



**BOARD OF SUPERVISORS AGENDA ITEM REPORT
CONTRACTS / AWARDS / GRANTS**

Award Contract Grant

Requested Board Meeting Date: 10/03/2017

* = Mandatory, information must be provided

or Procurement Director Award

***Contractor/Vendor Name (DBA):**

Town of Oro Valley

***Project Title/Description:**

Intergovernmental Agreement between Pima County and the Town of Oro Valley for Wastewater Billing Services

***Purpose:**

To exchange water use data to support Pima County's sewerage user fee system and to compensate Town of Oro Valley for providing the data and billing County customers for sewerage system user fees.

***Procurement Method:**

Board of Supervisors Policy D29.4 XI. H. Other Non-Procurement Contracts

***Program Goals/Predicted Outcomes:**

Oro Valley will collect water data information for its constituents in order to facilitate accurate sewer billing and collection services on behalf of Pima County.

***Public Benefit:**

To ensure accurate sewer billing and collection services in accordance with Pima County Code.

***Metrics Available to Measure Performance:**

Invoices to be issued on a monthly basis for billing and collection services rendered. Funds to be remitted to County within thirty (30) calendar days following close of each monthly billing cycle. Monthly reporting as defined under Scope of Services.

***Retroactive:**

Negotiations extended beyond the termination date of prior contract No. CT-WW-13-456, with multiple requests for modifications from both Oro Valley and Pima County.

SEP 19 17 PM 03:00 PCC/CLK/DF/BD
JL

To: CoB - 9-19-17
Ver. - 1
pgs. - 12

Procurement Dept 09/19/17 11:58 AM

Contract / Award Information

Document Type: CT Department Code: WW Contract Number (i.e., 15-123): 18*069

Effective Date: 07/01/2017 Termination Date: 06/30/2018 Prior Contract Number (Synergen/CMS): _____

Expense Amount: \$* 270,000.00 Revenue Amount: \$ 9,000,000.00

*Funding Source(s) required: RWRD Enterprise Fund

Funding from General Fund? Yes No If Yes \$ _____ % _____

Contract is fully or partially funded with Federal Funds? Yes No

*Is the Contract to a vendor or subrecipient? Vendor

Were insurance or indemnity clauses modified? Yes No

If Yes, attach Risk's approval

Vendor is using a Social Security Number? Yes No

If Yes, attach the required form per Administrative Procedure 22-73.

Amendment / Revised Award Information

Document Type: _____ Department Code: _____ Contract Number (i.e., 15-123): _____

Amendment No.: _____ AMS Version No.: _____

Effective Date: _____ New Termination Date: _____

Prior Contract No. (Synergen/CMS): _____

Expense or Revenue Increase Decrease Amount This Amendment: \$ _____

Is there revenue included? Yes No If Yes \$ _____

*Funding Source(s) required: _____

Funding from General Fund? Yes No If Yes \$ _____ % _____

Grant Information (for grants acceptance and awards)

Document Type: _____ Department Code: _____ Contract Number (i.e., 15-123): _____

Effective Date: _____ Termination Date: _____ Prior Contract Number (Synergen/CMS): _____

Match Amount: \$ _____ Revenue Amount: \$ _____

*Funding Source(s) required: _____

*Match funding from General Fund? Yes No If Yes \$ _____ % _____

*Match funding from other sources? Yes No If Yes \$ _____

*Funding Source: _____

*If Federal funds are received, is funding coming directly from the Federal government or passed through other organization(s)? _____

Contact: Julie McWilliams

Department: Regional Wastewater Reclamation Department Telephone: 724-6531

Department Director Signature/Date: [Signature] 9/15/17

Deputy County Administrator Signature/Date: [Signature] 9/15/17

County Administrator Signature/Date: [Signature] 9/18/17
(Required for Board Agenda/Addendum Items)

This number must appear on all correspondence and documents pertaining to this contract

**Intergovernmental Agreement
between
Pima County and the Town of Oro Valley
for
Wastewater Billing Services**

This Intergovernmental Agreement (IGA) is entered into by and between Pima County, a body politic and corporate of the State of Arizona (“County”) and the Town of Oro Valley, an Arizona municipality (“Town”), pursuant to A.R.S. § 11-952.

Recitals

- A. County and Town may contract for services and enter into agreements with one another for joint or cooperative action pursuant to A.R.S. § 11-951, et seq.
- B. County is authorized by A.R.S. § 11-264 to own and operate a wastewater collection and treatment system and to bill its customers for the services provided.
- C. Town is authorized by A.R.S. § 9-240(B)(6) to operate a water delivery system and bill its customers for the services provided.
- D. County and Town desire to exchange proprietary water use information for the purpose of calculating billings to sewer users.
- E. Town agrees to provide user fee billing services to County.

NOW, THEREFORE, County and Town, pursuant to the above, and in consideration of the matters and things hereinafter set forth, do mutually agree as follows:

Agreement

- 1. **Purpose.** The purpose of this IGA is to exchange water use data to support County's sewerage user fee system and to compensate Town for providing the data and billing County customers for sewerage system user fees.
- 2. **Scope.** See attached Exhibit A.
- 3. **Financing.** For the services described in Exhibit A (Scope), County agrees to pay Town a monthly administrative billing fee of \$0.98 per month, per account from July 1, 2017 through August 31, 2017 and \$1.20 from September 1, 2017 through June 30, 2018. Such fees will reimburse Town for the cost of billing and collection services based on the current number of 18,150 accounts and the projected growth of 340 accounts per year. Total payment to Town under this IGA will not exceed \$270,000.00 annually.

Town will invoice County, on a monthly basis, for the billing and collection services rendered. Each invoice will include detailed documentation supporting the requested

payment. Payment requests will assign all costs to items identified and authorized by this IGA.

County will pay Town within 30 days for the services invoiced pursuant to this IGA. County may challenge any invoice or may request additional supporting data provided, however, such challenge or data request will not delay County's payment.

It is the intention of the parties that pricing will remain firm during the term of the IGA. Price increases will only be considered in conjunction with an annual renewal of the IGA. In the event that economic conditions are such that unit price increases are desired by Town upon renewal of the IGA, Town will, at least ninety days prior to the termination date of the IGA, submit a written request to County with detailed supporting documents justifying the requested increase. It is agreed that the unit prices will include compensation for Town to implement and actively conduct cost and price control activities. Town will annually provide County with a written summary of Town's efforts to control costs and prices related to matters covered by this IGA. Such summary will include copies of all Town memos, reports, and related documents concerning those efforts. County will review the proposed pricing and determine whether it is in the best interest of County to renew or extend the IGA as provided in Paragraph 4 (Term) of the IGA.

In the event this IGA is not fully executed until after the effective date, County agrees to retroactively pay the Town all fees incurred under this IGA between the effective date and the date of execution.

4. Term. This IGA is effective on July 1, 2017 and will terminate on June 30, 2018 unless sooner terminated or further extended pursuant to the provisions of this IGA. This IGA may be renewed for up to three (3) additional one-year periods (or any portion thereof) provided the renewals are by formal written amendment executed by the parties hereto.
5. **Disposal of Property.** Upon the termination of this IGA, all property involved will revert back to the owner. Termination will neither relieve any party from liabilities or costs already incurred under this IGA, nor affect any ownership of property pursuant to this IGA.
6. **Indemnification.** Each party (as Indemnitor) agrees to indemnify, defend, and hold harmless the other party (as Indemnitee) from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as "claims") for bodily injury of any person (including death) or property damage, but only to the extent that such injury or damage is caused or alleged to be caused by a negligent or intentionally wrongful act or omission of the Indemnitor, or of any of its officers, officials, agents, employees, or volunteers.
7. **Insurance.** Each party will obtain and maintain at its own expense, during the entire term of this IGA the following type(s) and amounts of insurance:
 - a) Commercial General Liability in the amount of \$1,000,000.00 combined single limit Bodily Injury and Property Damage.

- b) Commercial or Business automobile liability coverage for owned, non-owned, and hired vehicles used in the performance of this IGA with limits in the amount of \$1,000,000.00 combined single limit or \$1,000,000.00 Bodily Injury, \$1,000,000.00 Property Damage.
- c) If this Contract involves professional services, professional liability insurance in the amount of \$1,000,000.00.
- d) If required by law, workers' compensation coverage including employees' liability coverage.

Each party will provide thirty (30) days written notice to the other party of cancellation, non-renewal, or material change of coverage.

The above requirement may be alternatively met through self insurance pursuant to A.R.S. §§ 11-261 and 11-981 (or if a school district, § 15-382) or participation in an insurance risk pool under A.R.S. § 11.952.01 (if a school district, § 15-382), at no less than the minimum coverage levels set forth in this article.

- 8. **Compliance with Laws.** The parties will comply with all federal, state, and local laws, rules, regulations, standards, and Executive Orders. The laws and regulations of the State of Arizona will govern the rights of the parties, the performance of this IGA, and any disputes. Any action relating to this IGA will be brought in a court in Pima County.
- 9. **Non-Discrimination.** The parties will not discriminate against any employee, client or any other individual in any way because of that person's age, race, creed, color, religion, sex, disability, or national origin in the course of carrying out their duties under this IGA. The parties will comply with the provisions of Executive Order 75-5, as amended by Executive Order 2009-09, which is incorporated into this IGA by reference.
- 10. **ADA.** The parties will comply with all applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and all applicable federal regulations under the Act, including 28 CFR Parts 35 and 36.
- 11. **Severability.** If any provision of this IGA, or any application of a provision to the parties or any person or circumstance, is found by a court to be invalid, that invalidity will not affect other provisions or applications of this IGA that can be given effect without the invalid provision or application.
- 12. **Conflict of Interest.** This contract is subject to cancellation for conflict of interest pursuant to A.R.S. § 38-511, the pertinent provisions of which are incorporated herein by reference.
- 13. **Non-Appropriation.** Notwithstanding any other provision in this IGA, this IGA may be terminated if for any reason the Pima County Board of Supervisors or the Town of Oro Valley does not appropriate sufficient monies for the purpose of maintaining this IGA. In

the event of such cancellation, the parties will have no further obligations under this IGA other than for payment for services rendered prior to cancellation.

14. **Legal Authority.** Neither party warrants to the other its legal authority to enter into this IGA. If a court, at the request of a third person, should declare that either party lacks authority to enter into this IGA, or any part of it, then the IGA, or parts of it affected by such order, will be null and void, and no recovery may be had by either party against the other for lack of performance or otherwise.
15. **Workers' Compensation.** Each party will comply with the notice of A.R.S. § 23-1022 (E). For purposes of A.R.S. § 23-1022, irrespective of the operations protocol in place, each party is solely responsible for the payment of Workers' Compensation benefits for its employees.
16. **No Joint Venture.** It is not intended by this IGA to, and nothing contained in this IGA will be construed to, create any partnership, joint venture, or employment relationship between the parties or create any employer-employee relationship between a party and the employees of the other party. Neither party will be liable for any debts, accounts, obligations, or other liabilities whatsoever of the other, including (without limitation) the other party's obligation to withhold Social Security and income taxes for itself or any of its employees.
17. **No Third Party Beneficiaries.** Nothing in this IGA is intended to create duties or obligations to or rights in third parties not parties to this IGA or affect the legal liability of either party to the IGA by imposing any standard of care with respect to the maintenance of public facilities different from the standard of care imposed by law.
18. **Notice.** Any notice required or permitted to be given under this IGA must be in writing and served by delivery or by certified mail upon the other party as follows (or at such other address as may be identified by a party in writing to the other party):

County:

Director
Regional Wastewater Reclamation
Department
201 N. Stone, 8th Floor
Tucson, Arizona 85701

With copies to:

County Administrator
Pima County
130 West Congress St., 10th Floor
Tucson, Arizona 85701

Clerk of the Board
Pima County
130 West Congress, 5th Floor
Tucson, Arizona 85701

Town:

Town Manager
Town of Oro Valley Utility
11000 N. La Canada Drive
Oro Valley, AZ 85737

With copies to:

Town Attorney
Town of Oro Valley
11000 N, La Canada Drive
Oro Valley, AZ 85737

Water Utility Director
Town of Oro Valley
11000 N. La Canada Drive
Oro Valley, AZ 85737

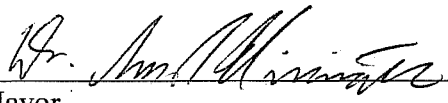
- 19. Entire Agreement.** This document, and any exhibits attached to it, constitutes the entire agreement between the parties pertaining to the subject matter addressed, and all prior or contemporaneous agreements and understandings, oral or written, are superseded and merged into this IGA. This IGA may not be modified, amended, altered, or extended except through a written amendment signed by the parties.

In Witness Whereof, County has caused this IGA to be executed by the Chairman of its Board of Supervisors, upon resolution of the Board, and attested to by the Clerk of the Board, and Town has caused this Intergovernmental Agreement to be executed by the Mayor upon resolution of the Town Council and attested to by the Town Clerk.

PIMA COUNTY:

TOWN OF ORO VALLEY:

Chair
Board of Supervisors

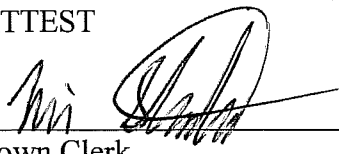


Mayor
Mayor and Council

ATTEST

ATTEST

Clerk of the Board



Town Clerk

Date: _____

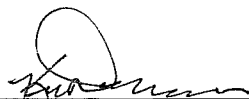
Date: 9/8/17

Approval

The foregoing Intergovernmental Agreement between Pima County and the Town of Oro Valley has been reviewed by the undersigned, and is hereby approved as to content.



Director, Pima County Regional Wastewater Reclamation Department



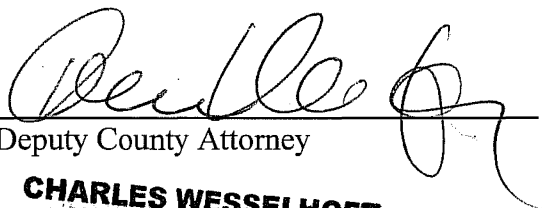
Director, Pima County Finance and Risk Management Department

Intergovernmental Agreement Determination

The foregoing Intergovernmental Agreement between Pima County and the Town of Oro Valley has been reviewed by the undersigned, each of whom has determined that it is in proper form and is within the powers and authority granted under the laws of the State of Arizona to the party he or she represents.

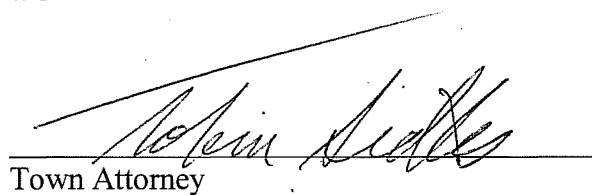
PIMA COUNTY:

TOWN OF ORO VALLEY:



Deputy County Attorney

CHARLES WESSELHOFT



Town Attorney

Exhibit A: Scope of Services

Town shall provide the following sewer billing and collection services for County:

- A. Provide water consumption data for each water and sewer account and provide billings and collection of these accounts monthly.
- B. Update all water and sewer accounts (turn-on and turn-off) to maintain an accurate active customer file.
- C. Receive and update all sewer account vacant/vacation requests by the customers to include an initiation and termination date of vacancy as governed by Pima County Code §13.24.200 D 4.
- D. Provide County with a monthly report of vacant/vacation requests processed by town, including the account number, customer name, address, initiation date of vacancy, and termination date of vacancy.
- E. Bill and disconnect delinquent sewer accounts in same manner Town uses to bill and disconnect delinquent water accounts and transmit to County for collecting those delinquent sewer accounts that cannot be collected through the water billing system.
- F. Process sewer user fee adjustments transmitted by County and adjust sewer user fees in accordance with adjustment policies authorized by County.
- G. Maintain an accurate, computerized sewer billing and accounts receivable.
- H. Provide County with no less than four (4) read-only access licenses to the computerized customer billing system maintained by Town.
- I. Provide County authorized staff with a method to access Town's network and computerized customer billing system and provide technical support as necessary.
- J. Provide County with winter (December, January, and February) water use data for those sewer users on Town water system.
- K. Provide County with all necessary and agreed upon computer-oriented reports required to effectively manage the revenues and customer accounts of the sewer utility.
- L. Provide County with the ability to insert sewer utility-related information in the monthly customer billings.
- M. Upon receipt of sewer user fee payments, Town shall remit the funds to the Pima County Treasurer's Office within thirty (30) calendar days following close of each monthly billing cycle. For purposes of this IGA, such payments will be made by check issued by Town.
- N. At County's option, Town shall provide a register showing active account status of each account on a monthly basis and will provide a final delinquent account register of all accounts considered as the inactive final billing register.

Exhibit A: Scope of Services, page two

O. At the request of County, Town shall provide to County all data related to the billing and collection of sewer user fees within the Town, at no cost to the County.

P. Town shall provide a Project Manager for this Agreement who shall serve as liaison with County on all issues relating to this Agreement.

Q. Town shall provide County with the opportunity to provide input to any billing system changes prior to implementation.

R. Town shall cooperate with County to develop procedures and reporting modifications to satisfy deficiencies identified in yearly audits.

S. To the extent possible, Town shall provide additional computer services in the form of special computer programs or printouts to County at no cost.

T. Town shall maintain books, records, documents, and other evidence directly pertinent to performance under this Agreement in accordance with generally accepted accounting principles and practices consistently applied. Town shall also maintain the financial information and data used by Town in the preparation or support of the cost submission and a copy of the cost summary submitted to County. County shall have access to such books, records, documents, and other evidence for inspection, audit and copying. Town shall provide proper facilities for such access and inspection.

U. Audits conducted under this provision shall be in accordance with generally accepted auditing standards and established procedures and guidelines of the reviewing or audit agency(ies).

V. Town agrees to the disclosure of all information and reports resulting from access to records, as described in Item T, to County designated auditor, provided that Town is afforded the opportunity for an audit exit conference and an opportunity to comment and submit any supporting documentation on the pertinent portions of the draft audit report and that the final audit report will include written comments of reasonable length, if any, of Town.

W. At the request of County and with the concurrence of Town, Town may provide billing and collection services for sewer accounts receiving water from private water companies. If Town agrees to provide billing and collection services for these accounts, County shall pay fees as described in Agreement – 3. Financing.

Exhibit A: Scope of Services, page three

The County shall provide the following services for Town:

- A. Adjust Town sewer user fee accounts as required.
- B. Answer sewer user complaints from Town customers.
- C. Provide a Project Manager for this Agreement who will serve as liaison with Town on all issues relating to this Agreement.
- D. Accept responsibility to collect all delinquent sewer accounts served by Town after they have been written off to bad debt expense by Town.
- E. Inspect and identify any computer errors and notify Town of any necessary changes.
- F. County and Town agree to provide security measures for all hardware and software to assure confidentiality of all data. Each entity is to provide security for its own facility and information.

COPY

RESOLUTION NO. (R)17-35

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF ORO VALLEY, ARIZONA AUTHORIZING AND APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE TOWN OF ORO VALLEY AND PIMA COUNTY FOR THE TOWN TO BILL AND COLLECT SEWER USER FEES ON BEHALF OF PIMA COUNTY

WHEREAS, pursuant to A.R.S. § 11-952, The Town of Oro Valley is authorized to enter into Intergovernmental Agreements for joint and cooperative action with other public agencies; and

WHEREAS, pursuant to the Pima County sewer user fee Ordinance, the Oro Valley Water Utility shall, as part of its billing and collection system, provide billing and collection of sewer user fees from customers receiving water from the Town's Water Utility and discharging wastewater into the Pima County sewer system; and

WHEREAS, the Town receives a monthly administrative fee per account from Pima County for providing the billing and collection of the sewer user fees; and

WHEREAS, the Town and Pima County both desire to continue to have the Town provide billing and collection of sewer user fees on behalf of Pima County; and

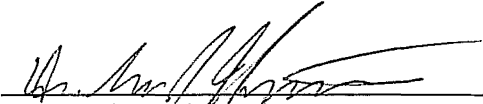
WHEREAS, it is in the best interest of the Town to enter into the Intergovernmental Agreement with the County, attached hereto as Exhibit "A" and incorporated herein by this reference, in order to provide billing and collection of sewer user fees.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL of the Town of Oro Valley, Arizona that:

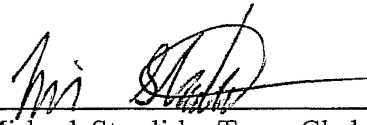
1. The Intergovernmental Agreement between the Town of Oro Valley and Pima County for the billing and collecting of sewer user fees by the Town on behalf of Pima County, attached to this Resolution as Exhibit "A", is hereby authorized and approved.
2. The Town Manager or her designee is hereby authorized to take such steps as necessary to execute, implement and renew the terms of the Intergovernmental Agreement.

PASSED AND ADOPTED by the Mayor and Town Council of the Town of Oro Valley, Arizona, this 6th day of September, 2017.

TOWN OF ORO VALLEY

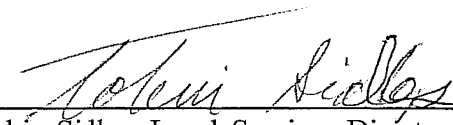

Dr. Satish I. Hiremath, Mayor

ATTEST:


Michael Standish, Town Clerk

Date: 9/8/17

APPROVED AS TO FORM:


Tobin Sidles, Legal Services Director

Date: 9/8/17

EXHIBIT "A"

INTERGOVERNMENTAL AGREEMENT