

**COOPERATIVE PURCHASING AGREEMENT
BETWEEN
THE CITY OF EL MIRAGE
AND
LOGIC COMPENSATION GROUP, LLC.**

THIS COOPERATIVE PURCHASING AGREEMENT (this “Agreement”) is entered into as of September 1, 2020, between the City of El Mirage, an Arizona municipal corporation (the “City”), and Logic Compensation Group, LLC., an Arizona limited liability company (the “Contractor”).

RECITALS

A. After a competitive procurement process, the City of Tolleson (“Tolleson”) entered into a Professional Services Agreement (“Tolleson Contract”) with Logic Compensation Group, LLC (“Contractor”), for the Contractor to provide professional services in conducting a citywide, comprehensive employee classification and compensation study for the purpose of attracting and retaining qualified City employees. A copy of the Tolleson Contract is on file with the City and is incorporated herein by reference as Exhibit A.

B. The City is permitted, pursuant to Section §30.27 of the City Code, to make purchases under the Tolleson Contract, at its discretion and with the agreement of the awarded Contractor, and the Tolleson Contract permits its cooperative use by other public entities, including the City.

C. The City and the Contractor desire to enter into this Agreement for the purpose of (i) acknowledging their cooperative contractual relationship under the Tolleson Contract and this Agreement, (ii) establishing the terms and conditions by which the Contractor may provide necessary staff, services and associated resources to provide the City with a citywide, comprehensive employee classification and compensation study for the purpose of attracting and retaining qualified City employees (the “Materials and Services”), and (iii) setting the maximum aggregate amount to be expended pursuant to this Agreement related to the Materials and Services.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing introduction and recitals, which are incorporated herein by reference, the following mutual covenants and conditions, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the Contractor hereby agree as follows:

1. Term of Agreement. This Agreement shall be effective as of the date first set forth above and shall remain in full force and effect until September 1, 2021 (the “Initial Term”), unless terminated as otherwise provided in this Agreement or the Tolleson Contract. After the expiration of the Initial Term, this Agreement may be renewed for up to four successive one-year terms (each, a “Renewal Term”) if: (i) it is deemed in the best interests of the City, subject to availability and appropriation of funds for renewal in each subsequent year, (ii) the term of the Tolleson Contract has not expired or has been extended, (iii) at least 30 days prior to the end of the then-current term

of this Agreement, the Contractor requests, in writing, to extend this Agreement for an additional one-year term and (iv) the City approves the additional one-year term in writing (including any price adjustments approved as part of the Tolleson Contract), as evidenced by the City Manager's signature thereon, which approval may be withheld by the City for any reason. The Contractor's failure to seek a renewal of this Agreement shall cause this Agreement to terminate at the end of the then-current term of this Agreement; provided, however, that the City may, at its discretion and with the agreement of the Contractor, elect to waive this requirement and renew this Agreement. The Initial Term and any Renewal Term(s) are collectively referred to herein as the "Term." Upon renewal, the terms and conditions of this Agreement shall remain in full force and effect.

2. Scope of Work. Contractor shall provide the City with the Materials and Services under the terms and conditions of the Tolleson Contract and as more particularly set forth in the Contractor Estimate attached hereto as Exhibit B and incorporated herein by reference. A Materials Order submitted without referencing this Agreement and the Tolleson Contract will be subject to rejection. Contractor acknowledges and agrees that a Materials Order containing unauthorized exceptions, conditions, limitations, or provisions in conflict with the terms of this Agreement, other than City's project-specific requirements, is hereby expressly declared void and shall be of no force and effect.

2.1 Inspection; Acceptance. All Materials and Services are subject to final inspection and acceptance by the City. Materials failing to conform to the requirements of this Agreement and/or the Tolleson Contract will be held at Contractor's risk and may be returned to the Contractor. If so returned, all costs are the responsibility of the Contractor. Upon discovery of non-conforming Materials or Services, the City may elect to do any or all of the following by written notice to the Contractor: (i) waive the non-conformance; (ii) stop the work immediately; or (iii) bring Materials or Services into compliance and withhold the cost of same from any payments due to the Contractor.

2.2 Cancellation. The City reserves the right to cancel any work order within a reasonable time after issuance. Should a work order be canceled, the City agrees to reimburse the Contractor, but only for actual and documentable costs incurred by the Contractor due to and after issuance of the work order. The City will not reimburse the Contractor for any costs incurred after receipt of the City notice of cancellation, or for lost profits, shipment of product prior to issuance of a work order or for anything not expressly permitted pursuant to this Agreement.

3. Compensation. The City shall pay the Contractor an amount not to exceed \$65,450 during the Term of the Agreement for the Materials and Services at the rates set forth in the Contractor estimate.

4. Payments. The City shall pay the Contractor based upon acceptance and delivery of Materials and/or Services performed and completed to date, and upon submission and approval of invoices. Each invoice shall (i) contain a reference to this Agreement and the Tolleson Contract and (ii) document and itemize all work completed to date. The invoice statement shall include a record of materials delivered, time expended, and work performed in sufficient detail to justify payment. Additionally, invoices submitted without referencing this Agreement and the Tolleson Contract will be subject to rejection and may be returned.

5. Records and Audit Rights. To ensure that the Contractor and its subcontractors are complying with the warranty under Section 6 below, Contractor's and its subcontractors' books, records, correspondence, accounting procedures and practices, and any other supporting evidence relating to this Agreement, including the papers of any Contractor and its subcontractors' employees who perform any work or services pursuant to this Agreement (all of the foregoing hereinafter referred to as "Records"), shall be open to inspection and subject to audit and/or reproduction during normal working hours by the City, to the extent necessary to adequately permit evaluation of the Contractor's and its subcontractors' compliance with the Arizona employer sanctions laws referenced in Section 6 below. To the extent necessary for the City to audit Records as set forth in this Section, Contractor and its subcontractors hereby waive any rights to keep such Records confidential. For the purpose of evaluating or verifying such actual or claimed costs or units expended, the City shall have access to said Records, even if located at its subcontractors' facilities, from the effective date of this Agreement for the duration of the work and until three years after the date of final payment by the City to Contractor pursuant to this Agreement. Contractor and its subcontractors shall provide the City with adequate and appropriate workspace so that the City can conduct audits in compliance with the provisions of this Section. The City shall give Contractor or its subcontractors reasonable advance notice of intended audits. Contractor shall require its subcontractors to comply with the provisions of this Section by insertion of the requirements hereof in any subcontract pursuant to this Agreement.

6. E-verify Requirements. To the extent applicable under ARIZ. REV. STAT. § 41-4401, the Contractor and its subcontractors warrant compliance with all federal immigration laws and regulations that relate to their employees and their compliance with the E-verify requirements under ARIZ. REV. STAT. § 23-214(A). Contractor's or its subcontractors' failure to comply with such warranty shall be deemed a material breach of this Agreement and may result in the termination of this Agreement by the City.

7. Conflict of Interest. This Agreement may be canceled by the City pursuant to ARIZ. REV. STAT. § 38-511.

8. Applicable Law; Venue. This Agreement shall be governed by the laws of the State of Arizona and a suit pertaining to this Agreement may be brought only in courts in Maricopa County, Arizona.

9. Agreement Subject to Appropriation. The City is obligated only to pay its obligations set forth in this Agreement as may lawfully be made from funds appropriated and budgeted for that purpose during the City's then current fiscal year. The City's obligations under this Agreement are current expenses subject to the "budget law" and the unfettered legislative discretion of the City concerning budgeted purposes and appropriation of funds. Should the City elect not to appropriate and budget funds to pay its Agreement obligations, this Agreement shall be deemed terminated at the end of the then-current fiscal year term for which such funds were appropriated and budgeted for such purpose and the City shall be relieved of any subsequent obligation under this Agreement. The parties agree that the City has no obligation or duty of good faith to budget or appropriate the payment of the City's obligations set forth in this Agreement in any budget in any fiscal year other than the fiscal year in which this Agreement is executed and delivered. The City shall be the sole judge and authority in determining the availability of funds for its obligations under this Agreement. The City shall keep Contractor informed as to the

availability of funds for this Agreement. The obligation of the City to make any payment pursuant to this Agreement is not a general obligation or indebtedness of the City. Contractor hereby waives any and all rights to bring any claim against the City from or relating in any way to the City's termination of this Agreement pursuant to this section.

10. Conflicting Terms. In the event of any inconsistency, conflict or ambiguity among the terms of this Agreement, the Tolleson Contract, and invoices, the documents shall govern in the order listed herein. Notwithstanding the foregoing, and in conformity with Section 2 above, unauthorized exceptions, conditions, limitations or provisions in conflict with the terms of this Agreement or the Tolleson Contract (collectively, the "Unauthorized Conditions"), other than the City's project-specific requirements, are expressly declared void and shall be of no force and effect. Acceptance by the City of any work order or invoice containing any such Unauthorized Conditions or failure to demand full compliance with the terms and conditions set forth in this Agreement or under the Tolleson Contract shall not alter such terms and conditions or relieve Contractor from, nor be construed or deemed a waiver of, its requirements and obligations in the performance of this Agreement.

11. Rights and Privileges. To the extent provided under the Tolleson Contract, the City shall be afforded all of the rights and privileges afforded to Tolleson and shall be the "City" (as defined in the Tolleson Contract) for the purposes of the portions of the Tolleson Contract that are incorporated herein by reference.

12. Indemnification; Insurance. In addition to and in no way limiting the provisions set forth in Section 11 above, the City shall be afforded all of the insurance coverage and indemnifications afforded to Tolleson to the extent provided under the Tolleson Contract, and such insurance coverage and indemnifications shall inure and apply with equal effect to the City under this Agreement including, but not limited to, the Contractor's obligation to provide the indemnification and insurance. In any event, the Contractor shall indemnify, defend and hold harmless the City and each council member, officer, employee or agent thereof (the City and any such person being herein called an "Indemnified Party"), for, from and against any and all losses, claims, damages, liabilities, costs and expenses (including, but not limited to, reasonable attorneys' fees, court costs and the costs of appellate proceedings) to which any such Indemnified Party may become subject, under any theory of liability whatsoever ("Claims"), insofar as such Claims (or actions in respect thereof) relate to, arise out of, or are caused by or based upon the negligent acts, intentional misconduct, errors, mistakes or omissions, in connection with the work or services of the Contractor, its officers, employees, agents, or any tier of subcontractor in the performance of this Agreement.

13. Notices and Requests. Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (i) delivered to the party at the address set forth below, (ii) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below or (iii) given to a recognized and reputable overnight delivery service, to the address set forth below:

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| If to the City: | The City of El Mirage 10000 N El Mirage Road El Mirage, Arizona 85335 Attn: Crystal Dyches, City Manager |
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If to Contractor: Logic Compensation Group, LLC.
 112 E. Palmcroft Drive
 Tempe, AZ 85282
 Attn: Lori Messer, Principal

or at such other address, and to the attention of such other person or officer, as any party may designate in writing by notice duly given pursuant to this subsection. Notices shall be deemed received: (i) when delivered to the party, (ii) three business days after being placed in the U.S. Mail, properly addressed, with sufficient postage or (iii) the following business day after being given to a recognized overnight delivery service, with the person giving the notice paying all required charges and instructing the delivery service to deliver on the following business day. If a copy of a notice is also given to a party's counsel or other recipient, the provisions above governing the date on which a notice is deemed to have been received by a party shall mean and refer to the date on which the party, and not its counsel or other recipient to which a copy of the notice may be sent, is deemed to have received the notice.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first set forth above.

“City”

CITY OF EL MIRAGE,
an Arizona Municipal Corporation

Crystal Dyches, City Manager

ATTEST:

Sharon Antes, City Clerk

APPROVED AS TO FORM:

Justin S. Pierce, City Attorney

“Contractor

Logic Compensation Group, LLC,
an Arizona Limited Liability Company

By: _____

Name: _____

Its: _____

EXHIBIT A
TO
COOPERATIVE PURCHASING AGREEMENT
BETWEEN
THE CITY OF EL MIRAGE
AND
LOGIC COMPESNATION GROUP, LLC.

[Tolleson Contract]

See following pages.

EXHIBIT B
TO
COOPERATIVE PURCHASING AGREEMENT
BETWEEN
THE CITY OF EI MIRAGE
AND
LOGIC COMPENSATION GROUP, LLC
[Contractor Estimate]

See following pages (to be attached subsequent to execution).