



DISTRICT BOARD MEETING AGENDA

Pursuant to A.R.S. § 38-431.02 notice is hereby given to the public that the District Board of the Quail Creek Community Facilities District will hold a regular meeting at the date and time specified below at the Sahuarita Town Hall Council Chambers, 375 West Sahuarita Center Way, Sahuarita, Arizona. Members of the Quail Creek Community District Board will attend either in person or by telephone conference call.

To better serve our community, the Council Chambers is wheelchair accessible. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the District Clerk's Office at 520-822-8801. Requests should be made no later than three working days prior to the meeting to arrange the accommodation.

October 10, 2016
REGULAR MEETING AGENDA
AT OR AFTER 6:30 P.M.

- 1. Call to Order**
- 2. Roll Call**
- 3. Call to the Public**

At this time, any member of the public is invited to address the District Board on any issue which is on tonight's Agenda or on any issue which the District Board can lawfully act upon at a future meeting. Written comments regarding any item on the agenda or on any issue which the District Board can lawfully act upon may be submitted prior to the beginning of the meeting for distribution to the District Board. Pursuant to the Arizona Open Meeting Laws, the District may not discuss the items, but individual members of the District may respond to criticism made by those who have addressed the District, may ask staff to review the matter, or may ask that the matter be placed on a future agenda.

- 4. Consent Agenda**
 - A. Approval of the June 13, 2016 Regular Meeting Minutes.**
 - B. Approval of Cooperative Purchasing Contract No. 170031 with EPS Group, Inc., for the Quail Creek Community Facilities District Engineer Services; not-to-exceed \$300,000 for the contract term commencing October 11, 2016 through October 10, 2017, with the option to renew on an annual basis.**
- 5. Adjournment**

Action may be taken by the District Board on any item listed on this agenda. The District Board may vote to go into executive session pursuant to A.R.S. § 38-431.03 (A) (3) for discussion or consultation for legal advice with the District Counsel concerning any matter listed on this agenda.



DISTRICT BOARD AGENDA COMMUNICATION

MEETING DATE: October 10, 2016

DATE PREPARED: September 26, 2016

AGENDA ITEM: 4A

TO: Honorable Chairman and District Board

FROM: Lisa Cole, District Clerk

SUBJECT: Approval of the June 13, 2016 Quail Creek Community Facilities District Minutes.

FINANCIAL / BUDGET SUMMARY

1. Fund(s) Impacted:
2. Available Budget/Project Capacity (\$):

STAFF RECOMMENDATION

Staff recommends approval of the attached minutes.

SUGGESTED MOTION

I move to approve the minutes as submitted (or amended).

DISCUSSION

Draft minutes submitted for District Board approval.

ATTACHMENTS

1. June 13, 2016 Quail Creek Community Facilities District Minutes



DISTRICT BOARD MEETING

MINUTES

**QUAIL CREEK COMMUNITY FACILITIES DISTRICT
MEETING MINUTES
JUNE 13, 2016**

The District Board of the Quail Creek Community Facilities District met in the Town Hall Council Chambers, 375 West Sahuarita Center Way, Sahuarita, Arizona on Monday, June 13, 2016.

1. Call to Order

Chairperson Blumberg called the meeting to order at approximately 6:42 p.m.

2. Roll Call

PRESENT: District Board Members Melissa Hicks, Tom Murphy, Lynne Skelton, Gil Lusk, Vice Chairperson Bill Bracco and Chairperson Duane Blumberg

ABSENT: District Board Member Kara Egbert

ALSO

PRESENT: District Manager L. Kelly Udall, District Attorney Daniel J. Hochuli, District Treasurer A.C. Marriotti and District Clerk Lisa Cole

3. Call to the Public

There were no speakers.

4. Consent Agenda

A. Approval of the May 23, 2016 Regular Meeting Minutes.

MOTION was made by Board Member Skelton, seconded by Board Member Murphy, to approve the consent agenda. **MOTION CARRIED UNANIMOUSLY** (District Board Member Kara Egbert absent).

- 5. Public hearing and adoption of Resolution No. 30, approving a final budget for Fiscal Year 2017 in the amount of \$1,165,750 pursuant to Section 48-716, Arizona Revised Statutes, as amended; ordering that an ad valorem tax be fixed, levied and assessed on the assessed value of all the real and personal property within the boundaries of the district in amounts specified in the filed statements and estimates; providing for certified copies of this Resolution and order to be delivered to the Pima County Board of Supervisors and the Arizona Department of Revenue; and providing that this Resolution shall be effective after its passage and approval according to law.**

A.C. Marriotti, District Treasurer, reviewed the tentative budget for final adoption by the District

Board.

Chairperson Blumberg opened the public hearing and seeing no motion, closed the public hearing.

MOTION was made by Board Member Skelton, seconded by Board Member Lusk, to adopt Resolution No. 30. **MOTION CARRIED UNANIMOUSLY** (District Board Member Kara Egbert absent).

6. Adjournment

Chairperson Blumberg adjourned the meeting at approximately 6:47 p.m.

Chairperson Duane Blumberg

ATTEST:

Lisa Cole, MMC
District Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Meeting of the District Board of the Quail Creek Community Facilities District held on the 13th day of June, 2016. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 10 day of October, 2016.

Lisa Cole, MMC
District Clerk
LC:lv



DISTRICT BOARD AGENDA COMMUNICATION

MEETING DATE: October 10, 2016

DATE PREPARED: September 26, 2016

AGENDA ITEM: 4B

TO: Honorable Chairman and District Board

FROM: Sheila M. Bowen, P.E., Town Engineer

SUBJECT: **Approval of Cooperative Purchasing Contract No. 170031 with EPS Group, Inc., for the Quail Creek Community Facilities District Engineer Services; not-to-exceed \$300,000 for the contract term commencing October 11, 2016 through October 10, 2017, with the option to renew on an annual basis.**

FINANCIAL / BUDGET SUMMARY

1. Fund(s) Impacted: Quail Creek CFD
2. Available Budget/Project Capacity (\$):

STAFF RECOMMENDATION

Staff recommends approval of Contract No. 170031 with EPC Group, Inc., for the provision of District Engineer Services for the Quail Creek Community Facilities District.

SUGGESTED MOTION

I move to approve Contract No. 170031.

DISCUSSION

In accordance with A.R.S. §48-913, a qualified engineer shall be appointed or employed as District Engineer and his compensation fixed by the Board of Directors. Claims of the District Engineer for compensation or expenses, approved by the Board of Directors shall be reimbursed out of the funds of the District.

In general terms, the role of the District Engineer is to ensure projects are bid, managed, inspected, built, and closed-out in a manner that facilitates reimbursement, and that the QCCFD is reimbursing the Developer only those costs associated with the infrastructure that are legitimate and eligible for reimbursement. In cases where the QCCFD elects to construct the infrastructure, the District Engineer would aide Town staff in the delivery of eligible projects.

The Cooperative Purchasing Agreement with the City of Litchfield Park allows utilization of their Agreement with EPS Group, Inc. Services for the contract term, October 11, 2016 through October 10, 2017, are not to exceed \$300,000. The contract allows for an option to renew on an annual basis and in accordance with Resolution 2004-0001, a change in the District Engineer requires thirty (30) days written notice to the Municipality, the District, and the LLLP or the LLLC. There is no guarantee that work will be awarded.

ATTACHMENTS

1. Contract No. 170031

COOPERATIVE PURCHASING CONTRACT

Quail Creek Community Facilities District



Department: Quail Creek CFD (Public Works)
Contractor: EPS Group, Inc.
Project Name: Quail Creek Community Facilities District Engineer Services
Project Number: NA
Contract Dates: Start: 10/11/2016 End: 10/10/2017
Contract Number: 170031
Amount: Not to Exceed \$300,000
Funding Source: Quail Creek CFD

DISTRICT BOARD MEMBERS

Duane Blumberg
Bill Bracco
Kara Egbert
Gil Lusk
Tom Murphy
Lynne Skelton
Melissa L. Smith

DISTRICT MANAGEMENT

L. Kelly Udall, District Manager
Sheila Bowen, P.E., District Liaison

COOPERATIVE PURCHASING CONTRACT

THIS CONTRACT is entered into between the Quail Creek Community Facilities District of Sahuarita, Arizona, an Arizona public improvement district (hereinafter "District"), and EPS Group, Inc., an Arizona Corporation (hereinafter "Contractor").

WITNESSETH

Whereas, District requires the services of a vendor and/or contractor qualified and duly licensed in the Town of Sahuarita and the State of Arizona and qualified to provide Quail Creek Community Facilities District Engineer Services; and

Whereas, Contractor is qualified and willing to provide such services.

A G R E E M E N T

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions hereinafter provided, it is agreed between the District and the Contractor as follows:

- 1 **INCORPORATION OF CONTRACT.** The parties hereby incorporate that certain contract between Contractor and City of Litchfield Park attached hereto as Exhibit "A" (the "Underlying Contract") as if fully set forth herein, and agree that (i) the District shall be substituted in place of the other governmental entity, (ii) the Underlying Contract shall bind the parties to the fullest extent possible, and (iii) any clarifications or modifications to the Underlying Contract shall be set forth herein.
- 2 **TERM.** This Contract shall commence on October 11, 2016, and shall terminate on October 10, 2017, unless sooner terminated or further extended.
- 3 **SCOPE OF WORK.**
 - 3.1 The work to be performed under this Contract is that work which is requested pursuant to the Scope of Work, list of materials, or other specifications attached hereto as Exhibit "B" and incorporated herein by this reference. Any clarifications, substitutions, corrections, additions, or other modifications to the Underlying Contract shall also be set forth on Exhibit "B."
- 4 **PAYMENT.**
 - 4.1 In consideration of the services specified in this Contract, the District agrees to pay the Contractor as set forth in the Underlying Contract, as clarified or modified as set forth in Exhibit "C" to this Agreement.
 - 4.2 Contractor shall not perform work in excess of the contract amount without prior authorization by an amendment executed by all parties to this Contract. Work performed in excess of the contract amount without prior authorization by amendment shall be at Contractor's own risk.
- 5 **CONFLICT OF INTEREST.** This Contract is subject to the provisions of A.R.S. § 38-511.
- 6 **NOTICES.** Any notice required or permitted to be given under this Contract shall be in writing and shall be served by delivery or by certified mail upon the other party as provided on Exhibit "D" to this Contract.
- 7 **Non-Discrimination.** Contractor agrees to comply with all provisions and requirements of Arizona Executive Order 2009-09 including flow down of all provisions and requirements to any subcontractors. Executive Order 2009-09 supersedes Executive Order 99-4 and amends Executive Order 75-5 and may be viewed and downloaded at the Governor of the State of Arizona's website <http://azmemory.azlibrary.gov/cdm/ref/collection/execorders/id/680> which is hereby incorporated into this Agreement as if set forth in full herein. During the performance of this Agreement, the Parties shall 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.

8 **COMPLIANCE WITH FEDERAL AND STATE LAWS.** In the event this contract refers to services, the following shall apply. The Contractor understands and acknowledges the applicability to it of the American with Disabilities Act, the Immigration Reform and Control Act of 1986 and the Drug Free Workplace Act of 1988. The following is only applicable to construction contracts: The Contractor must also comply with A.R.S. § 34-301, "Employment of Aliens on Public Works Prohibited", and A.R.S. § 34-302, as amended, "Residence Requirements for Employees".

8.1 Under the provisions of A.R.S. §41-4401, Contractor hereby warrants to the District that the Contractor and each of its subcontractors ("Subcontractors") will comply with, and are contractually obligated to comply with, all Federal Immigration laws and regulations that relate to their employees and A.R.S. §23-214(A) (hereinafter "Contractor Immigration Warranty").

A breach of the Contractor Immigration Warranty shall constitute a material breach of this Contract and shall subject the Contractor to penalties up to and including termination of this Contract at the sole discretion of the District.

The District retains the legal right to inspect the papers of any Contractor or Subcontractors employee who works on this Contract to ensure that the Contractor or Subcontractor is complying with the Contractor Immigration Warranty. Contractor agrees to assist the District in regard to any such inspections.

The District may, at its sole discretion, conduct random verification of the employment records of the Contractor and any of subcontractors to ensure compliance with Contractor's Immigration Warranty. Contractor agrees to assist the District in regard to any random verifications performed.

Neither the Contractor nor any Subcontractor shall be deemed to have materially breached the Contractor Immigration Warranty if the Contractor or Subcontractor establishes that it has complied with the employment verification provisions prescribed by sections 274A and 274B of the Federal Immigration and Nationality Act and the E-Verify requirements prescribed by A.R.S. §23-214, Subsection A.

The provisions of this Article must be included in any contract the Contractor enters into with any and all of its subcontractors who provide services under this Contract or any subcontract. "Services" are defined as furnishing labor, time or effort in the State of Arizona by a contractor or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property.

9. **NON-APPROPRIATION OF FUNDS.** Notwithstanding any other provision in this Contract, this Contract may be terminated if for any reason the District Board does not appropriate sufficient monies for the purpose of maintaining this Contract. In the event of such termination, District shall have no further obligation to Contractor, other than for services rendered prior to termination.

IN WITNESS THEREOF, the parties have affixed their signatures to this Contract on the dates written below.

<p>QUAIL CREEK COMMUNITY FACILITIES DISTRICT</p> <hr/> <p>Duane Blumberg District Chairman</p> <p>Date: _____</p> <hr/> <p>L. Kelly Udall, District Manager</p> <hr/> <p>Sheila Bowen, P.E. District Liaison</p> <p>APPROVED AS TO FORM:</p> <hr/> <p>Daniel J. Hochuli, District Attorney</p> <p>Federal Tax ID Number: 36-4784404</p>	<p>ATTEST:</p> <hr/> <p>Lisa Cole, MMC, District Clerk</p> <p>CONTRACTOR EPS GROUP, INC.</p> <hr/> <p>Name: Woodrow C. Scoutten Title: Department Manager</p> <p>Date: _____</p> <p>Federal Tax ID Number: 43-2017157 D-U-N-S Number: 14-546-1625</p>
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EXHIBIT A
UNDERLYING CONTRACT (WITH ALL AMENDMENTS TO DATE)

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT ("**Assignment**") is made effective October 1, 2014 ("**Effective Date**"), by and between W.C. Scoutten, Inc. ("**Assignor**") and EPS Group, Inc. ("**Assignee**").

In consideration of the mutual covenants contained herein and other good and sufficient consideration, the parties hereto agree as follows:

1. Pursuant to Section 8.1 of the Agreement for Engineering Services dated May 23, 2005, ("**Agreement**"), the Assignor shall not assign or transfer any interest in that Agreement without prior written consent of the City of Litchfield Park.
2. Assignee represents and warrants that it has the necessary licenses, credentials, experience and financial capacity to fully perform the position of City Engineer.
3. Assignor hereby assigns to Assignee and Assignee hereby assumes all of the rights, duties, obligations, liabilities, and responsibilities of Assignor under the Agreement.
4. Assignor shall indemnify, defend and hold harmless the City of Litchfield Park from and against any and all liabilities, obligations, costs, expenses, claims, actions and damages which have arisen under the Agreement prior to the date of this Assignment or may arise under the Agreement subsequent to the date of this Assignment. Such obligations shall extend to the acts and omissions of Assignor known and unknown, for all purposes that arose under the Agreement. Assignor shall provide to the City of Litchfield Park evidence of insurance policies comparable to insurance coverage required under the Agreement for all losses, damages and claims caused by or alleged to have been caused by the acts or omissions of W. C. Scoutten, Inc. or its officers, employees or agents that arose under or is alleged to have arisen under the Agreement. If the insurance policy required under the Agreement was written on a "claims made" basis, coverage shall extend, either by keeping coverage in force or purchasing an extended reporting option for two (2) years past the date of this Assignment and shall cite applicable coverage is in force and contains the provisions as required by the Agreement for the two (2) year period. Such evidence of insurance shall be provided within ten (10) days of the date of this Assignment.
5. This Assignment shall be construed under the laws of the State of Arizona without regard to conflicts of law provisions.
6. This Assignment may be modified only in writing, signed by Assignor and Assignee, or their respective heirs, successors or assigns and consented to by the City of Litchfield Park.

7. This Assignment shall be binding upon and inure to the benefit of Assignor and Assignee and their respective heirs, successors and assigns.

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment as of the date first written above.

ASSIGNOR:

W.C. Scoutten, Inc.

By: 
Name: Woodrow C. Scoutten
Title: President

ASSIGNEE:

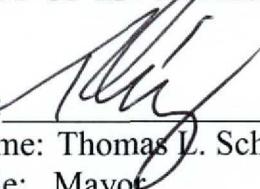
EPS Group, Inc.

By: 
Name: Elijah Williams
Title: President

CONSENT TO ASSIGNMENT

Pursuant to Section 8.1 of the May 23, 2005 Agreement for Engineering Services, it was the intent of the of the City of Litchfield Park and Assignor that any assignee of the Agreement that any assignee shall have the appropriate licenses, credentials, experience and financial capacity to fully perform the position of City Engineer. The Assignee hereby represents to the City of Litchfield Park that it (through its principals) has appropriate licenses, credentials, experience and financial capacity to fully perform the position of City Engineer. City of Litchfield Park, Arizona, hereby consents to the foregoing Assignment assigning the Agreement for City Engineering Services from W.C. Scoutten, Inc. to EPS Group, Inc. in accordance with the provisions of the Assignment.

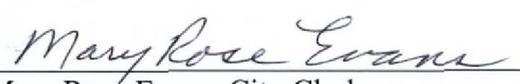
CITY OF LITCHFIELD PARK

By: 

Name: Thomas L. Schoaf

Title: Mayor

ATTEST:


Mary Rose Evans, City Clerk

APPROVED AS TO FORM:


Curtis, Goodwin, Sullivan, Udall & Schwab, PLC
City Attorney

By Susan D. Goodwin

ASSIGNEE:

EPS Group, Inc.

By: 

Name: Elijah Williams

Title: President

AMENDMENT TO AGREEMENT FOR
ENGINEERING SERVICES

THIS AMENDMENT ("Amendment") is entered into this 3rd day of September 2008, by and between the City of Litchfield Park, Arizona, ("City") and W.C. Scoutten, Inc. ("Engineer") to amend the Agreement for Engineering Services dated MAY 23, 2005 ("Agreement").

WHEREAS, City and Engineer desire to amend the Agreement as set forth herein.

NOW, THEREFORE, in consideration of the mutual promises made herein, the parties agree as follows:

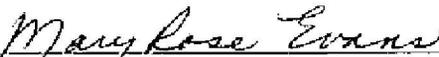
1. Effective September 3, 2008, Exhibit C of the Agreement is amended to read as set forth on Exhibit C attached to this Amendment.
2. All other provisions of the Agreement shall remain unchanged.

IN WITNESS WHEREOF, the City and the Engineer have executed this Agreement as of the date first written.

CITY OF LITCHFIELD PARK

By 
Thomas L. Schoof, Mayor

ATTEST:


Mary Rose Evans, MMC, City Clerk

APPROVED AS TO FORM:


Curtis, Goodwin, Sullivan, Ullall & Schwab, P.L.C.
City Attorneys
By _____

ENGINEER

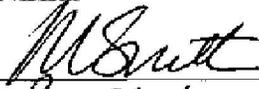
By 
Its President

EXHIBIT C

COMPENSATION SCHEDULE FOR SERVICES

FEE SCHEDULE

(Effective through June 30, 2009)

ENGINEER shall invoice the CITY on a monthly basis for the actual hours spent by ENGINEER and/o his employees on various assignments as directed by the CITY. The hourly rates thus charged will be in accordance with the following schedule to include ENGINEER'S overhead, payroll costs, fringe benefits, profit and ordinary expenses such as copying, telephone, drafting materials, and other routine costs. Sub-consultant hourly rates may vary from those listed below and will be reviewed with the CITY Manager prior to engagement when possible. ENGINEER will invoice separately to CITY with prior authorization such extraordinary expenses as large printing costs, aerial photography, soils investigations, or other special consultant services required to complete the work. The invoices shall adequately describe the work accomplished and the costs of each item of work. The schedule of hourly rates shall be updated, if necessary, on an annual basis at the beginning of each fiscal year.

SCHEDULE OF COMPENSATION

General CITY Engineering, Planning and Development Coordination Services:

Principal Engineer.....	\$110.00
Project Engineer.....	\$100.00
Project Planner.....	\$100.00
Plan Reviewer.....	\$100.00
Associate Engineer.....	\$95.00
Senior Planner.....	\$95.00
Special Districts Manager.....	\$95.00
Construction Manager.....	\$95.00
Senior Designer.....	\$90.00
Construction Inspector.....	\$90.00
Planner.....	\$90.00
CAD Drafter.....	\$80.00
Drafter.....	\$75.00
Technician.....	\$70.00
Clerical.....	\$60.00

Engineering Plan Review:

Plan Review (including pre- and final plats and improvement plans)	
For first review (per sheet).....	\$250.00
For second review..... (included in fee for first review)	
Subsequent reviews.....	Hourly
Report Review (Drainage, Water, Sewer, Traffic)	
For first review.....	\$800.00
For second review..... (included in fee for first review)	
Subsequent reviews.....	Hourly
Expedited Review	
For ten business day turnaround.....	2 times above rates

Building Safety Plan Review:

Plan Review	
For first review (per sheet).....	75% of plan check fee
For second review..... (included in fee for first review)	
Subsequent reviews.....	Hourly
Expedited Review	
For ten business day turnaround.....	2 times above rates

AGREEMENT FOR ENGINEERING SERVICES (CITY ENGINEER)

THIS Agreement is entered into as of this 23rd day of MAY, 2005, by and between the City of Litchfield Park, Arizona, a municipal corporation, hereinafter referred to as the "City" and W.C. Scoutten, Inc., an Arizona corporation, hereinafter referred to as the "Engineer."

In consideration of the mutual promises contained in this Agreement, the City and Engineer agree as follows:

1. SERVICES AND RESPONSIBILITIES

1.1 Retention of the Engineer. City appoints Engineer as its City Engineer and engages the Engineer to render professional engineering services on an "as needed" basis, in accordance with all the terms and conditions contained in this Agreement. Engineer is available to and is qualified to perform the services set forth on Exhibit A (the "Services"); provided, however, that Engineer shall not undertake such Services except in accordance with Paragraphs 1.3 and 1.3.1.

1.2 City Engineer/Project Manager. W. C. Scoutten is appointed Project Manager. Appointment of a different Project Manager shall first be approved by the City.

1.3 Scope of Services. The Engineer shall do, perform and carry out in a satisfactory and proper manner, as determined by the City, the Services as set forth in individual Authorizations for Services. A form of Authorization for Services is attached hereto as Exhibit B. City shall notify Engineer in writing of Services to be performed by execution of an Authorization for Services. Delivery of an Authorization for Services shall constitute Engineer's authorization to proceed with the Services described in such Authorization.

1.3.1 Services not anticipated to exceed six (6) hours of Engineer's time may be performed without a written Authorization for Services so long as the City Manager or City Liaison has given verbal directions to proceed. Any request anticipated to take more than six (6) hours of the Engineer's billable time, shall be accompanied by a signed Authorization for Services. If the billable hours for a project cannot be determined prior to its commencement, a signed Authorization for Services must be submitted to the City as soon as six (6) hours of the Engineer's time is logged. Services shall not proceed in excess of six (6) hours on such project until City has executed the Authorization for Services.

1.3.2 The City Manager may appoint one member of the Public Works Department to serve as a liaison with the Engineer concerning final inspections of public works projects. This individual will be supervised by the Director of Public Works. If an Authorization for Services is executed between the parties, the Engineer will train this City employee on matters related to project specifications review and, ultimately, field inspection in accordance with Paragraph 3 of this Agreement. It is the intent to have this employee serve as field inspector for the City and the Engineer.

1.4 Responsibility of the Engineer.

1.4.1 Engineer hereby agrees that any Contract Documents, specifications or other documents prepared by Engineer pursuant to this Agreement and any Authorizations for Services, will fulfill the purposes of the Services authorized and shall meet all applicable legal requirements. In addition, and not as a limitation on the foregoing, such Contract Documents, specifications or other contract documents prepared by Engineer shall be prepared in accordance with professional engineering standards. Any review or approval of such Contract Documents, specifications or other document given by City shall not diminish these requirements.

1.4.2 Engineer shall obtain consent for City for any subcontractor it may retain to perform Engineering services under this Agreement

1.4.3 Engineer shall obtain its own legal, insurance and financial advice regarding Engineer's legal, insurance and financial obligations under this Agreement.

1.5 Responsibility of the City. The City shall cooperate with the Engineer by placing at his disposal all available information concerning any Authorization for Services, including all assistance in obtaining necessary access to public and private lands. City agrees to obtain its own legal, insurance and financial advice City may require for the Services.

1.6 Time of Performance. Time of performance shall be set forth in each Authorization for Services.

1.7 Safety Warranty. Engineer warrants that it is aware of and understands the hazards which are presented to persons, property and the environment relating to, and arising out of the Services. In the event Engineer or Engineer's subcontractor is working or operating in an unsafe matter, Engineer will immediately take full and appropriate steps to assure the safety of those providing services on behalf of Engineer.

1.9 Insurance.

1.9.1 Engineer agrees to comply with all City ordinances and state and federal laws and regulations in effect at the time the Services are rendered. Without limiting any obligations or liabilities of Engineer, Engineer shall purchase and maintain, at its own expense, hereinafter stipulated minimum insurance with insurance companies duly licensed by the State of Arizona (admitted insurer) with an AM Best, Inc. rating of A-7 or above or an equivalent qualified unlicensed insurer by the State of Arizona (non-admitted insurer) with policies and forms satisfactory to the City. Failure to maintain insurance as specified may result in termination of this Agreement at City's option.

1.9.2 By requiring insurance herein, City does not represent that coverage and limits will be adequate to protect Engineer. City reserves the right to review any and all of the insurance policies and/or endorsements cited in this Agreement but has no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements set forth in

this Agreement or failure to identify any insurance deficiency shall not relieve Engineer from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Agreement.

1.9.3 All insurance coverage and self-insured retention or deductible portions, except Workers Compensation insurance and Professional Liability insurance, shall name, to the fullest extent permitted by law for claims arising out of the performance of this Agreement, City, its agents, representative, officers, directors, officials and employees as Additional Insured as specified under the respective coverage sections of this Agreement.

1.9.4 All insurance required herein shall be maintained in full force and effect until all Services required to be performed under the terms of this Agreement is satisfactorily performed, completed and formally accepted by the City, unless specified otherwise in this Agreement.

1.9.5 Engineer's insurance, except Workers' Compensation and Professional Liability, shall be primary insurance. All insurance, except Workers' Compensation and Professional Liability, shall provide protection of the City as an Additional Insured.

1.9.6 In the event any insurance policies required by this Agreement are written on a "claims made" basis, coverage shall extend, either by keeping coverage in force or purchasing an extended reporting option, for three (3) years past completion and acceptance of the Services evidenced by submission of annual Certificates of Insurance citing applicable coverage is in force and contains the provisions as required herein for the three year period.

1.9.7 All policies, except Workers' Compensation Insurance and Professional Liability insurance, shall contain a waiver of rights of recovery (subrogation) against City, its agents, representative, officials, directors, officers, and employees for any claims arising out of the Services of Engineer. Engineer shall arrange to have such subrogation waivers incorporated into each policy via formal written endorsement thereto.

1.9.8 The policies set forth in these requirements may provide coverage, which contain deductibles or self insured retention amounts. Such deductibles or self insured retention shall not be applicable with respect to the policy limits provided to City. Engineer shall be solely responsible for any such deductible or self insured retention amount. City, at its option, may require Engineer to secure payment of such deductible or self insured retention by a surety bond or irrevocable and unconditional Letter of Credit.

1.9.9 If any Services under this Agreement are subcontracted in any way, Engineer shall execute written agreement with Subcontractor containing the same Indemnification Clause and Insurance Requirements set forth herein protecting City and Engineer. Engineer shall be responsible for executing the agreement with Subcontractor and obtaining Certificates of Insurance verifying the insurance requirements.

1.9.10 Prior to commencing any Services under this Agreement, Engineer shall furnish City with Certificate(s) of Insurance, or formal endorsements as required by this Agreement, issued by Engineer's Insurer(s) as evidence that policies are placed with acceptable insurers as specified herein and provide the required coverage's, conditions, and limits of coverage specified in this Agreement and that such coverage and provisions are in full force and effect. Acceptance of and reliance by the City on a Certificate of Insurance shall not waive or alter in any way the insurance requirements or obligations of this Agreement. Such Certificate(s) shall identify the Agreement and be sent to the City Risk Manager. If any of the above cited policies expire during the life of this Agreement, it shall be Engineer's responsibility to forward renewal Certificates within ten (10) days after the renewal date containing all the aforementioned insurance provisions. Certificates shall specifically cite the following provisions:

City, its agents, representatives, officers, directors, officials and employees is an Additional Insured as follows:

- a. Commercial General Liability-Under ISO Form CG 20 10 11 85 or equivalent.
- b. Auto Liability-Under ISO Form CA 20 48 or equivalent.
- c. Excess Liability-Follow Form to underlying insurance.

All policies, except Workers' Compensation and Professional Liability, waive rights of recovery (subrogation) against City, its agents, representatives, officers, directors, officials and employees for any claims arising out of Services performed by Engineer under this Agreement.

Certificate shall cite a thirty (30) day advance notice cancellation provision. If ACORD Certificate of Insurance form is used, the phrases in the cancellation provision "endeavor to" and "but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives" shall be deleted. Certificate forms other than ACORD form shall have similar restrictive language deleted.

1.9.11 Required Coverage:

Commercial General Liability: Engineer shall maintain "occurrence" form Commercial Liability Insurance with an unimpaired limit of not less than \$1,000,000 for each occurrence, \$2,000,000 Products and Completed Operations Annual Aggregate, and a \$2,000,000 General Aggregate Limit. The policy shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury. Coverage under the policy will be at least as broad as Insurance Services Office, Inc. policy form CG 00 010 93 or equivalent thereof, including but not limited to, separation of insured clause. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, City, its agents, representative, officers, directors, officials and employees shall be cited as an Additional Insured Endorsement form CG 20 10 11 85 or equivalent, which shall read "Who is an Insured (Section II) is amended to include as an insured the person or organization shown in

the Schedule, but only with respect to liability arising out of “your work” for that insured by or for you”. If any Excess insurance is utilized to fulfill the requirements of this paragraph, such Excess insurance shall be “follow form” equal or broader in coverage scope than underlying insurance.

Professional Liability: Engineer shall maintain Professional Liability insurance covering errors and admissions arising out of the Services performed by Engineer, or anyone employed by Engineer, or anyone for whose acts, mistakes, errors and omissions Engineer is legally liable, with an unimpaired liability insurance limit of \$1,000,000 each claims and \$2,000,000 all claims. Professional Liability coverage specifically for Architects, Engineers and Surveyors shall contain contractual liability insurance covering the contractual obligations of this Agreement. In the event the Professional Liability insurance policy is written on a “claims made” basis, coverage shall extend for three (3) years past completion and acceptance of the Services, and Engineer shall be required to submit Certificates of Insurance evidencing proper coverage is in effect as required above.

Vehicle Liability: Engineer shall maintain Business Automobile Liability Insurance with a limit of \$1,000,000 each occurrence on Engineer’s owned, hired, and non-owned vehicles assigned to or used in the performance of the Engineer’s Services under this Agreement. Coverage will be at least as broad as Insurance Services Office, Inc. coverage code “1” any auto policy form CA 00 01 12 93 or equivalent thereof. To the fullest extent allowed by law, for claims arising out of performance of this Agreement, the City, its agents, representative, officers, directors, officials and employees shall be cited as an Additional Insured under the Insurance Service Offices, Inc. Business Auto Policy Designated Insured Endorsement form CA 20 48 or equivalent. If any Excess insurance is utilized to fulfill the requirements of this paragraph, such Excess insurance shall be “follow form” equal or broader in coverage scope than underlying insurance.

Workers’ Compensation Insurance: Engineer shall maintain Workers’ Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Engineer’s employees engaged in the performance Services under this Agreement and shall also maintain Employer Liability Insurance of not less than \$500,000 for each accident, \$500,000 disease for each employee and \$1,000,000 disease policy limit.

2. INDEMNIFICATION

2.1 To the fullest extent permitted by law, the Engineer, its successors, assigns and guarantors, shall pay, defend, indemnify and hold harmless the City, its agents, officers, officials and employees from and against all demands, claims, proceedings, suits, damages, losses and expenses (including but not limited to attorney fees, court costs, and the cost of appellate proceedings), and all claim adjustment and handling expenses, relating to, arising out of, or alleged to have resulted from acts, errors, mistakes, omissions, Services caused in whole or in part by the Engineer, its agents, employees or any tier of Engineer’s subcontractors related to the Services in the performance of this Agreement. Engineer’s duty to defend, hold harmless and

indemnify the City, its agents, officers, officials and employees shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property including loss of use of resulting there from, caused in whole or in part by Engineer's acts, errors, mistakes, omissions, Services in the performance of this Agreement including any employee of the Engineer, any tier of Engineer's subcontractor or any other person for whose acts, errors, mistakes, omissions, Services the Engineer may be legally liable including the City. Such indemnity does not extend to the City's negligence.

2.2 Insurance provisions set forth in this Agreement are separate and independent from the indemnity provisions of this paragraph and shall not be construed in any way to limit the scope and magnitude of the indemnity provisions. The indemnity provisions of this paragraph shall not be construed in any way to limit the scope and magnitude and applicability of the insurance provisions.

3. COMPENSATION

3.1 Compensation. Engineer shall be compensated for Services in accordance with the compensation schedule set forth in the attached Exhibit C, unless otherwise set forth in an Authorization for Services for a specific Project.

3.2 Method of Payment. Engineer shall be compensated on a monthly basis for Services in progress or satisfactorily completed during the prior month upon presentation of an invoice.

4. CHANGES TO THE SCOPE OF SERVICES

4.1 Change Orders. The City may, at any time, by written change order, make changes in the Scope of Work. A form of change order is attached hereto as Exhibit D. If Engineer believes a change in the Scope of Work has been ordered, Engineer shall submit a request for a change order in writing within ten (10) days from the date of receipt by Engineer of notice of the change. It is distinctly understood and agreed by the parties that no claim for extra services provided or materials furnished by Engineer will be allowed by City except as provided herein nor shall Engineer provide any services or furnish any materials not covered by this Agreement unless City first approves in writing

5. TERMINATION OF THIS AGREEMENT

5.1 Termination. The City may, by written notice to the Engineer, terminate this Agreement in whole or in part with seven (7) days notice, either for the City's convenience or because of the failure of the Engineer to fulfill his contract obligations. Upon receipt of such notice, the Engineer shall: (1) immediately discontinue all services affected (unless the notice directs otherwise), and (2) deliver to the City copies of all data, drawings, reports, estimates, summaries, and such other information and materials as may have been accumulated or obtained by the Engineer in performing this Agreement, whether completed or in process. Engineer may, by

written notice to the City, terminate this Agreement in whole or in part with thirty (30) days notice, either for Engineer's convenience or because of the failure of the City to fulfill its contract obligations.

5.2 Payment to Engineer Upon Termination. If the Agreement is terminated, the City shall pay the Engineer for the services rendered prior thereto in accordance with percent completion at the time Services are suspended minus previous payments.

6. ASSURANCES

6.1 Solicitations for Subcontractors, Including Procurements of Materials and Equipment. In all solicitations either by competitive bidding or negotiation made by the Engineer for Services to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the Engineer of the Engineer's obligations under this Agreement and any Regulations relative to nondiscrimination on the grounds of race, color or national origin.

6.2 Examination of Records. The Engineer agrees that duly authorized representatives of the City shall, until the expiration of three (3) years after final payment under this Agreement, have access to and the right to examine any directly pertinent books, documents, papers, and records of the Engineer involving transactions related to this Agreement.

6.3 Ownership of Documents and Other Data. Original documents, such as tracings, plans, specifications, maps, basic survey notices and sketches, charts, computations, and other data prepared or obtained under the terms of this Agreement or any change order are and will remain the property of the City after payment in full unless otherwise agreed to by both parties. City may use such documents for other purposes without further compensation to the Engineer; however, any reuse without written verification or adaptation by Engineer for the specific purpose intended will be at City's sole risk and without liability or legal exposure to Engineer. Any verification or adaptation of the documents by Engineer for other purposes than contemplated herein will entitle Engineer to further compensation as agreed upon between the parties.

6.4 Litigation. Should litigation be necessary to enforce any term or provision of this Agreement, or to collect any damages claimed or portion of the amount payable under this Agreement, then all litigation and collection expenses, witness fees, court costs, and reasonable attorneys' fees incurred shall be paid to the prevailing party.

6.5 Independent Contractor. Engineer shall be an independent contractor and not an agent of the City and shall direct and supervise services performed by Engineers and subcontractors under this Agreement and shall be responsible for all means, methods, techniques, sequences and proceedings associated with the Services and shall be responsible for the acts and omissions of its employees, agents, subcontractors, and other persons performing any of the Services under an Agreement with the Engineer.

6.6 Exclusive Use of Services - Confidentiality. The services agreed to be provided by Engineer within this Agreement are for the exclusive use of the City and Engineer shall not engage in conflict of interest nor appropriate City work product or information for the benefit of any third parties without City consent.

6.7 Sole Agreement. There are no understandings or agreements except as herein expressly stated.

6.8 Caption. Paragraph captions are for convenience only and are not to be construed as a part of this Agreement; and in no way do they define or limit the Agreement.

6.9 Time is of the Essence. The timely completion of the Project is of critical importance to the economic circumstances of the City.

6.10 Notices. Any notice to be given under this Agreement shall be in writing, shall be deemed to have been given when personally served or when mailed by certified or registered mail, addressed as follows:

CITY:

ENGINEER:

City Manager
City of Litchfield Park
214 West Wigwam Boulevard
Litchfield Park, Arizona 85340

The address may be changed from time to time by either party by serving notices as provided above.

6.11 Controlling Law. This Agreement is to be governed by the laws of the State of Arizona.

7. INTERESTS AND BENEFITS

7.1 Conflict of Interest of Engineer. The Engineer covenants that he presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. The Engineer further covenants that in the performance of this Agreement, no person having any such interest shall be employed.

7.2 Interest of City Members and Others. No officer, member or employee of the City and no member of its governing body, who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of the services to be performed under this Agreement, shall participate in any decision relating to this Agreement which affects his personal interest or

have any personal or pecuniary interest, direct or indirect, in this Agreement or the process thereof.

7.3 Non-Solicitation. Engineer agrees that it has not employed or retained any company or person, other than a bona fide employee working for Engineer, to solicit or secure this Agreement, and that he has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement. For breach or violation of this clause, the Town may terminate this Agreement without liability, or, in its discretion, deduct from the Contract Sum, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift or contingency fee.

7.4 Notice Regarding A.R.S. § 38-511. Under Section 38-511, Arizona Revised Statutes, as amended, the City may cancel any Agreement it is a party to within three (3) years after its execution and without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the Agreement on behalf of the City is, at any time while the Agreement or any extension thereof is in effect, an employee or agent of any other party to the Agreement in any capacity or a consultant to any other party to the Agreement with respect to the subject matter of the Agreement. In the event the City elects to exercise its rights under Section 38-511, Arizona Revised Statutes, as amended, the City agrees to immediately give notice thereof to the Engineer.

8. ASSIGNABILITY

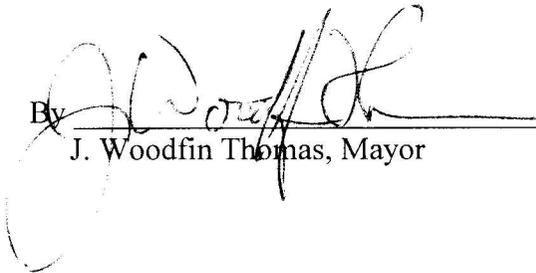
8.1 Assignment or Transfer of Interest. The Engineer shall not assign any interest in this Agreement, and shall not transfer any interest in the same without the prior written consent of the City thereto; provided, however, that claims for money due or to become due to the Engineer from the City under this Agreement may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the City.

9. Cooperative Purchasing

This Agreement may be extended for use by other municipalities, government agencies and governing bodies, including the Arizona Board of Regents and political subdivisions of the State. Any such usage by other entities must be in accord with the ordinances, charter, and/or rules and regulations of the respective entity and the approval of the Contractor.

IN WITNESS WHEREOF, the City and the Engineer have executed this Agreement as of the date first written.

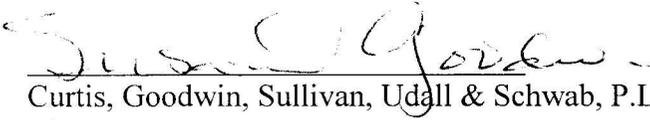
CITY OF LITCHFIELD PARK

By 
J. Woodfin Thomas, Mayor

ATTEST:


Mary Rose Evans, City Clerk

APPROVED AS TO FORM:


Curtis, Goodwin, Sullivan, Udall & Schwab, P.L.C.
City Attorneys
By _____

ENGINEER

By 
Its President

EXHIBIT A

AVAILABLE SERVICES

Engineer shall provide the following services when requested in accordance with Paragraph 1.3 or 1.3.1 of the Agreement for Engineering Services (City Engineer)

I. CITY ENGINEERING AND PLANNING SERVICES

A. Administrative Duties

1. Analyze the City's needs and prepare and administer long and short range programs consistent with the economic capabilities of the City.
2. Attend staff level meetings with the City staff, public officials, community leaders, developers, contractors and the general public.
3. Attend City Council, Planning Commission, Committee and other meetings as required and as authorized.
4. Review and comment on planning programs and land development controls.
5. Recommend regulations and guidelines pertaining to engineering and planning matters.
6. Provide technical assistance for City personnel assigned to public works, planning and zoning, and building safety activities.
7. Advise the CITY as to engineering, planning and construction financing available from other governmental agencies and when so directed, prepare and initiate application for such funding.
8. Establish working relationships and coordination with all other public agencies, Federal, State, and County Departments, and private utilities involving engineering and planning matters affecting the CITY.

B. Development Review

1. Review plats and other submittals for land divisions for proposed developments and make recommendations as to engineering, planning and zoning matters.
2. Perform the statutory functions of City Engineer pertaining to the review and checking of land development activities.

3. Check improvement plans for facilities under the jurisdiction of the CITY.
4. Establish performance and labor and material bond amounts when required and require the posting of such securities and other development fees within the proper time sequence of such development review.
5. Provide field inspection during the construction of such improvements by private developers and, at the proper time, recommend notices of completion and acceptance of the work.
6. Provide such necessary and related functions as are the normal practice of the CITY in the City Engineering and Planning review of private developments.

C. Public Works Permits and Inspection

1. Provide construction observation of permit work within City streets, easements and rights-of-way.
2. Check plans and specifications and provide construction administration and observation for City projects designed by others.

D. Capital Projects

1. When so authorized, prepare plans and specifications for City projects.
2. Provide design survey, construction survey, construction administration and observation for City projects.
3. Provide special engineering reports regarding various matters of a technical nature that may from time to time come before the City.

II. BUILDING SAFETY SERVICES

A. General

1. ENGINEER shall provide plan checking services as authorized by the Building Official for commercial, industrial and residential projects. ENGINEER shall also provide building inspection services for commercial, industrial and residential projects as directed by the Building Official on a case-by-case basis.
2. ENGINEER shall, when authorized by the Building Official, perform such additional Building Safety Services as requested.

B. Plan Checking

ENGINEER shall review plans prepared by or on behalf of the applicant for compliance with the ordinances of CITY. ENGINEER will review for completeness and correctness building design as defined by drawings, specification, design calculations and reports and furnish written comment letters of all corrections required. ENGINEER will perform recheck of the corrected plans and documents as indicated by the correction letter. ENGINEER shall maintain close liaison with other City departments in order that the requirements of those departments are incorporated within such building plans. ENGINEER shall arrange reviews by other appropriate agencies having jurisdiction in such matters relative to the enforcement of the Fire Codes, Sanitation Codes and Health Codes.

C. Building Inspection

ENGINEER shall provide building inspection services as requested by the Building Official during the course of construction to enforce compliance with the conditions of approval, provisions of the City's ordinances and the Code requirements set forth on the plans for which the permit was issued.

EXHIBIT B

AUTHORIZATION FOR SERVICES NO. _____

RE: Master Agreement for Engineering Services between the City of Litchfield Park,
Arizona and _____.

DATE: _____

SCOPE OF WORK:

PROJECT MANAGER:

START DATE:

COMPLETION DATE:

ESTIMATED FEE:

METHOD OF PAYMENT:

The provisions of the Master Agreement for Engineering Services are hereby
incorporated into and made a part of this Authorization for Services.

ENGINEER

TOWN

EXHIBIT C

COMPENSATION SCHEDULE FOR SERVICES

FEE SCHEDULE

(Effective through June 30, 2006)

ENGINEER shall invoice the CITY on a monthly basis for the actual hours spent by ENGINEER and/or his employees on various assignments as directed by the CITY. The hourly rates thus charged will be in accordance with the following schedule to include ENGINEER'S overhead, payroll costs, fringe benefits, profit and ordinary expenses such as copying, telephone, drafting materials, and other routine costs. Sub-consultant hourly rates may vary from those listed below and will be reviewed with the CITY Manager prior to engagement when possible. ENGINEER will invoice separately to CITY with prior authorization such extraordinary expenses as large printing costs, aerial photography, soils investigations, or other special consultant services required to complete the work. The invoices shall adequately describe the work accomplished and the cost of each item of work. The schedule of hourly rates shall be updated, if necessary, on an annual basis at the beginning of each fiscal year.

SCHEDULE OF COMPENSATION

General CITY Engineering, Planning and Development Coordination

Services:

Principal Engineer.....	\$100.00
Project Engineer.....	\$95.00
Project Planner.....	\$95.00
Plan Reviewer.....	\$90.00
Associate Engineer.....	\$90.00
Senior Planner.....	\$85.00
Senior Designer.....	\$85.00
Construction Inspector.....	\$85.00
Planner.....	\$80.00
CAD Drafter.....	\$75.00
Drafter.....	\$70.00
Technician.....	\$60.00
Clerical.....	\$50.00

Engineering Plan Review:

Plan Review (including pre- and final plats and improvement plans)	
For first review (per sheet).....	\$200.00
For second review..... (included in fee for 1 st review)	
Subsequent reviews.....	Hourly
Report Review (Drainage, Water, Sewer, Traffic)	

For first review.....\$600.00
For second review(included in fee for 1st review)
Subsequent reviews..... Hourly
Expedited Review
For ten business day turnaround2 times above rates

Building Safety Plan Review:

Plan Review
For first review.....75% of plan check fee per UBC
For second review(included in fee for 1st review)
Subsequent reviews..... Hourly
Expedited Review
For five business day turnaround2 times above rates

**EXHIBIT D
CHANGE ORDER**

CHANGE ORDER NO. _____
AGREEMENT FOR ENGINEERING SERVICES

Distribution: City []
 Engineer []

CHANGES IN SCOPE:

CHANGES IN COMPENSATION:

CHANGES IN TIME:

Not valid until signed by both City and Engineer.
Signature of Engineer indicates acceptance.

ACCEPTANCE STATUS:

Engineer
By _____

Date _____

City of Litchfield Park
By _____

Date _____

EXHIBIT B
SCOPE OF WORK, LIST OF MATERIALS, SPECIFICATIONS
AND OTHER MODIFICATIONS TO UNDERLYING CONTRACT

SEE EXHIBIT A

EXHIBIT C
PAYMENT & COMPENSATION TERMS

SEE EXHIBIT A

EXHIBIT D
LEGAL NOTICES

DISTRICT:

L. Kelly Udall, District Manager
Quail Creek Community Facilities District
375 W. Sahuarita Center Way
Sahuarita, Arizona 85629

with a copy to:

Daniel J. Hochuli, District Attorney
Quail Creek Community Facilities District
375 W. Sahuarita Center Way
Sahuarita, Arizona 85629

Sheila Bowen, P.E., District Liaison
District of Sahuarita
375 W. Sahuarita Center Way
Sahuarita, Arizona 85629

CONTRACTOR:

W. C. Scoutten, Department Manager
EPS Group, Inc.
125 S. Avondale Blvd., Suite 115
Avondale, Arizona 85323

With a copy to:

Elijah Williams, President
EPS Group, Inc.
2045 S. Vineyard Avenue, Suite 101
Mesa, Arizona 85210