

**INTERGOVERNMENTAL AGREEMENT
BETWEEN
THE CITY OF GLENDALE
AND
THE CITY OF FLAGSTAFF**

THIS INTERGOVERNMENTAL AGREEMENT (the “Agreement” or “IGA”) is entered into this _____ day of June, 2022, pursuant to Arizona Revised Statutes (ARS) §11-952, between the **City of Glendale** ("GLENDALE") acting by and through its city council and the **City of Flagstaff** ("FLAGSTAFF"), acting by and through its city council.

RECITALS

1. **GLENDALE** is authorized to enter into intergovernmental agreements by Arizona Revised Statutes § 11-951, *et seq.*, and the disclosure of information relating to State Taxes and Municipal Taxes is governed by A.R.S. § 42-2001, *et seq.*, and by Model City Tax Code § 510.
2. **FLAGSTAFF** is authorized by Arizona Revised Statutes § 11-951, *et seq.*, and the disclosure of information relating to State Taxes and Municipal Taxes is governed by A.R.S. § 42-2001, *et seq.*, and by Model City Tax Code § 510.
3. ARS §42-6001 establishes that the Arizona Department of Revenue (“**DOR**”) will collect and administer municipal privilege, transaction and use taxes ("**Taxes**") for all Arizona cities and towns. As part of its administration of the Taxes, DOR shall provide each city or town access to data covering the amount of Taxes reported and the amount of Taxes

distributed to that specific city and town.

4. The purpose of this Agreement is to provide **GLENDALE** the mechanism to allow other cities and towns to cooperatively use the **GLENDALE** hosted and developed **GLENDALE TAX APPLICATION ("TAX APP")** to access and interact with the Statewide Tax data supplied by DOR, for an annual subscription fee.

THEREFORE, in consideration of the mutual agreements expressed in this Agreement, it is agreed as follows:

I. SCOPE OF AGREEMENT

1. **GLENDALE** has developed and owns the intellectual property rights to **TAX APP. TAX APP** provides searches, dashboards, and automated notifications for the municipal tax data furnished by **DOR**.

2. **GLENDALE** will maintain, upgrade, and administer the **TAX APP**.

3. **FLAGSTAFF** will work with **GLENDALE** to establish role-based access control permissions for each **FLAGSTAFF** user in the **TAX APP**.

4. All **FLAGSTAFF** users must have **FLAGSTAFF** access credentials in order to be granted permissions to use the **TAX APP**. This requires that users have the appropriate background checks from their organizations that meet or exceed screening requirements established by ARS §41-4401.

5. Support services will be provided via **GLENDALE's** customer portal.

6. Outages due to scheduled or emergency network, software and/or hardware maintenance will be broadcast to authorized users in advance.
7. Any failure to follow **GLENDALE**'s acceptable use policy of the **TAX APP** may result in revocation of the access to the **TAX APP**.
8. Municipal tax data hosted by **GLENDALE** and presented in the **TAX APP** is confidential information and may not be distributed or copied except as permitted by ARS §42-2003. The data sources are furnished by the DOR and are considered confidential information as defined in ARS §42-2001. **GLENDALE** does not control and cannot guarantee the relevance, timeliness, or accuracy of this data and provides no warranty, expressed or implied, as to the accuracy, reliability or completeness of furnished data, and **FLAGSTAFF** releases **GLENDALE** from any liability related to the data. Data types include but may not be limited to the information detailed set forth in Appendix B in the respective intergovernmental agreement with the State of Arizona and **FLAGSTAFF**.
9. The **TAX APP** supports the security model listed below. Each jurisdiction will select a security profile below for each user designated for **TAX APP** access. **FLAGSTAFF** acknowledges each individual user should be assigned the least privileged access needed depending on their job duties. **FLAGSTAFF** also acknowledges information obtained from DOR, and displayed by **GLENDALE**, is confidential information and may only be disclosed as authorized by ARS§ 42-2003.

Role	Role Description
City Admin	- Add, update, and suspend user accounts - View city employee activity logs - Search, view, and interact with DOR data
City User	- Search, view, and interact with DOR data

10. **FLAGSTAFF** City admin user will suspend employee access and notify **GLENDALE** within 1 business day of employee termination, reassignment, or departure.

11. **Compensation.** **FLAGSTAFF** shall pay **GLENDALE** as defined in the Compensation Schedule, which is attached hereto as Exhibit A. **FLAGSTAFF** will be billed by **GLENDALE**, in advance of its access to the **TAX APP**. Payments shall be due thirty (30) days from the invoice date.

II. MISCELLANEOUS PROVISIONS

1. This Agreement shall become effective on the date of execution and shall continue in full force and effect for one (1) year. The Agreement will renew automatically unless one of the parties notifies the other no later than thirty (30) days prior to the expiration of the term that the party wishes not to renew the Agreement.

2. **FLAGSTAFF** or **GLENDALE** may cancel this Agreement at any time without penalty or further obligation. No pro-rata refund will be returned.

3. This Agreement is subject to the cancellation provisions of ARS §38-511.
4. Cancellation pursuant to either Paragraphs 2 or 3 above shall be effective when written notice from the chief executive officer of one city/town is received by the other party to this Agreement, unless the notice specifies a later time.
5. To the extent permitted by law, each party (as "Indemnitor") agrees to indemnify, defend, and hold harmless the other party (as "Indemnitee") from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) whether direct or indirect (hereinafter collectively referred to as "Claims") arising out of **TAX APP** use, 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.
6. **FLAGSTAFF** acknowledges that **GLENDALE** is not responsible for the security practices of **FLAGSTAFF**, and consequently **FLAGSTAFF** releases and holds harmless **GLENDALE** for any liability and/or damages that emerge from a data breach that occurs as a result of **FLAGSTAFF**'s security practices or was otherwise caused by or was the fault of **FLAGSTAFF**. If any **FLAGSTAFF** user experiences a data breach relating to **TAX APP** data, **FLAGSTAFF** shall promptly notify **GLENDALE**. **GLENDALE** may require that use of **TAX APP** cease until data breach security measures can be implemented to the satisfaction of **GLENDALE**.
7. **FLAGSTAFF** and **GLENDALE** both have an intergovernmental agreement with the State of Arizona whereby each obtains taxpayer information from the State subject to the

conditions set forth in the intergovernmental agreement, including those pertaining to confidentiality as defined in ARS §42-2001, and that confidential information may not be disclosed except as provided by statute, ARS §42-2001(B). To the extent that information being utilized by **FLAGSTAFF** and hosted by **GLENDALE** may have been obtained initially from the State, each agrees to abide by the terms and conditions set forth in their respective intergovernmental agreements with the State of Arizona.

8. All notices or demands upon any party to this Agreement shall be in writing and shall be delivered in person or sent by mail addressed as follows:

CITY OF FLAGSTAFF
Management Services Department
Attn: Management Services Director
211 W Aspen Ave
Flagstaff, AZ 86001

CITY OF GLENDALE
Budget and Finance Department, Tax & License Division
Attn: Tax and License Manager
5850 W. Glendale Avenue, Suite 104
Glendale, AZ 85301

9. This Agreement contains the entire understanding between the parties, and no statements, promises or inducements made by either party, their agents or employees that are not contained herein shall be valid or binding. This Agreement may not be altered except in writing and signed by each party hereto.

10. The failure to exercise any right, power or privilege under this Agreement shall not constitute a waiver thereof, nor shall a single or partial exercise thereof preclude any other or further exercise of that or any right, power or privilege.

11. In the event that any provision, or any portion of any provision, of this Agreement is held invalid, illegal or unenforceable, such invalidity, illegality or unenforceability shall have no effect on the remaining portion of any provision or any other provision which can be given effect without the invalid provision and to this end the provisions of this Agreement shall be deemed to be severable.

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first above written.

CITY OF GLENDALE
a municipal corporation

CITY OF FLAGSTAFF
a municipal corporation

KEVIN PHELPS, City Manager

PAUL DEASY, Mayor

APPROVED AS TO FORM AND WITHIN
THE POWER AND AUTHORITY
GRANTED UNDER THE LAWS OF
THE STATE OF ARIZONA TO
THE CITY OF GLENDALE

APPROVED AS TO FORM AND WITHIN
THE POWER AND AUTHORITY
GRANTED UNDER THE LAWS OF
THE STATE OF ARIZONA TO
THE CITY OF FLAGSTAFF

Attest:

City Clerk

Approved As To Form:

City Attorney

EXHIBIT A

Compensation Schedule

1. **FLAGSTAFF** will be billed \$2,500 on September 1, 2022. The invoice is due thirty (30) days from the invoice date. After the first (1) year, the annual subscription fee will be \$5,000 per year billed on September 1st.

EXHIBIT B
Intergovernmental Agreement with State of Arizona

RESOLUTION NO. 2019-21

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE STATE OF ARIZONA AND THE CITY OF FLAGSTAFF FOR LOCAL TAX ADMINISTRATION; PROVIDING FOR EXPIRATION OF THE EXISTING AGREEMENT; AND ESTABLISHING AN EFFECTIVE DATE

RECITALS:

WHEREAS, the City of Flagstaff has adopted local transaction privilege taxes, use taxes, and/or other excise taxes pursuant to the Model City Tax Code, as set forth in the Flagstaff City Code, Division 3-05 Privilege and Excise Taxes;

WHEREAS, the State of Arizona (Arizona Department of Revenue) and City of Flagstaff desire to enter into an intergovernmental agreement for local tax administration;

ENACTMENTS:

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:

SECTION 1. In General.

The Flagstaff City Council hereby authorizes the Mayor to execute the Intergovernmental Agreement between the State of Arizona and the City of Flagstaff, Arizona, attached hereto ("New IGA"), which shall become effective upon the date first executed by both parties ("Effective Date").

SECTION 2. Expiration of Existing Agreement.

The existing Intergovernmental Agreement between the State of Arizona and the City of Flagstaff dated June 16, 2015, Contract #2015-131, as modified by the Modification effective July 1, 2016, shall expire as of the Effective Date of the New IGA.

SECTION 3. Effective Date.

This resolution shall be immediately effective upon adoption.

PASSED AND ADOPTED by the City Council of the City of Flagstaff this 4th day of June, 2019.

MAYOR

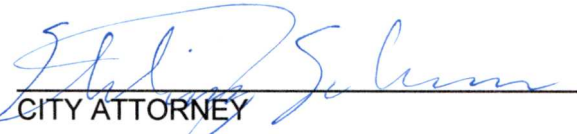


A handwritten signature in blue ink, appearing to read "Carol Jewett", is written over a horizontal line. The signature is cursive and somewhat stylized.

ATTEST:


CITY CLERK

APPROVED AS TO FORM:


CITY ATTORNEY