



BOARD OF SUPERVISORS AGENDA ITEM REPORT
CONTRACTS / AWARDS / GRANTS

☐ Award ☒ Contract ☐ Grant

Requested Board Meeting Date: June 23, 2020

* = Mandatory, information must be provided

or Procurement Director Award ☐

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

Metropolitan Domestic Water Improvement District

***Project Title/Description:**

Intergovernmental Agreement (IGA) between Pima County & the Metropolitan Domestic Water Improvement District for wastewater billing & collection services.

***Purpose:**

To exchange water use data to support Pima County's sewerage user fee system & to compensate Metropolitan Domestic Water Improvement District for providing the data & billing County customers for sewerage system user fees.

***Procurement Method:**

This IGA is a non-Procurement contract & not subject to Procurement rules.

***Program Goals/Predicted Outcomes:**

The Metropolitan Domestic Water Improvement District will collect water data information for its constituents in order to facilitate accurate sewer billing & collection services on behalf of Pima County.

***Public Benefit:**

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

***Metrics Available to Measure Performance:**

Invoices to be issued on a monthly basis for billing & 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:**

No.

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Contract / Award InformationDocument Type: CT Department Code: WW Contract Number (i.e.,15-123): 20*306Effective Date: 07/01/2020 Termination Date: 06/30/2021 Prior Contract Number (Synergen/CMS): _____☒ Expense Amount: \$* \$480,000.00 ☐ Revenue Amount: \$ _____***Funding Source(s) required:** RWRD Enterprise FundFunding from General Fund? ☐ Yes ☒ No If Yes \$ _____ % _____Contract is fully or partially funded with Federal Funds? ☐ Yes ☒ No**If Yes, is the Contract to a vendor or subrecipient?** _____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 22-10.***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/Amendment Information** (for grants acceptance and awards) ☐ Award ☐ Amendment

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

Effective Date: _____ Termination Date: _____ Amendment Number: _____

☐ Match Amount: \$ _____ ☐ Revenue Amount: \$ _____***All 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: Veronica LopezDepartment: Regional Wastewater Reclamation Department Telephone: 724-6561Department Director Signature/Date: [Signature] 5/21/2020Deputy County Administrator Signature/Date: [Signature] 5/27/2020County Administrator Signature/Date: [Signature] 5/27/2020
(Required for Board Agenda/Addendum Items)

Contract No: CT-WW-20-306 Amendment No: _____

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

**Intergovernmental Agreement
between
Pima County
and the
Metropolitan Domestic Water Improvement District
for
the provision of
Wastewater Billing and Collection 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 Metropolitan Domestic Water Improvement District ("District") pursuant to A.R.S. § 11-952.

Recitals

- A. County and District 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 operate a sewage collection and treatment system and to bill for its services.
- C. District is authorized by A.R.S. § 48-901 *et seq.* to own and operate a water distribution system and bill for its services.
- D. County bases its wastewater user charges on water usage by County wastewater customers.
- E. Water usage within the District service area is tracked and billed by the District.
- F. County and District have used the District's billing system to track and bill wastewater usage by District customers as well as County wastewater customers using well water.
- G. County and District desire to continue this relationship.

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

Agreement

- A. **Purpose.** The purpose of this IGA is to provide a framework whereby the District, on behalf of the County, will bill and collect wastewater user fees from water and wastewater customers within the District's service area.
- B. **Scope.** The Scope of this IGA is attached hereto as Exhibit A.
- C. **Compensation and Payment.**
 - 1. In consideration for the services specified in this Agreement, the County agrees to pay and the District agrees to offset against amounts owed by the District to the County, a

monthly administrative and billing fee of \$1.60 per account per month effective with the first billing cycle in July 2020. Such fees will reimburse the District for the cost of billing and collection services based upon a maximum of 25,000 accounts. Total payment for this contract shall not exceed \$480,000 annually.

2. No State or municipal taxes are applicable to the IGA.
3. District shall provide detailed documentation in support of requested payment. Payment requests shall assign all costs to items identified by this Section.
4. It is the intention of both parties that pricing shall remain firm during the term of the Agreement. Price increases shall only be considered in conjunction with a renewal of the Agreement. In the event that economic conditions are such that unit price increases are desired by the District upon renewal of the Agreement, District shall submit a written request to County with supporting documents justifying such increases at least 90 days prior to the termination date of the Agreement. It is agreed that the Unit Prices shall include compensation for the District to implement and actively conduct cost and price control activities. County will review the proposed pricing and determine if it is in the best interest of County to renew or extend the Agreement as provided for in Section D of this Agreement.
5. District shall not provide goods and services in excess of the Exhibit A Line Item and Agreement Amounts without prior authorization by an amendment executed by County. Services provided in excess of Line Item or Agreement Total Amounts without prior authorization by a fully executed amendment will be at District's own risk.
6. For the period of five years following the termination or expiration of this Agreement, County reserves the right to question any payment made under this Section and to require reimbursement therefor by setoff or otherwise for payments determined to be improper or contrary to the Agreement or law.

D. Term and Extension/Renewal/Changes.

1. This Agreement shall commence on July 1, 2020 and shall terminate on June 30, 2021 unless sooner terminated or further extended pursuant to the provisions of this Agreement. The parties may renew this Agreement for up to four (4) additional one-year periods or any portion thereof.
2. Any modification, or extension of the Agreement termination date, shall be by formal written amendment executed by the parties hereto.
3. Amendments to the Agreement must be approved by the Board of Supervisors or the Procurement Director, as required by the Pima County Procurement code, before any work or deliveries under the Amendment commences.

E. Disposal of Property. Upon the termination of this IGA, all property involved shall revert back to the owner. Termination shall not relieve any party from liabilities or costs already incurred under this IGA, nor affect any ownership of property pursuant to this IGA.

F. 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") arising out of bodily injury of any person (including death) or property damage, but only to the extent that such claims which result in vicarious/derivative liability to the Indemnitee, are caused by the act, omission, negligence, misconduct, or other fault of the Indemnitor, its officers, officials, agents, employees, or volunteers.

G. Insurance. Each party shall obtain and maintain at its own expense, during the entire term of this Contract the following type(s) and amounts of insurance factoring in umbrella coverage:

1. Commercial General Liability in the amount of \$ 2,000,000.00 combined single limit Bodily Injury and Property Damage.
2. Commercial or Business automobile liability coverage for owned, non-owned and hired vehicles used in the performance of this Contract with limits in the amount of \$ 2,000,000.00 combined single limit or \$ 2,000,000.00 Bodily Injury, \$ 2,000,000.00 Property Damage.
3. If this Contract involves professional services, professional liability insurance in the amount of \$2,000,000.00.
4. If required by law, workers' compensation coverage, including employees' liability coverage.

Parties to this agreement shall provide thirty (30) days written notice to all parties to this IGA 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 minimal coverage levels set forth in this article. Parties to this agreement shall provide thirty (30) days written notice to all other parties of cancellation, non-renewal or material change of coverage.

H. Compliance with Laws. The parties shall comply with all federal, state, and local laws, rules, regulations, standards, and Executive Orders, without limitation to those designated within this IGA. The laws and regulations of the State of Arizona shall govern the rights of the parties, the performance of this IGA, and any disputes hereunder. Any action relating to this IGA shall be brought in an Arizona court in Pima County.

- I. Non-Discrimination.** The parties shall not discriminate against any County 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 pursuant to this IGA. The parties shall comply with the provisions of Executive Order 2009-09, which is incorporated into this IGA by reference, as if set forth in full herein.
- J. ADA.** The parties shall 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.
- K. Severability.** If any provision of this IGA or any application thereof to the parties or any person or circumstances, is held invalid, such invalidity shall not affect other provisions or applications of this IGA which can be given effect, without the invalid provision or application and to this end the provisions of this IGA are declared to be severable.
- L. 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.
- M. Non-Appropriation.** Notwithstanding any other provision in this IGA, this IGA may be terminated if for any reason the Pima County Board of Supervisors does not appropriate sufficient monies for the purpose of maintaining this IGA. In the event of such cancellation, Pima County shall have no further obligation to District other than for payment for services rendered prior to cancellation. If this occurs, the District has no further obligation to the County to provide billing services outlined within this IGA. The District would continue to forward all sewer collection to the County.
- N. 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, shall be null and void, and no recovery may be had by either party against the other for lack of or otherwise.
- O. Workers' Compensation.** Each party shall comply with the notice provisions 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.
- P. No Joint Venture.** It is not intended by this IGA to, and nothing contained in this IGA shall be construed to, create any partnership, joint venture or employment relationship between the parties or create any employer-employee relationship between County and any District employees, or between District and any County employees. Neither party shall be liable for (without limitation) the other party's obligation to withhold Social Security and income taxes for itself or any of its employees.

Q. No Third Party Beneficiaries. Nothing in the provisions of 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.

R. Notice. Any notice required or permitted to be given under this IGA shall be in writing and shall be served by delivery or by mail or email upon the other as follows (or at such other address as may be identified by a party in writing to the other party):

County:

District

Pima County Regional Wastewater
Reclamation Department
201 N. Stone, 8th Floor
Tucson AZ 85701

General Manager
Metropolitan Domestic Water
Improvement District
P.O. Box 36870
Tucson AZ 85740

With copies to:

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

and

Clerk of the Board
Pima County
130 West Congress St., 5th Floor
Tucson AZ 85701

S. Entire Agreement. This document constitutes the entire Agreement between the parties pertaining to the subject matter hereof; and all prior or contemporaneous agreements and understandings, oral or written, are hereby superseded and merged herein. This IGA shall not be modified, amended, altered, or extended except through a written amendment signed by the parties.

REMAINDER OF PAGE

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In Witness Whereof, County has caused this Intergovernmental Agreement 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 the District has caused this Intergovernmental Agreement to be executed by its General Manager upon resolution of the District's Board of Directors and attested to by its Clerk.

FOR PIMA COUNTY:

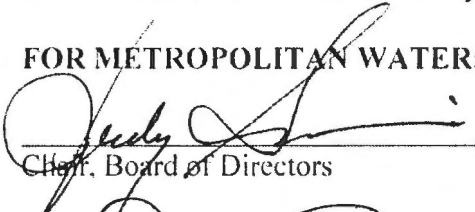
Chairman, Board of Supervisors

ATTEST:

Clerk of the Board

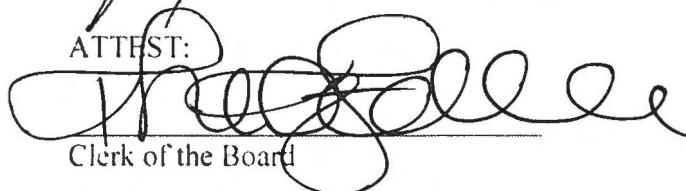
Date: _____

FOR METROPOLITAN WATER:



Chair, Board of Directors

ATTEST:



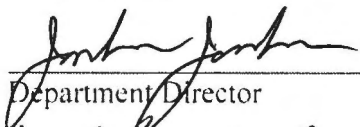
Clerk of the Board

Date: 05/18/2020


Approval as to Content

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

FOR PIMA COUNTY:




Department Director



Director of Finance

FOR METROPOLITAN WATER:

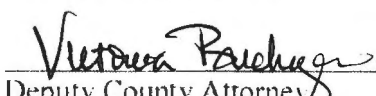


General Manager

Intergovernmental Agreement Determination


The foregoing Intergovernmental Agreement between Pima County and the Metropolitan Domestic Water Improvement District has been reviewed pursuant to A.R.S. § 11-952 by the undersigned, who have determined that it is in proper form and is within the powers and authority granted under the laws of the State of Arizona to those parties to the Intergovernmental Agreement represented by the undersigned.

FOR PIMA COUNTY:



Deputy County Attorney

FOR METROPOLITAN WATER:



Lewis, Roca, Rothgerber, Christie LLP
Partner

Title

Exhibit A: Scope of Services

The Metropolitan Domestic Water Improvement District (District) shall bill and collect wastewater user fees authorized by the wastewater user fee ordinance adopted by Pima County (County). As part of the billing and collection system for the water utility, it is understood that the District will be billing and collecting for water and wastewater accounts; *i.e.* customers receiving water from the District water utility and discharging wastewater into the County wastewater system.

I. The District shall provide the following wastewater billing and collection services for the County.

- A. As needed training and documentation on the operation and use of the District's automated billing system, to include training on any future changes, upgrades, or modifications to the automated system;
- B. Availability to water consumption data for each water and wastewater account monthly;
- C. Billing and collection for wastewater accounts monthly; this process includes implementing the procedures and establishing the files necessary to direct the billing system to bill accounts;
- D. Update all water and wastewater accounts (turn-on and turn-off) to maintain an accurate active customer file;
- E. Process wastewater user fee adjustments transmitted by Pima County and adjust wastewater user fees in accordance with adjustment policies authorized by Pima County;
- F. Provide an automated billing system which calculates wastewater user charges according to County specifications, including the system calculation and retention of winter water usage by District water customers required for billing wastewater user charges;
- G. Inform the County of billing system downtime, develop and communicate to the County any recovery plan for the correction of billing errors impacting wastewater accounts, and provide personnel to assist in any billing system error correction;
- H. Inform the County of any downtime on the District/County communication links which could interfere with the maintenance of data flow related to wastewater accounts, and inform the County of any changes or upgrades to the District/County communication links, including any change to communication procedures or protocols;

- I. Bill and disconnect delinquent wastewater accounts in same manner as the water accounts and transmit to Pima County for collecting those delinquent wastewater accounts that cannot be collected through the water billing system;
- J. Availability to semi-annual reports on pursuit activities and results thereof;
- K. Process all customer wastewater account vacant/vacation requests consistent with Pima County Code § 13.24.120(D);
- L. Monthly report of vacant/vacation requests processed by the District, including the account number, customer name, service address, initiation date of vacancy, and the termination date of vacancy;
- M. Read-only access to the District's computerized customer billing system for at least two County workstations;
- N. December, January, and February water use data for those wastewater users on the District water system;
- O. All necessary and agreed upon computer-oriented reports required to effectively manage the revenue and customer accounts of the wastewater utility;
- P. Access to customer account records on the automated billing system as well as account update and data retrieval (report) capabilities, to include assistance from the District in creating queries and reports necessary for maintenance or correction of wastewater accounts when agreed upon;
- Q. Assist the County with a customer service contact who can provide water meter data and usage history for individual parcels as requested, with an average response time of one business day or less and such requests will be given a high priority, goal of one business day average response time, for County evaluation of new or modified wastewater connection permit applications;
- R. Assist the County with developing County self-generating queries related to wastewater customer account information and to water meters (e.g., new, upsized, and downsized) of a format suitable for electronic sorting and electronic mapping (GIS) for wastewater connection and user evaluation when information is available. If requested reports/queries require software vendor support, provide a cost estimate to the County for such assistance and guidance on the ability to complete the request, and proceed with the custom work only upon authorization by the County;
- S. Maintain an accurate, computerized wastewater billing and accounts receivable;
- T. Allow the County to do supplemental inserts on County-related information with the bill being mailed to the customer and limited to one insert per billing cycle, unless the County is willing to pay any additional cost associated with additional inserts.

- U. Upon receipt of wastewater user fee payments, issue check for payment to Pima County within the first 10 business days of the month;
- V. Provide a system report to be used by Pima County to review active account status of each account and final delinquent account register of all accounts considered as the inactive final billing register;
- W. Provide an Administrator for this Agreement who shall serve as liaison with the County on all issues relating to this Agreement;
- X. Provide an opportunity to provide input to any proposed sewer billing system changes prior to implementation;
- Y. Cooperate with the County to develop procedures and reporting modifications to satisfy deficiencies identified in yearly audits;
- Z. Provide as much real-time report writing capability for the information contained in the District's billing database as can be reasonably produced without compromising the overall performance of the District's billing databases;
- AA. The District 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. The District shall also maintain the financial information and data used by the District in the preparation or support of the cost submission and a copy of the cost summary submitted to the County. The County shall have access to such reports, records, documents, and other evidence for inspection, audit, and copying. The District shall provide proper facilities for such information for inspection. 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);
- BB. The District agrees to the disclosure of all information and reports resulting from access to records, as described in Item AA, to the County designated auditor, provided that the District 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 the District;

II. The County shall provide the following services to the District:

- A. Adjust District wastewater user fee accounts as required;
- B. Answer wastewater user complaints from District customers;

- C. Provide an Administrator for this Agreement who will serve as liaison with the District on all issues relating to this Agreement;
- D. Accept responsibility to collect all delinquent wastewater accounts served by the District after they have been written off to bad debt expense by the District;
- E. Inspect and identify any computer errors and notify the District of any necessary changes.
- F. Provide the District with any rate amount changes at least 30 days prior to the requested application date. If a rate structure change is requested, the County will provide the District with at least 90 days advance notification of the application date.
- G. Assist customers with winter average change requests after the District applies the systematic changes.
- H. Provides and maintains (2) TeamViewer or similar software licenses for users to access the District billing software.

The County and District 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.