W. ALAMEDA, 6TH FLOOR, TUCSON, AZ 85701
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- Provides detail on Development Impact Fee Investments in Capital Improvement Projects for the fiscal year, including beginning and ending fund balances
- Capital Improvement Plan
- Provides 5 year planning document for all Capital Improvement Projects
- Annual budgets other financial reporting as required

The contracted auditor is shall furnish all labor, materials, and equipment necessary for completion of the scope of work described herein, within the established timeline.

II. COMPENSATION AND PAYMENT

- A. In consideration of the performance of the services described in the Scope of Services, the City shall pay the Contractor the sum or amounts as set forth below and the Contractor shall charge the City only in accordance with those same amounts.

Proposer should submit proposed lump sum amount that meets all items outlined in Scope of Services: \$ 11,500

The fee must include all necessary costs, including but not limited to: labor, overhead, materials, printing, travel and mileage, postage, taxes, profit, insurance, and any other expenses whatsoever. Provide a breakdown of costs including time, travel, and labor costs including schedule of positions.

SALES TAX PERCENT: N/A %

Total payments under this Agreement shall not exceed \$100,000.

- B. The City will pay the Contractor following submission of itemized invoice(s) for the services rendered. No payment shall be issued prior to receipt of material or service and correct invoice. Each itemized invoice must bear a written certification by an authorized City representative, confirming the services for which payment is requested have been performed.

The City shall make every effort to process payment for the purchase of materials or services within twenty-one (21) calendar days after receipt of materials or services and a correct invoice.

- C. Prompt Payment Discount Terms: Please indicate your payment terms below:

The price(s) herein can be discounted by N/A %, if payment is made within N/A days. These payment terms shall apply to all purchases and to all payment methods.

- D. Cooperative Purchasing Program: Will your firm provide the City of Tucson, as the lead agency on this regional contract, a rebate in the form of a percentage of sales based upon the other agencies sales?

 Yes X No If yes, state proposed percentage: %

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- E. Will payment be accepted via commercial credit card? Yes No
1. If yes, can commercial payment(s) be made online? Yes No
2. Will a third party be processing the commercial credit card payment(s)? Yes No
3. If yes, indicate the flat fee per transaction \$ _____ (as allowable, per Section 5.2.E of Visa Operating Regulations).
4. If "no" to above, will consideration be given to accept the card? Yes No
- F. Does your firm have a City of Tucson Business License? Yes No
If yes, please provide a copy of your City of Tucson Business license.

III. EVALUATION CRITERIA

1. EVALUATION CRITERIA – (listed in relative order of importance)

- A. Method of Approach
- B. Qualifications & Experience
- C. Price Proposal

2. REQUIREMENTS SPECIFIC TO EVALUATION CRITERIA: The narrative portion and the materials presented in response to this Request for Proposal should be submitted in the same order as requested and must contain, at a minimum, the following:

A. Method of Approach

- i. Demonstrate the understanding of the Services and the steps you will undertake to accomplish the task.
- ii. Discuss the firm's unique ability, if any, to professionally provide biennial audit of land use assumptions, infrastructure improvements plan and system development fee services.
- iii. Describe staffing level and timeline for completion of audit requirements.

B. Qualifications & Experience

- i. Qualified professional is defined in (ARS) 9-463.05(8) as "... a professional engineer surveyor, financial analyst or planner providing services within the scope of the person's license, education or experience." An audit pursuant to this paragraph shall be conducted by one or more qualified professionals who are not employees or officials of Tucson and who did not prepare the infrastructure improvements plan.
- ii. Provide a brief description of the proposer's firm including but not limited to: Office location, length of time in business, services provided by the firm, and three references.
- iii. Include the firm's experience specifically performing this type of audit. Provide examples of service similar in nature within the last 3-5 years.
- iv. List any firms that will act as subcontractors to your firm. Provide information regarding prior projects on which subcontractors have worked with your firm.
- v. List the individuals who will do the work on this Contract. Provide the following information (but not limited to) for each team member: team assignments, general



City of Tucson

License Certificate

Business Name and Tucson Mailing Address:

HEINFELD MEECH & CO PC
10120 N ORACLE RD
TUCSON AZ 85704-7646

License Number: 1073110

Type: Offices of Certified Public Accountants

Issue Date: December 30, 2016

Expiration Date: December 31, 2017


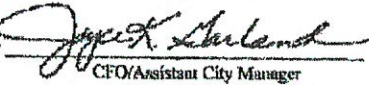
Owner:

HEINFELD MEECH & CO PC

This license / permit is non-transferable and must be posted in a conspicuous place at the business location.

THE ISSUANCE OF THIS LICENSE / PERMIT SHALL NOT BE CONSTRUED AS PERMISSION TO OPERATE IN VIOLATION OF ANY LAW OR REGULATION.

HOLD HERE

<p><u>CITY OF TUCSON, ARIZONA</u> <u>FINANCE DEPARTMENT</u> <u>REVENUE DIVISION - LICENSE</u> <u>Expiration Date: December 31, 2017</u></p>		<p><u>Non-Transferable</u></p>
		<p>1073110</p>
		<p>MUST BE DISPLAYED IN A CONSPICUOUS PLACE</p>
<p>Business License</p>		
<p>For the payment of the license fee, the person or firm below is hereby licensed to conduct business in the City of Tucson. Tax accruing to the City of Tucson shall be paid under provisions of Ch. 19, Tucson City Code. This license is subject to revocation for violation of Ch. 7 or Ch. 19 of the Tucson City Code.</p>		
<p>Issued To: HEINFELD MEECH & CO PC</p>	<p>Located At: 10120 N ORACLE RD, TUCSON, AZ 85704</p>	
	<p>Effective: January 01, 2017</p>	
<p>Please refer to license number in all correspondence.</p>	<p>By  CFO/Assistant City Manager</p>	

CITY OF TUCSON DEPARTMENT OF PROCUREMENT
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This Agreement represents the entire agreement between the City of Tucson and the Contractor relating to this requirement and shall prevail over any and all previous verbal and written agreements.

CITY OF TUCSON:

Nathan Dawson
as Director of Procurement
and Not Personally

3-9-17
Date

Todd Bullington
City Representative

(520) 837-4081
Telephone

CONTRACTOR:

BY: Diane Bradley Diane Bradley
Authorized Signature

FOR: Heinfeld, Meech & Co., P.C.
Name of Company

10120 N. Oracle Rd.
Address

Tucson, AZ 85704
City/State/Zip

520-742-2611 / 520-742-2718
Telephone / Fax

diane@heinfeldmeech.com
E-MAIL

2. RFQ#171674



CITY OF TUCSON
DEPARTMENT OF PROCUREMENT
255 WEST ALAMEDA
P.O. BOX 27210
TUCSON, AZ 85726-7210
(520) 791-4217
FAX: (520) 791-4735

RFQ No.: 171674
Date: January 25, 2017
Due Date: February 3, 2017
Please Direct Inquiries Regarding this RFQ to:
Jenn Myers
(520) 837-4137
jenn.myers@tucsonaz.gov

REQUEST FOR QUOTATION

I. INTRODUCTION:

The City of Tucson is requesting quotes from qualified firm(s) for the purpose of establishing a Service Agreement for BIENNIAL DEVELOPMENT IMPACT FEE AUDIT SERVICES, as per the Scope of Work.

II. AWARD OF SERVICE AGREEMENT(Contract):

- A. Unless otherwise provided within this Request for Quotation, the City 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 City.
- B. Notwithstanding any other provision of the Service Agreement, the City reserves the right to:
 - (1) waive any immaterial defect or informality; or
 - (2) reject any or all quotes, or portions thereof; or
 - (3) reissue a Request for Quote:
- C. A response to the Request for Quotation is an offer to contract with the City based upon the terms, conditions, and Specifications contained in the City's Request for Quote. Quotes do not become Contracts unless and until they are executed by the City's Director of Procurement or authorized representative. The Service Agreement has its inception in the award, eliminating a formal signing of a separate Contract. All of the terms and conditions of the Service Agreement are contained in this Request for Quotation document, unless any of the terms and conditions are modified by an Amendment.

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According to (ARS) 9-463.05 the audit shall review:

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Tucson collects the following System Development Fees:

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- Fire
- Parks and Recreation
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Please refer to <https://www.tucsonaz.gov/finance/budget/development-impact-fees> for Land Use Assumptions, Infrastructure Improvements Plan, and Development Impact Fees Study.

Tucson publishes information regarding development impact fees on its public website and will provide all relevant plans, studies, and documents needed to perform the scope of work. These may include, but are not limited to:

- Land Use Assumptions, IIP, and Development Fees (adopted 10/09/2014)
- Annual Development Fee Reports

Provides detail on Development Impact Fee investments in Capital Improvement Projects for the fiscal year, including beginning and ending fund balances
Capital Improvement Plan
Provides 5 year planning document for all Capital Improvement Projects
Annual budgets other financial reporting as required

The contracted auditor is shall furnish all labor, materials, and equipment necessary for completion of the scope of work described herein, within the established timeline.

II. COMPENSATION AND PAYMENT

- A. In consideration of the performance of the services described in the Scope of Services, the City shall pay the Contractor the sum or amounts as set forth below and the Contractor shall charge the City only in accordance with those same amounts.

Proposer should submit proposed lump sum amount that meets all items outlined in Scope of Services: \$ _____

The fee must include all necessary costs, including but not limited to: labor, overhead, materials, printing, travel and mileage, postage, taxes, profit, insurance, and any other expenses whatsoever. Provide a breakdown of costs including time, travel, and labor costs including schedule of positions.

SALES TAX PERCENT: _____ %

Total payments under this Agreement shall not exceed \$100,000.

- B. The City will pay the Contractor following submission of itemized invoice(s) for the services rendered. No payment shall be issued prior to receipt of material or service and correct invoice. Each itemized invoice must bear a written certification by an authorized City representative, confirming the services for which payment is requested have been performed.

The City shall make every effort to process payment for the purchase of materials or services within twenty-one (21) calendar days after receipt of materials or services and a correct invoice.

- C. Prompt Payment Discount Terms: Please indicate your payment terms below:

The price(s) herein can be discounted by _____%, if payment is made within _____ days. These payment terms shall apply to all purchases and to all payment methods.

- D. Cooperative Purchasing Program: Will your firm provide the City of Tucson, as the lead agency on this regional contract, a rebate in the form of a percentage of sales based upon the other agencies sales?

_____ Yes _____ No If yes, state proposed percentage: _____%

- E. Will payment be accepted via commercial credit card? Yes No
1. If yes, can commercial payment(s) be made online? Yes No
 2. Will a third party be processing the commercial credit card payment(s)? Yes No
 3. If yes, indicate the flat fee per transaction \$_____ (as allowable, per Section 5.2.E of Visa Operating Regulations).
 4. If "no" to above, will consideration be given to accept the card? Yes No
- F. Does your firm have a City of Tucson Business License? Yes No
If yes, please provide a copy of your City of Tucson Business license.

III. EVALUATION CRITERIA

1. EVALUATION CRITERIA – (listed in relative order of importance)

- A. Method of Approach
- B. Qualifications & Experience
- C. Price Proposal

2. REQUIREMENTS SPECIFIC TO EVALUATION CRITERIA: The narrative portion and the materials presented in response to this Request for Proposal should be submitted in the same order as requested and must contain, at a minimum, the following:

A. Method of Approach

- i. Demonstrate the understanding of the Services and the steps you will undertake to accomplish the task.
- ii. Discuss the firm's unique ability, if any, to professionally provide biennial audit of land use assumptions, infrastructure improvements plan and system development fee services.
- iii. Describe staffing level and timeline for completion of audit requirements.

B. Qualifications & Experience

- i. Qualified professional is defined in (ARS) 9-463.05(8) as "... a professional engineer surveyor, financial analyst or planner providing services within the scope of the person's license, education or experience." An audit pursuant to this paragraph shall be conducted by one or more qualified professionals who are not employees or officials of Tucson and who did not prepare the infrastructure improvements plan.
- ii. Provide a brief description of the proposer's firm including but not limited to: Office location, length of time in business, services provided by the firm, and three references.
- iii. Include the firm's experience specifically performing this type of audit. Provide examples of service similar in nature within the last 3-5 years.
- iv. List any firms that will act as subcontractors to your firm. Provide information regarding prior projects on which subcontractors have worked with your firm.
- v. List the individuals who will do the work on this Contract. Provide the following information (but not limited to) for each team member: team assignments, general

qualifications, any project experience directly relevant to this Contract while with this firm.

C. Price Proposal

- i. Provide price proposal as requested in the Compensation and Payment Section herein.

3. GENERAL

A. Shortlist:

The City reserves the right to shortlist the offerors based on the stated criteria. However, the City may determine that shortlisting is not necessary.

B. Interviews:

The City reserves the right to conduct interviews with some or all of the offerors at any point during the evaluation process. However, the City may determine that interviews are not necessary. In the event interviews are conducted, information provided during the interview process shall be taken into consideration when evaluating the stated criteria. The City shall not reimburse the offeror for the costs associated with the interview process.

C. Additional Investigations:

The City reserves the right to make such additional investigations as it deems necessary to establish the competence and financial stability of any offeror submitting a proposal.

D. Prior Experience:

Experiences with the City and entities that evaluation committee members represent and that are not specifically mentioned in the solicitation response may be taken into consideration when evaluating offers.

E. Multiple Awards:

To provide adequate contract coverage, at the City's sole discretion, multiple awards may be made.

IV. TERM AND RENEWAL

The term of this agreement shall be 2/8/2017 – 2/7/2018, unless terminated, canceled or extended as otherwise provided herein. The Contractor agrees that the City of Tucson shall have the right, at its sole option, to renew the Contract for four (4) additional one-year periods or portions thereof. In the event that the City exercises such rights, all terms, conditions and provisions of the original Contract shall remain the same and apply during the renewal period with the possible exception of price and minor scope additions and/or deletions.

V. PRICE ADJUSTMENT

The City will review fully documented requests for price adjustment only at the time of Contract renewal and/or extension and will be a factor in the extension review process. The City will determine

CITY OF TUCSON DEPARTMENT OF PROCUREMENT
 256 W. ALAMEDA, 6TH FLOOR, TUCSON, AZ 85701
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 FAX: (520) 791-4736

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 Phone: (520) 837-4137

whether the requested price adjustment or an alternate option, is in the best interest of the City. Any price adjustment will be effective upon the effective date of the Contract extension.

VI. ENFORCEMENT, LAWS AND ORDINANCES

This agreement shall be enforced under the laws of the State of Arizona.

Each party must comply with all applicable federal, state, county, and City laws, ordinances, and regulations. Contractor shall ensure Contractor's obligation regarding payment of all taxes, licenses, permits, and other expenses of any nature associated with the provision of services herein.

VII. WAIVER

The failure of either party of this Agreement to take affirmative action with respect to any conduct of the other which is in violation of the terms of this contract shall not be construed as a waiver thereof, or of any future breach or subsequent wrongful conduct.

VIII. INSURANCE

The Contractor agrees to:

- A. Obtain insurance coverage of the types and amount required in this section and keep such insurance coverage in force throughout the life of this contract. All policies will contain an endorsement providing that written notice be given to the City at least 30 days prior to termination or cancellation in coverage in any policy, and 10 days notice for cancellation due to non-payment in premium.
- B. The Commercial General Liability Insurance and Commercial Automobile Liability Insurance policies will include the City as an additional insured with respect to liability arising out of the performance of this contract. Such additional insured shall be covered to the full limits of liability purchased by the Contractor, even if those limits of liability are in excess of those required by this Contract. The insurance hereunder will be primary and that any insurance carried by the City will be excess and not contributing.
- C. Provide and maintain minimum insurance limits as applicable.

COVERAGE	LIMITS OF LIABILITY
I. Commercial General Liability:	
Policy shall include Bodily Injury, Property Damage, Personal Injury and Broad Form Contractual Liability	
Each Occurrence	\$1,000,000
General Aggregate (including Per Project)	\$2,000,000
Products & Completed Operations Aggregate	\$2,000,000
Personal and Advertising Injury	\$1,000,000
Blanket Contractual Liability	\$1,000,000
II. Commercial Automobile Liability	
Policy shall include Bodily Injury and Property Damage, for any owned, Hired, and/or Non-owned vehicles used in the operation, installation and maintenance	

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of facilities under this agreement. Combined Single Limit	\$1,000,000
III. Workers' Compensation (applicable to the State of Arizona)*	
Per Occurrence	Statutory
Employer's Liability	\$1,000,000
Disease Each Employee	\$1,000,000
Disease Policy Limit	\$1,000,000
IV. Professional Liability (Errors & Omissions) - In addition to I, II, III	
Each Claim	\$1,000,000
Annual Aggregate	\$2,000,000

The City of Tucson project/contract number and project description shall be noted on the certificate of insurance. The City of Tucson reserves the right to require complete copies of all insurance policies required by this Contract at any time.

- H. **SUBCONTRACTORS:** Contractors' certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall furnish to the City of Tucson separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements identified above.
- I. **EXCEPTIONS:** In the event the Contractor or sub-contractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a Certificate of Self- Insurance.

IX. STANDARD TERMS AND CONDITIONS

1. **ADVERTISING:** Contractor shall not advertise or publish information concerning this Contract without prior written consent of the City's Director of Procurement.
2. **AFFIRMATIVE ACTION:** Contractor shall abide by the provisions of the Tucson Procurement Code Chapter 28, Article XII.
3. **AMERICANS WITH DISABILITIES ACT:** The Contractor shall comply with all applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101, et seq.) and applicable Federal regulations under the Act.
4. **APPLICABLE LAW:** This Contract shall be governed, and the City and Contractor shall have all remedies afforded to each, by the Tucson Procurement Code and the law of the State of Arizona. State law claims shall be brought only in Pima County Superior Court.
5. **ASSIGNMENT-DELEGATION:** No right or interest in this Contract shall be assigned by the Contractor without prior written permission of the City, and no delegation of any duty of the Contractor shall be made without prior written permission of the City's Director of Procurement. The City shall not unreasonably withhold approval and shall notify the Contractor of the City's position by written notice.
6. **CHILD/SWEAT-FREE LABOR POLICY:** The Contractor shall comply with all applicable provisions of the United States Federal and State Child Labor and Worker's Right laws and agrees if called upon to affirm in writing, that they, and any subcontractor involved in the provision of goods to the City, are in compliance.
7. **CLEAN UP:** The Contractor shall at all times keep the contract area, including storage areas used by the Contractor, free from accumulation of waste material or rubbish and, prior to completion of the work, remove any rubbish from the premises and all tools, scaffolding, equipment and materials not property of the City. Upon completion of the repair, the Contractor shall leave the work and premises in clean, neat and workmanlike condition.
8. **COMMENCEMENT OF WORK:** The Contractor is cautioned not to commence any billable work or provide any material or service under this Contract until Contractor receives purchase order or is otherwise directed to do so, in writing, by the City.

9. **CONFIDENTIALITY OF RECORDS:** The Contractor shall establish and maintain procedures and controls that are acceptable to the City for the purpose of assuring that no information contained in its records or obtained from the City or from others in carrying out its functions under the Contract shall be used by or disclosed by it, its agents, officers, or employees, except as required to efficiently perform duties under the Contract. Persons requesting such information should be referred to the City. 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 the Contract, unless otherwise agreed to in writing by the City.

10. **CONTRACT AMENDMENTS:** The Procurement Department has the sole authority to:

- A. Amend the contract or enter into supplemental verbal or written agreements;
- B. Grant time extensions or contract renewals;
- C. Otherwise modify the scope or terms and provisions of the contract.

This Contract shall only be modified with the approval of the Department of Procurement. Except in the case of a documented emergency, approval must be granted prior to performance. Any contract modification not explicitly approved by the Procurement Department through a written contract amendment or change order is performed at the sole risk of the Contractor and may not be eligible for payment by the City.

11. **CONTRACT:** The Contract shall contain the entire agreement between the City of Tucson and the Contractor relating to this requirement and shall prevail over any and all previous agreements, contracts, proposals, negotiations, purchase orders, or master agreements in any form.

12. **DEFAULT IN ONE INSTALLMENT TO CONSTITUTE TOTAL BREACH:** Contractor shall deliver conforming materials in each installment or lot of this Contract and may not substitute nonconforming materials. Delivery of nonconforming materials, or default of any nature, may constitute breach of the Contract. Noncompliance may be deemed a cause for possible Contract termination.

13. **DUPLEXED/RECYCLED PAPER:** In accordance with efficient resource procurement and utilization policies adopted by the City of Tucson, the Contractor shall ensure that, whenever practicable, all printed materials produced by the Contractor in the performance of this Contract are duplexed (two-sided copies), printed on recycled paper and labeled as such.

14. **EQUAL PAY:** The Contractor shall comply with the applicable provisions of the Equal Pay Act of 1963 (Pub.L. 88-38, 29 U.S.C. section 206(d)); Title VII of the Civil Rights Act of 1964 (Pub.L. 88-352, 42 U.S.C. 2000e *et seq.*; and, the Lily Ledbetter Fair Pay Act of 2009 (Pub.L. 111-2).

15. **EXCLUSIVE POSSESSION:** All services, information, computer program elements, reports and other deliverables created under this Contract are the sole property of the City of Tucson and shall not be used or released by the Contractor or any other person except with prior written permission by the City.

16. **FEDERAL IMMIGRATION LAWS AND REGULATIONS:** Contractor warrants that it complies with all Federal Immigration laws and regulations that relate to its employees and complies with A.R.S. § 23-214(A) and that it requires the same compliance of all subcontractors under this Contract. Contractor acknowledges that pursuant to A.R.S. § 41-4401 and effective September 30, 2008, a breach of this warranty is a material breach of this Contract subject to penalties up to

and including termination of this Contract. The City retains the legal right to audit the records of the Contractor and inspect the papers of any employee who works for the Contractor to ensure compliance with this warranty and the Contractor shall assist in any such audit. The Contractor shall include the requirements of this paragraph in each contract with subcontractors under this Contract.

If the Contractor or subcontractor warrants that it has complied with the employment verification provisions prescribed by sections 274(a) and 274(b) of the Federal Immigration and Nationality Act and the E-verify requirements prescribed by A.R.S. § 23-214(A), the Contractor or subcontractor shall be deemed to be in compliance with this provision. The City may request proof of such compliance at any time during the term of this Contract by the Contractor and any subcontractor.

17. **FORCE MAJEURE:** Except for payment of sums due, neither party shall be liable to the other nor deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of Force Majeure. The term "Force Majeure" means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Force Majeure shall not include late performance by a subcontractor unless the delay arises out of a Force Majeure occurrence in accordance with this Force Majeure term and condition.

If either party is delayed at any time in the progress of the work by Force Majeure, the delayed party shall notify the other party in writing of such delay, as soon as is practical, of the commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be hand-delivered or mailed certified-return receipt and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The time of completion shall be extended by contract modification for a period of time equal to the time that results or effects of such delay prevent the delayed party from performing in accordance with this Contract.

18. **GRATUITIES:** The City may, by written notice to the Contractor, terminate this Contract if it is found that gratuities, in the form of entertainment, gifts, meals or otherwise, were offered or given by the Contractor or any agent or representative of the Contractor, to any officer or employee of the City amending, or the making of any determinations with respect to the performing of such Contract. In the event this Contract is terminated by the City pursuant to this provision, the City shall be entitled, in addition to any other rights and remedies, to recover or withhold from the Contractor the amount of the gratuity.
19. **HUMAN RELATIONS:** Contractor shall abide by the provisions of the Tucson City Code Chapter 28, Article XII.
20. **INDEMNIFICATION:** To the fullest extent permitted by law, Contractor, its successors, assigns and guarantors, shall pay, defend, indemnify and hold harmless City of Tucson, its agents, representatives, officers, directors, officials and employees from and against all allegations, demands, proceedings, suits, actions, claims, including claims of patent or copyright infringement, damages, losses, expenses, including but not limited to, attorney fees, court costs, and the cost of appellate proceedings, and all claim adjusting and handling expense, related to, arising from or out of or resulting from any actions, acts, errors, mistakes or omissions caused in whole or part by Contractor relating to work, services and/or products provided in the performance of this Contract, including but not limited to, any Subcontractor or anyone directly or

indirectly employed by any of them or anyone for whose acts any of them may be liable and any injury or damages claimed by any of Contractor's and Subcontractor's employees. It is agreed that Contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. The Contractor agrees to waive all rights of subrogation against the City of Tucson, its agents, representatives, officers, directors, officials, employees and volunteers for losses arising from the work performed by the Contractor for the City of Tucson.

Contractor is responsible for compliance with the Patient Protection and Affordable Care Act (ACA), for its employees in accordance with 26 CFR §54. 4980H. Additionally, Contractor is responsible for all applicable IRS reporting requirements related to ACA. If Contractor or any of Contractor's employees is certified to the City as having received a premium tax credit or cost sharing reduction which contributes to or triggers an assessed penalty against the City, or Contractor fails to meet reporting requirements pursuant to section 6056 resulting in a penalty to City, Contractor indemnifies City from and shall pay any assessed tax penalty.

- 21. INDEPENDENT CONTRACTOR:** It is understood that each party shall 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 party for any purpose.

The Contractor shall not be entitled to compensation in the form of salaries, holidays, paid vacation, sick days, or pension contributions by the City. The City of Tucson will not provide any insurance coverage to the Contractor, including Worker's Compensation coverage. The Contractor is advised that taxes, social security payments, and other withholdings shall not be withheld from a City payment issued under this Contract and that Contractor should make arrangements to directly pay such expenses. Contractor is responsible for compliance with the Affordable Care Act for Contractor and any of Contractor's employees.

- 22. INSPECTION AND ACCEPTANCE:** All material or service is subject to final inspection and acceptance by the City. Material or service failing to conform to the specifications of this Contract shall be held at the Contractor's risk and may be returned to the Contractor. If returned, all costs are the responsibility of the Contractor. Noncompliance may be deemed a cause for possible Contract termination.
- 23. INTERPRETATION-PAROLE EVIDENCE:** This Contract is intended by the parties to be a final expression of their agreement and is intended also as a complete and exclusive statement of the terms of this agreement. No course of prior dealings between the parties and no usage of the trade shall be relevant to supplement or explain any term used in the Contract. Acceptance or consent in the course of performance under this Contract shall not be relevant to determine the meaning of this Contract even though the accepting or consenting party has knowledge of the nature of the performance and the opportunity to object.
- 24. LICENSES:** Contractor shall maintain in current status all Federal, State, and local licenses and permits required for the operation of the business conducted by the Contractor as applicable to this Contract.
- 25. LIENS:** All materials, services, and other deliverables supplied to the City under this Contract shall be free of all liens other than the security interest. Security interest shall extinguish upon full payment made by the City. Upon the City's request, the Contractor shall provide a formal release of all liens.

- 26. NO REPLACEMENT OF DEFECTIVE TENDER:** Every tender of materials must fully comply with all provisions of this Contract. If a tender is made which does not fully comply, this shall conform to the termination clause set forth within this document.
- 27. NON-EXCLUSIVE CONTRACT:** Any contract resulting from this solicitation shall be awarded with the understanding and agreement that it is for the sole convenience of the City of Tucson. The City reserves the right to obtain like goods or services from another source when necessary.
- 28. OVERCHARGES BY ANTITRUST VIOLATIONS:** The City maintains that, in actual practice, overcharges resulting from antitrust violations are borne by the purchaser. Therefore, to the extent permitted by law, the Contractor hereby assigns to the City any and all claims for such overcharges as to the materials or services used to fulfill the Contract.
- 29. PAYMENT:** The City's preferred method of payment is via credit card. The City will issue a Purchase Order and, in some cases, either provide a credit card for payment at the time of ordering or pay subsequent invoices by credit card upon receipt of goods or services in good order. However, not all City employees will possess a credit card and, therefore, the City reserves the right to make payment by check as it deems necessary.

Unless payment is made by credit card at time of order or point of sale, a separate invoice shall be issued for each shipment of material or service performed, and no payment shall be issued prior to receipt of material or service and correct invoice. The invoice shall not be dated prior to the receipt of goods or completion of services.

The City shall make every effort to process payment for the purchase of materials or services within twenty-one (21) calendar days after receipt of materials or services and a correct invoice.

The Contractor's payment terms shall apply to all purchases and to all payment methods.

- 30. PROTECTION OF GOVERNMENT PROPERTY:** The Contractor shall use reasonable care to avoid damaging existing buildings, equipment, and vegetation (such as trees, shrubs, and grass) on City property. If the Contractor fails to do so and damages such property, the Contractor shall replace or repair the damage at no expense to the City, as determined and approved by the City's Director of Procurement. If the Contractor fails or refuses to make such repair or replacement, the City will determine a cost and the Contractor shall be liable for the cost thereof, which may be deducted from the Contract price.
- 31. PROVISIONS REQUIRED BY LAW:** Each and every provision of law and any clause required by law to be in the Contract shall 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 Contract shall be amended to make such insertion or correction.
- 32. RECORDS:** Internal control over all financial transactions related to this Contract shall be in accordance with sound fiscal policies. The City may, at reasonable times and places, audit the books and records of the Contractor and/or any subcontractors. Said audit shall be limited to this Contract.
- 33. RIGHT TO ASSURANCE:** Whenever one party to this Contract has reason to question, in good faith, the other party's intent to perform, the former party may demand that the other party give a

written assurance of this intent to perform. In the event that a demand is made and no written assurance is given within five (5) days, the demanding party may treat this failure as the other party's intent not to perform and as a cause for possible Contract termination.

34. **RIGHT TO INSPECT:** The City may, at reasonable times, and at the City's expense, inspect the place of business of a Contractor or subcontractor which is related to the performance of any Contract as awarded or to be awarded.
35. **RIGHTS AND REMEDIES:** No provision in this document or in the Contractor's bid shall be construed, expressly or by implication, as a waiver by either party of any existing or future right and/or remedy available by law in the event of any claim, default or breach of contract. The failure of either party to insist upon the strict performance of any term or condition of the Contract, to exercise or delay the exercise of any right or remedy provided in the Contract or by law, or to accept materials or services required by this Contract or by law shall not be deemed a waiver of any right of either party to insist upon the strict performance of the Contract.
36. **SEVERABILITY:** The provisions of this Contract are severable to the extent that any provision or application held to be invalid shall not affect any other provision or application of the Contract which may remain in effect without the valid provision or application.
37. **SHIPMENT UNDER RESERVATION PROHIBITED:** No tender of a bill of lading shall operate as a tender of the materials. Non-compliance shall conform to the termination clause set forth within this document.
38. **SUBCONTRACTS:** No subcontract shall be entered into by the Contractor with any other party to furnish any of the material/service specified herein without the advance written approval of the City's Director of Procurement. All subcontracts shall comply with Federal and State laws and regulations which are applicable to the services covered by the subcontract and shall include all the terms and conditions set forth herein which shall apply with equal force to the subcontract, as if the subcontractor were the Contractor referred to herein. The Contractor is responsible for contract performance whether or not subcontractors are used.
39. **SUBSEQUENT EMPLOYMENT:** The City may terminate this Contract without penalty or further obligation pursuant to A.R.S. Section 38-511 if any person significantly involved in initiating, negotiating, securing, drafting, or creating the Contract, on behalf of the City, is or becomes, at any time while the Contract or any extension of the Contract is in effect, an employee of, or a contractor to, any other party to this Contract with respect to the subject matter of the Contract. Termination shall be effective when written notice from the City's Director of Procurement is received by the parties to this Contract, unless the notice specifies a later time.
40. **TERMINATION OF CONTRACT:** This Contract may be terminated at any time by mutual written consent, or by the City, with or without cause, upon giving thirty (30) days written notice. The City, at its convenience, by written notice, may terminate this Contract, in whole or in part. If this Contract is terminated, the City shall be liable only for payment under the payment provisions of this Contract for services rendered and accepted material received by the City before the effective date of termination.

The City reserves the right to terminate the whole or any part of this Contract due to the failure of the Contractor to carry out any term or condition of the Contract. The City will issue a written ten (10) day notice of default to the Contractor for acting or failing to act as specified in any of the following:

In the opinion of the City, the Contractor provides personnel that do not meet the requirements of the Contract;

In the opinion of the City, the Contractor fails to perform adequately the stipulations, conditions or services/specifications required in this Contract;

In the opinion of the City, the Contractor attempts to impose personnel, materials, products or workmanship of an unacceptable quality;

The Contractor fails to furnish the required service and/or product within the time stipulated in the Contract;

In the opinion of the City, the Contractor fails to make progress in the performance of the requirements of the Contract;

The Contractor gives the City a positive indication that the Contractor will not or cannot perform to the requirements of the Contract.

Each payment obligation of the City created by this Contract is conditioned upon the availability of City, State and Federal funds that are appropriated or allocated for the payment of such an obligation. If funds are not allocated by the City and available for the continued purchase of the services and/or materials provided under this Contract, this Contract may be terminated by the City at the end of the period for which funds are available. The City will endeavor to notify the Contractor in the event that continued service will or may be affected by non-appropriation. No penalty shall accrue to the City in the event this provision is exercised, and the City shall not be obligated or liable for any future payments due or for any damages as a result of termination under this paragraph.

41. **TITLE AND RISK OF LOSS:** The title and risk of loss of material or service shall not pass to the City until the City actually receives the material or service at the point of delivery, unless otherwise provided within this Contract.
42. **WARRANTIES:** Contractor warrants that all material or service delivered under this Contract shall conform to the specifications of this Contract. Mere receipt of shipment of the material or service specified and any inspection incidental thereto by the City shall not alter or affect the obligations of the Contractor or the rights of the City under the foregoing warranties. Additional warranty requirements may be set forth in this document.

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SENIOR CONTRACT OFFICER: JENN MYERS
Phone: (520) 837-4137

This Agreement represents the entire agreement between the City of Tucson and the Contractor relating to this requirement and shall prevail over any and all previous verbal and written agreements.

CITY OF TUCSON:

CONTRACTOR:

as Director of Procurement
and Not Personally

BY: _____
Authorized Signature

Date

FOR: _____
Name of Company

City Representative

Address

(520) _____
Telephone

City/State/Zip

Telephone / Fax

E-MAIL

