



Cochise County Board of Supervisors

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PATRICK G. CALL
Chairman
District 1

ANN ENGLISH
Vice-Chairman
District 2

RICHARD R. SEARLE
Supervisor
District 3

MICHAEL J. ORTEGA
County Administrator

JAMES E. VLAHOVICH
Deputy County Administrator

ARLETHE G. RIOS
Clerk of the Board

AGENDA FOR REGULAR BOARD MEETING

Tuesday, October 28, 2014 at 10:00 AM

BOARD OF SUPERVISORS HEARING ROOM
1415 MELODY LANE, BUILDING G, BISBEE, AZ 85603

ANY ITEM ON THIS AGENDA IS OPEN FOR DISCUSSION AND POSSIBLE ACTION

PLEDGE OF ALLEGIANCE

THE ORDER OR DELETION OF ANY ITEM ON THIS AGENDA IS SUBJECT TO MODIFICATION AT THE MEETING

ROLL CALL

Members of the Cochise County Board of Supervisors will attend either in person or by telephone, video or internet conferencing.

Note that some attachments may be updated after the agenda is published. This means that some presentation materials displayed at the Board meeting may differ slightly from the attached version.

CONSENT

Board of Supervisors

1. Approve the re-appointment of Ms. Patricia Pinson to the Pollution Control Corporation of the County of Cochise, for a six year term expiring on February 3, 2020, as requested in correspondence from the Pollution Control Corporation dated October 8, 2014.
2. Approve the re-appointment of Ms. Mary Dobers to the Pollution Control Corporation of the County of Cochise, for a six year term expiring on February 2, 2020, as requested in correspondence from the Pollution Control Corporation dated October 8, 2014.
3. Approve the Minutes of the regular meeting of the Board of Supervisors of October 14, 2014.

Community Development

4. Approve the award of Invitation for Bids (IFB) 15-07-HFP-04 for Aggregate Crushing at County Located Pits for the Community Development Highway and Floodplain Division to various Contractors in the not to exceed amount of \$200,000 for the period November 1, 2014 through October 31, 2015.

Court Administration

5. Certify that that total court revenues collected in Fiscal Year 2013/2014 exceeded total court revenues collected in Fiscal year 1997-1998 and authorize distribution of the 5% set-aside revenues, pursuant to ARS 41-2421.

Emergency Services

6. Adopt the State of Arizona Mutual Aid Compact Agreement with the Arizona Department of Emergency and Military Affairs to share resources as are available and needed including, but not limited to, fire, police, medical and health, environmental, communication, and transportation services in a state of emergency effective October 28, 2014 through October 28, 2024.
7. Approve a Memorandum of Understanding (MOU) between Cochise County and various facilities in Cochise County to serve as designated emergency locations for emergency functions in case an emergency is declared.

Finance

8. Approve demands and budget amendments for operating transfers.

Health & Social Services

9. Approve Amendment 2 to Intergovernmental Agreement (IGA) ADHS14-063015, Public Health Accreditation Preparation Activities, between the Arizona Department of Health Services and Cochise Health & Social Services, in the amount of \$52,240, for the period of October 1, 2014 through September 30, 2015.
10. Approve renewal Intergovernmental Agreement (IGA) ADHS14-053682, Maternal, Infant & Early Childhood Home Visiting (MIECHV), between the Arizona Department of Health Services (ADHS) and Cochise Health & Social Services (CHSS) in the amount of \$90,000 for the period October 1, 2014 through September 30, 2015.
11. Approve an Ancillary Services Provider Agreement between Bridgeway Health Solutions and the Cochise Health and Social Services (CHSS) Department for the period of October 28, 2014 through October 28, 2017. 10/28/14 for three years.
12. Approve, Amendment 1 to Intergovernmental Agreement (IGA) ADHS14-053052, Women, Infant, Child (WIC) Services, Breastfeeding Peer Counselor Program (BFPC), and the Farmer's Market Nutrition Program (FMNP), between the Arizona Department of Health Services (ADHS) and the Cochise Health & Social Services, (CHSS); in the amounts of \$569,430, \$48,500, and "as needed", respectively, for the period of 10/1/14 – 9/30/15.

Workforce Development

13. Approve the appointment of Clarence "Joe" Larson to the Local Workforce Investment Board to fill an unexpired term, effective immediately and through June 30, 2018.

PUBLIC HEARINGS

Community Development

14. Adopt Resolution 14-77 to approve Docket R-14-07, revisions to the *Amendment to the Cochise County Building Safety Code for Rural Residential Owner-Built Dwellings*.

ACTION

Board of Supervisors

15. Accept the boundary change impact statement for the Whetstone and PBW Fire Districts to consolidate.

County Treasurer

16. Approve the Intergovernmental Agreement (IGA) with Pinal County for the use of the Treasurer's Remittance and Online Collection System (TROCS).

CALL TO THE PUBLIC

This is the time for the public to comment. Members of the Board may not discuss items that are not specifically identified on the agenda.

REPORT BY MICHAEL J. ORTEGA, COUNTY ADMINISTRATOR -- RECENT AND PENDING COUNTY MATTERS

SUMMARY OF CURRENT EVENTS

Report by District 1 Supervisor, Patrick Call

Report by District 2 Supervisor, Ann English

Report by District 3 Supervisor, Richard Searle

Pursuant to the Americans with Disabilities Act (ADA), Cochise County does not, by reason of a disability, exclude from participation in or deny benefits or services, programs or activities or discriminate against any qualified person with a disability. Inquiries regarding compliance with ADA provisions, accessibility or accommodations can be directed to Chris Mullinax, Safety/Loss Control Analyst at (520) 432-9720, FAX (520) 432-9716, TDD (520) 432-8360, 1415 Melody Lane, Building F, Bisbee, Arizona 85603.

Board of Supervisors

Regular Board of Supervisors Meeting

Meeting Date: 10/28/2014

Pollution Control Corporation Re-appointments

Submitted By: Arlethe Rios, Board of Supervisors

Department: Board of Supervisors

Presentation: No A/V Presentation

Document Signatures:

Recommendation:

of ORIGINALS

Submitted for Signature:

NAME n/a

TITLE n/a

of PRESENTER:

of PRESENTER:

Mandated Function?:

Source of Mandate or Basis for Support?:

Information

Agenda Item Text:

Approve the re-appointment of Ms. Patricia Pinson to the Pollution Control Corporation of the County of Cochise, for a six year term expiring on February 3, 2020, as requested in correspondence from the Pollution Control Corporation dated October 8, 2014.

Background:

The Board of Directors of the Pollution Control Corporation of the County of Cochise have re-appointed Ms. Pinson and would like the Board's approval as per procedure for this Corporation.

Department's Next Steps (if approved):

Notify the Corporation of the Board's decision.

Impact of NOT Approving/Alternatives:

The Corporation will not have a quorum and there will be a vacancy.

To BOS Staff: Document Disposition/Follow-Up:

Send letter to Ms. Pinson notifying her of the Board's decision.

Budget Information

Information about available funds

Budgeted:

Funds Available:

Amount Available:

Unbudgeted:

Funds NOT Available:

Amendment:

Account Code(s) for Available Funds

1:

Fund Transfers

Attachments

Application for Approval of Patricia Pinson

Certificate of Recorder re Patricia Pinson

Letter from Pollution Control Corporation

Minutes of Annual Meeting of the Board of Directors Pollution Control Corporation

APPLICATION FOR APPROVAL OF

PATRICIA PINSON

TO SERVE AS A DIRECTOR OF THE POLLUTION
CONTROL CORPORATION OF THE COUNTY OF COCHISE

TO THE HONORABLE BOARD OF SUPERVISORS, COUNTY OF COCHISE, ARIZONA

The Pollution Control Corporation respectfully requests the Board of Supervisors to approve the election of PATRICIA PINSON, PEARCE, Arizona to serve as a director of this Corporation for a term beginning on Feb 3, 2014 and expiring on Feb 3, 2020, or until a properly-authorized successor is duly qualified to assume the position.

1. The Pollution Control Corporation of the County of Cochise is a corporate, politic body duly organized under the laws of the State of Arizona pursuant to the provisions of Arizona Revised Statutes §9-1221, et seq.

2. Such approval is sought pursuant to the provisions of A.R.S. §9-1225.

3. PATRICIA PINSON is a duly qualified elector of Cochise County, Arizona, and is not an officer or employee of Cochise County, Arizona, other than serving in his/her capacity as an officer and director of this Corporation.

RESPECTFULLY SUBMITTED THIS 6th day of October, 2014.

Pollution Control Corporation
of the County of Cochise

By: [Signature]

**POLLUTION CONTROL CORPORATION
OF THE
COUNTY OF COCHISE**

Edward Borgnaes
President
1114 Christmas Tree Lane
Pearce, Arizona 85625

Mary Dobers
Vice President
308 Flynn Jans Court
Pearce, Arizona 85625

Patricia R. Pinson
Secretary-Treasurer
1000 Irene Street
Pearce, Arizona 85625

October 8, 2014

Cochise County Board of Supervisors
1415 Melody Lane, Bldg. B
Bisbee, Arizona 85603

Attention: Clerk

I have enclosed a copy of the minutes of the meeting of the board of directors of the POLLUTION CONTROL CORPORATION of the COUNTY OF COCHISE, at which Patricia Pinson and Mary Dobers were reelected to the board for your approval. I have also attached copies of the certification of the recorder showing they are both registered voters of Cochise County.

Would you please present this to the board for their approval.

Thanking you for your attention to this matter, I am,

Sincerely yours,
POLLUTION CONTROL CORPORATION
Patricia Pinson
Patricia Pinson
Secretary-Treasurer

Enclosures 5

RECEIVED
COCHISE COUNTY
BOARD OF SUPERVISORS
2014 OCT 10 P 1:30

I hereby certify the attached notation is a copy of the minutes of the annual meeting of the Board of Directors of the POLLUTION CONTROL CORPORATION of the county of Cochise, for conducting the election of a member to the Board.

Patricia Pinson
Secretary-Treasurer
POLLUTION CONTROL CORPORATION

SUBSCRIBED to before me this 8th day of October, 2014.

My commission expires

9-2-15



Bonnie H. St. Clair *Bonnie St. Clair*
NOTARY PUBLIC - ARIZONA
COCHISE COUNTY
My Commission Expires
September 02, 2015

MINUTES OF THE ANNUAL MEETING
OF THE BOARD OF DIRECTORS
POLLUTION CONTROL CORPORATION OF THE COUNTY OF COCHISE

A political subdivision of the State of Arizona

October 6, 2014

The Board of Directors of the Pollution Control Corporation of the County of Cochise met on October 6, 2014, in the board room of the Arizona Electric Power Cooperative Inc., Apache Station, Cochise, Arizona.

The meeting was called to order at 10:00a.m. by president Borgnaes. It was noted that in accordance with the open meeting law, should members of the Public be present, they should address the chair. Present were Gary Pierson, Manager of Financial Services, Lynn Moreen, Senior Financial Analysis Manager, and Charles Alves, Attorney. All are employees of Arizona Electric Cooperative and remained throughout the meeting.

The president noted that the meeting had been called pursuant to (A) written notices sent to each director, the Board of Supervisors of Cochise County and (B) public notices posted in Bisbee, Benson, Willcox and Pearce and notices published in the Arizona Range News on September 24, 2014 and October 1, 2014.

The president called the roll and all board members were present and then asked for approval of the agenda. It was moved and seconded that the agenda be Approved. Motion carried.

The president then asked for the reading of the minutes of the previous meeting which were then read by the secretary. It was moved by Mary Dobers and seconded by Edward Borgnaes that they be approved as read. Motion carried.

The next order of business was the election of two board members whose terms were expiring. Mary Dober and Patricia Pinson, both verified to be qualified voters for the county. It was moved and seconded that their reelection be ratified. Motion carried.

The next item of business was the election of officers. The following officers were elected:

President: Edward Borgnaes
Vice President: Mary Dobers
Sec.-Treas: Patricia Pinson

The annual financial report was presented, as well as a letter from the Internal Audit Manager, Kathleen Ortega. It was moved and seconded the report be approved. Motion carried.

The report to the Arizona Corporation Commission was presented which had been completed and filed, along with their invoice. That invoice plus the yearly statutory agent fee had been paid by Check #207.

A report of the correspondence that had transpired during the year was presented. It was moved and seconded that the annual meeting expenses be paid. Motion carried.

Gary Pierson, Manager of Financial Services for AEPCO, discussed AEPCO's ongoing pollution control efforts. He noted that AEPCO will be injecting activated charcoal into the flue stream as well as the use of chemical sprays on the coal as it comes off the stockpile to meet the increased requirements for control of mercury emissions. AEPCO will begin using the activated charcoal in the mid 2015 time frame. Mr. Pierson also noted that the EPA has proposed to accept AEPCO'S Better than Best Available Retrofit Technology Proposal for compliance with the EPA's Regional Haze Rules. The EPA has published the proposal in the Federal Register in September and AEPCO expects the proposal to be approved in November. Mr. Pierson also discussed that the EPA has issued a new Greenhouse Gas Rule which calls for a nation-wide 30% reduction in carbon dioxide emissions by the year 2030. In the case of Arizona, the EPA proposes a 52% reduction in carbon dioxide emissions which could mean the closure of every coal-fired generation plant in Arizona to meet the EPA's goals. AEPCO has met with the EPA and will be submitting written comments to the proposed rule. Meanwhile, AEPCO is developing strategies in connection with the proposed rule.

Mr. Pierson also explained that AEPCO is moving toward the adoption of an indenture to replace its current mortgage. As part of that process Southwest Transmission Cooperative will merge into AEPCO and the Sierra Southwest Cooperative Services employees will be transferred over to AEPCO. As a result of the merger activities, AEPCO will need to issue a Remarketing Circular for its Series 1994A Solid Waste Disposal Bonds which will describe the indenture and merger activities. AEPCO will propose that a special meeting of the Pollution Control Corporation of the County of Cochise be held during the week of November 17th to November 21st. AEPCO will further coordinate with the Pollution Control Corporation of the County of Cochise bearing in mind the two week notice provisions for the special meeting.

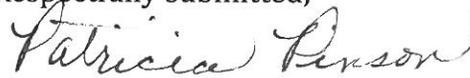
Pollution Control Corporation
Annual Meeting
Page 3

Mr Pierson further discussed the levels of the coal stockpile at the Apache Station.

There being no further business to come before the board, the meeting was Adjourned at 10:35 a.m.

Gabriela Cartmell was invited to come in and notarize the necessary documents.

Respectfully submitted,

A handwritten signature in cursive script that reads "Patricia Pinson".

Patricia Pinson
Secretary-Treasurer

Board of Supervisors

Regular Board of Supervisors Meeting

Meeting Date: 10/28/2014

Pollution Control Corporation Reappointment

Submitted By: Arlethe Rios, Board of Supervisors

Department: Board of Supervisors

Presentation: No A/V Presentation

Document Signatures:

Recommendation:

of ORIGINALS

Submitted for Signature:

NAME n/a

TITLE n/a

of PRESENTER:

of PRESENTER:

Mandated Function?:

Source of Mandate or Basis for Support?:

Information

Agenda Item Text:

Approve the re-appointment of Ms. Mary Dobers to the Pollution Control Corporation of the County of Cochise, for a six year term expiring on February 2, 2020, as requested in correspondence from the Pollution Control Corporation dated October 8, 2014.

Background:

The Board of Directors of the Pollution Control Corporation of the County of Cochise have re-appointed Ms. Dobers and would like the Board's approval as per procedure for this Corporation.

Department's Next Steps (if approved):

Notify Corporation of Board's decision.

Impact of NOT Approving/Alternatives:

The Corporation will not have a quorum and there will be a vacancy.

To BOS Staff: Document Disposition/Follow-Up:

Send letter to Ms. Pinson notifying her of the Board's decision.

Budget Information

Information about available funds

Budgeted:

Funds Available:

Amount Available:

Unbudgeted:

Funds NOT Available:

Amendment:

Account Code(s) for Available Funds

1:

Fund Transfers

Attachments

Application for Approval of Mary Dobers

Certificate of Recorder re Mary Dobers

Letter from Pollution Control Corporation

Minutes of Annual Meeting of the Board of Directors Pollution Control Corporation

APPLICATION FOR APPROVAL OF

MARY DOBERS

TO SERVE AS A DIRECTOR OF THE POLLUTION CONTROL CORPORATION OF THE COUNTY OF COCHISE

TO THE HONORABLE BOARD OF SUPERVISORS, COUNTY OF COCHISE, ARIZONA

The Pollution Control Corporation respectfully requests the Board of Supervisors to approve the election of MARY DOBERS, PEARCE, Arizona to serve as a director of this Corporation for a term beginning on Feb 3, 2014 and expiring on Feb. 3, 2020, or until a properly-authorized successor is duly qualified to assume the position.

1. The Pollution Control Corporation of the County of Cochise is a corporate, politic body duly organized under the laws of the State of Arizona pursuant to the provisions of Arizona Revised Statutes §9-1221, et seq.

2. Such approval is sought pursuant to the provisions of A.R.S. §9-1225.

3. MARY DOBERS is a duly qualified elector of Cochise County, Arizona, and is not an officer or employee of Cochise County, Arizona, other than serving in his/her capacity as an officer and director of this Corporation.

RESPECTFULLY SUBMITTED THIS 6th day of October 2014.

Pollution Control Corporation
of the County of Cochise

By: [Signature]

**POLLUTION CONTROL CORPORATION
OF THE
COUNTY OF COCHISE**

Edward Borgnaes
President
1114 Christmas Tree Lane
Pearce, Arizona 85625

Mary Dobers
Vice President
308 Flynn Jans Court
Pearce, Arizona 85625

Patricia R. Pinson
Secretary-Treasurer
1000 Irene Street
Pearce, Arizona 85625

October 8, 2014

Cochise County Board of Supervisors
1415 Melody Lane, Bldg. B
Bisbee, Arizona 85603

Attention: Clerk

I have enclosed a copy of the minutes of the meeting of the board of directors of the POLLUTION CONTROL CORPORATION of the COUNTY OF COCHISE , at which Patricia Pinson and Mary Dobers were reelected to the board for your approval. I have also attached copies of the certification of the recorder showing they are both registered voters of Cochise County.

Would you please present this to the board for their approval.

Thanking you for your attention to this matter, I am,

Sincerely yours,
POLLUTION CONTROL CORPORATION
Patricia Pinson
Patricia Pinson
Secretary-Treasurer

Enclosures 5

RECEIVED
COCHISE COUNTY
BOARD OF SUPERVISORS
2014 OCT 10 P 1:30

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Patricia Pinson
Secretary-Treasurer
POLLUTION CONTROL CORPORATION

SUBSCRIBED to before me this 8th day of October, 2014.

My commission expires

9-2-15



Bonnie H. St. Clair Notary Public
NOTARY PUBLIC - ARIZONA
COCHISE COUNTY
My Commission Expires
September 02, 2015

Bonnie St. Clair

MINUTES OF THE ANNUAL MEETING
OF THE BOARD OF DIRECTORS
POLLUTION CONTROL CORPORATION OF THE COUNTY OF COCHISE

A political subdivision of the State of Arizona

October 6, 2014

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The meeting was called to order at 10:00a.m. by president Borgnaes. It was noted that in accordance with the open meeting law, should members of the Public be present, they should address the chair. Present were Gary Pierson, Manager of Financial Services, Lynn Moreen, Senior Financial Analysis Manager, and Charles Alves, Attorney. All are employees of Arizona Electric Cooperative and remained throughout the meeting.

The president noted that the meeting had been called pursuant to (A) written notices sent to each director, the Board of Supervisors of Cochise County and (B) public notices posted in Bisbee, Benson, Willcox and Pearce and notices published in the Arizona Range News on September 24, 2014 and October 1, 2014.

The president called the roll and all board members were present and then asked for approval of the agenda. It was moved and seconded that the agenda be Approved. Motion carried.

The president then asked for the reading of the minutes of the previous meeting which were then read by the secretary. It was moved by Mary Dobers and seconded by Edward Borgnaes that they be approved as read. Motion carried.

The next order of business was the election of two board members whose terms were expiring. Mary Dober and Patricia Pinson, both verified to be qualified voters for the county. It was moved and seconded that their reelection be ratified. Motion carried.

The next item of business was the election of officers. The following officers were elected:

President: Edward Borgnaes
Vice President: Mary Dobers
Sec.-Treas: Patricia Pinson

The annual financial report was presented, as well as a letter from the Internal Audit Manager, Kathleen Ortega. It was moved and seconded the report be approved. Motion carried.

The report to the Arizona Corporation Commission was presented which had been completed and filed, along with their invoice. That invoice plus the yearly statutory agent fee had been paid by Check #207.

A report of the correspondence that had transpired during the year was presented. It was moved and seconded that the annual meeting expenses be paid. Motion carried.

Gary Pierson, Manager of Financial Services for AEPCO, discussed AEPCO's ongoing pollution control efforts. He noted that AEPCO will be injecting activated charcoal into the flue stream as well as the use of chemical sprays on the coal as it comes off the stockpile to meet the increased requirements for control of mercury emissions. AEPCO will begin using the activated charcoal in the mid 2015 time frame. Mr. Pierson also noted that the EPA has proposed to accept AEPCO'S Better than Best Available Retrofit Technology Proposal for compliance with the EPA's Regional Haze Rules. The EPA has published the proposal in the Federal Register in September and AEPCO expects the proposal to be approved in November. Mr. Pierson also discussed that the EPA has issued a new Greenhouse Gas Rule which calls for a nation-wide 30% reduction in carbon dioxide emissions by the year 2030. In the case of Arizona, the EPA proposes a 52% reduction in carbon dioxide emissions which could mean the closure of every coal-fired generation plant in Arizona to meet the EPA's goals. AEPCO has met with the EPA and will be submitting written comments to the proposed rule. Meanwhile, AEPCO is developing strategies in connection with the proposed rule.

Mr. Pierson also explained that AEPCO is moving toward the adoption of an indenture to replace its current mortgage. As part of that process Southwest Transmission Cooperative will merge into AEPCO and the Sierra Southwest Cooperative Services employees will be transferred over to AEPCO. As a result of the merger activities, AEPCO will need to issue a Remarketing Circular for its Series 1994A Solid Waste Disposal Bonds which will describe the indenture and merger activities. AEPCO will propose that a special meeting of the Pollution Control Corporation of the County of Cochise be held during the week of November 17th to November 21st. AEPCO will further coordinate with the Pollution Control Corporation of the County of Cochise bearing in mind the two week notice provisions for the special meeting.

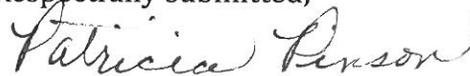
Pollution Control Corporation
Annual Meeting
Page 3

Mr Pierson further discussed the levels of the coal stockpile at the Apache Station.

There being no further business to come before the board, the meeting was Adjourned at 10:35 a.m.

Gabriela Cartmell was invited to come in and notarize the necessary documents.

Respectfully submitted,

A handwritten signature in cursive script that reads "Patricia Pinson".

Patricia Pinson
Secretary-Treasurer

Regular Board of Supervisors Meeting

Meeting Date: 10/28/2014

Minutes

Submitted By: Cathy Davis, Board of Supervisors

Department: Board of Supervisors

Presentation: No A/V Presentation

Document Signatures:

Recommendation:

of ORIGINALS

Submitted for Signature:

NAME n/a

TITLE n/a

of PRESENTER:

of PRESENTER:

Mandated Function?:

**Source of Mandate
or Basis for Support?:**

Information

Agenda Item Text:

Approve the Minutes of the regular meeting of the Board of Supervisors of October 14, 2014.

Background:

Minutes

Department's Next Steps (if approved):

Signed minutes routed for processing and posted on the internet.

Impact of NOT Approving/Alternatives:

n/a

To BOS Staff: Document Disposition/Follow-Up:

Send to the Recorder's Office for microfiche purposes.

Budget Information

Information about available funds

Budgeted:

Funds Available:

Amount Available:

Unbudgeted:

Funds NOT Available:

Amendment:

Account Code(s) for Available Funds

1:

Fund Transfers

Attachments

No file(s) attached.

Community Development

Regular Board of Supervisors Meeting

Meeting Date: 10/28/2014

Contract Award for Aggregate Crushing at County Located Pits

Submitted By: Terry Hudson, Procurement

Department: Procurement

Presentation: No A/V Presentation Recommendation: Approve

Document Signatures: BOS Signature NOT Required # of ORIGINALS Submitted for Signature: 0

NAME of PRESENTER: Terry Hudson TITLE of PRESENTER: Senior Buyer

Mandated Function?: Not Mandated Source of Mandate or Basis for Support?:

Docket Number (If applicable):

Information

Agenda Item Text:

Approve the award of Invitation for Bids (IFB) 15-07-HFP-04 for Aggregate Crushing at County Located Pits for the Community Development Highway and Floodplain Division to various Contractors in the not to exceed amount of \$200,000 for the period November 1, 2014 through October 31, 2015.

Background:

IFB 15-07-HFP-04 was released on September 4, 2014 and advertised in the Arizona Range News on September 17 and 24, 2014. Three bids were received prior to the bid closing date of September 25, 2014 at 4:00 p.m. A bid tabulation is attached, the Contractors that are being recommended for award are as follows:

- Maddux and Sons, Inc.
- Fisher Sand and Gravel Company
- AGE Contracting, Inc.

Individual orders are awarded to a Contractor based on the following criteria:

1. Base price of material.
2. Contractor availability and mobilization time.
3. Availability of material in relationship to the project location.

Department's Next Steps (if approved):

Execute contract award letters, process purchase orders as required. Monitor Contractor performance.

Impact of NOT Approving/Alternatives:

Procurement would be required to obtain quotes every time there is a need for aggregate crushing which would result in possibly higher prices, project completion delay and an additional workload for both the Procurement and Highway and Floodplain Division.

To BOS Staff: Document Disposition/Follow-Up:

No action required.

Budget Information

Information about available funds

Budgeted: **Funds Available:** **Amount Available:**
Unbudgeted: **Funds NOT Available:** **Amendment:**

Account Code(s) for Available Funds

1:

Fund Transfers

Fiscal Impact & Funding

Sources (if known):

The Highway and Floodplain Division has budgeted sufficiently for this expenditure in the FY 2014-15 budget in fund lines 251-4010-9-413.700 and 261-4110-9-413.900.

Attachments

Bid Tabulation

Preliminary Bid Tabulation – IFB 15-07-HFP-04
Aggregate Crushing at County Located Pits
Due Date: 9/25/2014 at 4:00 p.m. local time

Company Name: AGE Contracting Inc.

Bid Item 1: Crushed Aggregate

Geographic Location	5,000 to 10,000 tons unit price per ton	10,001 to 20,000 tons unit price per ton	20,001 to 30,000 tons unit price per ton	30,001 to 40,000 tons unit price per tons
Sierra Vista – Hereford	\$5.85	\$5.85	\$4.97	\$4.97
Tombstone	\$5.85	\$5.85	\$4.97	\$4.97
Douglas	\$6.40	\$6.40	\$5.52	\$5.52
Willcox	\$6.00	\$6.00	\$5.12	\$5.12
Elfrida	\$6.30	\$6.30	\$5.42	\$5.42
Bowie – San Simon	\$6.60	\$6.60	\$5.12	\$5.12
Benson	\$5.40	\$5.40	\$4.52	\$4.52
Bisbee	\$5.85	\$5.85	\$4.97	\$4.97

Bid Item 2: Crushed Concrete without steel

Geographic Location	5,000 to 10,000 tons unit price per ton	10,001 to 20,000 tons unit price per ton	20,001 to 30,000 tons unit price per ton	30,001 to 40,000 tons unit price per tons
Sierra Vista – Hereford	\$8.35	\$8.35	\$8.35	\$8.25
Tombstone	\$8.35	\$8.35	\$8.35	\$8.25
Douglas	\$8.00	\$8.00	\$8.00	\$7.90
Willcox	\$8.00	\$8.00	\$8.00	\$8.00
Elfrida	\$8.00	\$8.00	\$8.00	\$7.90
Bowie – San Simon	\$9.00	\$9.00	\$9.00	\$8.90
Benson	\$8.00	\$8.00	\$8.00	\$7.90
Bisbee	\$8.35	\$8.35	\$8.35	\$8.25

Preliminary Bid Tabulation – IFB 15-07-HFP-04

Company Name: AGE Contracting Inc.

Bid Item 3: Crushed Concrete with Steel

Geographic Location	5,000 to 10,000 tons unit price per ton	10,001 to 20,000 tons unit price per ton	20,001 to 30,000 tons unit price per ton	30,001 to 40,000 tons unit price per tons
Sierra Vista – Hereford	\$9.35	\$9.35	\$9.35	\$9.25
Tombstone	\$9.35	\$9.35	\$9.35	\$9.25
Douglas	\$9.00	\$9.00	\$9.00	\$8.90
Willcox	\$9.00	\$9.00	\$9.00	\$8.90
Elfrida	\$9.00	\$9.00	\$9.00	\$8.90
Bowie – San Simon	\$10.00	\$10.00	\$10.00	\$9.90
Benson	\$9.00	\$9.00	\$9.00	\$8.90
Bisbee	\$9.35	\$9.35	\$9.35	\$9.25

=====

Company Name: Fisher Sand and Gravel

Bid Item 1: Crushed Aggregate

Geographic Location	5,000 to 10,000 tons unit price per ton	10,001 to 20,000 tons unit price per ton	20,001 to 30,000 tons unit price per ton	30,001 to 40,000 tons unit price per tons
Sierra Vista – Hereford	\$5.25	\$4.75	\$4.00	\$4.00
Tombstone	\$5.25	\$4.75	\$4.00	\$4.00
Douglas	\$5.25	\$4.75	\$4.00	\$4.00
Willcox	\$5.25	\$4.75	\$4.00	\$4.00
Elfrida	\$5.25	\$4.75	\$4.00	\$4.00
Bowie – San Simon	\$5.25	\$4.75	\$4.00	\$4.00
Benson	\$5.25	\$4.75	\$4.00	\$4.00
Bisbee	\$5.25	\$4.75	\$4.00	\$4.00

Preliminary Bid Tabulation – IFB 15-07-HFP-04

Company Name: Fisher Sand and Gravel

Bid Item 2: Crushed Concrete without steel

Geographic Location	5,000 to 10,000 tons unit price per ton	10,001 to 20,000 tons unit price per ton	20,001 to 30,000 tons unit price per ton	30,001 to 40,000 tons unit price per tons
Sierra Vista – Hereford	\$5.25	\$5.25	\$5.25	\$5.20
Tombstone	\$5.25	\$5.25	\$5.25	\$5.20
Douglas	\$5.25	\$5.25	\$5.25	\$5.20
Willcox	\$5.25	\$5.25	\$5.25	\$5.20
Elfrida	\$5.25	\$5.25	\$5.25	\$5.20
Bowie – San Simon	\$5.25	\$5.25	\$5.25	\$5.20
Benson	\$5.25	\$5.25	\$5.25	\$5.20
Bisbee	\$5.25	\$5.25	\$5.25	\$5.20

Bid Item 3: Crushed Concrete with Steel

Geographic Location	5,000 to 10,000 tons unit price per ton	10,001 to 20,000 tons unit price per ton	20,001 to 30,000 tons unit price per ton	30,001 to 40,000 tons unit price per tons
Sierra Vista – Hereford	\$5.25	\$5.25	\$5.25	\$5.25
Tombstone	\$5.25	\$5.25	\$5.25	\$5.25
Douglas	\$5.25	\$5.25	\$5.25	\$5.25
Willcox	\$5.25	\$5.25	\$5.25	\$5.25
Elfrida	\$5.25	\$5.25	\$5.25	\$5.25
Bowie – San Simon	\$5.25	\$5.25	\$5.25	\$5.25
Benson	\$5.25	\$5.25	\$5.25	\$5.25
Bisbee	\$5.25	\$5.25	\$5.25	\$5.25

Preliminary Bid Tabulation – IFB 15-07-HFP-04

Company Name: Maddux & Sons

Bid Item 1: Crushed Aggregate

Geographic Location	5,000 to 10,000 tons unit price per ton	10,001 to 20,000 tons unit price per ton	20,001 to 30,000 tons unit price per ton	30,001 to 40,000 tons unit price per tons
Sierra Vista – Hereford	No Bid	No Bid	No Bid	No Bid
Tombstone	\$5.50	\$5.50	\$5.50	\$5.50
Douglas	\$4.35	\$4.35	\$4.35	\$4.35
Willcox	No Bid	No Bid	No Bid	No Bid
Elfrida	\$5.35	\$5.35	\$5.35	\$5.35
Bowie – San Simon	No Bid	No Bid	No Bid	No Bid
Benson	No Bid	No Bid	No Bid	No Bid
Bisbee	\$5.35	\$5.35	\$5.35	\$5.35

Bid Item 2: Crushed Concrete without steel

Geographic Location	5,000 to 10,000 tons unit price per ton	10,001 to 20,000 tons unit price per ton	20,001 to 30,000 tons unit price per ton	30,001 to 40,000 tons unit price per tons
Sierra Vista – Hereford	No Bid	No Bid	No Bid	No Bid
Tombstone	\$6.00	\$6.00	\$6.00	\$6.00
Douglas	\$5.50	\$5.50	\$5.50	\$5.50
Willcox	No Bid	No Bid	No Bid	No Bid
Elfrida	\$6.35	\$6.35	\$6.35	\$6.35
Bowie – San Simon	No Bid	No Bid	No Bid	No Bid
Benson	No Bid	No Bid	No Bid	No Bid
Bisbee	\$6.35	\$6.35	\$6.35	\$6.35

Preliminary Bid Tabulation – IFB 15-07-HFP-04

Company Name: Maddux & Sons

Bid Item 3: Crushed Concrete with Steel

Geographic Location	5,000 to 10,000 tons unit price per ton	10,001 to 20,000 tons unit price per ton	20,001 to 30,000 tons unit price per ton	30,001 to 40,000 tons unit price per tons
Sierra Vista – Hereford	No Bid	No Bid	No Bid	No Bid
Tombstone	\$8.50	\$8.50	\$8.50	\$8.50
Douglas	\$8.25	\$8.25	\$8.25	\$8.25
Willcox	No Bid	No Bid	No Bid	No Bid
Elfrida	\$8.50	\$8.50	\$8.50	\$8.50
Bowie – San Simon	No Bid	No Bid	No Bid	No Bid
Benson	No Bid	No Bid	No Bid	No Bid
Bisbee	\$8.50	\$8.50	\$8.50	\$8.50

Court Administration

Regular Board of Supervisors Meeting

Meeting Date: 10/28/2014

Certification of Fill The Gap (FTG) FY 13.14 funds

Submitted By: Regan Appelo, Court Administration

Department: Court Administration

Presentation: No A/V Presentation **Recommendation:** Approve

Document Signatures: BOS Signature Required **# of ORIGINALS Submitted for Signature:** 2

NAME of PRESENTER: Regan C Appelo **TITLE of PRESENTER:** Superior Court Budget Director

Mandated Function?: Federal or State Mandate **Source of Mandate or Basis for Support?:** ARS 41-2421

Docket Number (If applicable):

Information

Agenda Item Text:

Certify that that total court revenues collected in Fiscal Year 2013/2014 exceeded total court revenues collected in Fiscal year 1997-1998 and authorize distribution of the 5% set-aside revenues, pursuant to ARS 41-2421.

Background:

In 1999, the Arizona Legislature enacted A.R.S. 41-2421, a law enhancing collections in the courts, setting forth the allocation of those revenues to criminal justice entities (popularly referred to as the Fill the Gap initiative FTG). Pursuant to A.R.S. 41-2421, a base year of revenue thresholds was established as Fiscal Year 1997-98. Thereafter, 5% of revenues collected by the courts were to be "set-aside" until the determination that a subsequent year's revenues exceeded that of the base year. If so, those set aside dollars are to be disbursed to the below-outlined criminal justice agencies. The certification of each year's revenues exceeding the base year must be done by the Board of Supervisors in order for those funds to be properly allocated. Total court General Fund revenues for FY 2013/2014 were \$2,803,864.54 compared to the FY 1997/1998 total of \$2,100,024, an increase of \$718,184.47.

Department's Next Steps (if approved):

Certification and distribution of funds

Impact of NOT Approving/Alternatives:

Without the Board's official certification, these funds cannot be properly allocated.

To BOS Staff: Document Disposition/Follow-Up:

Notify Superior Court Budget Director, Regan C Appelo, when approved for distribution of funds through Finance.

Budget Information

Information about available funds

Budgeted:

Funds Available:

Amount Available:

Unbudgeted:

Funds NOT Available:

Amendment:

Account Code(s) for Available Funds

1:

Fund Transfers

Attachments

Memo

MEMORANDUM

To: Mike Ortega, County Administrator
From: Eric Silverberg, Court Administrator 
Date: October 20, 2014
Subject: Revenue Certification

In 1999, the Arizona Legislature enacted A.R.S. §41-2421, a law enhancing collections in the courts, setting forth the allocation of those revenues to criminal justice entities (popularly referred to as the Fill the Gap initiative). Pursuant to A.R.S. § 41-2421, a base year of revenue thresholds was established as Fiscal Year 1997-98. Thereafter 5% of revenues collected by the courts were to be "set-aside" until the determination that a subsequent year's revenues exceeded that of the base year. If so, those "set-aside" dollars are to be disbursed to the below-outlined criminal justice agencies. The certification of each year's revenues exceeding the base year must be done by the Board of Supervisors in order for those funds to be properly allocated.

In this agenda item, the court is requesting certification that total court revenues for FY 2013-2014 exceeded total court revenues for the base fiscal year 1997-1998. This certification is necessary to enable the courts, the county attorney and the public defender to receive their respective share of the revenue set-aside funds in compliance with the Fill the Gap initiative.

Total court General Fund revenues for FY 2013-2014 were \$2,803,864 compared to the FY 1997-1998 total of \$2,100,024, an increase of \$703,840. The total amount of the 5% set-aside for FY 2013-2014 was \$364,890.55 which, upon the Board's action, will be distributed as follows:

57.37% to the court	\$209,337.71
21.61% to the county attorney	\$ 78,852.85
20.53% to indigent defense	\$ 74,912.03
0.49% to the state	\$ 1,787.96

The court's share of this fund will be utilized to support the Superior Court Division 5 criminal case processing enhancement project which has been the established utilization of these funds in Cochise County since the creation of A.R.S. § 41-2421. For further clarification, you will find attached a copy of the statute itself along with other financial documentation.

Inasmuch as the annual certification of court revenues is a statutory requirement for disbursement of the 5% set-aside funds, I respectfully request that the item be placed on the consent agenda of the Board's October 28, 2014 meeting.

Cc: Ed Rheinheimer, County Attorney
Mark Suagee, Public Defender

Revenue Ledger Summary Listing

From Date: 7/1/2013 - To Date: 6/30/2014

G/L Date	Journal	Ledger	Description/Project	Source	Reference	Budget	Actual
G/L Account Number: 150-0810 341.900 Misc.Charges for Services							
			Month Total: July 2013		Fiscal Year To	\$0.00	\$0.00
			Month Total: August 2013			\$0.00	\$31,026.62
			Month Total: September 2013			\$0.00	\$28,072.89
			Month Total: October 2013			\$0.00	\$25,013.45
			Month Total: November 2013			\$0.00	\$21,665.33
			Month Total: December 2013			\$0.00	\$33,358.87
			Month Total: January 2014			\$0.00	\$24,100.29
			Month Total: February 2014			\$0.00	\$33,967.10
			Month Total: March 2014			\$0.00	\$29,405.62
			Month Total: April 2014			\$0.00	\$44,431.50
			Month Total: May 2014			\$0.00	\$29,894.99
			Month Total: June 2014			\$0.00	\$59,012.50
			Account Total: Misc.Charges for Services			\$325,000.00	\$364,890.55
G/L Account Number: 150-0810 398.000 Cash Carry Forward							
			Month Total: July 2013		Fiscal Year To	\$0.00	\$0.00
			Month Total: November 2013			\$305,049.00	\$0.00
			Account Total: Cash Carry Forward			\$78,811.00	\$0.00
						\$383,860.00	\$0.00
			Amount to be certified with BOS Fill The Gap			\$708,860.00	\$364,890.55
			57.37% Court			\$209,337.71	#10 first page of FTG application
			21.61% County Attorney			\$78,852.85	(#5A on example app)
			20.53% Indigent Defense			\$74,912.03	
			0.49% State			\$1,787.96	



Budget Performance Report

Fiscal Year to Date 06/30/14
 Include Rollup Account and Rollup to Account

341	Justice Court Fees	337 - Cities Reimb. Totals	\$99,500.00	\$0.00	\$99,500.00	\$0.00	\$0.00	\$0.00
341.110	Justice Court Fees		239,343.00	.00	239,343.00	54,496.40	.00	322,145.02
		341 - Justice Court Fees Totals	\$239,343.00	\$0.00	\$239,343.00	\$54,496.40	\$0.00	\$322,145.02
351	Courts							
351.100	Courts		.00	.00	.00	.00	.00	(1,360.55)
351.110	Justice Court Fines		387,300.00	.00	387,300.00	69,008.75	.00	485,594.45
351.130	Magistrate Court Fines		2,200.00	.00	2,200.00	1,416.36	.00	3,254.08
		351 - Courts Totals	\$389,500.00	\$0.00	\$389,500.00	\$70,425.11	\$0.00	\$487,487.98
352	Bond Forfeitures							
352.100	Bond Forfeitures		500.00	.00	500.00	.00	.00	.00
		352 - Bond Forfeitures Totals	\$500.00	\$0.00	\$500.00	\$0.00	\$0.00	\$0.00
399	Miscellaneous Revenue							
399.000	Miscellaneous Revenue		16,270.00	.00	16,270.00	4,026.45	.00	18,673.62
		399 - Miscellaneous Revenue Totals	\$16,270.00	\$0.00	\$16,270.00	\$4,026.45	\$0.00	\$18,673.62
		Department 0950 - Justice Court 5 Totals	\$764,548.00	\$0.00	\$764,548.00	\$134,616.59	\$0.00	\$849,361.56
335	J.P. Salary Reimbursement							
335.300	J.P. Salary Reimbursement		18,143.00	.00	18,143.00	5,263.74	.00	19,666.71
		335 - J.P. Salary Reimbursement Totals	\$18,143.00	\$0.00	\$18,143.00	\$5,263.74	\$0.00	\$19,666.71
341	Justice Court Fees							
341.110	Justice Court Fees		25,000.00	.00	25,000.00	8,784.55	.00	55,616.58
		341 - Justice Court Fees Totals	\$25,000.00	\$0.00	\$25,000.00	\$8,784.55	\$0.00	\$55,616.58
351	Justice Court Fines							
351.110	Justice Court Fines		542,662.00	.00	542,662.00	67,405.08	.00	479,158.92
		351 - Justice Court Fines Totals	\$542,662.00	\$0.00	\$542,662.00	\$67,405.08	\$0.00	\$479,158.92
399	Miscellaneous Revenue							
399.000	Miscellaneous Revenue		1,200.00	.00	1,200.00	494.84	.00	2,124.90
		399 - Miscellaneous Revenue Totals	\$1,200.00	\$0.00	\$1,200.00	\$494.84	\$0.00	\$2,124.90
		Department 0960 - Justice Court 6 Totals	\$587,005.00	\$0.00	\$587,005.00	\$81,948.21	\$0.00	\$556,567.11
		REVENUE TOTALS	\$2,932,497.00	\$21,436.00	\$2,953,933.00	\$457,022.59	\$0.00	\$2,803,864.54



Budget Performance Report

Fiscal Year to Date 06/30/14
 Include Rollup Account and Rollup to Account

		341 - Justice Court Fees Totals	\$62,000.00	\$0.00	\$62,000.00	\$16,822.35	\$0.00	\$80,290.43
351	Justice Court Fines							
351.110	Justice Court Fines		260,000.00	.00	260,000.00	41,654.49	.00	236,989.77
351.130	Magistrate Court Fines		225.00	.00	225.00	.00	.00	.00
		351 - Justice Court Fines Totals	\$260,225.00	\$0.00	\$260,225.00	\$41,654.49	\$0.00	\$236,989.77
399	Miscellaneous Revenue							
399.000	Miscellaneous Revenue		3,000.00	.00	3,000.00	1,001.63	.00	3,133.98
		399 - Miscellaneous Revenue Totals	\$3,000.00	\$0.00	\$3,000.00	\$1,001.63	\$0.00	\$3,133.98
		Department 0930 - Justice Court 3 Totals	\$379,368.00	\$0.00	\$379,368.00	\$73,742.21	\$0.00	\$375,965.20
		Department 0940 - Justice Court 4						
335	J.P. Salary Reimbursement							
335.300	J.P. Salary Reimbursement		18,143.00	.00	18,143.00	5,263.74	.00	19,551.03
		335 - J.P. Salary Reimbursement Totals	\$18,143.00	\$0.00	\$18,143.00	\$5,263.74	\$0.00	\$19,551.03
337	Cities Reimb.							
337.300	Cities Reimb.		87,494.00	.00	87,494.00	21,873.50	.00	87,494.00
		337 - Cities Reimb. Totals	\$87,494.00	\$0.00	\$87,494.00	\$21,873.50	\$0.00	\$87,494.00
341	Justice Court Fees							
341.110	Justice Court Fees		42,000.00	.00	42,000.00	9,746.86	.00	57,560.56
		341 - Justice Court Fees Totals	\$42,000.00	\$0.00	\$42,000.00	\$9,746.86	\$0.00	\$57,560.56
351	Justice Court Fines							
351.110	Justice Court Fines		210,000.00	.00	210,000.00	25,324.32	.00	151,863.92
		351 - Justice Court Fines Totals	\$210,000.00	\$0.00	\$210,000.00	\$25,324.32	\$0.00	\$151,863.92
399	Miscellaneous Revenue							
399.000	Miscellaneous Revenue		3,000.00	.00	3,000.00	696.37	.00	2,490.11
		399 - Miscellaneous Revenue Totals	\$3,000.00	\$0.00	\$3,000.00	\$696.37	\$0.00	\$2,490.11
		Department 0940 - Justice Court 4 Totals	\$360,637.00	\$0.00	\$360,637.00	\$62,904.79	\$0.00	\$318,959.62
		Department 0950 - Justice Court 5						
335	J.P. Salary Reimbursement							
335.300	J.P. Salary Reimbursement		19,435.00	.00	19,435.00	5,668.63	.00	21,054.94
		335 - J.P. Salary Reimbursement Totals	\$19,435.00	\$0.00	\$19,435.00	\$5,668.63	\$0.00	\$21,054.94
337	Cities Reimb.							
337.300	Cities Reimb.		99,500.00	.00	99,500.00	.00	.00	.00



Budget Performance Report

Fiscal Year to Date 06/30/14
 Include Rollup Account and Rollup to Account

Account	Account Description	Adopted Budget	Budget Amendments	Amended Budget	Current Month Transactions	YTD Encumbrances	YTD Transactions
REVENUE							
Fund 100 - General Fund							
Department 0810 - Court Administration							
391	Interfund Transfer In						
391.000	Interfund Transfer In	.00	.00	.00	.00	.00	.00
	391 - Interfund Transfer In Totals	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
399	Miscellaneous Revenue						
399.000	Miscellaneous Revenue	.00	.00	.00	.00	.00	89.36
	399 - Miscellaneous Revenue Totals	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$89.36
	Department 0810 - Court Administration Totals	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$89.36
Department 0820 - Divisions 1-5							
391	Interfund Transfer In						
391.000	Interfund Transfer In	167,661.00	21,436.00	189,097.00	.00	.00	189,097.00
	391 - Interfund Transfer In Totals	\$167,661.00	\$21,436.00	\$189,097.00	\$0.00	\$0.00	\$189,097.00
	Department 0820 - Divisions 1-5 Totals	\$167,661.00	\$21,436.00	\$189,097.00	\$0.00	\$0.00	\$189,097.00
Department 0850 - Mandatory Judicial Svcs							
399	Miscellaneous Revenue						
399.000	Miscellaneous Revenue	.00	.00	.00	.00	.00	.00
	399 - Miscellaneous Revenue Totals	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Department 0850 - Mandatory Judicial Svcs Totals	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Department 0910 - Justice Court 1							
335	J.P. Salary Reimbursement						
335.300	J.P. Salary Reimbursement	18,143.00	.00	18,143.00	5,263.74	.00	19,551.03
	335 - J.P. Salary Reimbursement Totals	\$18,143.00	\$0.00	\$18,143.00	\$5,263.74	\$0.00	\$19,551.03
337	Cities Reimb.						
337.300	Cities Reimb.	34,747.00	.00	34,747.00	8,686.75	.00	34,747.00
	337 - Cities Reimb. Totals	\$34,747.00	\$0.00	\$34,747.00	\$8,686.75	\$0.00	\$34,747.00
341	Justice Court Fees						
341.110	Justice Court Fees	45,709.00	.00	45,709.00	9,211.05	.00	49,524.96
	341 - Justice Court Fees Totals	\$45,709.00	\$0.00	\$45,709.00	\$9,211.05	\$0.00	\$49,524.96



Budget Performance Report

Fiscal Year to Date 06/30/14
 Include Rollup Account and Rollup to Account

Fund 100 - General Fund Totals							
	REVENUE TOTALS	2,932,497.00	21,436.00	2,953,933.00	457,022.59	.00	2,803,864.54
	EXPENSE TOTALS	.00	.00	.00	.00	.00	.00
Fund	100 - General Fund Totals	\$2,932,497.00	\$21,436.00	\$2,953,933.00	\$457,022.59	\$0.00	\$2,803,864.54
Grand Totals							
	REVENUE TOTALS	2,932,497.00	21,436.00	2,953,933.00	457,022.59	.00	2,803,864.54
	EXPENSE TOTALS	.00	.00	.00	.00	.00	.00
Grand Totals		\$2,932,497.00	\$21,436.00	\$2,953,933.00	\$457,022.59	\$0.00	\$2,803,864.54

Regular Board of Supervisors Meeting

Meeting Date: 10/28/2014

Arizona Mutual Aid Compact

Submitted By: Norm Sturm, Emergency Services

Department: Emergency Services

Presentation: No A/V Presentation **Recommendation:** Approve

Document Signatures: BOS Signature Required **# of ORIGINALS Submitted for Signature:** 2

NAME of PRESENTER: Norm Sturm **TITLE of PRESENTER:** ES Coordinator

Docket Number (If applicable):

Mandated Function?: Local Mandate or Policy **Source of Mandate or Basis for Support?:** ARS 26-308

Information

Agenda Item Text:

Adopt the State of Arizona Mutual Aid Compact Agreement with the Arizona Department of Emergency and Military Affairs to share resources as are available and needed including, but not limited to, fire, police, medical and health, environmental, communication, and transportation services in a state of emergency effective October 28, 2014 through October 28, 2024.

Background:

The Arizona Mutual Aid Compact (AZMAC) provides for state-wide mutual aid to support local jurisdictions address large-scale emergencies. This AZMAC replaces the existing compact adopted by Cochise County several years ago. The AZMAC has been reviewed and approved by the County Attorney's Office.

Department's Next Steps (if approved):

If approved, two signed originals of the AZMAC will be sent to the State for their signature. One copy signed by the State will be returned for our records. The new AZMAC will then be in effect.

Impact of NOT Approving/Alternatives:

If not approved, the ability of Cochise County to obtain emergency response and recovery support from the State of Arizona will be greatly impeded.

To BOS Staff: Document Disposition/Follow-Up:

I will need two signed original copies sent to the State for their signature. One of those originals will be returned for our records.

Attachments

Agreement

ARIZONA MUTUAL AID COMPACT

This Compact is made and entered into by and among the signatory political jurisdictions within the State of Arizona and the Arizona Department of Emergency and Military Affairs.

Recitals

WHEREAS, one or more parties to this Compact may find it necessary to utilize all of their own resources to cope with emergencies and may require the assistance of another party or other parties; and,

WHEREAS, it is desirable that all resources of political subdivisions, municipal corporations, tribes and other public agencies be made available to respond to such emergencies; and,

WHEREAS, it is desirable that each of the parties hereto should assist one another when such emergency occurs by providing such resources as are available and needed including, but not limited to, fire, police, medical and health, environmental, communication, and transportation services to cope with the problems of response and,

WHEREAS, it is desirable that a compact be executed for the interchange of such mutual aid; and,

WHEREAS, it is desirable to utilize this agreement in exercising adopted emergency plans; and,

WHEREAS, it is desirable that the manner of financing of such cooperative undertakings be resolved in advance of such emergency;

NOW, THEREFORE, IT IS HEREBY AGREED by and between each and all of the signatories hereto as follows:

COMPACT

1. Purpose.

The purpose of this Compact is to define for the participating parties the emergency management terms and procedures which will be used among participating parties for dispatching mutual aid assistance to any affected area in accordance with local ordinances, resolutions, emergency plans or agreements. Contracting authority for political subdivisions of Arizona for this Compact is based upon A.R.S. § 26-308 which provides that each county and incorporated city and town of the state may appropriate and expend funds, make contracts and obtain and distribute equipment, materials and supplies for emergency management purposes. Tribal contracting authority will be in accordance with each Tribe's laws. Special District authority will be in accordance with their respective laws. Public education district authority is based on A.R.S. § 15-342(13) and A.R.S. § 11-952. This Agreement shall be construed in accordance the laws of the State of Arizona.

2. Scope.

The Scope of this Compact is to (1) provide the procedures to notify the Providing Parties of the need for emergency assistance; (2) to identify available resources; and, (3) to provide a mechanism for compensation for resources.

3. Definitions.

- **Automatic Mutual Aid** means the automatic dispatch and response of requested resources without incident specific approvals. These agreements are usually basic contracts; some may be informal accords.
- **Backfill** means replacement of the Requesting Party's personnel who perform the regular duties of other personnel while they are performing eligible emergency work.
- **Compact** means this document, the Arizona Mutual Aid Compact (AZMAC).
- **Director** is the Director of the Department of Emergency and Military Affairs (DEMA).
- **Emergency** or **Emergencies** means any disaster, emergency, or contingency situation which requires a collaborative effort among multiple Jurisdictions.
- **Exercise** is the exercising of adopted emergency plans utilizing the Homeland Security Exercise and Evaluation Program (HSEEP)
- **Jurisdiction** means an entity, including Political Subdivisions and tribal governments, which (1) has the authority to act, within a defined geographical area especially in times of emergency and (2) is a party to this Compact.

- **Local Mutual Aid** are agreements between neighboring jurisdictions or organizations that involve a formal request for assistance and generally cover a larger geographic area than automatic mutual aid.
- **Political Subdivision** means any county, incorporated city or town, fire district, or public education district, irrigation, power, electrical, agricultural improvement, drainage, and flood control districts, and other tax levying public improvement districts.
- **Providing Party** means the Jurisdiction providing aid in the event of an emergency.
- **Requesting Party** means the Jurisdiction requesting aid in the event of an Emergency.
- **Self-deployed** means to respond to an emergency without being requested by the Requesting Party.

4. **Guiding Policy.**

- Arizona Revised Statute (A.R.S.), Title 26, Military Affairs and Emergency Management.
- Arizona Administrative Code (A.A.C.), Title 8, Emergency and Military Affairs.
- National Incident Management System (NIMS), 2008

5. **Procedures for Requesting Assistance.**

A Requesting Party which needs assistance in excess of its own resources and existing automatic mutual aid or local mutual aid due to an emergency is authorized to request assistance from any party to this Compact. However, when making such requests, consideration shall be given to, and requests made, based on, but not limited to, the geographical proximity of other jurisdictions with that of the jurisdiction requesting assistance. All requests for assistance from the State must be coordinated through the Requesting Party's county emergency operations center, or tribal emergency operations center (whichever is applicable).

Requests should specify what the emergency is, what resources are needed and the estimated period of time during which such mutual aid shall be required, if known. Please use the Resource Request form provided in Appendix A.

6. **Providing Party's Assessment of Availability of Resources and Ability to Render Assistance.**

Subject to the terms of this Compact, the Providing Party shall make reasonable efforts to assist the Requesting Party. In all instances, the Providing Party shall render such mutual aid as it is able to provide consistent with its own service needs at the time, taking into

consideration the Providing Party's existing commitments within its own jurisdiction. The Providing Party shall be the sole judge of what mutual aid it has available to furnish to the Requesting Party pursuant to this Compact.

7. Implementation Plan.

Each party should develop an emergency operations plan that includes a process to provide for the effective mobilization of its resources, both public and private, including acceptance of mutual aid to provide or receive assistance under this Compact.

8. Contact List.

Each Party shall develop a contact list as outlined in Appendix B, which shall be provided to the Director for distribution to all other parties to this Compact.

9. Reimbursement Procedures between Parties.

If the Providing Party desires reimbursement for the assistance they are providing, the Requesting Party shall reimburse the Providing Party for all costs incurred in the mutual assistance, whether an incident has been declared an emergency or not. The Providing Party must declare its intent to seek reimbursement as part of their response to the Requesting Party's request for assistance (see Appendix A: Resource Request forms). The Providing Party and the Requesting party shall agree upon allowable costs for mutual assistance prior to the dispatch of any mutual assistance resources. Unless otherwise negotiated by the parties involved, the parties may reference the state allowable costs as defined in A.A.C. Title 8 (as may be amended from time to time). If the assistance is authorized and accepted, the Requesting Party shall reimburse the Providing Party all allowable costs of labor, equipment, and materials that have actually been expended during the execution of the mission assignment, after receipt of an itemized voucher and documentation is received.

If there has been a declaration of emergency from the Governor and/or President, the Requesting Party may be eligible for reimbursement for these mutual aid costs under the state or federal declaration of emergency. See item 10.

10. Reimbursement Procedures from the State.

If the Governor and/or President have declared an emergency, the Requesting Party can prepare an itemized voucher and documentation of all paid allowable costs including all the cost of the mutual aid resources reimbursed to any Providing Parties under this Compact, for submittal to the State for consideration for reimbursement in accordance with A.A.C. Title 8 (as may be amended from time to time). As per A.A.C. Title 8, R8-2-301, sub-parts 1, 12 & 15, only state agencies and political subdivisions are eligible to receive reimbursement under a Governor's Declaration. Any Tribal Nations as the Requesting Party would need to seek reimbursement under a Presidential Declaration. Any Tribal Nations as the Providing Party

would seek reimbursement from the Requesting Party as outlined in Item 9.

The state is not liable for any claim arising from an emergency for which the applicant receives funds from another source (A.A.C. Title 8, R8-2-312).

Self-deployed resources will not be reimbursed.

11. Personnel Compensation and Insurance.

The Requesting Party and the Providing Party shall be responsible for all compensation and insurance coverage of their respective employees and equipment.

12. Immunity.

The parties shall have such immunity as provided by applicable state, federal or tribal law.

13. Indemnification.

Each party (as "Indemnitor") agrees to defend, indemnify, 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. This compact is between Governmental entities. Should a signatory to this agreement use a contractor for any purpose, said contractor would be required to abide by ADOA Risk Management insurance requirements which are attached as Appendix C.

14. Term.

This Compact shall be effective on the date it is recorded with the Secretary of State. Except as otherwise provided in this Compact, this Compact shall terminate ten years after the effective date. This Compact, upon mutual consent of the parties may be extended for a period of time not to exceed 10 years. Any modification or time extension of this Compact shall be by formal written amendment and executed by the parties hereto.

15. ADA.

Each party shall comply with applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 United States Code. 12101-12213) and all applicable federal regulations under the Act, including 28 Code of Federal Regulation Parts 35 and 36.

16. Non-Discrimination.

To the extent of the law the Parties shall comply with Executive Order 2009-9, which mandates that all persons, regardless of race, color, religion, sex, age, or national origin not mentioned in Order shall have equal access to employment opportunities, and all other applicable state and Federal employment laws, rules, and regulations, including the Americans with Disabilities Act. Parties shall take affirmative action to ensure that applicants for employment and employees are not discriminated against due to race, creed, color, religion, sex, national origin or disability.

17. Compliance with Laws.

Each party shall comply with all federal, tribal, state and local laws, rules, regulations, standards and Executive Orders, as applicable, without limitation to those designated within this Compact. Any changes in the governing laws, rules and regulations during the terms of this Compact shall apply but do not require an amendment.

18. Worker's Compensation.

Each Party herein shall comply with the provisions of A.R.S §23-1022(E) by posting the public notice required. As provided for in A.R.S. §23-1022(D), an employee of a public agency who works under the jurisdiction or control of or within the jurisdictional boundaries of another public agency pursuant to a specific intergovernmental agreement or contract entered into between the public agencies is deemed to be an employee of both public agencies. However, the primary employer is solely liable for the payment of Workers' Compensation benefits. As such, each Party shall maintain Workers' Compensation insurance coverage on all of its own employees providing services pursuant to this agreement.

19. Insurance.

Each Party shall bear the risk of its own actions, as it does with all its operations, and shall determine for itself an appropriate level of insurance coverage and maintain such coverage. Nothing in this Agreement shall be construed as a waiver of any limitation on liability that may apply to a Party.

20. Non-appropriation.

Every payment obligation of the Parties under this Agreement is conditioned upon the availability of funds appropriated and allocated for the payment of such obligation. If funds are not appropriated, allocated and available or if the appropriation is changed by the legislature resulting in funds no longer being available for the continuance of this Agreement, this Agreement may be terminated by the Parties at the end of the period for which funds are

available. No liability shall accrue to the Party in the event this provision is exercised, and neither Party shall be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.

21. No Third Party Beneficiaries.

Nothing in the provisions of this Compact is intended to create duties or obligations to or rights in third parties not parties to this Compact or affect the legal liability of any party to the Compact by imposing any standard of care different from the standard of care imposed by law.

22. Entire Compact.

This document constitutes the entire Compact between the parties pertaining to the subject matter hereof. This Compact shall not be modified, amended, altered or extended except through a written amendment signed by the parties and recorded with the Arizona Secretary of State or Tribal government as appropriate.

23. Jurisdiction.

Nothing in this Compact shall be construed as otherwise limiting or extending the legal jurisdiction of any party. Nothing in this Compact is intended to confer any rights or remedies to any person or entity that is not a party.

24. Conflict of Interest.

The requirements of A.R.S. § 38-511 apply to this Agreement. The Parties may cancel this Agreement, without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of the Party is, at any time while this Agreement or any extension is in effect, an employee, agent or consultant of Party with respect to the subject matter of this Agreement.

25. Supervision and Control.

Management of an emergency shall remain with the jurisdiction in which the emergency occurred. Supervision and control of Providing Parties' personnel and equipment shall be in accordance with National Incident Management System. The Requesting Party will be responsible for providing supplies and services, such as food, shelter, gasoline and oil, for on-site use of equipment and for the personnel providing assistance. All equipment and personnel used pursuant to this Compact shall be returned to the Providing Party upon being released by the Requesting Party or on demand of the Providing Party for such return.

26. Severability: Effect on Other Agreements.

It is expressly understood that this Compact shall not supplant existing agreements between some of the parties, which do provide for the exchange or furnishing of certain types of services on a compensated basis.

27. Severability.

If any provision of this Compact is held to be invalid or unenforceable, the remaining provisions shall continue to be valid and enforceable to the full extent permitted by law.

28. Responsibility of the Department of Emergency and Military Affairs.

Nothing within this Compact limits or restricts the duties and obligations the State of Arizona may have to respond to the emergency of any party.

29. Effective Date.

This Compact shall become effective as to each party when adopted by resolution and executed by the governing body of the jurisdiction, and shall remain operative and effective as between each and every party that has heretofore or hereafter executed this Compact, until participation in this Compact is terminated by the party. The termination by one or more of the parties of its participation in this Compact shall not affect the operation of this Compact as between the other parties thereto. The Director shall identify on their website, with updates as needed, all parties signatory to this Compact.

30. Execution Procedure.

Execution of this Compact shall be as follows:

This Compact, which will be designated as "ARIZONA MUTUAL AID COMPACT," shall be executed in counterparts by the governing body of each party. Upon execution, the counterpart will be filed with the Secretary of State and the Tribal government as applicable and be provided to the Director. This Compact will be effective between all parties who execute this Compact even if it is not executed by all eligible jurisdictions.

31. Termination.

Termination of participation in this Compact may be effected by any party as follows:

Notice of termination will be given to the Director 20 days prior to termination.

Any party may, by resolution of its governing body, terminate its participation in this Compact and file a certified copy of such resolution with the Secretary of State or the Tribal government, with a copy to be provided to the Director.

The parties to this Compact understand and acknowledge that this Compact is subject

to cancellation by any party pursuant to A.R.S. § 38-511 or applicable Tribal law.

32. Dispute Resolution.

The Parties to this Agreement agree to resolve all disputes arising out of or relating to this Agreement through arbitration, after exhausting applicable administrative review, to the extent required by A.R.S. § 12-1518 except as may be required by other applicable statutes.

33. Record Retention

Pursuant to A.R.S. §§ 35-214 and 35-215, the Parties shall retain all records relating to this Agreement for a period of five years after completion of the Agreement. All records shall be subject to inspection and audit by the State of Arizona at reasonable times.

**ARIZONA MUTUAL AID COMPACT
SIGNATURE PAGE**

COCHISE COUNTY

IN WITNESS WHEREOF, the parties hereto each sign this Arizona Mutual Aid Compact signature page. The signor warrants that he or she has been duly authorized to commit the jurisdiction to participate in the Compact by formal approval of the jurisdiction's governing body.

Patrick Call, Chairman

Date

ATTEST: _____
Arlethe Rios, County Clerk

Date

Date of formal approval by governing body: _____

Pursuant to A.R.S. § 11-952(D) or applicable Tribal law, the attorney for the above entity has determined that the foregoing Compact is in proper form and is within the powers and authority of the entity as granted under the laws of this State and the applicable Tribal government.

Elda Orduno, Attorney

Date

Appendix A

**ARIZONA MUTUAL AID COMPACT (AZMAC)
EMERGENCY MANAGEMENT RESOURCE REQUEST**

Date of Request	Requesting Agency Tracking Number
Requesting Organization	Organization Point of Contact
	Work Cell E-Mail
Requested Resource Type/Kind	Quantity Unit of Measure Date/Time Required

Resource must come with:

- | | | | |
|--------------------------------------|----------------------------------|--------------------------------------|--------------------------------------|
| <input type="checkbox"/> Fuel | <input type="checkbox"/> Meals | <input type="checkbox"/> Operator(s) | <input type="checkbox"/> Water |
| <input type="checkbox"/> Maintenance | <input type="checkbox"/> Lodging | <input type="checkbox"/> Power | <input type="checkbox"/> Transporter |

Mission

Special Instructions

Request Forwarded to

Contact Name
Organization/Agency
Vendor
Date/Time of Submission

Request Approved by

Date

Appendix A

ARIZONA MUTUAL AID COMPACT (AZMAC)

EMERGENCY MANAGEMENT RESOURCE REQUEST

Date of Request	Assisting Agency Tracking Number
Assisting Organization	Organization Point of Contact
	Work Cell E-Mail
Requested Resource Type/Kind	Quantity Unit of Measure Date/Time Required

Offer

Travel Costs Equipment Costs Commodities
--

Personnel

F. Name	L. Name	Phone	E-Mail	Regular Salary/ Hourly Rate	Regular Fringe Benefit Hourly Rate	Overtime Salary/ Hourly Rate	Overtime Fringe Benefit Hourly Rate

Estimated Resource Cost

Providing Party Agency Representative Signature and Date

Representative Name and Title (Print)

Requesting Party Agency Representative Signature and Date

Representative Name and Title (Print)

Signature & Date

Signature & Date

Appendix B

**ARIZONA MUTUAL AID COMPACT (AZMAC)
POINTS OF CONTACT**

Date:

Name of Jurisdiction:

Mailing Address:

City, State, Zip Code:

Authorized Representatives to Contact for Mutual Aid Assistance

	Primary Contact	1 st Alternate	2 nd Alternate
Name			
Title			
24-Hr Phone No.			
Address			
Day Phone No.			
Night Phone No.			
Fax No.			
Email			

Appendix C

ARIZONA MUTUAL AID COMPACT (AZMAC) USE OF A CONTRACTOR

In addition, each signatory shall cause its contractor(s) and subcontractors, if any, to defend, indemnify, and hold harmless the State of Arizona, any jurisdiction or agency issuing any permits for any work arising out of this Agreement, and their respective directors, officers, officials, agents, and employees (hereinafter referred to as "Indemnatee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of signatory's contractor or any of the directors, officers, agents, or employees or subcontractors of such contractor. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnatee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnatee, be indemnified by such contractor from and against any and all claims. It is agreed that such contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable."

Insurance Requirements for Governmental Parties:

None.

Insurance Requirements for Any Contractors Used by a Party to the Intergovernmental Agreement:

(Note: this applies only to Contractors used by a governmental entity, not to the governmental entity itself.) The insurance requirements herein are minimum requirements and in no way limit the indemnity covenants contained in the Intergovernmental Agreement. The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the governmental entity or Contractor from liabilities that might arise out of the performance of the work under this Contract by the Contractor, his agents, representatives, employees or subcontractors, and Contractor and the governmental entity are free to purchase additional

insurance.

A. Minimum Scope and Limits of Insurance: Contractor shall provide coverage with limits of liability not less than those stated below.

1. Commercial General Liability – Occurrence Form

Policy shall include bodily injury, property damage, personal and advertising injury and broad form contractual liability.

- General Aggregate \$2,000,000
- Products – Completed Operations Aggregate \$1,000,000
- Personal and Advertising Injury \$1,000,000
- Damage to Rented Premises \$ 50,000
- Each Occurrence \$1,000,000

a. The policy shall be endorsed (Blanket Endorsements are not acceptable) to include the following additional insured language: “The State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.” Such additional insured shall be covered to the full limits of liability purchased by the Contractor, even if those limits of liability are in excess of those required by this Contract.

(Note that the other governmental entity(ies) is/are also required to be additional insured(s) and they should supply the Contractor with their own list of persons to be insured.)

b. Policy shall contain a waiver of subrogation endorsement (Blanket Endorsements are not acceptable) in favor of the “State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees” for losses arising from work performed by or on behalf of the Contractor.

2. Business Automobile Liability

Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of this Contract.

- Combined Single Limit (CSL) \$1,000,000

a. The policy shall be endorsed (Blanket Endorsements are not acceptable) to include the following additional insured language: “The State of Arizona, and its departments, agencies, boards,

commissions, universities, officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor, involving automobiles owned, leased, hired or borrowed by the Contractor". Such additional insured shall be covered to the full limits of liability purchased by the Contractor, even if those limits of liability are in excess of those required by this Contract.

- b.** Policy shall contain a waiver of subrogation endorsement (Blanket Endorsements are not acceptable) in favor of the "State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees" for losses arising from work performed by or on behalf of the Contractor.

(Note that the other governmental entity(ies) is/are also required to be additional insured(s) and they should supply the Contractor with their own list of persons to be insured.)

- c.** Policy shall contain a severability of interest provision.

3. Worker's Compensation and Employers' Liability

• Workers' Compensation	Statutory
• Employers' Liability	
Each Accident	\$1,000,000
Disease – Each Employee	\$1,000,000
Disease – Policy Limit	\$1,000,000

- a.** Policy shall contain a waiver of subrogation endorsement (Blanket Endorsements are not acceptable) in favor of the "State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees" for losses arising from work performed by or on behalf of the Contractor.
- b.** This requirement shall not apply to: Separately, EACH contractor or subcontractor exempt under A.R.S. § 23-901, AND when such contractor or subcontractor executes the appropriate waiver (Sole Proprietor/Independent Contractor) form.

B. Additional Insurance Requirements: The policies are to contain, or be endorsed (Blanket Endorsements are not acceptable) to contain, the following provisions:

- 1.** The Contractor's policies shall stipulate that the insurance afforded the Contractor shall be primary insurance and that any insurance carried by the

Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S § 41-621 (E).

2. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability. Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of its Contract with the other governmental entity(ies) party to the IGA.
- C. Notice of Cancellation:** With the exception of (10) day notice of cancellation for non-payment of premium, any changes material to compliance with this contract in the insurance policies above shall require (30) days written notice to the State of Arizona. Such notice shall be sent directly to the Department and shall be sent by certified mail, return receipt requested.
- D. Acceptability of Insurers:** Contractors insurance shall be placed with companies licensed in the State of Arizona. Insurers shall have an "A.M. Best" rating of not less than A- VII or duly authorized to transact Workers' Compensation insurance in the State of Arizona. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.
- E. Verification of Coverage:** Contractor shall furnish the State of Arizona with certificates of insurance (ACORD form or equivalent approved by the State of Arizona) as required by this Contract. The certificates for each insurance policy are to be signed by an authorized representative.
- All certificates and endorsements (Blanket Endorsements are not acceptable) are to be received and approved by the State of Arizona before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.
- All certificates required by this Contract shall be sent directly to the Department. The State of Arizona project/contract number and project description are to be noted on the certificate of insurance. The State of Arizona reserves the right to require complete, certified copies of all insurance policies required by this Contract at any time.
- F. Subcontractors:** Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall furnish to the State of Arizona

separate certificates for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements identified above.

- G.** Approval: Any modification or variation from the *insurance requirements* in any Intergovernmental Agreement must have prior approval from the State of Arizona Department of Administration, Risk Management Division, whose decision shall be final. Such action will not require a formal contract amendment, but may be made by administrative action.

- H.** Exceptions: In the event the Contractor or sub-contractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a Certificate of Self-Insurance. If the contractor or sub-contractor(s) is/are a State of Arizona agency, board, commission, or university then none of the above shall apply.

Emergency Services

Regular Board of Supervisors Meeting

Meeting Date: 10/28/2014

Emergency Facility MOU

Submitted By: Norm Sturm, Emergency Services

Department: Emergency Services

Presentation: No A/V **Recommendation:** Approve
Presentation

Document Signatures: BOS Signature **# of ORIGINALS** 3
Required **Submitted for Signature:**

NAME of PRESENTER: Norm Sturm **TITLE of PRESENTER:** OES Coordinator

Docket Number (If applicable):

Mandated Function?: Not Mandated **Source of Mandate or Basis for Support?:**

Information

Agenda Item Text:

Approve a Memorandum of Understanding (MOU) between Cochise County and various facilities in Cochise County to serve as designated emergency locations for emergency functions in case an emergency is declared.

Background:

Cochise County Emergency Services has identified facilities throughout the county that may be useful during large-scale emergencies. These facilities can include, public and private schools, houses of worship, businesses, and municipal facilities. The facilities may be needed for resident shelters, reception centers, mass medication distribution or any number of essential emergency services. The MOU's up for approval are between Cochise County and the various facility owners. The documents have a stated 5-year term with a 30-day termination clause for either party. Similar MOUs were executed in 2009 with a 5-year term. These MOU's will replace the 2009 documents. It is anticipated that there will be approximately 50 of these MOUs to be approved over the next several months as they are returned to the County by the various facility owners.

Department's Next Steps (if approved):

This is the final step in securing the emergency facilities.

Impact of NOT Approving/Alternatives:

If not approved, the County will not have agreements in place to provide facilities for emergency sheltering or other vital operations during large-scale emergencies.

To BOS Staff: Document Disposition/Follow-Up:

Office of Emergency Services will need two copies of each signed MOU: one for the facility and one for OES records.

Attachments

Regular Board of Supervisors Meeting

Meeting Date: 10/28/2014

Demands

Submitted By: Cathy Davis, Board of Supervisors

Department: Board of Supervisors

Presentation: No A/V Presentation

Document Signatures:

Recommendation:

of ORIGINALS

Submitted for Signature:

NAME n/a

TITLE n/a

of PRESENTER:

of PRESENTER:

Mandated Function?:

**Source of Mandate
or Basis for Support?:**

Information

Agenda Item Text:

Approve demands and budget amendments for operating transfers.

Background:

Auditor-General's requirement for Board of Supervisors to approve.

Department's Next Steps (if approved):

Return to Finance after BOS approval.

Impact of NOT Approving/Alternatives:

Board of Supervisors will not be in compliance with State law.

To BOS Staff: Document Disposition/Follow-Up:

Return to Finance after BOS approval.

Budget Information

Information about available funds

Budgeted:

Funds Available:

Amount Available:

Unbudgeted:

Funds NOT Available:

Amendment:

Account Code(s) for Available Funds

1:

Fund Transfers

Attachments

No file(s) attached.

Regular Board of Supervisors Meeting

Meeting Date: 10/28/2014
Public Health Accreditation Preparation Activities, Amendment 2
Submitted By: Jennifer Steiger, Health & Social Services
Department: Health & Social Services
Presentation: No A/V Presentation
Document Signatures: BOS Signature Required

Recommendation: Approve
of ORIGINALS Submitted for Signature: 2
TITLE of PRESENTER: n/a
Source of Mandate or Basis for Support?:

NAME of PRESENTER: n/a
Mandated Function?: Not Mandated

You will use this Agenda Item template if your item involves a Grant (whether a new or renewal grant). You also must attach the Grant Approval Form to the item before Finance will approve it. Select the SPECIAL LINKS on your left-hand menu and Click on "Grant Approval Form". Then complete the form, save it and attach it to your item (on the Attachments tab).

Information

Agenda Item Text:

Approve Amendment 2 to Intergovernmental Agreement (IGA) ADHS14-063015, Public Health Accreditation Preparation Activities, between the Arizona Department of Health Services and Cochise Health & Social Services, in the amount of \$52,240, for the period of October 1, 2014 through September 30, 2015.

Background:

CHSS is pursuing formal accreditation status through the Public Health Accreditation Board (PHAB). The goal is to improve and protect the health of the residents we serve by advancing the quality and performance of our local health department. This national accreditation program sets standards against which the nation's more than 3,000 PH departments can be measured. The PHAB peer review process provides valuable feedback to inform PH departments of our strengths and opportunities for improvement. PHAB accreditation will also allow us to have access to best practices, and the considerable resources of PHAB and its national and local partners. The ADHS is fully committed to the advancement of this accreditation throughout the State and will be applying for accreditation as a State Health Department in the near future. At this time, seven county health departments in Arizona are planning to apply for accreditation in 2014 and two others are planning to apply in 2015. To demonstrate ADHS's commitment to this process, they are offering these IGAs to counties who are pursuing accreditation. The amount awarded to Cochise County is \$52,240. The PHAB accreditation fee for CHSS will be \$27,030 based upon the population we serve. This fee can be paid over a period of five years. After this fee is paid, CHSS would have approximately \$18,000 under this IGA to hire a consultant and pay the wages of an accreditation coordinator. CHSS has begun the PHAB accreditation process at the same time as ADHS and the other Arizona counties so that we will be applying under the same version of the PHAB standards. These standards are due to be updated later this year and would make the sharing of resources between our agencies more complicated. The process begins with signing a Statement of Intent (SOI) with PHAB and could take up to three years to complete.

Department's Next Steps (if approved):

Your approval is respectfully requested.

Impact of NOT Approving/Alternatives:

Unable to continue PHAB accreditation activities and lost opportunity to take advantage of this funding source.

To BOS Staff: Document Disposition/Follow-Up:

A fully executed original will be sent to the Clerk of the Board for filing.

Budget Information

Information about available funds

Budgeted: **Funds Available:** **Amount Available:** 52,240.58
Unbudgeted: **Funds NOT Available:** **Amendment:**

Account Code(s) for Available Funds

1:

Fund Transfers

Fiscal Year: 2014-2015

One-time Fixed Costs? (\$\$\$):
Ongoing Costs? (\$\$\$):
County Match Required? (\$\$\$):

A-87 Overhead Amt? (Co. Cost Allocation \$\$\$): 5,756

Source of Funding?: ADHS

Fiscal Impact & Funding Sources (if known):

Grant Title: PHAPA Contract # ADHS14-063015 Amount: \$52,240.58 Salaries + ERE's: \$12,952 Authorized Overhead: \$0 A-87 OH @44.44%:
\$5,756 Net Co. Subsidy: \$5,756

Attachments

Public Health Accreditation Preparation Activities, Amendment 2

COCHISE COUNTY GRANT APPROVAL FORM

Form Initiator: JENNIFER STEIGER Date Prepared: Oct 17, 2014
Point of Contact: JENNIFER STEIGER Phone Number: 520-432-9402
Department: Health

PRIMARY GRANT

Primary Grantor: ADHS CFDA: www.CFDA.gov

Grant Title: PUBLIC HEALTH ACCREDITATION ACTIVITIES

Grant Term From: Oct 1, 2014 To: Sep 30, 2015 Total Award Amount: 52,240

New Grant: Yes No

Grant No.: IGA#: ADHS14-063015

Amendment No.: 2

Funding No.: 221 If new, Finance will assign a funding number.

Strategic Plan: Health & Wellbeing District: CW Mandated by Law? Yes No

Number of Positions Funded: 0 Asset(s) Acquired:

Briefly describe the purpose of the grant.

CHSS is pursuing formal accreditation status through the Public Health Accreditation Board (PHAB). The goal is to improve and protect the health of the residents we serve by advancing the quality and performance of our local health department.

If this is a mandated service, cite the source. If not mandated, cite indications of local customer support for this service.

NOT MANDATED

PRIMARY FUNDING SOURCE:

Funding Year: Federal Funds 332.100
State Funds 336.100
County Funds 391.000
Other Funds:
Total Funds:

Funding Year:
Federal Funds 332.100
State Funds 336.100
County Funds 391.000
Other Funds:
Total Funds:

Funding Year:
Federal Funds 332.100
State Funds 336.100
County Funds 391.000
Total Revenue:

Has this amount been budgeted? Yes No

Method of collecting funds: Lump Sum Quarterly Draw Reimbursement

Is revertment of unexpended funds required at the end of grant period? Yes No

(a) Total A-87 Cost Allocation: (b) Amount of overhead allowed by grant:

County Subsidy (a) - (b):

Does Grantor accept indirect costs as an allowable expenditure? Yes No

If yes, dollar amount or percentage allowed:

Second Grantor:

Grant Term From: To:

Secondary Award Amount:

Grant No.:

Amendment No.:

Funding Year: Federal Funds 332.100

State Funds 336.100

County Funds 391.000

Other Funds:

Funding Year: Federal Funds 332.100

State Funds 336.100

County Funds 391.000

Other Funds:

Total Revenue:

Has this amount been budgeted? Yes No

Method of collecting funds: Lump Sum Quarterly Draw Reimbursement

Is reversion of unexpended funds required at the end of grant period? Yes No

(a) Total A-87 Cost Allocation: (b) Amount of overhead allowed by grant:

County Subsidy (a) - (b):

Does Grantor accept indirect costs as an allowable expenditure? Yes No

If yes, dollar amount or percentage allowed:

Is County match required? Yes No

County Match Source:

County match dollar amount or percentage:

Signature: J. STEIGER

Board Approval:

Date

Print Form

Submit by Email to Finance

Please e-mail completed form to Finance ldevore@cochise.az.gov.

NOTE: Once approved by the Board of Supervisors, the department is responsible for sending a copy of the fully executed grant document to the Finance Department

Executive Summary Form

Agenda Number: HLT--

Recommendation:

Approve Amendment 2 to IGA#: ADHS14-063015, Public Health Accreditation Preparation Activities, between the Arizona Department of Health Services and Cochise Health & Social Services, in the amount of \$52,240, for the period of October 1, 2014 through September 30, 2015.

Background:

CHSS is pursuing formal accreditation status through the Public Health Accreditation Board (PHAB). The goal is to improve and protect the health of the residents we serve by advancing the quality and performance of our local health department. This national accreditation program sets standards against which the nation's more than 3,000 PH departments can be measured.

The PHAB peer review process provides valuable feedback to inform PH departments of our strengths and opportunities for improvement. PHAB accreditation will also allow us to have access to best practices, and the considerable resources of PHAB and its national and local partners. The ADHS is fully committed to the advancement of this accreditation throughout the State and will be applying for accreditation as a State Health Department in the near future. At this time, seven county health departments in Arizona are planning to apply for accreditation in 2014 and two others are planning to apply in 2015. To demonstrate ADHS's commitment to this process, they are offering these IGAs to counties who are pursuing accreditation.

The amount awarded to Cochise County is \$52,240. The PHAB accreditation fee for CHSS will be \$27,030 based upon the population we serve. This fee can be paid over a period of five years. After this fee is paid, CHSS would have approximately \$18,000 under this IGA to hire a consultant and pay the wages of an accreditation coordinator. CHSS has begun the PHAB accreditation process at the same time as ADHS and the other Arizona counties so that we will be applying under the same version of the PHAB standards. These standards are due to be updated later this year and would make the sharing of resources between our agencies more complicated. The process begins with signing a Statement of Intent (SOI) with PHAB and could take up to three years to complete.

Fiscal Impact & Funding Sources:

Grant Title	Contract #	Amount	Salaries + ERE's	Authorized Overhead	A-87 OH @44.44%	Net Co. Subsidy
PHAPA	ADHS14-063015	\$52,240.58	\$12,952	\$0 *	\$5,756	\$5,756

Next Steps/Action Items/Follow-up:

Your approval is respectfully requested.

Impact of Not Approving:

Unable to continue PHAB accreditation activities and lost opportunity to take advantage of this funding source.



INTERGOVERNMENTAL AGREEMENT (IGA) AMENDMENT

ARIZONA DEPARTMENT OF HEALTH SERVICES
1740 West Adams, Room 303
Phoenix, Arizona 85007
(602) 542-1040
(602) 542-1741 FAX

Contract No.: **ADHS14-063015**

Amendment No.: **2**

Procurement Officer:
Delilah Gonzalez

PUBLIC HEALTH ACCREDITATION PREPARATION ACTIVITIES

Effective October 1, 2014, it is mutually agreed that the Intergovernmental Agreement referenced is amended as follows:

1. Pursuant to, Terms and Conditions, Provision Six (6), **Contract Changes**, Item 6.1, Amendments, Purchase Orders and Change Orders, this Agreement is hereby amended as defined by this Amendment Two (2).
2. Pursuant to, Terms and Conditions, Provision Four (4), **Contract Administration and Operation**, 4.2, Contract Renewal, this Agreement is hereby extended through September 30, 2015.
3. The Price Sheet is revised and replaced with the Price Sheet on Page Three (3) of this Amendment.
4. Exhibit 1 is hereby added to the Contract.

ALL OTHER PROVISIONS OF THIS AGREEMENT REMAIN UNCHANGED.

Contractor Name:

Authorized Signature

COCHISE HEALTH AND SOCIAL SERVICES

1415 W. MELODY LANE, BUILDING A

Address:

Print Name

BISBEE

ARIZONA

85603-3090

City

State

Zip

Title

Pursuant to A.R.S. § 11-952, the undersigned public agency attorney has determined that this Intergovernmental Agreement is in proper form and is within the powers and authority granted under the laws of Arizona

This Intergovernmental Agreement Amendment shall be effective the date indicated. The Public Agency is hereby cautioned not to commence any billable work or provide any material, service or construction under this IGA until the IGA has been executed by an authorized ADHS signatory.

Ben Bannan *10-2-14*

State of Arizona

Signature

Date

Signed this _____ day of _____ 2014.

Tenny Bannan Dep Co ATTY

Print Name

Title

Procurement Officer

Attorney General Contract No.: **P0012014000078**, which is an Agreement between public agencies, has been reviewed pursuant to A.R.S. § 11-952 by the undersigned Assistant Attorney, who has determined that it is in proper form and is within the powers and authority granted under the laws of the State of Arizona.

RESERVED FOR USE BY THE SECRETARY OF STATE

Under House Bill 2011, A.R.S. § 11-952 was amended to remove the requirement that Intergovernmental Agreements be filed with the Secretary of State.

Signature

Date

Assistant Attorney General

Print Name

Title

	INTERGOVERNMENTAL AGREEMENT (IGA) AMENDMENT		ARIZONA DEPARTMENT OF HEALTH SERVICES 1740 West Adams, Room 303 Phoenix, Arizona 85007 (602) 542-1040 (602) 542-1741 FAX
	Contract No.: ADHS14-063015	Amendment No.: 2	Procurement Officer: Delilah Gonzalez

5. Scope of Work, Provision 2, Categories Selected, is revised and replaced with the following:

2. **CATEGORIES SELECTED** - The following Categories have been selected from Exhibit 1 and are incorporated as outlined below:

2.1 Category 1: Progress Towards Preparing or Applying for Accreditation

The accreditation process consists of seven (7) key steps and is based on demonstrating achievement of standards and measures across twelve (12) domains, as described in PHAB's Guide to Accreditation. Counties selecting this category may use this award to complete the steps necessary to organize, prepare and apply for accreditation as related to any PHAB domain and to fulfill one (1) or more of the outlined deliverables (e.g., documentation gap analysis and recommendations, staff accreditation training, etc.) or another deliverable described in detail by the County.

2.3 Category 3: Building a Culture of Quality Improvement (related PHAB Domain: 9)

Quality improvement (QI) is the result of leadership support and requires staff commitment at all levels to build a culture of quality and ensure it is fully integrated into organizational structures, processes, services, operations, and more. Counties selecting this category may use this award to conduct activities that will show progress towards building a culture of Quality Improvement (QI) that will fulfill one (1) or more of the outlined deliverables (e.g., assessment of current QI culture and description of desired future state, plan for regularly communicating about QI activities, etc.).

3. Scope of Work, Provision 6, Deliverables is revised and replaced with the following:

6. **DELIVERABLES** - For each Category identified in Provision 5.1, the following Deliverables have been selected from Exhibit 1 and are incorporated as outlined below:

6.1 Category 1: Progress Towards Preparing or Applying for Accreditation

6.1.3 Detailed written description of process to systematically review and revise department policies and procedures as needed, and evidence of implementation of this process.

6.1.4 Detailed written description of process for identifying and reviewing documentation for PHAB, and evidence of implementation of the process.

6.2 Category 3: Building a Culture of Quality Improvement

6.3.1 Detailed written description of assessment results for current QI culture and desired future state of quality in organization.

6.3.2 Detailed written description and documentation of the LHD's QI governance structure,



INTERGOVERNMENTAL AGREEMENT (IGA) AMENDMENT

ARIZONA DEPARTMENT OF HEALTH SERVICES
1740 West Adams, Room 303
Phoenix, Arizona 85007
(602) 542-1040
(602) 542-1741 FAX
Procurement Officer:
Delilah Gonzalez

Contract No.: **ADHS14-063015**

Amendment No.: **2**

REVISED PRICE SHEET

Effective October 1, 2014

ADHS will pay for completed Tasks monthly upon receipt of an Invoice from the County

Deliverable Description	Budget Amount
Category 1, Deliverable 6.1.3: Detailed written description of process to systematically review and revise department policies and procedures as needed, and evidence of implementation of this process.	\$13,060.14
Category 1, Deliverable 6.1.4: Detailed written description of process for identifying and reviewing documentation for PHAB, and evidence of implementation of the process.	\$13,060.14
Category 3, Deliverable 6.3.1: Detailed written description of assessment results for current QI culture and desired future state of quality in organization.	\$13,060.15
Category 3, Deliverable 6.3.2: Detailed written description and documentation of the LHD's QI governance structure,	\$13,060.15
Total Contract Amount Not to Exceed	\$52,240.58

Contract Number	INTERGOVERNMENTAL AGREEMENT (IGA) EXHIBIT 1
ADHS14-063015	

1. DELIVERABLES AVAILABLE FOR EACH CATEGORY IDENTIFIED ABOVE: The applicable Deliverable/s is/are identified in the Scope of Work, Provision 6 and any changes or updates to this Provision will be made and applied via an Amendment to the Contract.

6.1 Category 1: Progress Towards Preparing or Applying for Accreditation

- 6.1.1 A written self-study by the Accreditation Team against the PHAB Standards, Measures, and Required Documentation that details the LHD's strengths, opportunities for improvement, and plans for addressing gaps,
- 6.1.2 Materials from staff and governing entity training(s) on the value of and LHD's process for achieving accreditation,
- 6.1.3 Detailed written description of process to systematically review and revise department policies and procedures as needed, and evidence of implementation of this process,
- 6.1.4 Detailed written description of process for identifying and reviewing documentation for PHAB, and evidence of implementation of this process,
- 6.1.5 List of possible documentation for each of the PHAB measures, using PHAB's Documentation Selection Spreadsheet or like tool.
- 6.1.6 Other deliverable related to Category 1.

6.2 Category 2: Establishing and Monitoring a System of Performance Management

- 6.2.1 Completed performance management self-assessment.
- 6.2.2 Detailed written performance management plan including: leadership and staff roles and responsibilities; objectives and standards for measuring progress toward milestones; methods, tools, and processes for measuring, tracking, and reporting performance; and timelines for completion.
- 6.2.3 Performance management staff training including training goals and objectives, and documentation of training content such as PowerPoint presentation, a curriculum, evaluation results, etc.
- 6.2.4 Evidence of an adopted system of performance management including the agency's selected performance goals, standards, objectives, targets, and indicators. This should include an established mechanism for data collection, analysis, and reporting of performance progress such as performance dashboards, spreadsheets and narrative text.
- 6.2.5 Detailed written description of a formal process used to select and implement an information system to support performance management efforts, such as a requirements gathering process, and evidence of implementation of process. The process should detail how the agency examined its needs related to performance management; explored various information system options; considered various stakeholders; and accounted for financial considerations.
- 6.2.6 Other Deliverable/s related to Category 2.

6.3 Category 3: Building a Culture of Quality Improvement

- 6.3.1 Detailed written description of assessment results for current QI culture and desired future state of quality in organization,
- 6.3.2 Detailed written description and documentation of the LHD's QI governance structure,
- 6.3.3 Detailed written description of process and criteria for identifying and initiating appropriate QI projects,

Contract Number	INTERGOVERNMENTAL AGREEMENT (IGA) EXHIBIT 1
ADHS14-063015	

- 6.3.4 Detailed written description of process for identifying performance goals, objectives, and measures with time-framed targets
- 6.3.5 Detailed written plan for collecting, analyzing, and tracking progress toward performance goals and making improvements as needed,
- 6.3.6 Detailed written description of the LHD's plan for regularly communicating about QI activities in the department, and evidence of at least 3 of those mechanisms implemented,
- 6.3.7 Completed QI plan with all required components including descriptions of the following: 1) Key quality terms; 2) Desired future state of quality; 3) Key elements of the QI governance structure; 4) Types of internal QI trainings available and conducted; 5) How projects are identified and initiated and aligned with agency strategic plan; 6) QI goals, objectives, measures with time-framed targets, and responsible parties; 7) Plan for collecting, analyzing, and tracking progress toward performance goals and making improvements as needed; and 8) Plan for regularly communicating about QI activities.
- 6.3.8 QI staff training including training goals and objectives, and documentation of training content such as PowerPoint presentations, a curriculum, evaluation results, etc.,
- 6.3.9 Written or visual example of a completed QI project(s) in a program and/or administrative area, and
- 6.3.10 Other Deliverable/s related to Category 3.

6.4 **Category 4: Workforce Development**

- 6.4.1 Detailed written plan for ensuring adoption of relevant public health core competencies among staff,
- 6.4.2 Assessment(s) used to assess staff competencies against the adopted core competencies and detailed description of process for implementing assessment,
- 6.4.3 Staff training plan based upon results of assessment, including training schedules and description of curricula topics, and how identified gaps in staff competencies will be addressed,
- 6.4.4 Workforce development plan that includes all required components including the following: 1) Adopted public health core competencies for staff; 2) Assessment of staff competencies against adopted core competencies; 3) Curricula and training schedules; and 5) Identification of barriers and strategies for addressing them.
- 6.4.5 Other Deliverable/s related to Category 4.

6.5 **Category 5: Using Award Funds for PHAB Fees**

- 6.5.1 Provide evidence to ADHS that the LHD has applied to PHAB within the project timeframe.

Regular Board of Supervisors Meeting

Meeting Date: 10/28/2014
 Maternal, Infant & Early Childhood Home Visiting, IGA#: ADHS14-053682
Submitted By: Jennifer Steiger, Health & Social Services
Department: Health & Social Services
Presentation: No A/V Presentation
Document Signatures: BOS Signature Required

Recommendation: Approve
of ORIGINALS Submitted for Signature: 2
TITLE of PRESENTER: n/a
Source of Mandate or Basis for Support?: ADHS

NAME of PRESENTER: n/a

Mandated Function?: Not Mandated

You will use this Agenda Item template if your item involves a Grant (whether a new or renewal grant). You also must attach the Grant Approval Form to the item before Finance will approve it. Select the SPECIAL LINKS on your left-hand menu and Click on "Grant Approval Form". Then complete the form, save it and attach it to your item (on the Attachments tab).

Information

Agenda Item Text:

Approve renewal Intergovernmental Agreement (IGA) ADHS14-053682, Maternal, Infant & Early Childhood Home Visiting (MIECHV), between the Arizona Department of Health Services (ADHS) and Cochise Health & Social Services (CHSS) in the amount of \$90,000 for the period October 1, 2014 through September 30, 2015.

Background:

In February 2013 ADHS MIECHV held a collaboration meeting in Cochise County to review the size and scope and reach of home visiting programs in the area. Supervisors and workers from 6 different agencies and programs attended this meeting and provided ADHS MIECHV with input regarding the needs of families with young children and the ability of current home visiting programs to meet these needs. (Collaborative agencies/programs include: Cochise Health & Social Services, UofA Cooperative Extension, Easter Seals Blake Foundation, Child & Family Resources, Inc., Fort Huachuca Parent Support Program and Child Parent Centers of AZ) In March 2013, the supervisors of those same 6 programs gathered together on their own to discuss streamlining our referral processes and addressing duplication of services, in order to make sure all eligible families in Cochise County could access home visiting services. This group, self-named "Cochise Home Visiting Collaboration" has met monthly since then and made progress in both referral process and duplication of service and have added other issues including training for home visitors and improving the working relationships with Child Protective Services and Behavioral Health services. In April 2013, ADHS MIECHV offered to fund our collaboration. A Scope of Services was drawn up and a staffing plan was created to provide 50% time in direct service providing outreach and recruitment and 50% time as coordinator of the collaboration, including running meetings, providing community marketing to raise awareness of availability of home visiting services and planning/scheduling training for home visiting staff. CHSS decided to subcontract the majority of this work to Child & Family Resources, Inc. (CFR) as they have a contract with First Things First in Graham/Greenlee counties to supervise the coordination of the home visiting collaboration. Thus CFR will be able to "co-supervise" both coordinator positions, which will enhance the efficiency and effectiveness of both collaborations.

Department's Next Steps (if approved):

Your approvals are respectfully requested.

Impact of NOT Approving/Alternatives:

Without approval of this funding, the Cochise Home Visiting Collaboration will be limited in the scope of improvements in referral and service coordination, and worker training, that will be able to be made to the matrix of home visiting services provided to over 750 families in Cochise County.

To BOS Staff: Document Disposition/Follow-Up:

A fully executed original will be sent to the Clerk of the Board.

Budget Information

Information about available funds

Budgeted: **Funds Available:** **Amount Available:**
Unbudgeted: **Funds NOT Available:** **Amendment:**

Account Code(s) for Available Funds

1:

Fund Transfers

Fiscal Year: 2014-2015

One-time Fixed Costs? (\$\$\$):

Ongoing Costs? (\$\$\$):

County Match Required? (\$\$\$):

A-87 Overhead Amt? (Co. Cost Allocation \$\$\$): 28,342

Source of Funding?: ADHS

Fiscal Impact & Funding Sources (if known):

This is a grant-funded, fixed price program from the Arizona Department of Health Services. The entire award to CHSS through the MIECHV IGA ADHS14-053682 is in the amount of \$90,000. The ADHS MIECHV IGA is a separate Consent Item on this agenda. \$80,780 will be subcontracted to Child & Family Resources to provide the staff position and immediate supervisory oversight for this project. \$9,220 will be used by Cochise Health & Social Services to provide grant management and fiscal oversight of the project. The net county subsidy is calculated as follows (based on approved salaries/EREs): Projected Salaries/EREs \$63,777 A-87 Overhead at 44.44% \$28,342 Authorized overhead @ 20% \$12,755 Net County Subsidy \$15,587

Attachments

Maternal, Infant & Early Childhood Home Visiting, IGA#: ADHS14-053682

Finance Email

COCHISE COUNTY GRANT APPROVAL FORM

Form Initiator: JENNIFER STEIGER Date Prepared: Oct 17, 2014
Point of Contact: JENNIFER STEIGER Phone Number: 520-432-9402
Department: Health

PRIMARY GRANT

Primary Grantor: ADHS CFDA: www.CFDA.gov

Grant Title: MATERNAL, INFANT & EARLY CHILDHOOD HOME VISITING (MIECHV)

Grant Term From: Oct 1, 2014 To: Sep 30, 2015 Total Award Amount: 90,000

New Grant: Yes No

Grant No.: IGA#: ADHS14-053682

Amendment No.: 2 (PO FUNDING RENEWAL)

Funding No.: 245 If new, Finance will assign a funding number.

Strategic Plan: Health & Wellbeing District: CW Mandated by Law? Yes No

Number of Positions Funded: 0 Asset(s) Acquired:

Briefly describe the purpose of the grant.

This new contract is intended to provide funding for CHSS to participate and administer the new CHSS, SVRHC, CFR, MEICHV collaborative efforts, through planning, coordination and support of the effort.

If this is a mandated service, cite the source. If not mandated, cite indications of local customer support for this service.

PRIMARY FUNDING SOURCE:

Funding Year: Federal Funds 332.100
State Funds 336.100
County Funds 391.000
Other Funds:
Total Funds:

Funding Year: Federal Funds 332.100
State Funds 336.100
County Funds 391.000
Other Funds:
Total Funds:

Funding Year: Federal Funds 332.100
State Funds 336.100
County Funds 391.000
Total Revenue:

Has this amount been budgeted? Yes No

Method of collecting funds: Lump Sum Quarterly Draw Reimbursement

Is revertment of unexpended funds required at the end of grant period? Yes No

(a) Total A-87 Cost Allocation: (b) Amount of overhead allowed by grant:

County Subsidy (a) - (b):

Does Grantor accept indirect costs as an allowable expenditure? Yes No

If yes, dollar amount or percentage allowed:

Second Grantor:

Grant Term From: To:

Secondary Award Amount:

Grant No.:

Amendment No.:

Funding Year: Federal Funds 332.100

State Funds 336.100

County Funds 391.000

Other Funds:

Funding Year: Federal Funds 332.100

State Funds 336.100

County Funds 391.000

Other Funds:

Total Revenue:

Has this amount been budgeted? Yes No

Method of collecting funds: Lump Sum Quarterly Draw Reimbursement

Is reversion of unexpended funds required at the end of grant period? Yes No

(a) Total A-87 Cost Allocation: (b) Amount of overhead allowed by grant:

County Subsidy (a) - (b):

Does Grantor accept indirect costs as an allowable expenditure? Yes No

If yes, dollar amount or percentage allowed:

Is County match required? Yes No

County Match Source:

County match dollar amount or percentage:

Signature: J. STEIGER

Board Approval: _____

Date _____

Please e-mail completed form to Finance ldevore@cochise.az.gov.

NOTE: Once approved by the Board of Supervisors, the department is responsible for sending a copy of the fully executed grant document to the Finance Department

Executive Summary Form

Agenda Number: HLT (Maternal, Infant and Child Home Visiting)

Recommendation:

Approve renewal IGA#: ADHS14-053682, Maternal, Infant & Early Childhood Home Visiting (MIECHV), between the Arizona Department of Health Services (ADHS) and Cochise Health & Social Services (CHSS) in the amount of \$90,000 for the period 10/01/14 – 09/30/15.

In February 2013 ADHS MIECHV held a collaboration meeting in Cochise County to review the size and scope and reach of home visiting programs in the area. Supervisors and workers from 6 different agencies and programs attended this meeting and provided ADHS MIECHV with input regarding the needs of families with young children and the ability of current home visiting programs to meet these needs. (Collaborative agencies/programs include: Cochise Health & Social Services, UofA Cooperative Extension, Easter Seals Blake Foundation, Child & Family Resources, Inc., Fort Huachuca Parent Support Program and Child Parent Centers of AZ)

In March 2013, the supervisors of those same 6 programs gathered together on their own to discuss streamlining our referral processes and addressing duplication of services, in order to make sure all eligible families in Cochise County could access home visiting services. This group, self-named “Cochise Home Visiting Collaboration” has met monthly since then and made progress in both referral process and duplication of service and have added other issues including training for home visitors and improving the working relationships with Child Protective Services and Behavioral Health services.

In April 2013, ADHS MIECHV offered to fund our collaboration. A Scope of Services was drawn up and a staffing plan was created to provide 50% time in direct service providing outreach and recruitment and 50% time as coordinator of the collaboration, including running meetings, providing community marketing to raise awareness of availability of home visiting services and planning/scheduling training for home visiting staff. CHSS decided to subcontract the majority of this work to Child & Family Resources, Inc. (CFR) as they have a contract with First Things First in Graham/Greenlee counties to supervise the coordination of the home visiting collaboration. Thus CFR will be able to “co-supervise” both coordinator positions, which will enhance the efficiency and effectiveness of both collaborations.

Fiscal Impact & Funding Sources:

This is a grant-funded, fixed price program from the Arizona Department of Health Services. The entire award to CHSS through the MIECHV IGA ADHS14-053682 is in the amount of \$90,000. *The ADHS MIECHV IGA is a separate Consent Item on this agenda.*

Executive Summary Form

\$80,780 will be subcontracted to Child & Family Resources to provide the staff position and immediate supervisory oversight for this project. \$9,220 will be used by Cochise Health & Social Services to provide grant management and fiscal oversight of the project.

The net county subsidy is calculated as follows (based on approved salaries/EREs):

Projected Salaries/EREs	\$63,777
A-87 Overhead at 44.44%	\$28,342
<u>Authorized overhead @ 20%</u>	<u>\$12,755</u>
Net County Subsidy	\$15,587

Next Steps/Action Items/Follow-up:

Your approvals are respectfully requested.

Impact of Not Approving:

Without approval of this funding, the Cochise Home Visiting Collaboration will be limited in the scope of improvements in referral and service coordination, and worker training, that will be able to be made to the matrix of home visiting services provided to over 750 families in Cochise County.



ARIZONA STATE CONTRACT

CONTRACT RELEASE

ProcureAZ Purchase Order No.: ADHS14-053682:2
 Organizational Reference No.: E0197374
 Issued: 10/10/2014

R
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V

Vendor Number: 000015299
 Cochise County Health Department
 1415 Melody Lane
 Building A
 Bisbee, AZ 85603

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Arizona Department of Health Services
 Bureau of Women and Children's Health
 150 N. 18th Avenue, Suite 320
 Phoenix, AZ 85007
 US
 Email: procure@azdhs.gov

(602) 364-1400

B
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MAIL INVOICE IN DUPLICATE TO:
 Arizona Department of Health Services
 Bureau of Women and Children's Health
 150 N. 18th Avenue, Suite 320
 Phoenix, AZ 85007
 US
 Email: procure@azdhs.gov

(602) 364-1400

Contract No.: ADHS14-053682
 Title: MIECHV Home Visiting Services

Release Instructions

TERMS AND CONDITIONS set forth in our Bid, Quotation, or Purchase Order are incorporated herein by reference and become a part of this order.

Account Code: 14-92451-43400-6811- -----	Payment Terms:
Solicitation (Bid) No.:	Shipping Terms:
	Delivery Calendar Day(s) A.R.O.: 0

Item	Description	Requisition	Quantity	Unit	Unit Price	Total
1	Class-Item 952-81 PO EFFECTIVE 10/1/14 - 9/30/15 *** CONTRACT EFFECTIVE 7/1/13 - 9/30/15 *** CONTRACTOR TO INVOICE ACCORDING TO CONTRACT PRICE SHEET AS FOLLOWS: PERSONNEL = \$43,060.00 ***ERE = \$9,000.00 ***PROFESSIONAL & OUTSIDE SERVICES = \$1,000.00 *** TRAVEL EXPENSE = \$1,335.00 ***OCCUPANCY EXPENSE = \$2,400.00 *** OTHER OPERATING EXPENSE = \$28,957.00 *** CAPITAL OUTLAY EXPENSE = \$0.00 *** INDIRECT (IF AUTHORIZED) = \$4,248.00 *** THIS LINE TOTAL = \$90,000.00 ***** MIECHV		1.00	TOTAL	\$ 90,000.00	\$ 90,000.00

TOTAL: \$ 90,000.00

Approved By: Dee Viahos
 Phone No.: (602) 364-1425



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Regular Board of Supervisors Meeting**Meeting Date:** 10/28/2014

Ancillary Services Provider Agreement, Bridgeway Health Solutions

Submitted By: Jennifer Steiger, Health & Social Services**Department:** Health & Social Services**Presentation:****Document Signatures:****Recommendation:**

of ORIGINALS 2

Submitted for Signature:**NAME
of PRESENTER:****TITLE
of PRESENTER:****Mandated Function?:****Source of Mandate
or Basis for Support?:**

You will use this Agenda Item template if your item involves a Grant (whether a new or renewal grant). You also must attach the Grant Approval Form to the item before Finance will approve it. Select the SPECIAL LINKS on your left-hand menu and Click on "Grant Approval Form". Then complete the form, save it and attach it to your item (on the Attachments tab).

Information**Agenda Item Text:**

Approve an Ancillary Services Provider Agreement between Bridgeway Health Solutions and the Cochise Health and Social Services (CHSS) Department for the period of October 28, 2014 through October 28, 2017. 10/28/14 for three years.

Background:

This agreement will allow CHSS staff to provide services for Bridgeway members. The specific intent of this agreement is so that CHSS can administer influenza vaccinations to the ALTCS clients and bill Bridgeway and/or the clients' primary insurance for these services.

Department's Next Steps (if approved):

Your approvals are respectfully requested.

Impact of NOT Approving/Alternatives:

Not approving this amendment would result in CHSS staff not being able to provide and bill for direct services to Bridgeway clients and a loss of this revenue stream.

To BOS Staff: Document Disposition/Follow-Up:

A fully executed original will be sent to the Clerk of the Board.

Budget Information*Information about available funds***Budgeted:** **Funds Available:** **Amount Available:****Unbudgeted:** **Funds NOT Available:** **Amendment:** **Account Code(s) for Available Funds**

1:

Fund Transfers**Fiscal Year:** 2014-2015**One-time Fixed Costs? (\$\$\$):****Ongoing Costs? (\$\$\$):****County Match Required? (\$\$\$):****A-87 Overhead Amt? (Co. Cost Allocation \$\$\$):** 0**Source of Funding?:** n/a**Fiscal Impact & Funding Sources (if known):**

This agreement will generate revenue, or at least cover costs, for administration of these vaccines. Bridgeway and/or the clients' primary insurance will pay CHSS for these services at the then current Medicare or AHCCCS fee schedule. This agreement can be expanded to cover other direct services CHSS provides to Bridgeway members in the future with the same reimbursement methodology. cost reimbursement program through the Arizona Department of Health Services in the amount of \$331,050. The ADHS allowable indirect rate for this program is 15% versus the county A-87 rate of 46.98%. The result in a net County subsidy of \$81,842: Personnel / EREs: No Additional A-87 OH Rate @ 46.98%: No Additional Authorized OH @ 15%: No Additional Net County Subsidy: \$ 0

Attachments

Ancillary Services Provider Agreement, Bridgeway Health Solutions

COCHISE COUNTY GRANT APPROVAL FORM

Form Initiator: JENNIFER STEIGER Date Prepared: Oct 17, 2014
Point of Contact: JENNIFER STEIGER Phone Number: 520-432-9402
Department: Health

PRIMARY GRANT

Primary Grantor: BRIDGEWAY HEALTH SOLUTIONS CFDA: www.CFDA.gov

Grant Title: ANCILLARY SERVICES PROVIDER AGREEMENT

Grant Term From: Oct 28, 2014 To: Oct 27, 2017 Total Award Amount: 0

New Grant: Yes No Grant No.: N/A

Amendment No.:

Funding No.: 100-5000-5200 If new, Finance will assign a funding number.

Strategic Plan: Health & Wellbeing District: CW Mandated by Law? Yes No

Number of Positions Funded: 0 Asset(s) Acquired:

Briefly describe the purpose of the grant.

The specific intent of this agreement is so that CHSS can administer influenza vaccinations to the ALTCS clients and bill Bridgeway and/or the clients' primary insurance for these services. This agreement will generate revenue, or cover CHSS costs.

If this is a mandated service, cite the source. If not mandated, cite indications of local customer support for this service.

NOT MANDATED

PRIMARY FUNDING SOURCE:

Funding Year: Federal Funds 332.100
State Funds 336.100
County Funds 391.000
Other Funds:
Total Funds:

Funding Year: Federal Funds 332.100
State Funds 336.100
County Funds 391.000
Other Funds:
Total Funds:

Funding Year: Federal Funds 332.100
State Funds 336.100
County Funds 391.000
Total Revenue:

Has this amount been budgeted? Yes No

Method of collecting funds: Lump Sum Quarterly Draw Reimbursement

Is revertment of unexpended funds required at the end of grant period? Yes No

(a) Total A-87 Cost Allocation: (b) Amount of overhead allowed by grant:

County Subsidy (a) - (b):

Does Grantor accept indirect costs as an allowable expenditure? Yes No

If yes, dollar amount or percentage allowed:

Second Grantor:

Grant Term From: To:

Secondary Award Amount:

Grant No.:

Amendment No.:

Funding Year: Federal Funds 332.100

State Funds 336.100

County Funds 391.000

Other Funds:

Funding Year: Federal Funds 332.100

State Funds 336.100

County Funds 391.000

Other Funds:

Total Revenue:

Has this amount been budgeted? Yes No

Method of collecting funds: Lump Sum Quarterly Draw Reimbursement

Is revertment of unexpended funds required at the end of grant period? Yes No

(a) Total A-87 Cost Allocation: (b) Amount of overhead allowed by grant:

County Subsidy (a) - (b):

Does Grantor accept indirect costs as an allowable expenditure? Yes No

If yes, dollar amount or percentage allowed:

Is County match required? Yes No

County Match Source:

County match dollar amount or percentage:

Signature: J. STEIGER

Board Approval: _____

Date _____

[Print Form](#)

[Submit by Email to Finance](#)

Please e-mail completed form to FinanceIdevore@cochise.az.gov.

NOTE: Once approved by the Board of Supervisors, the department is responsible for sending a copy of the fully executed grant document to the Finance Department

Executive Summary Form

Agenda Number: HLT Provider Services Agreement

Recommendation:

Approve **Ancillary Services Provider Agreement** between Bridgeway Health Solutions and the Cochise Health and Social Services (CHSS) Department for the period of 10/28/14 for three years. The Agreement will automatically renew for terms of one (1) year each.

Background (Brief):

This agreement will allow CHSS staff to provide services for Bridgeway members. The specific intent of this agreement is so that CHSS can administer influenza vaccinations to the ALTCS clients and bill Bridgeway and/or the clients' primary insurance for these services.

Fiscal Impact & Funding Sources:

This agreement will generate revenue, or at least cover costs, for administration of these vaccines. Bridgeway and/or the clients' primary insurance will pay CHSS for these services at the then current Medicare or AHCCCS fee schedule. This agreement can be expanded to cover other direct services CHSS provides to Bridgeway members in the future with the same reimbursement methodology. cost reimbursement program through the Arizona Department of Health Services in the amount of \$331,050. The ADHS allowable indirect rate for this program is 15% versus the county A-87 rate of 46.98%. The result in a net County subsidy of \$81,842:

Personnel / EREs: No Additional

A-87 OH Rate @ 46.98%: No Additional

Authorized OH @ 15%: No Additional

Net County Subsidy: \$ 0

Next Steps/Action Items/Follow-up: Your approvals are respectfully requested.

Impact of Not Approving:

Not approving this amendment would result in CHSS staff not being able to provide and bill for direct services to Bridgeway clients and a loss of this revenue stream.

ANCILLARY SERVICES PROVIDER AGREEMENT

THIS ANCILLARY SERVICES PROVIDER AGREEMENT (“Agreement”) is made and entered into as of _____ (“Effective Date”), by and between Cochise County Health Department (“Provider”) and Bridgeway Health Solutions, L.L.C. (“MCO”).

WHEREAS, Provider is a provider of Clinic services duly licensed and operating in accordance with all applicable State and federal laws and regulations; and

WHEREAS, MCO is a duly licensed managed care organization authorized to arrange for the provision of Covered Services to Covered Persons (as hereinafter defined); and

WHEREAS, MCO wishes to contract with Provider to provide certain Covered Services to Covered Persons; and

WHEREAS, Provider desires to provide the Covered Services specified in this Agreement to Covered Persons for the consideration, and under the terms and conditions, set forth in this Agreement; and

NOW, THEREFORE, in consideration of the premises and mutual promises herein stated, the parties hereby agree as follows:

ARTICLE I DEFINITIONS

As used in this Agreement and each of its Attachments, each of the following terms (and the plural thereof, when appropriate) shall have the meaning set forth herein.

- 1.1. ***Affiliate(s)*** means a person or entity controlling, controlled by, or under common control with MCO.
- 1.2. ***Attachment(s)*** means the attachments to this Agreement, including addenda and exhibits, all of which are hereby incorporated herein by reference.
- 1.3. ***Clean Claim*** has, as to each particular product, the meaning set forth in the Attachment pertaining to each such product. If there is no definition for a particular product, “Clean Claim” shall have the meaning set forth in the Provider Manual.
- 1.4. ***Covered Person*** means a person eligible for and enrolled in MCO or an Affiliate to receive Covered Services.
- 1.5. ***Covered Services*** means those Medically Necessary health care services covered under the terms of the applicable Payor Contract and rendered in accordance with the Provider Manual.

- 1.6. **Emergency or Emergency Care** has, as to each particular product, the meaning set forth in the Attachment pertaining to each such product. If there is no definition for a particular product, Emergency Care shall mean inpatient and outpatient Covered Services furnished by a qualified provider that are needed to evaluate or stabilize an Emergency Medical Condition.
- 1.7. **Emergency Medical Condition** means a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) that a prudent layperson, who possesses an average knowledge of health and medicine, could reasonably expect the absence of immediate medical attention to result in the following: (i) placing the health of the individual (or, with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy; (ii) serious impairment to bodily functions; or (iii) serious dysfunction of any bodily organ or part.
- 1.8. **Medical Director** means a duly licensed physician or his/her physician designee designated by MCO to monitor and evaluate the appropriate utilization of Covered Services by Covered Persons.
- 1.9. **Medically Necessary** means, unless otherwise defined in the applicable Attachment, any health care services determined by MCO's Medical Director or Medical Director's designee to be required to preserve and maintain a Covered Person's health, provided in the most appropriate setting and in a manner consistent with the most appropriate type, level, and length of service, which can be effectively and safely provided to the Covered Person, as determined by acceptable standards of medical practice and not solely for the convenience of the Covered Person, Covered Person's physician, Provider or other health care provider.
- 1.10. **Participating Health Care Provider** means any physician, hospital, ancillary, or other health care provider that has contracted directly or indirectly with MCO to provide Covered Services to Covered Persons and is credentialed in accordance with the MCO's credentialing criteria.
- 1.11. **Payor** means MCO or another entity that is responsible for funding Covered Services to Covered Persons.
- 1.12. **Payor Contract** means MCO's contract with any Payor that governs provision of Covered Services to Covered Persons. Where MCO is the Payor, "Payor Contract" means MCO's contract with the State or federal agency or other entity that has contracted with MCO to arrange for the provision of Covered Services to eligible individuals of such agency or other entity.
- 1.13. **Provider Manual** means the MCO manual of policies, procedures, and requirements to be followed by Participating Health Care Providers. The Provider Manual includes, but is not limited to, utilization management, quality management, grievances and appeals, and Payor-specific program requirements, and may be changed from time to time by MCO.

- 1.14. *State* is defined as the state set forth in the Attachment(s) attached hereto.

ARTICLE II MCO'S OBLIGATIONS

- 2.1. Administration. MCO shall be responsible for the administrative activities necessary or required for the commercially reasonable operation of a managed care organization. Such activities shall include, but are not limited to, quality improvement, utilization management, grievances and appeals, claims processing, and maintenance of provider directory and records.
- 2.2. Provider Manual. MCO shall make the Provider Manual available to Provider via MCO's website and upon Provider's request. MCO shall post changes to the Provider Manual on MCO's website or provide Provider with prior written notice of material changes to the Provider Manual.
- 2.3. Identification Cards. MCO or Payor shall issue to Covered Persons an identification card that shall bear the name of the Covered Person, and a unique identification number.
- 2.4. Benefits and Eligibility Verification. MCO or Payor, as determined by the Payor Contract, shall be responsible for all eligibility and benefit determinations regarding Covered Services and all communications to Covered Persons regarding final benefit determinations, eligibility, bills, and other matters relating to their status as Covered Persons.
- 2.5. MCO's Medical Director. MCO shall provide a Medical Director to be responsible for the professional and administrative medical affairs of MCO.

ARTICLE III PROVIDER'S OBLIGATIONS

- 3.1. Covered Services. Provider shall provide to Covered Persons those Covered Services described in the applicable Attachment(s) in accordance with the Provider Manual and according to the generally accepted standards of medical practice in the Provider's community, the scope of Provider's license, and the terms and conditions of this Agreement. Provider shall make necessary and appropriate arrangements to assure the availability of Covered Services to Covered Persons during business hours consistent with like providers and in accordance with applicable State and federal law and the Payor Contract.
- 3.2. Compliance with MCO Policies and Procedures. Provider warrants that Provider and all persons providing services hereunder on Provider's behalf ("Provider Personnel"), shall at all times cooperate and comply with the policies and procedures of MCO, including, but not limited to, the following:
- A. MCO's credentialing criteria;

- B. MCO's Provider Manual;
 - C. MCO's medical management program including quality improvement, utilization management, disease management, and case management;
 - D. MCO's grievance and appeal procedures; and
 - E. MCO's coordination of benefits and third party liability policies.
- 3.3. Determination of Covered Person Eligibility. Provider shall verify, in accordance with the Provider Manual, whether an individual seeking Covered Services is a Covered Person. If MCO determines that such individual was not eligible for Covered Services at the time the services were rendered, such services shall not be eligible for payment under this Agreement, and Provider may bill the individual or other responsible entity for such services.
- 3.4. Emergency Care. Provider shall provide Emergency Care in accordance with applicable federal and State laws and the Payor Contract. Provider shall notify MCO within twenty-four (24) hours or by the next business day of rendering or learning of the rendering of Emergency Care to a Covered Person.
- 3.5. Acceptance of New Patients. To the extent that Provider is accepting new patients, Provider must also accept new patients who are Covered Persons of MCO. Provider shall provide MCO forty-five (45) days written notice prior to Provider's decision to no longer accept Covered Persons of MCO or any other Payor. In no event shall any established patient of Provider who becomes a Covered Person be considered a new patient.
- 3.6. Referrals: Reporting to Primary Care Physician. Provider shall provide Covered Services to Covered Persons upon referral from a MCO primary care physician ("PCP") or MCO, and shall arrange for any appropriate referrals and/or admissions of Covered Persons, in accordance with the requirements of the Provider Manual. Provider shall, within a reasonable time following consultation with, or testing of, a Covered Person (not to exceed one (1) week), make a complete written report to the Covered Person's PCP, provided that, with respect to findings which may indicate a need for immediate or urgent follow-up treatment or testing or which may indicate a need for further or follow-up care outside the scope of the referral authorization or outside the scope of Provider's area of expertise, the Provider shall provide an immediate oral report to the Covered Person's PCP, not to exceed twenty-four (24) hours from the time of Provider's consultation or Provider's receipt of the report of the testing, as applicable.
- 3.7. Preferred Drug List/Drug Formulary. If applicable to the Covered Person's coverage, Provider shall abide by MCO's formulary or preferred drug list when prescribing medications for Covered Persons.

- 3.8. Treatment Decisions. MCO shall not be liable for, nor will it exercise control over, the manner or method by which Provider provides or arranges for Covered Services. Provider understands that MCO's determinations, if any, to deny payments for services which MCO does not deem to constitute Covered Services or which were not provided in accordance with the requirements of this Agreement, the Attachments or the Provider Manual, are administrative decisions only. Such a denial does not absolve Provider of Provider's responsibility to exercise independent judgment in Covered Person treatment decisions. Nothing in this Agreement is intended to interfere with Provider's provider-patient relationship with Covered Person(s).
- 3.9. Facilities. Provider agrees that the facilities at which Covered Services are provided hereunder shall be maintained in accordance with all applicable federal and State laws.
- 3.10. Covered Person Communication. Provider shall obtain Payor and MCO's approval for Covered Person communication as required by the Payor Contract and applicable State and federal law. Nothing in this Agreement shall be construed as limiting Provider's ability to communicate with Covered Persons with regard to quality of health care or medical treatment decisions or alternatives regardless of Covered Service limitations under the Payor Contract.
- 3.11. Cooperation with MCO Carve-Out Vendors. Provider acknowledges that MCO may, during the term of this Agreement, carve-out certain Covered Services from its general provider contracts, including this Agreement, as MCO deems necessary to promote the quality and cost-effectiveness of services provided to Covered Persons. Provider shall cooperate with any and all third party vendors that have contracted with MCO or an Affiliate of MCO to provide services to Covered Persons.
- 3.12. Disparagement Prohibition. Provider agrees not to disparage MCO in any manner during the term of this Agreement or in connection with any expiration, termination or non-renewal of this Agreement. Provider shall not interfere with MCO's contractual relationships including, but not limited to, those with other Participating Health Care Providers. Nothing in this provision, however, shall be construed as limiting Provider's ability to inform patients that this Agreement has been terminated or otherwise expired or to promote Provider to the general public or to post information regarding other health plans consistent with Provider's usual procedures, provided that no such promotion or advertisement is directed at any specific Covered Person or group of Covered Persons.
- 3.13. Nondiscrimination. Provider will provide services to Covered Persons without discrimination on account of race, sex, sexual orientation, age, color, religion, national origin, place of residence, health status, type of Payor, source of payment, physical or mental disability or veteran status, and will ensure that its facilities are accessible as required by Title III of the Americans With Disabilities Act of 1991 ("ADA"). Provider recognizes that as a governmental contractor, MCO is subject to various federal laws, executive orders and regulations regarding equal opportunity and affirmative action, which also may be applicable to subcontractors.

- 3.14. Written Notice. Provider shall give written notice to MCO of: (i) any situation which develops regarding Provider, when notice of that situation has been given to the State agency that licenses Provider, or any other licensing agency or board, or any situation involving an investigation or complaint filed by the State agency that licenses Provider, or any other licensing agency or board, regarding a complaint against Provider's license; (ii) when a change in Provider's license to practice medicine is affected or any form of reportable discipline is taken against such license; (iii) suspension or exclusion under a federal health care program, including, but not limited to, Medicaid; (iv) any government agency request for access to records; or (v) any lawsuit or claim filed or asserted against Provider alleging professional malpractice, regardless of whether the lawsuit or claim involves a Covered Person. In any such instance described above, Provider must notify MCO in writing within ten (10) days from the date Provider first receives notice, whether written or oral, with the exception of those lawsuits or claims which do not involve a Covered Person, with respect to which Provider has thirty (30) days to notify MCO.
- 3.15. Use of Name. Provider agrees that MCO may use Provider's name, address, phone number, type of practice, and an indication of Provider's willingness to accept additional Covered Persons in MCO's roster of Participating Health Care Providers and marketing materials.

ARTICLE IV **COMPLIANCE WITH LAW**

- 4.1. Compliance with Law and Payor Contracts. Provider and MCO agree that each party shall carry out its obligations in accordance with terms of the Payor Contract and applicable federal and State laws and regulations, including, but not limited to, the requirements of the Stark law (42 U.S.C. § 1395nn) and applicable federal and State self-referral and fraud and abuse statutes and regulations. If, due to Provider's noncompliance with law, the Payor Contract or this Agreement, sanctions or penalties are imposed on MCO, MCO may, in its sole discretion, offset sanction or penalty amounts against any amounts due Provider from MCO or require Provider to reimburse MCO for the amount of any such sanction or penalty.
- 4.2. HIPAA Compliance. Provider and MCO shall abide by the administrative simplification provisions of the Health Insurance Portability and Accountability Act ("HIPAA"), its implementing regulations [45 C.F.R. parts 160 and 164] and all other federal and State laws regarding confidentiality and disclosure of medical records and other health and Covered Person information, including safeguarding the privacy and confidentiality of any protected health information ("PHI") that identifies a particular Covered Person. Provider shall assure its own compliance and that of its business associates with HIPAA.

ARTICLE V **CLAIMS SUBMISSION, PROCESSING, AND COMPENSATION**

- 5.1. Claims or Encounter Submission. Provider shall submit to Payor claims or encounters for Covered Services in accordance with the Provider Manual. Payor reserves the right to

deny payment to Provider if Provider fails to submit in accordance with the Provider Manual. If applicable based on Provider's compensation arrangement, Provider shall submit encounter data to Payor in a timely fashion, which shall contain such statistical and descriptive medical and patient data and identifying information as specified in the Provider Manual.

- 5.2. Compensation. Payor shall pay Clean Claims from Provider for Covered Services provided to Covered Persons in accordance with the applicable exhibit less any applicable copayments, cost-sharing or other amounts that are the Covered Person's financial responsibility.
- 5.3. Financial Incentives. Nothing in this Agreement shall, or shall be construed to, create any financial incentive for Provider to withhold Medically Necessary services.
- 5.4. Covered Person Hold Harmless. Provider agrees that in no event including, but not limited to, non-payment by MCO, MCO insolvency, or breach of this Agreement, shall Provider bill, charge, collect a deposit from, seek compensation, remuneration or reimbursement from, or have any recourse against Covered Person for Covered Services provided pursuant to this Agreement. This provision shall not prohibit collection of any applicable copayments or other amounts that are the Covered Person's financial responsibility. This provision shall survive termination or expiration of this Agreement for any reason, shall be construed for the benefit of Covered Persons, and supersedes any oral or written agreement entered into between the Provider and a Covered Person.
- 5.5. Recoupment Rights. Payor shall have the right to immediately recoup any and all amounts owed by Provider to Payor or any Affiliate against amounts owed by Payor or Affiliate to Provider. Provider agrees that all recoupment and any offset rights under this Agreement shall constitute rights of recoupment authorized under State or federal law and that such rights shall not be subject to any requirement of prior or other approval from any court or other government authority that may now have or hereafter have jurisdiction over Provider.

ARTICLE VI

RECORDS/INSPECTIONS

- 6.1. Medical Records/Advance Directives. Provider shall maintain a complete and accurate permanent medical record for each Covered Person to whom Provider renders services under this Agreement and shall include in that record all reports from Participating Health Care Providers and all documentation required by applicable law, regulations, professional standards and the Provider Manual. Provider shall document in the Covered Person's medical record whether the Covered Person has executed an advance directive and agrees to comply with all federal and State laws regarding advance directives. Medical records of Covered Persons shall be treated as confidential so as to comply with all federal and State laws and regulations regarding the confidentiality of the patient records.

- 6.2. Records. Provider shall maintain records related to services provided to Covered Persons and provide such medical, financial and administrative information to MCO and State and federal government agencies as may be necessary for compliance by MCO with State and federal law and accreditation standards, as well as for the administration of this Agreement. MCO shall have access at reasonable times to books, records, and papers of the Provider relating to the health care services provided to Covered Persons for Covered Services.
- 6.3. Consent to Release Medical Records. Provider shall obtain Covered Person authorizations relative to the release of medical information required by applicable law to provide MCO or other authorized parties with access to Covered Persons' records.
- 6.4. Access. In accordance with applicable law, Provider shall provide access to Provider's records to the following, including any designee or duly authorized agent:
- A. Payors, during regular business hours and upon prior notice;
 - B. government agencies, to the extent such access is necessary to comply with regulatory requirements that apply to MCO or Payors; and
 - C. accreditation agencies.

Provider shall provide copies of records at no expense.

- 6.5. Record Transfer. Subject to applicable law and Payor Contract requirements, Provider shall cooperate in the timely transfer of Covered Persons' medical records to any other health care provider at no charge and when required.
- 6.6. On-Site Inspections. Provider agrees that medical office space or its facilities, as applicable, shall be maintained in accordance with applicable federal and State regulatory requirements. Provider shall cooperate in on-site inspections of medical office space by MCO, authorized government officials, and accreditation bodies. Provider shall compile any and all information in a timely manner required to evidence Provider's compliance with this Agreement, as requested by such agency(ies), or as otherwise necessary for the expeditious completion of such on-site inspection.

ARTICLE VII

INSURANCE

- 7.1. Provider Insurance. During the term of this Agreement, Provider shall maintain policies of general and professional liability insurance and other insurance that are necessary to insure Provider, and any other person providing services hereunder on Provider's behalf, against any claim(s) of personal injuries or death alleged or caused by Provider's performance under this Agreement. Such insurance shall include, but not be limited to, tail or prior acts coverage necessary to avoid any gap in coverage. Insurance shall be through a licensed carrier, and in a minimum amount of one million dollars (\$1,000,000)

per occurrence, and have an annual aggregate of no less than three million dollars (\$3,000,000) unless a lesser amount is accepted by MCO or where State law mandates otherwise. Provider will provide MCO with at least fifteen (15) days notice of such cancellation, non-renewal, lapse, or adverse material modification of coverage. Upon MCO's request, Provider will furnish MCO with evidence of such insurance.

- 7.2. Other Insurance. All parties to this Agreement shall maintain in full force and effect appropriate workers' compensation protection and unemployment insurance as required by law.

ARTICLE VIII INDEMNIFICATION

- 8.1. MCO Indemnification. Provider agrees to indemnify and hold harmless (and at MCO's request defend) MCO, its Affiliates, officers, employees and agents from and against any and all claims, loss, damages, liability, costs, expenses (including reasonable attorney's fees), judgments, or obligations arising from or in connection with third party claims alleging any negligence or otherwise wrongful act or omissions of Provider, its agents or employees in the performance of Provider's obligations under this Agreement.
- 8.2. Provider Indemnification. MCO agrees to indemnify and hold harmless (and at Provider's request defend) Provider, its officers, employees and agents from and against any and all claims, loss, damages, liability, costs, expenses (including reasonable attorney's fees), judgments, or obligations arising from or in connection with third party claims alleging any negligence or otherwise wrongful act or omission of MCO, its agents or employees in the performance of MCO's obligations under this Agreement.

ARTICLE IX DISPUTE RESOLUTION

- 9.1. Informal Dispute Resolution. Any disputes between the parties arising with respect to the performance or interpretation of this Agreement ("Dispute") shall first be resolved by exhausting the processes available in the Provider Manual, then through good faith negotiations between designated representatives of the parties that have authority to settle the Dispute. If the matter has not been resolved within sixty (60) days of the request for negotiation, either party may initiate arbitration in accordance with the Arbitration section of this Agreement by providing written notice to the other party.
- 9.2. Arbitration. If a Dispute is not resolved in accordance with the Informal Dispute Resolution section of this Agreement, either party wishing to pursue the Dispute shall submit it to binding arbitration conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("AAA"). In no event may any arbitration be initiated more than one (1) year following the end of the sixty (60) day negotiation period of the Informal Dispute Resolution section of this Agreement. Arbitration proceedings shall be conducted at a mutually agreed upon location within the State. The arbitrators shall have no right to award any punitive or exemplary damages or to vary or

ignore the terms of this Agreement and shall be bound by controlling law. Each party shall bear its own costs related to the arbitration except that the costs imposed by the AAA shall be shared equally. The existence of a Dispute or arbitration proceeding shall not in and of itself constitute cause for termination of this Agreement. During an arbitration proceeding, each party shall continue to perform its obligations under this Agreement pending the decision of the arbitrator.

ARTICLE X
TERM AND TERMINATION

- 10.1. Term. This Agreement shall have an initial term of three (3) year(s), commencing on the Effective Date. Thereafter, this Agreement shall automatically renew for terms of one (1) year each. Notwithstanding the foregoing, this Agreement may terminate in accordance with the Termination sections below.
- 10.2. Termination of Agreement. This Agreement may be terminated under any of the following circumstances:
- A. By either party upon one hundred eighty (180) days prior written notice effective at the end of the initial term or at the end of any renewal term;
 - B. By either party upon ninety (90) days prior written notice if the other party is in material breach of this Agreement, except that such termination shall not take place if the breach is cured within sixty (60) days following the written notice;
 - C. By MCO upon ninety (90) days prior written notice to Provider without cause;
 - D. Immediately upon written notice by MCO if there is imminent harm to patient health or fraud or malfeasance is suspected;
 - E. Immediately upon written notice by either party if the other party becomes insolvent or has bankruptcy proceedings initiated against it;
 - F. Immediately upon written notice by Provider if MCO loses, relinquishes, or has materially affected its certificate of authority to operate as a managed care organization; or
 - G. Immediately upon written notice by MCO if Provider fails to adhere to MCO's credentialing criteria, including, but not limited to, if Provider (1) loses, relinquishes, or has materially affected its license to provide Covered Services in the State, (2) fails to comply with the insurance requirements set forth in this Agreement; or (3) is convicted of a criminal offense related to involvement in any Medicare or Medicaid program or has been terminated, suspended, barred, voluntarily withdrawn as part of a settlement agreement, or otherwise excluded from any Medicare or Medicaid program.

- 10.3. Rights and Obligations Upon Termination. Upon termination, the rights of each party hereunder shall terminate, provided, however, that such action shall not release the Provider or MCO of their obligations with respect to: (a) payments accrued to Provider prior to termination; (b) Provider's agreement not to seek compensation from Covered Persons for Covered Services prior to termination; and (c) completion of treatment of Covered Persons who are receiving care until continuation of the Covered Person's care can be arranged by MCO as determined by the Medical Director or as required by applicable law or the Payor Contract. Services provided during continuation of care shall be reimbursed in accordance with the terms of this Agreement.
- 10.4. Survival of Obligations. Any obligations that cannot be fully performed prior to the termination of this Agreement including, but not limited to, obligations in the following provisions set forth in this Section, shall survive the termination of this Agreement: Section 3.12 (Disparagement Prohibition); Article IV (Compliance With Law); Section 5.4 (Covered Person Hold Harmless); Article VI (Records/Inspection); Article VII (Insurance); Article VIII (Indemnification); Article IX (Dispute Resolution); Section 10.3 (Rights and Obligations Upon Termination).

ARTICLE XI

MISCELLANEOUS

- 11.1. Relationship of Parties. The relationship among the parties is that of independent contractors. None of the provisions of this Agreement are intended to create, or to be construed as creating, any agency, partnership, joint venture, employee-employer, or other relationship.
- 11.2. Conflicts Between Certain Documents. If there is any conflict between this Agreement hereto and the Provider Manual, this Agreement shall control. In the event of any conflict, however, between this Agreement and any Attachment hereto, the Attachment shall be controlling as to the product described in that Attachment. In the event of any conflicts between this Agreement, or any Attachment hereto, and the applicable Payor Contract with respect to what services constitute Covered Services, the Payor Contract shall control.
- 11.3. Assignment; Delegation of Duties. This Agreement is intended to secure the services of and be personal to Provider, and shall not be assigned, sublet, delegated or transferred by Provider without the prior written consent of MCO.
- 11.4. Headings. The headings of the sections of this Agreement are inserted merely for the purpose of convenience and do not, expressly or by implication, limit, define, or extend the specific terms of the section so designated.
- 11.5. Governing Law. All matters affecting the interpretation of this Agreement and the rights and obligations of the parties hereto shall be governed by and construed in accordance with applicable federal and State laws.

- 11.6. Third Party Beneficiary. Except as specifically provided herein, the terms and conditions of this Agreement shall be for the sole and exclusive benefit of Provider and MCO. Nothing herein, express or implied, is intended to be construed or deemed to create any rights or remedies in any third party.
- 11.7. Amendment. This Agreement, including all Attachments, may be amended at any time by mutual written agreement of the parties. This Agreement and any of its Attachments may also be amended by MCO furnishing Provider with any proposed amendments. Unless Provider objects in writing to such amendment during the thirty (30) day notice, Provider shall be deemed to have accepted the amendment. Notwithstanding the foregoing, this Agreement shall be automatically amended as necessary to comply with any applicable State or federal law or regulation and applicable provision of the Payor Contract.
- 11.8. Entire Agreement. This Agreement, its Attachments, and the Provider Manual contain all the terms and conditions agreed upon by the parties and supersede all other agreements, oral or otherwise, of the parties hereto, regarding the subject matter of this Agreement.
- 11.9. Severability. The invalidity or unenforceability of any terms or provisions hereof shall in no way affect the validity or enforceability of any other terms or provisions.
- 11.10. Waiver. The waiver by either party of the violation of any provision or obligation of this Agreement shall not constitute the waiver of any subsequent violation of the same or other provision or obligation.
- 11.11. Notices. Any notice required to be given pursuant to the terms and provisions hereof shall be in writing and shall be sent by certified mail, return receipt requested, postage prepaid, or by recognized courier service, addressed as follows:

To MCO at:

Attn: President

Bridgeway Health Solutions, L.L.C.

1501 W.Fountainhead Pkwy, Ste 295

Tempe AZ 85282

To Provider at:

Attn: Cochise County Health Department

Cochise County Health Department

1415 Melody Lane Bldg A

Bisbee, AZ 85603

or to such other address as either party may designate in writing.

- 11.12. Force Majeure. Neither party shall be liable or deemed to be in default for any delay or failure to perform any act under this Agreement resulting, directly or indirectly, from acts of God, civil or military authority, acts of public enemy, war, accidents, fires, explosions, earthquake, flood, strikes or other work stoppages by either party's employees, or any other similar cause beyond the reasonable control of such party.
- 11.13. Confidentiality. Neither party shall disclose the substance of this Agreement nor any information acquired from the other party during the course of or pursuant to this Agreement to any third party, unless required by law. Provider acknowledges and agrees

that all information relating to MCO's programs, policies, protocols and procedures is proprietary information and further agrees not to disclose such information to any person or entity without MCO's express written consent.

11.14. Authority. The parties whose signatures are set forth below represent and warrant that they are duly empowered to execute this Agreement.

THIS AGREEMENT CONTAINS A BINDING ARBITRATION PROVISION THAT MAY BE ENFORCED BY THE PARTIES.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the date first above written.

MCO:

Provider:

Bridgeway Health Solutions, L.L.C.

Cochise County Health Department

Authorized Signature

Authorized Signature

Printed Name: Paul D. Barnes, Ph.D.

Printed Name:

Title: President and CEO

Title:

Signature Date:

Signature Date:

Effective Date of Agreement:

(To be completed by MCO only)

Tax Identification Number: 866000398

National Provider Identifier: 1215968250

State Medicaid Number: 062802

ANCILLARY SERVICES PROVIDER AGREEMENT DETERMINATION

Re: Ancillary Services Provider Agreement to provide between; between the Cochise Health & Social Services and the Bridgeway Health Solutions, LLC (MCO).

The attached agreement, which is an agreement between public agencies, has been reviewed pursuant to A.R.S. §11-952 on behalf of the Cochise County Health Department by the undersigned Deputy County Attorney who has determined that it is in proper form and is within the powers and authority granted under the laws of the State of Arizona.

Approved as to form this 2nd day of October, 2014.

EDWARD G. RHEINHEIMER
Cochise County Attorney

By: Terry Bannan
Terry Bannan
Deputy County Attorney

ATTACHMENT A

MEDICAID PRODUCT ATTACHMENT

This Medicaid Product Attachment (the "*Product Attachment*") is incorporated into the Ancillary Services Provider Agreement (the "*Agreement*") entered into by and between Cochise County Health Department (referred to herein as "*Subcontractor*") and Bridgeway Health Solutions, L.L.C. (referred to herein as "*Contractor*").

ARTICLE I GENERAL

- 1.1 **Subcontractor Acknowledgement.** Subcontractor acknowledges that Contractor has contracted with the Arizona Health Care Cost Containment System Administration ("*AHCCCS*" or "*System*") to arrange for the provision of medical services to Covered Persons under the Medicaid program ("*Medicaid Contract*"). This Attachment supplements the Agreement entered into between Contractor and Subcontractor by setting forth the parties' rights and responsibilities relating to the provision of Covered Services to Covered Persons as pertaining to the Medicaid program. If Subcontractor is a physician group, including, but not limited to, either a physician organization or an independent physician association, Subcontractor agrees to bind its employed or contracted physicians and other health care professionals to the applicable terms and conditions of this Product Attachment, pursuant to the terms of the Agreement.
- 1.2 **Order of Precedence.** In the event of a conflict between the terms and conditions of the Agreement and the terms and conditions of this Product Attachment, this Product Attachment shall govern.
- 1.3 **Compliance with Laws and Policies.** Notwithstanding any provisions set forth in this Attachment, to the extent applicable, Subcontractor shall comply with all duties and obligations under the Agreement, the Provider Manual and this Product Attachment. Subcontractor agrees and understands that Covered Services shall be provided in accordance with the Medicaid Contract, the Provider Manual, any applicable State Medicaid Handbooks, and all applicable State and federal laws and regulations. To the extent Subcontractor is unclear about Subcontractor's duties and obligations, Subcontractor shall request clarification from Contractor.

ARTICLE II DEFINITIONS

The definitions listed below will supersede any meanings contained in the Agreement.

- 2.1 **ADHS** shall mean the Arizona Department of Health Services, the state agency mandated to serve the public health needs of all Arizona citizens.

- 2.2 **AMPM** shall mean the AHCCCS Medical Policy Manual available on the AHCCCS website at www.azahcccs.gov.
- 2.3 **ARS** shall mean Arizona Revised Statutes.
- 2.4 **Clean Claim** shall mean a claim that may be processed without obtaining additional information from the provider of service or from a third party, but does not include a claim under investigation for fraud or abuse or under review for Medical Necessity.
- 2.5 **Covered Services** shall mean health care services to be delivered by Contractor, which are designated in Section D of the Contractor's contract with AHCCCS; AHCCCS Rules R9-22, Article 2, and R9-31, Article 2, and the AMPM [42 CFR 438.210(a)(4)].
- 2.6 **Emergency Medical Service** or **Emergency Care** shall mean inpatient and outpatient Covered Services provided after the sudden onset of an Emergency Medical Condition. These services must be furnished by a qualified provider, and must be necessary to evaluate or stabilize the Emergency Medical Condition [42 CFR 438.114(a)].
- 2.7 **State** shall mean the State of Arizona.
- 2.8 **Subcontract** means any contract between the Contractor and a third party for the performance of any or all services or requirements specified under the Contractor's contract with AHCCCS.
- 2.9 **Subcontractor** means any third party with a contract with the Contractor for the provision of any or all services or requirements specified under the Contractor's contract with AHCCCS.

ARTICLE III
AHCCCS MINIMUM SUBCONTRACTOR OBLIGATIONS

- 3.1 **Assignment and Delegation of Rights and Responsibilities.** No payment due the Subcontractor under this subcontract may be assigned without the prior approval of the Contractor. No assignment or delegation of the duties of this subcontract shall be valid unless prior written approval is received from the Contractor. (AAC R2-7-305)
- 3.2 **Awards of Other Subcontracts.** AHCCCS and/or the Contractor may undertake or award other contracts for additional or related work to the work performed by the Subcontractor and the Subcontractor shall fully cooperate with such other contractors, subcontractors or State employees. The Subcontractor shall not commit or permit any act which will interfere with the performance of work by any other contractor, subcontractor or State employee. (AAC R2-7-308)
- 3.3 **Certification of Compliance – Anti-Kickback and Laboratory Testing.** By signing this subcontract, the Subcontractor certifies that it has not engaged in any violation of the Medicare Anti-Kickback statute (42 USC §§1320a-7b) or the “Stark I” and “Stark II” laws governing related-entity referrals (PL 101-239 and PL 101-432) and compensation

there from. If the Subcontractor provides laboratory testing, it certifies that it has complied with 42 CFR §411.361 and has sent to AHCCCS simultaneous copies of the information required by that rule to be sent to the Centers for Medicare and Medicaid Services. (42 USC §§1320a-7b; PL 101-239 and PL 101-432; 42 CFR §411.361)

- 3.4 **Certification of Truthfulness of Representation.** By signing this subcontract, the Subcontractor certifies that all representations set forth herein are true to the best of its knowledge.
- 3.5 **Clinical Laboratory Improvement Amendments of 1988.** The Clinical Laboratory Improvement Amendment (CLIA) of 1988 requires laboratories and other facilities that test human specimens to obtain either a CLIA Waiver or CLIA Certificate in order to obtain reimbursement from the Medicare and Medicaid (AHCCCS) programs. In addition, they must meet all the requirements of 42 CFR 493, Subpart A.

To comply with these requirements, AHCCCS requires all clinical laboratories to provide verification of CLIA Licensure or Certificate of Waiver during the provider registration process. Failure to do so shall result in either a termination of an active provider ID number or denial of initial registration. These requirements apply to all clinical laboratories.

Pass-through billing or other similar activities with the intent of avoiding the above requirements are prohibited. The Contractor may not reimburse providers who do not comply with the above requirements (CLIA of 1988; 42 CFR 493, Subpart A).

- 3.6 **Compliance with AHCCCS Rules Relating to Audit and Inspection.** The Subcontractor shall comply with all applicable AHCCCS Rules and Audit Guide relating to the audit of the Subcontractor's records and the inspection of the Subcontractor's facilities. If the Subcontractor is an inpatient facility, the Subcontractor shall file uniform reports and Title XVIII and Title XIX cost reports with AHCCCS (ARS 41-2548; 45 CFR 74.48 (d)).
- 3.7 **Compliance with Laws and Other Requirements.** The Subcontractor shall comply with all federal, State and local laws, rules, regulations, standards and executive orders governing performance of duties under this subcontract, without limitation to those designated within this subcontract [42 CFR 434.70] [42 CFR 438.6(l)].
- 3.8 **Confidentiality Requirement.** The Subcontractor shall safeguard confidential information in accordance with federal and State laws and regulations, including but not limited to, 42 CFR Part 431, Subpart F, ARS §36-107, 36-2903 (for Acute), 36-2932 for ALTCS), 41-1959 and 46-135, AHCCCS Rules and the Health Insurance Portability and Accountability Act (Public Law 107-191 Statues 1936), 45 CFR Parts 160 and 164, and AHCCCS Rules.

- 3.9 **Conflict in Interpretation of Provisions.** In the event of any conflict in interpretation between provisions of this subcontract and the AHCCCS Minimum Subcontract Provisions, the latter shall take precedence.
- 3.10 **Contract Claims and Disputes.** Contract claims and disputes arising under A.R.S. Title 36, Chapter 29 shall be adjudicated in accordance with AHCCCS Rules, ARS §36-2901 et seq. (for Acute) and ARS §36-2931 et seq. (for ALTCS).
- 3.11 **Encounter Data Requirement.** If the Subcontractor does not bill the Contractor (e.g., Subcontractor is capitated), the Subcontractor shall submit encounter data to the Contractor in a form acceptable to AHCCCS.
- 3.12 **Evaluation of Quality, Appropriateness, or Timeliness of Services.** AHCCCS or the U.S. Department of Health and Human Services may evaluate, through inspection or other means, the quality, appropriateness or timeliness of services performed under this subcontract.
- 3.13 **Fraud and Abuse.** If the Subcontractor discovers, or is made aware, that an incident of suspected fraud or abuse has occurred, the Subcontractor shall report the incident to the prime Contractor as well as to AHCCCS, Office of the Inspector General (OIG). All incidents of potential fraud should be reported to the OIG.
- 3.14 **General Indemnification.** The parties to this contract agree that AHCCCS shall be indemnified and held harmless by the Contractor and Subcontractor for the vicarious liability of AHCCCS as a result of entering into this contract. However, the parties further agree that AHCCCS shall be responsible for its own negligence. Each party to this contract is responsible for its own negligence.
- 3.15 **Insurance.** [This provision applies only if the Subcontractor provides services directly to AHCCCS members]

The Subcontractor shall maintain for the duration of this subcontract a policy or policies of professional liability insurance, comprehensive general liability insurance and automobile liability insurance in amounts that meet Contractor's requirements. The Subcontractor agrees that any insurance protection required by this subcontract, or otherwise obtained by the Subcontractor, shall not limit the responsibility of Subcontractor to indemnify, keep and save harmless and defend the State and AHCCCS, their agents, officers and employees as provided herein. Furthermore, the Subcontractor shall be fully responsible for all tax obligations, Worker's Compensation Insurance, and all other applicable insurance coverage, for itself and its employees, and AHCCCS shall have no responsibility or liability for any such taxes or insurance coverage. (45 CFR Part 74) The requirement for Worker's Compensation Insurance doesn't apply when a Subcontractor is exempt under ARS 23-901, and when such Subcontractor executes the appropriate waiver (Sole Proprietor/Independent Contractor) form.

- 3.16 **Limitations on Billing and Collection Practices.** Except as provided in federal and State law and regulations, the Subcontractor shall not bill, or attempt to collect payment from a person who was AHCCCS eligible at the time the Covered Service(s) were rendered, or from the financially responsible relative or representative for Covered Services that were paid or could have been paid by the System.
- 3.17 **Maintenance Of Requirements To Do Business And Provide Services.** The Subcontractor shall be registered with AHCCCS and shall obtain and maintain all licenses, permits and authority necessary to do business and render service under this subcontract and, where applicable, shall comply with all laws regarding safety, unemployment insurance, disability insurance and worker's compensation.
- 3.18 **Non-Discrimination Requirements.** The Subcontractor shall comply with State Executive Order No. 99-4, which mandates that all persons, regardless of race, color, religion, gender, national origin or political affiliation, shall have equal access to employment opportunities, and all other applicable federal and State laws, rules and regulations, including the Americans with Disabilities Act and Title VI. The Subcontractor shall take positive action to ensure that applicants for employment, employees, and persons to whom it provides service are not discriminated against due to race, creed, color, religion, sex, national origin or disability. (Federal regulations, State Executive order # 99-4)
- 3.19 **Prior Authorization and Utilization Management.** The Contractor and Subcontractor shall develop, maintain and use a system for prior authorization and utilization review that is consistent with AHCCCS Rules and the Contractor's policies.
- 3.20 **Records Retention.** The Subcontractor shall maintain books and records relating to covered services and expenditures including reports to AHCCCS and working papers used in the preparation of reports to AHCCCS. The Subcontractor shall comply with all specifications for record keeping established by AHCCCS. All books and records shall be maintained to the extent and in such detail as required by AHCCCS Rules and policies. Records shall include but not be limited to financial statements, records relating to the quality of care, medical records, prescription files and other records specified by AHCCCS.

The Subcontractor agrees to make available at its office at all reasonable times during the term of this contract and the period set forth in the following paragraphs, any of its records for inspection, audit or reproduction by any authorized representative of AHCCCS, State or Federal government.

The Subcontractor shall preserve and make available all records for a period of five years from the date of final payment under this contract unless a longer period of time is required by law. For retention of patient medical records, the subcontractor shall ensure compliance with A.R.S. §12-2297 which provides, in part, that a health care provider shall retain patient medical records according to the following:

1. If the patient is an adult, the provider shall retain the patient medical records for at least six years after the last date the adult patient received medical or health care services from that provider.
2. If the patient is under 18 years of age, the provider shall retain the patient medical records either for at least three years after the child's eighteenth birthday or for at least six years after the last date the child received medical or health care services from that provider, whichever date occurs later.

In addition, the Subcontractor shall comply with the record retention periods specified in HIPAA laws and regulations, including, but not limited to, 45 CFR 164.530(j)(2).

If this contract is completely or partially terminated, the records relating to the work terminated shall be preserved and made available for a period of five years from the date of any such termination. Records which relate to grievances, disputes, litigation or the settlement of claims arising out of the performance of this contract, or costs and expenses of this contract to which exception has been taken by AHCCCS, shall be retained by the Subcontractor for a period of five years after the date of final disposition or resolution thereof unless a longer period of time is required by law. (45 CFR 74.53; 42 CFR 431.17; A.R.S. §41-2548)

- 3.21 **Severability.** If any provision of these standard subcontract terms and conditions is held invalid or unenforceable, the remaining provisions shall continue valid and enforceable to the full extent permitted by law.
- 3.22 **Standards of Conduct.** The subcontractor will perform services for members consistent with the proper and required practice of medicine and must adhere to the customary rules of ethics and conduct of its appropriate professional organization including, but not limited to, the American Medical Association and other national and state boards and associations or health care professionals to which they are subject to licensing, certification, and control.
- 3.23 **Subjection of Subcontract.** The terms of this subcontract shall be subject to the applicable material terms and conditions of the contract existing between the Contractor and AHCCCS for the provision of Covered Services.
- 3.24 **Termination of Subcontract.** AHCCCS may, by written notice to the Subcontractor, terminate this subcontract if it is found, after notice and hearing by the State, that gratuities in the form of entertainment, gifts, or otherwise were offered or given by the Subcontractor, or any agent or representative of the Subcontractor, to any officer or employee of the State with a view towards securing a contract or securing favorable treatment with respect to the awarding, amending or the making of any determinations with respect to the performance of the Subcontractor; provided, that the existence of the facts upon which the State makes such findings shall be in issue and may be reviewed in any competent court. If the subcontract is terminated under this section, unless the Contractor is a governmental agency, instrumentality or subdivision thereof, AHCCCS

shall be entitled to a penalty, in addition to any other damages to which it may be entitled by law, and to exemplary damages in the amount of three times the cost incurred by the Subcontractor in providing any such gratuities to any such officer or employee. (AAC R2-5-501; ARS 41-2616 C.; 42 CFR 434.6, a. (6))

- 3.25 **Voidability of Subcontract.** This subcontract is voidable and subject to immediate termination by AHCCCS upon the Subcontractor becoming insolvent or filing proceedings in bankruptcy or reorganization under the United States Code, or upon assignment or delegation of the subcontract without AHCCCS's prior written approval.
- 3.26 **Warranty of Services.** The Subcontractor, by execution of this subcontract, warrants that it has the ability, authority, skill, expertise and capacity to perform the services specified in this contract.
- 3.27 **Off-Shore Performance of Work Prohibited.** Due to security and identity protection concerns, direct services under this contract shall be performed within the borders of the United States. Any services that are described in the specifications or scope of work that directly serve the State of Arizona or its clients and may involve access to secure or sensitive data or personal client data or development or modification of software for the State shall be performed within the borders of the United States. Unless specifically stated otherwise in specifications, this definition does not apply to indirect or "overhead" services, redundant back-up services or services that are incidental to the performance of the contract. This provision applies to work performed by subcontractors at all tiers.
- 3.28 **Federal Immigration and Nationality Act.** The Subcontractor shall comply with all federal, State and local immigration laws and regulations relating to the immigration status of their employees during the term of the contract. Further, the Subcontractor shall flow down this requirement to all subcontractors utilized during the term of the contract. The State shall retain the right to perform random audits of Contractor and subcontractor records or to inspect papers of any employee thereof to ensure compliance. Should the State determine that the Contractor and/or any subcontractors be found noncompliant, the State may pursue all remedies allowed by law, including, but not limited to; suspension of work, termination of the contract for default and suspension and/or debarment of the Contractor.

Compliance with the Federal Immigration and Nationality Act (FINA) and All Other Federal Immigration Laws and Regulations related to Immigration Status of its Employees:

By entering into the Agreement, the subcontractor warrants compliance with the Federal Immigration and Nationality Act (FINA) and all other Federal immigration laws and regulations related to the immigration status of its employees. The subcontractor shall obtain statements from any of its subcontractors certifying compliance and shall furnish the statements to the Procurement Officer, upon request. These warranties shall remain in effect through the term of the Agreement. The subcontractor and its subcontractors shall also maintain Employment Eligibility Verification forms (I-9) as required by the U.S.

Department of Labor's Immigration and Control Act, for all employees performing work under the Contract. I-9 forms are available for download at USCIS.GOV

The State may request verification of compliance for any subcontractor or its subcontractor performing work under the Agreement. Should the Contractor suspect or find that the subcontractor or any of its subcontractors are not in compliance, the Contractor may pursue any and all remedies allowed by law, including, but not limited to: suspension of work, termination of the Agreement for default, and suspension and/or debarment of the subcontractor. All costs necessary to verify compliance are the responsibility of the subcontractor.

Compliance Requirements for A.R.S. 41-4401, Government Procurement: E-Verify Requirement:

The subcontractor warrants compliance with all Federal immigration laws and regulations relating to employees and warrants its compliance with Section A.R.S. 23-214, Subsection A. (That subsection reads: "After December 31, 2007, every employer, after hiring an employee, shall verify the employment eligibility of the employee through the B-Verify program.")

A breach of a warranty regarding compliance with immigration laws and regulations shall be deemed a material breach of the contract and the subcontractor may be subject to penalties up to and including termination of the contract.

Failure to comply with a State or Contractor audit process to randomly verify the employment records of subcontractors and any of its subcontractors shall be deemed a material breach of the contract and the subcontractor may be subject to penalties up to and including termination of the contract.

The State Agency and Contractor retains the legal right to inspect the papers of any employee who works on the contract to ensure that the contractor or subcontractor is complying with the warranty.

ARTICLE IV
ADDITIONAL SUBCONTRACTOR OBLIGATIONS

- 4.1 **Pediatric Immunizations and the Vaccines for Children Program.** If Subcontractor is acting as a primary care physician to Covered Persons under the age of nineteen (19), Subcontractor shall be registered with ADHS Vaccines for Children Program. Subcontractor shall comply with State law requiring the reporting of all immunizations. Subcontractor should access the Arizona State Immunization Information System ("ASIS") to obtain complete, accurate immunization records.
- 4.2 **Medical Records:**
- (a) If Subcontractor is a primary care physician, Subcontractor shall maintain medical records that: (i) are detailed and comprehensive; (ii) identify all medically

necessary services provided to Covered Persons, and all emergency services provided by noncontracting providers to Covered Persons; (iii) conform to professional medical standards and practices for documentation of medical diagnostic and treatment data; (iv) facilitate follow-up treatment; and (v) permit professional medical review and medical audit processes.

- (b) If Subcontractor is a primary care physician Subcontractor shall in addition establish a medical record when information is received about a Covered Person. If Subcontractor has not seen the Covered Person, such information may be kept temporarily in an appropriately labeled file, in lieu of establishing a medical record, but must be associated with the Covered Person's medical record as soon as one is established.
- (c) When a Covered Person changes primary care physicians, the Covered Person's medical records or copies of medical records must be forwarded to the new primary care physician within ten (10) business days from receipt of the request for transfer of the medical records. Within thirty (30) days following termination of the Agreement, Subcontractor shall forward to the primary care provider all medical records (or copies thereof) relating to Covered Persons assigned to the Subcontractor or for whom the Subcontractor has provided services.
- (d) AHCCCS shall be afforded access to all Covered Persons' medical records whether electronic or paper within twenty (20) business days of receipt of request.

4.3 Appointment Standards. In accordance with requirements under the Medicaid Contract, Subcontractor shall adhere to the following appointment standards, subject to applicable federal and State law and regulations:

- A. For primary care appointments, Subcontractor shall provide:
 - Emergency primary care appointments – same day of request
 - Urgent care primary care appointments – within 2 days of request
 - Routine care primary care appointments – within 21 days of request
- B. For specialty referrals, Subcontractor shall provide:
 - Emergency appointments – within 24 hours of referral
 - Urgent care appointments – within 3 days of referral
 - Routine care appointments – within 45 days of referral
- C. For dental appointments, Subcontractor shall provide:
 - Emergency appointments – within 24 hours of request
 - Urgent care appointments – within 3 days of request
 - Routine care appointments – within 45 days of request
- D. For maternity care, Subcontractor shall provide initial prenatal care appointments for enrolled pregnant Covered Persons:
 - First trimester – within 14 days of request
 - Second trimester – within 7 days of request
 - Third trimester – within 3 days of request
 - High risk pregnancies – within 3 days of identification of high risk by the Contractor or maternity care provider, or immediately if an emergency exists.

For purposes of this section, “urgent” is defined as an acute, but not necessarily life-threatening condition which, if not attended to, could endanger the patient’s health.

A Covered Person’s wait time for a scheduled appointment at a primary care physician or specialist’s office shall not exceed 45 minutes, except when the provider is unavailable due to an emergency.

If Subcontractor is a non-emergent transportation vendor, Subcontractor shall schedule the transportation so that the Covered Person arrives on time for the appointment, but no sooner than one hour before the appointment; does not have to wait more than one hour after calling for transportation after the conclusion of the appointment to be picked up; nor have to wait for more than one hour after conclusion of the treatment for transportation home; nor be picked up prior to the completion of treatment.

- 4.4 **Provider Registration.** Subcontractor shall register with AHCCCS as an approved service provider, and sign a Provider Participation Agreement if not already an AHCCCS registered provider. If eligible for a National Provider Identifier (“NPI”), Subcontractor shall include NPI on all claim submissions and subsequent encounters.
- 4.5 **Suspension or Debarment.** Subcontractor warrants that it is not debarred, suspended or otherwise excluded from federal procurement activity or from participating in non-procurement activities under regulations issued under Executive Order No. 12549 or under guidelines implementing Executive Order 12549 [42 CFR 438.610 (a) and (b)].
- 4.6 **Reassignment.** Subcontractor agrees that it shall comply with the provider reimbursement terms relating to the proper reassignment of the right to claims payment and the billing of personally performed services set forth at AZ ADC R9-22-714 Subsections B, C and D.
- 4.7 **Continuation of Care.** In the event this Agreement is terminated for reasons other than the Subcontractor’s medical incompetence or unprofessional conduct, if a Covered Person provides written request to Contractor to continue an active course of treatment with Subcontractor for a transitional period after the date of such termination, Subcontractor agrees to:
 - (a) Except for copayment, coinsurance or deductible amounts, continue to accept as payment in full reimbursement from the Contractor at the rates applicable before the beginning of the transitional period;
 - (b) Comply with the Contractor’s quality assurance and utilization review requirements with respect to such continuing care, and provide Contractor with any necessary medical information related to such care;
 - (c) Comply with the Contractors’ relevant policies and procedures, including, but not limited to, those relating to referrals, preauthorization, claims handling and treatment plan approval, with respect to such continuing care.

4.8 **Insolvency of Contractor.** In the event Contractor becomes insolvent during the term hereof, Subcontractor shall provide Covered Services to Covered Persons, at the same rates and subject to the same terms and conditions established in the Agreement and this Attachment, for the duration of the period after Contractor is declared insolvent, until the earliest of the following: i) the expiration of the period during which the Contractor is required to continue benefits as described in A.R.S. Sec. 20-1069(A); ii) a notification from the receiver, pursuant to A.R.S. Sec. 20-1069(F), or a determination by a court that the Contractor cannot provide adequate assurance it will be able to pay providers' claims for Covered Services that were rendered after the Contractor is declared insolvent; iii) a determination by a court that the Contractor is unable to pay providers' claims for Covered Services that were rendered after the Contractor is declared insolvent; iv) a determination by a court that continuation of the Agreement would constitute undue hardship to the Subcontractor; or v) a determination by a court that Contractor has satisfied its obligations to all Covered Persons.

4.9 **Subcontracts.** Subcontractor acknowledges and agrees that the following provisions, to the extent applicable, are addressed in the Agreement and/or this Attachment, in accordance with the requirements of the Medicaid Contract, and that Subcontractor shall comply with the same.

- A. Full disclosure of the method and amount of compensation or other consideration to be received by the Subcontractor.
- B. Subcontractor's name and address.
- C. Identification of the population, to include patient capacity, to be covered by the Subcontractor.
- D. The amount, duration and scope of medical services to be provided by the Subcontractor, for which compensation will be paid.
- E. The term of the Agreement and this Attachment, including beginning and ending dates, methods of extension, termination and renegotiation.
- F. The specific duties of the Subcontractor relating to coordination of benefits and determination of third-party liability.
- G. Subcontractor's agreement to identify Medicare and other third-party liability coverage, and to seek such Medicare or third party liability payment, before submitting claims to the Contractor.
- H. A description of the Subcontractor's patient, medical, dental and cost record keeping system.

- I. Specification that the Subcontractor shall cooperate with Contractor's quality management/quality improvement programs, and comply with the utilization management and review procedures specified in 42 CFR Part 456, as specified in the AMPM.
- J. A provision stating that a merger, reorganization or change in ownership of subcontractor providing ASO services to the Contractor shall require a contract amendment and prior approval of AHCCCS.
- K. A provision that indicates that AHCCCS is responsible for enrollment, re-enrollment and dis-enrollment of the covered population.
- L. A provision that the Subcontractor shall be fully responsible for all tax obligations, Worker's Compensation Insurance, and all other applicable insurance coverage obligations which arise under this Agreement and Attachment, for itself and its employees, and that AHCCCS shall have no responsibility or liability for any such taxes or insurance coverage.
- M. A provision that the Subcontractor must obtain any necessary authorization from the Contractor or AHCCCS for services provided to eligible and/or enrolled Covered Persons.
- N. A provision that the Subcontractor must comply with encounter reporting and claims submission requirements as described in the Agreement and this Attachment.
- O. Provision(s) that allow the Contractor to suspend, deny, refuse to renew or terminate the Subcontractor in accordance with the terms of this contract and applicable law and regulation.
- P. A provision that the Subcontractor may provide a Covered Person with factual information, but is prohibited from recommending or steering a Covered Person in his or her selection of a Medicaid managed care organization.
- Q. A provision that compensation to individuals or entities that conduct utilization management and concurrent review activities is not structured so as to provide incentives for the individual or entity to deny, limit or discontinue medically necessary services to any enrollee (42 CFR 438.210(e)).

[SIGNATURE BLOCK FOLLOWS]

Contractor:

Bridgeway Health Solutions, L.L.C.

Authorized Signature

Printed Name: Paul D. Barnes, Ph.D.

Title: President and CEO

Signature Date:

Effective Date of Addendum:

(To be completed by Contractor only)

Subcontractor:

Cochise County Health Department

Authorized Signature

Printed Name:

Title:

Signature Date:

Tax Identification Number 866000398

National Provider Identifier: 1215968250

State Medicaid Number: 062802

EXHIBIT 1
COMPENSATION SCHEDULE - MEDICAID ACUTE AND ALTCS

Cochise County Health Department

For Covered Services provided to Covered Persons, Payor shall pay Provider the lesser of (i) Provider's Allowable Charges or (ii) one hundred percent (100%) of the Payor's maximum reimbursement fee schedule in effect on the date of service.

Additional Provisions:

1. Code Change Updates. Updates to billing-related codes (e.g., CPT, HCPCS, ICD-9, DRG, and revenue codes) shall become effective on the date ("Code Change Effective Date") that is the later of: (i) the first day of the month following thirty (30) days after publication by the governmental agency having authority over the applicable product of such governmental agency's acceptance of such code updates; or (ii) the effective date of such code updates, as determined by such governmental agency. Claims processed prior to the Code Change Effective Date shall not be reprocessed to reflect any code updates.
2. Fee Change Updates. Updates to such fee schedule shall become effective on the date ("Fee Change Effective Date") that is the later of: (i) the first day of the month following thirty (30) days after publication by the governmental agency having authority over the applicable product of such governmental agency's acceptance of such fee schedule updates; or (ii) the effective date of such fee schedule updates, as determined by such governmental agency. Claims processed prior to the Fee Change Effective Date shall not be reprocessed to reflect any updates to such fee schedule.
3. Payment under this Exhibit. All payments under this Exhibit are subject to the terms and conditions set forth in the Agreement and the Provider Manual.

Definitions:

1. **Allowable Charges** mean those Provider billed charges for services that qualify as Covered Services.

[SIGNATURE BLOCK FOLLOWS]

MCO:

Bridgeway Health Solutions, L.L.C.

Authorized Signature

Printed Name: Paul D. Barnes, Ph.D.

Title: President and CEO

Signature Date:

(To be completed by MCO only)

Provider:

Cochise County Health Department

Authorized Signature

Printed Name:

Title:

Signature Date:

Tax Identification Number: 866000398

National Provider Identifier: 1215968250

State Medicaid Number: 062802

ATTACHMENT B
MEDICARE ADVANTAGE AND
CAPITATED FINANCIAL ALIGNMENT DEMONSTRATION
ADDENDUM

This Medicare Advantage and Capitated Financial Alignment Demonstration Addendum (“Addendum”) to the participating provider agreement (“Agreement”) between Bridgeway Health Solutions, L.L.C. (“MCO”) and Cochise County Health Department (“Provider”) is made and entered into by and between MCO and Provider (each a “Party” and, collectively, the “Parties”) effective as of _____, and supplements and amends the terms of the Agreement with respect to the provision of Covered Services to Covered Persons (as such terms are defined herein) enrolled in a Medicare Advantage plan (“MA Plan”), a Medicare Advantage – Prescription Drug plan (“MA-PD Plan”), and/or a Capitated Financial Alignment Demonstration plan (“Medicare-Medicaid Plan”) (each such MA Plan, MA-PD Plan and Medicare-Medicaid Plan to be alternatively referred to herein as a “Medicare Plan,” and collectively as the “Medicare Plans”).

WHEREAS, MCO and Provider are bound by the Agreement, pursuant to which Provider has agreed to provide Covered Services to Covered Persons as specified therein;

WHEREAS, MCO and Provider mutually and respectively desire to amend the Agreement to include the provision of Covered Services as defined in this Addendum to Covered Persons who are enrolled in a Medicare Plan;

WHEREAS, Provider is certified to participate in the State Medicaid program, and, to the extent that Provider qualifies as a Medicare Provider or Supplier, Provider has signed a participation agreement with CMS and has been approved by CMS as meeting conditions for coverage of Provider’s services;

WHEREAS, MCO or a Payor has been accepted by CMS, or has an application pending with CMS, to participate in the Medicare Advantage Program and/or a Capitated Financial Alignment Demonstration Program; and

WHEREAS, the Parties agree to supplement and amend the Agreement to include the requirements applicable to Participating Health Care Providers’ participation under the Medicare Plans.

NOW THEREFORE, in consideration of the mutual promises of the Parties, the sufficiency of which is hereby acknowledged, the Parties agree as set forth below:

1. **DEFINITIONS.** The following terms, and any terms defined in the Agreement, shall have the specified meanings when capitalized in this Addendum. Capitalized terms not otherwise defined in this Addendum shall be defined as set forth in the Agreement.

- 1.1 Capitated Financial Alignment Demonstration Program means the program, created by Congress in the Affordable Care Act of 2010, to test new service delivery and payment models for people dually eligible for Medicare and Medicaid, including any regulations or CMS pronouncements and any future Attachments.
 - 1.2 Clean Claim means a claim that has no defect, impropriety, lack of any required substantiating documentation – including the substantiating documentation needed to meet the requirements for encounter data – or particular circumstance requiring special treatment that prevents timely payment; and a claim that otherwise conforms to the Clean Claim requirements under original Medicare.
 - 1.3 CMS means Centers for Medicare and Medicaid Services.
 - 1.4 CMS Contract means the contract between MCO or a Payor and CMS, or among MCO or a Payor, CMS and the State, that governs the terms of MCO's or the Payor's participation in a Medicare Plan.
 - 1.5 Covered Persons means those individuals who are enrolled in a Medicare Plan.
 - 1.6 Covered Services means those services which are covered under a Medicare Plan.
 - 1.7 HHS means the United States Department of Health and Human Services.
 - 1.8 Medicare Advantage Program means the program created by Congress in the Medicare Modernization Act of 2003 to replace the Medicare+Choice Program established under Part C of Title XVIII of the Social Security Act, including any regulations or CMS pronouncements and any future Attachments.
 - 1.9 State means one or more applicable state governmental agencies of the State of Arizona.
2. **COVERED SERVICES.** Provider shall furnish Covered Services to Covered Persons as set forth herein.
 3. **SUBCONTRACTOR OBLIGATIONS.** To the extent that Provider executes a contract with any other person or entity that in any way relates to Provider's obligations under the Agreement or this Addendum, including any downstream entity, subcontractor or related entity, Provider shall require that such other person or entity assume the same obligations that Provider assumes under this Addendum.
 4. **GOVERNMENT RIGHT TO INSPECT.** Provider agrees that HHS, the Comptroller General or their designees have the right to audit evaluate and inspect any pertinent information for any particular contract period, including, but not limited to, any books, contracts, computer or other systems, (including medical records and documentation of Provider relating to the CMS Contract through ten (10) years from the termination date of

this Addendum or from the date of completion of any audit, whichever is later. *42 C.F.R. § 422.504 (i)(2)(i) and (ii)*

Provider further agrees that HHS, the Comptroller General or their designees have the right to audit, evaluate and inspect any books, contracts, records, including medical records and documentation of the Provider, that pertain to any aspect of services performed, reconciliation of benefit liabilities, and determination of amounts payable under this Addendum, or as the Secretary of HHS may deem necessary to enforce the CMS Contract. Provider shall cooperate with and shall assist and provide such information and documentation to such entities as requested. Provider shall retain, and agrees that this right to inspect, evaluate and audit shall extend for a period of ten (10) years following the termination date of this Addendum or completion of audit, whichever is later, unless (i) CMS determines that there is a special need to retain a particular record or group of records for a longer period and notifies the Payor at least 30 days before the normal disposition date; (ii) there has been a termination, dispute, or allegation of fraud or similar fault by the Payor, in which case the retention may be extended to six (6) years from the date of any resulting final resolution of the termination, dispute, fraud, or similar fault; or (iii) CMS determines that there is a reasonable possibility of fraud or similar fault, in which case CMS may inspect, evaluate, and audit at any time. This provision shall survive termination of this Addendum. To the extent that Provider executes a contract with any other person or entity that in any way relates to Provider's obligations under this Addendum, Provider shall require that such other person or entity assume the same obligations that Provider assumes under this Article IV. *42 C.F.R. § 422.504 (e)(2).*

5. CONFIDENTIALITY AND ENROLLEE RECORD REQUIREMENTS. Provider shall comply with all confidentiality and enrollee record accuracy requirements, including: (1) abiding by all federal and State laws regarding the confidentiality and disclosure of medical records or other health and enrollment information; (2) ensuring that medical information is released only in accordance with applicable Federal or State law, or pursuant to court orders or subpoena; (3) maintaining the records and information in an accurate and timely manner; and (4) ensuring timely access by Covered Persons to the records and information that pertains to them. *42 C.F.R. §422.504(a)(13) and 422.118*

6. HOLD HARMLESS.

6.1 Provider hereby agrees that Covered Persons shall not be held liable for payment of any fees that are the legal obligation of the Payor. *42 C.F.R. §§422.504(i)(3)(i) and 422.504(g)(1)(i)*

6.2 With respect to MA Plans and MA-PD Plans, Provider hereby acknowledges and agrees that for Covered Persons eligible for both Medicare and Medicaid, such Covered Persons shall not be held liable for Medicare Part A and Part B cost-sharing when the State is responsible for paying such amounts. With respect to Medicare-Medicaid Plans, Provider hereby acknowledges and agrees that Covered Persons eligible for both Medicare and Medicaid shall not be held liable

for Medicare Part A and Part B cost-sharing; in addition, Medicare Parts A and B services must be provided at zero cost-sharing as part of the integrated package of benefits. *42 C.F.R. §§422.504(g)(1)(iii); March 29, 2012 CMS Issued Guidance*

With respect to all Medicare Plans, Provider will be informed of Medicare and Medicaid benefits and rules for Covered Persons eligible for Medicare and Medicaid. Provider may not impose cost-sharing that exceeds the amount of cost-sharing that would be permitted with respect to the Covered Person under title XIX if such Covered Person were not enrolled with the Payor. Provider shall accept payment from the Payor as payment in full, or bill the appropriate State source. *42 C.F.R. §§422.504(i)(3)(i) and 422.504(g)(1)(iii)*

7. **COMPLIANCE WITH CMS CONTRACT.** Provider shall perform its obligations under this Addendum in a manner consistent with and in compliance with MCO's and Payor's contractual obligations under the CMS Contract. *42 C.F.R. §422.504(i)(3)(iii)*
8. **PROMPT PAYMENT.** The Payor shall pay, or arrange to pay, Provider for Covered Services rendered to Covered Persons in accordance with Exhibit 1 to this Addendum. Any Clean Claim, as defined in 42 C.F.R. § 422.500, shall be paid within thirty (30) days of receipt by MCO at such address as may be designated by MCO. *42 C.F.R. §422.520(b)(1) and (2)*
9. **COMPLIANCE WITH FEDERAL AND STATE LAWS.** MCO, Provider, Payor, and any related party or other contractor or subcontractor shall comply with all applicable laws, regulations and CMS and/or State instructions. *42 C.F.R. §422.504(i)(4)(v)*
10. **DELEGATION OF DUTIES.** In the event that MCO delegates to Provider any function or responsibility imposed pursuant to the State Contract, such delegation shall be subject to the applicable requirements set forth in 42 C.F.R. §§ 422.504(i)(4) and 423.505(i), as they may be amended over time. Any delegation by Provider of functions or responsibilities imposed pursuant to this Addendum shall be subject to the prior written approval of MCO and shall also be subject to the requirements set forth in 42 C.F.R. §§ 422.504(i)(4) and (5) and 423.505(i), as they may be amended over time.
 - 10.1 Provider's delegated activities and reporting responsibilities, if any, are specified in the Delegated Credentialing Agreement or Delegated Services Agreement attached to this Agreement. If such attachment is not executed, no administrative functions shall be deemed as delegated.
 - 10.2 CMS, MCO and the Payor reserve the right to revoke the delegation activities and reporting requirements or to specify other remedies in instances where CMS, MCO or the Payor determine that such parties have not performed satisfactorily.
 - 10.3 The Payor will monitor the performance of the parties on an ongoing basis.

10.4 As specified in the attached Delegated Credentialing Agreement or Delegated Services Agreement to this Agreement, the credentials of medical professionals affiliated with Provider will be either reviewed by MCO, or the credentialing process will be reviewed and approved by MCO and MCO must audit the credentialing process on an ongoing basis.

10.5 If MCO or a Payor delegates the selection of providers, contractors, or subcontractors, MCO and the Payor retain the right to approve, suspend, or terminate any such arrangement.

42 C.F.R. 422.504(i)(4) and (5)

11. **SAFEGUARDING OF PRIVACY.** Provider shall comply with all federal and state laws regarding confidentiality and disclosure of medical records, or other health and enrollment information. Provider shall comply with MCO's and the Payor's policies and procedures with respect to the safeguarding of privacy of individually identifiable information relating to an Covered Person. *42 C.F.R. §§422.504(a)(13); 422.118*
12. **NON-DISCRIMINATION BASED ON HEALTH OR OTHER STATUS.** Provider shall not deny, limit, or condition coverage or the furnishing of health care services or benefits to Covered Persons based on any factor related to health status, including, but not limited to, medical condition (including mental as well as physical illness), claims experience, receipt of health care, medical history, genetic information, evidence of insurability (including conditions arising out of acts of domestic violence), race, ethnicity, national origin, religion, sex, age, sexual orientation, source of payment and mental or physical disability. *42 C.F.R. §422.110(a)*
13. **SERVICE AVAILABILITY.** Provider shall ensure that its hours of operation are convenient to Covered Persons and do not discriminate against Covered Persons; and that Covered Services are available twenty-four (24) hours a day, seven (7) days a week, when medically necessary. *42 C.F.R. §422.112(a)(7).*
14. **CULTURAL COMPETENCE.** Provider must provide all services in a culturally competent manner to all Covered Persons, including those with limited English proficiency or reading skills, and diverse cultural and ethnic backgrounds. *42 C.F.R. §422.112(a)(8).*
15. **FOLLOW-UP CARE.** Provider shall ensure that Covered Persons are informed of specific health care needs that require follow-up and receive, as appropriate, training in self-care and other measures they may take to promote their own health. *42 C.F.R. §422.112(b)(5).*
16. **ADVANCE DIRECTIVES.** Provider shall comply with MCO's and the Payor's policies and procedures concerning advance directives. *42 C.F.R. §422.128(b)(1)(ii)(E).*

17. **PROFESSIONALLY RECOGNIZED STANDARDS OF CARE.** Provider agrees to provide Covered Services under the Agreement to Medicare beneficiaries in a manner consistent with professionally recognized standards of health care. *42 C.F.R. §422.504(a)(3)(iii).*
18. **CONTINUATION OF BENEFITS.** Provider shall provide Covered Services as provided in the Agreement and this Addendum: (a) for all Covered Persons, for the duration of the contract period for which CMS payments have been made; and (b) for Covered Persons who are hospitalized on the date the CMS Contract terminates, or, in the event of an insolvency, through discharge. This continuation of benefits provision shall survive termination of this Addendum. *42 C.F.R. §§422.504(g)(2)(i); 422.504(g)(2)(ii); 422.504(g)(3)*
19. **PHYSICIAN INCENTIVE ARRANGEMENTS.** If Provider is a physician or physician group, neither the Payor nor MCO shall make any specific payment, directly or indirectly, to Provider as an inducement to reduce or limit medically necessary services furnished to any particular Covered Person. Indirect payments may include offerings of monetary value (such as stock options or waivers of debt) measured in the present or future. If the physician incentive plan places Provider at substantial financial risk (as determined under § 422.208(d)) for services that Provider does not furnish itself, Provider shall obtain and maintain either aggregate or per-patient stop-loss protection in accordance with § 422.208(f) of this section. MCO or the Payor must provide to CMS the information specified in §422.210 for all physician incentive plans (if any). *42 C.F.R. §422.208.*
20. **INFORMATION DISCLOSURES TO CMS.** Provider shall cooperate with MCO and the Payor in providing any information to CMS deemed necessary by CMS for the administration or evaluation of the Medicare program. *42 C.F.R. §422.504(f)(2).*
21. **NOTICE OF PROVIDER TERMINATIONS.** MCO shall make a good faith effort to provide written notice of a termination of a contracted provider at least 30 calendar days before the termination effective date to all Covered Persons who are patients seen on a regular basis by the provider whose contract is terminating, irrespective of whether the termination was for cause or without cause. If Provider is a primary care professional, all Covered Persons who are patients of that primary care professional must be notified. *42 C.F.R. §422.111(e).*
22. **RISK ADJUSTMENT DATA.** Provider shall provide to MCO complete and accurate risk adjustment data as required by CMS. *42 C.F.R. §422.310(d)(3), (4).* Upon MCO's or CMS's request, Provider shall submit a sample of medical records for the validation of risk adjustment data, as required by CMS. Provider acknowledges that penalties may apply for submission of false data. *42 C.F.R. §422.310(e).*
23. **COMPLIANCE WITH MCO POLICIES.** If Provider is a physician or physician group, Provider shall, or shall require the physician members of the group to, upon MCO's request, consult with MCO regarding MCO's medical policy, quality improvement

programs and medical management procedures and ensure that the following standards are met: (a) practice guidelines and utilization management guidelines (i) are based on reasonable medical evidence or a consensus of health care professionals in the particular field; (ii) consider the needs of the enrolled population; (iii) are developed in consultation with contracting physicians; and (iv) are reviewed and updated periodically; (b) the guidelines are communicated to providers and, as appropriate, to Covered Persons; and (c) decisions with respect to utilization management, Covered Person education, coverage of services, and other areas in which the guidelines apply are consistent with the guidelines. *42 C.F.R. §422.202(b)*. Provider shall comply with MCO's quality assurance and performance improvement programs. *§42 C.F.R. 422.504(a)(5)*.

24. WRITTEN NOTICE FOR REASON FOR SUSPENSION AND TERMINATION.

In the event MCO suspends or terminates this Addendum with respect to Provider or any physicians employed or contracted with Provider, MCO shall give Provider or such physician written notice of the following: (a) the reasons for the action, including, if relevant, the standards and profiling data used to evaluate the affected physician, and the numbers and mix of physicians needed by MCO, and (b) the affected physician's right to appeal the action and the process and timing for requesting a hearing. *42 C.F.R. §422.202(d)(1)*

25. NOTICE OF WITHOUT CAUSE TERMINATION. MCO and Provider must provide at least sixty (60) days written notice to each other before terminating this Addendum without cause. *42 C.F.R. §422.202(d)(4)*.

26. COMPLIANCE WITH FEDERAL LAWS AND REGULATIONS. MCO and Provider agree to comply with (a) federal laws and regulations designed to prevent or ameliorate fraud, waste, and abuse, including, but not limited to, applicable provisions of federal criminal law, the False Claims Act (31 U.S.C. 3729 et. seq.), and the anti-kickback statute (section 1128B(b)) of the Act; and (b) HIPAA administrative simplification rules at 45 CFR parts 160, 162, and 164. *42 C.F.R. §422.504(h)(1)*.

27. EXCLUDED PRACTITIONERS. Provider warrants to MCO and each Payor (a) that Provider and each of its owners, employees and contractors who provide health care, utilization review, medical social work, or any administrative services under or in connection with the Agreement (collectively "Personnel") (i) are not listed on the General Services Administration's Excluded Parties List System ("GSA List"), and (ii) are not suspended or excluded from participation in any federal health care programs, as defined under 42 U.S.C. § 1320a-7b(f), or any form of state Medicaid program (collectively, "Government Payor Programs"), and (b) that, to Provider's knowledge, there are no pending or threatened governmental investigations that may lead to suspension or exclusion of Provider or Personnel from Government Payor Programs or may cause for listing on the GSA List. *42 C.F.R. §422.752(a)(8)*.

28. COMPLIANCE WITH GRIEVANCE AND APPEALS REQUIREMENTS. Provider shall cooperate and comply with all applicable State, federal MCO and Payor requirements regarding Covered Persons grievances and appeals, as well as enrollment

and disenrollment determinations, including the obligation to provide information (including medical records and other pertinent information) to MCO and Payor within the time frame required by regulation or, if not so required, reasonably requested for such purpose.

29. **OFFSHORE SUBCONTRACTORS.** Provider shall disclose to MCO in writing, within 30 days of signing an offshore contract, all offshore contractor information and an attestation for each such offshore contractor, in a format required or permitted by CMS. *Health Plan Management System memos 7/23/2007, 9/20/2007, and 8/26/2008.*
30. **SCOPE AND CONFLICTS.** Nothing in this Addendum shall be held to vary, alter, waive or extend any of the terms, conditions, agreements or limitations of the Agreement, including the Provider Manual, except as stated in this Addendum. In the event of any inconsistencies between this Addendum and any provision of the Agreement in connection with Provider's provision of Covered Services to Covered Persons, the provisions of this Addendum shall govern. In the event that any provision of this Addendum conflicts with the provisions of any statute or regulation applicable to MCO, the provisions of the statute or regulation shall have full force and effect.
31. **TERMINATION.** This Addendum shall terminate upon the termination of the Agreement and under the same terms and conditions specified in the Agreement. The Addendum may be further terminated by MCO immediately upon written notice to the Provider if a CMS Contract is terminated, or if Provider is listed on the GSA List or is suspended or excluded from participation in any federal health care programs, as defined under 42 U.S.C. § 1320a-7b(f), or any form of state Medicaid program.

MCO:

Bridgeway Health Solutions, L.L.C.

Authorized Signature

Printed Name: Paul D. Barnes, Ph.D.

Title: President and CEO

Signature Date:

Provider:

Cochise County Health Department

Authorized Signature

Printed Name:

Title:

Signature Date:

Tax Identification Number: 866000398

National Provider Identifier: 1215968250

Medicare Number:

EXHIBIT 2
COMPENSATION SCHEDULE - MEDICARE

For Covered Services provided to Covered Persons who are eligible for Medicare and enrolled in a Bridgeway Health Solutions, L.L.C. Medicare Plan that may include coverage for both Medicare and Medicaid Covered Services, Payor shall pay Provider as follows:

Where Payor is the Payor for both Medicare Covered Services and Medicaid Covered Services:

- For Covered Services that are Medicare Covered Services and Medicaid Covered Services, Payor shall pay Provider the lesser of: (i) Provider's Allowable Charges; or (ii) Payor's maximum reimbursement schedule, which shall be the amount payable by Medicare, not including Medicare coinsurance or deductibles, as primary coverage based on the Medicare fee schedule in effect on the date of service, plus the amount payable by Medicaid as a secondary coverage based on the Medicaid fee schedule in effect on the date of service.
- For Covered Services that are Medicare Covered Services and are not Medicaid Covered Services, Payor shall pay Provider the lesser of: (i) Provider's Allowable Charges; or (ii) Payor's maximum reimbursement schedule, which shall be one hundred percent (100%) of the Medicare fee schedule in effect on the date of service.
- For Covered Services that are Medicaid Covered Services and are not Medicare Covered Services, Payor shall pay Provider the lesser of: (i) Provider's Allowable Charges; or (ii) Payor's maximum reimbursement schedule, which shall be one hundred percent (100%) of the Medicaid fee schedule in effect on the date of service.

Where Payor is only the Payor for Medicare Covered Services:

- For Covered Services that are Medicare Covered Services and Medicaid Covered Services, Payor shall pay Provider the lesser of: (i) Provider's Allowable Charges; or (ii) Payor's maximum reimbursement schedule, which shall be the amount payable by Medicare, not including Medicare coinsurance or deductibles, as primary coverage based on the Medicare fee schedule in effect on the date of service.
- For Covered Services that are Medicare Covered Services and are not Medicaid Covered Services, Payor shall pay Provider the lesser of: (i) Provider's Allowable Charges; or (ii) Payor's maximum reimbursement schedule, which shall be one hundred percent (100%) of the Medicare fee schedule in effect on the date of service.

Additional Provisions:

1. Code Change Updates. Updates to billing-related codes (e.g., CPT, HCPCS, ICD-9, DRG, and revenue codes) shall become effective on the date ("Code Change Effective Date") that is the later of: (i) the first day of the month following thirty (30) days after publication by the governmental agency having authority over the applicable product of such governmental agency's acceptance of such code updates; or (ii) the effective date of such code updates, as determined by such governmental agency. Claims processed prior to the Code Change Effective Date shall not be reprocessed to reflect any code updates.

2. Fee Change Updates. Updates to such fee schedule shall become effective on the date (“Fee Change Effective Date”) that is the later of: (i) the first day of the month following thirty (30) days after publication by the governmental agency having authority over the applicable product of such governmental agency’s acceptance of such fee schedule updates; or (ii) the effective date of such fee schedule updates, as determined by such governmental agency. Claims processed prior to the Fee Change Effective Date shall not be reprocessed to reflect any updates to such fee schedule.

3. Payment under this Exhibit. All payments under this Exhibit are subject to the terms and conditions set forth in the Agreement, the Provider Manual and the Billing Manual.

Definitions:

1. **Allowable Charges** means those Provider billed charges for services that qualify as Covered Services.

MCO:

Bridgeway Health Solutions, L.L.C.

Authorized Signature

Provider:

Cochise County Health Department

Authorized Signature

 Printed Name: Paul D. Barnes, Ph.D.

 Title: President and CEO

 Signature Date:

 Printed Name:

 Title:

 Signature Date:

 Tax Identification Number: 866000398

 National Provider Identifier: 1215968250

Regular Board of Supervisors Meeting

Meeting Date: 10/28/2014

IGA#: ADHS14-053052, WIC Services, Breastfeeding Peer Counselor Program, Farmer's Market Nutrition Program, Amendment 1

Submitted By: Jennifer Steiger, Health & Social Services

Department: Health & Social Services

Presentation: No A/V Presentation

Recommendation: Approve

Document Signatures: BOS Signature Required

of ORIGINALS Submitted for Signature: 2

NAME of PRESENTER: n/a

TITLE of PRESENTER: n/a

Mandated Function?: Federal or State Mandate

Source of Mandate or Basis for Support?: ADHS

You will use this Agenda Item template if your item involves a Grant (whether a new or renewal grant). You also must attach the Grant Approval Form to the item before Finance will approve it. Select the SPECIAL LINKS on your left-hand menu and Click on "Grant Approval Form". Then complete the form, save it and attach it to your item (on the Attachments tab).

Information

Agenda Item Text:

Approve, Amendment 1 to Intergovernmental Agreement (IGA) ADHS14-053052, Women, Infant, Child (WIC) Services, Breastfeeding Peer Counselor Program (BFPC), and the Farmer's Market Nutrition Program (FMNP), between the Arizona Department of Health Services (ADHS) and the Cochise Health & Social Services, (CHSS); in the amounts of \$569,430, \$48,500, and "as needed", respectively, for the period of 10/1/14 – 9/30/15.

Background:

The WIC Program is a supplemental nutrition program for income-eligible women, infants, and children. The WIC Program provides income eligible families with nutrition education and referrals to social services within the County. The Program also provides food vouchers to clients for a variety of nutritionally healthy staple foods, including: juice, milk, eggs, peanut butter, and beans. The Breastfeeding Peer Counselor Program provides counseling and support services that complement the WIC-provided breastfeeding education by allowing for additional, more in-depth education by a peer counselor trained through a breastfeeding curriculum. The goal of the BFPC program is to increase the incidence and duration of breastfeeding for all breastfeeding women in Cochise County. The Farmers Market Nutrition Program is intended to increase consumption of locally grown fresh fruits and vegetables by providing FMNP checks to a limited number of WIC women and children to purchase these items directly from growers at ADHS-approved farmers' markets in Cochise County. IGA#: ADHS14-053052 is based on an annual caseload of 3,500 clients.

Department's Next Steps (if approved):

Your approvals are respectfully requested.

Impact of NOT Approving/Alternatives:

The WIC Program has provided nutrition services to low income families in Cochise County for over 30 years. Approximately 3,500 county residents would be impacted by the discontinuation of the WIC Program. During these tough economic times Cochise County families are depending on the WIC Program to help meet their nutritional needs.

To BOS Staff: Document Disposition/Follow-Up:

A fully executed original will be sent to the Clerk of the Board.

Budget Information

Information about available funds

Budgeted:

Funds Available:

Amount Available: 617,930

Unbudgeted:

Funds NOT Available:

Amendment:

Account Code(s) for Available Funds

1:

Fund Transfers

Fiscal Year: 2014-2015

One-time Fixed Costs? (\$\$\$):

Ongoing Costs? (\$\$\$):

County Match Required? (\$\$\$):

A-87 Overhead Amt? (Co. Cost Allocation \$\$\$): 197,011

Source of Funding?: ADHS

Fiscal Impact & Funding Sources (if known):

The WIC and BFPC grant is a cost-reimbursement grant. The total net county subsidy for the contract is \$197,011, calculated as follows: Grant Amount Salaries + ERE's Negotiated Overhead A-87 OH @44.44% Net Co. Subsidy WIC \$569,430 \$495,069 \$37,013 \$220,009 \$182,996 BFPC \$48,500 \$31,538 \$0 \$14,015 \$14,015 FM "As Needed" \$0 \$0 \$0 \$0 Total: \$617,930 \$526,607 \$37,013 \$234,024 \$197,011

Attachments

IGA#: ADHS14-053052, WIC Services, Breastfeeding Peer Counselor Program, Farmer's Market Nutrition Program, Amendment 1

COCHISE COUNTY GRANT APPROVAL FORM

Form Initiator: JENNIFER STEIGER

Date Prepared: Oct 17, 2014

Point of Contact: JENNIFER STEIGER

Phone Number: 520-432-9402

Department: Health

PRIMARY GRANT

Primary Grantor: ADHS

CFDA: www.CFDA.gov

Grant Title: BNPA - WIC, BFPC, AND FMNP

Grant Term From: Oct 1, 2014

To: Sep 30, 2015

Total Award Amount: 617,930

New Grant: Yes No

Grant No.: IGA#: ADHS14-053052

Amendment No.: 1

Funding No.: 228

If new, Finance will assign a funding number.

Strategic Plan: Health & Wellbeing

District: CW

Mandated by Law? Yes No

Number of Positions Funded: 16

Asset(s) Acquired:

Briefly describe the purpose of the grant.

The WIC Program is a supplemental nutrition program for income-eligible women, infants, and children. The Program provides clients with nutrition education and referrals to social services within the County.

If this is a mandated service, cite the source. If not mandated, cite indications of local customer support for this service.

PRIMARY FUNDING SOURCE:

Funding Year: Federal Funds 332.100
State Funds 336.100
County Funds 391.000
Other Funds:
Total Funds:

Funding Year: Federal Funds 332.100
State Funds 336.100
County Funds 391.000
Other Funds:
Total Funds:

Funding Year: Federal Funds 332.100
State Funds 336.100
County Funds 391.000
Total Revenue:

Has this amount been budgeted? Yes No

Method of collecting funds: Lump Sum Quarterly Draw Reimbursement

Is revertment of unexpended funds required at the end of grant period? Yes No

(a) Total A-87 Cost Allocation: (b) Amount of overhead allowed by grant:

County Subsidy (a) - (b):

Does Grantor accept indirect costs as an allowable expenditure? Yes No

If yes, dollar amount or percentage allowed:

PRIMARY FUNDING SOURCE:

Funding Year: Federal Funds 332.100
State Funds 336.100
County Funds 391.000
Other Funds:
Total Funds:

Funding Year: Federal Funds 332.100
State Funds 336.100
County Funds 391.000
Other Funds:
Total Funds:

Funding Year: Federal Funds 332.100
State Funds 336.100
County Funds 391.000
Total Revenue:

Has this amount been budgeted? Yes No

Method of collecting funds: Lump Sum Quarterly Draw Reimbursement

Is revertment of unexpended funds required at the end of grant period? Yes No

(a) Total A-87 Cost Allocation: (b) Amount of overhead allowed by grant:

County Subsidy (a) - (b):

Does Grantor accept indirect costs as an allowable expenditure? Yes No

If yes, dollar amount or percentage allowed:

Is County match required? Yes No

County Match Source:

County match dollar amount or percentage:

Signature: J. STEIGER

Board Approval:

Date

Print Form

Submit by Email to Finance

Please e-mail completed form to Finance ldevore@cochise.az.gov.

NOTE: Once approved by the Board of Supervisors, the department is responsible for sending a copy of the fully executed grant document to the Finance Department

Executive Summary Form

Agenda Number:

Recommendation:

Approve, Amendment 1 to IGA#: ADHS14-053052, WIC Services, Breastfeeding Peer Counselor Program (BFPC), and the Farmer's Market Nutrition Program (FMNP), between the Arizona Department of Health Services (ADHS) and the Cochise Health & Social Services, (CHSS); in the amounts of \$569,430, \$48,500, and "as needed", respectively, for the period of 10/1/14 – 9/30/15.

Background (Brief):

The WIC Program is a supplemental nutrition program for income-eligible women, infants, and children. The WIC Program provides income eligible families with nutrition education and referrals to social services within the County. The Program also provides food vouchers to clients for a variety of nutritionally healthy staple foods, including: juice, milk, eggs, peanut butter, and beans.

The Breastfeeding Peer Counselor Program provides counseling and support services that complement the WIC-provided breastfeeding education by allowing for additional, more in-depth education by a peer counselor trained through a breastfeeding curriculum. The goal of the BFPC program is to increase the incidence and duration of breastfeeding for all breastfeeding women in Cochise County.

The Farmers Market Nutrition Program is intended to increase consumption of locally grown fresh fruits and vegetables by providing FMNP checks to a limited number of WIC women and children to purchase these items directly from growers at ADHS-approved farmers' markets in Cochise County.

IGA#: ADHS14-053052 is based on an annual caseload of 3,500 clients.

Fiscal Impact & Funding Sources:

The WIC and BFPC grant is a cost-reimbursement grant. The total net county subsidy for the contract is \$197,011, calculated as follows:

Grant	Amount	Salaries + ERE's	Negotiated Overhead	A-87 OH @44.44%	Net Co. Subsidy
WIC	\$569,430	\$495,069	\$37,013	\$220,009	\$182,996
BFPC	\$48,500	\$31,538	\$0	\$14,015	\$14,015
FM	"As Needed"	\$0	\$0	\$0	\$0
Total:	\$617,930	\$526,607	\$37,013	\$234,024	\$197,011

Next Steps/Action Items/Follow-up:

Your approvals are respectfully requested.

Impact of Not Approving:

The WIC Program has provided nutrition services to low income families in Cochise County for over 30 years. Approximately 3,500 county residents would be impacted by

Executive Summary Form

the discontinuation of the WIC Program. During these tough economic times Cochise County families are depending on the WIC Program to help meet their nutritional needs.

	INTERGOVERNMENTAL AGREEMENT (IGA) AMENDMENT		Error! Main Document Only. ARIZONA DEPARTMENT OF HEALTH SERVICES 1740 W. Adams, Room 303 Phoenix, Arizona 85007 (602) 542-1040 (602) 542-1741 Fax
	Contract No: ADHS14-053052	Amendment No. 1	Procurement Specialist Mr. Tracey Thomas

2. The BFPC Price Sheet from the original Agreement is hereby replaced with the revised BFPC Price Sheet of this Amendment number One (1). The total of the Revised BFPC Price Sheet is increased from \$43,000.00 to \$48,500.00 due to the following line item changes:

- 2.1 Personnel increased by \$3,240.00 for a total of \$21,840.00 due to increase in pay rate for Peer Counselor and increase in percentage of time allotted for manager.
- 2.2 Employee Related Expenses increased by \$1,063.00 for a total of \$9,698.00 due to increase in benefits paid to part time staff.
- 2.3 Professional and Outside Services increased by \$200.00 for a total of \$7,200.00 due to increase in hours for contract IBCLC.
- 2.4 Travel Expense increased by \$400.00 for a total of \$6,700.00 due to mandatory trip to Phoenix for staff training.
- 2.5 Other Operating Expenses increased by \$597.00 for a total of \$3,060.00 due to increase in program supplies to include printing, office supplies and postage.

3. Replace in its entirety, Special Terms and Conditions, Provision Seventeen (17), Health Insurance Portability and Accountability Act of 1996 with the following:

17. Health Insurance Portability and Accountability Act of 1996

17.1 The Contractor warrants that it is familiar with the requirements of HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act (HITECH Act) of 2009, and accompanying regulations and will comply with all applicable HIPAA requirements in the course of this Contract. Contractor warrants that it will cooperate with the Arizona Department of Health Services (ADHS) in the course of performance of the Contract so that both ADHS and Contractor will be in compliance with HIPAA, including cooperation and coordination with the Arizona Department of Administration-Arizona Strategic Enterprise Technology (ADOA-ASET) Office, the ADOA-ASET Arizona State Chief Information Security Officer and HIPAA Coordinator and other compliance officials required by HIPAA and its regulations. Contractor will sign any documents that are reasonably necessary to keep ADHS and Contractor in compliance with HIPAA, including, but not limited to, business associate agreements.

17.2 If requested by the ADHS Procurement Office, Contractor agrees to sign a "Pledge To Protect Confidential Information" and to abide by the statements addressing the creation, use and disclosure of confidential information, including information designated as protected health information and all other confidential or sensitive information as defined in policy. In addition, if requested, Contractor agrees to attend or participate in HIPAA training offered by ADHS or to provide written verification that the Contractor has attended or participated in job related HIPAA training that is: (1) intended to make the Contractor proficient in HIPAA for purposes of performing the services required and (2) presented by a HIPAA Privacy Officer or other person or program knowledgeable and experienced in HIPAA and who has been approved by the ADOA-ASET Arizona State Chief Information Security Officer and HIPAA Coordinator.

All other provisions of this agreement remain unchanged.



**INTERGOVERNMENTAL AGREEMENT (IGA)
AMENDMENT**

**ARIZONA DEPARTMENT OF
HEALTH SERVICES**
1740 W. Adams, Room 303
Phoenix, Arizona 85007
(602) 542-1040
(602) 542-1741 Fax

Contract No: ADHS14-053052

Amendment No. 1

Sr. Procurement Specialist
Mr. Tracey Thomas

PRICE SHEET

October 1, 2014 to September 30, 2015

WIC Services

WIC Services Account Classification	Amount
Personnel	\$320,212.00
Employee Related Expenses	\$137,357.00
Professional & Outside Services	\$1.00
Travel Expense	\$18,500
Occupancy Expenses	\$1.00
Other Operating Expenses	\$18,845.00
Capital Expenditures	\$1.00
Indirect Cost	\$37,013.00
RD Supplement	\$37,500.00
Total	\$569,430.00

Breastfeeding Peer Counseling Services

Account Classification	Amount
Personnel	\$21,840.00
Employee Related Expenses	\$9,698.00
Professional & Outside Services	\$7,200.00
Travel Expense	\$6,700.00
Occupancy Expenses	\$1.00
Other Operating Expenses	\$3,060.00
Capital Expenditures	\$1.00
Indirect Costs	\$0.00
Total	\$48,500.00

**Farmer's Market Nutrition Program Services
March 1, 2015 to September 30, 2015**

Type of Service	Unit Rate	Unit of Measure	Estimated Number of Participants
WIC FMNP Check Issuance	\$1.25	WIC Participant	AS NEEDED

	INTERGOVERNMENTAL AGREEMENT (IGA) AMENDMENT		ARIZONA DEPARTMENT OF HEALTH SERVICES 1740 W. Adams, Room 303 Phoenix, Arizona 85007 (602) 542-1040 (602) 542-1741 Fax
	Contract No: ADHS14-053052	Amendment No. 1	Sr. Procurement Specialist Mr. Tracey Thomas

Additional Terms and Conditions:

With prior written approval from the Program Manager, the Contractor is authorized to transfer up to a maximum of ten percent (10%) of the total budget amount between funded line items except for Registered Dietitian Expenses. Transfers of funds are only allowed between funded line items. Transfers exceeding ten percent (10%) or to a non-funded line item shall require an amendment. The Registered Dietitian line item is meant to fund additional Registered Dietitian position(s) to meet high risk counseling requirements.

Authorization for purchase of services under this Contract shall be made only upon ADHS issuance of a Purchase Order that is signed by an authorized agent. The Purchase Order will indicate the Contract number and the dollar amount of funds authorized. The Contractor shall only be authorized to perform services up to the amount on the Purchase Order. ADHS shall not have any legal obligation to pay for services in excess of the amount indicated on the Purchase Order. No further obligation for payment shall exist on behalf of ADHS unless a.) the Purchase Order is modified with an official ADHS Procurement Change Order, and/or b.) an additional Purchase Order is issued for purchase of services under this Contract.

ADHS reserves the right to adjust awards given to local agencies depending on federal dollars received. Adjustments will be at the discretion of ADHS.

Additional WIC Program:

Should additional administrative monies become available through state or federal grants, ADHS may increase the purchase order to increase the number of participants served and increase the total of this contract.

The assigned caseload for FFY 2015 is: 3,500

Additional Breastfeeding Peer Counseling Program:

Allowable costs for the Peer Counseling Program include compensation for peer counselors and designated peer counselor managers/coordinators, and related costs such as training and training materials; telephone expenses for participant contacts (including pager, cell phones and answering machines); travel for training and home and hospital visits; recruitment of peer counseling staff; and the purchase of demonstration materials (e.g., breast pumps for demonstration purposes, videos). Out of state travel must be pre-approved by ADHS. Items and materials for distribution to WIC participants (e.g. breast pumps, breastfeeding aids, written materials) are not allowable costs.

Farmer's Market Nutrition Program:

If funding for additional FMNP checks becomes available and the contract budget (as shown on the Contract Price Sheet) has been fully expended, Contractor may choose whether or not to distribute the additional checks with no increase in the contract budget.

Workforce Development

Regular Board of Supervisors Meeting

Meeting Date: 10/28/2014

Appoint Joe Larson to the Workforce Investment Board

Submitted By: Cathy Davis, Board of Supervisors

Department: Board of Supervisors

Presentation: No A/V Presentation

Document Signatures:

Recommendation:

of ORIGINALS

Submitted for Signature:

NAME na

TITLE na

of PRESENTER:

of PRESENTER:

Mandated Function?:

**Source of Mandate
or Basis for Support?:**

Information

Agenda Item Text:

Approve the appointment of Clarence "Joe" Larson to the Local Workforce Investment Board to fill an unexpired term, effective immediately and through June 30, 2018.

Background:

Attached is the appointment letter for Mr. Joe Larson. The Workforce Investment Board appointments are made by the Board of Supervisors upon recommendation of a 'represented segment' on the WIA Board. Attached is a list showing each of the WIA Board appointees, with appointment date and date term expires.

Department's Next Steps (if approved):

If approved, WIA will be notified of the appointment and we will request confirmation of an updated WIA board appointees list.

Impact of NOT Approving/Alternatives:

Vacancies will continue to exist on the WIA Board with certain segments not being adequately represented.

To BOS Staff: Document Disposition/Follow-Up:

Once approved send appointment letters to the appointees with Oath of Office and Open Meeting Law requirements and email a scanned copy (letter only) to Mary Tieman, Mary.Tieman@cpic-cas.org

Budget Information

Information about available funds

Budgeted:

Funds Available:

Amount Available:

Unbudgeted:

Funds NOT Available:

Amendment:

Account Code(s) for Available Funds

1:

Fund Transfers

Attachments

Appointee Terms

Letter of Recommendation

Southeastern Arizona Workforce Connection Board of Directors - WIB

2014
to
2018

Member Name	Year Appointed	Service Term	Term Expiration
Four Year Terms 2014 - 2018			
Vada Phelps	August 1999	4 Year	6/30/2018
Ron Curtis	October 2000	4 Year	6/30/2018
Peggy Feenan	October 2009	4 Year	6/30/2018
Doris Tolbert	August 1999	4 Year	6/30/2018
Cindy Stratton	April 2013	4 Year	6/30/2018
Sally Rigger	April 2005	4 Year	6/30/2018
Dr. James Shockey	August 2010	4 Year	6/30/2018
George Self	August 2014	4 Year	6/30/2018
Emery Silvester	May 2006	4 Year	6/30/2018
Joe Larson	October 2014	4 Year	6/30/2018
Kenneth Cecil	August 2010	4 Year	6/30/2018
Jr. Ramirez	August 1999	4 Year	6/30/2018
Susan Morss	August 2014	4 Year	6/30/2018
Two Year Terms 2014 – 2016			
Jack Bauer	August 1999	2 Year	6/30/2016
Bob Kirk	December 2004	2 Year	6/30/2016
Open			
Evonne Martin	August 2010	2 Year	6/30/2016
Jason Bowling	August 2009	2 Year	6/30/2016
Kathleen Bullock	September 2011	2 Year	6/30/2016
Rich Besselman	January 2008	2 Year	6/30/2016
Gail Emrick	August 2013	2 Year	6/30/2016
Matt Bolinger	June 2012	2 Year	6/30/2016
Ryan Rapier	June 2012	2 Year	6/30/2016
Open			
Mike Crockett	June 2012	2 Year	6/30/2016
Amanda Baillie	July 2011	2 Year	6/30/2016
Cherla Ramsey	February 2014	2 Year	6/30/2016



Veterans of Foreign Wars of the United States Department of Arizona District 7

August 28, 2014

Cochise County
Board of Supervisors
1415 Melody Lane, Building G
Bisbee, Arizona 85603

Dear Board of Supervisors,

I would like to recommend that Clarence "Joe" Larson to the SE Arizona Workforce Connection, Workforce Investment Board.

Mr. Larson has been a strong advocate for veterans in this community and continues to be a strong leader in representing veterans in the Veterans of Foreign Wars at the Department level as well as the District level.

The VFW District appreciates the opportunity to partner with Board and the veteran community.

If you should have any question, please don't hesitate to contact me
connydespain4754@msn.com or at 520-235-6867.

Respectfully submitted,

Ron Despain
Commander
District 7 Veterans of Foreign Wars

cc: File

Regular Board of Supervisors Meeting

Meeting Date: 10/28/2014
Revisions to the Amendment to the Cochise County Building Safety Code for Rural Residential Owner-Built Dwellings.

Submitted By: Beverly Wilson, Community Development

Department: Community Development **Division:** Planning & Zoning

Presentation: PowerPoint **Recommendation:** Approve

Document Signatures: BOS Signature Required **# of ORIGINALS Submitted for Signature:** 1

NAME of PRESENTER: Mike Izzo **TITLE of PRESENTER:** Building Official

Mandated Function?: Not Mandated **Source of Mandate or Basis for Support?:**

Docket Number (If applicable):

Information

Agenda Item Text:

Adopt Resolution 14-77 to approve Docket R-14-07, revisions to the *Amendment to the Cochise County Building Safety Code for Rural Residential Owner-Built Dwellings*.

Background:

I. BACKGROUND

In June of 2006, the Cochise County Board of Supervisors adopted the Amendment to the Cochise County Building Safety Code for Rural Residential Owner-Built Dwellings (hereafter, "the Amendment"). The original purpose of the Amendment was to allow an eligible Owner-Builder to "opt out" of plan review, inspections, (or both) required under the Cochise County Building Safety Code. The original Amendment's intent was to allow "ingenuity and personal preferences of the Owner-Builder in allowing and facilitating the use of alternative building materials and methods", but was not intended to allow structures to be built that would not meet the minimum prescriptions of the Building Safety Code. In the years following the adoption of the Amendment, the use of alternative methods and materials has become more commonplace and there is common knowledge about how these structures perform with regard to building codes. Cochise County adopted the International Code Council's Performance Code when it adopted the Building Safety Code in 2006; this code allows materials and methods not detailed in the prescriptive code to be reviewed and inspected as usual providing documentation of their performance (through accepted engineering calculations, testing or computer modeling) is submitted to the Building Division.

A secondary, if not explicit, reason for the adoption of the Amendment was to provide relief from government oversight for Owner Builders in the rural areas of the County. In March of 2010, the Board amended the Rural Residential Owner-Built criteria by expanding the type of properties qualifying for the program. In this 2010 revision, the following statement was added: "Any construction work eligible for exemption for applicants applying under Option 2: No Plan Review and No Inspections shall not be subject to this permit expiration period." This statement is in direct conflict with the adopted Cochise County Zoning Regulations, and staff is proposing to remove it, to clarify for both the staff and the public.

On September 9, 2014, the Cochise County Building Code Advisory and Appeals Board met to review and discuss these proposed changes. They unanimously agreed to forward this request to the Board of Supervisors, with a recommendation for approval.

II: CHANGES PROPOSED

1. Amend the Title of this document by adding "Accessory Structures" in addition to dwellings in heading to read: Amendment to the Cochise County Building Safety Code for Rural Residential Owner-Built Dwellings and Accessory Structures.
2. Added the words: "Rural Residential" in front of "Owner-Builder Amendment" throughout the document.
3. In the second paragraph of Section 1, edited the word "statewide codes" to read "state and county building codes" and deleted "such as the plumbing, and state, county,"
4. In Section 5, the first sentences of Option 1 and of Option 2 were both edited to clarify the intent and allow the sentence to be understood more easily. There were no new words added, the existing words were simply switched.
5. In Section 8, the language referring to setbacks was eliminated, as the set-backs are set by the Zoning Regulations. This language is proposed to be deleted: "Setback information from the proposed structure to the property line in all directions shall be mandatory for consideration of eligibility for the Owner Builder Option."
6. In Section 12, the words "...provided substantial progress has been made" are being added.
7. Also in Section 12, the following language in direct conflict with the adopted Zoning Regulations is being deleted: "Any construction work eligible for exemption for applicants applying under Option 2: No plan Review and No Inspections shall not be subject to this permit expiration period."
8. In Section 15, this sentence is being deleted to conform to actual practice of the Department: "It shall be the duty of the Planning Department to notify or inform the applicant of the day during which the inspection is to be conducted." We have an 'Inspection Call-in' phone line dedicated to this purpose only. The recorded message clearly states that we will be out to do the inspection the following business day after the inspection is called in.
9. Section 20, 21, and 22, the following language is redundant and is being deleted: "Full Construction Plan Review with Limited

Building Code Inspection Option Only”).

10. In Section 20, the words “IRC Mechanical Code” are inserted to clarify.

11. In Section 21, the words “Electrical Codes” are inserted to clarify.

12. In Section 22, the words “IRC Plumbing Code” are inserted to clarify.

13. In Section 23, the words “and Fire” are inserted to clarify.

14. In Section 24, the “County Director of Environmental Health” is deleted and “Planning Department and the Cochise County Environmental Health Department Regulations” is inserted, to reflect the changes in responsibility for environmental health regulations pertaining to residential sites.

IV: RECOMMENDATION

Staff recommends that the Board of Supervisors consider approving these changes.

Sample Motion: Mr. Chairman, I recommend approval of Docket R-14-07 as proposed.

Department's Next Steps (if approved):

Record document and provide a copy to Planning Division Staff.

Impact of NOT Approving/Alternatives:

If these changes are not approved, this Amendment will be in conflict with our Zoning Regulations.

To BOS Staff: Document Disposition/Follow-Up:

Send a copy of final recorded document to Planning.

Budget Information

Information about available funds

Budgeted:

Funds Available:

Amount Available:

Unbudgeted:

Funds NOT Available:

Amendment:

Account Code(s) for Available Funds

1:

Fund Transfers

Attachments

Proposed Amendment

Staff Memo



COCHISE COUNTY

COMMUNITY DEVELOPMENT

"Public Programs...Personal Service"

Amendment to the Cochise County Building Safety Code for Rural Residential Owner-Built Dwellings and Accessory Structures:

Section 1- Purpose and Intent.

The purpose of this amendment is to exempt a Rural Residential Owner-Builder from the requirement for construction plan review and inspections under the currently adopted version of the Cochise County Building Safety Code, provided the property is located in a Zoning District with a minimum parcel size of four-acres per dwelling unit and the subject parcel is at least four-acres in size. This option is available for *residential* construction projects only. This amendment also allows a Rural Residential Owner-Builder to comply with the Cochise County Building Safety Code plan review but limit inspections. Such an Owner-Builder may, of course, also opt for compliance with the Cochise County Building Safety Code accompanied by full plan review and inspections. This amendment is intended to allow the Rural Residential Owner-Builder the option to construct owner-occupied residential structures without County plan and inspection oversight, if the property is located in an area defined as "rural".

By statute, this exemption does not exempt owner-builders from state and county building codes, or fire-district adopted fire codes and regulations regarding smoke detectors, nor does it exempt owner-builders from health regulations regarding wastewater treatment systems.

Section 2 - Application.

Rural – properties in any Zoning District with a maximum density of one dwelling unit per four acres or larger, as long as the subject parcel is of a size and configuration that conforms to the Zoning District in which it is located.

The provisions of this amendment shall apply to the erection, construction, enlargement, alteration, repair, moving, removal, demolition, conversion, occupancy and maintenance of limited density owner-built residential rural dwellings and accessory structures situated within the designated areas of Cochise County.

This amendment is limited to use by the owner-builder once in every five years for *Residential Dwellings* on all properties within the unincorporated area of Cochise County owned by that individual. This limitation does not apply to accessory structures or additions on the same property.

Section 3 - Definitions.

For the purpose of this amendment the following definitions shall apply:

A) Limited Density: Residential Rural Dwelling: Any site built residential structure consisting of one or more habitable rooms intended or designed to be occupied by one family with facilities for living and sleeping, with the use restricted to rural areas that fulfill the requirements of this amendment.

B) Owner-Builder: Owners of property who improve such property or who build or improve structures or appurtenances on such property and who do the work themselves, with their own employees or with duly licensed contractors, if the structure, group of structures or appurtenances, including the improvements thereto, are intended for occupancy solely by the owner and are not intended for occupancy by members of the public as the owner's employees or business visitors and the structures or appurtenances are not intended for sale or for rent.

C) Rural: For the purpose of this regulation only, "Rural" shall mean those unincorporated areas of the county eligible for the application of this regulation and as described in Section 2.

Section 4 - Regulation of Use.

A) For the purposes of this amendment, proof of the sale or rent or the offering for sale or rent of any such structure by the owner-builder within one year after completion or issuance of a certificate of occupancy is prima facie evidence that such project was undertaken for the purpose of sale or rent. As used in this paragraph "sale" or "rent" includes any arrangement by which the owner receives compensation in money, provisions, chattels or labor from the occupancy or transfer of the property or the structures on the property.

B) The *Owner-Builder* in selecting to use this amendment is strongly encouraged to take advantage of the best water conservation practices available at the time of construction (Note: county water conservation site development standards may be mandatory in some areas of the County). Additionally, if the property is located in the vicinity of a military airport the *Owner-Builder* is required to provide high noise sound attenuation through the construction materials selected for the project as defined and required by ARS § 28-8482B.

Section 5 - Amendment Options.

Option 1: Full Construction Plan Review with Limited Building Code Inspections: When selected by the applicant during the permit issuance process, this option requires (in addition to *Zoning* and other County Departments inspection requirements) that only limited Building Code inspections dealing with the trade areas of Mechanical, Electrical, Plumbing and Fire Prevention be completed by County Building Inspectors. Full construction plan review and the required limited inspections for this option will be completed in accordance with the adopted *Cochise County Building Safety Code*.

Option 2: No Construction Plan Review with No Building Code Inspections: When selected by the applicant during the permit issuance process, this option requires (in addition to *Zoning* and other *County Departments* inspection requirements) that no building code inspections be completed by County Building Inspectors. In addition, by selecting this option, no construction plans are required to be submitted or reviewed by the *County Planning Department*.

Section 6 - Recording.

Each time a permit is issued pursuant to this amendment for residential dwellings, additions or accessory structures a notice that a permit has been issued pursuant to the provisions of this article shall be recorded with the County Recorder by the Planning Department.

Section 7 - Permits.

This amendment does not affect the requirement that prior to construction the Rural Residential Owner-Builder must obtain all permits required under State law and County ordinance.

Section 8 - Application Process.

To obtain a permit, the applicant shall first file an application with the Planning Department. Permit applications shall contain the following information:

- 1) Name and mailing address of the owner(s) of record;
- 2) Address and location of the proposed structures;
- 3) A general description of the proposed structure(s) or proposed work;
- 4) A site plan conforming to Section 1705 of the Cochise County Zoning Regulations;
- 5) The signature of the owner of record or authorized agent;
- 6) The use or occupancy for which the work is intended;
- 7) Any other data or information as may be required by statute or regulation; and
- 8) A stipulation by the owner of record or authorized agent that the building or structure is to be constructed by the owner, or built for occupancy of the owner by licensed contractors with the owner-builder acting as the General Contractor;
- 9) The selection of the Rural Residential Owner-Builder option of choice by the owner of record or authorized agent is contained in Section 5 of this amendment.

Section 9 - Construction Plans.

(Full Construction Plan Review with Limited Building Code Inspections Option)

Two copies of Construction Plans (when applicable) for the proposed project shall be submitted to the Planning Department for review and approval. These Construction Plans may be hand drawn by the applicant and may include a simplified diagram of the floor plan, structure elevations and construction details in order to determine the appropriate dimensions of structural members.

Section 10 - Waiver of Plans.

The Planning Department shall waive the submission of any plans if the department finds that the nature of the work applied for is such that the reviewing of plans is not necessary to obtain compliance with this amendment. The Planning Department shall waive the submission of construction plans when the regulation option of *No Construction Plan Review with No Building Code Inspections* is selected at the time of permit application.

Section 11 - Modifications.

(Full Construction Plan Review with Limited Building Code Inspections Option)

Modifications to the design, materials, and methods of construction are permitted, provided that the structural integrity of the building or structure is maintained, the building continues to conform to the provisions of this regulation, and the Planning Department is notified in writing of the intended modification and approves the modification prior to construction.

Section 12 - Permit Expiration.

Any building permit issued under this amendment shall be valid, without renewal, for a maximum period of 36-months for the Rural Residential Owner-Builder to show compliance with all County Zoning Regulations, setback requirements, and all state and local code requirements for which exemption does not apply as noted in Section 1; however, the *County Zoning Inspector* may, upon written request of the permittee, extend the time limit for the permit once for an additional 12-months provided substantial progress has been made.

Section 13 - Inspections.

(Full Construction Plan Review with Limited Building Code Inspections Option)

All construction or work for which a permit is required will be subject to inspection within the designated scope option of this amendment by the Planning Department. If an inspection is required, such construction or work shall remain accessible and exposed for inspection purposes until approved.

Approval as a result of an inspection shall not be construed to be an approval of a violation of the provisions of this code amendment or of other ordinances of the jurisdiction. Neither the building official nor the jurisdiction shall be liable for expense entailed in the removal or replacement of any material to allow inspection.

At anytime during the construction process for the *Full Construction Plan Review with Limited Inspections* option an applicant may elect to have an additional *Building Code* inspection completed (work being inspected must be accessible and exposed), in addition to the inspections already required under their selected option, at the adopted per hour inspection fee by a County Building Inspector.

Section 14 - Special Inspections.

(Full Construction Plan Review with Limited Building Code Inspections Option)

Certain types of construction may require *Special Inspections*, when applicable, by Arizona Registered Design Professionals as required under Section 1704 of the adopted International Building Code and as determined by the Building Official.

Section 15 - Inspection Requests and Notice.

It shall be the duty of the applicant to notify the Planning Department that the construction is ready for inspection and to provide access to the premises when applicable. Inspections shall be requested by the applicant at least twenty-four (24) hours in advance of the intended inspection.

Section 16 - Certificate of Occupancy.

(Full Construction Plan Review with Limited Building Code Inspections Option)

After the dwelling is completed for occupancy and any inspections which have been required by the Planning Department have been conducted and work approved, the Planning Department shall issue a conditioned Certificate of Occupancy for such dwelling and accessory structure(s), which comply with the provisions of this amendment.

Section 17 - Temporary Occupancy.

(Full Construction Plan Review with Limited Building Code Inspections Option)

The use and occupancy of a portion or portions of a dwelling or accessory structure prior to the completion of the entire structure shall be allowed, provided that approved sanitary facilities are available at the site and that the work completed does not create any condition to an extent that endangers life, health or safety of the public, visitors or occupants of the structure or portion thereof. Prior to any temporary occupancy of the dwelling or accessory structure a temporary occupancy inspection must be completed and approved by the Planning Department.

Section 18 - Fees.

Fees shall be required and collected by the Planning Department to provide for the cost of administering the provisions of this amendment as adopted by the Board of Supervisors. It is the intent of this amendment that permit processing and inspection fee schedules be established to reflect the actual inspection and administrative costs resulting from the application of the amendment.

Section 19 - General Requirements.

Each structure shall be built and maintained in a sound structural condition to be safe, sanitary, and to shelter the occupants from the elements.

Section 20 - Mechanical Requirements.

Fireplaces, cooling, heating, cooking appliances and gas piping installed in buildings constructed pursuant to this amendment shall be installed and vented in accordance with the requirements contained in the currently adopted *Cochise County Building Safety Code (IRC Mechanical Code)*.

Section 21 - Electrical Requirements.

Where electrical wiring or appliances are installed, the installation shall be in accordance with the provisions contained in the currently adopted *Cochise County Building Safety Code (Electrical Codes)*.

Exceptions: No dwelling or accessory structure constructed pursuant to this amendment shall be required to be connected to a source of electrical power, or wired, or otherwise fitted for electrification. In structures where electrical usage is confined to one or more rooms of a structure, the remainder of the structure shall not be required to be wired or otherwise fitted for electrification unless the Planning Department determines the electrical demands are expected to exceed the confinement and capacity of that room(s). It is the intent of this subsection to apply to buildings in which there exists a workshop, kitchen, or other single room, which may require electrification, and where there is no expectation of further electrical demand.

Section 22 - Plumbing Requirements.

Plumbing equipment, systems and installation shall be in accordance with the requirements contained in the *Cochise County Building Safety Code (IRC Plumbing Code)* and the *Cochise County Health Department* regulations. Alternative materials and methods shall be permitted provided that the design complies with the intent of the *County* codes and regulations. Potable water shall be available to the dwelling site.

Section 23 - Fire Prevention Requirements.

Residential Smoke Detectors shall be provided in accordance with the requirements contained in the *Cochise County Building Safety and Fire Code*.

Section 24 - Sanitation Requirements.

Sanitation facilities, including the type, design, and number of facilities, as required and approved by the *Planning Department, and the Cochise County Environmental Health Department regulations*, shall be provided to the dwelling site.

Section 25 - Violations.

The critical concern in the promulgation of this amendment is to provide for health and safety while maintaining respect for the law and voluntary compliance with the provisions of this amendment, and therefore, in the event that an order to correct a substandard condition (based on the level of option selected) is ignored, it is the intent of this section that the adopted *County Hearing Officer Rules of Procedure* for violations be followed.

Section 26 - Petitions for Appeals.

When applicable for a particular issue the adopted appeals process contained in the *Cochise County Zoning Regulations or the Cochise County Building Safety Code* shall be followed to hear and decide appeals dealing with issues on this amendment. The department shall keep a record of the decisions on appeals.

Section 27 - Rezoning and Change of Use.

If a structure(s) on a property has been built or altered under the relief granted by this amendment, this would be considered a factor against a rezoning to a higher density or a change of use if this action diminishes the parcel size to less than one dwelling unit per four acres. Any change of use from a residential dwelling to a commercial use shall require certification by a registered design professional that the building complies with the currently adopted *Cochise County Building Code*.



COCHISE COUNTY

COMMUNITY DEVELOPMENT

"Public Programs...Personal Service"

MEMORANDUM

TO: Board of Supervisors
FROM: Michael Izzo, Building Official
For: Michael Ortega, County Administrator
SUBJECT: Docket R-14-07 (Amendments to the Building Safety Code for Owner-Built Residential Dwellings and Accessory Structures)
DATE: October 1, 2014, for the October 14, 2014, Board of Supervisor's Meeting

I. BACKGROUND

In June of 2006, the Cochise County Board of Supervisors adopted the *Amendment to the Cochise County Building Safety Code for Rural Residential Owner-Built Dwellings* (hereafter, "the Amendment"). The original purpose of the Amendment was to allow an eligible Owner-Builder to "opt out" of plan review, inspections, (or both) required under the Cochise County Building Safety Code. The original Amendment's intent was to allow "ingenuity and personal preferences of the Owner-Builder in allowing and facilitating the use of alternative building materials and methods", but was not intended to allow structures to be built that would not meet the minimum prescriptions of the Building Safety Code. In the years following the adoption of the Amendment, the use of alternative methods and materials has become more commonplace and there is common knowledge about how these structures perform with regard to building codes. Cochise County adopted the International Code Council's Performance Code when it adopted the Building Safety Code in 2006; this code allows materials and methods not detailed in the prescriptive code to be reviewed and inspected as usual providing documentation of their performance (through accepted engineering calculations, testing or computer modeling) is submitted to the Building Division.

A secondary, if not explicit, reason for the adoption of the Amendment was to provide relief from government oversight for Owner Builders in the rural areas of the County. In March of 2010, the Board amended the Rural Residential Owner-Built criteria by expanding the type of properties qualifying for the program. In this 2010 revision, the following statement was added: "Any construction work eligible for exemption for applicants applying under Option 2: *No Plan Review and No Inspections* shall not be subject to this permit expiration period." This statement is in direct conflict with the adopted Cochise County Zoning Regulations, and staff is proposing to remove it, to clarify for both the staff and the public.

On September 9, 2014, the Cochise County Building Code Advisory and Appeals Board met to review and discuss these proposed changes. They unanimously agreed to forward this request to the Board of Supervisors, with a recommendation for approval.

II: CHANGES PROPOSED

1. Amend the Title of this document by adding “Accessory Structures” in addition to dwellings in heading to read: *Amendment to the Cochise County Building Safety Code for Rural Residential Owner-Built Dwellings and Accessory Structures.*
2. Added the words: “*Rural Residential*” in front of “Owner-Builder Amendment” throughout the document.
3. In the second paragraph of Section 1, edited the word “statewide codes” to read “*state and county building codes*” and deleted “*such as the plumbing, and state, county,*”
4. In Section 5, the first sentences of Option 1 and of Option 2 were both edited to clarify the intent and allow the sentence to be understood more easily. There were no new words added, the existing words were simply switched.
5. In Section 8, the language referring to setbacks was eliminated, as the set-backs are set by the Zoning Regulations. This language is proposed to be deleted: “*Setback information from the proposed structure to the property line in all directions shall be mandatory for consideration of eligibility for the Owner Builder Option.*”
6. In Section 12, the words “*...provided substantial progress has been made*” are being added.
7. Also in Section 12, the following language in direct conflict with the adopted Zoning Regulations is being deleted: “*Any construction work eligible for exemption for applicants applying under Option 2: No plan Review and No Inspections shall not be subject to this permit expiration period.*”
8. In Section 15, this sentence is being deleted to conform to actual practice of the Department: “*It shall be the duty of the Planning Department to notify or inform the applicant of the day during which the inspection is to be conducted.*” We have an ‘Inspection Call-in’ phone line dedicated to this purpose only. The recorded message clearly states that we will be out to do the inspection the following business day after the inspection is called in.
9. Section 20, 21, and 22, the following language is redundant and is being deleted: “*Full Construction Plan Review with Limited Building Code Inspection Option Only)*”.
10. In Section 20, the words “*IRC Mechanical Code*” are inserted to clarify.
11. In Section 21, the words “*Electrical Codes*” are inserted to clarify.
12. In Section 22, the words “*IRC Plumbing Code*” are inserted to clarify.
13. In Section 23, the words “and Fire” are inserted to clarify.
14. In Section 24, the “*County Director of Environmental Health*” is deleted and “*Planning Department and the Cochise County Environmental Health Department*”

Regulations” is inserted, to reflect the changes in responsibility for environmental health regulations pertaining to residential sites.

IV: RECOMMENDATION

Staff recommends that the Board of Supervisors consider approving these changes.

Sample Motion: Mr. Chairman, I recommend approval of Docket R-14-07 as proposed.

V: ATTACHMENTS

A. *Amendment to the Cochise County Building Safety Code for Rural Residential Owner-Built Dwellings and Accessory Structures* (with proposed changes.)

Regular Board of Supervisors Meeting

Meeting Date: 10/28/2014

Boundary Change Impact Statment - Whetstone Fire District/PBW Fire District

Submitted By: Arlethe Rios, Board of Supervisors

Department: Board of Supervisors

Presentation: No A/V Presentation

Document Signatures:

Recommendation:

of ORIGINALS

Submitted for Signature:

NAME Tom Schelling

TITLE Special Districts

of PRESENTER:

of PRESENTER: Consultant

Mandated Function?:

**Source of Mandate
or Basis for Support?:**

Information

Agenda Item Text:

Accept the boundary change impact statement for the Whetstone and PBW Fire Districts to consolidate.

Background:

Whetstone and PBW Fire Districts are beginning the process to combine fire districts to promote the public health, comfort, convenience, necessity or welfare of affected residents. if approved the impact statement will authorize the persons proposing the change to circulate petitions to merge the two fire districts. If the two fire districts boards have a unanimous vote petitions will not be necessary.

Department's Next Steps (if approved):

Notify both boards of any comments the Board of Supervisors has regarding this proposed merge.

Impact of NOT Approving/Alternatives:

The fire districts will not be merged.

To BOS Staff: Document Disposition/Follow-Up:

Submit any comments from the Board to both Fire Districts.

Budget Information

Information about available funds

Budgeted:

Funds Available:

Amount Available:

Unbudgeted:

Funds NOT Available:

Amendment:

Account Code(s) for Available Funds

1:

Fund Transfers

Attachments

District Boundary Change for Whetstone & PBW Fire Districts

DISTRICT BOUNDARY CHANGE IMPACT STATEMENT FOR THE FIRE DISTRICTS OF WHETSTONE AND PBW

Pursuant to provisions of Arizona Revised Statutes, 48-262, the undersigned submits the following Boundary Change Impact Statement for the proposed consolidation of PBW Fire District into the Fire District of Whetstone:

1. Description of Boundaries:

The area proposed to be consolidated into the Fire District of Whetstone, (referred to as Proposed Consolidation Area "C") consists of: Legal Description of the Proposed Consolidation Area "C" is attached as **Exhibit A** hereto, and a detailed accurate map of the Proposed Consolidation Area "C" is attached as **Exhibit B** hereto. **Exhibit C** is current Whetstone Fire District Boundaries and **Exhibit D** is current PBW Fire District Boundaries.

2. General Description:

Approximately 19.25 square miles of unincorporated Cochise County that lies predominantly east of Truman Road/Jefferson and west of Imbalance Ranch Road (Keller Rd.). The major roads and directional blocks are as follows and are reflective of the majority of the properties found within the proposed consolidation area:
The Whetstone Fire District is within the following boundary descriptions:

Northernmost border is defined by the northern boundaries of T20S R19E S03 and T20S R20E S06

Southernmost boundary is the southern portion of APN: 106-15-023D within T20S R20E S00

Eastern boundary is defined by a portion of N Truman Rd within T20S R20E S00 bordering T20S R20E S15

Western boundary is the west border of T20S R19E S22 and T20S R19E S03

Including: APN: 108-07-001A within T19S R21E S20, eastern boundary N Kellar Rd. (a.k.a. Imbalance Ranch Rd); APN: 108-08-002G of T19S R21E S31, northern boundary E Zachary Way, southern boundary E Hunter Ln.; and APN: 108-37-001D southern boundary AZ State Route 82 within T20S R21E S05.

The Presidential Estates/Babocomari/Woody Hills (PBW) Fire District is within the following boundary descriptions:

The northernmost border is the portion of AZ State Route 82 APN: 108-37-001B within T20S R21E S05

Southern border is the southernmost combined tips of APN: 106-36-004A and APN: 106-36-001 within T20S R20E S27

Eastern border is the eastern boundary of APN: 108-37-001B and APN: 108-37-002 within T20S R21E S05

Western border is the western boundary of T20S R20E S22, a portion of N Truman Rd where E Jefferson Rd connects

The aforementioned description reflects the major directional blocks and roadways to assist a property owner in determining if their property is part of the proposed consolidation area.

Please contact the Whetstone Fire District at (520) 456-1717 if you have any questions regarding your property or for assistance in understanding the proposed boundaries and services.

3. Detailed List of Taxable Properties:

A detailed list of taxed properties, provided by the Cochise County Assessor, pursuant to ARS 48-262A, 1B is attached as **Exhibit C** hereto.

4. Estimate of Assessed Valuation in Proposed Consolidation Area "C":

The estimated net secondary assessed valuation within the proposed boundary change area is \$2,753,854 (PBW) and \$17,161,055 (Whetstone) for a total \$19,914,909 based on the February 10, 2014 detailed list of taxed properties provided by the Cochise County Assessor's Office. **Exhibit E**

5. Estimate of the Change in Tax Rate of the Fire District of PBW:

If the proposed consolidation is accomplished, the estimated change in the tax rate of the Fire District of PBW is an anticipated tax increase of approximately \$0.85 per hundred dollars of secondary assessed value. The calculation is based on the secondary assessed valuation estimated by the Cochise County Assessor's Office.

The current Fire District of PBW tax rate is \$2.10 per hundred dollars of secondary assessed value. If the proposed consolidation is accomplished, the new Fire District tax rate is estimated to be approximately \$2.95 per hundred dollars of secondary assessed value.

The current Fire District of Whetstone tax rate is \$2.95 per hundred dollars of secondary assessed value. If the proposed consolidation is accomplished, the new Fire District tax rate is estimated to be approximately \$2.95 per hundred dollars of secondary assessed value.

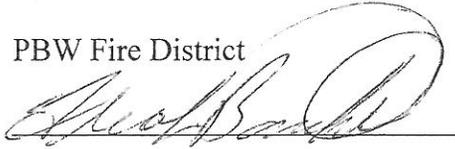
Taxes from this consolidation would be due no sooner than 2015.

Whetstone Fire District

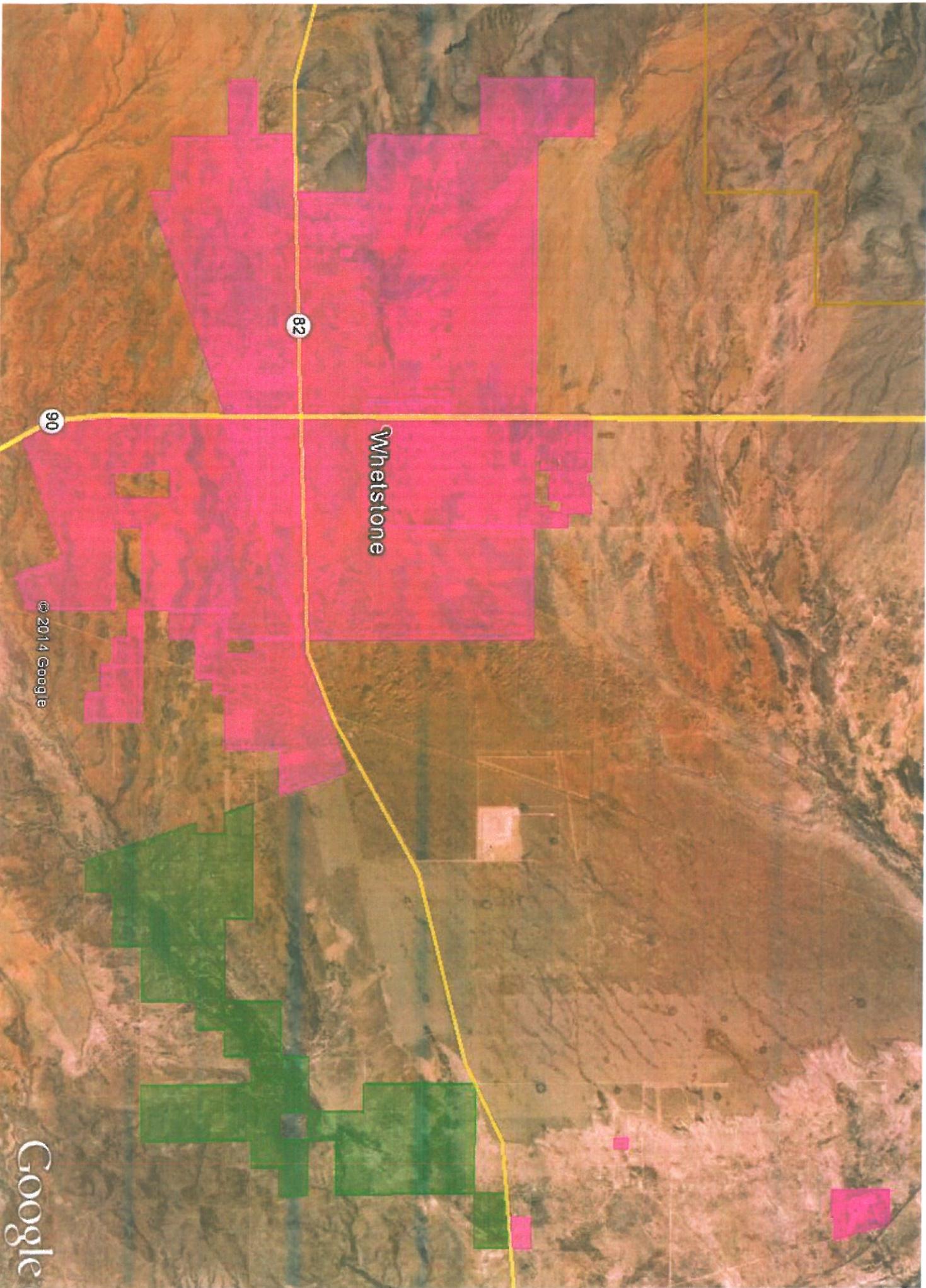
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Rick Evans, Chairman of the Board

PBW Fire District

A handwritten signature in black ink, appearing to read "Fred Banks", written over a horizontal line.

Fred Banks, Chairman of the Board



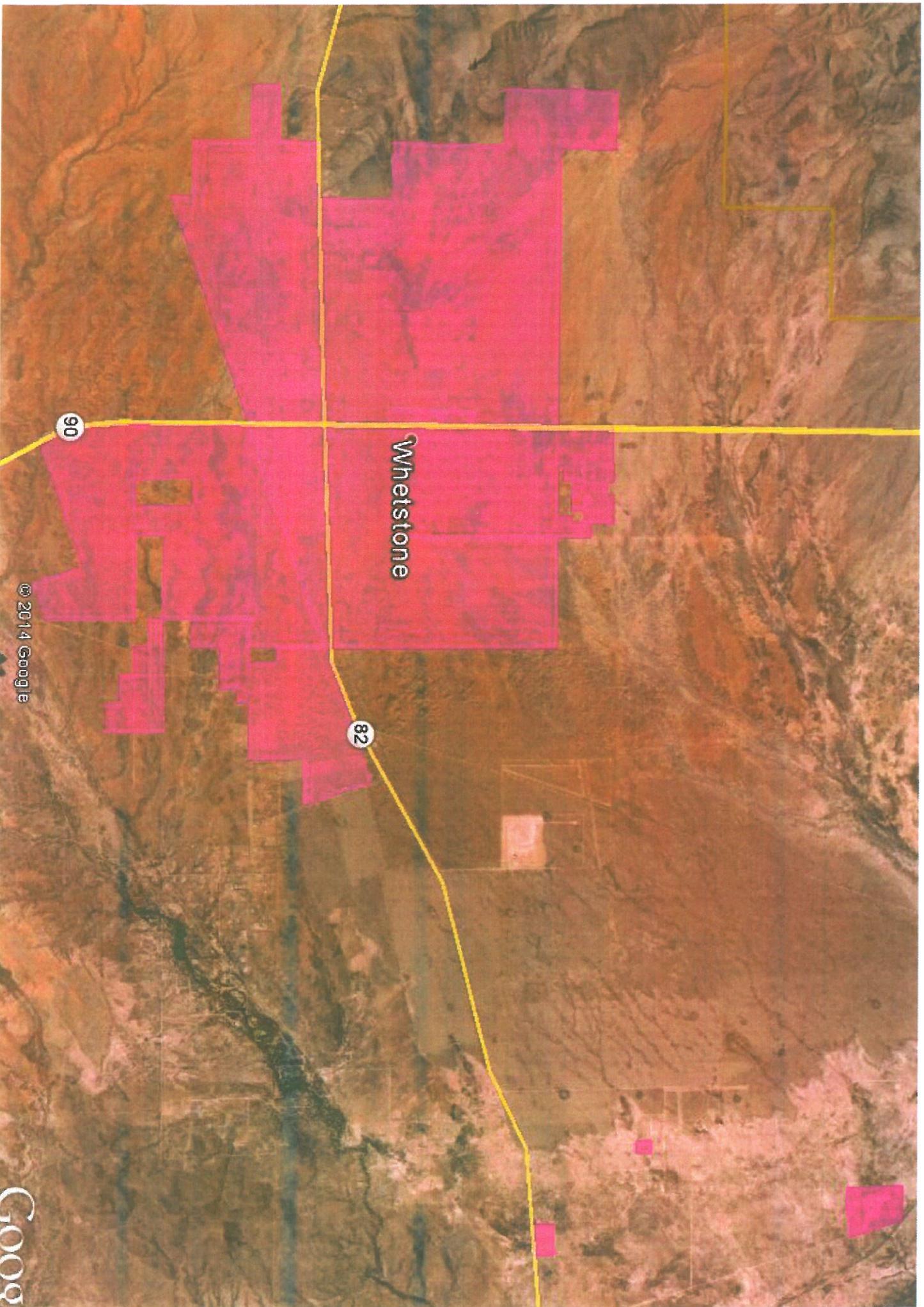
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Whelstone

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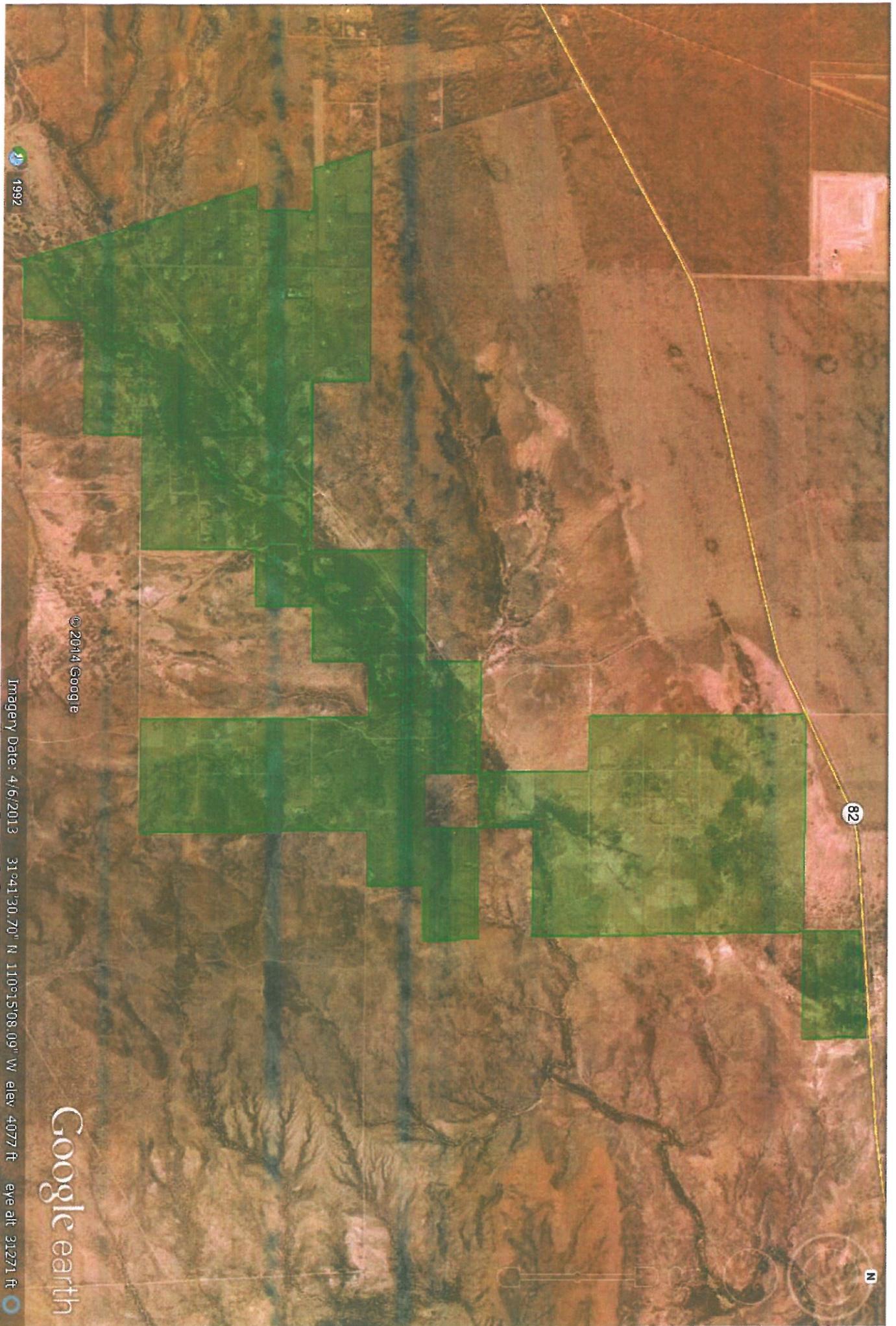
Whetstone

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Imagery Date: 4/6/2013 31°41'30.70" N 110°15'08.09" W elev 4077 ft eye alt 31271 ft

Regular Board of Supervisors Meeting

Meeting Date: 10/28/2014

Intergovernmental Agreement between Pinal County and Cochise County for Sharing of Treasurer's Remittance and Online Collection System

Submitted By: Cathy Traywick, County Treasurer

Department: County Treasurer

Presentation: No A/V Presentation **Recommendation:** Approve

Document Signatures: BOS Signature Required **# of ORIGINALS Submitted for Signature:** 1

NAME of PRESENTER: Catherine L Traywick **TITLE of PRESENTER:** Treasurer

Docket Number (If applicable):

Mandated Function?: Federal or State Mandate **Source of Mandate or Basis for Support?:** A.R.S. 11-952

Information

Agenda Item Text:

Approve the Intergovernmental Agreement (IGA) with Pinal County for the use of the Treasurer's Remittance and Online Collection System (TROCS).

Background:

In early 2013 while demonstrating their newly completed, in-house created collection system the Pinal County Treasurer offered to give this system to the Cochise County Treasurer. This Intergovernmental Agreement is the formalization of the terms of this gift.

Department's Next Steps (if approved):

If approved, Mr. Chairman and Madam Clerk of the Board to sign the Intergovernmental Agreement and forward the signed IGA to the Pinal County Board of Supervisors for their approval at their November 5th, 2014 board meeting.

Impact of NOT Approving/Alternatives:

The County would have to address the dwindling support of the near-obsolete programming currently utilized in the County Treasurer's office for the collection and distribution of County monies. The cost of a current system utilizing current technology could exceed \$1 million.

To BOS Staff: Document Disposition/Follow-Up:

Signatures required on approved Intergovernmental Agreement and signed originals forwarded to Pinal County Board of Supervisors for their approval and signatures.

Attachments

IGA

**INTERGOVERNMENTAL AGREEMENT
BETWEEN PINAL COUNTY AND COCHISE COUNTY
FOR SHARING OF TREASURER'S REMITTANCE AND ONLINE
COLLECTION SYSTEM**

THIS INTERGOVERNMENTAL AGREEMENT dated _____, 2014 (“**Agreement**”), is made by and between PINAL COUNTY, a political subdivision of the State of Arizona (“**Pinal County**”) and COCHISE COUNTY, a political subdivision of the State of Arizona (“**Cochise County**”). Pinal County and Cochise County are sometimes referred to herein individually as a “**Party**” and collectively as the “**Parties**”.

RECITALS

WHEREAS, Pinal County developed and maintains the Treasurer’s Remittance and Online Collection System (“**TROCS**”), computer system containing a variety of databases, applications and integration processes used in Pinal to fulfill the daily business functions required of the Treasurer by Arizona Revised Statutes; and

WHEREAS, Cochise County wishes to utilize the TROCS System for governmental purposes, which will ultimately enhance services to residents and customers and improve the efficiency of daily operations; and

WHEREAS, the Parties have reached an agreement on the sharing of TROCS and an understanding on the responsibilities of each Party in implementing this Agreement; and

WHEREAS, the Parties are authorized to enter into this Agreement pursuant to the provisions of Arizona Revised Statutes (“**A.R.S.**”) § 11-952,

AGREEMENT

NOW, THEREFORE, the Parties hereto, in consideration of the stipulations, covenants and agreements hereinafter set forth, hereby agree as follows:

///

ARTICLE 1. LICENSE AND SUPPORT

A. Under this Agreement Pinal County agrees to provide the following:

- A non-exclusive, non-transferable, non-sub licensable license to use all software and databases that make up the TROCS system including but not limited to TROCS, TROCSAdmin, TROCSConfig, TROCSession, Treasurer Corporate Services (“TCS”) and Treasurer Agency Services (“TAS”) for internal purposes only.
- A copy of Net Source Code including ASP.NET web Forms source code for TROCS application, ASP.NET MVC 4 source code for TCS application, ASP.NET MVC 4 source code for TAS application, and ASP.NET MVC 4 source code for Parcel Inquiry application.
- SSIS Integration Packages for nightly batch processes, Finance, Warrants, Remittance processing, Assessor data, Third Party Tax Sale, Printing data and Arizona Department of Transportation (personal property delinquencies).
- AS400 Conversion Packages – AS400 to TROCS conversion.
- System Documentation including diagrams and written documentation for the different processes in TROCS.
- 80 hours of consultation and training from Pinal County Treasurer staff on best practices and requirements for set-up and configuration.
- Access to and the ability to acquire a copy of any system upgrades developed by Pinal during the term of this Agreement.

B. Under this Agreement Cochise County agrees to provide:

- Dedicated Treasurer and IT staff with skills to implement operate and maintain the TROCS system.
- All hardware and software necessary for Cochise County to implement and support the TROCS platform. This includes, but is not limited to the recommended hardware and software available for production, extranet, QA and development described in “Exhibit A”.
- To allow Pinal access to, and the ability to acquire a copy of any system upgrades developed by Cochise during the term of this Agreement.

ARTICLE 2. INFORMATION OWNERSHIP, RELEASE AND ACCURACY

A. Cochise understands and agrees that the TROCS system, related data, documentation and all other information and materials provided by Pinal under this Agreement (“Proprietary Information”) are confidential and that Pinal has and will have exclusive intellectual property rights in such Proprietary Information.

B. Cochise may not, (i) transfer all or any portion of the TROCS System to a different computer configuration or permit used by third parties, (ii) make copies of the TROCS software other than for back-up, training, testing or other internal support reasons.

C. Pinal specifically disclaims any warranty concerning the functionality of the TROCS System or its suitability for Cochise's purposes or systems.

D. Data in which third party copyright is in place or have other usage and distribution restrictions shall not be distributed via this Agreement. The Parties shall be responsible for removing any such information from data before it is supplied to the other Party.

ARTICLE 3. FINANCIAL CONSIDERATIONS

A. Pinal County and Cochise County are responsible for the cost of acquiring and maintaining the necessary hardware and licensed software to fund their respective operations and equipment to participate in this Agreement. Nothing included in this Agreement requires either Party to fund the activities of the other Party. Upon termination of this Agreement, any property acquired during the term of this Agreement shall revert back to the original owner. For the purposes of this Agreement, "property" shall mean only third party hardware or software purchased and owned by Pinal County or Cochise County.

B. This Agreement shall be subject to available funding, and nothing in this Agreement shall bind either party to expenditures in excess of funds appropriated and allocated for the purposes outlined in this Agreement.

C. The employees of each party to this Agreement will not for any purpose be considered employees or agents of the other party. Each party assumes full responsibility for the actions of its personnel while performing services under this Agreement, and shall be solely responsible for their supervision, direction and control. Pinal County and Cochise County will be responsible for paying the full cost of employee salaries and benefits for their respective staffs in regards to any work performed under this Agreement.

D. At the request of Cochise County, Pinal County agrees to provide the appropriate level of skilled staff members, if available, to assist Cochise County with the implementation of the TROCS program for Cochise County in excess of the 80 dedicated hours as provided in Article 5, which could include training, direct support and technical assistance. Cochise County agrees to compensate Pinal County for this staff time at \$28 per hour for each hour of service provided in excess of the 80 hours of no-cost service specified in Article 5. Also, Pinal County will be responsible for accurately maintaining records for any work specifically performed for Cochise County in excess of the 80

dedicated hours for purposes of requesting reimbursement from Cochise County. Any amounts incurred shall be billed to Cochise by Pinal County within 60 days of the date of service. Cochise County agrees to pay the amount due within 30 days of receipt of an invoice.

E. Pinal County agrees not to assess Cochise County for any overhead costs for operating and maintaining their TROCS infrastructure or housing of any equipment including, without limitation, rental fees for space, electrical and utility costs, supplies and janitorial costs.

ARTICLE 4. INDEMNIFICATION

To the extent permitted by law, each Party (as “**Indemnitor**”) agrees to indemnify, defend and hold harmless the other Party, its officers, officials, agents, employees, or volunteers 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 actions taken in performance of this Agreement to the extent that such Claims are caused by the acts, omissions, negligence, misconduct, or other fault of the Indemnitor, its officers, officials, agents, employees, or volunteers.

ARTICLE 5. TERMINATION

This Agreement may be terminated by either Party upon thirty days written notice to the other Party.

ARTICLE 6. TERM

The term of this Agreement shall be for two years. At the end of this two year period, Cochise County will have the unrestricted right to continue its use of this software as it exists on the date of termination or expiration, at no cost, in perpetuity without any further update or technical support. After the expiration or termination of this Agreement Pinal County will have the unrestricted right to continue to use any modification to the software developed by Cochise County as of the date of termination or expiration at no cost in perpetuity without any further update.

ARTICLE 7. MISCELLANEOUS PROVISIONS

A. NOTICES: All notices to the other Party required under this Agreement shall be in writing and sent by first class certified mail, postage prepaid, return receipt requested, addressed to the following personnel:

///

If to Cochise County: Catherine Traywick
Cochise County Treasurer
P.O. Box 1778
Bisbee, Arizona 85603

If to Pinal County: Dolores J. Doolittle
Pinal County Treasurer
P.O. Box 729
Florence, Arizona 85132

B. WAIVER OF TERMS AND CONDITIONS: The failure of Cochise County or Pinal County to insist in any one or more instances on performance of any of the terms or conditions of this Agreement or to exercise any right or privilege contained herein shall not be considered as thereafter waiving such terms, conditions, rights or privileges, and they shall remain in full force and effect.

C. GOVERNING LAW AND VENUE: The terms and conditions of this Agreement shall be governed by and interpreted in accordance with the laws of the State of Arizona.

D. NONASSIGNMENT: This Agreement has been entered into based upon the personal reputation, expertise and qualifications of the Parties. Neither Party shall assign its interest in this Agreement, either in whole or in part. Neither Party shall assign any monies due or to become due to it hereunder without the prior written consent of the other Party.

E. ENTIRE AGREEMENT: This Agreement represents the entire agreement between the Parties and supersedes all prior negotiations, representations or agreements, either expressed or implied, written or oral. It is mutually understood and agreed that no alteration or variation of the terms and conditions of this Agreement shall be valid unless made in writing and signed by the Parties.

F. SEVERABILITY: If any part, term or provision of this Agreement shall be held illegal, unenforceable or in conflict with any law, the validity of the remaining portions and provisions hereof shall not be affected.

G. CONFLICTS OF INTEREST: The provisions of A.R.S. § 38-511 relating to cancellation of contracts due to conflicts of interest shall apply to this Agreement.

H. COMPLIANCE WITH CIVIL RIGHTS: The Parties agree to comply with A.R.S. Title 41, Chapter 9 (Civil Rights), Arizona Executive Orders 75-5 and 99-4 and any other federal or state laws relating to equal opportunity and non-discrimination, including the Americans with Disabilities Act.

I. ARBITRATION: To the extent required by A.R.S. §§ 12-133 and 12-1518(B), the Parties agree to resolve any dispute arising out of this Agreement by arbitration.

J. WORKER'S COMPENSATION: Each Party shall comply with the notice of A.R.S. § 23-1022(E). For purposes of A.R.S. § 23-1022, each Party shall be considered the primary employer of all personnel currently or hereafter employed by that Party, irrespective of the operations of protocol in place, and said Party shall have the sole responsibility for the payment of Worker's Compensation benefits or other fringe benefits of said employees.

K. 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 Agreement. The laws and regulations of the State of Arizona shall govern the rights of the Parties, the performance of this Agreement and any disputes hereunder.

L. NO JOINT VENTURE: It is not intended by this Agreement to, and nothing contained in this Agreement shall, be construed to, create any partnership, joint venture or employment relationship between the Parties or create any employer-employee relationship between the Parties' employees. Neither Party shall be liable for any debts, accounts, obligations or other liabilities whatsoever of the other Party, including, but without limitation, the other Party's obligation to withhold Social Security and income taxes for itself or any of its employees.

M. NO THIRD PARTY BENEFICIARIES: Nothing in this Agreement is intended to create duties or obligations to or rights in third parties not Parties to this Agreement or affect the legal liability of either Party to the Agreement by imposing any standard of care with respect to the maintenance of public facilities different from the standard of care imposed by law.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year set forth below.

“Pinal County”
PINAL COUNTY, a political subdivision of the State of Arizona

“Cochise County”
COCHISE COUNTY, a political subdivision of the State of Arizona

By: _____
Chairperson, Board of Supervisors

By: _____
Chairperson, Board of Supervisors

Dated: _____

Dated: _____

ATTEST:

ATTEST:

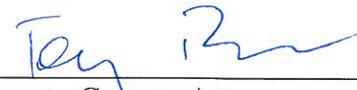
Clerk of the Board of Supervisors

Clerk of the Board of Supervisors

**APPROVED AS TO FORM AND
WITHIN THE POWERS AND
AUTHORITY OF PINAL COUNTY:**

**APPROVED AS TO FORM AND
WITHIN THE POWERS AND
AUTHORITY OF COCHISE COUNTY:**

Deputy County Attorney



Deputy County Attorney

EXHIBIT "A"

Pinal County maintains separate environments for production, extranet, QA and development. Included below is all the development software used and may be required to fully support the TROCS system.

Production environment:

Database server - SQL Server 2008; Windows Server 2008 R2 DataCenter, Intel Xeon X5650

Quad core, 16Gb Ram, 64bit OS, C:60,E:120,F:90,G:240,H:100

Web server - Windows Server 2008 R2 DataCenter, Quad core, 4Gb Ram, 64bit OS, C:60,D:100

Report Server: Windows Server 2008 R2 DataCenter, Intel Xeon X5650 Quad core, 8Gb Ram,

64bit OS, C:60,F:80,G:40,H:80

Extranet environment (County portal):

Database Server: SQL Server 2012; Windows Server 2008 R2 Enterprise, Intel Xeon X5650, 8Gb Ram, 64bit OS, C:40, F:200, G:60, H:250

Web Server: Windows Server 2008 R2 Datacenter, Quad core AMD Opteron, 4Gb Ram, 64bit

OS, C:40, D:40

Report Server: hosted on DB server

QA environment:

Database server, Web server, Report Server: These do not need to be as high spec as the production servers but the database server should be able to accommodate the full production database so that testing can be performed on the production data.

Development environment:

Database server, web server, report server: these can be lower spec than production; additionally they can be shared between developers or separate local installations

Development software: Visual Studio 2010 and 2008; Microsoft MVC; SQL Server Management Studio 2008 R2 (Client Tools including Business Intelligence); SQL Server Management Studio 2012 (Client Tools only); Team Foundation Server or Visual SourceSafe for source control; Telerik RadControls; Telerik MVC Extensions; TelerikKendo UI for MVC; Windows Identity Foundation SDK4.0; Bids Helper; WinSCP; 7-zip; Microsoft Enterprise Library 5.0