



NOTICE OF REGULAR COUNCIL MEETING

In accordance with §38-431.01 of the Arizona Revised Statutes of the State of Arizona, notice is hereby given to the Members of City Council and to the general public that the Mayor and Council of the City of San Luis, Arizona will hold a Regular City Council meeting at 7:00 p.m., Wednesday, March 14, 2018. The meeting will take place at the City Council Chambers, located at 1090 E. Union Street, San Luis, Arizona, 85349. Everyone from the public is invited to attend the open meeting.

In accordance with the Americans with Disabilities Act (ADA) and Section 504 of the Rehabilitation Act of 1973, the City of San Luis does not discriminate on the basis of disability in the admission of or access to, or treatment of employment in its programs, activities, or services. For information regarding rights and provisions of the ADA or Section 504, or to request reasonable accommodations for participation in City programs, activities or services contact: ADA/Section 504 Coordinator, City of San Luis Human Resources Department, 1090 E. Union Street, San Luis, Arizona, 85349; (928) 341-8520.

Notice is hereby given that pursuant to A.R.S. §1-602.A.9, subject to certain specified statutory exceptions, parents have a right to consent before the State or any of its political subdivisions make a video or audio recording of a minor child. Meetings of the City Council are audio and/or video recorded, and, as a result, proceedings in which children are present may be subject to such recordings. Parents, in order to exercise their rights, may either file written consent with the City Clerk to such recordings or take personal action to ensure that their child or children are not present when a recording may be made. If a child is present at the time a recording is made, the City will assume that the rights afforded parents pursuant to A.R.S. §1-602.A.9 have been waived.

THIS NOTICE IS GIVEN BY:

/s/ Melissa Lopez, Deputy City Clerk

AVISO DE JUNTA REGULAR

De acuerdo con los Estatutos del Estado de Arizona A.R.S. §38-431.01, se le informa a los miembros del Cabildo y al público en general que el Alcalde y el Cabildo, tendrán una Junta Regular a las 7:00 p.m., el día Miercoles, 14 de Marzo del 2018. La junta se llevará a cabo en la Sala del Cabildo, ubicada en el 1090 E. Union Street, San Luis, Arizona, 85349. El público está cordialmente invitado a la junta.

De acuerdo con el Acta de Americanos con Discapacidades y la Sección 504 del Acta de Rehabilitación del 1973, la Ciudad de San Luis, Arizona no discrimina por causa de discapacidad la admisión y acceso a sus programas, actividades, servicios o en el trato en cuanto a empleo. Para más información referente a derechos y provisiones del Acta de Americanos con Discapacidades o Sección 504, o para solicitar adaptaciones que sean razonables para la participación en programas, actividades o servicios de la Ciudad, contactar al: Coordinador del Acta de Americanos con Discapacidades/Sección 504, Departamento de Recursos Humanos de la Ciudad de San Luis, Arizona, ubicado en el 1090 E. Union Street, San Luis, Arizona, 85349; (928) 341-8520.

Por medio de este aviso y de acuerdo con los Estatutos del Estado de Arizona A.R.S §1-602.A.9, sujeto a ciertas excepciones reglamentarias, los padres de familia tienen el derecho de dar el consentimiento ante el Estado o cualquiera de sus subdivisiones políticas para hacer una grabación de audio o video de su hijo menor de edad. Las juntas del Cabildo se graban en audio y/o video y como resultado, el hecho de que haya menores presentes puede ser sujeto a que sean grabados. Para que los padres de familia puedan ejercer sus derechos pueden dar el consentimiento por escrito con la Secretaria de la Ciudad a tal grabación, o tomar acción personal para asegurarse que su hijo menor no esté presente cuando la grabación se lleve a cabo. Si un menor de edad está presente en el momento de la grabación, la Ciudad asumirá que los padres de familia están cediendo los derechos sobre una posible grabación de acuerdo con los Estatutos del Estado de Arizona A.R.S. §1-602.A.9.

ESTE AVISO ES DADO POR:

/f/ Melissa Lopez, Asistente a la Actuaría de la Ciudad



AGENDA
Regular Meeting
San Luis City Council
San Luis Council Chambers
1090 E. Union Street
San Luis, AZ 85349
March 14, 2018
7:00 p.m.

PLEASE TAKE NOTICE THAT MEMBERS OF THE CITY COUNCIL WILL ATTEND EITHER IN PERSON, TELEPHONE, OR VIDEO CONFERENCE COMMUNICATION. THE MAYOR OR ACTING MAYOR FOR THIS MEETING MAY CHANGE THE ORDER OF THE ITEMS; IF AUTHORIZED BY LAW AND BY A MAJORITY VOTE OF A QUORUM OF CITY COUNCIL MEMBERS PRESENT, AN EXECUTIVE SESSION WILL BE HELD IMMEDIATELY FOLLOWING THE VOTE IN ACCORDANCE WITH A.R.S. §38-431.03(A) AND THE MEETING WILL BE TEMPORARILY RECESSED WHILE THE CITY COUNCIL RETIRES TO EXECUTIVE SESSION WHICH WILL NOT BE OPEN TO THE PUBLIC.

1. CALL TO ORDER/ROLL CALL

2. PLEDGE OF ALLEGIANCE

3. INVOCATION

4. CONSENT AGENDA

All matters are considered to be routine by the City Council and will be enacted by one motion. If discussion is desired, that item will be removed from the Consent Agenda and will be considered separately.

4. A. MINUTES OF

- Regular Council meeting held January 10, 2018
- Regular Council meeting held January 24, 2018
- Work Session meeting held February 7, 2018
- Special Council meeting held February 7, 2018
- Special Council meeting held February 13, 2018
- Regular Council meeting held February 28, 2018

4. B. DISBURSEMENTS FROM FEBRUARY 17, 2018 THROUGH MARCH 2, 2018

Total Disbursements \$629,226.63

(Six Hundred Twenty-Nine Thousand, Two Hundred Twenty-Six Dollars and Sixty-Three Cents)

4. C. Discussion and possible action on any and all matters regarding the Fourth Amended and Restated Membership Agreement with the Arizona Municipal Risk Retention Pool. (Kay Marion Macuil, City Attorney)

4. D. Discussion and possible action on any and all matters regarding Resolution No. 2036. A resolution of the Mayor and City Council of the City of San Luis, Arizona, approving and adopting the Intergovernmental Agreement between the City of San Luis and Yuma Union High School District (YUHSD) #70 for funds supporting the San Luis Police Department's participation in the School Resource Officer overtime assignment at the San Luis High School. **(Richard Jessup, Acting Chief of Police)**
4. E. Discussion and possible action on any and all matters regarding the purchase of Hach Luminescent Dissolved Oxygen Sensors and lab equipment from Hach Company, for the Wastewater Division. **(Manuel Rojas, Assistant Director of Public Works)**
4. F. Discussion and possible action on any and all matters regarding the purchase of a Vapex Environmental Technologies, Odor Control Unit for Merrill Lift Station. **(Manuel Rojas, Assistant Director of Public Works)**
5. **DISCUSSION AND POSSIBLE ACTION ITEMS:**
5. A. Discussion and possible action on any and all matters regarding the purchase of hardware, and software licensing to upgrade current email system. **(Jonathan Dumadag, Senior IT Technician)**
5. B. Discussion and possible action on any and all matters regarding Resolution No. 2035. A Resolution of the Mayor and City Council of the City of San Luis, Arizona adopting fees for small wireless facilities; repealing any conflicting provisions, and providing for severability. **(Kay Marion Macuil, City Attorney)**
5. C. Discussion and possible action on any and all matters regarding Resolution No. 2037. A resolution of the Mayor and City Council of the City of San Luis, Arizona for a rumble strip project on Juan Sanchez Boulevard authorizing and directing the entering into an Intergovernmental Agreement between the State of Arizona and City of San Luis and declaring an emergency. **(Eulogio Vera, Director of Public Works)**
5. D. Discussion and possible action on any and all matters regarding Ordinance No. 380. An ordinance of the Mayor and City Council of the City of San Luis, Arizona amending the San Luis City Code Title IX, Chapter 95 relating to animals by adding Sections 95.04 through 95.07 regarding dangerous dogs; repealing any conflicting provisions; providing for penalties; and providing for severability. **(Richard Jessup, Acting Chief of Police)**
- A. Action on reading of Ordinance No. 380 by title only.
(City Clerk to read Ordinance by title only)
- B. Action on Ordinance No. 380.
6. **SUMMARY OF CURRENT EVENTS**
Events by Mayor, Council Members and/or City Manager pursuant to A.R.S. §38-431.02 (K).
7. **CALL TO THE PUBLIC**
This is the time for the public to comment. Members of the City Council may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to A.R.S. §38-431.01 (H), action taken as a result of public comment will be limited to directing staff to study the matter, responding to any criticism or scheduling the matter for further consideration and decision at a later date.

8. ADJOURNMENT



AGENDA ITEM REVIEW FORM

Regular City Council Meeting

4.A.

Meeting Date: 03/14/2018

Summary

MINUTES OF

- Regular Council meeting held January 10, 2018
 - Regular Council meeting held January 24, 2018
 - Work Session meeting held February 7, 2018
 - Special Council meeting held February 7, 2018
 - Special Council meeting held February 13, 2018
 - Regular Council meeting held February 28, 2018
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Attachments

1/10/2018 RCM
1/24/2018 SCM
2/07/2018 WSM
2/07/2018 SCM
2/13/2018 SCM
2/28/2018 RCM

MINUTES
Regular Council Meeting
San Luis City Council
San Luis Council Chambers
1090 E. Union Street
January 10, 2018
7:00 p.m.

1. CALL TO ORDER/ROLL CALL: Mayor Gerardo Sanchez called the Regular City Council meeting to order at approximately 7:02 p.m.

PRESENT: Mayor Gerardo Sanchez
Vice Mayor Maria Cecilia Ramos
Council Member Mario Buchanan Jr.
Council Member Africa Luna-Carrasco
Council Member Matias Rosales
Council Member Gloria Torres
Council Member Ruben Walshe

OTHERS PRESENT: Tadeo De La Hoya, City Manager
Janet Taylor, Legal Secretary
Axel Chayra, I.T. Technician
Carlos Cortes, Assistant Director of Finance
Chris Hagen, Management Analyst
Eulogio Vera, Director of Public Works
Isaac Gutierrez, GIS Technician
Jenny Torres, Economic Development Manager
Jorge Perez, Billing & Collections Manager
Jose Guzman, Acting Director of Planning & Zoning
Kay Macuil, City Attorney
Lizandro Galaviz, Director of Parks & Recreation
Manuel Rojas, Assistant Director of Public Works
Olivia Jenkins, Director of Human Resources
Ralph Velez, City Consultant
Richard Jessup, Acting Chief of Police
Ric Bauermann, Fire Department
Yolanda Dueñas, Facilities Supervisor
Cesar Neyoy, Reporter
Lucy Lopez, Reporter
America Cano, Clerk's Office Support Specialist
Andrea Soto Yescas, City Council's Office Support Specialist

Blanca Morales, Custodian

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Council Member Africa Luna-Carrasco.

3. INVOCATION

The Invocation was led by Mr. Tadeo De La Hoya, City Manager.

4. PROCLAMATION/PRESENTATIONS

4. A. National Day of Racial Healing

Ms. Janet Taylor, Legal Secretary, read proclamation in its entirety.

4. B. Introduction of the City of San Luis new hires for the fourth quarter from October through December 2017. (Olivia Jenkins, Director of Human Resources)

Ms. Olivia Jenkins, Director of Human Resources, introduced the new hires for the fourth quarter to Mayor and City Council.

Mayor Gerardo Sanchez thanked the new employees for applying to the City of San Luis, and welcomed them to the city.

5. CONSENT AGENDA

5. A. MINUTES OF

-Work Session held October 18, 2017

5. B. DISBURSEMENTS FROM DECEMBER 16, 2017 THROUGH DECEMBER 31, 2017

Total Disbursements \$916,598.68

(Nine Hundred Sixteen Thousand, Five Hundred Ninety-Eight Dollars and Sixty-Eight Cents)

5. C. Discussion and possible action on any and all matters regarding authorization to purchase two (2) police canines for the San Luis Police Department Canine Unit. (Richard Jessup, Acting Chief of Police)

5. D. Discussion and possible action on any and all matters regarding the reimbursement of sponsorship monies & revenue earned in various Recreation Special Events this fiscal year to be placed back in respective special services accounts. (Lizandro Galaviz, Director of Parks & Recreation)

5. E. Discussion and possible action on any and all matters regarding Resolution No. 2021. A resolution of the Mayor and City Council of the City of San Luis, Arizona, creating a street lighting improvement district and declaring its intention to purchase electricity, and maintain poles, luminaries, and underground conduit, together with a charge for use of lighting facilities, for lighting public streets within an area described as San Luis Port Subdivision, Yuma County, Arizona. (Jose Guzman, Acting Director of Planning & Zoning)

5. F. Discussion and possible action on any and all matters regarding Resolution No. 2022. A resolution of the Mayor and City Council of the City of San Luis, Arizona, creating an enhanced municipal services improvement district and declaring its intention to provide the enhanced municipal services of operating and maintaining certain retention basins within the area described as San Luis Port Subdivision, Yuma County, Arizona. (Jose Guzman, Acting Director of Planning & Zoning)

5. G. Discussion and possible action on any and all matters regarding Resolution No. 2023. A resolution of the Mayor and City Council of the City of San Luis, Arizona, authorizing and directing the City Engineer to order the purchase of electricity and to order the maintenance of poles, luminaries and underground conduit incident to the installation of street lights for lighting public streets within an area described as San Luis Port Subdivision, Yuma County, Arizona. (Jose Guzman, Acting Director of Planning & Zoning)

5. H. Discussion and possible action on any and all matters regarding Resolution No. 2024. A resolution of the Mayor and City Council of the City of San Luis, Arizona, authorizing and directing the City Engineer to order the operation and maintenance of certain retention basins for an area described as San Luis Port Subdivision, Yuma County, Arizona. (Jose Guzman, Acting Director of Planning & Zoning)

5. I. Discussion and possible action on any and all matters regarding Resolution No. 2025. A resolution of the Mayor and City Council of the City of San Luis, Arizona, ordering and declaring formation of San Luis Port Community Facilities

District (City of San Luis, Arizona). (Jose A. Guzman, Acting Planning & Zoning Director)

5. J. Discussion and possible action on any and all matters regarding Resolution No. 2026. A resolution of the Mayor and City Council of the City of San Luis, Arizona regarding a policy for crediting service accounts for certain water leaks; repealing any conflicting provisions; and providing for severability. (Jorge Perez, Billing & Collections Manager)

Council Member Africa Luna-Carrasco requested to pull item 5.C. from the consent agenda for further discussion.

Mayor Gerardo Sanchez requested item 5.C. be placed in the agenda for the next scheduled Work Session.

MOTION: Council Member Africa Luna-Carrasco/Council Member Ruben Walshe to accept the Consent Agenda as stated with the exception of item 5.C. which will be discussed at the next Work Session and Regular Council Meeting. Motion passed unanimously.

6. DISCUSSION AND POSSIBLE ACTION ITEMS

6. A. Discussion and possible action on any and all matters regarding contract with James Davey and Associates, Inc. for engineering design and construction administration services for Merrill Avenue Improvements Phase II. (Jenny Torres, Economic Development Manager)

Ms. Jenny Torres, Economic Development Manager, stated that the City of San Luis was awarded \$435,000.00 on CDBG Funds for the Phase II on the Merrill Improvement Project. She added that Phase I has already been completed. She explained the new additions and installations that will occur in the project, she stated that the funds will cover the design of the second phase and construction. She added that the project will be completed between October and November of 2018.

MOTION: Council Member Gloria Torres/Council Member Mario Buchanan Jr. to approve the contract with James Davey and Associates in the amount of \$53,505.00 as presented. Motion passed unanimously.

6. B. Discussion and possible action on any and all matters regarding a contract with James Davey and Associates, Inc. for construction administration services for the Price Center Roof Improvements. (Jenny Torres, Economic Development Manager)

Ms. Jenny Torres, Economic Development Manager, stated that in 2015 the city contracted James Davey and Sternco architects to review at the improvements that needed to be made in the second half of the Price Center building, but at the time the project was not feasible. She proceeded to add that the design of the roof and the parking lot were done last year and that the roof design is now complete. She stated that they are ready to go out to bid, but since the project is very complicated and because they don't have the expertise in-house that can go out to inspect and answer questions on the design, she is looking into hiring James Davey's architect and structural engineer. She added that there is a scheduled pre-bid meeting on January 16, 2018 a bid opening on January 25, 2018 and it will take about three (3) months to complete the project.

MOTION: Vice Mayor Maria Cecilia Ramos/Council Member Africa Luna-Carrasco to approve the contract with James Davey and Associates in the amount of \$24,710.00 as presented. Motion passed unanimously.

6. C. Discussion and possible action on any and all matters regarding Second Reading of Ordinance No. 375. An ordinance of the Mayor and City Council of the City of San Luis, Arizona, amending subsection 51.12(C) of City Code, rates and charges for sewage collection and disposal rates and charges by amending provisions regarding liens and provisions for enforcement of liens; repealing any conflicting provisions; and providing for severability. (Jorge Perez, Billing & Collections Manager)

Ms. Kay Marion Macuil, City Attorney, stated that this ordinance is in line with the state laws. She mentioned that the start of the process has changed from 30 days to 90 days before the start of the collection process. She added that a hearing process for the consumer was inserted under subsection 5.

Mr. Jorge Perez, Billing & Collections Manager, stated that there are about 12 to 15 accounts of around 116 that have a large balance owed to the city. He mentioned that the biggest debt to the city was around \$3,000.00 because payments have not been made to the account since 2016. Mr. Jorge Perez proceeded to add that the amounts owed range from \$500.00 to \$3,000.00.

Mr. Louie Gradias, 18765 Highway 95, Gadsden, Arizona, stated that he was representing the Town of Gadsden and stated that people are concerned on what to do with the large debt owed.

Mayor Gerardo Sanchez commented that the process has been extended to 90 days

and a hearing process has been added to allow those who want to challenge it an opportunity to do so.

A. Approval of Second Reading of Ordinance No. 375 by title only

MOTION: Council Member Gloria Torres/Council Member Mario Buchanan Jr. to approve Second Reading of Ordinance No. 375 by title only. Motion passed unanimously.

Mr. Tadeo de La Hoya, City Manager, read Ordinance No. 375 by title only.

B. Action on Ordinance No. 375

MOTION: Council Member Mario Buchanan Jr./Council Member Africa Luna-Carrasco to approve and adopt Ordinance No. 375. Motion passed unanimously.

6. D. Discussion and possible action on any and all matters regarding First Reading of Ordinance No. 376. An ordinance of the Mayor and City Council of the City of San Luis, Arizona, amending Chapter 50 of the code of the City of San Luis, Arizona regarding solid waste collection and removal services; repealing any conflicting provisions; and providing for severability. (Jorge Perez, Billing & Collections Manager)

Mr. Jorge Perez, Billing & Collections Manager, stated that this item is to bring the code up to current standard practices. He added that it will not increase any rates or change the current process followed.

A. Approval of First Reading of Ordinance No. 376 by title only

MOTION: Council Member Africa Luna-Carrasco/Council Member Mario Buchanan Jr. to approve First Reading of Ordinance No. 376 by title only. Motion passed unanimously.

Ms. Janet Taylor, Legal Secretary, read Ordinance No. 376 by title only.

6. E. Discussion and possible action on any and all matters regarding Resolution No. 2027. A resolution of the Mayor and City Council of the City of San Luis, Arizona, declaring as a public record certain documents filed with the City Clerk titled "Wireless Facilities Standard Terms and Conditions", "Wireless Provider Right of Way License Agreements" and "2018 City of San Luis Design Standards, Concepts and Requirements for Small Wireless Facilities in the Right-of-Way" and declaring an emergency. (Kay Marion Macuil, City Attorney)

Mayor Gerardo Sanchez stated that this item has a deadline the city needs to meet adding that the City of San Luis has no wireless facilities standard terms and conditions. He explained that wireless companies have influenced politicians to create laws that give them a lot of rights. Mayor Gerardo Sanchez stated that the City of Yuma is excluded from antennas being put in their city, but San Luis is not. He explained that this item was an emergency because if this is not passed before February 9, 2018 the city will have no rights.

MOTION: Council Member Mario Buchanan Jr./Vice Mayor Maria Cecilia Ramos to approve and adopt Resolution No. 2027. Motion passed unanimously.

6. F. Discussion and possible action regarding emergency passage of Ordinance No. 377. An Ordinance of the Mayor and City Council of the City of San Luis, Arizona, approving the Wireless Facilities Standard Terms and Conditions; authorizing and Approving forms of Wireless Provider Right of Way License Franchise Agreements between the City of San Luis and wireless providers; approving 2018 City of San Luis Design Standards, Concepts and Requirements for Small Wireless Facilities in the Right-of-Way; authorizing the City Manager and the Director of Planning and Zoning to execute wireless provider license agreements and issue small wireless provider license permits; repealing any conflicting provisions; providing for severability; and declaring an emergency. (Kay Marion Macuil, City Attorney)

Ms. Kay Marion Macuil, City Attorney, stated that this ordinance is to prevent antennas from being placed on the light poles. This will require them to be placed on the ground if they are big and it will create license agreements and contracts with the wireless providers.

Mayor Gerardo Sanchez proceeded to add that this ordinance will also require the wireless facilities to have a business license, and allow the city to charge a fee.

A. Approval of Reading of Ordinance No. 377 by title only

MOTION: Council Member Gloria Torres/Council Member Ruben Walshe to approve reading of Ordinance No. 377 by title only. Motion passed unanimously.

Mrs. Janet Taylor, Legal Secretary, read Ordinance No. 377 by title only.

B. Approval and adoption of Ordinance No. 377

MOTION: Council Member Mario Buchanan Jr./Council Member Ruben Walshe to approve and adopt Ordinance No. 377. Motion passed unanimously.

6. G. Discussion and possible action on any and all matters regarding the First Reading of Ordinance No. 378. An ordinance of the Mayor and City Council of the City of San Luis, Arizona amending and revising the San Luis City Code Chapter 94 relating to regulating alcohol in city parks and facilities and prohibiting glass containers in city parks, repealing any conflicting provisions; providing for severability, and providing for penalties for violation. (Lizandro Galaviz, Director Parks and Recreation)

Mr. Lizandro Galaviz, Director Parks and Recreation, stated that this is something that they want to bring to the city in order to give the opportunity to the residents. He proceeded to add that they had been working with Legal and with the Police Department as they would be enforcing the ordinance.

A. First Reading of Ordinance No. 378 by title only

MOTION: Council Member Gloria Torres/Council Member Mario Buchanan Jr. to approve First Reading of Ordinance No. 378 by title only. Motion passed with six (6) ayes and one (1) nay vote from Vice Mayor Maria Cecilia Ramos.

(City Clerk to read ordinance by title only)

Mrs. Janet Taylor, Legal Secretary, read Ordinance No. 378 by title only.

6. H. Discussion and possible action on any and all matters regarding Resolution No. 2028. A resolution of the Mayor and City Council of the City of San Luis, Arizona approving and adopting the designation of various City Facilities eligible for alcohol permits. (Lizandro Galaviz, Director of Parks and Recreation)

Mr. Lizandro Galaviz, Director Parks and Recreation, stated that they have already designated some areas that can be used for rental and special events. He added that they have gotten requests for alcohol to be available for consumption only.

Ms. Kay Marion Macuil, City Attorney, mentioned some of the locations that will be available.

MOTION: Council Member Matias Rosales/Council Member Mario Buchanan Jr. to approve and adopt Resolution No. 2028. Motion passed with six (6) ayes and one (1) nay vote from Vice Mayor Maria Cecilia Ramos.

7. BOARD OF ADJUSTMENT

MOTION TO ADJOURN AS CITY COUNCIL AND CONVENE AS BOARD OF ADJUSTMENT

MOTION: Council Member Africa Luna-Carrasco/ Council Member Ruben Walshe to adjourn as City Council and convene as Board of Adjustment. Motion passed unanimously.

7. A. Public hearing followed by discussion and possible action on any and all matters regarding Variance Case No. 2017-0722. A request by Juan Luna, owner, for a variance to build a 6-foot wall on the property line instead of the 3 feet 6 inches required. The property is located at 1271 N. Ruiz Avenue, San Luis, Arizona. (CONTINUED ITEM FROM REGULAR CITY COUNCIL MEETING HELD DECEMBER 27, 2017) (Jose A. Guzman, Acting Director of Planning and Zoning)

A. Open public hearing

MOTION: Council Member Mario Buchanan Jr./Council Member Ruben Walshe to open public hearing. Motion passed unanimously.

1. Presentation by staff and/or applicant

Mr. Jose A. Guzman, Acting Director of Planning and Zoning, stated that they reviewed the request and added that the house has the appropriate amount of distance in order to build the 6-foot wall that will respect the setback, and it would not require a variance. He then mentioned the measurements surrounding the house and proceeded to show pictures of the layout of the property, as well as other examples. Mr. Guzman added that the Planning & Zoning Committee recommend denial of the variance because if the 6-foot wall is built all the way to the property line, and it would not meet the criteria requested.

Mayor Gerardo Sanchez asked if that will create any liability for the city.

Ms. Kay Marion Macuil, City Attorney, mentioned that if the city permits things that cause safety hazards, it can open the city up for a lawsuit.

2. Call to the Public on this item

Mr. Juan Luna, 1271 North Ruiz Avenue, San Luis, Arizona, gave a few examples of the point of view of a car standing a few feet behind the stop line. He mentioned that he talked with his neighbors and that they were fine with this project going into action. He also mentioned that the contractor of the property built the house that way because of the fire hydrant.

Mrs. Yesenia Zambrano, 1271 North Ruiz Avenue, San Luis, Arizona, provided examples of houses that had 6-foot walls that are on the property line.

Council Member Matias Rosales mentioned that the reason the 6-foot wall cannot be built is because of Black Street. He added that once you are driving down Ruiz Street, the 6-foot wall will not allow you to see oncoming pedestrians.

Mr. Luna, 1271 North Ruiz Avenue, San Luis, Arizona, asked Mayor and City Council to help him find a solution that will allow him to have safety and privacy for his family, and safety for the citizens of San Luis.

Council Member Matias Rosales suggests pushing the wall in 2 feet to give them privacy, as well as safety to the pedestrians.

Ms. Macuil explained that this is not about coming to an agreement with the city, but complying with safety regulations. She added that if the city comes to an agreement with Mr. Luna, everyone who lives there might want to raise their wall as well. She also stated that a 6-foot wall on a curb can be considered high liability.

Mrs. Zambrano suggested building a 3 1/2 feet wall with a fence on the property line.

Mr. Jose A. Guzman stated that adding 3 1/2 feet fence/wall is not permitted.

Vice Mayor Maria Cecilia Ramos asked for Mr. Luna's thoughts on building a 6-foot wall in compliance with the setbacks.

Mr. Luna stated that he did not like the idea because he would lose a lot of property.

Ms. Macuil thanked Mr. and Ms. Luna for coming to the city and asking for permission, instead of doing things illegally.

B. Close public hearing

MOTION: Council Member Mario Buchanan Jr./ Council Member Ruben Walshe to close public hearing. Motion passed unanimously.

C. Action on Variance Case No. 2017-0722

MOTION: Council Member Mario Buchanan Jr./ Vice Mayor Maria Cecilia Ramos to deny because application does not meet the criteria for a variance. Motion passed unanimously.

8. MOTION TO ADJOURN AS BOARD OF ADJUSTMENT AND RE-CONVENE AS CITY COUNCIL

MOTION: Council Member Mario Buchanan Jr./Council Member Ruben Walshe to adjourn as Board of Adjustment and re-convene as City Council. Motion passed unanimously.

9. SUMMARY OF CURRENT EVENTS

Mayor Gerardo Sanchez wished everyone a Happy New Year.

10. CALL TO THE PUBLIC

There were no comment from the public.

11. ADJOURNMENT

MOTION: Council Member Mario Buchanan Jr./Vice Mayor Maria Cecilia Ramos to adjourn the Regular Council Meeting at approximately 8:12 p.m. Motion passed unanimously.

MINUTES
Regular Council Meeting
San Luis City Council
San Luis Council Chambers
1090 E. Union Street
January 24, 2018
7:00 p.m.

1. CALL TO ORDER/ROLL CALL: Mayor Gerardo Sanchez called the Regular City Council meeting to order at approximately 7:03 p.m.

PRESENT: Mayor Gerardo Sanchez
Council Member Africa Luna-Carrasco
Council Member Mario Buchanan Jr.
Council Member Matias Rosales
Council Member Gloria Torres
Council Member Ruben Walshe

ABSENT: Vice Mayor Maria Cecilia Ramos

OTHERS PRESENT: Tadeo De La Hoya, City Manager
Sonia Cornelio, City Clerk
Angel Ramirez, Assistant Fire Chief
Chris Hagen, Management Analyst
Derek Dueñas, I.T. Technician
Enrique Lopez, Fire Department
Eulogio Vera, Director of Public Works
Glenn Gimbut, Assistant City Attorney
Hank Green, Fire Chief
Jenny Torres, Economic Development Manager
Jorge Mungaray, I.T. Technician
Jose Guzman, Acting Director of Planning & Zoning
Laura Herrera, PIO/Assistant to City Council
Lizandro Galaviz, Director of Parks & Recreation
Manuel Rojas, Assistant Director of Public Works
Miguel Ramirez, Finance Department
Olivia Jenkins, Director of Human Resources
Ralph Velez, City Consultant
Ric Bauermann, Fire Department
Roula Encinas, Finance Department
Cesar Neyoy, Reporter

Caty Navarro, Reporter
Francisca Guzman, Translator
Greg LaVaughn, Greater Yuma Economic Development
John Starkey, Visitor

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Council Member Gloria Torres.

3. INVOCATION

The Invocation was led by Mr. Hank Green, Fire Chief.

4. CONSENT AGENDA

4. A. MINUTES OF

- Regular Council meeting held October 25, 2017
- Work Session held October 28, 2017

4. B. DISBURSEMENTS FROM JANUARY 1, 2018 THROUGH JANUARY 2018

Total Disbursements \$722,151.62

(Seven Hundred Twenty-Two Thousand, One Hundred Fifty-One Dollars and Sixty-Two Cents)

MOTION: Council Member Gloria Torres/Council Member Mario Buchanan Jr. to approve the Consent Agenda as presented. Motion passed unanimously.

5. DISCUSSION AND POSSIBLE ACTION ITEMS

5. A. Discussion and possible action on any and all matters regarding Subdivision Case No. 2017-0738F. A request by Riedel Holdings LLC, property owner, for the final plat approval for Santa Cecilia No. 2 Subdivision. The property is located at the northwest corner of County 24th Street and 20th Avenue, Assessor's Parcel No. 227-10-012, San Luis, Arizona. (Jose A. Guzman, Acting Director of Planning and Zoning)

Mr. Jose A. Guzman, Acting Director of Planning and Zoning, stated how the property was going to be divided among the 168 lots. He added that the comments had been addressed and there were no major issue.

MOTION: Council Member Gloria Torres/Council Member Africa Luna-Carrasco to approve the final plat for Santa Cecilia No. 2 Subdivision on the condition that the applicant complies with the attached letter from staff dated January 9, 2018. Motion passed unanimously.

5. B. Discussion and possible action on any and all matters regarding Resolution No. 2013. A resolution of the City of San Luis, Arizona authorizing and directing the entering into an Intergovernmental Agreement between the City of San Luis and the City of Yuma for Mutual Aid and Assistance for Fire, Medical, Hazardous Material, Chemical-Biological-Radiological-Nuclear-Explosive (CBRNE), Mass Casualty Emergencies, Technical Rescue and Operation Support. (Hank Green, Fire Chief)

Mr. Hank Green, Fire Chief asked council for the approval of Resolution No. 2013. He stated that it is an agreement with the City of Yuma. He proceeded to explain the items addressed under Exhibit A and Exhibit B.

Mayor Gerardo Sanchez commemorated Chief Green for being prepared for the any type of emergency it may arise.

MOTION: Council Member Africa Luna-Carrasco/Council Member Mario Buchanan Jr. to approve Resolution No. 2013. Motion passed unanimously.

5. C. Discussion and possible action on any and all matters regarding Second Reading of Ordinance No. 376. An ordinance of the Mayor and City Council of the City of San Luis, Arizona, amending Chapter 50 of the code of the City of San Luis, Arizona regarding solid waste collection and removal services; repealing any conflicting provisions; and providing for severability. (Jorge Perez, Billing & Collections Manager)

Mr. Jorge Perez, Billing & Collections Manager, stated that this amendment is to clean up the City Code, and to establish a more accurate operating procedure. He added that this will not increase any rates.

A. Approval of Second Reading of Ordinance No. 376 by title only

MOTION: Council Member Mario Buchanan Jr./Council Member Africa Luna-Carrasco to approve Second Reading of Ordinance No. 376 by title only. Motion passed unanimously.

Mrs. Sonia Cornelio, City Clerk, read Ordinance No. 376 by title only.

B. Action on Second Reading of Ordinance No. 376

MOTION: Council Member Mario Buchanan Jr./Council Member Africa Luna-Carrasco to approve and adopt Ordinance No. 376. Motion passed unanimously.

5. D. Discussion and possible action on any and all matters regarding the Second Reading of Ordinance No. 378. An ordinance of the Mayor and City Council of the City of San Luis, Arizona amending and revising the San Luis City Code Chapter 94 relating to regulating alcohol in city parks and facilities and prohibiting glass containers in city parks, repealing any conflicting provisions; providing for severability, and providing for penalties for violation. (Lizandro Galaviz, Director of Parks and Recreation)

Mr. Lizandro Galaviz, Director of Parks and Recreation, stated that item 5.D. was a follow up on the alcohol permits for parks and facilities.

A. Second Reading of Ordinance No. 378 by title only

MOTION: Council Member Mario Buchanan Jr./Council Member Gloria Torres to approve Second Reading of Ordinance No. 378 by title only. Motion passed unanimously.

Mrs. Sonia Cornelio, City Clerk, read Ordinance No. 378 by title only.

B. Action on Ordinance No. 378

MOTION: Council Member Gloria Torres/Council Member Mario Buchanan Jr. to approve and adopt Ordinance No. 378. Motion passed unanimously.

5. E. Discussion and possible action on any and all matters regarding the approval of the purchase of a scoreboard for the Joe Orduño Park baseball field. (Lizandro Galaviz, Director of Parks & Recreation)

Mr. Lizandro Galaviz, Director of Parks and Recreation, stated that the new scoreboard would be for the F1 Baseball Field. He added that they have been having multiple games and have had visitors ask about the scoreboard condition.

Mayor Gerardo Sanchez stated that this was something that had to be done years ago.

Mr. Lizandro Galaviz added that if this item was approved; the new scoreboard would be up before March 9, 2018.

MOTION: Council Member Mario Buchanan Jr./Council Member Africa Luna-Carrasco to approve the purchase of scoreboard sign from Penn Neon Sign Company in the amount of \$16,040.00 as presented. Motion passed unanimously.

6. SUMMARY OF CURRENT EVENTS

Mayor Gerardo Sanchez mentioned that Council Member Ruben Walshe, Council Member Africa Luna-Carrasco, Council Member Matias Rosales and himself were at the Algodoneros de Sanluis Vs. Tigres de Quintana Roo Baseball game press conference. He added that Mr. Fernando Valenzuela was in the City of San Luis. He thanked staff for being able to bring him and for being able to organize the game.

7. CALL TO THE PUBLIC

There were no comments from the public.

8. EXECUTIVE SESSION

Vote to hold an Executive Session pursuant to A.R.S. §38-431.03(A)(3), (4) and (7).

MOTION: Council Member Mario Buchanan Jr./Council Member Africa Luna-Carrasco to go to Executive Session at approximately 7:26 p.m. Motion passed unanimously.

8. A. Discussion and possible action to hold an Executive Session pursuant to A.R.S. §38-431.03(A)(3), (4) and (7) for discussion or consultation with the City Attorney or City's Attorneys for legal advice and in order to consider its position and instruct its attorneys regarding City Council's position regarding contracts that are the subject of negotiations, and/or with designated representatives of City Council in order to consider its position and instruct its representatives regarding negotiations for the lease of real property regarding the lease with Advanced Call Center Technologies (ACT). (Kay Marion Macuil, City Attorney)

8. B. Discussion and possible action to hold an executive session jointly with the San Luis Facility Development Corporation pursuant to A.R.S. §38-431.03(A) (3) and (4) on any and all matters regarding contracting for surplus buses from the Federal Government for use by the San Luis Regional Detention and Support Center for discussion or consultation for legal advice with the City Attorney or attorneys in order to consider the city's position and instruct its attorneys. (Kay Marion Macuil, City Attorney and Attorney for the San Luis Facility Development Corporation)

9. MOTION TO GO BACK INTO REGULAR SESSION

MOTION: Council Member Mario Buchanan Jr./Council Member Africa Luna-Carrasco to go back to Regular Session at approximately 8:26 p.m. Motion passed unanimously.

10. DISCUSSION AND POSSIBLE ACTION ITEM:

10. A. Discussion and possible action on any and all matters regarding payment of the Government Property Lease Excise Tax (GPLET) to mitigate damages while negotiating the lease with Advanced Call Center Technologies (ACT). (Kay Marion Macuil, City Attorney)

There was no action taken by the City Council.

10. B. Discussion and possible action on any and all matters regarding the possible purchase of buses for the transport of detainees. (Kay Marion Macuil, City Attorney)

There was no action taken by the City Council.

11. ADJOURNMENT

MOTION: Council Member Mario Buchanan Jr./Council Member Ruben Walshe to adjourn the Regular Council Meeting at approximately 8:27 p.m. Motion passed unanimously.

MINUTES
Work Session
San Luis City Council
San Luis Council Chambers
1090 E. Union Street
February 7, 2018
6:30 p.m.

1. CALL TO ORDER/ROLL CALL Mayor Gerardo Sanchez called the Work Session to order at approximately 6:31 p.m.

PRESENT: Mayor Gerardo Sanchez
Vice-Mayor Maria Cecilia Ramos
Council Member Mario Buchanan Jr.
Council Member Africa Luna-Carrasco
Council Member Matias Rosales
Council Member Gloria Torres
Council Member Ruben Walshe

OTHERS PRESENT: Tadeo A. De La Hoya, City Manager
Melissa Lopez, Deputy City Clerk
Kay Marion Macuil, City Attorney
Angel Ramirez, Assistant Fire Chief
Carlos Cortes, Assistant Director of Finance
Eulogio Vera, Director of Public Works
Jenny Torres, Economic Development Manager
Jonathan Dumadag, Senior I. T. Technician
Jorge Perez, Billing & Collection Manager
Jesus Meza, Assistant Director of Parks & Recreation
Laura Herrera, Assistant to Council / PIO
Manuel Rojas, Assistant Director of Public Works
Olivia Jenkins, Director of Human Resources
Richard Jessup, Acting Chief of Police
Guillermina Fuentes, Resident

2. ITEMS FOR DISCUSSION ONLY:

2. A. Presentation by Mr. Jeff Spohn on any and all matters regarding Arizona Public Service (APS) residential plan comparison. (Jeff Spohn, Division Manager Trans Distribution, South West Division of APS)

Mr. Jeff Spohn, Division Manager Trans Distribution, South West Division of APS, made a presentation on their time-saving programs and explained the benefits each programs offers.

2. B. Discussion and possible directions to staff on any and all matters regarding the authorization for emergency repairs to Merrill Lift Station and ratification of the same. (Eulogio Vera, Director of Public Works)

Mr. Manuel Rojas, Assistant Director of Public Works, informed that on June 14, 2017, City Council approved the emergency repairs for Merrill Lift Station, but staff did not proceeded with the project due to the bids coming in too high. On November 2017 this lift station had a failure on a second pipe and staff had to do an emergency repair. Adding that the repairs were made and mentioned that there were multiple parties that help with the repairs. The total investment for this emergency repair was \$47,851.00. He added that staff is seeking approval to utilize bond funds to pay for this project.

Mayor Gerardo Sanchez asked if the city is allowed to use bond funds to pay for this project.

Mr. Kay Marion Macuil, City Attorney, replied that infrastructure repairs are allowed.

Mayor Sanchez asked Mr. Rojas to proceed with the presented item.

2. C. Discussion and possible directions to staff on any and all matters regarding informational updates by the City of San Luis Fire Department. (Hank Green, Fire Chief)

Mr. Angel Ramirez, Assistant Fire Chief, provided an update of projects and recent purchases made during this fiscal year. He presented updates on the following projects/purchases, Insurance Services Office (ISO), Fire Academy Training by the City of San Luis Fire Department, Purchased of Portable Radios, Image Trend ® Electronic Patient Care Reporting (EPCR), LEXIPOL© Services, Electro Magnetic Pulses and Disruption of Radio Services. He stated that he is very proud to be part of the City of San Luis Fire Department and thanked Mayor and Council for their support given on all this projects.

Mayor and Council thanked Mr. Ramirez for the presentation and the update given.

2. D. Discussion and possible directions to staff on any and all matters regarding disposal of obsolete portable radios. (Hank Green, Fire Chief)

Mr. Angel Ramirez, Assistant Fire Chief, informed that on November 2017 City Council authorized a multi-year contract to purchase 27 portable radios for the City of San Luis Fire Department. He mentioned that the old radios had reached their service life and no longer would be supported by Motorola. He stated that per conversation with Mr. Hank Green, Fire Chief, they would like to assign four (4) radios to the San Luis Public Safety Communication Center (SLPSCC) for use as emergency backup radios, should the system experiences a temporary failure; and donate approximately 20 radios to Arizona Western College (AWC) Fire Academy Program that will be utilized for communication training, fire ground simulations and coordination of live fire training evolutions. Mr. Ramirez stated that in contact with Yuma Regional Communication Systems, they have assures that it is possible to reprogrammed those radios in such a manner that they would not create a load to the system. He mentioned that donating these radios to AWC is the best option.

Mayor and Council agreed that radios be donate to AWC Fire Academy.

2. E. Discussion and possible directions to staff regarding the TischlerBise Proposal for Development Fee Study under A.R.S. §9-463.05. (Kay Marion Macuil, City Attorney)

Ms. Kay Marion Macuil, City Attorney, informed Mayor and City Council that Development Fees are based on economic studies per state statute, and will have to be updated in 2019. She mentioned that this project is a long process.

Mayor Gerardo Sanchez asked Ms. Macuil to proceed with this item.

2. F. Discussion and possible directions to staff on any and all matters regarding authorization to purchase two (2) police canines for the San Luis Police Department Canine Unit. (CONTINUED ITEM FROM REGULAR COUNCIL MEETING HELD JANUARY 10, 2018) (Richard Jessup, Acting Chief of Police)

Mr. Richard Jessup, Acting Chief of Police, replied and addressed some of the questions made by Council Member Africa Luna-Carrasco via e-mail.

Council Member Africa Luna-Carrasco asked what will be the total cost for the purchase of the two (2) canines (K-9s).

Mr. Jessup replied that the total cost would be \$20,250.00 and explained that the reason staff recommended the purchase from Adlerhorst International, LLC is because they met all of the

service needs, they are within driving distance as they are from Jurupa Valley, California and K-9s will be hand-picked by experience San Luis Police Department handlers. He informed that if there is a problem with the K-9s not been compatible with the handler the company has a purchase back program where the handler can go and pick up a different canine. In order to avoid this, the handler will be sent to California to pick up their dogs.

Council Member Africa Luna-Carrasco stated that she is not against the K-9s, and added that it was just a concern for her and also wanted to know if this was an emergency purchase or if it was something that could wait until next fiscal year.

Mr. Jessup replied before making the decision to purchase the K-9s; he had reviewed the budget before to make sure the funds were available for this purchase. He stated that he will make sure that the expense that will be generated by the canines will be include in future budgets for the department.

Vice-Mayor Maria Cecilia Ramos stated that this program is very important for the community. She mentioned that the Police Department has been doing an excellent job in maintaining the city in the Safest City in Arizona list.

Mayor Gerardo Sanchez asked Mr. Jessup to proceed with this item request.

2. G. Discussion and possible directions to staff on any and all matters regarding Resolution No. 2029. A resolution of the Mayor and City Council of San Luis, Arizona to receive funding for overtime and mileage by approving an Intergovernmental Agreement and authorizing execution of Subrecipient Agreement #170436-01, Operation Stonegarden Grant Program Award-Overtime and Mileage between the State of Arizona through the Arizona Department of Homeland Security and the City of San Luis, Arizona through the San Luis Police Department. (Richard Jessup, Acting Chief of Police)

Mr. Richard Jessup, Acting Chief of Police, informed Mayor and City Council that the San Luis Police Department has been awarded with \$343,575.00 for overtime and \$20,000.00 for mileage grants from the Arizona Department of Homeland Security Operation Stonegarden Grant Program. He added that the reason for this item coming in late was because the Arizona Department of Homeland Security went into a reorganization and all grants got delayed. He thanked all those involved in the preparation of these grants.

Mayor Gerardo Sanchez thanked the Police Department staff for their hard work and dedication. He asked Mr. Jessup to proceed with the item request.

2. H. Discussion and possible directions to staff on any and all matters regarding a proposed resolution. A resolution of the Mayor and City Council of the City of San Luis, Arizona authorizing alcohol permit fees, special alcohol permit fees and facility fees and repealing any conflicting provisions. (Lizandro Galaviz, Director of Parks & Recreation)

Mr. Jesus Meza, Assistant Director of Parks & Recreation, informed Mayor and City Council that staff is requesting the adoption of the proposed resolution to authorize charge alcohol permit fees, special alcohol permit fees and facilities fees to consume beer and/or alcohol at a park ramada or city approved facility. The proposed fee would be for personal use of alcoholic beverages by small groups for events at the park ramadas or facilities and would not be transferable. He stated that a special alcohol permit would apply for those requesting to bring a keg of beer to their event, adding that a maximum of two (2) kegs are allowed per event. He informed that the proposed fees are in line with similar fees charged by the City of Somerton and the City of Yuma.

The proposed fees were as follows:

Alcohol Permit			
Individual & Non-Profit Groups		Commercial	
Residents	Non-Resident	Residents	Non-Resident
\$15.00	\$20.00	\$25.00	\$30.00

Special Alcohol Permit			
Individual & Non-Profit Groups		Commercial	
Residents	Non-Resident	Residents	Non-Resident
\$15.00	\$20.00	\$25.00	\$30.00

Council Member Ruben Walshe suggested increasing the proposed fees. After reviewing the proposed fees, Mayor and Council came to a consensus that fees should be increased as follows:

Alcohol Permit			
Individual & Non-Profit Groups		Commercial	
Residents	Non-Resident	Residents	Non-Resident
\$25.00	\$30.00	\$35.00	\$40.00

Special Alcohol Permit			
Individual & Non-Profit Groups		Commercial	
Residents	Non-Resident	Residents	Non-Resident
\$25.00	\$30.00	\$35.00	\$40.00

3. ADJOURNMENT

MOTION: Mayor Gerardo Sanchez/Council Member Ruben Walshe to adjourn the meeting at approximately 7:53 p.m. Motion passed unanimously.

MINUTES
Special Council Meeting
San Luis City Council
San Luis Council Chambers
1090 E. Union Street
February 7, 2018
7:30 p.m.

1. CALL TO ORDER/ROLL CALL: Mayor Gerardo Sanchez called the Special City Council meeting to order at approximately 7:55 p.m.

PRESENT: Mayor Gerardo Sanchez
Vice Mayor Maria Cecilia Ramos
Council Member Mario Buchanan Jr.
Council Member Africa Luna-Carrasco
Council Member Matias Rosales
Council Member Gloria Torres
Council Member Ruben Walshe

OTHERS PRESENT: Tadeo de la Hoya, City Manager
Melissa Lopez, Deputy City Clerk
Angel Ramirez, Fire Department
Carlos Cortes, Assistant Director of Finance
Eulogio Vera, Director of Public Works
Jenny Torres, Community Development Manager
Jonathan Dumadag, I.T. Technician
Jorge Perez, Billing & Collections Manager
Jesus Meza, Assistant Director of Parks & Recreation
Kay Macuil, City Attorney
Laura Herrera, Assistant to Council / PIO
Manuel Rojas, Assistant Director of Public Works
Olivia Jenkins, Director of Human Resources
Richard Jessup, Acting Chief of Police
Ric Bauermann, Fire Department

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Council Member Gloria Torres.

3. DISCUSSION AND POSSIBLE ACTION ITEM:

3. A. EXECUTIVE SESSION

Vote to hold an Executive Session pursuant to A.R.S. §38-431.03(A)(3), (4) and (7)

MOTION: Vice Mayor Maria Cecilia Ramos/Council Member Gloria Torres to hold an Executive Session at approximately 7:55 p.m. Motion passed unanimously.

4. MOTION TO GO BACK INTO SPECIAL SESSION

MOTION: Council Member Mario Buchanan Jr./Council Member Gloria Torres to go back into Special Session at approximately 8:39 p.m. Motion passed unanimously.

4. ADJOURNMENT

MOTION: Council Member Mario Buchanan Jr./Council Member Ruben Walshe to adjourn the Special Council Meeting at approximately 8:39 p.m. Motion passed unanimously.

MINUTES
Special Council Meeting
San Luis City Council
San Luis Council Chambers
1090 E. Union Street
February 13, 2018
6:30 p.m.

1. CALL TO ORDER/ROLL CALL: Mayor Gerardo Sanchez called the Special City Council meeting to order at approximately 6:32 p.m.

PRESENT: Mayor Gerardo Sanchez
Vice Mayor Maria Cecilia Ramos
Council Member Mario Buchanan Jr.
Council Member Matias Rosales

ABSENT: Council Member Africa Luna-Carrasco
Council Member Gloria Torres
Council Member Ruben Walshe

OTHERS PRESENT: Tadeo De La Hoya, City Manager
Sonia Cornelio, City Clerk
Angel Ramirez, Assistant Fire Chief
Angelica Cifuentes, Finance Department
Carlos Cortes, Assistant Finance Director
Diana Hernandez, Fire Department
Enrique Lopez, Fire Department
Fabian Felix, Fire Department
Hank Green, Fire Chief
Janet Taylor, Legal Secretary
Jonathan Dumadag, I.T. Technician
Jorge Perez, Billing and Collections Manager
Jesus Meza, Assistant Director of Parks & Recreation
Kay Macuil, City Attorney
Laura Herrera, Assistant to Council / PIO
Leanna Beltran Fire Department
Lizandro Galaviz, Director of Parks & Recreation
Luis Cebreros, Fire Department
Margarita Dominguez, Finance Department

Miguel Ramirez, Finance Department
Monica Castro, Director of Finance
Olivia Jenkins, Director of Human Resources
Ralph Velez, City Consultant
Richard Jessup, Acting Chief of Police
Ric Bauermann, Fire Department
Robert Solis, Fire Department
Roula Encinas, Finance Department
Tyler Green, Fire Department
Yolanda Dueñas, Facilities Supervisor
Cesar Neyoy, Reporter
Jorge Villacaña, Resident
Pamela Green, Visitor

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Gerardo Sanchez.

3. INVOCATION

The Invocation was led by Mr. Hank Green, Fire Chief.

4. PRESENTATION / PROCLAMATION

4. A. Recognition of Fire Chief Hank Green's 11 years of service. (Angel Ramirez, Assistant Fire Chief)

Mr. Angel Ramirez, Assistant Fire Chief, recognized Hank Green, Fire Chief for his 11 years of service. He proceeded to mention all of the great accomplishments he achieved during his time.

Mr. Hank Green, Fire Chief, thanked everyone who believed in what he wanted to do and for allowing him to serve the City of San Luis.

Mayor Gerardo Sanchez thanked Chief Hank Green for all of his time and dedication he put towards the city. He mentioned all of the great things he accomplished throughout his time of service. Mayor Gerardo Sanchez opened the floor for comments from the public; there were five (5) comments from the public including one (1) from Mr. Paco

Guzman from the City of Yuma, and another one (1) from Mr. Chris Leon, Yuma Fire Captain.

4. B. Proclamation - Youth Leadership Day February 14, 2018

Ms. Sonia Cornelio, City Clerk, read the proclamation in its entirety.

5. CONSENT AGENDA

5. A. MINUTES OF

- Work Session held November 1, 2017
- Regular Council Meeting held November 8, 2017
- Special Council Meeting held November 21, 2017
- Work Session held December 6, 2017
- Regular Council Meeting held December 13, 2017
- Special Council meeting held December 14, 2017
- Regular Council meeting held December 27, 2017

5. B. DISBURSEMENTS FROM JANUARY 13, 2018 THROUGH FEBRUARY 2, 2018

Total Disbursements \$1,018,488.28

(One Million, Eighteen Thousand, Four Hundred Eighty-Eight Dollars, and Twenty-Eight Cents)

5. C. Discussion and possible action on any and all matters regarding disposal of obsolete portable radios. (Hank Green, Fire Chief)

5. D. Discussion and possible action on any and all matters regarding the TischlerBise Proposal for Development Fee Study under A.R.S. §9-463.05. (Kay Marion Macuil, City Attorney)

5. E. Discussion and possible action on any and all matters regarding authorization to purchase two (2) police canines for the San Luis Police Department Canine Unit. (Richard Jessup, Acting Chief of Police)

5. F. Discussion and possible action on any and all matters regarding the adoption of Resolution No. 2029. A resolution of the Mayor and City Council of San Luis, Arizona to receive funding for overtime and mileage by approving an Intergovernmental Agreement and authorizing execution of Subrecipient Agreement #170436-01, Operation Stonegarden Grant Program Award - Overtime and Mileage between the State of Arizona through the Arizona

Department of Homeland Security and the City of San Luis, Arizona through the San Luis Police Department. (Richard Jessup, Acting Chief of Police)

MOTION: Council Member Matias Rosales/Council Member Mario Buchanan Jr. to approve Consent Agenda as presented. Motion passed unanimously.

6. DISCUSSION AND POSSIBLE ACTION ITEMS:

6. A. Public Hearing followed by discussion and possible action on any and all matters regarding recommendation of the Liquor License Application submitted to the Arizona Department of Liquor Licenses and Control by Abraham Andrade on behalf of Rolls and Bowls located at 1627 Juan Sanchez Boulevard, San Luis, Arizona. (Sonia Cornelio, City Clerk)

A. Open public hearing

MOTION: Council Member Mario Buchanan Jr. / Council Member Matias Rosales to open public hearing. Motion passed unanimously.

1. Staff and/or applicant presentation

Mrs. Sonia Cornelio, City Clerk, stated that the Clerk's office posted the application at the proposed location for the liquor license. She added that the Clerk's office did not receive any comments or phone calls either in favor or against the application.

Mayor Gerardo Sanchez and Council Member Matias Rosales thanked Rolls and Bowls for the great service they provide to the community.

2. Call to the public on this item

Mr. Abraham Andrade, owner of Rolls and Bowls, thanked Council for allowing him to grow his business for the past 4 1/2 years. Mr. Andrade also invited Mayor and City Council to their first event from February 14 to the 16, 2018.

B. Close public hearing

MOTION: Council Member Mario Buchanan Jr. / Vice Mayor Maria Cecilia Ramos to close public hearing. Motion passed unanimously.

C. Action on the recommendation of the Liquor License Application to the Arizona Department of Liquor Licenses and Control for Rolls and Bowls

MOTION: Council Member Mario Buchanan Jr./Council Member Matias Rosales to recommend approval of the Special Event Liquor License Application to the Arizona Department of Liquor Licenses and Control for Rolls and Bowls as presented. Motion passed with three (3) ayes and one (1) nay from Vice Mayor Maria Cecilia Ramos.

6. B. Public hearing followed by the discussion and possible action on any and all matters regarding recommendation of a Special Event Liquor License application to the Arizona Department of Liquor Licenses and Control to authorize Somerton Rotary Club to sell alcohol on Friday, March 09, 2018 during the Baseball Game event in which the Tigres de Quintana Roo will play against the Algodoneros de San Luis. (Lizandro Galaviz, Director of Parks & Recreation)

A. Open public hearing

MOTION: Council Member Mario Buchanan Jr. / Vice Mayor Maria Cecilia Ramos to open public hearing. Motion passed unanimously

1. Staff and/or applicant presentation

Mr. Lizandro Galaviz, Director of Parks & Recreation, stated that this is a one-time partnership with the Somerton Rotary Club and the San Luis Rotary Club. He mentioned that the split would be 50 – 50 with both Rotary Clubs and the City of San Luis. Lastly, he added that he would make sure the event does not run out of refreshments.

2. Call to the Public on this item

There were no public comments.

B. Close public hearing

MOTION: Council Member Mario Buchanan Jr./Council Member Matias Rosales to close public hearing. Motion passed unanimously.

C. Action on Special Event Liquor License Application to the Arizona Department of Liquor Licenses & Control

MOTION: Council Member Matias Rosales/Council Member Mario Buchanan to recommend approval of the special event liquor license application to the Arizona

Department of Liquor Licenses and Control. Motion passed with three (3) ayes and one (1) nay from Vice Mayor Maria Cecilia Ramos.

6. C. Discussion and possible action on any and all matters regarding Resolution No. 2030. A resolution of the Mayor and City Council of the City of San Luis, Arizona authorizing alcohol permit fees, special alcohol permit fees and facility fees and repealing any conflicting provisions. (Lizandro Galaviz, Director of Parks & Recreation)

Mr. Lizandro Galaviz, Director of Parks & Recreation, stated that the fees that have been adjusted as requested by Mayor and City Council. He added that they have been in contact with the Police Department and the Legal Department to make this permit available to the residents and ensure it is followed safely. Mr. Galaviz mentioned that he has been working on updating the Parks and Recreation policies and regulations to make the rules and expectations more clearly to the residents.

MOTION: Council Member Mario Buchanan Jr. / Council Member Matias Rosales to approve Resolution No. 2030. Motion passed with three (3) ayes and one (1) nay from Vice Mayor Maria Cecilia Ramos.

7. SUMMARY OF CURRENT EVENTS

Mayor Gerardo Sanchez mentioned that he had the opportunity to have lunch with the seniors at the Senior Center. Adding that council should look into the possible expansion of the facility. He also thanked everyone who came to the meeting with GSA to talk about the Ports of Entry.

Mr. Tadeo De La Hoya introduced the Finance Director, Ms. Monica Castro, to Mayor and City Council.

Vice Mayor Maria Cecilia Ramos reported that on February 8, she and Council Member Gloria Torres attended a meeting at the San Luis Medical Facility. She mentioned that it is a 35 million dollar investment and that they are in the last steps of financing.

8. CALL TO THE PUBLIC

There were no comments from the public.

4. ADJOURNMENT

MOTION: Council Member Matias Rosales/Vice Mayor Maria Cecilia Ramos to adjourn the Special Council Meeting at approximately 7:19 p.m. Motion passed unanimously.

MINUTES
Regular Council Meeting
San Luis City Council
San Luis Council Chambers
1090 E. Union Street
February 28, 2018
7:00 p.m.

1. CALL TO ORDER/ROLL CALL: Mayor Gerardo Sanchez called the Regular City Council meeting to order at approximately 7:03 p.m.

PRESENT: Mayor Gerardo Sanchez
Council Member Africa Luna-Carrasco
Council Member Mario Buchanan Jr.
Council Member Matias Rosales-arrived at approximately 7:26 p.m.
Vice Mayor Maria Cecilia Ramos
Council Member Ruben Walshe

ABSENT: Council Member Gloria Torres

OTHERS PRESENT: Tadeo De La Hoya, City Manager
Melissa Lopez, Deputy City Clerk
Angel Ramirez, Fire Department
Chris Hagen, Management Analyst
Derek Dueñas, I.T. Manager
Eulogio Vera, Director of Public Works
Jenny Torres, Economic Development Manager
Jonathan Dumadag, I.T. Technician
Jorge Perez, Billing & Collections Manager
Jose Guzman, Director of Planning & Zoning
Jesus Meza, Assistant Director of Parks & Recreation
Kay Macuil, City Attorney
Laura Herrera, Assistant to City Council / PIO
Monica Castro, Director of Finance
Ralph Velez, City Consultant
Richard Jessup, Acting Chief of Police
Ric Bauermann, Fire Department
Angelica Cifuentes, Off-Road Expo Committee Member
Cesar Neyoy, Reporter
Domingo Sosa, Off-Road Expo Committee Member
Francisca Guzman, Translator

Lizeth Chavez, Off-Road Expo Committee Member
Lucy Lopez, Reporter
Manuel Rojas, Off-Road Expo Committee Member

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Vice Mayor Maria Cecilia Ramos.

3. INVOCATION

The Invocation was led by Mr. Richard Jessup, Acting Chief of Police.

4. PROCLAMATION / PRESENTATION

4. A. Proclamation - Children's Dental Health Month

Ms. Melissa Lopez, Deputy City Clerk, read the proclamation in its entirety.

Mayor Gerardo Sanchez thanked all agencies that provide dental health.

4. B. Presentation on any and all matters regarding a review of the 2017 Off Road EXPO event. (Manuel Rojas, Off-Road EXPO Committee Member)

Mr. Manuel Rojas, Off-Road EXPO Committee Member, thanked city staff for the support given during this event. Mr. Rojas requested the city's support for the 2018 Off-Road Expo. He also presented checks to the Police Explores and the Boxing Club for the support given during the event.

Mayor Gerardo Sanchez thanked the Off-Road EXPO Committee and commemorated the committee on their great job with the event.

5. CONSENT AGENDA

5. A. MINUTES OF

-Work Session held January 3, 2018

5. B. DISBURSEMENTS FROM FEBRUARY 3, 2018 THROUGH FEBRUARY 16, 2018

Total Disbursements \$774,946.82

(Seven Hundred Seventy-Four Thousand, Nine Hundred Forty-Six Dollars and Eighty-Two Cents)

5. C. Discussion and possible action on any and all matters regarding the authorization for emergency repairs to Merrill Lift Station and ratification of the same. (Eulogio Vera, Director of Public Works)

5. D. Discussion and possible action on any and all matters regarding Resolution No. 2031. A resolution of the Mayor and City Council of the City of San Luis, Arizona, creating a Street Lighting Improvement District and declaring its intention to purchase electricity, and maintain poles, luminaries, and underground conduit together with a charge for use of lighting facilities, for lighting public streets within an area described as Santa Cecilia No. 2 Subdivision, Yuma County, Arizona. (Jose A. Guzman, Director of Planning and Zoning)

5. E. Discussion and possible action on any and all matters regarding Resolution No. 2032. A resolution of the Mayor and City Council of the City of San Luis, Arizona, declaring its intention to provide the enhanced municipal services of operating and maintaining certain retention basins within the area described as Santa Cecilia No. 2 Subdivision, Yuma County, Arizona. (Jose A. Guzman, Director of Planning and Zoning)

5. F. Discussion and possible action on any and all matters regarding Resolution No. 2033. A resolution of the Mayor and City Council of the City of San Luis, Arizona, authorizing and directing the City Engineer to order the purchase of electricity and to order the maintenance of poles, luminaries and underground conduit incident to the installation of street lights for lighting public streets within an area described as Santa Cecilia No. 2 Subdivision, Yuma County, Arizona. (Jose A. Guzman, Director of Planning and Zoning)

5. G. Discussion and possible action on any and all matters regarding Resolution No. 2034. A resolution of the Mayor and City Council of the City of San Luis, Arizona, authorizing and directing the City Engineer to order the operation and maintenance of certain retention basins for an area described as Santa Cecilia No. 2 Subdivision, Yuma County, Arizona. (Jose A. Guzman, Director of Planning & Zoning)

MOTION: Council Member Mario Buchanan Jr./Council Member Africa Luna-Carrasco to approve the Consent Agenda as presented. Motion passed unanimously.

6. DISCUSSION AND POSSIBLE ACTION ITEM:

6. A. Public hearing followed by discussion and possible action on any and all matters regarding Text Amendment Case No. 2018-015 and Ordinance No. 379. An ordinance of the Mayor and City Council of the City of San Luis, Arizona, amending the San Luis City Code, Chapter 152 Zoning Regulations, Sections 152.040 (D) and 152.040 (E) by allowing the Planning and Zoning Commission and City Council to hold public hearings related to Planning and Zoning at both their regular and special meetings; repealing any conflicting provisions, and providing for severability. (Jose A. Guzman, Director of Planning and Zoning)

A. Open public hearing

MOTION: Council Member Mario Buchanan Jr./Council Member Ruben Walshe to open the public hearing. Motion passed unanimously.

1. Presentation by staff

Mr. Jose Guzman, Director of Planning & Zoning, informed that the Text Amendment is to allow the Planning & Zoning Commission and City Council to hold public hearings related to Planning & Zoning at their regular and special meetings. He stated that currently it is not allowed by the current regulations. He added that with this change applicant would receive a faster process.

2. Call to the public on this item

There were no comments from the public or staff.

B. Close public hearing

MOTION: Mayor Gerardo Sanchez/Council Member Ruben Walshe to close the public hearing. Motion passed unanimously.

C. Action on Reading of Ordinance No. 379 by title only

MOTION: Vice-Mayor Maria Cecilia Ramos/Council Member Africa Luna-Carrasco to approve reading of Ordinance No. 379 by title only. Motion passed unanimously.

Ms. Melissa Lopez, Deputy City Clerk, read Ordinance No. 379 by title only.

D. Action on Ordinance No. 379

MOTION: Council Member Mario Buchanan Jr./Council Member Africa Luna-Carrasco to approve and adopt Ordinance No. 379. Motion passed unanimously.

7. SUMMARY OF CURRENT EVENTS

Mayor Gerardo Sanchez informed that Vice Mayor Maria Cecilia Ramos and himself attended the Governor's International State of the State address where Governor Doug Ducey talked about international economic development relationships.

Vice Mayor Maria Cecilia Ramos mentioned that now with the support of other agencies the City of San Luis and the State of Arizona are on the map and are competing amongst other big states in the United States.

Council Member Africa Luna-Carrasco informed that Council Member Matias Rosales, Vice-Mayor Maria Cecilia Ramos, and she attended Mascota Mania. She added that the event had a great turn out and thanked the Parks & Recreation staff for their great job.

8. CALL TO THE PUBLIC

Ms. Angela Delgado, 2330 E. Galindo Street, San Luis, Arizona, thanked Mayor and City Council on all the improvements made in Los Alamos Subdivision. Adding that she is concerned with the how fast cars are driving through David Riedel Street. She also stated that there are several vehicles parked on the sides making the street very narrow and dangerous for the children when they are waiting for the bus in the mornings. She asked if something can be done to prevent those trailers from being parked there.

Mayor Gerardo Sanchez asked Ms. Delgado to give her information to Mr. Richard Jessup, Acting Chief of Police.

9. ADJOURNMENT

MOTION: Council Member Mario Buchanan Jr./Council Member Ruben Walshe to adjourn the meeting at approximately 7:31 p.m. Motion passed unanimously.



AGENDA ITEM REVIEW FORM

Regular City Council Meeting

4.B.

Meeting Date: 03/14/2018

Summary

DISBURSEMENTS FROM FEBRUARY 17, 2018 THROUGH MARCH 2, 2018

Total Disbursements \$629,226.63

(Six Hundred Twenty-Nine Thousand, Two Hundred Twenty-Six Dollars and Sixty-Three Cents)

Attachments

Disbursements 3/14/2018



City of San Luis

Finance Department

COUNCIL MEETING MARCH 14, 2018
Disbursement Reports from 2/17/2018 to 3/2/2018

<u>Bank Accounts</u>	<u>Check Date</u>	<u>Amount</u>	<u>Schedule</u>
Payroll Check Account	2/20/2018	\$ 4,723.92	Schedule A
Payroll Check Account	2/21/2018	\$ 276,238.13	Schedule B
Accounts Payable Check Account	2/22/2018	\$ 139,983.01	Schedule C
Accounts Payable Check Account	3/1/2018	\$ 208,281.57	Schedule D

Total Disbursements: \$ 629,226.63

Please contact Ms. Monica Castro prior to the meeting if additional information is needed.

Prepared by Angelica V. Castro:

Angelica V. Castro

Verified by Director of Finance:

Monica Castro

For Council approval on: _____

Mayor: _____

Council: _____

RECEIVED

2018 MAR -8 A 7:04

CITY OF SAN LUIS
OFFICE OF THE CITY CLERK



Schedule A Pay Day Register

Pay Date Range 02/01/18 - 02/28/18

Pay Batch 201802M

Pay Batch 201802M Total

Employees in Pay Batch 7

Female Employees in Pay Batch 3

Hours Description	Hours	Gross	Withholdings and Deductions	Gross Base	Benefits	Gross Base
102 - SALARY	.0000	7,550.00	Gross	7,700.00	ASRS/EORP - LEGACY RATE	109.35 .00
806 - TELEPHONE STIPEND	.0000	150.00	Imputed Income		Dental Council	253.26 .00
Total	0.0000	\$7,700.00	FEDERAL TAX WITHHOLDING	32.04 5,624.99	EODCRS - COUNCIL	54.00 .00
			SOCIAL SECURITY TAX	477.40 7,700.00	EODCRS - DISABILITY	1.13 .00
			MEDICARE	111.67 7,700.00	EODCRS/EORP LEGACY RATE	157.50 .00
			STATE WITHHOLDING	154.96 5,624.99	EORP COUNCIL RETIREMENT	211.50 .00
			Council Retirement EORP	588.50 .00	Health Council	6,317.20 .00
			Dental Council	147.98 .00	Retirement Council EORP	1,139.75 .00
			EODCRS - COUNCIL	72.00 .00	Vision Council	74.90 .00
			EODCRS - DISABILITY	1.13 .00	Total	\$8,318.59
			Medical Council	1,216.20 .00		
			MISCELLANEOUS	125.00 .00	Workers' Comp	Gross Base
			Vision Council	49.20 .00	Total	
			Net	\$4,723.92 ✓		
					Direct Deposits	Amount
					1st Bank Yuma	727.45
					Chase Bank	618.14
					Federal Credit Union	916.28
					REALTORS FED CRED UNION	272.35
					Sunbank	1,005.82
					Wells Fargo	359.93
					Total	\$3,899.97
					Check	\$823.95

Prepared by

Approved by
Carter



Schedule B

Pay Day Register

Pay Date Range 02/03/18 - 02/16/18

Pay Batch 201806

STANDARD LIFE ADDTNL	747.55	.00	BUILDING- NOC OPER BY	803.65	22,199.58
TRANSWESTERN MEXICAN	48.00	.00	BUS COMPANY AND DRIVERS	63.15	1,144.00
U.S. MEX DENTAL - EE &	529.00	.00	CLERICAL OFFICE/ LIBRARY/	252.75	105,311.20
U.S. MEX DENTAL - EE &	63.48	.00	Electrician	59.22	1,886.00
UNITED WAY	14.00	.00	FIREFIGHTERS & DRIVERS	2,893.64	82,206.02
US & MEX DENTAL= FAMILY	660.50	.00	GARBAGE/ ASH/ REFUSE	262.80	4,204.80
US & MEX HEALTH = C	5,842.20	.00	MUNICIPAL/ TOWN/	75.22	4,298.40
US & MEX HEALTH = FAMILY	4,124.70	.00	PARKS- NOC ALL EMPLOYEES	493.42	15,917.13
US & MEX HEALTH = SP	898.80	.00	POLICE OFFICERS	3,510.52	80,149.03
VSP - VISION FAMILY	621.15	.00	RECREATION- ALL EMPLOYEES/	212.02	15,476.20
Net	<u>\$276,238.13</u>		SEWAGE DISPOSAL/ PLANT	588.44	17,105.33
			Street or Road Construction	1,243.59	15,486.84
			WATERWORKS OPERATIONS	<u>549.80</u>	<u>15,844.67</u>
			Total	<u>\$11,235.93</u>	

Direct Deposits	Amount
1st Bank Yuma	21,041.37
ACADEMY BANK	2,389.93
Bank of America	400.00
Chase Bank	117,378.25
CHASE BANK CA	3,303.22
CHASE BANK MORGAN	1,196.74
chase bank somerton	1,938.62
chase centro	709.78
Federal Credit Union	36,528.17
HUGHES FCU	100.00
National Bank	500.00
Navy Federal	7,839.68
NetSpend Corporation DD	120.00
NORTH ISLAND CREDIT UNION	1,004.68
Sunbank	1,463.67
US Bank	679.14
WASHINGTON FEDERAL	1,442.31
Wells Fargo	<u>53,154.37</u>
Total	<u>\$251,189.93</u>

Check \$25,048.20

Payment Register

From Payment Date: 2/19/2018 - To Payment Date: 2/22/2018

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
83766	02/22/2018	Open			Accounts Payable	LOPEZ, MELISSA	\$74.00		
83767	02/22/2018	Open			Accounts Payable	MEDINA, JOSE	\$40.00		
83768	02/22/2018	Open			Accounts Payable	PIONEER CREDIT RECOVERY, INC	\$147.29		
83769	02/22/2018	Open			Accounts Payable	PITNEY BOWES INC.	\$1,533.72		
83770	02/22/2018	Open			Accounts Payable	SOUTHWEST SANITATION SERVICES, LLC	\$159.50		
83771	02/22/2018	Open			Accounts Payable	SPECTRUM BUSINESS	\$35.00		
83772	02/22/2018	Open			Accounts Payable	WESTMOOR ELECTRIC INC.	\$441.54		
83773	02/22/2018	Open			Accounts Payable	YUMA REGIONAL MEDICAL CENTER	\$450.00		
83774	02/22/2018	Open			Accounts Payable	24 KARAT JEWELERS	\$192.81		
83775	02/22/2018	Voided		02/22/2018	Accounts Payable	MAGANA DE ORTEGA, PETRA	\$50.00		
83776	02/22/2018	Open			Accounts Payable	TEJEDA, ISABELLA	\$10.00		
83777	02/22/2018	Open			Accounts Payable	BERNAL, PATRICIA	\$30.00		
83778	02/22/2018	Open			Accounts Payable	MAGANA DE ORTEGA, PETRA	\$20.00		
83779	02/22/2018	Open			Accounts Payable	US POST MASTER	\$2,545.07		
Type Check Totals:							\$139,983.01		
1BPAYABLE - 1st BY Accounts Payable Totals									
94 Transactions									

Checks	Status	Count	Transaction Amount	Reconciled Amount
	Open	93	\$139,933.01	\$0.00
	Reconciled	0	\$0.00	\$0.00
	Voided	1	\$50.00	\$0.00
	Stopped	0	\$0.00	\$0.00
	Total	94	\$139,983.01	\$0.00

All	Status	Count	Transaction Amount	Reconciled Amount
	Open	93	\$139,933.01	\$0.00
	Reconciled	0	\$0.00	\$0.00
	Voided	1	\$50.00	\$0.00
	Stopped	0	\$0.00	\$0.00
	Total	94	\$139,983.01	\$0.00

Grand Totals:

Checks	Status	Count	Transaction Amount	Reconciled Amount
	Open	93	\$139,933.01	\$0.00
	Reconciled	0	\$0.00	\$0.00
	Voided	1	\$50.00	\$0.00
	Stopped	0	\$0.00	\$0.00
	Total	94	\$139,983.01	\$0.00

All	Status	Count	Transaction Amount	Reconciled Amount
	Open	93	\$139,933.01	\$0.00
	Reconciled	0	\$0.00	\$0.00
	Voided	1	\$50.00	\$0.00
	Stopped	0	\$0.00	\$0.00
	Total	94	\$139,983.01	\$0.00

Prepared By:
Maggie Dominguez
Date: Maggie 2/22/18

Payment Register

From Payment Date: 2/19/2018 - To Payment Date: 2/22/2018

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
1BYPAYABLE - 1st BY Accounts Payable									
<u>Check</u>									
83686	02/20/2018	Open			Accounts Payable	RAMOS, MARIA, CECILIA	\$76.00		
83687	02/22/2018	Open			Accounts Payable	AL-SAIHATI, TERRILL	\$700.00		
83688	02/22/2018	Open			Accounts Payable	ALSCO, INC	\$213.29		
83689	02/22/2018	Open			Accounts Payable	ANGEL'S TOWING SERVICE/AUTO SALES	\$375.00		
83690	02/22/2018	Open			Accounts Payable	APS/CLAIM #414-1352-AH	\$50.00		
83691	02/22/2018	Open			Accounts Payable	ARIZONA PUBLIC SERVICE	\$1,029.43		
83692	02/22/2018	Open			Accounts Payable	AUTOZONE STORES, INC	\$53.13		
83693	02/22/2018	Open			Accounts Payable	BAUERMANN, RICHARD	\$108.00		
83694	02/22/2018	Open			Accounts Payable	BILL ALEXANDER FORD	\$303.94		
83695	02/22/2018	Open			Accounts Payable	BLT ASPHALT LLC	\$1,106.61		
83696	02/22/2018	Open			Accounts Payable	BLT READY MIX CONCRETE LLC	\$3,680.17		
83697	02/22/2018	Open			Accounts Payable	CENTURYLINK	\$280.11		
83698	02/22/2018	Open			Accounts Payable	CSC OF YUMA	\$260.91		
83699	02/22/2018	Open			Accounts Payable	DESERT WATER	\$141.13		
83700	02/22/2018	Open			Accounts Payable	FISHER CHEVROLET - PARTS	\$147.39		
83701	02/22/2018	Open			Accounts Payable	GOMEZ, BENJAMIN, J	\$277.00		
83702	02/22/2018	Open			Accounts Payable	GREEN D. HENRY	\$54.62		
83703	02/22/2018	Open			Accounts Payable	GUARDIAN MEDICAL PRODUCTS, LLC	\$2,123.45		
83704	02/22/2018	Open			Accounts Payable	GUZMAN, FRANCISCA	\$50.00		
83705	02/22/2018	Open			Accounts Payable	INDEPENDENT HYDRAULIC & MACHINE INC.	\$3,755.99		
83706	02/22/2018	Open			Accounts Payable	INTERSTATE BATTERY OF YUMA	\$338.44		
83707	02/22/2018	Open			Accounts Payable	LARA, PAULINO	\$242.00		
83708	02/22/2018	Open			Accounts Payable	LAZALDE ESCOBEDO, CHABELI	\$500.00		
83709	02/22/2018	Open			Accounts Payable	LOPEZ, ALBERTO	\$150.00		
83710	02/22/2018	Open			Accounts Payable	MASSMUTUAL FINANCIAL GROUP	\$120.00		
83711	02/22/2018	Open			Accounts Payable	McCAMMON, LOU	\$2,745.00		
83712	02/22/2018	Open			Accounts Payable	MCCURLEY, DOYLE	\$1,500.00		
83713	02/22/2018	Open			Accounts Payable	MOLINA, JOSE	\$150.00		
83714	02/22/2018	Open			Accounts Payable	NEW YORK LIFE INSURANCE CO.	\$169.12		
83715	02/22/2018	Open			Accounts Payable	O'REILLY AUTO PARTS	\$71.70		
83716	02/22/2018	Open			Accounts Payable	PACHECO, CARLOS	\$242.00		
83717	02/22/2018	Open			Accounts Payable	PITNEY BOWES CREDIT CORP	\$98.35		
83718	02/22/2018	Open			Accounts Payable	PREPAID LEGAL SERVICES	\$289.00		
83719	02/22/2018	Open			Accounts Payable	QUINONEZ, FRANCISCO	\$525.00		
83720	02/22/2018	Open			Accounts Payable	RAMIREZ, PATRICIA , ARACELI	\$100.00		
83721	02/22/2018	Open			Accounts Payable	ROBLES, MARIO	\$58.11		
83722	02/22/2018	Open			Accounts Payable	SAN LUIS SPEAR POINT SOLAR I, LLC	\$15,996.91		
83723	02/22/2018	Open			Accounts Payable	SOUTH YUMA COUNTY LANDFILL	\$20,621.63		
83724	02/22/2018	Open			Accounts Payable	STANDARD INSURANCE CO.	\$1,644.50		
83725	02/22/2018	Open			Accounts Payable	THE LOCKSMITH CO./ THOMPSON, PABLO, A	\$15.00		
83726	02/22/2018	Open			Accounts Payable	VELAZQUEZ, OMAR	\$102.98		
83727	02/22/2018	Open			Accounts Payable	WAL-MART RESTITUTION RECOVERY	\$29.41		

Payment Register

From Payment Date: 2/19/2018 - To Payment Date: 2/22/2018

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
83728	02/22/2018	Open			Accounts Payable	WESTERN SUN SYSTEMS, INC	\$300.00		
83729	02/22/2018	Open			Accounts Payable	YOUNG PEST CONTROL LLC	\$510.00		
83730	02/22/2018	Open			Accounts Payable	BURSEY & ASSOCIATES, P.C.	\$313.51		
83731	02/22/2018	Open			Accounts Payable	CALIFORNIA STATE DISBURSEMENT UNIT	\$160.61		
83732	02/22/2018	Open			Accounts Payable	CHARGO PA, GURSTEL	\$52.21		
83733	02/22/2018	Open			Accounts Payable	FOP/ALC	\$240.00		
83734	02/22/2018	Open			Accounts Payable	INTERNAL REVENUE SERVICE	\$50.00		
83735	02/22/2018	Open			Accounts Payable	NATIONWIDE RETIREMENT SOLUTIONS	\$126.00		
83736	02/22/2018	Open			Accounts Payable	PUBLIC SAFETY PERSONNEL RET SY	\$2.26		
83737	02/22/2018	Open			Accounts Payable	PUBLIC SAFETY PERSONNEL RET SY	\$1,939.75		
83738	02/22/2018	Open			Accounts Payable	PUBLIC SAFETY PERSONNEL RET SY	\$157.50		
83739	02/22/2018	Open			Accounts Payable	PUBLIC SAFETY PERSONNEL RET SY	\$109.35		
83740	02/22/2018	Open			Accounts Payable	PUBLIC SAFETY PERSONNEL RET SY	\$156.33		
83741	02/22/2018	Open			Accounts Payable	SAN LUIS POLICE OFFICERS ASSOC	\$480.00		
83742	02/22/2018	Open			Accounts Payable	STANDARD INSURANCE CO.	\$6,782.99		
83743	02/22/2018	Open			Accounts Payable	SUPPORT PAYMENT CLEARINGHOUSE	\$4,071.26		
83744	02/22/2018	Open			Accounts Payable	UNITED WAY OF YUMA COUNTY INC.	\$14.00		
83745	02/22/2018	Open			Accounts Payable	UNITED YUMA FIRE FIGHTERS- IAFF	\$625.00		
83746	02/22/2018	Open			Accounts Payable	24-7 GET FIT SL, LLC	\$859.57		
83747	02/22/2018	Open			Accounts Payable	ARIZONA BLUE STAKE, INC.	\$145.01		
83748	02/22/2018	Open			Accounts Payable	ARIZONA STATE TREASURER	\$36,938.49		
83749	02/22/2018	Open			Accounts Payable	ARIZONA STATE UNIVERSITY	\$540.00		
83750	02/22/2018	Open			Accounts Payable	ATP & ASSOCIATES, LLC.	\$50.00		
83751	02/22/2018	Open			Accounts Payable	CAMPA, JOAQUIN	\$339.00		
83752	02/22/2018	Open			Accounts Payable	CELAYA, PAOLA	\$20.00		
83753	02/22/2018	Open			Accounts Payable	CHAYRA, AXEL	\$74.00		
83754	02/22/2018	Open			Accounts Payable	DOI/BLM	\$46.16		
83755	02/22/2018	Open			Accounts Payable	FNP-C & ASSOCIATES PLLC	\$250.00		
83756	02/22/2018	Open			Accounts Payable	FRANCO LUNA, ROSSMART , FELIPE	\$40.00		
83757	02/22/2018	Open			Accounts Payable	GUERRA, RUTH	\$525.00		
83758	02/22/2018	Open			Accounts Payable	GUST ROSENFELD P.L.C.	\$2,116.90		
83759	02/22/2018	Open			Accounts Payable	HEINFELD, MEECH & CO., P.C.	\$4,060.25		
83760	02/22/2018	Open			Accounts Payable	IMAGE TREND, INC	\$1,802.50		
83761	02/22/2018	Open			Accounts Payable	IPS GROUP INC	\$471.24		
83762	02/22/2018	Open			Accounts Payable	JAMES DAVEY AND ASSOCIATES	\$6,860.00		
83763	02/22/2018	Open			Accounts Payable	LEGROS, BRIAN, SEAN	\$2,359.16		
83764	02/22/2018	Open			Accounts Payable	LEXIS NEXIS RISK DATA MANAGEMENT INC.	\$110.71		
83765	02/22/2018	Open			Accounts Payable	LOPEZ RIOS, JOSE , A	\$60.00		

Payment Register

From Payment Date: 2/26/2018 - To Payment Date: 3/1/2018

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
					Reconciled	0	\$0.00	\$0.00	
					Voided	1	\$6,535.00	\$0.00	
					Stopped	0	\$0.00	\$0.00	
					Total	69	\$208,281.57	\$0.00	
		All	Status	Count		Transaction Amount		Reconciled Amount	
			Open	68		\$201,746.57		\$0.00	
			Reconciled	0		\$0.00		\$0.00	
			Voided	1		\$6,535.00		\$0.00	
			Stopped	0		\$0.00		\$0.00	
			Total	69		\$208,281.57		\$0.00	
Grand Totals:									
		Checks	Status	Count		Transaction Amount		Reconciled Amount	
			Open	68		\$201,746.57		\$0.00	
			Reconciled	0		\$0.00		\$0.00	
			Voided	1		\$6,535.00		\$0.00	
			Stopped	0		\$0.00		\$0.00	
			Total	69		\$208,281.57		\$0.00	
		All	Status	Count		Transaction Amount		Reconciled Amount	
			Open	68		\$201,746.57		\$0.00	
			Reconciled	0		\$0.00		\$0.00	
			Voided	1		\$6,535.00		\$0.00	
			Stopped	0		\$0.00		\$0.00	
			Total	69		\$208,281.57		\$0.00	

Prepared By:
Maggie Dominguez
Date: 3/1/18
C

Payment Register

From Payment Date: 2/26/2018 - To Payment Date: 3/1/2018

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
1BYPAYABLE - 1st BY Accounts Payable									
<u>Check</u>									
83780	02/27/2018	Open			Accounts Payable	YUMA OFFICE EQUIPMENT	\$2,558.45		
83781	03/01/2018	Open			Accounts Payable	ALDAMA, EMMANUEL	\$452.00		
83782	03/01/2018	Open			Accounts Payable	CARDENAS, ERNESTO	\$452.00		
83783	03/01/2018	Open			Accounts Payable	CURIEL, RAMSES	\$327.00		
83784	03/01/2018	Open			Accounts Payable	GUERRA, RUTH	\$550.00		
83785	03/01/2018	Open			Accounts Payable	ROJAS, MANUEL	\$150.00		
83786	03/01/2018	Open			Accounts Payable	RUIZ, MONICA	\$327.00		
83787	03/01/2018	Open			Accounts Payable	SANTANA, MARCO	\$238.00		
83788	03/01/2018	Open			Accounts Payable	4 IMPRINT	\$427.43		
83789	03/01/2018	Open			Accounts Payable	ACCURATE EXCAVATION LLC	\$2,250.00		
83790	03/01/2018	Open			Accounts Payable	ALBERT HOLLER & ASSOCIATES	\$2,000.00		
83791	03/01/2018	Open			Accounts Payable	ALSCO, INC	\$734.82		
83792	03/01/2018	Open			Accounts Payable	ANGEL'S TOWING SERVICE/AUTO SALES	\$750.00		
83793	03/01/2018	Open			Accounts Payable	APPLIED PRODUCTS GROUP LLC	\$10,337.29		
83794	03/01/2018	Open			Accounts Payable	ARIZONA BRAKE & CLUTCH SUPPLY	\$1,780.34		
83795	03/01/2018	Open			Accounts Payable	ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY	\$65.00		
83796	03/01/2018	Open			Accounts Payable	ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY	\$65.00		
83797	03/01/2018	Open			Accounts Payable	ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY	\$65.00		
83798	03/01/2018	Open			Accounts Payable	BILL ALEXANDER FORD	\$1,436.37		
83799	03/01/2018	Open			Accounts Payable	BINGHAM EQUIPMENT CO	\$108.25		
83800	03/01/2018	Open			Accounts Payable	BSN SPORTS	\$4,459.29		
83801	03/01/2018	Open			Accounts Payable	CDWG	\$142.72		
83802	03/01/2018	Open			Accounts Payable	CENTURYLINK	\$6,724.69		
83803	03/01/2018	Open			Accounts Payable	CITY OF YUMA	\$72,237.79		
83804	03/01/2018	Open			Accounts Payable	DANA-KEPNER COMPANY INC.	\$2,668.66		
83805	03/01/2018	Open			Accounts Payable	DATA IV INC.	\$1,966.27		
83806	03/01/2018	Open			Accounts Payable	FRANCO, MARTIN, A	\$250.00		
83807	03/01/2018	Open			Accounts Payable	FREIGHTLINER OF ARIZONA, LLC	\$1,713.54		
83808	03/01/2018	Open			Accounts Payable	FRESH TERRA SERVICES LLC	\$4,400.00		
83809	03/01/2018	Open			Accounts Payable	GARCIA, JESUS	\$100.00		
83810	03/01/2018	Open			Accounts Payable	HILL BROTHERS CHEMICAL CO.	\$3,469.77		
83811	03/01/2018	Open			Accounts Payable	JAMES COOKE & HOBSON INC.	\$11,355.22		
83812	03/01/2018	Open			Accounts Payable	LAWSON PRODUCTS INC.	\$281.63		
83813	03/01/2018	Open			Accounts Payable	MASTER AUTO GLASS LLC	\$206.22		
83814	03/01/2018	Open			Accounts Payable	METRO FIRE EQUIPMENT INC	\$2,545.00		
83815	03/01/2018	Open			Accounts Payable	MOLINA, ALBERTO	\$300.00		
83816	03/01/2018	Open			Accounts Payable	NORLAB INC.	\$141.50		
83817	03/01/2018	Open			Accounts Payable	PHOENIX UNIFORMS	\$81.00		
83818	03/01/2018	Open			Accounts Payable	PIERCE COLEMAN PLLC	\$125.00		
83819	03/01/2018	Open			Accounts Payable	PIRAMIDE CONSTRUCTION	\$795.00		
83820	03/01/2018	Open			Accounts Payable	PRECISION INTEGRATED SYSTEMS, LLC	\$8,256.04		
83821	03/01/2018	Open			Accounts Payable	PROFESSIONAL PEST CONTROL LLC	\$45.00		

Payment Register

From Payment Date: 2/26/2018 - To Payment Date: 3/1/2018

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
83822	03/01/2018	Open			Accounts Payable	PROSOUND & STAGE LIGHTING	\$890.83		
83823	03/01/2018	Open			Accounts Payable	PURCELL TIRE CO.	\$1,297.00		
83824	03/01/2018	Open			Accounts Payable	QUINONEZ, FRANCISCO	\$525.00		
83825	03/01/2018	Open			Accounts Payable	R&M ELECTRIC SUPPLY LLC	\$4,979.55		
83826	03/01/2018	Open			Accounts Payable	RDO EQUIPMENT CO.	\$741.75		
83827	03/01/2018	Open			Accounts Payable	REDBURN TIRE COMPANY	\$5,226.40		
83828	03/01/2018	Open			Accounts Payable	SIMS MURRAY, LTD.	\$1,040.00		
83829	03/01/2018	Open			Accounts Payable	SPECTRUM BUSINESS	\$7,191.86		
83830	03/01/2018	Open			Accounts Payable	SYNOVIA SOLUTIONS, LLC	\$367.57		
83831	03/01/2018	Open			Accounts Payable	TELECOM CREATIONS USA	\$3,479.00		
83832	03/01/2018	Open			Accounts Payable	THE HOME DEPOT	\$1,140.56		
83833	03/01/2018	Open			Accounts Payable	THOMSON WEST PUBLISHING CO.	\$969.50		
83834	03/01/2018	Open			Accounts Payable	TORRES, CRISTIAN	\$57.00		
83835	03/01/2018	Open			Accounts Payable	UNITED RENTALS (NORTH AMERICA), INC.	\$1,060.74		
83836	03/01/2018	Open			Accounts Payable	UNITED ROTARY BRUSH CORP	\$1,222.50		
83837	03/01/2018	Open			Accounts Payable	VERIZON WIRELESS MESSAGING SVC	\$1,600.58		
83838	03/01/2018	Open			Accounts Payable	WESTMOOR ELECTRIC INC.	\$5,388.00		
83839	03/01/2018	Open			Accounts Payable	YUMA AUTO REBUILDERS	\$633.98		
83840	03/01/2018	Open			Accounts Payable	YUMA COUNTY FIRE OFFICERS	\$180.00		
83841	03/01/2018	Open			Accounts Payable	YUMA COUNTY HUMANE SOCIETY	\$3,250.00		
83842	03/01/2018	Open			Accounts Payable	YUMA REGIONAL MEDICAL CENTER	\$992.79		
83843	03/01/2018	Open			Accounts Payable	YUMA WINLECTRIC CO.	\$4,276.94		
83844	03/01/2018	Open			Accounts Payable	YUMA WINNELSON CO.	\$1,211.73		
83845	03/01/2018	Open			Accounts Payable	GOMEZ, BENJAMIN, J	\$150.00		
83846	03/01/2018	Voided		03/01/2018	Accounts Payable	RALPH VELEZ CONSULTING SERVICES	\$6,535.00		
83847	03/01/2018	Open			Accounts Payable	RALPH VELEZ CONSULTING SERVICES	\$4,485.00		
83848	03/01/2018	Open			Accounts Payable	RALPH VELEZ CONSULTING SERVICES	\$2,050.00		
Type Check Totals:					69 Transactions		\$208,281.57		

1BYPAYABLE - 1st BY Accounts Payable Totals

Checks	Status	Count	Transaction Amount	Reconciled Amount
	Open	68	\$201,746.57	\$0.00



AGENDA ITEM REVIEW FORM

Regular City Council Meeting

4.C.

Meeting Date: 03/14/2018

Department Head: Kay Macuil, City Attorney, Attorney's Office

Submitted By: Kay Macuil, City Attorney, Attorney's Office

Action Requested: Motion

ITEM:

Discussion and possible action on any and all matters regarding the Fourth Amended and Restated Membership Agreement with the Arizona Municipal Risk Retention Pool. **(Kay Marion Macuil, City Attorney)**

SUMMARY:

The City of San Luis is self-insured through membership and pooling resources with other Arizona Cities in the Arizona Municipal Risk Retention Pool (Pool or AMRRP). Bill Sim's, the Pool's attorney, gave the following notice of the changes to the 4th Amended and Restated Membership Agreement:

- General housekeeping language has been updated to match the current AMRRP Coverage Agreements
- The name of our Loss Control Program has been changed to Risk Management Program to modernize the name and better reflect the goals of AMRRP. Appendix C has been revised to include the new Risk Management Program Agreement and now has links to Best Practices.
- Electronic notice has been included in the new agreement to keep up with technology improvements and changes.
- **Members who choose to leave AMRRP will now have a three-year waiting period should they decide to return to AMRRP. Many other pools in the country have chosen to do this to protect existing members from funding claims for those who choose to leave for one-time premium reductions from competitors as rates rise the following year.**
- Required language specific to A.R.S. §35- 393 has been added and has to do with parties engaged in a boycott of Israel.

Please note:

Appendix A is your AMRRP Municipal Liability and Property Coverage Agreements that you receive each year with your renewal, if applicable.

Appendix B is your AMRRP Workers Compensation and Employers Liability Insurance Policy that you receive each year with your renewal, if applicable.

Appendix C is your revised AMRRP Risk Management Program Agreement.

The changes have been reviewed by the City Attorney, and they are all appropriate updates to the membership agreement.

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO APPROVE AND ADOPT THE ARIZONA MUNICIPAL RISK RETENTION POOL FOURTH AMENDED AND RESTATED MEMBERSHIP AGREEMENT.

Supporting information not attached to the Agenda Item Review Form:

N/A

Fiscal Impact

IS THERE FISCAL IMPACT ASSOCIATED WITH THIS ITEM: No
CITY/STATE/FEDERAL FUNDS: N/A
TOTAL: N/A
BUDGETED AMOUNT: N/A
AVAILABLE AMOUNT TO TRANSFER: N/A
ACCT NAME & GL#/REMAINING BALANCE BEFORE PURCHASE: N/A

FISCAL IMPACT STATEMENT (IF THIS IS A BUDGET TRANSFER, YOU MUST ATTACH THE BUDGET ADJUSTMENT FORM):

The Membership in the Pool has already been budgeted and paid. The amendments are updates to the program without any increase in fees.

Attachments

Notice of Changes
4th Amended & Restated Pool Membership Agreement
Appendix A Property Coverage
Appendix B Workers' Compensation
Excess Liability Coverage
App C Revised Program Agreement



February 9, 2018

Re: IMPORTANT AMRRP MEMBERSHIP AGREEMENT ANNOUNCEMENT

Dear AMRRP Members:

As many of you know, the AMRRP Membership Agreement has not been revised in some time. In addition, many of the signatories on the agreement no longer work for your municipality. We are attaching a copy of our new Membership Agreement with the following updates:

- General housekeeping language has been updated to match the current AMRRP Coverage Agreements
- The name of our Loss Control Program has been changed to Risk Management Program to modernize the name and better reflect the goals of AMRRP. Appendix C has been revised to include the new Risk Management Program Agreement and now has links to Best Practices.
- Electronic notice has been included in the new agreement to keep up with technology improvements and changes.
- Members who choose to leave AMRRP will now have a three year waiting period should they decide to return to AMRRP. Many other pools in the country have chosen to do this to protect existing Members from funding claims for those who choose to leave for one time premium reductions from competitors as rates rise the following year.
- Required language specific to A.R.S. §35- 393 has been added and has to do with parties engaged in a boycott of Israel.

Please note:

Appendix A is your AMRRP Municipal Liability and Property Coverage Agreements that you receive each year with your renewal, if applicable.

Appendix B is your AMRRP Workers Compensation and Employers Liability Insurance Policy that you receive each year with your renewal, if applicable.

Appendix C is your revised AMRRP Risk Management Program Agreement. This is attached.

Please have the Membership Agreement signed by the appropriate person in your municipality, keep a copy and return the signed copy to Ed Bantel for our records.

We are appreciative of your Membership and continued support of AMRRP!

Kind Regards,

Ed Bantel

William Sims

**ARIZONA MUNICIPAL RISK RETENTION POOL
FOURTH AMENDED AND RESTATED MEMBERSHIP AGREEMENT**

1. Parties. The parties to this Fourth Amended and Restated Membership Agreement (the “**Agreement**”) are the Arizona Municipal Risk Retention Pool, an Arizona nonprofit corporation (the “**Pool**”), and City of San Luis (the “**Member**”), a political subdivision of the State of Arizona.

2. Recitals. This Agreement is based upon certain understandings and in furtherance of certain objectives:

2.1. WHEREAS, A.R.S. § 11-952.01 permits two or more public agencies (as defined in A.R.S. § 11-951) to enter into contracts or agreements to purchase insurance jointly or to pool retention of such public agencies' property, liability and workers' compensation risks, and to jointly form a nonprofit corporation to carry out such purposes on behalf of the public agency members of the nonprofit corporation directly or by contract with a private party; and

2.2. WHEREAS, the Pool is administered by an administrator (the “**Administrator**”) designated by the Board of Trustees of the Pool (the “**Board**”); and

2.3. WHEREAS, the Member desires to enter into this agreement to:

2.3.1 pool retention of the Member's risk for property, liability and casualty losses with that of other cities, towns or other political subdivisions of the State of Arizona that are members of the Pool and to provide for the payment of such losses or claims; and/or

2.3.2 provide for the payment of workers' compensation claims made against other cities, towns or other public agencies of the State of Arizona that are members of the Pool and to provide for the payment of such claims;

NOW, THEREFORE, the Pool and Member agree as follows:

3. Coverage and Participation.

3.1. The Pool shall offer coverages for property, liability and workers' compensation. The procedure for making claims for such losses against the Pool, the means and procedures for defending against such claims, the persons or entities to be indemnified by the Pool, the limitations and exclusions on coverage, and various other matters necessary or appropriate to the functioning of the Pool in connection with property and liability losses are more particularly described in a coverage agreement to be negotiated between the Member and the Pool and attached hereto as Appendix A, and incorporated by this reference (the “**Property and Liability Coverage Agreement**”). The effective date of the Property and Liability Coverage Agreement (the “**Property and Liability Coverage Effective Date**”) shall be set forth in the Property and Liability Coverage Agreement. The procedure for making claims in connection with coverage for employees of the Member as required for a self-insured employer pursuant to A.R.S. § 23-961 (as may be amended), the means and procedures for defending

against such claims, the persons or entities to be compensated by the Pool, the limitations and exclusions on coverage, and various other matters necessary or appropriate to the functioning of the Pool are more particularly described in the coverage agreement to be negotiated between the Member and the Pool and attached hereto as Appendix B and incorporated by this reference (the “**Workers’ Compensation Coverage Agreement**”). The effective date of the Workers’ Compensation Coverage Agreement (the “**Workers’ Compensation Coverage Effective Date**”) shall be set forth in the Workers’ Compensation Coverage Agreement. The Property and Liability Coverage Agreement and the Workers’ Compensation Coverage Agreement shall be referred to collectively as the “**Coverage Agreements**.” The Property and Liability Coverage Effective Date and the Workers’ Compensation Coverage Effective Date shall be referred to collectively as the “**Coverage Effective Dates**.”

3.2. The terms of this Agreement, the Property and Liability Coverage Agreement and the Workers’ Compensation Coverage Agreement may be amended by majority vote of the Board, provided that any amendment to this Agreement, the Property and Liability Coverage Agreement and the Workers’ Compensation Coverage Agreement shall become effective upon a date designated by the Board after first giving the Member at least thirty (30) days’ prior written notice thereof. Notwithstanding the foregoing, the Board may, without prior notice to the Member, amend the Property and Liability Coverage Agreement and the Workers’ Compensation Coverage Agreement if the amendment does not decrease or materially change the insurance coverage available to the Member including, but not limited to, incidental or grammatical amendments that do not decrease insurance coverage available to the Member.

4. Term and Renewal. Insurance coverage under this Agreement shall be effective as set forth in each Coverage Agreement and shall be automatically renewed (for each Coverage Agreement) unless terminated pursuant to Section 5 of this Agreement.

5. Termination of Agreement.

5.1. With Cause. The Board may at any time during the term of this Agreement or any extensions thereof suspend or terminate coverage for (i) nonpayment of the Membership Fees or any other breach by the Member of the terms of this Agreement; or (ii) the failure to satisfy underwriting requirements established by the Pool. In such case, coverage shall be suspended or terminated, and membership shall be terminated pursuant to Section 8 of this Agreement.

5.2. Without Cause. Insurance coverage under this Agreement may be terminated by the Pool or the Member by written notice of termination given at least ninety (90) days prior to the anniversary of the Property and Liability Coverage Effective Date (in the case of the Property and Liability Coverage Agreement) or at least ninety (90) days prior to the anniversary of the Workers’ Compensation Coverage Effective Date (in the case of the Workers’ Compensation Coverage Agreement). For example, if the Member has entered into both a Property and Liability Coverage Agreement and a Workers’ Compensation Coverage Agreement, coverage under either Coverage Agreement may be terminated by either party without cause by written notice of termination given at least ninety (90) days prior to the anniversary of the applicable Coverage Effective Date. Terminating coverage under one Coverage Agreement without cause pursuant to this Section 5.2 does not necessarily terminate

coverage under the other Coverage Agreement. The Board may in its sole and absolute discretion, and only in the event of extraordinary circumstances demonstrated by the Member, grant the Member a thirty (30) day extension of coverage under the Property and Liability Coverage Agreement or the Workers' Compensation Coverage Agreement on such renewal terms and conditions that are submitted to the Member by the Administrator for the next succeeding renewal year, prorated by the Administrator for the thirty (30) day extension period. Any extension granted pursuant to this Section 5.2 shall not change the Coverage Effective Date for the applicable Coverage Agreement or the term of this Agreement and any renewals thereof.

5.3. Termination of Coverage. This Agreement shall terminate and the Member shall cease being a member of the Pool upon the termination of all coverage under the Coverage Agreements. Upon such termination, the terminated Member may not apply to rejoin the Pool for a period of three (3) years after the date of termination.

5.4. Distribution of Assets On Termination. In the event the Member shall terminate this Agreement for any reason, or in the event the Board shall terminate this Agreement pursuant to Section 5.1 and Section 8 of this Agreement, the Member shall thereupon forfeit any and all rights to the return of any surplus, unearned contributions, or other legally permitted distributions from the Pool.

5.5. Effect of Termination. Notwithstanding the termination of this Agreement, following the date of termination a Member shall (i) cooperate fully with the Administrator in connection with the resolution of covered claims; and (ii) cooperate and assist the Administrator and any claims adjuster or legal counsel retained by the Pool.

6. Termination of the Pool. Notwithstanding any other provision hereof, the Pool may be terminated at such time as the Board determines (by a vote of at least two-thirds of the number of Board members then serving on the Board at a duly called meeting of the Board at which a quorum is present) that the number of members of the Pool or the size of the Pool is too small to provide coverage against the risks specified in the Property and Liability Coverage Agreement and the Workers' Compensation Coverage Agreement. Any termination pursuant to this Section 6 shall not be effective until the Board shall have given each member of the Pool at least twelve (12) months' written notice.

7. Membership Fees. The Property and Liability Coverage Agreement and the Workers' Compensation Coverage Agreement shall each set forth the fees for the coverages selected by the Member (collectively, the "**Membership Fees**"). The Membership Fees shall be based on sound underwriting criteria as recommended by the Pool's actuary and the Administrator. The Member agrees to furnish the Administrator all available data regarding exposures and loss experience of the Member necessary to calculate Membership Fees. The Member shall pay its total Membership Fees to the Pool in cash pursuant to a payment plan established by the Board.

8. Suspension. In the event the Member (i) fails to pay its Membership Fees as specified herein; (ii) fails to comply with any of the other terms of this Agreement; or (iii) fails to satisfy underwriting requirements established by the Pool, the Board may, if such failure is not cured after ten (10) days' written notice, terminate the Member's coverage under the applicable

Coverage Agreement. The date of such termination shall be referred to as the “**Coverage Termination Date**.” Notwithstanding such termination of coverage, the Member shall retain its rights to the return of any surplus or other distributions from or assets of the Pool for a ninety (90) day period (the “**Ninety Day Reinstatement Period**”) following such notice by the Pool. To retain this right, the Member must notify the Pool in writing during the Ninety Day Reinstatement Period of the Member’s election (the “**Reinstatement Election**”) to reinstate coverage by delivering to the Pool a payment in an amount equal to any outstanding Membership Fees and otherwise curing the failure giving rise to the termination of coverage. Upon the Pool’s receipt of such payment and evidence documenting that the Member has cured the failure giving rise to the termination of coverage, together with such underwriting data and other information as the Pool may reasonably request, and provided that the Administrator determines (in the exercise of the Administrator’s sole and absolute discretion) that the reinstatement of coverage is appropriate based on sound business judgment, loss control and underwriting criteria, and loss experience during the Ninety Day Reinstatement Period (or applicable portion thereof), coverage under the applicable Coverage Agreement will be reinstated, effective as of the Coverage Termination Date. If the Member fails to provide the Pool the Reinstatement Election (together with such documentation, data and other information as required pursuant to this Section 8) during the Ninety Day Reinstatement Period, or if the Member provides the Reinstatement Election (together with such documentation, data and other information as required pursuant to this Section 8) during the Ninety Day Reinstatement Period and the Member’s coverage reinstatement is denied pursuant to this Section 8, upon the expiration of the Ninety Day Reinstatement Period, and if the Member no longer has coverage under both Coverage Agreements, the Member shall cease to be a member of the Pool and shall lose all rights as a member of the Pool including (without limitation) the right to return of any surplus or other distributions from or assets of the Pool and coverage under any Coverage Agreement. In the event of such termination, the Member shall be relieved of any liability for ordinary Membership Fees under Section 7 for fiscal years after the year of the Member’s termination. The Member’s liability for additional assessments shall continue to the extent provided in Section 9 below.

9. Assessment. The Member shall be subject to assessment pursuant to A.R.S. § 11-952.01(M), as may be amended, and the terms of such statute are incorporated by reference. The amount of such assessment may not exceed the amount of the Member’s annual Membership Fees to the Pool for the year in which the assessment is made or (if the Member has withdrawn from the Pool) for the last year that the Member was a member of the Pool. The amount of each assessment and a description of the manner of calculating the same shall be provided to the Member in writing (the “**Assessment Notice**”), and the Member shall pay such assessment pursuant to the terms and conditions of the Assessment Notice. The Member shall remain liable for assessments for liabilities of the Pool incurred during the Member’s period of membership in the Pool, notwithstanding the Member’s withdrawal from participation in the Pool or the termination of this Agreement.

10. Inspection and Audit. The Administrator or any other designee of the Pool shall be permitted, but shall not be obligated, to inspect the Member’s properties and operations at any time. Neither the Administrator’s right nor any such designee’s right to make inspections nor the making thereof shall constitute an undertaking on behalf of or for the benefit of the Member or others to determine or warrant that such properties or operations are safe or are in compliance with any law or rule.

10.1. The Administrator or any other designee of the Pool may examine and audit the Member's financial and administrative records that relate to the subject matter of this Agreement at any time during the period of this Agreement is in effect and within five (5) years after the termination of this Agreement.

10.2. The Pool shall be audited annually at the expense of the Pool by a certified public accountant, and a copy of the report shall be submitted to the Board, the Member, and the Arizona Department of Insurance. The Board shall obtain an appropriate actuarial evaluation of the claim reserves of the Pool including, an estimate of the incurred but not reported claims and shall maintain claim reserves equal to known incurred losses and an estimate of incurred but not reported claims, as determined by the Board.

11. **Risk Management.** The Member shall maintain a program of risk management in substantial conformance with the Risk Management Program for Members, a copy of which is attached hereto as Appendix C and incorporated by this reference (the “**Risk Management Program**”). The Member acknowledges, understands and agrees (i) that the Risk Management Program is simply recommendations concerning the minimum standards that should be adopted by each member of the Pool, (ii) that to be effective, a risk management program must be tailored to the specific requirements of each member of the Pool, (iii) that the Pool makes no representation or warranty that the Risk Management Program is sufficient or adequate to meet the specific requirements of the Member, and (iv) that it is the Member's sole responsibility to modify the Risk Management Program to meet the specific requirements of the Member.

12. Subrogation. In the event a recovery is obtained against a third party pursuant to the right of subrogation set forth in the Property and Liability Coverage Agreement and the Workers’ Compensation Coverage Agreement, such recovery shall first be applied to the costs of recovery, and the balance, if any, shall be apportioned between the Pool and the Member in proportion to their respective losses from the occurrence giving rise to such recovery.

13. Conformity with Law. In the event any term or provision of this Agreement shall be in conflict with the laws and statutes of the State of Arizona as they now exist or are hereafter amended, this Agreement shall be automatically deemed amended to conform to such laws and statutes.

14. Authorized Representatives; Prompt Reply. The Pool and the Member shall each designate a representative authorized to act on each of the respective parties' behalf in all matters pertaining to this Agreement.

For the Pool:



Name

Program Administrator

Title

14902 North 73rd Street

Address

Scottsdale, AZ 85260

City, State, Zip Code

480-368-6618

Telephone

ebantel@berkleyrisk.com

Email Address

For the Member:

Maria Sabori

Name

HR Senior Analyst

Title

P.O. Box 1170

Address

San Luis

Arizona

85349

City

State

Zip Code

928- 341-8579

Telephone

msabori@cityofsanluis.org

Email Address

Such representatives and/or addresses may be changed by either party from time to time by written or electronic notice to the other. The Member (through its Authorized Representative listed above) shall reply promptly to all correspondence or inquiries from the Pool.

15. Prior Acts of Parties. All covenants, promises, agreements, conditions and understandings between the Pool and the Member, and any other acts of the parties undertaken pursuant to A.R.S. § 11-952.01 are superseded by and merge into this Agreement, and this Agreement and any Appendices hereto set forth all covenants, promises, agreements, conditions and understandings between the Pool and the Member as of the date hereof. There are no covenants, promises, agreements, conditions or understandings either oral or written between the Pool and the Member other than set forth herein and in the Appendices hereto.

16. Liability. The Pool, the Board and the Administrator shall have no obligation to pay or defend claims except from the funds in the Pool, and no liability pursuant to this Agreement and any Appendix hereto except to disburse funds in the Pool in accordance with the terms of this Agreement. In the event that after collecting all assessments or Membership Fees from the members of the Pool as provided for herein, there are insufficient funds in the Pool to pay the expenses and to discharge the obligations of the Pool, neither the Pool, the Board nor the Administrator shall have any further obligation to defend or pay claims.

16.1. No member of the Pool has any liability for claims brought by third parties against any other member of the Pool, other than the obligation to contribute certain funds to the Pool as expressly required by this Agreement. The liability for any claim against the Member shall remain the sole and exclusive liability of the Member. The obligation of the Pool is to indemnify the Member against such liability as required by the Property and Liability Coverage Agreement and the Workers' Compensation Coverage Agreement, and only to the extent there are funds in the Pool for such indemnification.

16.2. The Member is not relieved of its liability incurred during the Member's period of membership in the Pool except through the payment of losses by the Pool (as required by the Property and Liability Coverage Agreement and the Workers' Compensation Coverage Agreement) or by the Member.

17. Invalidity of a Term. The parties agree that in the event any term, covenant or condition herein contained should be held to be invalid or void by a court of competent jurisdiction, the invalidity of any term, covenant or condition shall in no way affect any other term, covenant or condition of this Agreement.

18. Prohibition Against Discrimination. In the event that it applies, the parties agree to comply with the Arizona Governor's Executive Order No. 75-5, entitled "Prohibition of Discrimination in State Contracts - Non-Discrimination in Employment by Government Contractors and Subcontractors," and any subsequent similar Executive Order.

19. Governing Law And Venue. This Agreement shall be construed under the laws of the State of Arizona. Any action arising out of this Agreement, whether for the enforcement thereof or otherwise, shall be brought in Maricopa County.

20. Counterparts. This Agreement may be executed in any number of counterparts, all such counterparts shall be deemed to constitute one and the same instrument, and each of such counterparts shall be deemed an original hereof.

21. Conflict of Interest and Israel Provision. The parties acknowledge that this Agreement is subject to cancellation pursuant to A.R.S. 38-511, the provisions of which are incorporated herein. The Parties agree that they are not currently engaged in and agree that for the duration of the Agreement they will not engage in, a boycott of Israel, as that term is defined in A.R.S. §35- 393.

22. In addition to Appendices A, B and C previously referred to herein, the following Appendices are attached hereto and incorporated by this reference as if set forth in full, and such Appendices are subject to amendment pursuant to each of their respective terms:

Appendix D – Bylaws of the Pool

IN WITNESS WHEREOF, the parties hereto have executed this Agreement this ____
day of March, 2018

POOL:

ARIZONA MUNICIPAL RISK RETENTION
POOL, an Arizona nonprofit corporation

By: 
Its: Program Administrator

THE MEMBER:

By: _____
Its: Mayor



ARIZONA MUNICIPAL RISK RETENTION POOL COMMON COVERAGES

DECLARATIONS

Agreement # 2000169-1

Replaces Agreement # AM40172016

THIS DECLARATIONS PAGE AND THE ATTACHED APPLICATION FOR INSURANCE COMPLETE THIS COVERAGE.

Item 1. NAMED MEMBER AND MAILING ADDRESS:

San Luis, City Of
PO Box 1170
San Luis, AZ 85349

Item 2. CONTINUOUS COVERAGE PERIOD EFFECTIVE:

12:01 A.M. Standard Time at Mailing Address
on Common Coverage Declarations

Rating Period From: 07/01/2017

To: 07/01/2018

Item 3. THE COVERED MEMBER IS: Municipality

Item 4. SCHEDULE OF COVERAGES:

IN RETURN FOR THE PAYMENT OF MEMBERSHIP FEES, THE POOL AGREES TO PROVIDE THE MEMBER WITH THE FOLLOWING COVERAGES FOR WHICH A MEMBERSHIP FEE IS SHOWN, SUBJECT TO ALL THE TERMS AND CONDITIONS OF THE POOL'S MEMBERSHIP AGREEMENT AND THE APPLICABLE COVERAGE AGREEMENTS AND ENDORSEMENTS:

<u>Coverages</u>	<u>Membership Fee</u>
MUNICIPAL PROPERTY	\$ 38,734
MUNICIPAL INLAND MARINE	\$ 6,730
MUNICIPAL EQUIPMENT BREAKDOWN	\$ 10,134
MUNICIPAL LIABILITY	\$ 249,796
AUTOMOBILE LIABILITY	\$ 52,457
AUTOMOBILE PHYSICAL DAMAGE	\$ 44,929
MUNICIPAL CRIME	\$ 6,349
TOTAL	\$ 409,629

Item 5. MEMBERSHIP FEE IS DUE AND PAYABLE: QUARTERLY

QUARTERLY

Item 6. COVERAGE AGREEMENTS AND ENDORSEMENTS APPLICABLE TO ALL COVERAGES:
AZCOMCON (07/16)



ARIZONA MUNICIPAL RISK RETENTION POOL COMMON CONDITIONS

THE FOLLOWING CONDITIONS AND DEFINITIONS APPLY TO ALL POOL COVERAGES INCLUDING ALL PROPERTY AND LIABILITY COVERAGES, IN ADDITION TO ANY OTHER CONDITIONS APPLICABLE TO ANY PARTICULAR COVERAGE AGREEMENT OR FORM INCLUDING THE TERMS AND CONDITIONS OF THE POOL'S MEMBERSHIP AGREEMENT.

A. CANCELLATION AND NONRENEWAL

1. The "Named Member" may cancel coverage issued by the Pool, and by mailing or delivering to the Pool advance written notice of cancellation pursuant to the terms of the "Agreement".
2. The Pool may cancel coverage by mailing or delivering to the "Named Member" advance written notice of cancellation pursuant to the terms of the "Agreement".
3. The Pool will mail or deliver its notice to the "Named Member" at the last mailing address known to the Pool.
4. Notice of cancellation will state the effective date of cancellation. The coverage period will end on that date.
5. If the Pool decides to non-renew coverage, the Pool will mail or deliver to the "Named Member" shown in the Declarations written notice of the nonrenewal pursuant to the terms of the "Agreement".
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. MEMBERSHIP FEES

The "Named Member" is responsible for the payment of all membership fees as defined in the "Agreement" and as shown in the Common Coverage Declarations, and will be the payee for any return membership fees.

C. ASSESSMENTS

With respect to any deficiency in the Pool for which any assessment must be made, the terms and conditions of the "Agreement" shall apply.

D. CHANGES

The coverage agreements and forms contain all of the agreements between the Pool and all "members".

The "Named Members" are authorized to make changes in the terms of a coverage agreement with the consent of the Pool. The coverage terms can be amended or waived only by endorsement issued by the Pool and made a part of the coverage agreement, or by an acknowledgment by the Pool that an endorsement will be issued at a later date.

When the AMRRP Board of Trustees broadens coverage during a coverage period without charge, all "members" coverage will automatically provide such broadened coverage upon the date determined by the Board of Trustees. Other AMRRP Board of Trustee coverage changes will become effective upon the later to occur; the next coverage period's inception or ninety days after adoption and notice to the "Named Member". The Administrator may issue coverage endorsements evidencing changes during a coverage period or at the next coverage period's inception.

E. INSPECTIONS AND SURVEYS

The Pool has the right, but is not obligated to:

1. Make inspections and surveys at any time;
2. Give the "Named Member" reports on the conditions it finds; and
3. Recommend changes.

Any reports or recommendations relate only to coverage and membership fees to be charged. The Pool does not make any safety inspections. The Pool does not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. The Pool does not warrant that conditions are safe or healthful, or that conditions comply with laws, regulations, codes, or standards.

F. ARBITRATION PROCEDURE FOR COVERAGE DISPUTES

Coverage determinations for first party claims and liability claims are initially made by the Claims Administrator on behalf of the AMRRP. When a "member" disagrees with the coverage decision, the following resolution process which shall be the sole resolution process for coverage disputes and allegations of bad faith either against the Pool, Board, or Administrator shall be utilized.

1. The "member" shall notify the Administrator in writing that they disagree with the decision and provide information to support their interpretation of coverage. The Administrator shall re-examine the coverage decision and evaluate the information provided by the "member." The written decision shall be sent to the "member."
2. If the "member" still disagrees with the coverage decision, they shall notify the Administrator that they wish to have the Board of Trustees review the decision de novo and render a coverage determination. The Board shall meet with the "member" and review the case. The Board shall render a decision on coverage.
3. If there is still disagreement, either the "member" or the Board may request the arbitration process be utilized.
4. In an effort to reduce friction and facilitate resolution an Arbitrator shall be appointed in one of the following ways at the option of the "member."
 - a. By mutual agreement of the "member" and the Board from a list of arbitrators prepared by the Administrator.
 - b. If no arbitrator is satisfactory to both parties, each may submit five names of acceptable arbitrators. If the same name appears on both lists, that person shall act as the Arbitrator.
 - c. A three arbitrator panel may be selected. The "member" shall select one, the Administrator one and the two selected arbitrators shall select a third.
 - d. If there can be no agreement under provisions 1, 2, or 3, the arbitrator shall be selected by the Arizona Arbitration Association.
5. The Arbitrator shall reach his/her decision upon review of the documents submitted by each party, or upon request of the "member," hold a hearing on the coverage determination within 30 days of the appointment of the Arbitrator. Procedure for the arbitration shall be informal, but both parties must cooperate to provide information or witnesses requested by the Arbitrator. If a hearing is held, both parties may be represented by counsel. Each party shall bear its own costs for counsel. A written decision must be made within 10 days of the hearing when one is held, or receipt of the documents if a decision is to be made on the record. The written decision shall be sent to the "member," Board and Administrator. The Administrator shall proceed with the claim in conformance with the coverage decision.

- a. The decision of the Arbitrator is final, non-appealable and binding on the "member" and Pool.
- b. The parties shall share equally in the expense of the Arbitration.

G. DEDUCTIBLES

The terms of the coverage agreements, including those with respect to (a) the Pool's rights and duties with respect to the defense of suits and (b) any member's duties, in the event of an occurrence, loss, accident, claim or suit apply irrespective of the application of the deductible amount.

The Pool may pay any part or all of the deductible amount to effect settlement of any claim or suit and, upon notification of the action taken, the "Named Member" shall promptly reimburse the Pool for such part of the deductible amount as has been paid by the Pool.

H. TRANSFER OF RIGHTS AND DUTIES UNDER THIS COVERAGE

If any "member" to or for whom the Pool makes payment under a coverage agreement has rights to recover damages from another, those rights are transferred to the Pool and the Pool shall have the right to recover from same. That "member" must do everything necessary to secure the Pool's rights and must do nothing to impair them.

Any other rights and duties under a coverage agreement may not be transferred without the written consent of the Pool.

I. CONCEALMENT OR FRAUD

A coverage agreement is void if any "member" has intentionally concealed or misrepresented any material fact or circumstance relating to that coverage agreement.

These conditions apply not only to the Pool, but also to any rating advisory, rate service, or similar organization which makes inspections, surveys, reports, or recommendations.

J. OTHER COVERAGE

All coverage under any Coverage Agreement issued by the Pool is excess over any other valid and collectible insurance policy or other coverage whether primary, excess, contingent, or any other basis, except other coverage written specifically to be excess over coverage under a Pool Coverage Agreement.

K. EXAMINATION OF BOOKS AND RECORDS

The Pool may examine and audit any "member's" books and records as they relate to coverage under Appendix A at any time during the coverage period and up to 5 years afterward, and make any adjustments in the membership fee when indicated.

L. SEPARATION OF MEMBERS

With respect to the information contained in the application for this coverage, subject to all the other terms and conditions provided herein, this coverage shall be construed as a separate agreement with each "member." Nothing in this paragraph shall be construed to increase the Pool's maximum limit of coverage set forth in the Declarations.

M. OVERLAP OF COVERAGE

In the event of a dispute between the Pool and one or more insurers as to which policy or coverage agreement applies to a covered loss under a first party policy, the Pool shall indemnify the "member" for any legal or other expenses which are necessarily incurred by the "member" in determining whether the Pool or the insurer(s) shall bear the loss. Indemnification shall be made only if it is determined that payment of the loss shall be made under any first party coverage issued by the Pool to the Member. If the loss is shared by the Pool and one or

more insurers, indemnification shall be made in the same proportion as the loss payment. The "member" and the Pool shall cooperate in the development and execution of reasonable procedures to resolve the dispute.

N. NUCLEAR HAZARD

With respect to any coverage, the Pool does not intend to cover and will not pay any loss or claim for damages that is caused in part or in total by nuclear reaction or radiation, or radioactive contamination, however caused.

O. DEFINITIONS

"Agreement" refers to the current Arizona Municipal Risk Retention Pool Membership Agreement and any of its amendments.

"Member" is any one individual or entity who qualifies as a member under each specific coverage agreement.

"Named Member" is the city, town or other governmental body or entity identified as the "Named Member" in each Declaration. "You" also means the "Named Member".

"Property and Liability Coverage Agreement" means all coverage agreements and forms which define the terms and conditions of coverage for which a premium was paid.

"We" or "Us" mean the Arizona Municipal Risk Retention Pool.

Refer to the coverage agreements and forms for definitions of other words with special meanings used in this Common Conditions part.



Agreement # 2000169-1
Replaces Agreement # AM40172016

THIS DECLARATIONS PAGE AND THE ATTACHED MUNICIPAL LIABILITY COVERAGE AGREEMENT COMPLETE THIS COVERAGE PART.

IN RETURN FOR THE PAYMENT OF MEMBERSHIP FEES, THE POOL AGREES TO PROVIDE THE MEMBER WITH THE FOLLOWING COVERAGES FOR WHICH A MEMBERSHIP FEE IS SHOWN, SUBJECT TO ALL THE TERMS AND CONDITIONS OF THE POOL'S INTERGOVERNMENTAL AGREEMENT AND THE APPLICABLE COVERAGE AGREEMENTS AND ENDORSEMENTS:

Item 1. "Named Member" and Principal Address:

San Luis, City Of
PO Box 1170
San Luis, AZ 85349

Item 2. This Policy takes effect at 12:01 A.M., 07/01/2017, and expires at 12:01 A.M., 07/01/2018.

These effective and expiration times are based upon the local times at the principal address of the "Named Member" stated in Item 1 above.

Item 3.

SCHEDULE

Description	Limit of Liability	
General Aggregate	\$ 6,000,000	
Products-Completed Operations	\$ 2,000,000	Aggregate
General Liability	\$ 2,000,000	Each Claim-Occurrence/Offense
Municipal Management Practices Liability	\$ 2,000,000	Each Claim Wrongful Act
Medical Payments	\$ 25,000	Each "Occurrence"
	\$ 5,000	Each Person
Back Wages	\$ 50,000	Aggregate
	\$ 25,000	Each Claim
Fire Damages	\$ 300,000	Any One Premises
Land Use Liability	\$ 1,000,000	Aggregate
	\$ 1,000,000	Each Claim
Organic Pathogens	\$ 100,000	Aggregate
	\$ 25,000	Each Claim
Pollution Liability	\$ 100,000	Each Event
	\$ 25,000	Each Claimant
Data Security Breach	\$ 1,000,000	Aggregate
	\$ 1,000,000	Each Claim

[NOTE: Other limits may be found in the Additional Coverages Section.]

Item 4. Deductibles

Aggregate Deductible	\$ Nil
Each Claim-Wrongful Act	\$ 5,000
Each Claim-Occurrence/Offense	\$ 5,000

Item 5. Endorsements:

AZMLS (07/16)	AZMLC (05/17)	AZMLE1 (07/16)	AZMLE5 (07/16)
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Item 6. "Retroactive Date": 08/01/1986



**ARIZONA MUNICIPAL RISK RETENTION POOL
MUNICIPAL LIABILITY COVERAGE AGREEMENT
LIABILITY SCHEDULE**

Coverage Agreement Number: 2000169-1
 Member: San Luis, City Of
 Rating Period From: 07/01/2017 12:01 AM at the Mailing Address on the Common Declarations
 To: 07/01/2018

SCHEDULE OF OPERATIONS

<u>Description Of Operation</u>	<u>Exposure Basis</u>	<u>Estimated Exposure</u>
Premises/Operations:		
Operating Expenditures	Expenditures	11,661,765
Waterworks (Payroll)	Payroll	411,770
Streets	Miles	39
Rec Centers	Square Feet	7,672
Skateboard Parks	Each	2
Swimming Pool	Each	1
E&O	Expenditures	46,030,305
Employment Benefits Liability	Number of Full-Time Employees	221
Attorney	Staff Attorneys	1
Independent Contractors:		
Independent Contractors	Payroll	3,000,000
Products/Completed Operations:		
Waterworks (Gallons)	Gallons	10,230,000,000

The Municipal Liability membership fee includes charges for all Operations with Estimated Exposures.

Explanation of Exposure Basis:

"Expenditures" means total expenditures used to operate the municipality, excluding:

- . Capital purchases where the individual project or item exceeds 5% of the Member's total operation expenditures;
- . Expenditures for independent contractors providing certificates of insurance with adequate limits;
- . Welfare benefits; and
- . Expenditures for exposures that are separately rated.

"Payroll" means the entire remuneration (including overtime) earned during the "rating period" by the employees in this department

"Miles" means the total linear miles of paved and unpaved streets within the Member's territorial limits, not including toll roads or bridges, which are owned by the Member.

"Area" means area in square feet.

"Each" means per unit.

"Receipts" means the gross amount of money (including taxes) charged by the Member for this operation. This does not include taxes which are collected separately and remitted directly to this or any other governmental entity.

"Cost" means the total cost of operations performed by independent contractors for the Member during the "rating period", including the cost of labor, materials and equipment furnished, and all fees or commission made, whether paid or due.

"Gallons" means annual usage of water, in gallons.



ARIZONA MUNICIPAL RISK RETENTION POOL MUNICIPAL LIABILITY COVERAGE AGREEMENT

NOTICE

THIS COVERAGE AGREEMENT IS ISSUED BY ARIZONA MUNICIPAL RISK RETENTION POOL ("POOL"). THIS AGREEMENT PROVIDES COVERAGE ON A CLAIMS MADE AND REPORTED BASIS. EACH OF THE COVERAGE AGREEMENTS INCLUDES SPECIAL REQUIREMENTS FOR PROVIDING WRITTEN NOTICE TO THE POOL. THIS COVERAGE AGREEMENT PROVIDES GENERAL LIABILITY AND MUNICIPAL MANAGEMENT PRACTICES LIABILITY COVERAGE ONLY FOR DAMAGES AWARDED AGAINST A MEMBER AS A RESULT OF A CLAIM FIRST MADE AGAINST A MEMBER AND REPORTED TO THE POOL IN WRITING DURING THE RATING PERIOD OR AN EXTENDED REPORTING PERIOD.

PLEASE READ THIS COVERAGE AGREEMENT CAREFULLY. ALL TERMS IN QUOTES HAVE A SPECIAL MEANING FOUND UNDER **SECTION VII, DEFINITIONS** OR IN THE **COMMON CONDITIONS**.

IN CONSIDERATION OF THE PAYMENT OF THE PREMIUM SHOWN IN THE DECLARATIONS AND IN RELIANCE ON ALL OF THE STATEMENTS AND REPRESENTATIONS MADE DURING THE APPLICATION PROCESS TO THE POOL, AND SUBJECT TO ALL THE TERMS, CONDITIONS AND LIMITS OF THIS COVERAGE AGREEMENT, THE POOL AGREES AS FOLLOWS:

SECTION I - COVERAGE AGREEMENTS

A. GENERAL LIABILITY COVERAGE AGREEMENT

1. The Pool will pay "damages" the "member" is legally obligated to pay for "bodily injury", "property damage" or "personal and advertising injury". This Coverage Agreement only applies if:
 - a. prior to the effective date of this policy, no "member" knew that the "claim" for "bodily injury", "property damage" or "personal and advertising injury" was reasonably likely to be made;
 - b. the "bodily injury" or "property damage" is caused by an "occurrence" which happened after the "retroactive date";
 - c. the "claim" is first made against any "member" during the "rating period", and the "claim" is reported to the Pool in writing during the "rating period" or any applicable extended reporting period; and
 - d. the "bodily injury" or "property damage" is first sustained or the "personal and advertising injury" is first committed after the "retroactive date" and prior to the end of the "rating period" in the "coverage territory".
2. The Pool has the right and duty to defend the "member" against any "suit" seeking covered "damages". The Pool may, at the Pool's discretion, investigate any "claim" and settle any "claim" or "suit."
3. The Pool has no obligation to pay "damages", defend any "member" or incur any expense after the applicable limit of liability shown in the Declarations has been paid.

B. MUNICIPAL MANAGEMENT PRACTICES LIABILITY COVERAGE AGREEMENT

1. The Pool will pay "damages" the "member" is legally obligated to pay for a "wrongful act". This Coverage Agreement only applies if:

- a. prior to the effective date of this policy, no "member" knew that the "claim" resulting from a "wrongful act" was reasonably likely to be made;
 - b. the "wrongful act" happened after the "retroactive date";
 - c. the "claim" is first made against any "member" during the "rating period", and the "claim" is reported to the Pool in writing during the "rating period" or any applicable extended reporting period; and
 - d. the "wrongful act" is first committed after the "retroactive date" and prior to the end of the "rating period" in the "coverage territory".
2. The Pool has the right and duty to defend the "member" against any "suit" seeking covered "damages". The Pool may, at the Pool's discretion, investigate any "claim" and settle any "claim" or "suit."
 3. The Pool has no obligation to pay "damages", defend any "member" or incur any expense after the applicable limit of liability shown in of the Declarations has been paid.

Damages attributable to "bodily injury", "property damage" or "personal and advertising injury" will be covered by this policy only to the extent they fall within the coverage provided by Coverage Agreement A.

SECTION II - COVERED EXPENSES AND COSTS

A. FOR ANY "CLAIM" THE POOL INVESTIGATES OR SETTLES OR ANY "SUIT" THE POOL DEFENDS, THE POOL WILL PAY:

1. "Loss adjustment expense" the Pool incurs, subject to the "loss adjustment expense" limitations in this section and other "member" obligations contained in this Policy.
2. The cost of bonds to release attachments, but only for bond amounts within the applicable Limit Of Liability. The Pool does not have to furnish these bonds.
3. All reasonable expenses incurred by a "member" at the Pool's request to assist in the investigation or defense of the "claim" or "suit", including actual loss of earnings up to \$100 a day because of time off from work.
4. All costs, other than attorney's fees, taxed against the "member" in the "suit".
5. Prejudgment interest awarded against the "member" on that part of the judgment the Pool pays. If the Pool makes an offer to pay the applicable Limit Of Liability, the Pool will not pay any prejudgment interest incurred that accrued after the offer.
6. All interest on the full amount of any judgment that accrues after entry of the judgment and before the Pool has paid, offered to pay, or deposited in court the part of the judgment that is within the applicable Limit of Liability.

These payments will not reduce the Limits Of Liability unless otherwise noted in the Limits of Liability section.

B. FOR ANY "DECLARATORY RELIEF CLAIM" OR "INJUNCTIVE RELIEF CLAIM" THAT IS NOT BROUGHT WITH A "CLAIM" FOR "DAMAGES" THE POOL WILL PAY:

1. 50% of the first \$25,000 of "loss adjustment expense"; and
2. 25% of the next \$25,000 of "loss adjustment expense".
3. The "Named Member" shall pay all "loss adjustment expense" in excess of \$50,000.

- a. The Pool may pay any part or all of the "loss adjustment expense" amount to effect settlement of any "claim" or "suit". The "Named Member" shall promptly reimburse the Pool for its share of "loss adjustment expense".
- b. The most the Pool will pay for all "loss adjustment expense" arising out of "injunctive relief claims" and "declaratory relief claims" made during the "rating period" is \$100,000.

SECTION III - EXCLUSIONS

This Policy does not apply to:

A. AIRCRAFT, DRONE OR WATERCRAFT

"Damages" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, drone or watercraft owned or operated by or rented or loaned to any "member". Use includes operation and "loading or unloading".

This Exclusion does not apply to:

1. A watercraft while ashore on premises the "member" owns or rents;
2. A watercraft that is:
 - a. Less than 26 feet long; and
 - b. Not being used to carry persons or property for a charge;

B. AUTO

"Damages" arising out of the ownership, maintenance, use or entrustment to others of any "auto," owned or operated by or rented or loaned to any "member." use includes operation and "loading or unloading."

This exclusion does not apply to

1. Parking an "auto" on, or on the ways next to, premises the "member" owns or rents, provided the "auto" is not owned by or rented or loaned to any "member".
2. "Bodily injury" or "property damage" caused by the "Named Member's" work servicing or repairing vehicles provided the damage occurs off the "Named Member's" premises and when no "member" had care, custody or control of the vehicle.
3. "Damages" sustained by a suspect arising from lawful and official law enforcement operations conducted in pursuit of that suspect.

C. ASBESTOS

"Damages" arising directly or indirectly out of, resulting from, caused by or contributed to by:

1. The use, sale, installation, removal, abatement, distribution, or containment of or exposure to asbestos, asbestos products, asbestos-containing material, asbestos fibers, or asbestos dust;
2. The actual or threatened abatement, mitigation, removal or disposal of asbestos, asbestos products, asbestos-containing material, asbestos fibers, or asbestos dust;
3. Any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with (1) or (2) above; or
4. Any obligation of the "member" to indemnify any party in connection with (1), (2) or (3) above.

D. BREACH OF CONTRACT

"Damages" arising out of any breach of an express or implied contract or warranty including, but not limited to, any "claim" for amounts due under the terms of any contractual obligation. This exclusion does not apply to liability the "member" would have in the absence of the contract.

E. CONTRACTUAL LIABILITY

"Damages" which a "member" is obligated to pay by reason of the assumption of liability in a contract. This Exclusion does not apply to liability for "damages":

1. That the "member" would have in the absence of the contract; or
2. Assumed by a "member" in a "covered contract", provided the "wrongful act" or "occurrence" giving rise to the "damages" occurs subsequent to the execution of the contract.

F. DAMAGE TO IMPAIRED PROPERTY OR PROPERTY NOT PHYSICALLY INJURED

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

1. A defect, deficiency, inadequacy or dangerous condition in "the Member's product" or "the Member's work"; or
2. A delay or failure by the "member" or anyone acting on the "member's" behalf to perform a contract or agreement in accordance with its terms.

This Exclusion does not apply to the loss of use of other property arising out of the sudden and accidental physical injury to "the Member's product" or "the Member's work" after it has been put to its intended use.

G. DAMAGE TO PROPERTY

"Property damage" to:

1. Property the "member" owns, rents, or occupies, including any costs or expenses incurred by the "member", or by any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
2. Premises the "member" sells, gives away or abandons, if the "property damage" arises out of any part of those premises;
3. Property loaned to a "member";
4. Personal property in the care, custody or control of a "member";
5. That particular part of real property on which the "member" or any contractors or subcontractors working directly or indirectly on the "member's" behalf are performing operations, if the "property damage" arises out of those operations; or
6. That particular part of any property that must be restored, repaired or replaced because "the member's work" was incorrectly performed on it.

Paragraph (b) of this Exclusion does not apply if the premises are "the member's work" and were never occupied, rented or held for rental by the "member".

Paragraphs (c), (d), (e) and (f) of this Exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (f) of this Exclusion does not apply to "property damage" included in the "products-completed operations hazard".

H. DAMAGE TO THE MEMBER'S PRODUCT

"Property damage" to "the Member's product" arising out of it or any part of it.

I. DAMAGE TO THE MEMBER'S WORK

"Property damage" to "the Member's work" arising out of it or any part of it.

J. DATA BREACH

"Damages" arising out of any access to, maintenance or disclosure of any person's or organization's non-public information or data.

K. DISHONEST, FRAUDULENT, CRIMINAL OR MALICIOUS ACTS

"Damages" arising out of:

1. Any dishonest, fraudulent, criminal, knowingly wrongful or malicious act, error or omission, committed by the "member", including the willful or reckless violation of any statute or ordinance; or
2. Any criminal proceedings or any proceedings under any open meeting law against any "member."

L. EMPLOYER'S LIABILITY

"Bodily injury" to:

1. An "employee" of a "member" arising out of and in the course of:
 - a. Employment by the "member"; or
 - b. Performing duties related to the "member's" municipal activities; or
2. The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (a) above.

This Exclusion applies:

1. Whether the "member" may be liable as an employer or in any other capacity; and
2. To any obligation to share "damages" with or repay someone else who must pay "damages" because of the injury.

This Exclusion does not apply to liability assumed by the "member" under a "covered contract".

M. EMPLOYEE WAGES OR BENEFITS

"Damages" that are:

1. Claimed increases in wages or benefits; or
2. Fringe benefits, educational expenses, overtime or similar payments arising out of an "employment-related practices claim".

N. EMPLOYMENT RELATED LAWS

"Damages" arising out of an obligation imposed by or an alleged violation of:

1. any workers' compensation law;
2. any occupational disease law;
3. any unemployment compensation law;
4. any social security or disability benefits law;
5. the Employee Retirement Income Security Act;
6. the U.S. Longshoreman and Harbor Workers' Act;
7. the Federal Employers' Liability Act;
8. the Jones Act;
9. the Fair Labor Standards Act; or
10. the Migrant & Seasonal Agricultural Worker Protection Act.

O. EXPECTED OR INTENDED DAMAGES

Under the coverage provided under the General Liability Coverage Agreement in paragraph A above, any "damages" expected or intended from the standpoint of the "member". This exclusion does not apply to "bodily injury" or "property damage" that is the direct result of an act that the "member" believes to be necessary to safeguard or preserve or protect person or property.

Under the coverage provided under the Municipal Management Practices Liability in paragraph B above, "damages" arising out of a "wrongful act" the "member" knew or reasonably should have known to be wrongful at the time the act was committed. This exclusion does not apply to a "Member" for negligence in training, hiring or supervising an employee or agent.

P. FIDUCIARY LIABILITY

"Damages" arising out of any "wrongful act" committed by any "member" in a fiduciary capacity

Q. GENERAL LIABILITY

"Damages" for "bodily injury", "property damage" or "personal and advertising injury" are not covered by Municipal Management Practices Liability Coverage Agreement in paragraph B above. "Damages" for "bodily injury", "property damage" or "personal and advertising injury" will be covered only to the extent they fall within the coverage provided under the General Liability Coverage Agreement in paragraph A above. This exclusion does not apply if the "bodily injury", "property damage" or "personal and advertising injury" is sustained in the course of lawful and official law enforcement operations. In that case, those "damages" will only be covered under the Municipal Management Practices Liability Coverage Agreement.

R. INADEQUACY OF PERFORMANCE OF INVESTMENT/ADVICE

"Damages" arising out of:

1. Failure of any investment to perform;
2. Errors in providing information on past performance of investment vehicles;

3. Advice given to any person with respect to that person's decision to participate or not to participate in any plan included in the "employee benefit program"; or
4. The investment of or failure to invest funds.

S. INSUFFICIENCY OF FUNDS

"Damages" arising out of an insufficiency of funds to meet any obligations under any plan included in the "employee benefit program".

T. INSURANCE AND BONDS

"Damages" arising out of the purchase of or failure to purchase or maintain any insurance, other risk transfer agreement or bonds, including notary bonds.

U. INTELLECTUAL PROPERTY

"Damages" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights.

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

V. LAND USE

"Damages" arising out of

1. any taking, annexation, condemnation, inverse condemnation, adverse possession, or dedication by adverse use of land or property, whether or not as a result of the denial of substantive or procedural due process or both.
2. actual or alleged physical occupation, invasion, or use of property by the Member;
3. Reduction or invalidation of special assessment; or
4. actual or alleged negligent inspection or enforcement of any building, plumbing, electrical, fire or similar codes.

W. LEAD

"Damages" arising directly or indirectly out of, resulting from, caused by or contributed to by:

1. The toxic or pathological properties of lead, lead compounds or lead contained in any materials;
2. The actual or threatened abatement, mitigation, removal or disposal of lead, lead compounds or materials containing lead;
3. Any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with (1) or (2) above; or
4. Any obligation of the "member" to indemnify any party in connection with (1), (2) or (3) above.

X. LIQUOR LIABILITY

"Damages" for which any Covered Entity may be held liable by reason of:

1. Causing or contributing to the intoxication of any person;

2. The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
3. Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.
4. This Exclusion applies only if the Covered Entity:
5. Is in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages; or
6. Serves or furnishes alcoholic beverages without a charge if a license is required for such activities. For the purposes of this provision, license does not mean a consumption and display permit.

Y. MATERIAL PUBLISHED WITH KNOWLEDGE OF FALSITY

"Personal and advertising injury" arising out of oral or written publication of material, if done by or at the direction of the "member" with knowledge of its falsity.

Z. MATERIAL PUBLISHED PRIOR TO RATING PERIOD

"Personal and advertising injury" arising out of oral or written publication of material whose first publication took place before the beginning of the "rating period".

AA. MOBILE EQUIPMENT

"Damages" arising out of the transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any "member".

BB. MUNICIPAL ACTIVITIES, SERVICES AND FACILITIES

1. "Damages" arising out of:
 - a. The complete or partial failure to adequately supply gas, oil, water, electricity or steam;
 - b. The failure or bursting of any dam, dike, levee or canal;
 - c. The detention or confinement of any person or persons in any jail, holding cell or similar detention facility if the "wrongful act" resulting in such "damages" occurs after a continuous detention or confinement period of 30 days, or in any detention facility which is intended and regularly used for confinement of persons for periods in excess of 30 days;
 - d. The ownership, operation, maintenance or use of any landfill or dump; or
2. "Damages" arising out of the ownership, operation, maintenance or use of any:
 - a. Airport; or
 - b. Hospital, nursing home or medical clinic.
3. Exclusion 1.a. does not apply if the failure to supply results from the sudden or accidental injury to tangible property owned or used by the "member".

Subject to above 3 above the "Failure to Supply" limit is \$1,000,000 per Claim / \$1,000,000 Aggregate and is the most the pool will pay for the sum of "damages" and "loss adjustment expense" arising out of all "failure to supply claims" made during the rating period.

CC. OTHER THAN MONEY DAMAGES

Any loss, cost or expense arising out of any judgment for declaratory relief or injunctive relief.

DD. POLLUTION

1. "Damages" for which a "member" would not have been liable in whole or in part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.
2. Any loss, cost or expense arising out of any:
 - a. Request, demand, order or statutory or regulatory requirement that any "member" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
 - b. "Claim" or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".
3. This Exclusion does not apply to "damages" arising out of the use of insecticide applied for pest control, provided the use of the product was in compliance with the law.

EE. PRIOR KNOWLEDGE

"Damages" arising out of any "wrongful act" or "occurrence" that any "member" knew or reasonably should have known, prior to the effective date of this Coverage Agreement, was likely to result in a "claim".

FF. PRIOR ACTS

"Damages" arising out of any "wrongful act" or "occurrence" committed before the "retroactive date" of this Coverage Agreement.

GG. PROFESSIONAL SERVICES

"Damages" arising out of the rendering of or failure to render professional services by any professional listed below:

1. Attorney; but this Exclusion does not apply to a staff attorney employed full-time by the "member";
2. Architect;
3. Doctor of Medicine;
4. Dentist;
5. Nurse, except with respect to activities in the capacity of an emergency medical technician or first responder;
6. Pharmacist; or
7. Emergency Medical Technicians and First Responders, except with respect to activities while responding to emergencies.

HH. QUALITY OR PERFORMANCE OF GOODS - FAILURE TO CONFORM TO STATEMENTS

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in an "advertisement".

II. RECALL OF PRODUCTS, WORK OR IMPAIRED PROPERTY

"Damages" claimed for any loss, cost or expense incurred by the "member" or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

1. "The Member's product";
2. "The Member's work"; or
3. "Impaired property"

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

JJ. SECURITIES CLAIMS

"Damages" arising out of any "Securities Claim".

KK. SILICA

"Damages" arising out of an exposure to or the existence of "silica".

LL. SOVEREIGN IMMUNITY

The Pool has no obligation to pay "damages" that the "member" would not be obligated to pay under applicable governmental or sovereign immunity law if this Coverage Agreement had not been obtained. The existence of this Coverage Agreement does not constitute a waiver of any statutory immunity or limitation on the amount of "damages" that can be awarded against a "member".

MM. SPECIAL EVENTS

"Damages" arising out of a "member's" ownership, sponsorship, maintenance or operation of any:

1. Mechanically operated amusement devices;
2. "Mobile equipment", "auto", snowmobile, motorcycle or other item in or while being prepared for any racing, pulling, pushing, speed, demolition or stunting activity;
3. Rodeos;
4. Fireworks displays or exhibitions;
5. Ski facility;
6. Climbing wall;
7. Trampoline or rebound device; or
8. Skateboard facility or skateboard activity.

This Coverage Agreement also does not apply to any "damages" arising out of the cancellation of any event.

NN. TAXATION

"Damages" arising out of the assessment, adjustment, collection or refunding of taxes.

OO. VOLUNTEER WORKERS

"Damages" as a result of "bodily injury" or "personal and advertising injury" to:

1. Any "volunteer worker" while acting on behalf of the "member"; or
2. The spouse, child, parent, brother or sister of that "volunteer worker" as a consequence of Paragraph (a) above

if the "volunteer worker" is:

3. An employee within the meaning of a Workers' Compensation law or similar law, or
4. Covered under a Voluntary Compensation endorsement to a Workers' Compensation coverage agreement or insurance policy.

PP. STORAGE TANKS

"Damages" arising out of the presence, ownership or use of any "storage tank".

QQ. WAR AND MILITARY ACTION

"Damages" due to:

1. War, including undeclared or civil war;
2. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
3. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

RR. WRONG DESCRIPTION OF PRICES

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in an "advertisement".

SECTION IV - LIMITS OF LIABILITY AND DEDUCTIBLES

A. LIMITS OF LIABILITY

1. The Limits Of Liability shown in the Declarations and the rules below fix the most the Pool will pay regardless of the number of:
 - a. "Members" involved;
 - b. "Claims" made or "suits" brought;
 - c. Persons or organizations making "claims" or bringing "suits"; or
 - d. A "claim" and its "related claims" share one applicable limit.
2. For any "claim" or "suit" seeking "damages" for which coverage is provided by both Coverage Agreement A and Coverage Agreement B, only one Limit of Liability will apply. The "Named Member" is entitled to choose which Limit will apply.
3. Each sublimit stated below applies as part of, and not in addition to, any overall applicable coverage limit. Each sublimit is the maximum limit amount potentially recoverable for all "damages" arising from or relating to that particular "claim" or "suit."

4. The General Aggregate Limit is the most the Pool will pay for the sum of all "damages" and medical expenses covered by this Coverage Agreement. If "loss adjustment expenses" erode a particular limit, those expenses are also subject to this aggregate limit.
5. The Products-Completed Operations Aggregate Limit is the most the Pool will pay under Coverage A – General Liability for "damages" because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
6. Subject to 5. above, the Each Claim-Occurrence/Offense Limit is the most the Pool will pay for "damages" under Coverage A – General Liability arising out of any one "occurrence" or offense.
7. The Each Claim-Wrongful Act Limit is the most the Pool will pay for "damages" under Coverage B. – Municipal Management Practice Liability arising out of any one "wrongful act".
8. The Medical Payments Each Accident Limit is the most the Pool will pay for all medical expenses because of "bodily injury" sustained in any one "occurrence".
9. The Medical Payments Each Person Limit is the most the Pool will pay for all medical expenses because of "bodily injury" sustained by any one person in any one "occurrence".
10. Sublimit-Back Wages
 - a. The "Back Wages" Aggregate Limit is the most the Pool will pay for the sum of "damages" and "loss adjustment expense" arising out of all "employment-related practices claims" and "suits" seeking "back wages" made during the "rating period".
 - b. Subject to a. above, the Back Wages Each Claim Limit is the most the Pool will pay for the sum of "damages" and "loss adjustment expense" arising out of any one "employment-related practices claim" seeking "back wages" made during the "rating period".
 - c. Subject to b. above, payment for past or back wages is limited to the claimant's regular salary for the twelve month period immediately preceding the "wrongful act" without adjustment for actual or possible overtime, incentive pay, or promotional or merit increases. Regular salary includes on-call wages.
11. Sublimit-Fire Damage

Exclusions E. and F do not apply to damage by fire to premises while rented to the "Named Member" or temporarily occupied by the "Named Member" with permission of the owner, but the Fire Damage Limit is the most the Pool will pay for "damages" for "property damage" by fire to any one premises.
12. Land Use
 - a. The Land Use Liability Aggregate Limit is the most the Pool will pay for the sum of "damages" and "loss adjustment expense" arising out of all "land use liability claims" made during the "rating period".
 - b. Subject to a. above, the Land Use Liability Each Claim Limit is the most the Pool will pay for the sum of "damages" and "loss adjustment expense" arising out of any one "land use liability claim" made during the "rating period".
 - c. The Pool shall be reimbursed by the "member" for 20% of the "damages" and "loss adjustment expense" paid under 12 a & b above.
13. Sublimit-Organic Pathogens

- a. The Organic Pathogen Aggregate Limit is the most the Pool will pay for the sum of "damages" and "loss adjustment expense" arising out of all "organic pathogen claims" made during the "rating period".
- b. Subject to a. above, the Organic Pathogen Each Claim Limit is the most the Pool will pay for the sum of "damages" and "loss adjustment expense" arising out of any one "organic pathogen claim" made during the "rating period".

14. Sublimit-Pollution Liability

Paragraph (1) of Exclusion CC – Pollution does not apply to "damages" arising out of a "Sudden Pollution Event".

- a. The Pollution Liability Each Event Limit is the most the Pool will pay for the sum of "damages" and "loss adjustment expense" arising out of any one "Sudden Pollution Event".
- b. Subject to a. above, the Pollution Liability Each Claimant Limit is the most the Pool will pay for the sum of "damages" and "loss adjustment expense" arising out of all injury or damage sustained by any one person or organization in any one "Sudden Pollution Event".

15. Sublimit-Data Security Breach

Exclusion J does not apply to "damages" arising out of a "data security breach".

- a. The Data Security Breach Aggregate Limit is the most the Pool will pay for the sum of "damages" and "loss adjustment expense" arising out of all "data security breaches".
- b. Subject to a. above, the Data Security Breach Each Claim is the most the Pool will pay for the sum of "damages" and "loss adjustment expense" arising out of any one "claim" alleging a "data security breach".

16. The Limits Of Liability apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the "rating period" shown in the Declarations, unless the "rating period" is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits Of Liability.

B. DEDUCTIBLES

1. The Pool's obligation to pay "damages" on a "member's" behalf applies only to the amount of "damages" in excess of any Deductible amount stated in the Declarations.
2. The Aggregate Deductible amount applies to all "damages" arising out of "claims" made during the "rating period".
3. Subject to Paragraph 2. above, the Each Claim-Wrongful Act and Each Claim-Occurrence/Offense Deductible amount applies to all "damages" as the result of any one "wrongful act", "occurrence" or offense, regardless of the number of persons or organizations who sustain "damages".
4. The Pool may pay any part or all of the Deductible amount to effect settlement of any "claim" or "suit". The "member" shall promptly reimburse the Pool for such part of the Deductible amount as has been paid by the Pool.
5. The Member is not obligated to pay a deductible for any "land use liability claim", "organic pathogens claim", "back wages", or claim arising out of a "Sudden Pollution Event".

SECTION V - MEMBERS

A. INDIVIDUALS AND ORGANIZATIONS THAT QUALIFY AS MEMBERS

1. The city, town or other governmental body or entity identified as the "Named Member" in the Declarations.

Unless specifically identified by endorsement, "member" does not include:

- a. A gas, airport, electrical, or steam utilities commission;
 - b. A port authority, housing and redevelopment authority, economic development authority, area or municipal redevelopment authority, or similar agency;
 - c. A municipal power agency or municipal gas agency;
 - d. A hospital or nursing home board or commission;
 - e. A welfare or public relief agency;
 - f. A school board; or
 - g. A "joint venture", except as provided in Paragraph 2.c.(2) below.
2. Each of the following is also a "member" for liability while acting within the scope of their duties in the positions described:
 - a. Any of the "Named Member's" elected or appointed officials;
 - b. Any person serving on the "Named Member's" council;
 - c. Any "employee" of the "Named Member", while acting within the course and scope of their duties on behalf of:
 - (1) The "Named Member"; or
 - (2) Another governmental entity pursuant to a mutual aid agreement;
 - d. Any person on a "Named Member's" board, commission, agency or committee that is not excluded under Paragraph 1. above;
 - e. Any "volunteer worker" or volunteer organization only while acting on behalf of the "Named Member" and subject to the "Named Member's" direction and control;
 - f. Any "Named Member" relief association and its officers and "employees"; and
 - g. Any other authorized person or agent of the "Named Member" while acting on behalf of the "Named Member", including the "Named Member's" "leased workers".

This provision does not include independent contractors.
 3. No person or organization described under Paragraph 2. is a "member" with respect to any "claim" or "suit" against that person or organization by any other "member".

SECTION VI - ADDITIONAL COVERAGES

A. MEDICAL PAYMENTS

1. The Pool will pay the medical expenses identified below resulting from "bodily injury" caused by an "occurrence" on the "covered premises", provided that:

- a. The "bodily injury" arises out of a condition in or on the "covered premises";
 - b. The "occurrence" takes place during the "rating period";
 - c. The expenses are incurred and reported to the Pool within one year of the date of the accident; and
 - d. The injured person submits to examination, at the Pool's expense, by physicians of the Pool's choice as often as the Pool reasonably requires.
2. The Pool will make these payments regardless of fault.
 3. The Pool will pay reasonable expenses for:
 - a. First aid administered at the time of an accident;
 - b. Necessary medical, surgical, x-ray and dental services, including prosthetic devices;
 - c. Necessary ambulance, hospital, professional nursing and funeral services; and
 - d. Replacement or repair of damaged eyeglasses or clothing.

4. Exclusions

The Pool will not pay expenses for "bodily injury":

- a. Any "member"
To any "member".
- b. Hired Person
To a person hired to do work for or on behalf of any "member" or a tenant of any "member".
- c. Injury On Normally Occupied Premises
To a person injured on that part of premises the "member" owns or rents that the person normally occupies.
- d. Workers Compensation And Similar Laws
To a person, whether or not an "employee" of any "member", if benefits are payable or must be provided under a workers' compensation or disability benefits law or a similar law.
- e. Athletic Activities
To a person injured while practicing, instructing, training for or taking part in athletics, whether on an organized or non-organized basis.
- f. Products-Completed Operations Hazard
Included within the "products-completed operations hazard".
- g. Liability Exclusions
Excluded under Coverages A & B.

h. Independent Contractors

Arising out of operations performed for the "member" by an independent contractor.

i. Maintenance And Repair

To any person while engaged in:

(1) Maintenance and repair of the "covered premises"; or

(2) Alteration, demolition or new construction at such premises.

j. Member Or Guest

To a member or guest of any club, tourist court or trailer park operated or owned by the "member".

k. Snowmobiles

Arising out of the operation or use of any snowmobile or trailer designed for use therewith.

Exclusions a., c., i. and j. do not apply to a "volunteer worker" described in the definition of "covered premises".

5. As soon as practicable, but in no event later than the termination of the "rating period" or any applicable Extended Reporting Period, the injured person or someone on the injured person's behalf shall:

a. Give the Pool written proof of "claim", under oath if required, and

b. After each request from the Pool, execute authorization to enable the Pool to obtain copies of medical reports and records.

B. CRISIS INTERVENTION COVERAGE

1. The Pool will reimburse the "Named Member" for costs incurred by the "Named Member" to provide the following services:

a. On-premises mental health crisis and grief counseling, by a licensed counselor, for employees or officials of the "Named Member" in need of such services for a period of one week after a "Traumatic Work-Related Event" occurs;

b. A 24-hour, 7-day per week crisis hotline for a period of up to 3 months after a "Traumatic Work-Related Event" occurs;

c. Crisis follow-up and relapse prevention services, by a licensed counselor, for employees or officials of the "member" in need of such services for a period of up to 3 months after a "Traumatic Work-Related Event" occurs;

d. A media specialist to handle crisis-related external communications with electronic, print, television and radio media for up to one month after a "Traumatic Work-Related Event" occurs.

2. The Limit of this Additional Coverage for each "Traumatic Work-Related Event" is \$25,000. The annual aggregate limit of this Additional Coverage is \$25,000.

SECTION VII - DEFINITIONS

- A. "ADVERTISEMENT"** means a notice that is broadcast or published to the general public or specific market segments about goods, products or services for the purpose of attracting customers or supporters.
- B. "AUTO"** means:
1. A land motor vehicle, trailer or semi-trailer designed for travel on public roads; or
 2. An all-terrain vehicle licensed for road use;
- including any attached machinery or equipment. But "auto" does not include "mobile equipment".
- C. "BACK WAGES"** means the regular salary for the twelve month period immediately preceding the "wrongful act" without adjustment for actual or possible overtime, incentive pay, or promotional or merit increases. Regular salary includes on-call wages.
- D. "BODILY INJURY"** means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
- E. "CAFETERIA PLANS"** means any plan authorized by applicable law to allow employees to elect to pay for certain benefits with pre-tax dollars.
- F. "CLAIM"** means a written demand for money or services.
- G. "COVERAGE TERRITORY"** means:
1. The United States of America (including its territories and possessions) and Canada;
 2. International waters or airspace, but only if the "wrongful act", "occurrence" or offense occurs in the course of travel or transportation between any places included in 1 above; or
 3. All other parts of the world if the "claim" for "damages" arises out of:
 - a. Goods or products made or sold by the "member" in the territory described in 1 above; or
 - b. The activities of a person whose home is in the territory described in a. above, but is away for a short time on the "member's" business;provided a "member's" responsibility to pay "damages" is determined in a "suit" on the merits, in the territory described in 1 above or in a settlement the Pool agrees to.
- H. "COVERED CONTRACT"** means:
1. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to the "member" or temporarily occupied by the "member" with permission of the owner is not a "covered contract";
 2. A sidetrack agreement;
 3. Any easement or license agreement, including those for vehicle or pedestrian private railroad crossings at grade, but not including easements or license agreements in connection with construction or demolition operations on or within 500 feet of a railroad;
 4. An obligation, as required by ordinance, to indemnify a municipality;
 5. An elevator maintenance agreement;
 6. That part of any other contract or agreement pertaining to the "member's" municipal activities under which the "member" assumes the tort liability of another party to pay "damages" to a third person or

organization if the contract or agreement is made prior to the date of the "wrongful act" giving rise to claimed "damages". Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph 6 does not include that part of any contract or agreement:

- a. That indemnifies a railroad for "damages" arising out of construction or demolition operations within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
- b. That indemnifies an architect, engineer or surveyor for "damages" arising out of:
 - (1) Preparing, approving, or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings, designs and specifications; or
 - (2) Giving directions or instructions, or failing to give them, if that is the primary cause of the "damages"; or
- c. Under which the "member", if an architect, engineer or surveyor, assumes liability for "damages" arising out of the "member's" rendering or failure to render professional services.

I. "COVERED PREMISES" means:

All premises owned or rented to the "member"; and

1. The ways on land next to premises the "member" owns; or,
2. Any location in the "coverage territory" if the person making the "claim" is a "volunteer worker" who is:
 - a. Subject to the "member's" direction and control;
 - b. Injured while acting on behalf of the "member"; and
 - c. Not covered by the "member" for worker's compensation, disability, or medical benefits.

J. "DAMAGES" means money paid to another for injury.

"Damages" does not include:

1. Taxes, fines or penalties, including those imposed under the Internal Revenue Code or any similar state or local law;
2. Repayment of any tax or assessment that was wrongfully obtained, or any interest on such tax or assessment; or
3. Amounts paid or payable for the purchase or permanent acquisition of property or property rights, or for the right to permanently enforce an ordinance, regulation, or restriction on the use of property.

K. "DATA SECURITY BREACH" means the unauthorized acquisition of an individual's "personal information" maintained by a "Named Member" that compromises its confidentiality, integrity or security.

L. "DECLARATORY RELIEF CLAIM" means any "claim" arising out of a request for a court of competent jurisdiction to decide the rights and obligations of the parties pursuant to the state of Arizona or Federal statutes on declaratory relief.

M. "DISCRIMINATION" means violation of a person's civil rights with respect to such person's race, color, national origin, religion, gender, marital status, age, sexual orientation or preference, physical or mental condition, or any other protected class or characteristic established by any federal, state or local statutes, rules or regulations.

N. "EMPLOYEE" means any natural person:

1. While in the "Named Member's" service;
2. Who the "Named Member" compensates directly by salary, wages or commissions;
3. Who the "Named Member" has the right to direct and control while performing services for the "Named Member"; and
4. "Leased worker".

"Employee" does not mean or include any agent, independent contractor or representative acting in the same general capacity.

O. "EMPLOYEE BENEFIT PROGRAM" means a program providing some or all of the following benefits to "employees", whether provided through a "cafeteria plan" or otherwise:

1. Group life insurance; group accident or health insurance; dental, vision and hearing plans; and flexible spending accounts; provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to those "employees" who satisfy the plan's eligibility requirements;
2. Profit sharing plans, employee savings plans, employee stock ownership plans, pension plans and stock subscription plans, provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to all "employees" who are eligible under the plan for such benefits;
3. Unemployment insurance, social security benefits, workers' compensation and disability benefits; and
4. Vacation plans, including buy and sell programs; leave of absence programs, including military, maternity, family, and civil leave; tuition assistance plans; transportation and health club subsidies.

P. "EMPLOYMENT-RELATED PRACTICES CLAIM" means a "claim" or "suit" alleging:

1. Demotion or failure to promote, negative evaluation, reassignment or discipline of the "Named Member's" current "employee" or wrongful refusal to employ;
2. Wrongful termination, meaning the actual or constructive termination of an "employee":
 - a. In violation or breach of applicable law or public policy;
 - b. Which is determined to be in violation of a contract, other than any employment contract, which stipulates financial consideration is due as the result of a breach of the contract;
 - c. Wrongful denial of training, wrongful deprivation of career opportunity;
 - d. Negligent hiring or supervision which results in any of the other offenses listed in this definition;
 - e. Retaliatory action against an "employee" because the "employee" has:

- (1) Declined to perform an illegal or unethical act;
 - (2) Filed a complaint with a governmental authority or a "suit" against the "member" or any other "member" in which "damages" are claimed;
 - (3) Testified against the "member" or any other "member" at a legal proceeding; or
 - (4) Notified a proper authority of any aspect of the "member's" municipal activities which is illegal;
- f. Coercing an "employee" to commit an unlawful act or omission within the scope of that person's employment;
 - g. Work-related harassment;
 - h. Employment-related libel, slander, invasion of privacy, defamation or humiliation; or
 - i. Other work-related verbal, physical, mental or emotional abuse arising from "discrimination".

Any "claim" qualifying as an "employment-related practices claim" will be considered to be an "employment-related practices liability claim" in its entirety, regardless of whether the "claim" may assert other "claims" or "damages".

Q. "IMPAIRED PROPERTY" means tangible property, other than "the Member's product" or "the Member's work", that cannot be used or is less useful because:

- 1. It incorporates "the Member's product" or "the Member's work" that is known or thought to be defective, deficient, inadequate or dangerous; or
- 2. The "member" has failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by:

- 3. The repair, replacement, adjustment or removal of "the Member's product" or "the Member's work"; or
- 4. The "member's" fulfilling the terms of the contract or agreement.

R. "INJUNCTIVE RELIEF CLAIM" means any "claim" arising out of an injunction or request for an injunction:

- 1. Forbidding the "member" to do some act, which the "member" intends or is attempting to commit;
- 2. Restraining the "member" in the continuance of an act; or
- 3. Requiring the "member" to undertake requested action pursuant to the state of Arizona or Federal statutes on injunctive relief.

S. "JOINT VENTURE" means a joint powers agreement, intergovernmental agreement, mutual aid agreement, or any similar agreement, including any entity, corporation, association, partnership or other arrangement formed by that agreement.

T. "LAND USE LIABILITY CLAIM" means any "claim" directly relating to:

- 1. The enforcement or interpretation of a land use, zoning or subdivision ordinance or regulation; or
- 2. The "Named Member's" regulatory approval or disapproval of any development or redevelopment project.

Any "claim" qualifying as a "land use liability claim" under 1 or 2 above will be considered to be a "land use liability claim" in its entirety, regardless of whether the "claim" may assert other "claims" or "damages".

U. "LEASED WORKER" means a person leased to the "Named Member" by a labor leasing firm under an agreement between the "Named Member" and the labor leasing firm, to perform duties related to the conduct of the "Named Member's" municipal operations.

V. "LOADING OR UNLOADING" means the handling of property:

1. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
2. While it is in or on an aircraft, watercraft or "auto"; or
3. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

W. "LOSS ADJUSTMENT EXPENSE" means expenses incurred and allocated to any "claim" or "suit" for investigation, defense, and administration.

"Loss adjustment expense" does not include:

1. Salaries and expenses of employees of the Pool or the Pool's Administrator, other than that portion of the Pool's employed attorney's fees, salary and expenses allocated to a specific "claim" or "suit"; or
2. Salaries of the "Named Member's" "employees" or the "member's" office expenses.

X. "MEMBER" means anyone or any entity who qualifies under Section V.

Y. "MOBILE EQUIPMENT" means any of the following types of land vehicles, including any attached machinery or equipment:

1. Bulldozers, farm machinery, forklifts, all-terrain vehicles not licensed for road use, and other vehicles designed for use principally off public roads;
2. Street cleaning equipment not licensed for road use;
3. Vehicles that travel on crawler treads;
4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - a. Power cranes, shovels, loaders, diggers or drills; or
 - b. Road construction or resurfacing equipment such as graders, scrapers or rollers;
5. Vehicles not described in Paragraphs 1, 2, 3 or 4. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - a. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - b. Cherry pickers and similar devices used to raise or lower workers.

6. Vehicles not described in Paragraphs 1, 2, 3 or 4 above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- a. Street cleaning equipment, if licensed for road use;
- b. Equipment designed primarily for:
 - (1) Snow removal; or
 - (2) Road maintenance, but not construction or resurfacing;
- c. Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- d. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

Z. **"OCCURRENCE"** means an accident, including continuous or repeated exposure to substantially the same general harmful conditions. A series of "occurrences" related by cause, fact or service will be considered one "occurrence" deemed to have only occurred when the first "occurrence" in the series happened.

AA. **"ORGANIC PATHOGEN CLAIM"** means any "claim" or "suit" seeking "damages" arising from any bacterium, virus, fungus, mold or mildew, or any of their mycotoxins, spores, scents or other by-products. Any "claim" qualifying as a "organic pathogen claim" will be considered to be an "organic pathogens claim" in its entirety, regardless of whether the "claim" may assert other "claims" or "damages".

BB. **"PERSONAL AND ADVERTISING INJURY"** means injury arising out of the following offenses:

1. False arrest or imprisonment;
2. Malicious prosecution;
3. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy;
4. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
5. Oral or written publication, in any manner, of material that violates a person's right of privacy;
6. The use of another's advertising idea in the "Named Member's" "advertisement";
7. Infringing upon another's copyright, trade dress or slogan in the "Named Member's" "advertisement"; or
8. Assault or battery committed for the purpose of protecting persons or property or incident to an arrest.

For the offense of malicious prosecution, the injury is deemed to have been occurred and the offense committed only at the time the prosecution was initiated.

Any series of "personal and advertising injury" offenses related by cause, fact or service will be considered one "personal and advertising injury" offense deemed to only have been committed when the first "personal and advertising injury" offense was committed.

CC. "PERSONAL INFORMATION" means:

1. An individual's name or initials in combination with any one or more of the following data elements, when the data element is not encrypted:
 - a. The individual's social security number.
 - b. The individual's number on a driver license or identification license issued pursuant to applicable state law.
 - c. The individual's financial account information in combination with any required security code, access code or password.
2. "Personal information" does not mean any publicly available information.

DD. "POLLUTANTS" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

EE. "PRODUCTS-COMPLETED OPERATIONS HAZARD" includes all "bodily injury" and "property damage" occurring away from premises the "member" owns or rents and arising out of "the Member's product" or "the Member's work" except:

1. Products that are still in the "member's" physical possession; or
2. Work that has not yet been completed or abandoned. However, "the Member's work" will be deemed completed at the earliest of the following times:
 - a. When all of the work called for in the "member's" contract has been completed.
 - b. When all of the work to be done at the job site has been completed if the "member's" contract calls for work at more than one job site.
 - c. When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

FF. "PROPERTY DAMAGE" means:

1. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
2. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

Electronic data or information is not tangible property for purposes of this definition.

GG. "RATING PERIOD" means the Rating Period shown in the Declarations.

HH. "RELATED CLAIMS" means all claims that allege the same or related "wrongful acts", "occurrences" or offenses. A wrongful act, "occurrence" or offense is related if it is one of a series of events or shares a common cause, fact or service.

II. "RETROACTIVE DATE" means the date identified as such in the Declarations.

JJ. "SECURITIES CLAIM" means any "suit" or "claim" for any relief, including informal or formal investigations or enforcement actions brought by any Federal or State agency or office, and licensure or disciplinary proceedings instituted by any Federal or State agency or office, or instituted by the Financial Institution Regulatory Authority ("FINRA") and any similar industry regulatory authority performing the same or a similar function as FINRA, or international, national, or regional stock, commodities, or futures exchanges, arising out of any actual or alleged violation of:

1. The Securities Act of 1933;
2. The Securities Exchange Act of 1934;
3. The Public Utilities Holding Act of 1935;
4. The Trust Indenture Act of 1939;
5. The Investment Company act of 1940;
6. The Investment Advisors Act of 1940;
7. Any state Blue Sky Laws; including any rules, regulations or amendments issued in relation to the acts referenced in 1-6 above; or
8. Any common law claim arising out of or in any way concerning or related to:
 - a. The promotion, issuance, sale or solicitation for sale of securities, bonds, debentures, stocks, options, warrants, trusts, real estate, REIT, or any other investment of any kind by any "member"; or
 - b. Recommendations, representations, or opinions concerning investment advice given by any "member" or any person or organization referred to by any "member" in connection with the performance or nonperformance of any securities, bonds, debentures, stocks, options, warrants, trusts, real estate, REIT, or any other investment of any kind by any "member"; or
 - c. The provision or furnishing of, by any "member", any information, data, statistics, projections, or other written or oral communication subsequently used, in any manner whatsoever, by the other party in making any decisions regarding any securities, bonds, debentures, stocks, options, warrants, trusts, real estate, REIT, or any other investment of any kind; or
 - d. Any common law principles of liability, if made in connection with an actual or alleged violation of any law listed in a-g above.

"Securities Claim" includes claims arising out of the solicitation of, attempt to commit, or conspiracy to commit, any act described in the preceding paragraphs.

KK. "SILICA" means silicon dioxide (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds.

LL. "SUDDEN POLLUTION EVENT" means a discharge, dispersal, release or escape of "pollutants" which:

1. Begins during the "rating period";
2. Begins at an identified time and place;
3. Ends, in its entirety, at an identified time within 48 hours of the beginning of the discharge, dispersal, release or escape of the "pollutants";

4. Is not a repeat or resumption of a previous discharge, dispersal, release or escape of the same "pollutant" from essentially the same source within 12 months of a previous discharge, dispersal, release or escape; and
5. Does not originate from a "Storage Tank."

To be a "Sudden Pollution Event", the discharge, dispersal, release or escape of "pollutants" need not be continuous. However, if the discharge, dispersal, release or escape is not continuous, then each and all discharges, dispersals, releases or escapes of the same "pollutants" from essentially the same source, considered together, must satisfy this definition to be considered a Sudden Pollution Event.

The "member" must notify the Pool of the "Sudden Pollution Event" as soon as practicable, but no more than 14 days after its ending.

MM. "SUIT" means a civil proceeding in which covered "damages" are alleged. "Suit" includes:

1. An arbitration proceeding to which the "member" must submit or does submit with the Pool's consent; or
2. Any other alternative dispute resolution proceeding to which the "member" submits with the Pool's consent.

"Suit" does not mean any criminal proceeding against any "member" or any open meeting law proceeding.

NN. "THE MEMBER'S PRODUCT":

1. Means:
 - a. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (1) The "Named Member";
 - (2) Others trading under the "Named Member's" name; or
 - (3) A person or organization whose business or assets the "Named Member" has acquired; and
 - b. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
2. Includes:
 - a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "the Member's product"; and
 - b. The providing of or failure to provide warnings or instructions.
3. Does not include vending machines or other property rented to or located for the use of others but not sold.

OO. "THE MEMBER'S WORK":

1. Means:
 - a. Work or operations performed by the "Named Member" or on the "Named Member's" behalf; and

- b. Materials, parts or equipment furnished in connection with such work or operations.
- 2. Includes:
 - a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "the Member's work; and
 - b. The providing of or failure to provide warnings or instructions.

PP. "TRAUMATIC WORK-RELATED EVENT" is an unforeseen event that occurs at the premises described in the Declarations and results in loss of life or serious injury of a person while on those premises.

QQ. "STORAGE TANK" means any storage tank, including any attached pumps, valves or piping, either on or buried below the surface of the ground or water, or which, at any time, had been buried under the surface of the ground or water and then subsequently exposed by any means. For the purposes of this definition, "buried" means that at least 10% of it is below the surface of the ground or water.

RR. "VOLUNTEER WORKER" means a person who:

- 1. Is not the "Named Member's" "employee";
- 2. Donates his or her work;
- 3. Acts at the direction of and within the scope of duties determined by the "Named Member"; and
- 4. Is not paid a fee or salary by the "Named Member" or anyone else for their work performed for the "Named Member".

SS. "WRONGFUL ACT" means any actual or alleged negligent act, error, omission, misstatement, misleading statement, neglect, or breach of duty by a "member".

However, "wrongful act" shall not mean any act:

- 1. Which is criminal, wanton or reckless;
- 2. Which constitutes:
 - a. Malfeasance in office;
 - b. Willful neglect of duty;
 - c. Bad faith;
 - d. Dishonesty; or
 - e. The willful violation of a statute or ordinance.
- 3. For which the "Named Member" is not authorized to indemnify any person by law or public policy.

Any series of "wrongful acts" related by cause, fact or service will be considered one "wrongful act" deemed to have only happened when the first "wrongful act" in the series happened.

SECTION VIII - CONDITIONS

A. WHEN A "CLAIM" IS FIRST MADE AND REPORTED AND RELATED CLAIMS

A "claim" is deemed to have been first made on the date any "member" receives notice of the "claim".

A "claim" is deemed to have been reported to the Pool on the date the Pool receives written notice of the "claim" from the "member".

All "related claims" will be considered to have been first made and reported to the Pool under the coverage in effect at the time the first "claim" is made and reported to the Pool. All "related claims" will be deemed to be one claim for purposes of any applicable Limit of Liability.

B. GOVERNMENTAL TORT LIABILITY LIMITATION

By accepting coverage under this Coverage Agreement, the "member" does not waive any of its statutory immunities for monetary limits of liability (commonly known as tort liability damages caps), and the Pool shall not be liable for any "claims" in excess of the statutory monetary limits unless the statutory tort limitation is found by a court not to apply. If "claims" are asserted in any judicial jurisdiction where statutory liability damage caps do not apply, then the Limits of Liability shown in the Declarations and further described in the Limits of Liability apply.

C. BANKRUPTCY

Bankruptcy or insolvency of the "member" or of the "member's" estate shall not relieve the Pool of any of its obligations hereunder.

D. DUTIES IN THE EVENT OF WRONGFUL ACT, OCCURRENCE OFFENSE, CLAIM OR SUIT

1. The "member" must see to it that the Pool is notified as soon as practicable of a "wrongful act", "occurrence" or offense which may result in a "claim" or "suit". The notice must include:

- a. Details sufficient to identify the "member" involved;
- b. How, when, and where the "wrongful act", "occurrence" or offense took place;
- c. The names and addresses of any injured persons and witnesses; and
- d. The nature and location of any injury or damage.

Notice of a "wrongful act", "occurrence" or offense is not notice of a "claim".

2. The "member" must provide written notice of any "claim" or "suit" to the Pool or any of its authorized agents as soon as practicable, but not later than the termination of the "rating period" or any applicable Extended Reporting Period.

3. The "member" must:

- a. Immediately send the Pool copies of any demands, notices, summonses or legal papers received in connection with the "claim" or "suit";
- b. Authorize the Pool to obtain records and other information;
- c. Cooperate with the Pool in the investigation or settlement of the "claim" or defense against the "suit"; and

- d. Assist the Pool, upon the Pool's request, in the enforcement of any right against any person or organization which may be liable to the "member" because of injury or damage to which this coverage may also apply.
4. No "member" will, except at that "member's" own cost, voluntarily make a payment, assume any legal obligation, or incur any expense, other than for first aid, without the Pool's consent.

E. LEGAL ACTION AGAINST THE POOL

No person or organization has a right under this Coverage Agreement:

1. To join the Pool as a party or otherwise bring the Pool into a "suit" to determine any "member's" liability; or
2. To sue the Pool under this Coverage Agreement unless all of its terms have been fully complied with.

A person or organization may sue the Pool to recover on an agreed settlement or on a final judgment against a "member"; but the Pool will not be liable for "damages" that are not payable under the terms of this Coverage Agreement or that are in excess of the applicable Limit Of Liability. An agreed settlement means a settlement and release of liability signed by the Pool, the Member and the claimant or the claimant's legal representative.

Any legal action by a "member" against the Pool for breach of this Coverage Agreement must be filed within one year of the date of the alleged breach.

F. REPRESENTATIONS

By accepting this Coverage Agreement, the "member" agrees:

1. The statements in the Declarations and applications are accurate and complete;
2. Those statements are based upon representations the "member" made to the Pool;
3. The Pool has issued this Coverage Agreement in reliance upon the "member's" representations; and
4. The "member" does not waive any statutory or common law immunity.

G. OTHER INSURANCE

The coverage afforded by this Coverage Agreement is excess coverage over any other insurance, self-insurance or other risk transfer agreement, whether primary, excess, contingent or provided on any other basis, whether collectible or not. This provision does not apply to any policy that is written to be excess over this policy.

H. INSPECTION AND AUDIT

1. The Pool will be permitted, but is not obligated, to inspect the "member's" property and operations. The purpose of these inspections is to assist the Pool in underwriting and assessing the risk. It is understood and agreed that in undertaking these inspections the Pool does not warrant or guarantee that the property or operations are safe or are in compliance with any law, rule, or regulation.
2. The Pool may examine and audit the "member's" relevant books and records at any time during the "rating period" or any extension and within three (3) years after the final termination of this Coverage Agreement.

I. CHANGES, ASSIGNMENT AND SUBROGATION

This Coverage Agreement contains all the agreements between the Pool and all "members" concerning the coverage afforded. The "Named Member" shown in the Declarations is authorized to make changes to the terms of this Coverage Agreement with the consent of the Pool. The Coverage Agreement's terms can be amended or waived only by endorsement issued by the Pool and made a part of this Coverage Agreement.

Assignment of interest or any transfer or waiver of subrogation under this Coverage Agreement shall not bind the Pool unless and until the Pool's consent is endorsed to this Coverage Agreement.

SECTION IX - EXTENDED REPORTING PERIODS

A. EXTENDED REPORTING PERIODS

1. The Pool will provide one or more Extended Reporting Periods, as described below, if:
 - a. This Coverage Agreement is canceled; or
 - b. The Pool renews or replaces this Coverage Agreement with coverage that:
 - (1) Has a "Retroactive Date" later than the date shown in the Declarations; or
 - (2) Does not apply on a claims-made and reported basis.
2. Extended Reporting Periods do not extend the "rating period" or change the scope of coverage provided. They apply to afford a "member" additional time to report an otherwise covered "claim".

Once in effect, Extended Reporting Periods may not be canceled.

3. A Basic Extended Reporting Period is automatically provided without additional charge. This period starts with the end of the "rating period" and lasts for sixty days. During this time a covered "claim" first made during the "rating period" may be reported in writing to the Pool.
4. A Supplemental Extended Reporting Period of unlimited duration is available, but only by an endorsement and for an extra membership fee. This supplemental period starts when the Basic Extended Reporting Period, set forth in Paragraph 3. above, ends.

The "Named Member" must give the Pool a written request for the endorsement within 60 days after the end of the "rating period". The Supplemental Extended Reporting Period will not go into effect unless the "Named Member" pays the additional membership fee when due.

The Pool will determine the additional charge as a percentage of the expiring annual membership fee for this Coverage Agreement as follows:

<i>Number of years since retroactive date shown on Declarations page</i>	<i>Additional Membership Fee</i>
1	50%
2	70%
3	80%
4	90%
5 or more	100%

The Supplemental Extended Reporting Period endorsement shall set forth the terms, not inconsistent with this Section, applicable to the Supplemental Extended Reporting Period.

5. The Extended Reporting Periods do not reinstate or increase the Limits Of Liability.



THIS ENDORSEMENT CHANGES THE COVERAGE AGREEMENT. PLEASE READ IT CAREFULLY.

ARIZONA MUNICIPAL RISK RETENTION POOL ADDITIONAL COVERED ENTITY ENDORSEMENT

This endorsement modifies coverage provided under the following:

MUNICIPAL LIABILITY COVERAGE FORM AZMLC

Section V. is amended to include as a "member" any person or organization named as an Additional Member on a Certificate of Coverage on file with Southwest Risk Services, the designated administrator for the Arizona Municipal Risk Retention Pool, but only with respect to liability arising out of the operation, activity or specific contract shown.



THIS ENDORSEMENT CHANGES THE COVERAGE AGREEMENT. PLEASE READ IT CAREFULLY.

ARIZONA MUNICIPAL RISK RETENTION POOL SKATEBOARD FACILITY OR ACTIVITY ENDORSEMENT

This endorsement modifies coverage provided under the following:

MUNICIPAL LIABILITY COVERAGE FORM AZMLC

Paragraph **(8)** of Special Events exclusion does not apply.



ARIZONA MUNICIPAL RISK RETENTION POOL MUNICIPAL PROPERTY COVERAGE AGREEMENT DECLARATIONS

Agreement # 2000169-1
Replaces Agreement # AM40172016

THIS DECLARATIONS PAGE AND THE ATTACHED MUNICIPAL PROPERTY COVERAGE AGREEMENT FOR INSURANCE COMPLETE THIS COVERAGE PART.

Item 1. NAMED MEMBER AND MAILING ADDRESS:

San Luis, City Of
PO Box 1170
San Luis, AZ 85349

Item 2. CONTINUOUS COVERAGE PERIOD EFFECTIVE:

12:01 A.M. Standard Time at Mailing Address
on Common Coverage Declarations

Rating Period From: 07/01/2017

To: 07/01/2018

Item 3. THE COVERED MEMBER IS:

Municipality

Item 4. SCHEDULE OF COVERAGES:

IN RETURN FOR THE PAYMENT OF MEMBERSHIP FEES, THE POOL AGREES TO PROVIDE THE MEMBER WITH THE FOLLOWING COVERAGES FOR WHICH A MEMBERSHIP FEE IS SHOWN, SUBJECT TO ALL THE TERMS AND CONDITIONS OF THE POOL'S INTERGOVERNMENTAL AGREEMENT AND THE APPLICABLE COVERAGE AGREEMENTS AND ENDORSEMENTS:

Coverages

Membership Fee

PROPERTY

\$ 38,734

EXPENSE AND INCOME

\$ 0

BUILDERS RISK

\$ 0

Item 5. MEMBERSHIP FEE IS DUE AND PAYABLE: Quarterly

Item 6. DEDUCTIBLES:

PROPERTY DEDUCTIBLE: \$ 1,000

Item 7. COVERAGE AGREEMENTS AND ENDORSEMENTS APPLICABLE TO ALL COVERAGES:

AZPCS (07/16)	AZPCC (07/16)	AZPC1 (07/17)	AZEQ1 (07/16)
AZFL1 (07/16)	AZPC1E2 (07/16)		

Item 8. ADDITIONAL COVERAGE EXTENSIONS PROPERTY LIMITS

Extensions apply only if indicated and are subject to either shared or separate aggregate limits as indicated below.

Type	List of Coverage, if applicable
<u>Aggregate Shared Limit:</u>	\$250,000
Property in Transit Your Motor Vehicle	(Inc. in above Agg.)
Accounts Receivable	(Inc. in above Agg.)
Computer Equipment	(Inc. in above Agg.)
Fine Arts	(Inc. in above Agg.)
Personal Effects and Property of Others	(Inc. in above Agg.)
Increased Costs of Construction	(Inc. in above Agg.)
Property Off-Premises	(Inc. in above Agg.)
Property Off-Premises Shipments	(Inc. in above Agg.)
Theft Damage to Buildings	(Inc. in above Agg.)
Valuable Papers and Records	
Costs of Research	(Inc. in above Agg.)
Organic Pathogens Sublimit	(Inc. in above Agg.)
Outdoor Property	(Inc. in above Agg.)
<u>Aggregate Separate Limits:</u>	
Data Security Breach	\$250,000
Extra Expense and Income	\$250,000
Flood	\$250,000
Earthquake	\$250,000
Newly Acquired or Constructed Property	See Form

ARIZONA MUNICIPAL RISK RETENTION POOL

MUNICIPAL PROPERTY SCHEDULE

Coverage Agreement Number: AZMC 2000169-1

MEMBER: San Luis, City Of

COVERAGE AT EACH OF THE BELOW PREMISES APPLIES ONLY FOR THOSE TYPES OF PROPERTIES, BUSINESS INCOME OR EXTRA EXPENSE FOR WHICH A LIMIT OF COVERAGE IS SHOWN.

SCHEDULE OF PREMISES

Premises No.	Location	Occupancy	Type of Property*	ACV RC **	Premium	Limit of Coverage
1	767 N First Avenue San Luis, AZ 85349	City Hall	B		\$ 646	\$ 845,630
1	767 N First Avenue San Luis, AZ 85349	City Hall	C		\$ 110	\$ 100,000
2	731 N First Avenue San Luis, AZ 85349	Library	B		\$ 396	\$ 518,090
2	731 N First Avenue San Luis, AZ 85349	Library	C		\$ 221	\$ 200,000
3	707 N First Avenue San Luis, AZ 85349	Maintenance Building Yard	B		\$ 173	\$ 176,130
3	707 N First Avenue San Luis, AZ 85349	Maintenance Building Yard	C		\$ 81	\$ 50,000
4	734 N Second Avenue San Luis, AZ 85349	Storage Bldg.	B		\$ 24	\$ 17,510
4	734 N Second Avenue San Luis, AZ 85349	Storage Bldg.	C		\$ 11	\$ 5,000
5	720 N Second Avenue San Luis, AZ 85349	Fire Department	B		\$ 424	\$ 555,170
5	720 N Second Avenue San Luis, AZ 85349	Fire Department	C		\$ 110	\$ 100,000
6	785 N First Avenue San Luis, AZ 85349	Modular Office - Finance, Admin	B		\$ 464	\$ 152,440
6	785 N First Avenue San Luis, AZ 85349	Modular Office - Finance, Admin	C		\$ 125	\$ 25,000
7	767 N First Avenue San Luis, AZ 85349	Police Department	B		\$ 66	\$ 60,000
8	720 N Second Avenue San Luis, AZ 85349	Fire Department	B		\$ 305	\$ 398,610
9	101 W. Juan Sanchez Blvd. San Luis, AZ 85349	Sewage Disposal Office	B		\$ 36	\$ 100,000
10	101 W. Juan Sanchez Blvd. San Luis, AZ 85349	Elec. Power Transfer Station & 2 Generators/Sewage Disposal Store	B		\$ 4	\$ 12,000
10	101 W. Juan Sanchez Blvd. San Luis, AZ 85349	Elec. Power Transfer Station & 2 Generators/Sewage Disposal Store	C		\$ 269	\$ 500,000
11	101 W. Juan Sanchez Blvd. San Luis, AZ 85349	Sewage Plant	B		\$ 2,950	\$ 8,240,000
11	101 W. Juan Sanchez Blvd. San Luis, AZ 85349	Sewage Plant	C		\$ 537	\$ 1,000,000
12	101 W. Juan Sanchez Blvd. San Luis, AZ 85349	Laboratory & Admin Offices	B		\$ 65	\$ 182,310
13	Well Site #1 - 788 E B Street San Luis, AZ 85349	Well Site #1 Office	B		\$ 37	\$ 104,030

* B=Building
C=Contents
PIO=Property in the Open

BR=Builders Risk
EE=Income / Extra Expense

** ACV=Actual Cash Value
RC=Replacement Cost

ARIZONA MUNICIPAL RISK RETENTION POOL

MUNICIPAL PROPERTY SCHEDULE

Coverage Agreement Number: AZMC 2000169-1

MEMBER: San Luis, City Of

**COVERAGE AT EACH OF THE BELOW PREMISES APPLIES ONLY FOR THOSE TYPES OF PROPERTIES,
BUSINESS INCOME OR EXTRA EXPENSE FOR WHICH A LIMIT OF COVERAGE IS SHOWN.**

SCHEDULE OF PREMISES

Premises No.	Location	Occupancy	Type of Property*	ACV RC **	Premium	Limit of Coverage
13	Well Site #1 - 788 E B Street San Luis, AZ 85349	Well Site #1 Office	C		\$ 16	\$ 30,000
14	Well Site #1 - 788 E B Street San Luis, AZ 85349	Storage Building	B		\$ 9	\$ 14,000
14	Well Site #1 - 788 E B Street San Luis, AZ 85349	Storage Building	C		\$ 0	\$ 10,000
15	Well Site #1 - 788 E B Street San Luis, AZ 85349	Chlorination Rooms	B		\$ 4	\$ 7,000
15	Well Site #1 - 788 E B Street San Luis, AZ 85349	Chlorination Rooms	C		\$ 2	\$ 3,000
16	Well Site #1 - 788 E B Street San Luis, AZ 85349	Chlorination Equipment	C		\$ 5	\$ 10,000
17	Well Site #1 - 788 E B Street San Luis, AZ 85349	100,000 Gallon Tank	B		\$ 27	\$ 60,000
18	Well Site #1 - 788 E B Street San Luis, AZ 85349	5,000 Gallon Pressure Tank	B		\$ 3	\$ 7,500
19	Well Site #1 - 788 E B Street San Luis, AZ 85349	Motors & Pumps	B		\$ 19	\$ 52,000
20	Well Site #2 - 873 C.Chavez Street San Luis, AZ 85349	Chlorination & 2 Storage Rooms	B		\$ 8	\$ 15,000
21	Well Site #2 - 873 C.Chavez Street San Luis, AZ 85349	Chlorination Equipment & Electric Panels	C		\$ 13	\$ 25,000
22	Well Site #2 - 873 C.Chavez Street San Luis, AZ 85349	125,000 Gallon Tank	B		\$ 36	\$ 80,000
23	Well Site #2 - 873 C.Chavez Street San Luis, AZ 85349	2-15,000 Gallon Tank	B		\$ 4	\$ 10,000
24	Well Site #2 - 873 C.Chavez Street San Luis, AZ 85349	5,000 Gallon Pressure Tank	B		\$ 3	\$ 7,500
25	Well Site #2 - 873 C.Chavez Street San Luis, AZ 85349	2,000 Gallon Pressure Tank	B		\$ 1	\$ 4,000
26	Well Site #2 - 873 C.Chavez Street San Luis, AZ 85349	Motors & Pumps	B		\$ 19	\$ 52,000
27	Well Site #2 - 873 C.Chavez Street San Luis, AZ 85349	Storage Bldg	B		\$ 10	\$ 7,000
27	Well Site #2 - 873 C.Chavez Street San Luis, AZ 85349	Storage Bldg	C		\$ 34	\$ 15,000
28	Well Site #3 - 1309 B Street San Luis, AZ 85349	Chlorinator Rooms	B		\$ 10	\$ 14,000
29	Well Site #3 - 1309 B Street San Luis, AZ 85349	Electric Submersible Turbine, Pumps, Tank, Motors	C		\$ 91	\$ 170,000
30	Well Site #3 - 1309 B Street San Luis, AZ 85349	Generator & Control Panel	C		\$ 46	\$ 85,000

* B=Building
C=Contents
PIO=Property in the Open

BR=Builders Risk
EE=Income / Extra Expense

** ACV=Actual Cash Value
RC=Replacement Cost

ARIZONA MUNICIPAL RISK RETENTION POOL

MUNICIPAL PROPERTY SCHEDULE

Coverage Agreement Number: AZMC 2000169-1

MEMBER: San Luis, City Of

COVERAGE AT EACH OF THE BELOW PREMISES APPLIES ONLY FOR THOSE TYPES OF PROPERTIES, BUSINESS INCOME OR EXTRA EXPENSE FOR WHICH A LIMIT OF COVERAGE IS SHOWN.

SCHEDULE OF PREMISES

Premises No.	Location	Occupancy	Type of Property*	ACV RC **	Premium	Limit of Coverage
31	Well Site #3 - 1309 B Street San Luis, AZ 85349	Storage Tank 300,000 Gallon	B		\$ 67	\$ 150,000
32	Well Site #4 - 927 Pepp Dr. San Luis, AZ 85349	Chemical Bldg.	B		\$ 2	\$ 5,000
32	Well Site #4 - 927 Pepp Dr. San Luis, AZ 85349	Chemical Bldg.	C		\$ 2	\$ 3,600
33	Well Site #4 - 927 Pepp Dr. San Luis, AZ 85349	500,000 Gallon Tank	B		\$ 90	\$ 200,000
34	Well Site #4 - 927 Pepp Dr. San Luis, AZ 85349	2-7500 Gallon Pressure Tank	B		\$ 14	\$ 32,000
35	Well Site #4 - 927 Pepp Dr. San Luis, AZ 85349	Pumps and Piping	C		\$ 35	\$ 65,000
36	Well Site #4 - 927 Pepp Dr. San Luis, AZ 85349	Generator & Electrical Panels	C		\$ 46	\$ 85,000
37	Well Site #4 - 927 Pepp Dr. San Luis, AZ 85349	Well Pump -75 Submersible Turbine	C		\$ 6	\$ 12,000
38	800 West Juan Sanchez Blvd. San Luis, AZ 85349	Community Center	B		\$ 955	\$ 888,890
38	800 West Juan Sanchez Blvd. San Luis, AZ 85349	Community Center	C		\$ 32	\$ 20,000
39	Friendship Park - 460 Urtuzuastegui Stre San Luis, AZ 85349	Equipment Storage Building	B		\$ 38	\$ 10,000
39	Friendship Park - 460 Urtuzuastegui Stre San Luis, AZ 85349	Equipment Storage Building	C		\$ 0	\$ 5,000
40	Friendship Park - 460 Urtuzuastegui Stre San Luis, AZ 85349	Restroom	B		\$ 103	\$ 15,000
41	Friendship Park - 460 Urtuzuastegui Stre San Luis, AZ 85349	Snack Bar	B		\$ 6	\$ 8,000
41	Friendship Park - 460 Urtuzuastegui Stre San Luis, AZ 85349	Snack Bar	C		\$ 6	\$ 5,000
42	Joe Orduno Park - 965 Park Avenue San Luis, AZ 85349	Restroom Building	B		\$ 138	\$ 20,000
42	Joe Orduno Park - 965 Park Avenue San Luis, AZ 85349	Restroom Building	C		\$ 138	\$ 20,000
43	Joe Orduno Park - 965 Park Avenue San Luis, AZ 85349	Ramadas (3)	B		\$ 62	\$ 6,000
44	Joe Orduno Park - 965 Park Avenue San Luis, AZ 85349	Recreation Center Gym	B		\$ 441	\$ 820,910

* B=Building
C=Contents
PIO=Property in the Open

BR=Builders Risk
EE=Income / Extra Expense

** ACV=Actual Cash Value
RC=Replacement Cost

ARIZONA MUNICIPAL RISK RETENTION POOL

MUNICIPAL PROPERTY SCHEDULE

Coverage Agreement Number: AZMC 2000169-1

MEMBER: San Luis, City Of

COVERAGE AT EACH OF THE BELOW PREMISES APPLIES ONLY FOR THOSE TYPES OF PROPERTIES, BUSINESS INCOME OR EXTRA EXPENSE FOR WHICH A LIMIT OF COVERAGE IS SHOWN.

SCHEDULE OF PREMISES

Premises No.	Location	Occupancy	Type of Property*	ACV RC **	Premium	Limit of Coverage
44	Joe Orduno Park - 965 Park Avenue San Luis, AZ 85349	Recreation Center Gym	C		\$ 40	\$ 50,000
45	Joe Orduno Park - 965 Park Avenue San Luis, AZ 85349	Aquatic Center & Pool	B		\$ 4,193	\$ 1,186,560
45	Joe Orduno Park - 965 Park Avenue San Luis, AZ 85349	Aquatic Center & Pool	C		\$ 247	\$ 70,000
46	Joe Orduno Park - 965 Park Avenue San Luis, AZ 85349	Babe Ruth Park -Lights, Fences, Dugout	B		\$ 386	\$ 52,000
47	Joe Orduno Park - 965 Park Avenue San Luis, AZ 85349	Playground Equipment	B		\$ 85	\$ 17,200
48	Joe Cabello Park - 740 7th Avenue San Luis, AZ 85349	Restroom	B		\$ 83	\$ 12,000
48	Joe Cabello Park - 740 7th Avenue San Luis, AZ 85349	Restroom	C		\$ 69	\$ 10,000
49	Joe Cabello Park - 740 7th Avenue San Luis, AZ 85349	Ramadas (2)	B		\$ 59	\$ 4,000
50	Joe Cabello Park - 740 7th Avenue San Luis, AZ 85349	Playground Equipment	B		\$ 34	\$ 7,000
51	Various Locations San Luis, AZ 85349	Misc. Off-Premises Bldgs. And Equip.	B		\$ 273	\$ 500,000
52	788 East B Street San Luis, AZ 85349	Utilities Office/PW (old)	B		\$ 278	\$ 141,110
52	788 East B Street San Luis, AZ 85349	Utilities Office/PW (old)	C		\$ 97	\$ 30,000
53	Merrill Street - Lift Station San Luis, AZ 85349	Pump Power Line & Force Main	B		\$ 54	\$ 150,000
54	790 E. Juan Sanchez Blvd. San Luis, AZ 85349	Senior Center	B		\$ 972	\$ 905,370
55	800 E. Juan Sanchez Blvd. San Luis, AZ 85349	Sunset Community Health Center	B		\$ 393	\$ 366,000
56	7th Ave., & Co 22nd st. San Luis, AZ 85349	San Luis High School Lift Station	B		\$ 54	\$ 150,000
57	767 N. 1st Ave. San Luis, AZ 85349	Communication/Dispatch Office	B		\$ 56	\$ 51,000
57	767 N. 1st Ave. San Luis, AZ 85349	Communication/Dispatch Office	C		\$ 16	\$ 10,000
58	1015 North Main Street San Luis, AZ 85349	Cultural Center	B		\$ 348	\$ 647,870
59	1015 North Main Street San Luis, AZ 85349	Cultural Center Message Sign	B		\$ 229	\$ 31,000
60	1311 N. 4th Avenue Well Site #5 San Luis, AZ 85349	Bldg.	B		\$ 136	\$ 249,260

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ARIZONA MUNICIPAL RISK RETENTION POOL

MUNICIPAL PROPERTY SCHEDULE

Coverage Agreement Number: AZMC 2000169-1

MEMBER: San Luis, City Of

**COVERAGE AT EACH OF THE BELOW PREMISES APPLIES ONLY FOR THOSE TYPES OF PROPERTIES,
BUSINESS INCOME OR EXTRA EXPENSE FOR WHICH A LIMIT OF COVERAGE IS SHOWN.**

SCHEDULE OF PREMISES

Premises No.	Location	Occupancy	Type of Property*	ACV RC **	Premium	Limit of Coverage
61	1311 N. 4th Avenue Well Site #5 San Luis, AZ 85349	1 million Gallon Water Tank	B		\$ 134	\$ 300,000
62	1311 N. 4th Avenue Well Site #5 San Luis, AZ 85349	3 Pumps	C		\$ 28	\$ 52,000
63	1311 N. 4th Avenue Well Site #5 San Luis, AZ 85349	2 Hydrostatic 7500 Gal Tanks	B		\$ 9	\$ 20,000
64	1311 N. 4th Avenue Well Site #5 San Luis, AZ 85349	Mobile Home 16' x 56' (1988 Cavco #1110)	B		\$ 53	\$ 17,500
65	1872 3rd Ave. Gadsden San Luis, AZ 85349	Lift Station in Gadsden	C		\$ 81	\$ 150,000
66	1670 San pedro Street San Luis, AZ 85349	Lift Station w/generator Los Olivos	C		\$ 81	\$ 150,000
67	1542 Ocotillo St. #384A San Luis, AZ 85349	Lift Station Rio Seco	C		\$ 81	\$ 150,000
68	Youth Center San Luis, AZ 85349	Youth Center	B		\$ 601	\$ 800,000
68	Youth Center San Luis, AZ 85349	Youth Center	C		\$ 11	\$ 10,000
69	Price Center - 580 San Luis Plaza Dr. San Luis, AZ 85349	Price Center	B		\$ 3,383	\$ 4,500,000
69	Price Center - 580 San Luis Plaza Dr. San Luis, AZ 85349	Price Center	C		\$ 56	\$ 50,000
70	East Mesa WWTP San Luis, AZ 85349	East Mesa WWTP	B		\$ 2,654	\$ 7,413,000
71	385 N. Ave. F & ½ San Luis, AZ 85349	Well #7 1 million gal water tank	B		\$ 16	\$ 35,000
72	1090 E. Union Street San Luis, AZ 85349	* New City Hall	B		\$ 5,255	\$ 4,812,900
72	1090 E. Union Street San Luis, AZ 85349	* New City Hall	C		\$ 315	\$ 200,000
73	1030 E. Union Street San Luis, AZ 85349	* New Police Station	B		\$ 4,477	\$ 4,099,900
73	1030 E. Union Street San Luis, AZ 85349	* New Police Station	C		\$ 236	\$ 150,000
74	1165 N. McCain Street San Luis, AZ 85349	* New Fire Station	B		\$ 2,617	\$ 2,396,550
74	1165 N. McCain Street San Luis, AZ 85349	* New Fire Station	C		\$ 236	\$ 150,000

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ARIZONA MUNICIPAL RISK RETENTION POOL MUNICIPAL PROPERTY COVERAGE AGREEMENT

MUNICIPAL PROPERTY CONDITIONS

THE FOLLOWING CONDITIONS APPLY TO EACH MUNICIPAL PROPERTY COVERAGE AGREEMENT UNDER **APPENDIX A**, IN ADDITION TO THE COMMON CONDITIONS AND ANY LOSS CONDITIONS OR ADDITIONAL CONDITIONS APPLICABLE TO THE PARTICULAR COVERAGE AGREEMENT.

A. CONTROL OF PROPERTY

Any act or neglect of any person, other than the "Named Member," beyond the "Named Member's" direction or control will not affect this coverage.

The breach of any condition under this coverage at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

B. COVERAGE UNDER TWO OR MORE COVERAGE AGREEMENTS

If two or more coverage agreements apply to the same loss or damage, the Pool will not pay more than the actual amount of the loss or damage.

C. LEGAL ACTION AGAINST THE POOL

No one may bring a legal action against the Pool under this coverage unless:

1. There has been full compliance with all of the terms of the coverage; and
2. The action is brought within 2 years after the date on which the direct physical loss of damage occurred.

D. NO BENEFIT TO BAILEE

No person or organization, other than the "Named Member," having custody of Covered Property will benefit from this coverage.

E. LIBERALIZATION

If the Pool adopts any revision without any additional membership fee which broadens coverage within 45 days after the "Named Member's" coverage period begins, the benefit of such revision shall inure to the "Named Member" as though an endorsement or substitution of a coverage had been made.

F. COVERAGE PERIOD, COVERAGE TERRITORY

Under this coverage:

1. The Pool covers loss or damage commencing:
 - a. During the coverage period shown in the Declarations; and
 - b. Within the coverage territory.
2. The coverage territory is:
 - a. The United States of America (including its territories and possessions); and
 - b. Canada



ARIZONA MUNICIPAL RISK RETENTION POOL MUNICIPAL PROPERTY COVERAGE AGREEMENT

MUNICIPAL BUILDING AND PERSONAL PROPERTY COVERAGE

VARIOUS PROVISIONS IN THIS MUNICIPAL BUILDING AND PERSONAL PROPERTY COVERAGE POLICY RESTRICT COVERAGE. READ THE ENTIRE POLICY CAREFULLY TO DETERMINE RIGHTS, DUTIES AND WHAT IS OR IS NOT COVERED.

WORDS AND PHRASES THAT APPEAR IN QUOTATIONS HAVE SPECIAL MEANING. REFER TO **SECTION K – DEFINITIONS AND COMMON CONDITIONS**.

A. COVERAGE

The Pool will pay for direct physical loss of or damage to Covered Property (as defined below) at the premises described in the Declarations caused by or resulting from any Covered Cause of Loss.

1. Covered Property

Covered Property, as used in this coverage form, means the following types of the "Named Member's" property for which a limit of coverage is shown in the Declarations:

a. Building, meaning the building or structure described in the Declarations, including:

- 1) Completed additions;
- 2) Permanently installed fixtures, machinery and equipment;
- 3) Outdoor fixtures;
- 4) Personal property owned by the "Named Member" that is used to maintain or service the building or structure or its premises, including:
 - a) Fire extinguishing equipment;
 - b) Outdoor furniture;
 - c) Floor coverings; and
 - d) Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;
- 5) If not covered by other insurance:
 - a) Additions under construction, alterations and repairs to the building or structure;
 - b) Materials, equipment, supplies and temporary structures, on or within 1000 feet of the described building, used for making additions, alterations or repairs to the building or structure.

- b. The "Named Member's" Municipal Personal Property located in or on the building described in the Declarations or in the open (or in a vehicle) within 1000 feet of the described building, consisting of the following:
 - 1) Furniture and fixtures;
 - 2) Machinery and equipment;
 - 3) "Stock";
 - 4) All other personal property owned by the "Named Member" and used in the "Named Member's" municipal operations;
 - 5) Labor, materials or services furnished or arranged by the "Named Member" on personal property of others; and
 - 6) The "Named Member's" use interest as tenant in improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:
 - a) Made a part of the building or structure the "Named Member" occupies but does not own; and
 - b) The "Named Member" acquired or made at the "Named Member's" expense but cannot legally remove.
- c. Personal Property of Others that is:
 - 1) In the "Named Member's" care, custody or control; and
 - 2) Located in or on the building described in the Declarations or in the open (or in a vehicle) within 1000 feet of the described building.

However, the Pool's payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

2. Property Not Covered

Covered Property does not include:

- a. Accounts, bills, currency, deeds, evidences of debt, money, notes or securities;
- b. Animals;
- c. Automobiles held for sale;
- d. Bridges, roadways, walks, patios or other paved surfaces;
- e. Contraband, or property in the course of illegal transportation or trade;
- f. The cost of excavations, grading, backfilling or filling;
- g. Foundations of buildings, structures, machinery or boilers if their foundations are below:
 - 1) The lowest basement floor; or
 - 2) The surface of the ground, if there is no basement;
- h. Land (including land on which the property is located), water growing crops or lawns;
- i. Personal property while airborne or waterborne;

- j. Pilings, piers, wharves or docks;
- k. Property that is covered under another coverage agreement of the Pool or any other policy in which it is more specifically described, except for the excess of the amount due (whether the "Named Member" can collect on it or not) from that other insurance;
- l. Retaining walls that are not part of the building described in the Declarations;
- m. Underground pipes, flues or drains;
- n. The cost to research, replace or restore the information on valuable papers and records, including those which exist on electronic or magnetic media, except as provided in the Coverage Extensions;
- o. Drones;
- p. Vehicles of self-propelled machines (including aircraft or watercraft) that:
 - 1) Are licensed for use on public roads; or
 - 2) Are operated principally away from the described premises.

This paragraph does not apply to:

- a) Vehicles or self-propelled machines or autos the "Named Member" manufactures, processes or warehouses;
 - b) Vehicles or self-propelled machines, other than autos, the "Named Member" holds for sale; or
 - c) Rowboats or canoes out of water at the described premises.
- q. The following property while outside of buildings:
 - 1) Grain, hay, straw or other crops;
 - 2) Fences, radio or television antennas, including their lead-in wiring, masts or towers, signs (other than signs attached to buildings), trees, shrubs or plants, all except as provided in the Coverage Extensions.
- r. Animals and inland marine equipment are covered under another policy.

3. Covered Causes of Loss

Covered Causes of Loss means DIRECT PHYSICAL LOSS unless the loss is:

- a. Excluded in Section B., Exclusions; or
- b. Limited in Section C., Limitations; that follow or for which coverage is otherwise precluded in this form.

B. EXCLUSIONS

- 1. The Pool will not pay for loss or damage caused directly or indirectly by or resulting from any of the following. The loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss:

a. Ordinance or Law

The enforcement of any ordinance or law:

- 1) Regulating the construction, use or repair of any property; or
- 2) Requiring the tearing down of any property, including the cost of removing its debris.

This exclusion, Ordinance or Law, applies whether the loss results from:

- 1) An ordinance or law that is enforced even if the property has not been damaged; or
- 2) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of property, or removal of its debris, following a physical loss to that property.

b. Earth Movement

- 1) Any earth movement (other than sinkhole collapse), such as an earthquake, landslide, mine subsidence or earth sinking, rising or shifting. But if earth movement results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion.
- 2) Volcanic eruption, explosion or effusion. But if volcanic eruption, explosion or effusion results in fire, building glass breakage or Volcanic Action, we will pay for the loss or damage caused by that fire, building glass breakage or Volcanic Action.

Volcanic action means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

- a) Airborne volcanic blast or airborne shock waves;
- b) Ash, dust or particulate matter; or
- c) Lava flow.

All volcanic eruptions that occur within any 168-hour period will constitute a single occurrence.

Volcanic action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the described property.

c. Governmental Action

Seizure or destruction of property by order of governmental authority.

But we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would be covered under this Policy Part.

d. Nuclear Hazard

Nuclear reaction or radiation, or radio-active contamination, however caused.

But if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the loss or damage caused by that fire.

e. Utility Services

The failure of power or other utility service supplied to the described premises, however caused, if the failure occurs away from the described premises.

But if the failure of power or other utility service results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

f. War and Military Action

- 1) War, including undeclared or civil war;
- 2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- 3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

g. Water

- 1) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not;
- 2) Mudslide or mudflow;
- 3) Water that backs up or overflows from a sewer, drain or sump; or
- 4) Water under the ground surface pressing on, or flowing or seeping through:
 - a) Foundations, walls, floors or paved surfaces;
 - b) Basements, whether paved or not; or
 - c) Doors, windows or other openings.

But, if Water, as described in g.(1) through g.(4) above, results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage.

2. The Pool will not pay for loss or damage caused by or resulting from any of the following:

- a. Artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires.

But, if artificially generated electrical current results in fire, we will pay for the loss or damage caused by that fire.

- b. Delay, loss of use or loss of market.
- c. Smoke, vapor or gas from agricultural smudging or industrial operations.
- d.
 - (1) Wear and tear;
 - 2) Rust, corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;
 - 3) Smog;
 - 4) Settling, cracking, shrinking or expansion;

- 5) Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals;
- 6) Mechanical breakdown, including rupture or bursting caused by centrifugal force. But if mechanical breakdown results in elevator collision, we will pay for the loss or damage caused by that elevator collision; or
- 7) The following causes of loss to personal property:
 - a) Dampness or dryness of atmosphere,
 - b) Changes in or extremes of temperature, or
 - c) Marring or scratching.

But, if an excluded cause of loss that is listed in 2.d.(1) through 2.d.(6) results in a "specified cause of loss" or building glass breakage, we will pay for the loss or damage caused by that "specified cause of loss" or building glass breakage.

e. Organic Pathogen

The actual, alleged, or threatened inhalation, ingestion, contact with, exposure to, discharge, disposal, seepage, migration, release or escape of any "organic pathogen."

Organic pathogen means any bacterium virus, fungus, mold, mildew, mycotoxin, spore, or their by-products.

This exclusion is not applicable only in the circumstance described in the Organic Pathogen sublimit.

- f. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control. But if explosion of steam boilers, steam pipes, steam engines or steam turbines results in fire or combustion explosion, we will pay for the loss or damage caused by that fire or combustion explosion unless it is covered under another policy. We will also pay for loss or damage caused by or resulting from the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.
- g. Continuous or repeated seepage or leakage of water that occurs over a period of 14 days or more.
- h. Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning or other equipment (except fire protective systems) caused by or resulting from freezing, unless:
 - 1) You do your best to maintain heat in the building or structure; or
 - 2) You drain the equipment and shut off the supply if the heat is not maintained.
- i. Dishonest or criminal act by the "Named Member", any of its partners, employees (including leased employees), directors, trustees, authorized representatives or anyone to whom the "Named Member" entrust the property for any purpose:
 - 1) Acting alone or in collusion with others; or
 - 2) Whether or not occurring during the hours of employment.

This exclusion does not apply to acts of destruction by the "Named Member's" employees (including leased employees); but theft by employees (including leased employees) is not covered.

- j. Voluntary parting with any property by you or anyone else to whom the "Named Member" has entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
 - k. Rain, snow, ice or sleet to personal property in the open.
 - l. Collapse, except as provided below in the Additional Coverage for Collapse. But if collapse results in a Covered Cause of Loss at the described premises, we will pay for the loss or damage caused by that Covered Cause of Loss.
 - m. Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharged, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss." But if the discharge, dispersal, seepage, migration, release or escape of "pollutants" results in a "specified cause of loss," we will pay for the loss or damage caused by that "specified cause of loss."
3. We will not pay for loss or damage caused by or resulting from any of the following, 3.a. through 3.c. But if an excluded cause of loss that is listed in 3.a. through 3.f. results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.
- a. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in paragraph 1. above to produce the loss or damage.
 - b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
 - c. Faulty, inadequate or defective:
 - 1) Planning, zoning, development, surveying, siting;
 - 2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - 3) Materials used in repair, construction, renovation or remodeling; or
 - 4) Maintenance;

of part or all of any property on or off the described premises.
 - d. Contractual Liability

We will not pay damages that the "Named Member" is legally liable to pay, solely by reason of your assumption of liability in a contract or agreement. But this exclusion does not apply to a written lease agreement in which the "Named Member" has assumed liability for building damage resulting from an actual or attempted burglary or robbery, provided that:

 - 1) Your assumption of liability was executed prior to the accident; and
 - 2) The building is Covered Property under this Coverage Form.
 - e. Nuclear Hazard

We will not pay any damages, loss, expense or obligation, resulting from nuclear reaction or radiation, or radioactive contamination, however caused.
 - f. Loss or Damage to Products

We will not pay for loss or damage to any merchandise, goods or other product caused by or resulting from error or omission by an person or entity (including those having possession under an arrangement where work or a portion of the work is outsourced) in

any stage of the development, production or use of the product, including planning, testing, processing, packaging, installation, maintenance or repair. This exclusion applies to any effect that compromises the form, substance or quality of the product. But if such error or omission results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

C. LIMITATIONS

The following limitations apply to all policy forms and endorsements, unless otherwise stated.

1. We will not pay for loss of or damage to property as described and limited in this section. In addition, we will not pay for any loss that is a consequence of loss or damage as described and limited in this section.
 - a. Steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment. But we will pay for loss of or damage to such equipment caused by or resulting from an explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.
 - b. Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment, other than an explosion.
 - c. The interior of any building or structure, or to personal property in the building or structure, caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:
 - 1) The building or structure first sustains damage by a Covered Cause of Loss to its roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or
 - 2) The loss or damage is caused by or results from thawing of snow, sleet or ice on the building or structure.
 - d. Building materials and supplies not attached as part of the building or structure, caused by or resulting from theft.

However, this limitation does not apply to:

 - 1) Building materials and supplies held for sale by you, unless they are covered under the Builders Risk Coverage Form; or
 - 2) Income or Expense coverage.
 - e. Property that is missing, where the only evidence of the loss or damage is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property.
 - f. Gutters and downspouts caused by or resulting from weight of snow, ice or sleet.
 - g. Property that has been transferred to a person or to a place outside the described premises on the basis of unauthorized instructions.
2. We will not pay more than \$500 in any one occurrence for loss of or damage to glass that is part of a building or structure, regardless of the number of panes, plates or similar units of glass. Subject to this \$500 aggregate, we will not pay more than \$100 for any one pane, plate, multiple plate insulating unit, radiant or solar heating panel, jalousie, louver or shutter.

However, this limitation does not apply to:

 - a. Loss or damage by the "specified causes of loss," except vandalism; or

- b. Income or Expense coverage.
3. We will not pay for loss of or damage to the following types of property unless caused by the "specified causes of loss" or building glass breakage:
- a. Valuable papers and records, such as books of account, manuscripts, abstracts, drawings, card index systems, film, tape, disc, drum, cell or other data processing, recording or storage media, and other records.
 - b. Animals, and then only if they are killed or their destruction is made necessary.
 - c. Fragile articles such as glassware, statuary, marbles, chinaware and porcelains, if broken. This restriction does not apply to:
 - 1) Glass that is part of a building or structure;
 - 2) Containers of property held for sale; or
 - 3) Photographic or scientific instrument lenses.
 - d. Builders' machinery, tools and equipment owned by you or entrusted to you, provided such property is Covered Property.
- However, this limitation does not apply:
- 1) If the property is located on or within 1000 feet of the described premises, unless the premises is covered under the Builders' Risk Coverage Form; or
 - 2) To Income or Expense coverage.

4. The special limit shown for each category, a. through d., is the total limit for loss of or damage to all property in that category. The special limit applies to any one occurrence of theft, regardless of the types or number of articles that are lost or damaged in that occurrence. The special limits are:
- a. \$2,500 for furs, fur garments and garments trimmed with fur.
 - b. \$2,500 for jewelry, watches, watch movements, jewels, pearls, precious and semi-precious stones, bullion, gold, silver, platinum and other precious alloys or metals. This limit does not apply to jewelry and watches worth \$100 or less per item.
 - c. \$2,500 for patterns, dies, molds and forms.
 - d. \$250 for stamps, tickets, including lottery tickets held for sale, and letters of credit.

These special limits are part of, not in addition to, the Limit of Coverage applicable to the Covered Property.

This limitation, C.4., does not apply to Income or Expense coverage.

5. We will not pay the cost to repair any defect to a system or appliance from which water, other liquid, powder or molten material escapes. But we will pay the cost to repair or replace damaged parts of fire extinguishing equipment if the damage:
- a. Results in discharge of any substance from an automatic fire protection system; or
 - b. Is directly caused by freezing.

However, this limitation does not apply to Income coverage or to Expense coverage.

6. We will not pay any loss or damage to any property covered under the Builders Risk Coverage Form under this Form.

D. ADDITIONAL COVERAGE – COLLAPSE

The term Covered Cause of Loss includes the Additional Coverage – Collapse as described and limited in D.1 through D.5. below.

1. We will pay for direct physical loss or damage to Covered Property, caused by collapse of a building or any part of a building covered under this Coverage Form, if the collapse is caused by one or more of the following:
 - a. The "specified causes of loss" or breakage of building glass, all only as covered against in this Coverage Part;
 - b. Hidden decay;
 - c. Hidden insect or vermin damage;
 - d. Weight of people or personal property;
 - e. Weight of rain that collects on a roof;
 - f. Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation. However, if the collapse occurs after construction, remodeling or renovation is complete and is caused in part by a cause of loss listed in D.1.a. through D.1.e., we will pay for the loss or damage even if use of defective material or methods, in construction, remodeling or renovation, contributes to the collapse.
2. If the direct physical loss or damage does not involve collapse of a building or any part of a building, we will pay for loss or damage to Covered Property caused by the collapse of personal property only if:
 - a. The personal property which collapses is inside a building; and
 - b. The collapse was caused by a cause of loss listed in D.1.a. through D.1.f. above.
3. With respect to the following property:
 - a. Outdoor radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers;
 - b. Awnings, gutters and downspouts;
 - c. Yard fixtures;
 - d. Outdoor swimming pools;
 - e. Fences;
 - f. Piers, wharves and docks;
 - g. Beach or diving platforms or appurtenances;
 - h. Retaining walls; and
 - i. Walks, roadways and other paved surfaces;

if the collapse is caused by a cause of loss listed in D.1.a. through D.1.f., we will pay for loss or damage to that property only if:

- j. Such loss or damage is a direct result of the collapse of a building covered under this Coverage Form; and
 - k. The property is Covered Property under this Coverage Form.
- 4. Collapse does not include settling, cracking, shrinkage, bulging or expansion.
 - 5. This Additional Coverage – Collapse, will not increase the Limits of Coverage provided in this Coverage Part.

E. ADDITIONAL COVERAGE EXTENSIONS

The most the Pool will pay for all loss or expense first sustained or incurred during the policy period under Coverage Extensions 1 through 14 is \$250,000 in the aggregate.

1. Property in Transit – Your Motor Vehicle.

This Extension applies only to your personal property to which this form applies.

- a. You may extend the coverage provided by this Coverage part to apply to your personal property (other than property in the care, custody or control of your salespersons) in transit more than 1000 feet from the described premises. Property must be in or on a motor vehicle you own, lease or operate while between points in the coverage territory.
- b. Loss or damage must be caused by or result from one of the following causes of loss:
 - 1) Fire, lightning, explosion, windstorm or hail, riot or civil commotion, or vandalism.
 - 2) Vehicle collision, upset or overturn. Collision means accidental contact of your vehicle with another vehicle or object. It does not mean your vehicle's contact with the road bed.
 - 3) Theft of an entire bale, case or package by forced entry into a securely locked body or compartment of the vehicle. There must be visible marks of the forced entry.

The most we will pay for loss or damage under Coverage Extensions in paragraphs 1 through 14 is \$250,000 in the aggregate.

This Coverage Extension is additional coverage. The Additional Condition, Coinsurance, does not apply to this Extension.

2. Accounts Receivable

The "Named Member" may extend the "Named Member's" coverage under Municipal Personal Property to apply to:

- a. All amounts due from the "Named Member's" customers that the "Named Member" is unable to collect;
- b. Interest charges on any loan required to offset amounts the "Named Member" is unable to collect pending the Pool's payment of these amounts;
- c. Collection expenses in excess of the "Named Member's" normal collection expenses that are made necessary by the loss or damage; and
- d. Other reasonable expenses that the "Named Member" incurs to reestablish the "Named Member's" Records of Accounts Receivable;

that result from direct physical loss or damage to the "Named Member's" Records of Accounts Receivable.

The most the Pool will pay under Coverage Extensions in paragraphs 1 through 14 is \$250,000 in the aggregate.

3. Computer Equipment

a. The "Named Member" may extend the "Named Member's" coverage under Municipal Personal Property to apply to:

1) Computer equipment and related component parts that are:

a) The "Named Member's" property; or

b) The property of others that is in the "Named Member's" care, custody or control;

2) The "Named Member's" instructional material and prepackaged software programs purchased for use with the "Named Member's" computer system;

3) The "Named Member's" blank electronic or magnetic media.

b. Exclusions 1.e., 2.a., 2.d.(6) and 2.d.(7) do not apply to this Extension.

c. The most the Pool will pay for direct physical loss or damage under Coverage Extensions in paragraphs 1 through 14 is \$250,000 in the aggregate.

The Pool's payment of loss or damage to property of others will only be for the account of the owner of the property.

4. Fine Arts

The "Named Member" may extend the coverage applying to the "Named Member's" Municipal Personal Property to apply to Fine Arts that are:

a. The "Named Member's" property; or

b. The property of other that is in the "Named Member's" care, custody or control.

As used in this Extension, Fine Arts means paintings, etchings, pictures, tapestries, art, glass windows, valuable rugs, statuary, marble, bronze, antique silver, manuscripts, porcelain, rare glass, bric-a-brac, and similar property of rarity, historical value or artistic merit.

The value of Fine Arts will be the market value at the time of direct physical loss or damage.

The most the Pool will pay for direct physical loss or damage under Coverage Extensions in paragraphs 1 through 14 is \$250,000 in the aggregate.

The Pool's payment for loss or damage to property of others will only be for the account of the owner of the property.

5. Foundations of Machines and Underground Pipe

The following are added as covered Building property:

a. Foundations of machinery if their foundations are below:

1) The lowest basement floor; or

2) The surface of the ground, if there is no basement; or

- b. Underground pipes, tanks, and connections within 1000 feet of the building.

The most the Pool will pay under Coverage Extensions in paragraphs 1 through 14 is \$250,000 in the aggregate.

6. Increased Cost of Construction

If a Covered Cause of Loss occurs to covered Building property at described premises, the Pool will pay the increased cost to repair, rebuild, or construct the damaged property caused by enforcement of building, zoning, land use ordinance or law. The repaired or rebuilt property must be intended for similar occupancy as the current property, unless otherwise required by zoning or land use ordinance or law. The Pool will not pay for increased construction costs:

- a. When Actual Cash Value applies under the valuation loss condition; or
- b. Until the property is totally repaired or replaced at the same or another premises.

The Pool will not pay the costs associated with the enforcement of any ordinance or law which requires any "Named Member" or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

The most the Pool will pay for loss under Coverage Extensions in paragraphs 1 through 14 is \$250,000 in the aggregate.

7. Personal Effects and Property of Others

The "Named Member" may extend the coverage that applies to the "Named Member's" Municipal Personal Property to apply to:

- a. Personal effects owned by the "Named Member"," the "Named Member's" officials or the "Named Member's" employees. This includes tools owned by the "Named Member's" employees that are used in the "Named Member's" operations; and
- b. Personal property of others that is in the "Named Member's" care, custody or control. This includes property that the "Named Member" has sold and are awaiting delivery or installation.

The most the Pool will pay for loss or damage under Coverage Extensions in paragraphs 1 through 14 is \$250,000 in the aggregate. The Pool's payment for loss or damage to property of others will only be for the account of the owner of the property.

8. Premises Boundary Increased Distance

The references to distances from the described premises are increased to 1,000 feet.

9. Property Off-Premises

- a. The "Named Member" may extend the coverage that applies to:
 - 1) Municipal Personal Property;
 - 2) Personal Effects and Property of Others;
 - 3) Computer Equipment; and
 - 4) Valuable Papers and Records including Electronic or Magnetic Media - Cost of Research

to apply to any premises not described in the Declarations. This includes property that the "Named Member" has sold under an installation agreement and the "Named Member's" responsibility continues until the property is accepted.

The most the Pool will pay under Coverage Extensions in paragraphs 1 through 14 is \$250,000 in the aggregate.

- b. This Extension does not apply to:
 - 1) Property in the care, custody or control of the "Named Member's" salespersons; or
 - 2) Property at any fair or exhibition.

10. Property In Transit - Shipments

- a. The "Named Member" may extend the coverage that applies to:
 - 1) Municipal Personal Property;
 - 2) Personal Effects and Property of Others;
 - 3) Computer Equipment; and
 - 4) Valuable Papers and Records including Electronic or Magnetic Media - Cost of Research

to apply to shipments of that property while in transit at the "Named Member's" risk, by motor vehicle, railroad car or aircraft, between points within the coverage territory. This includes property the "Named Member" has sold and the "Named Member's" responsibility continues until the property is delivered.

- b. This Extension also applies to:
 - 1) Expenses to Inspect, Repackage and Reship Damaged Property

The necessary additional expenses incurred to inspect, repackage and reship property damaged as a result of covered Cause of Loss;
 - 2) F.O.B. Shipments

Outgoing shipments where the risk of loss or damage is verified to the buyer when such property leaves the "Named Member's" premises.

The "Named Member" must use all reasonable means to collect the amount due the "Named Member" from the buyer before making a claim under this Extension.

The Pool will not make payments under this Extension until the "Named Member" grants the Pool a right of recovery against the buyer.
 - 3) Loading and Unloading

Shipments during loading or unloading and unloading and within 1000 feet of any transporting conveyance.
 - 4) Return Shipments

Outgoing shipments, which have been rejected by the consignee or are not deliverable, while:

 - a) In due course of transit, being returned to the "Named Member"; or

- b) Up to 10 days after delivery or attempted delivery awaiting return shipment to the "Named Member".
- c. Under this Extension, the Pool will not pay for:
 - 1) Property in the care, custody or control of the "Named Member's" salespersons;
 - 2) Mail shipments in the custody of the U.S. Postal Services; or
 - 3) Property of others for which the "Named Member" is responsible as:
 - a) A carrier for hire; or
 - b) A car loader, consolidator, broker, freight forwarder, shipping organization or other arranger of transportation.
- d. The following exclusions do not apply to this Extension:
 - 1) 2.j., as respects loss or damage caused by your good faith acceptance of false bills of lading or shipping receipts.
- e. The following additional exclusion applies to this Extension:

The Pool will not pay for loss or damage caused by or resulting from poor or insufficient packaging or packing.
- f. The following additional condition applies to this Extension:

The Pool will not pay for loss or damage if the "Named Member" impairs the Pool's rights to recover from any carrier for hire. But, the "Named Member" may accept from carriers for hire bills of lading, receipts or confirmation of transportation which contain a limitation of value.

The most the Pool will pay under Coverage Extensions in paragraphs 1 through 14 is \$250,000 in the aggregate.

The Pool's payment for loss or damage to property of others will only be for the account of the owner of the property.

11. Theft Damage to Buildings

The "Named Member" may extend the coverage that applies to the "Named Member's" Municipal Personal Property to apply to damage caused directly by theft or attempted theft to that part of any building containing Covered Property or equipment with the building used to maintain or service the building.

Under this Extension, the Pool will not pay for damage caused by fire, or to glass or to lettering or artwork on glass.

This Extension applies only to premises where the "Named Member" is a tenant and are legally liable for such damage.

The most the Pool will pay under Coverage Extensions in paragraphs 1 through 14 is \$250,000 in the aggregate.

12. Valuable Papers and Records – Cost of Research

- a. The "Named Member" may extend the coverage that applies to the "Named Member's" Municipal Personal Property to apply to the "Named Member's" costs to research, replace, or restore the lost information for which duplicates do not exist on lost or damaged:

- 1) Valuable Papers and Records, including those which exist on Electronic and Magnetic Media that are:
 - a. The "Named Member's" property; or
 - b. The property of others that is in the "Named Member's" care, custody or control; and
- 2) Project Research and Development Documentation, including that used to replace prototypes that are:
 - a. The "Named Member's" property; or
 - b. The property of others that is in the "Named Member's" care, custody or control. and for which duplicates do not exist.
- b. The limitation C.3.a does not apply to this Extension.
- c. Exclusions 1.e., 2.a., 2.d.(6) and 2.d.(7) do not apply to this Extension.

The most the Pool will pay under Coverage Extensions in paragraphs 1 through 14 is \$250,000 in the aggregate.

13. Organic Pathogen Sublimit

- a. This Extension does not apply to the following:
 1. The "Named Member's" Municipal Personal Property
 2. Personal Property of Others
 3. Property Not Covered
 4. Additional Coverages
 5. Coverage Extensions
- b. Organic pathogen means any bacterium, virus, fungus, mold, mildew, mycotoxin, spore, or their by-products.

The most the Pool will pay under Coverage Extensions in paragraphs 1 through 14 is \$250,000 in the aggregate.

14. Outdoor Property

The "Named Member" may extend this coverage to apply to the "Named Member's" outdoor fences, radio and television antennas, communication towers, signs (other than signs attached to buildings), trees, shrubs and plants, including debris removal expense, caused by or resulting from any of the following causes of loss if they are Covered Causes of Loss:

- a. Fire;
- b. Lightning;
- c. Explosion;
- d. Riot or Civil Commotion;
- e. Auto/Aircraft;
- f. Wind; or

g. Vehicles

The most the Pool will pay under Coverage Extensions for trees, shrubs or plants is \$1,000 per tree, shrub or plant.

The most the Pool will pay under Coverage Extensions in paragraphs 1 through 14 is \$250,000 in the aggregate.

15. Data Security Breach

The "Named Member" may extend the coverage that applies to the "Named Member's" Municipal Personal Property for loss resulting from "data security breaches" which was first sustained while the policy is in effect. The loss covered under this additional coverage includes only the following:

- a. expenses incurred by the "Named Member" for outside legal counsel to advise the member as to how it should respond to the data security breach;
- b. expenses incurred by the "Named Member" for information technology consultants to determine the extent of the "data security breach";
- c. expenses incurred by the "Named Member" for providing notice to individuals whose "personal information" may have been compromised by the "data security breach";
- d. expenses incurred by the "Named Member" to advise national consumer credit reporting agencies that compile and maintain consumer credit information as authorized by 15 USC § 1681a of the content, timing and distribution of the notice provided pursuant to the preceding paragraph;
- e. expenses incurred by the "Named Member" in providing a credit report and up to one year of credit monitoring service to individuals whose "personal information" may have been acquired as a result of the "data security breach";
- f. expenses incurred by the "Named Member" in providing professional assistance to individuals whose "personal information" was acquired as a result of the "data security breach" resulting in the theft or loss of the individual's identity; and
- g. any other reasonable expenses incurred by the "Named Member" in responding to the "data security breach".

The most the Pool will pay for all loss or damage sustained by all "data security breaches" under this Coverage Extension is \$250,000 in the aggregate.

16. Water Damage, Other Liquids, Powder or Molten Material Damage. If loss or damage caused by or resulting from covered water or other liquid, powder or molten material damage loss occurs, we will, also, pay the cost to tear out and replace any part of the building or structure to repair damage to the system or appliance from which the water or other substance escapes.

17. Debris Removal

- a. The Pool will pay the "Named Member's" expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to the Pool in writing within 180 days of the earlier of:
 1. The date of direct physical loss or damage; or
 2. The end of the policy period.
- b. The most the Pool will pay under this Additional Coverage is 25% of:

1. The amount the Pool pays for the direct physical loss of or damage to Covered Property; plus
2. The deductible in this policy applicable to that loss or damage.

But this limitation does not apply to any additional debris removal limit provided in the Limits of Coverage section.

3. This Additional Coverage does not apply to costs to:

- a. Extract "pollutants" from land or water; or
- b. Remove, restore or replace polluted land or water.

18. Preservation of Property

If it is necessary to move Covered Property from the described building to preserve it from loss or damage by a Covered Cause of Loss, the Pool will pay for any direct physical loss or damage to that property:

- a. While it is being moved or while temporarily stored at another location; and
- b. Only if the loss or damage occurs within 10 days after the property is first moved.

19. Pollutant Clean Up and Removal

The Pool will pay the "Named Member's" expense to extract "pollutants" from land or water at the described premises if the release, discharge or dispersal of the "pollutants" is caused by or results from a Covered Cause of Loss that occurs during the coverage period.

The expenses will be paid only if they are reported to the Pool in writing within 180 days of the earlier of: the date of direct physical loss or damage; or the end of the policy period.

The most the Pool will pay for each location under this Additional Coverage is \$10,000 for the sum of all such expenses arising out of Covered Causes of Loss occurring during each separate 12 month period of this policy.

20. Arson Reward

In the event that a covered fire loss was the result of an act of arson, the Pool will reimburse the "Named Member" up to \$5,000 for rewards the "Named Member" pays for information leading to convictions for that act of arson.

21. Fire Equipment Recharge

The Pool will pay expenses the "Named Member" incurs to recharge the "Named Member's" automatic fire protection equipment discharged to fight a fire or as the result of a Covered Cause of Loss.

22. Newly Acquired or Constructed Property

- a. The "Named Member" may extend the coverage that applies to Buildings to apply to:
 1. The "Named Member's" new buildings while being built on the described premises; and
 2. Buildings the "Named Member" acquires at locations, other than the described premises, intended for:
 - a. Similar use as the building described in the Declarations; or

- b. Use a warehouse.

The most the Pool will pay for loss or damage under this Coverage Extension is 25% of the limit of coverage applying to this coverage for Buildings shown in the Declarations, but not more than \$500,000 at each building.

- b. The "Named Member" may extend to the coverage that applies to the "Named Member's" Municipal Personal Property to apply to that property at any location the "Named Member" acquires, other than at fairs or exhibitions.

The most the Pool will pay for loss or damage under this Coverage Extension is 10% of the limit of coverage applying to this coverage for the "Named Member's" Municipal Personal Property shown in the Declarations, but not more than \$500,000 at each building.

- c. Coverage under this Coverage Extension for each newly acquired or constructed property will end when any of the following first occurs:

- (1) This coverage expires;

- (2) 30 days expire after the "Named Member" acquires or begins to construct the property;
or

- (3) The "Named Member" reports values to the Pool.

The Pool will charge the "Named Member" an additional membership fee for values reported from the date construction begins or the "Named Member" acquires the property.

23. Extra Expense

The "member" may extend this coverage to apply to the necessary and incidental Extra Expense the "member" sustains due to direct physical loss of or damage to property at the described building caused by or resulting from any Covered Cause of Loss.

- a. Extra Expense means necessary expense that the "member" incurs during the *period of restoration* that the "member" would not have incurred if there had been no direct physical loss or damage to property:

- 1) To avoid or minimize the suspension of business and to continue operations;

- 2) To minimize the suspension of business if the "member" cannot continue *operations*; or

- 3) To repair or replace any property to the extent it reduces the amount of loss that otherwise would have been payable under this Extension.

- a. *Operations* means the "member's" business activities at the described premises.

- b. Period of restoration means the period of time it takes to repair, rebuild or replace the described business with reasonable speed and similar quality.

Period of restoration does not include any increased period required due to the enforcement of any ordinance or law that:

- b. Regulates the construction, use or repair, or requires the tearing down of any property; or

- c. Requires any "member" or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of *pollutant*.

The expiration date of this coverage agreement will not cut short the *period of restoration*.

The most the Pool will pay for loss under this Extension is \$50,000 at each described premises.

F. LIMITS OF COVERAGE

Subject to the applicable provisions regarding valuation, the most the Pool will pay for loss or damage in any one occurrence is the applicable limit of coverage applying to this coverage shown in the Declarations. Under this and all property policies issued by the Pool, the Pool will only pay for loss or damage first sustained while the policy is in effect.

The most the Pool will pay for loss or damage to outdoor signs attached to buildings is \$1,000 per sign in any one occurrence.

The limits applicable to the Coverage Extensions are in an addition to the general limit of coverage and the Coverage Extensions provisions incorporate additional limitations.

This provision is subject to the Valuation Condition.

Payments under the following Additional Coverages will not increase the applicable limit of coverage applying under this coverage:

1. Preservation of Property; or
2. Debris Removal; but if
 - a. The sum of direct physical loss or damage and debris removal expense exceeds the limit of coverage; or
 - b. The debris removal expense exceeds the amount payable under the 25% limitation in the Debris Removal Additional Coverage;

The Pool will pay up to an additional \$5,000 for each location in any one occurrence under the Debris Removal Additional Coverage.

G. DEDUCTIBLE

1. If deductibles vary by type of "Covered Property" and more than one type of "Covered Property" is involved in any "one accident", the highest deductible will apply.

Unless otherwise shown in the Declarations, the Deductibles apply to all loss or damage covered by this agreement.

2. The Pool will not pay for loss or damage resulting from any "one accident" until the amount of loss or damage exceeds the applicable deductible or deductibles shown in the Declarations. The Pool will then pay the amount of loss or damage in excess of the applicable deductible or deductibles, subject to the applicable limits shown in the Declarations.

H. LOSS CONDITIONS

The following conditions apply in addition to the Common Conditions and the Municipal Property Conditions.

1. Abandonment

There can be no abandonment of any property to the Pool.

2. Appraisal

If the Pool and the "Named Member" disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser.

The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If the Pool submits to an appraisal, the Pool will still retain the right to deny the claim.

3. Duties In The Event Of Loss Or Damage

The "Named Member" must see that the following are done in the event of loss or damage to Covered Property:

- a. Notify the police if a law may have been broken.
- b. Give the Pool prompt notice of the loss or damage. Include a description of the property involved.
- c. As soon as possible, give the Pool a description of how, when and where the loss or damage occurred.
- d. Take all reasonable steps to protect the Covered Property from further damage. If feasible, set the damaged property aside and in the best possible order for examination. Also keep record of the "Named Member's" expenses, for consideration in the settlement of the claim.
- e. At the Pool's request, give the Pool complete inventories of the damaged and undamaged property. Include quantities, costs, values, and amount of loss claimed.
- f. Permit the Pool to inspect the property and records proving the loss or damage.
- g. If requested, permit the Pool to question the "Named Member" under oath at such times as may be reasonably required about any matter relating to this coverage or the "Named Member's" claim, including the "Named Member's" books and records. In such event, the "Named Member's" answers must be signed.
- h. Send the Pool a signed, sworn statement of loss containing the information the Pool requests to settle the claim. The "Named Member" must do this within 60 days after the Pool's request. The Pool will supply the "Named Member" with the necessary forms.
- i. Cooperate with the Pool in the investigation or settlement of the claim.

4. Loss Payment

- a. In the event of loss or damage covered by this coverage, the Pool will either:
 - 1) Pay the value of lost or damaged property;

- 2) Pay the cost of repairing or replacing the lost or damaged property, plus any reduction in value of repaired items;
 - 3) Take all or any part of the property at an agreed or appraised value; or
 - 4) Repair, rebuild or replace the property with other property of like kind and quality.
- b. The Pool will not pay the "Named Member" more than the "Named Member's" financial interest in the Covered Property.
 - c. The Pool will give notice of the Pool's intentions within 30 days after the Pool receives the sworn statement of loss.
 - d. The Pool may adjust losses with the owners of lost or damaged property if other than the "Named Member". If the Pool pays the owners, such payments will satisfy the "Named Member's" claims against the Pool for the owners' property. The Pool will not pay the owners more than their financial interest in the Covered Property.
 - e. The Pool may elect to defend the "Named Member" against suits arising from claims of owners of property. The Pool will do this at the Pool's expense.
 - f. The Pool will pay for covered loss or damage within 30 days after the Pool receives the sworn statement of loss, if:
 - 1) The "Named Member" has complied with all of the terms of this coverage; and
 - 2) (a) An appraisal award has been made.

5. Recovered Property

If either the "Named Member" or the Pool recovers any property after loss settlement, that party must give the other prompt notice. At the "Named Member's" option, the property will be returned to the "Named Member". The "Named Member" must then return to the Pool the amount the Pool paid to the "Named Member" for the property. The Pool will pay recovery expenses and the expenses to repair the recovered property, subject to the limit of coverage applying to this coverage.

6. Vacancy

If the building where loss or damage occurs has been vacant for more than 60 consecutive days before that loss or damage, the Pool will:

- a. Not pay for any loss or damage caused by any of the following even if they are Covered Causes of Loss:
 - 1) Vandalism;
 - 2) Sprinkler leakage, unless the "Named Member" has protected the system against freezing;
 - 3) Building glass breakage;
 - 4) Water damage;
 - 5) Theft; or
 - 6) Attempted theft.
- b. Reduce the amount the Pool would otherwise pay for the loss or damage by 15%

Buildings under construction are not considered vacant.

7. Valuation

The Pool will determine the value of Covered Property in the event of loss or damage as follows:

- a. At actual cash value as of the time of loss or damage, except as provided in b., c., d., and e. below.
- b. "Stock" the "Named Member" has sold but not delivered at the selling price less discounts and expenses the "Named Member" otherwise would have had.
- c. Glass at the cost of replacement with safety glazing material if required by law.
- d. Tenant's Improvements and Betterments at:
 - 1) Actual cash value of the lost or damaged property if the "Named Member" makes repairs promptly.
 - 2) A proportion of the "Named Member's" original cost if the "Named Member" does not make repairs promptly. The Pool will the proportionate value as follows:
 - a) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
 - b) Divide the amount determined in (a) above by the number of days from the installation of improvements to the expiration of the lease.

If the "Named Member's" lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in this procedure.

3. Nothing if others pay for repairs or replacement.

- e. Valuable Papers and Records, including those which exist on electronic or magnetic media (other than prepackaged software programs), at the cost of:
 - 1) Blank materials for reproducing the records; and
 - 2) Labor to transcribe or copy the records when there is a duplicate.

I. ADDITIONAL CONDITIONS

The following conditions apply in addition to the Common Conditions and the Municipal Property Conditions.

1. Limits of Coverage

The premium for this coverage is based upon the statement of values provided prior to the inception of this rating period. In the event of any loss under this coverage, the Pool will pay the least of the following:

- a. The actual adjusted amount of loss, less applicable deductible(s);
- b. 125% of the total stated value for each scheduled location or item of property covered including, without limitation, building, contents, machinery and equipment, stock, income or gross earnings, expense and any other coverages provided at such location, as shown on the statement of values provided to us for rating purposes; or
- c. The Limit(s) of Coverage shown on the Schedule of Premises.

In no event shall this provision increase the Limit(s) of Coverage on this Coverage Agreement.

2. Mortgage Holders

- a. The term mortgage holder includes trustee.
- b. The Pool will pay for covered loss of or damage to buildings or structures to each mortgage holder shown in the Declarations in their order of precedence, as interests may appear.
- c. The mortgage holder has the right to receive loss payment even if the mortgage holder has started foreclosure or similar action on the building or structure.
- d. If the Pool denies the "Named Member's" claim because of the "Named Member's" acts or because the "Named Member" has failed to comply with the terms of this coverage, the mortgage holder will still have the right to receive loss payment if the mortgage holder:
 - 1) Pays any membership fees due under this Coverage Agreement at the Pool's request if the "Named Member" has failed to do so;
 - 2) Submits a signed, sworn proof of loss within 60 days after receiving notice from the Pool of the "Named Member's" failure to do so; and
 - 3) Has notified the Pool of any change in ownership, occupancy or substantial change in risk known to the mortgage holder.

All of the terms of this coverage will then apply to the mortgage holder.

- e. If the Pool pays the mortgage holder for any loss or damage and deny payment to the "Named Member" because of the "Named Member's" acts or because the "Named Member" has failed to comply with the terms of this coverage:
 - 1) The mortgage holder's rights under the mortgage will be transferred to the Pool to the extent of the amount the Pool pays; and
 - 2) The mortgage holder's right to recover the full amount of the mortgage holder's claim will not be impaired. At the Pool's option, the Pool may pay to the mortgage holder the whole principal on the mortgage plus any accrued interest. In this event, the "Named Member's" mortgage and note will be transferred to the Pool and the "Named Member" will pay the "Named Member's" remaining mortgage debt to the Pool.
- f. If the Pool cancels this policy, the Pool will give written notice to the mortgage holder at least:
 - 1) 10 days before the effective date of cancellation if the Pool cancels for the "Named Member's" non-payment of membership fees; or
 - 2) 30 days before the effective date of cancellation if the Pool cancels for any other reason.
- g. If the Pool does not renew this coverage, the Pool will give written notice to the mortgage holder at least 10 days before the expiration date of this coverages.

J. Optional Coverages

If shown in the Declarations, the following Optional Coverages apply separately to each item.

1. Agreed Value

The Pool will pay no more for loss or damage to that property than the proportion that the limit of coverage applying to this coverage for the property bears to the Agreed Value shown for it in the Declarations.

2. Replacement Cost

- a. Replacement Cost (without deduction for depreciation) replaces Actual Cash Value in the Loss Condition, Valuation, of this coverage.
- b. This Optional Coverage does not apply to:
 - 1) Property of others;
 - 2) Contents of a residence;
 - 3) Manuscripts;
 - 4) Works of art, antiques or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains and bric-a-brac;
 - 5) "Stock"; or
 - 6) Property which was used at the time the member purchased or otherwise acquired it. Any used property is covered on an actual cash value basis.
- c. The "Named Member" may make a claim for loss or damage covered by this coverage on an actual cash value basis instead of on a replacement cost basis. In the event the "Named Member" elects to have loss or damage settled on an actual cash value basis, the "Named Member" may still make a claim for the additional coverage this Optional Coverage provides if the "Named Member" notifies the Pool of the "Named Member's" intent to do so within 180 days after the loss or damage.
- d. The Pool will not pay on a replacement cost basis for any loss or damage:
 - 1) Until the lost or damaged property is actually repaired or replaced; and
 - 2) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.
- e. The Pool will not pay more for loss or damage on a replacement cost basis than the least of:
 - 1) The limit of coverage applying to this coverage applicable to the lost or damaged property;
 - 2) The cost to replace, on the same premises, the lost or damaged property with other property:
 - a) Of comparable material and quality; and
 - b) Used for the same purpose; or
 - 1) The amount the "Named Member" actually spends that is necessary to repair or replace the lost or damaged property.

K. DEFINITIONS

- 1. "Data security breach" means the unauthorized acquisition of an individual's "personal information" maintained by a "Named Member" that compromises its confidentiality, integrity or security.
- 2. "Personal information" means
 - a. An individual's name or initials in combination with any one or more of the following data elements, when the data element is not encrypted:

- 1) The individual's social security number.
 - 2) The individual's number on a driver license or identification license issued pursuant to applicable state law.
 - 3) The individual's financial account information in combination with any required security code, access code or password.
- b. "Personal information" does not mean any publicly available information.
3. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
4. "Specified Causes of Loss" means the following: Fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice or sleet; water damage.
 - a. Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:
 - 1) The cost of filling sinkholes; or
 - 2) Sinking or collapse of land into man-made underground cavities.
 - b. Falling objects does not include loss or damage to:
 - 1) Personal property in the open; or
 - 2) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.
 - c. Water damage means accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of any part of a system or appliance (other than a sump system including its related equipment and parts) containing water or steam.
5. "Stock" means merchandise held in storage or for sale, raw materials and in-process or finished goods, including supplies used in their packing or shipping.



ARIZONA MUNICIPAL RISK RETENTION POOL

EARTHQUAKE OR VOLCANIC ERUPTION COVERAGE EXTENSION ENDORSEMENT

THIS ENDORSEMENT MODIFIES COVERAGE PROVIDED UNDER THE **SPECIAL CAUSES OF LOSS COVERAGE AZPC1**:

WITH RESPECT TO COVERAGE PROVIDED BY THIS ENDORSEMENT, THE PROVISIONS OF THE **COVERAGE AGREEMENT** APPLY UNLESS MODIFIED BY THE ENDORSEMENT.

Additional Covered Causes of Loss - Earthquake or Volcanic Eruption

The following are added to the Covered Causes of Loss:

1. Earthquake
2. Volcanic Eruption, meaning the eruption, explosion, or effusion of a volcano.

All Earthquake shocks or Volcanic Eruptions that occur within any 168-hour period will constitute a single Earthquake or Volcanic Eruption. The expiration of this coverage will not reduce the 168-hour period.

We will not pay for loss or damage caused by or resulting from Earthquake or Volcanic Eruption that begins before inception, or after expiration of this coverage.

The Pool will pay the applicable Limit of Coverage stated below but no more than \$250,000 in the aggregate during the coverage or coverage period with respect to loss, damage or expense directly or indirectly caused by, resulting from, contributed to or made worse by Earthquake or Volcanic Eruption:

Location	Limit(s) of COVERAGE
All Locations	\$250,000

The Limit(s) of COVERAGE stated above shall apply regardless of any other cause or event, whether or not dominant, which may contribute concurrently or in any sequence to the loss or damage. But the Limit(s) of COVERAGE stated above do not apply to fire, explosion, smoke or theft, which result from Earthquake or Volcanic Eruption. If "not covered" is stated for any "location," then this Earthquake or Volcanic Eruption Coverage Extension Endorsement does not apply at the location(s) described.

Each claim for loss, damage or expense caused by or resulting from Earthquake or Volcanic Eruption, in any one occurrence shall be adjusted separately and from the amount of each such adjusted claim a sum equal to 5% of the total insurable value at each location will be deducted, subject to a minimum of \$10,000 per occurrence at all locations.

This Earthquake or Volcanic Eruption Coverage Extension Endorsement does not apply to:

- A. Property in transit outside the confines of any location or premises covered by the Pool in this endorsement, property in the custody of any outside salesperson or messenger served or property shipped as registered mail; or
- B. Property Covered by any other endorsement which states that earthquake is a covered cause of loss.
- C. The cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the described locations in the attached Schedule of Premises.



ARIZONA MUNICIPAL RISK RETENTION POOL

FLOOD COVERAGE EXTENSION ENDORSEMENT

THIS ENDORSEMENT MODIFIES COVERAGE PROVIDED UNDER THE **SPECIAL CAUSES OF LOSS COVERAGE AZPC1**:

WITH RESPECT TO COVERAGE PROVIDED BY THIS ENDORSEMENT, THE PROVISIONS OF THE **COVERAGE AGREEMENT** APPLY UNLESS MODIFIED BY THE ENDORSEMENT.

Flood Limit

The Pool will pay the applicable Limit of Coverage stated below but no more than \$250,000 in the aggregate during the coverage period for loss, damage or expense directly or indirectly caused by, resulting from, contributed to or made worse by flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not.

Location	Limit(s) of COVERAGE
All Locations	\$250,000

The Limit(s) of coverage stated above shall apply regardless of any other cause or event, whether or not dominant, which may contribute concurrently or in any sequence to the loss or damage. But the Limit(s) of coverage stated above do not apply to fire, explosion, smoke or theft which result from flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not. If "not covered" is stated for any "location," then this Flood Coverage Endorsement does not apply at the location(s) described.

Each claim for loss, damage or expense caused by or resulting from flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not; in any one occurrence shall be adjusted separately and from the amount of each such adjusted claim the sum of \$1,000 will be deducted for each location.

This Flood Coverage Extension does not apply to:

- A. Property in transit outside the confines of any "location" covered hereunder, property in the custody of any outside salesperson or messenger served or property shipped as registered mail; or
- B. Property Covered by any other endorsement which states that flood is a covered cause of loss.
- C. Property located in NFIP Flood Zone A or "Special Flood Hazard Areas" as determined by the National Flood Insurance Program.



PROPERTY ERRORS OR OMISSIONS EXTENSION ENDORSEMENT

Subject to the limit(s) of coverage and deductible(s) shown elsewhere in the MUNICIPAL PROPERTY COVERAGE AGREEMENT, MUNICIPAL BUILDING AND PERSONAL PROPERTY COVERAGE, and subject to all the terms and conditions not in conflict herewith, this endorsement extends to cover the interest of the "member" in the "member's" MUNICIPAL BUILDING PROPERTY and MUNICIPAL PERSONAL PROPERTY, provided that a loss occurs to these types of property which is not covered by the MUNICIPAL BUILDING AND PERSONAL PROPERTY COVERAGE because of:

1. Any error or omission in the description or the location of the above types of property which are covered property under the MUNICIPAL BUILDING AND PERSONAL PROPERTY COVERAGE, which error or omission existed at the time of inception of the MUNICIPAL BUILDING AND PERSONAL PROPERTY COVERAGE; or
2. Any error or omission in the description or the location of the above types of property in a future endorsement to the MUNICIPAL BUILDING AND PERSONAL PROPERTY COVERAGE; or
3. Failing through error or omission to include (a) any location occupied by the "member" at the inception of the MUNICIPAL BUILDING AND PERSONAL PROPERTY COVERAGE, or (b) any newly acquired location during the coverage period of the MUNICIPAL BUILDING AND PERSONAL PROPERTY COVERAGE.

If such loss occurs, the loss shall be covered under this endorsement, but in no case to exceed the limit of coverage specified the Declarations or \$500,000, whichever is less. It is a condition of coverage under this endorsement that such error or omission shall be reported and corrected when discovered, and that any applicable additional membership fee shall be charged.

All other terms and conditions remain unchanged.



ARIZONA MUNICIPAL RISK RETENTION POOL MUNICIPAL INLAND MARINE COVERAGE AGREEMENT DECLARATIONS

Coverage Agreement # 2000169-1
Replaces Coverage Agreement # AM40172016

THIS DECLARATIONS PAGE AND THE ATTACHED MUNICIPAL INLAND MARINE COVERAGE AGREEMENT AND APPLICATION FOR COVERAGE COMPLETE THIS POLICY.

Item 1. "Named Member" and Principal Address:

San Luis, City Of
PO Box 1170
San Luis, AZ 85349

Item 2. "Rating Period"

This Policy takes effect at 12:01 A.M., 07/01/2017, and expires at 12:01 A.M., 07/01/2018.

These effective and expiration times are based upon the local times at the principal address of the "Named Member" stated in Item 1 above.

Item 3. **LIMITS**

1. MUNICIPAL MOBILE AND MISCELLANEOUS EQUIPMENT COVERAGE

Rented or leased mobile or miscellaneous equipment	Total Limit	\$	500,000
	Deductible	\$	500

Mobile equipment (per schedule on file with the Pool)	Total Limit	\$	737,392
	Deductible	\$	250

Miscellaneous equipment (per schedule on file with the Pool)	Total Limit	\$	374,484
	Deductible	\$	250

2. ELECTRONIC DATA PROCESSING COVERAGE

Electronic data processing equipment, including electronic <i>data</i> , computer programs and <i>media</i> (per schedule on file with the Pool)	Total Limit	\$	500,000
	Deductible	\$	250

3. VALUABLE PAPERS COVERAGE

Valuable Papers and Records	Total Limit	\$	50,000
	Deductible	\$	250

4. ACCOUNTS RECEIVABLE

Records of Accounts Receivable	Total Limit	\$ Not Covered
	Deductible	\$ Not Covered
5. SIGNS		
Signs Coverage	Total Limit	\$ Not Covered
	Deductible	\$ Not Covered
6. FINE ARTS COVERAGE		
Fine Arts (per schedule on file with the Pool)	Total Limit	\$ Not Covered
	Deductible	\$ Not Covered
7. SERVICE ANIMAL COVERAGE		
Per Schedule on file with the Pool	Total Limit	\$ 20,000
	Deductible	\$ 250
Medical/Surgical	Total Limit	\$ 2,500
	Deductible	\$ 250



ARIZONA MUNICIPAL RISK RETENTION POOL MUNICIPAL INLAND MARINE COVERAGE AGREEMENT

MUNICIPAL MOBILE AND MISCELLANEOUS EQUIPMENT COVERAGE

VARIOUS PROVISIONS IN THIS MUNICIPAL INLAND MARINE COVERAGE AGREEMENT ("THIS AGREEMENT") RESTRICT COVERAGE. READ THIS COVERAGE ENTIRELY AND CAREFULLY TO DETERMINE RIGHTS, DUTIES, AND WHAT IS OR IS NOT COVERED.

WORDS AND PHRASES THAT ARE IN QUOTATION MARKS HAVE SPECIAL MEANING. REFER TO SECTION **G - DEFINITIONS**, EXCEPT FOR "COVERED EQUIPMENT", WHICH IS DEFINED IN **A.1. AND A.2.** BELOW AND **COMMON CONDITIONS**.

A. COVERAGE

The Pool will pay for direct physical loss or damage to Inland Covered Property resulting from an accident, unless excluded below.

1. Inland Covered Property means:

- a. The "Named Member's" mobile or movable equipment as scheduled; and
- b. The "Named Member's" miscellaneous equipment as scheduled; and
- c. Similar property of others in the "Named Member's" care, custody or control as scheduled.

2. Property Not Covered – Inland Covered Property does not include:

- a. Contraband, or property used in the course of illegal transportation or trade;
- b. Automobiles, trucks or tractors, trailers or semi-trailers, or similar conveyances which are designed and licensed for highway use;
- c. Motorcycles, aircraft, watercraft, drones and similar conveyances, unless specifically scheduled;
- d. Plans, blueprints, designs or specifications; or
- e. Property while located underground, or in caissons, or underwater.

B. ADDITIONAL COVERAGES

1. Acquired Inland Property

The Pool will pay for direct physical loss or damage resulting from an accident, not otherwise excluded to:

- a. Additionally acquired inland property of a similar nature to that scheduled, which is acquired subsequent to the effective date of this coverage, not exceeding:

(1) 25% of the total amount of the "Named Member's" scheduled Inland

Covered Property; or

(2) \$50,000, whichever is the lesser amount.

This additional amount of coverage shall cease:

- (1) Ninety (90) days from the date such property is acquired; or
- (2) On the date property values are reported to the Pool; or
- (3) On the termination date of this coverage, whichever shall first occur, additional membership fee shall be due and payable from the date such property is acquired.

2. Rental Reimbursement

The Pool will pay for rental reimbursement expenses incurred by the "Named Member" for the rental of equipment because of loss to Inland Covered Property to a covered item of equipment. The Pool will not pay more than:

- a. \$25.00 per day per item of equipment; or
- b. \$500.00 total per policy year for rental of one or more items. No deductibles apply to this coverage.

This coverage does not apply while there are spare or reserve equipment available to the "Named Member" for the "Named Member's" operations.

C. EXCLUSIONS

1. The Pool will not pay for loss or damage arising out of any of the following and any loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence:

- a. Governmental Action

Seizure or destruction of property by order of governmental authority.

But the Pool will pay for acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire would otherwise be covered.

- b. Water

Flood, surface water, waves, tidal water or tidal wave, overflow of streams or other bodies of water, release of water impounded by a dam, or spray

from any of the foregoing, or other water from natural sources whether on or below ground.

- c. Nuclear Hazard

- (1) Any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination, from any other cause. But the Pool will pay for direct loss caused by resulting fire if the fire would be covered under this coverage.

- d. War and Military Action

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

2. The Pool will not pay for a loss or damage caused by or resulting from any of the following:

- a. Occasioned by the weight of a load exceeding the manufacturer's rated lifting or supporting capacity of any equipment or machine;
- b. Artificially generated current creating a short circuit or other electric disturbance within an article covered under this coverage. But the Pool will pay for direct loss or damage caused by resulting fire if the fire would be covered under this coverage. This exclusion only applies to loss or damage to that article in which the disturbance occurs and does not apply to loss or damage to electronic data processing equipment, electronic data and computer programs as scheduled and on file with the Pool.
- c. Voluntary parting with any property by the "Named Member" or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
- d. Unauthorized instructions to transfer property to any person or to any place.
- e. Mechanical breakdown or failure. But the Pool will pay for direct loss or damage caused by resulting

fire or explosion if the fire or explosion would be covered under this coverage.

- f. Corrosion, rust, clouding, warping, or discoloration.
- g. Dishonest acts by the "member," anyone else with an interest in property, or the "Named Member's" or their employees or authorized representative, or anyone entrusted with the property, whether or not acting alone or in

collusion with other persons or occurring during the hours of employment. This exclusion does not apply to a carrier for hire.

- h. Unexplained loss, mysterious disappearance, or shortage disclosed upon taking inventory.

3. The Pool will not pay for a loss caused by or resulting from any of the following:

- a. Weather conditions.
- b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
- c. Faulty, inadequate or defective:
 - (1) Planning, zoning, development, surveying, siting;
 - (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - (3) Materials used in repair, construction, renovation or remodeling; or
 - (4) Maintenance of part or all of any property wherever located.
- d. Wear and tear, any quality in the property that causes it to damage or destroy itself, hidden or latent defect, gradual deterioration; mechanical breakdown; dampness, cold or heat.

D. LIMITS OF COVERAGE

The most the Pool will pay for loss or damage arising out of in any one accident is the applicable Limit of Coverage shown in the Declarations. If any loss is covered under this coverage or any other coverage issued by the Pool, only the limit provided by this coverage agreement will apply.

E. DEDUCTIBLE

- 1. If deductibles vary by type of "Inland Covered Property" and more than one type of "Inland Covered Property" is involved in any "one accident", the highest deductible will apply.

Unless otherwise shown in the Declarations, the Deductibles apply to all loss or damage covered by this agreement.

- 2. The Pool will not pay for loss or damage resulting from any "one accident" until the amount of loss or damage exceeds the applicable deductible or deductibles shown in the Declarations. The Pool will then pay the amount of loss or damage in excess limits shown in the Declarations. of the applicable deductible or deductibles, subject to the applicable.

F. CONDITIONS

The following conditions apply in addition to the Common Conditions:

1. Coverage Territory

The Pool covers property located within:

- a. The United States of America;
- b. Puerto Rico; and
- c. Canada.

2. Risk Sharing

All Inland Covered Property, except property in transit, must be covered for its total value as of the time of loss or damage or the "Named Member" will incur a penalty.

The penalty is that the Pool will pay only the proportion of any loss or damage that the Limit of Coverage shown in the Declarations for all Covered Property at all locations bears to the total value of all property at all locations as of the time of loss or damage. This penalty will not apply to property in transit.

G. LOSS CONDITIONS

1. ABANDONMENT

There can be no abandonment of any property to the Pool.

2. APPRAISAL

If the Pool and the "Named Member" disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their difference to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal, the Pool will still retain the right to deny the claim.

3. DUTIES IN THE EVENT OF LOSS

The "Named Member" must see that the following are done in the event of loss or damage to any specifically identified Covered Property:

Notify the police if a law may have been broken.

- a. Give the Pool prompt notice of the loss. Include a description of the property involved.
- b. As soon as possible, give the Pool a description of how, when and where the loss occurred.
- c. Take all reasonable steps to protect the Covered Property from further damage.

If feasible, set the damaged property aside and in the best possible order for examination. Also keep a record of the "Named Member's" expenses, for consideration in the settlement of the claim.

- d. Make no statement that will assume any obligation or admit any liability for any loss for which the Pool may be liable, with the Pool's consent.

- e. Permit the Pool to inspect the property and records proving loss.

- f. If requested, permit the Pool to question the "Named Member" under oath, at such times as may be reasonably required, about any matter relating to this coverage or the "Named Member's" claim, including the "Named Member's" books and records. In such event, the "Named Member's" answers must be signed.

- g. Send the Pool signed, sworn statement of loss containing the information the Pool requests to settle the claim. The "Named Member" must do this within sixty (60) days after the Pool's request. The Pool will supply the "Named Member" with the necessary forms.

- h. Promptly send the Pool any legal papers or notices received concerning the loss.

- i. Cooperate with the Pool in the investigation or settlement of the claim.

4. TWO OR MORE COVERAGES

If two or more coverages apply to the same loss, the Pool will not pay more than the actual amount of the loss.

5. LOSS PAYMENT

The Pool will pay or make good any loss covered under this coverage within thirty (30) days after:

- a. The Pool reaches agreement with the "Named Member";
- b. The entry of final judgment; or
- c. The filing of an appraisal award.

The Pool will not be liable for any part of a "loss" that has been paid or made good by others.

6. PAIR, SET OR PARTS

- a. Pair or Set. In case of loss to any part of a pair or set the Pool may:
 1. Repair or replace any part or restore the pair or set to its value before the loss; or
 2. Pay the difference between the value of the pair or set before and after the loss.
- b. Parts. In case of loss to any part of Covered Property consisting of several parts when complete, the Pool will only pay for the value of the lost or damaged part.

H. PRIVILEGE TO ADJUST WITH OWNER

In the event of loss involving property of others in the "Named Member's" care, custody or control, the Pool has the right to:

- a. Settle the loss with the owners of the property. A receipt for payment from the owners of that property will satisfy any claim of the "member's."
- b. Provide a defense for legal proceedings brought against the "member." If provided, the expense of this defense will be at the Pool's cost and will not reduce the applicable Limit of Coverage under the coverage.

I. RECOVERIES

Any recovery or salvage on a loss will accrue entirely to the Pool's benefit until the sum paid by the Pool has been made up.

J. REINSTATEMENT OF LIMIT AFTER LOSS

The Limit of Coverage will not be reduced by the payment of any claim, except for total loss of a scheduled item, in which event the Pool will refund the unearned premium on that item.

K. LEGAL ACTION AGAINST THE POOL

No one may bring a legal action against the Pool under the coverage unless:

1. There has been full compliance with all the terms of the coverage;
2. The action is brought within two (2) years after the "Named Member" first has knowledge of the loss.

L. NO BENEFIT TO BAILEE

No person or organization, other than the "Named Member," having custody of

Covered Property will benefit from this coverage.

M. COVERAGE PERIOD

The Pool covers loss commencing during the coverage period shown in the Declarations.

N. VALUATION

The most the Pool will pay for "loss" for any one item, at its option, is the least of:

- a. The cost of the item of equipment with deduction for depreciation;
- b. The cost of reasonably restoring that property to its condition immediately before the loss;
- c. The cost of repairing or replacing parts with like kind and quality without deduction for depreciation; or
- d. The limit stated in the schedule on file as applicable to each scheduled item.



INLAND MARINE ERRORS OR OMISSIONS EXTENSION ENDORSEMENT

This endorsement extends to cover the interest of the “member” in the “member’s” inland marine property, provided that a loss occurs to this type of property which is not covered by the respective MUNICIPAL INLAND MARINE COVERAGE AGREEMENT because of:

1. Any error or omission in the description or the scheduling of the above type of property which is covered property under the respective MUNICIPAL INLAND MARINE COVERAGE AGREEMENT, which error or omission existed at the time of inception of the respective MUNICIPAL INLAND MARINE COVERAGE AGREEMENT; or
2. Any error or omission in the description or the scheduling of the above type of property in a future endorsement to the respective MUNICIPAL INLAND MARINE COVERAGE AGREEMENT; or
3. Failing through error or omission to include (a) covered property of the “member” at the inception of the respective MUNICIPAL INLAND MARINE COVERAGE AGREEMENT, or (b) newly acquired inland marine property during the coverage period of the respective MUNICIPAL INLAND MARINE COVERAGE AGREEMENT.

If loss occurs to that property, the loss shall be covered under this endorsement, but in no case will the Pool pay more than the limit of coverage specified or \$100,000, whichever is less. It is a condition of coverage under this endorsement that such error or omission shall be reported and corrected when discovered, and that any additional membership fee shall be charged.

All other terms and conditions remain unchanged.



ARIZONA MUNICIPAL RISK RETENTION POOL MUNICIPAL INLAND MARINE COVERAGE AGREEMENT SERVICE ANIMAL COVERAGE

WORDS AND PHRASES THAT APPEAR IN QUOTATION MARKS HAVE SPECIAL MEANING. REFER TO **SECTION G**. IN THIS FORM – DEFINITIONS AND IN **COMMON CONDITIONS**.

A. COVERAGE

The Pool will pay for direct loss or damage resulting from the theft, death or incapacitation of a Covered Service Animal.

1. Covered Service Animal Covered Property

Covered Service Animal means the "Named Member's" active police, K-9 unit, or mounted patrol animals specifically listed in the schedule on file with the Pool.

2. Property Not Covered

Covered Service Animal does not include:

- a. Service Animals not specifically declared and described in the schedule on file with the Pool;
- b. Service Animals rented or leased to others, or being boarded, while away from the "premises" shown on the schedule on file with the Pool; or
- c. Contraband or property in the course of illegal transportation or trade.

B. EXCLUSIONS

The Pool will not pay for loss or damage arising out of any of the following and any loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

1. Improper Care

Failure to provide proper care.

2. Intentional Destruction

Intentional destruction by the "Named Member", by the "Named Member's" "employee" or at the "Named Member's" direction, unless the animal has suffered a severe injury due to an accident and:

- a. The Pool expressly agrees to the death of the animal; or
- b. A veterinarian certifies that immediate destruction is necessary for humane reasons.

3. Natural Causes

Illness, disease, genetic defect or other pre-existing condition, or old age.

4. Nuclear Hazard

Nuclear reaction or radiation, or radioactive contamination, however caused. But if nuclear reaction or radiation, or nuclear contamination, results in fire, the Pool will pay for the direct loss or damage caused by that fire if the fire would be covered under this Coverage Part.

5. Veterinary, Farrier Or Grooming Services

Any veterinary treatment, including but not limited to surgery, or any farrier or grooming services.

6. War And Military Action

- a. War, including undeclared or civil war;

- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.
7. The Pool will not pay for loss or damage caused by or resulting from any of the following:
- a. Delay, loss of use, loss of market or any other consequential loss.
 - b. Dishonest or criminal act committed by:
 - (1) The "Named Member" of any of its elected or appointed officials, managers, "employees", directors, trustees or authorized representatives;
 - (2) Anyone else with an interest in the property, or their employees or authorized representatives; or
 - (3) Anyone else to whom the property is entrusted for any purpose.
- This Exclusion applies whether or not:
- (1) Such persons are acting alone or in collusion with other persons; or
 - (2) Such acts occur during the hours of employment.
- This Exclusion does not apply to a Covered Service Animal that is entrusted to others who are carriers for hire.
- c. Voluntary parting with title to or possession of any property by the "Named Member" or anyone else to whom the "Named Member" has entrusted the service animal if induced to do so by any fraudulent scheme, trick, device or false pretense.
 - d. Unauthorized instructions to transfer a service animal to any person or to any place.
 - e. Neglect of the "Named Member" to use all reasonable means to save and preserve property from further damage at and after the time of loss.
8. The Pool will not pay for loss or damage caused by or resulting from acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.

C. OPTIONAL COVERAGE – MEDICAL/SURGICAL COVERAGE

- 1. If the "Named Member" elects to purchase this Optional Coverage and a separate Medical/Surgical Limit Of Coverage is shown in the Declarations, the Pool will pay for veterinary expenses incurred by the "Named Member" for injury to, or illness sustained by, Covered Service Animals
- 2. All of the Exclusions included within Section B, above, apply to this Optional Coverage. However, with respect to this Optional Coverage:
 - a. Exclusion **3., NATURAL CAUSES**, is amended to read:
Genetic defect or other pre-existing condition, or old age.
 - b. Exclusion **5., VETERINARY, FARRIER OR GROOMING SERVICES**, is amended to read:
Routine veterinary treatment, including but not limited to annual examinations and vaccinations, or any farrier or grooming services.
- 3. The Medical/Surgical Limit Of Coverage shown in the Declarations is the most the Pool will pay under this Coverage for all medical and surgical expenses incurred by any one animal during the "rating period".

D. LIMITS OF COVERAGE

The most the Pool will pay for loss of, or damage to, any animal covered under Coverage Part A. is the applicable Limit Of Coverage shown in the Inland Marine Declarations.

E. DEDUCTIBLE

The Pool will not pay for loss or damage in any one occurrence unless the amount of the loss exceeds the Deductible shown in the Municipal Inland Marine Declarations. The Pool will then pay the amount of the loss in excess of the Deductible, up to the applicable Limit Of Coverage. In the event more than one Deductible amount could apply to the same loss, only the highest Deductible amount may be applied.

The Pool may pay any part or all of the Deductible amount to effect settlement of any claim or suit and, upon notification of the action taken, the "Named Member" shall promptly reimburse the Pool for such part of the Deductible amount as has been paid by the Pool.

F. ADDITIONAL CONDITIONS

The following conditions apply in addition to the Municipal Inland Marine Conditions and the Common Conditions:

1. Coverage Territory

The Pool covers property located within:

- a. The United States of America;
- b. Puerto Rico; and
- c. Canada.

2. Risk Sharing

All Covered Property must be insured for its total value as of the time of loss or the "Member" will incur a penalty.

The penalty is that the Pool will pay only the proportion of any loss that the Limit Of Coverage shown in the Declarations for all Covered Property at all locations bears to the total value of all property at all locations as of the time of loss.

3. Representations

By accepting this Coverage Part, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this Coverage Part in reliance upon your representations.

G. DEFINITIONS

1. "Employee" means any natural person:

- a. While in the "Named Member's" service;
- b. Who the "Named Member" compensates directly by salary, wages or commissions; and
- c. Who the "Named Member" has the right to direct and control while performing services for the "Member".

"Employee" does not mean or include:

- a. Any agent, independent contractor or representative of the same general character; or
 - b. Any "leased worker".
2. "Leased worker" means a person leased to the "Named Member" by a labor leasing firm under an agreement between the "Named Member" and the labor leasing firm, to perform duties related to the conduct of the "Named Member's" municipal operations.
3. "Premises" means the interior of that portion of any building the "Named Member" occupies for the "Named Member's" municipal activities.
4. "Rating period" means the Rating Period shown in the Declarations.



ARIZONA MUNICIPAL RISK RETENTION POOL EQUIPMENT BREAKDOWN COVERAGE DECLARATIONS

Policy # 2000169-1
Replaces Policy # AM40172016

THIS DECLARATIONS PAGE AND THE ATTACHED EQUIPMENT BREAKDOWN COVERAGE AGREEMENT COMPLETE THIS COVERAGE PART.

Item 1. "Named Member" and Principal Address:

San Luis, City Of
PO Box 1170
San Luis, AZ 85349

Item 2. "Rating Period":

This coverage takes effect at 12:01 A.M., 07/01/2017, and expires at 12:01 A.M., 07/01/2018.

These effective and expiration times are based upon the local times at the principal address of the "Named Member" stated in Item 1 above.

Limit TIV per schedule (Not to exceed \$100 Million)

Item 3. Equipment Breakdown Coverage Deductible \$1,000 Per Accident

Sublimits:

Expenses for Service Interruption	\$250,000
Expediting Expense	\$250,000
Pollutants	\$250,000
Perishable Goods	\$250,000
Water Damage	\$250,000
Newly Acquired Locations or Equipment	90 days
Data Restoration	\$100,000
Demolition and ICC (Increased Cost of Construction)	\$250,000
CFC Refrigerants	\$250,000
Ice Rink Buried Piping	\$250,000
Mold	\$1,000,000
Green Building Expense	See Form
Income and Expense	See Form

These sub-limits do not provide additional limits or amounts of insurance but are included in the Equipment Breakdown Coverage Limit.



ARIZONA MUNICIPAL RISK RETENTION POOL EQUIPMENT BREAKDOWN COVERAGE AGREEMENT

VARIOUS PROVISIONS IN THIS MUNICIPAL EQUIPMENT BREAKDOWN COVERAGE AGREEMENT RESTRICT COVERAGE. READ THIS COVERAGE ENTIRELY AND CAREFULLY TO DETERMINE RIGHTS, DUTIES, AND WHAT IS OR IS NOT COVERED.

WORDS AND PHRASES THAT APPEAR IN QUOTATION MARKS HAVE SPECIAL MEANING. REFER TO **SECTION G – DEFINITIONS** AND COMMON CONDITIONS, EXCEPT FOR "ACCIDENT" AND "COVERED EQUIPMENT", WHICH ARE DEFINED IN **A.1.A.** AND **A.1.B.** BELOW.

A. COVERAGE

1. Covered Causes of Loss

The coverage provided by this agreement applies to loss or damage which is the direct result of an "accident" to "covered equipment".

a. "Accident" means direct physical loss as follows:

- (1) Mechanical breakdown, including rupture or bursting caused by centrifugal force;
- (2) Artificially generated electrical current, including electrical arcing, that disturbs electrical devices, appliances or wires;
- (3) Explosion of steam boilers, steam piping, steam engines or steam turbines owned or leased by the "Named Member" or operated under the "Named Member's" control;
- (4) Loss or damage to steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside equipment;
- (5) Loss or damage to hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment; or
- (6) Loss or damage to boiler feed water piping, boiler condensate return piping or piping forming a part of a refrigerating or air conditioning system all normally subject to vacuum or internal pressure other than static pressure of contents.

b. "Covered equipment", unless specified otherwise in the Declarations, means any equipment built to operate under vacuum or pressure, other than weight of contents, or equipment used for the generation, transmission or utilization of energy. The equipment must be at a location described in the Declarations and must be owned or leased by the "Named Member" or operated under its control, except as specifically provided for under Service Interruption coverage and the Service Interruption component of other coverages.

2. Insuring Agreements and Certain Limits

Coverage is for equipment breakdown provided under the following insuring agreements. For all insuring agreements the "accident" and Covered Causes of Loss must occur during the Rating Period shown in the Declarations. Coverages listed in 2.b. through 2.o.below do not provide additional limits or amounts of coverage, but are included in the Equipment Breakdown Coverage Limit.



a. Property Damage

The Pool will pay for direct damage to "covered property".

b. Expenses for Service Interruption

The Pool will pay for indirect loss as follows:

- (1) Any coverage provided for "Income and Expense" coverage is extended to apply to covered loss as qualified below.
- (2) The "covered equipment" must be owned by a:
 - (a) Utility,
 - (b) Landlord, or
 - (c) Other supplier

with whom the "Named Member" have a contract to provide the "Named Member" with any of the following services: electrical power, communications, waste disposal, air conditioning, refrigeration, heating, gas, air, water or steam.

The most the Pool will pay for loss or damage under this coverage or any Pool Coverage Part is \$250,000

c. Expediting Expenses

With respect to the "Named Member's" damaged "covered property", the Pool will pay the reasonable extra cost to:

- (1) Make temporary repairs; and
- (2) Expedite permanent repairs or permanent replacement.

The most the Pool will pay for this loss or damage under this coverage is \$250,000.

d. Pollutants

The Pool will pay for the additional cost to repair or replace "covered property" because of contamination by a "pollutant". This includes the additional expenses to clean up or dispose of such property. Additional costs mean these beyond what would have been required had no "pollutant" been involved. The most the Pool will pay, including salvage expense, under this coverage is \$250,000.

e. Perishable Goods

- (1) The Pool will pay for the "Named Member's" loss of "perishable goods" due to spoilage.
- (2) The Pool will also pay for loss of perishable goods due to spoilage caused by an "accident" to "covered equipment" owned by a



- (a) Utility,
- (b) Landlord, or
- (c) Other supplier

with whom the "Named Member" have a contract to provide the "Named Member" with any of the following services: electrical power, communications, waste disposal, air conditioning, refrigeration, heating, gas, air, water or steam.

- (3) The Pool will also pay for the "Named Member's" loss of "perishable goods" due to contamination from the release of refrigerant, including but not limited to ammonia.
- (4) The Pool will also pay necessary expenses the "Named Member" incurs to reduce the amount of loss under this coverage. The expenses are within the limit for this coverage.

The most the Pool will pay for loss or damage under this coverage is \$250,000.

f. Water Damage

If "covered equipment" is damaged by water as a result of an accident to covered refrigeration or air conditioning vessels and piping, the most the Pool will pay under this coverage, including salvage expenses, is \$100,000.

g. Newly Acquired Locations or Equipment

Newly acquired locations and newly acquired equipment are included in "covered property" and "covered equipment" for 90 days after acquisition unless reported to the Pool.

h. Data Restoration

The Pool will pay for the "Named Member's" cost to research, replace and restore data, including programs and operating systems. The most the Pool will pay for loss or damage under this coverage is \$100,000.

i. Demolition and ICC (Increased Cost of Construction)

If an "accident" to "covered equipment" damages a building that is "covered property"; and the loss is increased by enforcement of any ordinance or law in force at the time of the "accident" that regulates the construction or repair of buildings, or establishes zoning or land use requirements, the Pool will pay for the following additional costs to comply with such ordinance or law:

- (1) The "Named Member's" actual expenditures for the cost to demolish and clear the site of undamaged parts.
- (2) The "Named Member's" actual expenditures for increased costs to repair, rebuild, or construct the building. If the building is repaired or rebuilt, it must be intended for similar use or occupancy as the current building, unless otherwise required by zoning or land use ordinance or law.
- (3) The "Named Member's" loss as described in "Income and Expense" coverage caused by loss covered in (1) or (2) above.



The Pool will not pay for:

- (4) Any fine;
- (5) Any liability to a third party;
- (6) Any increase in loss due to a "pollutant"; or
- (7) Increased construction costs until the building is actually repaired or replaced.

The most the Pool will pay for loss or damage under this coverage is \$250,000.

j. CFC Refrigerants

The Pool will pay for the additional cost to repair or replace "covered property" because of the use or presence of a refrigerant containing CFC (chlorofluorocarbon) substances. This means the additional expense to do the least expensive of the following:

- (1) Repair the damaged property and replace any lost CFC refrigerant;
- (2) Repair the damaged property, retrofit the system to accept a non-CFC refrigerant and charge the system with a non-CFC refrigerant; or
- (3) Replace the system with one using a non-CFC refrigerant.

Additional costs mean those beyond what would have been required had no CFC refrigerant been involved.

The Pool will also pay for additional loss as described "Income and Expense", and "Perishable Goods" coverages caused by such loss.

The most the Pool will pay for loss or damage under this coverage is \$250,000.

k. Ice Rink Buried Piping

The Pool will pay for loss or damage caused by or resulting from an "accident" to buried piping at an ice rink. The most the Pool will pay under this coverage is \$250,000.

l. Mold

- (1) The Pool will pay for loss, damage or expense caused by "mold", only when "mold" is the direct result of an "accident" to "covered equipment" that occurs during the Rating Period. This includes, but is not limited to, costs arising from clean up, removal, or abatement of such "mold". As used in this coverage, the term loss or damage means:
 - (a) Direct physical loss or damage to "covered property" caused by "mold" including the cost of removal of the "mold";
 - (b) The cost to tear out and replace any "covered property" as needed to gain access to the "mold";
 - (c) The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe that "mold" is present; and



(d) Additional loss as described in "Income and Expense" coverage caused by such loss.

(2) The most the Pool will pay for loss or damage under this coverage is \$1,000,000. Regardless of the number of claims, the most the Pool will pay for the total of all loss or damage arising out of all "accidents" to "covered equipment" which take place within the 12-month period starting with the beginning of the present annual Rating Period is \$1,000,000. With respect to a particular "accident" which results in "mold", the Pool will not pay more than a total of \$1,000,000 even if the "mold" continues to be present or active or recurs in a later Rating Period.

(3) The coverage provided under this "Mold" Coverage does not increase the Equipment Breakdown Limit on any "covered property". If a particular occurrence results in loss or damage by "mold", and other loss or damage, the Pool will not pay more, for the total of all loss or damage, than the Equipment Breakdown Limit on the affected "covered property".

If there is covered loss or damage to "covered property" not caused by "mold", loss payment will not be limited by the terms of this coverage, except to the extent that "mold" causes an increase in the loss. Any such increase in the loss will be subject to the terms of this coverage.

m. "Green" Building Expenses

The Pool will cover the following expenses:

(1) Reasonable and necessary extra cost for the recertification of the damaged "covered property" as required by a "Green Authority".

(2) Reasonable and necessary extra cost to recycle the damaged "covered property" as required by a "Green Authority".

The most we will pay under this coverage is 150% of the loss cost but not to exceed \$100,000 per location.

n. Income and Expense

(1) Income

(a) The Pool will pay the "Named Member's" actual loss of "Income" that result directly from the necessary total or partial interruption of the "Named Member's" business as a result of a Covered Cause of Loss under this coverage.

(b) The Pool will also pay any necessary expenses the "Named Member" incur to reduce the amount of loss under this coverage. The Pool will pay for such expenses to the extent that they do not exceed the amount of loss that otherwise would have been payable under this coverage.

(c) The Pool will consider the actual experience of the "Named Member's" business before the "accident" and the probable experience the "Named Member" would have had without the "accident" in determining the amount of the Pool's payment.



(d) This coverage ends 60 days after the date the damaged property is repaired or replaced.

(2) Expense

The Pool will pay the reasonable "Expense" to operate the "Named Member's" business during a total or partial interruption of business.

The most we will pay for Income and Expense coverage is \$5,000,000.

B. EXCLUSIONS

1. The Pool will not pay for loss or damage caused by or resulting from:

a. Depletion, deterioration, corrosion, erosion, wear and tear, or other gradually developing conditions.

But if loss or damage from an "accident" results, the pool will pay for that resulting loss or damage.

b. The enforcement of any ordinance, law, regulation, rule or ruling regulating or restricting repair, replacement, alteration, use, operation, construction or installation, except as provided under the following coverages: Demolition and ICC, "Pollutants" or CFC Refrigerants.

c. Any earth movement, including but not limited to earthquake, subsidence, sinkhole collapse, landslide, mudslide, earth sinking, tsunami or volcanic action.

d. Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not.

However, if electrical "covered equipment" requires drying out because of the above, the Pool will pay for the direct expenses of such drying out, subject to the applicable Property Damage limit and deductible. The most the Pool will pay for such drying out is \$100,000 per accident.

e. Windstorm or hail.

However, the Pool will pay if:

(1) "Covered equipment" located within a building or structure suffers an "accident" that results from rain, snow, sand or dust; and

(2) The building or structure did not first sustain wind or hail damage to its roof or walls through which the rain, snow, sand or dust entered.

f. Nuclear reaction or radiation, or radioactive contamination, however caused.

g. War, including undeclared or civil war; Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.



- h. Fire or combustion explosion, whether or not caused by or resulting from an "accident".
- i. Any of the following tests:
 - (1) A hydrostatic, pneumatic or gas pressure test of any boiler or pressure vessel; or
 - (2) An insulation breakdown test of any type of electrical equipment.
- j. Water or other means used to extinguish a fire, even when such an attempt is unsuccessful.
- k. Any of the following causes of loss:
 - (1) Lightning, Explosion (except for steam or centrifugal explosion); Smoke, Aircraft or Vehicles, Riot or Civil Commotion, Vandalism or Sprinkler Leakage;
 - (2) Breakage of Glass, Falling Objects, Weight of Snow, Ice or
Sleet or Water Damage (including Water Damage that is the result of an "accident"); or
 - (3) Freezing (caused by cold weather), Collapse or Molten Material.
- l. The presence, growth, proliferation, spread or activity of "mold". This includes, but is not limited to, costs arising from clean up, removal, or abatement of such "mold". However, if an "accident" occurs, the Pool will pay the resulting loss or damage. This exclusion does not apply:
 - (1) to spoilage of personal property that is "perishable goods", to the extent that spoilage is covered under "Perishable Goods" coverage; or
 - (2) to the extent that coverage is provided under "mold" coverage for that portion of any loss or damage resulting from the presence, growth, proliferation, spread or activity of "mold" as a result of an "accident" to "covered equipment".
- 2. With respect to "Income", "Expense" and Service Interruption coverages, the Pool will also not pay for:
 - a. Loss caused by the "Named Member's" failure to use due diligence and dispatch and all reasonable means to resume business at the described location;
 - b. That part of any loss that is due solely to the suspension, lapse or cancellation of a contract following an "accident" extending beyond the time "Income" is applicable; or
 - c. Delay in resuming operations due to the need to reconstruct or re-input data or programs on "media".
- 3. With respect to Service Interruption coverage and paragraph (2) of "Perishable Goods" coverage, the Pool will also not pay for loss caused by or resulting from any of the causes of loss named in Exclusion 1.k. above, whether or not coverage for such cause of loss is provided by this agreement or another policy of insurance the "Named Member" has.
- 4. With respect to "Perishable Goods" coverage, the Pool will also not pay for loss or damage as a result of the "Named Member's" failure to use all reasonable means to protect the "perishable goods" from damage following an "accident".



5. The Pool will, also, not pay for loss or damage caused by or resulting from any defect, programming error, programming limitation, virus, loss of data, loss of access, loss of use, loss of functionality or other condition within or involving data or media of any kind. But if loss or damage from an accident results, the Pool will pay for that resulting loss or damage.
6. None of the following is "covered property":
 - a. Structure, foundation, cabinet, compartment, or air supported structure or building;
 - b. Insulating or refractory material;
 - c. Sewer piping, underground vessels or piping, or piping forming a part of a sprinkler system, except as provided under Ice Rink Buried Piping coverage;
 - d. Water piping other than boiler feed water piping, boiler condensate return piping or water piping forming a part of a refrigerating or air conditioning system;
 - e. Vehicle, aircraft, floating vessel or any equipment mounted on such vehicle, aircraft or floating vessel. However, any property that is stationary, permanently installed at a covered location and that receives electrical power from an external power supplier will not be considered a vehicle, aircraft or floating vessel;
 - f. Dragline, excavation or construction equipment;
 - g. Equipment manufactured by the "Named Member" for sale; or
 - h. Electronic data processing equipment, unless used to control or operate "covered equipment". Electronic Data Processing Equipment includes programmable electronic equipment that is used to store, retrieve and process data; and associated peripheral equipment.
 - i. Any "builders risk property" if the approved estimated total "project cost" exceeds \$2,000,000 as of the date construction commenced.
7. "Covered property" does not include:
 - a. Live animals; or
 - b. Transmission and distribution lines and poles and equipment that are usual to the transmission of electricity and are not at a location described in the Declarations. This does not include substations and transformers. This exclusion does not apply to Expenses for Service Interruption coverage as provided under section A.2.c. above.
 - c. Any "builders risk property" if the approved estimated total "project cost" exceeds \$2,000,000 as of the date construction commenced.



C. LIMITS OF COVERAGE - GENERAL

Any payment made under this coverage will not be increased if more than one "Named Member" is shown in the Declarations.

If two or more limits apply to the same portion of a loss, the Pool will only pay the smaller limit for that portion of the loss. If any loss is covered by any other policy issued by the Pool, only one applicable limit will apply. That limit may be chosen by the "Named Member".

1. Equipment Breakdown Limit

The most the Pool will pay for loss or damage arising from any "one accident" is the amount shown in the Arizona Municipal Risk Retention Pool Equipment Breakdown Declarations. This total limit applies to all coverages under this agreement unless a smaller applicable limit is identified above, then only that limit applies.

2. Newly Acquired Locations or Equipment Limit

The limit of the "Named Member's" coverage for Newly Acquired Locations or Equipment coverage is \$5,000,000. This limit is part of the Equipment Breakdown Limit.

However, any newly acquired locations that have electrical generating equipment must be reported to the Pool within 90 days after the "Named Member" has purchased or leased the location and will be subject to the terms and conditions as determined by the Pool.

D. DEDUCTIBLE

1. If deductibles vary by type of "covered equipment" and more than one type of "covered equipment" is involved in any "one accident", the highest deductibles will apply.

Unless otherwise shown in the Declarations, the Deductibles apply to all loss or damage covered by this agreement.

2. The Pool will not pay for loss or damage resulting from any "one accident" until the amount of loss or damage exceeds the applicable deductible or deductibles shown in the Declarations. The Pool will then pay the amount of loss or damage in excess of the applicable deductible or deductibles, subject to the applicable limits shown in the Declarations.

E. LOSS CONDITIONS

The following conditions apply in addition to the Common Conditions:

1. Abandonment

There can be no abandonment of any property to the Pool.

2. Appraisal

If the Pool admits liability for a loss and the Pool and the "Named Member" disagree on the value of the property or "Income", either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property or "Income". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:



- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

3. Brands and Labels

If branded or labeled merchandise that is "covered property" is damaged by an "accident" to "covered equipment", but retains a salvage value, the "Named Member" may, at your expense:

- a. Stamp the word SALVAGE on the merchandise or its containers if the stamp will not physically damage the merchandise; or
- b. Remove the brands or labels, if doing so will not physically damage the merchandise. the "Named Member" must re-label the merchandise or its containers to comply with the law.

The Pool will pay for any reduction in value of the salvage merchandise resulting from either of these two actions.

If a Brands and Labels Limit is shown on the Declarations, the Pool will not pay more than the indicated amount for coverage under this Condition.

4. Duties In the Event of Loss or Damage

The "Named Member" must see that the following are done in the event of loss or damage:

- a. Give the Pool prompt notice of the loss or damage. Include a description of the property involved;
- b. As soon as possible, give the Pool a description of how, when and where the loss or damage occurred;
- c. Allow the Pool a reasonable time and opportunity to examine the property and premises before repairs are undertaken or physical evidence of the "accident" is removed. But the "Named Member" must take whatever measures are necessary for protection from further damage;
- d. Permit the Pool to inspect the property and records. Also permit the Pool to take samples of damaged and undamaged property for inspection, testing and analysis;
- e. If requested, permit the Pool to question the "Named Member" under oath, at such times as may be reasonably required about any matter relating to this coverage or your claim including the "Named Member's" books and records. In such event, the "Named Member's" answers must be signed;
- f. Send the Pool a signed, sworn proof of loss containing the information the Pool requests to settle the claim. The "Named Member" must do this within 60 days after the Pool's request;
- g. Cooperate with the Pool in the investigation and settlement of the claim;
- h. Promptly send the Pool any legal papers or notices received concerning the loss or damage; and
- i. Make no statement that will assume any obligation or admit any liability, for any loss or damage for which the Pool may be liable, without the Pool's consent.



The Pool may examine any "Named Member" under oath, at such times as may be reasonably required, about any matter relating to this agreement, including your books and records. In the event of an examination, your answers must be signed.

5. Reducing the "Named Member's" Loss

The "Named Member" must reduce its loss, if possible, by:

- a. Resuming operations, partially or completely;
- b. Making up lost business within a reasonable amount of time. This includes working extra time or overtime at the location of loss or at another location. The reasonable amount of time does not necessarily end when the operations are resumed;
- c. Using merchandise or other property available to the "Named Member";
- d. Using the property or services of others; or
- e. Salvaging the damaged property.

6. Salvage and Recoveries

When, in connection with any loss under this agreement, any salvage or recovery is received subsequent to the payment of such loss, the loss shall be refigured on the basis on which it would have been settled had the amount of salvage or recovery been known at the time the loss was originally determined. Any amounts thus found to be due either party from the other shall be paid promptly.

7. Valuation

- a. Our payment for damaged "covered property" will be the smallest of:
 - (1) The cost to repair the damaged property;
 - (2) The cost to replace the damaged property on the same site; or
 - (3) The amount the "Named Member" actually spend that is necessary to repair or replace the damaged property.
- b. Except as described under f. below, the "Named Member" must pay the extra cost of replacing damaged property with property of a better kind or quality or of a different size or capacity.
- c. If the "Named Member" does not repair or replace the damaged property within 24 months after the date of the "accident", then the Pool will pay only the smaller of the:
 - (1) Cost it would have taken to repair at the time of the "accident"; or
 - (2) Actual cash value; at the time of the "accident".
- d. If any of the following conditions are met, property held by the "Named Member" for sale will be valued at the sales price as if no loss or damage had occurred, less any discounts and expenses the "Named Member" otherwise would have had:
 - (1) The property was manufactured by the "Named Member"



- (2) The sales price of the property is less than the replacement cost of the property; or
 - (3) The "Named Member" are unable to replace the property before its anticipated sale.
- e. Media will be valued on the following basis:
- (1) For mass-produced and commercially available software, at the replacement cost.
 - (2) For all other "data" and "media", at the cost of blank material for reproducing the records.
- f. Environmental, Safety and Efficiency Improvements
- If "covered equipment" requires replacement due to an "accident", the Pool will pay the "Named Member's" additional cost to replace with equipment that is better for the environment, safer or more efficient than the equipment being replaced. However, the Pool will not pay more than 150% of what the cost would have been to repair or replace with like kind and quality. This coverage does not increase any of the applicable limits. This coverage does not apply to any property indicated as being valued on an actual cash value basis.
- g. In any event, the Pool will not pay more than the following, whichever is the least:
- (1) the "Named Member's" financial interest in the "covered property";
 - (2) 150% of the estimated replacement cost of the "covered property" as stated in the Schedule of "Covered Property"; or
 - (3) The actual cash value of the "covered property", if the "covered property" is vacant property.

However, any amounts paid for coverages as provided by A. Coverages, 2.b, 2.c, 2.d, 2.e, 2.f, 2.i., 2.j., 2.k., 2.l., and 2.o. are in addition to these limitations.

F. ADDITIONAL CONDITIONS

The following conditions apply in addition to the Common Conditions:

1. Additional Covered Party

If a person or organization is designated in this coverage or an applicable as an additional "Named Member" the Pool will consider them to be a "Named Member" under this only to the extent of their interest.

2. Bankruptcy

The bankruptcy or insolvency of the "Named Member" or its estate will not relieve the Pool of any obligation under this agreement.

3. Concealment, Misrepresentation or Fraud

The Pool will not pay for any loss if the "Named Member" at any time intentionally conceals or misrepresents a material fact concerning:



- a. This Agreement;
- b. The "covered property";
- c. The "Named Member's" interest in the "covered property"; or
- d. A claim under this agreement.

4. Jurisdictional Inspections

If any "covered equipment" requires inspection to comply with state or municipal boiler and pressure vessel regulations, the Pool agrees to perform such inspection on the "Named Member's" behalf.

5. Legal Action Against Us

No one may bring a legal action against the Pool under this Covenant unless:

- a. There has been full compliance with all the terms of this agreement; and
- b. The action is brought within two years after the date of the "accident"; or
- c. The Pool agree in writing that the "Named Member" have an obligation to pay for damage to "covered property" of others or until the amount of that obligation has been determined by final judgment or arbitration award. No one has the right under this agreement to bring us into an action to determine your liability.

6. Loss Payable

- a. The Pool will pay the "Named Member" and the loss payee shown in the Declarations for loss covered by this agreement, as interests may appear. The coverage covers the interest of the loss payee unless the loss results from conversion, secretion or embezzlement on the "Named Member's" part.
- b. The Pool may cancel this agreement as allowed by the Cancellation Condition. Cancellation ends this agreement as to the loss payee's interest. If the Pool cancels, the Pool will mail the "Named Member" and the loss payee the same advance notice.
- c. If the Pool makes any payment to the loss payee, the Pool will obtain their rights against any other party.

7. Mortgage Holders

- a. The Pool will pay for direct damage to "covered property" due to an "accident" to "covered equipment" to the "Named Member" and each mortgage holder shown in the Declarations in their order of precedence, as interests may appear.
- b. The mortgage holder has the right to receive loss payment even if the mortgage holder has started foreclosure or similar action on the "covered property".
- c. If the Pool denies the claim because of the "Named Member's" acts or because the "Named Member" has failed to comply with the terms of this agreement, the mortgage holder will still have the right to receive loss payment if the mortgage holder:



- (1) Pays any premium due under this agreement at the Pool's request if the "Named Member" has failed to do so;
- (2) Submits a signed, sworn proof of loss within 60 days after receiving notice from the Pool of the "Named Member's" failure to do so; and
- (3) Has notified the Pool of any change in ownership or material change in risk known to the mortgage holder.

All of the terms of this agreement will then apply directly to the mortgage holder.

- d. If the Pool pays the mortgage holder for any loss and denies payment to the "Named Member" because of the "Named Member's" acts or because the "Named Member" has failed to comply with the terms of this agreement:

- (1) The mortgage holder's right under the mortgage will be the amount the Pool pay; and
- (2) The mortgage holder's right to recover the full amount of the mortgage holder's claim will not be impaired.

At the Pool's option, the Pool may pay to the mortgage holder the whole principal on the mortgage plus any accrued interest. In this event, the "Named Member's" mortgage and note will be transferred to the Pool and the "Named Member" will pay the "Named Member's" remaining mortgage debt to us.

- e. If the Pool cancels this agreement, the Pool will give written notice to the mortgage holder at least:

- (1) 10 days before the effective date of cancellation if the Pool cancel for the "Named Member's" nonpayment of premium; or
- (2) 30 days before the effective date of cancellation if the Pool cancel for any other reason.

- f. If the Pool elects not to renew this agreement, the Pool will give written notice to the mortgage holder at least 10 days before the expiration date of this covenant.

- g. If the Pool suspends coverage, it will also be suspended as respects the mortgage holder. The Pool will give written notice of the suspension to the mortgage holder.

8. Other Insurance

- a. The "Named Member" may have other insurance subject to the same plan, terms, conditions and provisions as the coverage under this agreement. If the "Named Member" does, the Pool will pay its share of the covered loss or damage. Its share is the proportion that the applicable limits under this agreement bear to the Limits of Insurance of all insurance covering on the same basis.
- b. If there is other insurance covering the same loss or damage, other than that described in (a) above, the Pool will pay only the amount of covered loss or damaged in excess of the amount due from that other insurance, whether the "Named Member" can collect on it or not.

In no case will the Pool pay more than the applicable limits.



9. Rating Period, Coverage Territory

Under this agreement:

- a. The "accident" must occur:
 - (1) During the Rating Period shown in the Declarations; and
 - (2) Within the Coverage Territory.
- b. The Coverage Territory is:
 - (1) The United States of America (including its territories and possessions); and
 - (2) Canada.

10. Privilege to Adjust with Owner

In the event of loss or damage involving property of others in the "Named Member's" care, custody or control, the Pool has the right to settle the loss or damage with respect to such property with the owner of the property. A receipt for payment from the owners of that property will satisfy any claim of the "Named Member".

11. Suspension

Whenever "covered equipment" is found to be in, or exposed to, a dangerous condition, any of the "Named Member's" representatives may immediately suspend the coverage against loss from an "accident" to that "covered equipment". This can be done by delivering or mailing a written notice of suspension to:

- a. The "Named Member's" last known address; or
- b. The address where the "covered equipment" is located.

Once suspended in this way, the "Named Member's" coverage can be reinstated only by an endorsement for that "covered equipment".

If the Pool suspends the "Named Member's" coverage, the "Named Member" will get a pro rata refund of premium for that "covered equipment". But the suspension will be effective even if the Pool has not yet made or offered a refund.

12. Transfer of Rights of Recovery Against Others to the Pool

If any person or organization to or for whom the Pool makes payment under this agreement has rights to recover damages from another, those rights are transferred to the Pool to the extent of the "Named Member's" payment. That person or organization must do everything necessary to secure the "Named Member's" rights and must do nothing after loss to impair them. But the "Named Member" may waive the "Named Member's" rights against another party in writing:

- a. Prior to a loss to your covered property.
- b. After a loss to your covered property only if, at time of loss, that party is insured by this Coverage Agreement.



G. DEFINITIONS

1. "Accident" is defined in this agreement, in A.1.a., COVERAGE - Covered Causes of Loss.
2. "Boilers and Vessels" means:
 - a. Any boiler, including attached steam, condensate and feed water piping; and
 - b. Any fired or unfired pressure vessel subject to vacuum or internal pressure other than the static pressure of its contents.

This term does not appear elsewhere in this agreement, but may appear in the Declarations.
3. "Builders Risk Property" means:
 - a. "Covered property" in the course of construction;
 - b. Alterations or repair to the "city's" existing "covered property";
 - c. Addition to the "city's" existing "covered property";
 - d. "Builders risk property" also includes:
 - (1) Foundation of "covered property" in the course of construction or an addition to the "city's" existing "covered property";
 - (2) Materials, equipment and supplies used for construction, alteration or repair, provided such property is intended to be permanently in or on the "builders risk property"; and
 - (3) Temporary structures built or assembled at a location described in the Declarations including cribbing, scaffolding and construction forms used in the course of construction or alterations or repair of the "builders risk property".
4. "Income" means the sum of:
 - a. The Net Income (net profit or loss before income taxes) that would have been earned or incurred; and
 - b. Continuing normal operating expenses incurred, including employee payroll.
5. "Named Member" means governmental body or entity first named in the Declarations. For purposes of this coverage, "Named Member" includes relief associations. Unless specifically named in the Declarations, the "Named Member" shall not include:
 - a. Gas, electrical, or steam utilities commission;
 - b. Port authority, housing and redevelopment authority, economic development authority, area or municipal redevelopment authority, or similar agency;
 - c. Municipal power agency;
 - d. Municipal gas agency;
 - e. Hospital or nursing home board or commission;



- f. Airport commission;
 - g. Welfare or public relief agency;
 - h. School board; or
 - i. "Joint powers entity"; but a joint planning board created pursuant to an orderly annexation agreement or joint resolution between the "Named Member" and a township is deemed to be a covered "joint powers entity" under this agreement.
6. "Covered Equipment" is defined in this agreement in A.1.b., COVERAGE - Covered Causes of Loss.
7. "Covered Property" means property that:
- a. The "Named Member" owns; or
 - b. Is in the "Named Member's" care, custody or control and for which the "Named Member" is legally liable while at a location described in the Declarations.
8. "Data" means information or instructions stored in digital code capable of being processed by machinery.
9. "Employee" means any natural person:
- a. While in the "Named Member's" service;
 - b. Who the "Named Member" compensates directly by salary, wages or commissions; and
 - c. Who the "Named Member" has the right to direct and control while performing services for the "Named Member".
- "Employee" does not mean or include:
- a. Any agent, independent contractor or representative of the same general character; or
 - b. Any "leased worker".
10. "Expense" means the additional cost the "Named Member" incurs to operate the "Named Member's" business during the interruption over and above the cost that normally would have been incurred to operate the business during the same period had no "accident" occurred.
11. "Green" means products, materials, methods and processes certified by a "Green Authority" that conserve natural resources, reduce energy or water consumption, avoid toxic or otherwise environmental impact.
12. "Green Authority" means an authority on "Green" buildings, products, materials, methods or processes that is certified and accepted by Leadership in Energy and Environmental Design (LEED), Green Building Initiative Green Globes, Energy Starr Rating System or any other recognized "Green" rating system.



13. "Joint Powers Entity" means an operating entity created by two or more governmental units entering into an agreement as provided by statute for the joint exercise of governmental powers. An intergovernmental agreement will be deemed to create a "joint powers entity" if the agreement establishes a board with the effective power to do any of the following, regardless of whether the specific consent of the constituent governmental units may also be required:
- a. To receive and expend funds;
 - b. To enter into contracts;
 - c. To hire "employees";
 - d. To purchase or otherwise acquire or hold real or personal property; or
 - e. To sue or be sued.
14. "Media" means all forms of electronic, magnetic and optical tapes and discs for use in any electronic computer or electronic data processing equipment.
15. "Mold" means any "mold", fungus, mildew or yeast, including any spores or toxins produced by or emanating from such "mold", fungus, mildew or yeast.
16. "One Accident" means:
- If an initial "accident" causes other "accidents", all will be considered "one accident". All "accidents" that are the result of the same event will be considered "one accident".
17. "Perishable Goods" means any "covered property" subject to deterioration or impairment as a result of a change of conditions, including but not limited to temperature, humidity or pressure.
18. "Pollutant" means any substance other than ammonia that has been declared to be hazardous to health by a governmental agency.
19. "Production Machinery" means:
- Any machine or apparatus that processes or produces a product intended for eventual sale. However, "production machinery" does not mean any fired or unfired pressure vessel other than a cylinder containing a movable plunger or piston.
- This term does not appear elsewhere in this coverage form, but may appear in the Declarations.
20. "Project cost" means the cost of construction, materials, and architectural, legal, financial and other professional services relating to the construction, alteration or repair project.
21. "Suit" means a civil proceeding to which this Coverage Agreement applies and includes:
- a. Any arbitration proceeding in which damages are claimed and to which the "Named Member" must submit or do submit with the Pool's consent; or
 - b. Any other alternative dispute resolution proceeding in which damages are claimed and to which the "Named Member" submits with the Pool's consent.



22. "Vacant property" means:

- a. "Covered property" is deemed to be "vacant property" if for a period of 60 consecutive days less than 31% of the "covered property" square footage is either used by the "Named Member" for customary operations or is leased out.
- b. "Covered property" rented or leased to the "Named Member" is deemed to be "vacant property" if for a period of 60 consecutive days the "covered property" does not contain enough property to conduct customary operations.

However, builders risk property is not considered vacant property.



ARIZONA MUNICIPAL RISK RETENTION POOL MUNICIPAL AUTO LIABILITY COVERAGE AGREEMENT DECLARATIONS

Agreement # 2000169-1

Replaces Agreement # AM40172016

THIS DECLARATIONS PAGE AND THE ATTACHED MUNICIPAL AUTO LIABILITY COVERAGE AGREEMENT AND APPLICATION FOR COVERAGE COMPLETE THIS COVERAGE PART.

IN RETURN FOR THE PAYMENT OF MEMBERSHIP FEES, THE POOL AGREES TO PROVIDE THE MEMBER WITH THE FOLLOWING COVERAGE SUBJECT TO ALL OF THE TERMS AND CONDITIONS OF THE POOL'S INTERGOVERNMENTAL AGREEMENT AND THE APPLICABLE COVERAGE AGREEMENTS AND ENDORSEMENTS.

Item 1. "Named Member" and Principal Address

San Luis, City Of
PO Box 1170
San Luis, AZ 85349

Item 2. This Policy takes effect at 12:01 A.M., 07/01/2017, and expires at 12:01 A.M., 07/01/2018.

These effective and expiration times are based upon the local times at the principal address of the "Named Member" stated in Item 1 above.

Item 3. Limits of Liability

Municipal Auto Liability	\$	2,000,000	Any one accident
Deductible Municipal Auto Liability	\$	Nil	Any one accident
Municipal Auto Medical Payments	\$	Not Covered	Any one accident
Uninsured/Underinsured Motorists	\$	Not Covered	Any one accident

Item 4. Deductible Physical Damage

Comprehensive	\$	1,000	Each Covered "Auto"
Collision	\$	1,000	Each Covered "Auto"

Item 5. Description of Covered "Autos"

Municipal Auto Liability Symbol 1 Any "Auto"

Municipal Auto Physical Damage Symbol 2 See Schedule of "Autos"

Uninsured/Underinsured Motorists Symbol 1 Any "Auto"

Municipal Auto Medical Payments Symbol 1 and 2

Item 6. Endorsements:

AZMAS (07/16)	AZMAC (05/17)	AZMAE1 (07/16)	AZMAE2 (07/16)
AZMAE5 (07/16)			

**ARIZONA MUNICIPAL RISK RETENTION POOL
MUNICIPAL AUTO COVERAGE PART
AUTO SCHEDULE**

Coverage Agreement Number: 2000169-1
 Member: San Luis, City Of
 Rating Period From: 07/01/2017 **12:01 AM at the Mailing Address on the Common Declarations**
 To: 07/01/2018

Auto #	Description	VIN	*Comprehensive	*Comp Deductible	Collision	Collision Deductible	ACV/RC Value	Replacement Cost Indicator
1	1986 Grumman Fire Truck	6919	X	\$ 1,000	X	\$ 1,000	\$ 35,000	
2	1993 Ford LTS9000 Dump	1342	X	\$ 1,000	X	\$ 1,000	\$ 40,000	
3	1986 Chevy Utility	4963	X	\$ 1,000	X	\$ 1,000	\$ 3,000	
4	1985 Mack Garbage Truck	1460	X	\$ 1,000	X	\$ 1,000	\$ 20,000	
5	1985 GMC SR	383	X	\$ 1,000	X	\$ 1,000	\$ 40,000	
6	1997 Pierce Fire Truck	305	X	\$ 1,000	X	\$ 1,000	\$ 210,000	
7	2000 Dodge Caravan	9906	X	\$ 1,000	X	\$ 1,000	\$ 19,000	
8	1982 GMC Boom Truck	1754	X	\$ 1,000	X	\$ 1,000	\$ 30,000	
9	1995 Ford PU	1753	X	\$ 1,000	X	\$ 1,000	\$ 4,800	
10	2000 Ford 19 Pass Van-Handi	5332	X	\$ 1,000	X	\$ 1,000	\$ 55,300	
11	2000 Wilkens Loadrunner	7782	X	\$ 1,000	X	\$ 1,000	\$ 84,000	
12	1994 Freightliner Semi Tractor Trailer	59	X	\$ 1,000	X	\$ 1,000	\$ 34,000	
13	2001 Dodge Truck	9846	X	\$ 1,000	X	\$ 1,000	\$ 20,000	
14	1996 Dodge 1500	9055	X	\$ 1,000	X	\$ 1,000	\$ 8,425	
15	1996 Dodge Ram	4411	X	\$ 1,000	X	\$ 1,000	\$ 5,225	
16	1979 IHC Oil Boot Truck	5942	X	\$ 1,000	X	\$ 1,000	\$ 4,000	
17	1989 Chevy Truck	8606	X	\$ 1,000	X	\$ 1,000	\$ 3,500	
18	1996 Chevy PU	5727	X	\$ 1,000	X	\$ 1,000	\$ 5,000	
19	1987 Chevy 3/4 Ton Utility Truck	4963	X	\$ 1,000	X	\$ 1,000	\$ 3,300	

20	2002 Freightliner Water Truck	4154	X	\$ 1,000	X	\$ 1,000	\$ 75,000
21	2003 Volvo Garbage Truck	9937	X	\$ 1,000	X	\$ 1,000	\$ 50,000
22	2003 Volvo Garbage Truck	9938	X	\$ 1,000	X	\$ 1,000	\$ 50,000
23	2003 Pierce Skyboom Fire Truck	3237	X	\$ 1,000	X	\$ 1,000	\$ 484,288
24	2003 Broom Bear Sweeper	3580	X	\$ 1,000	X	\$ 1,000	\$ 75,000
25	2004 Autocar Truck	487	X	\$ 1,000	X	\$ 1,000	\$ 70,000
26	2005 Ford Expedition	1844	X	\$ 1,000	X	\$ 1,000	\$ 36,000
27	2005 Ford Van	6553	X	\$ 1,000	X	\$ 1,000	\$ 23,000
28	2005 Ford Van	796	X	\$ 1,000	X	\$ 1,000	\$ 24,000
29	2005 Ford Expedition	8934	X	\$ 1,000	X	\$ 1,000	\$ 40,000
30	2005 GMC Canyon PU	1521	X	\$ 1,000	X	\$ 1,000	\$ 17,000
31	2005 GMC Canyon PU	2414	X	\$ 1,000	X	\$ 1,000	\$ 17,000
32	2005 GMC Canyon PU	2487	X	\$ 1,000	X	\$ 1,000	\$ 18,000
33	2005 GMC Canyon PU	5945	X	\$ 1,000	X	\$ 1,000	\$ 18,000
34	2005 Ford Crown Victoria	7757	X	\$ 1,000	X	\$ 1,000	\$ 40,000
35	2005 Ford Crown Victoria	7758	X	\$ 1,000	X	\$ 1,000	\$ 40,000
36	2005 Ford Crown Victoria	7759	X	\$ 1,000	X	\$ 1,000	\$ 40,000
37	2005 Ford Crown Victoria	7760	X	\$ 1,000	X	\$ 1,000	\$ 40,000
38	2005 Ford F150 PU	8302	X	\$ 1,000	X	\$ 1,000	\$ 21,000
39	2005 Ford 3/4 T PU	2432	X	\$ 1,000	X	\$ 1,000	\$ 40,000
40	2005 Ford 3/4 T PU	848	X	\$ 1,000	X	\$ 1,000	\$ 24,000
41	2005 Ford Expedition	7031	X	\$ 1,000	X	\$ 1,000	\$ 35,000
42	2005 GMC Canyon PU	2115	X	\$ 1,000	X	\$ 1,000	\$ 17,000
43	2005 Harley-Davidson Motorcycle	2629	X	\$ 1,000	X	\$ 1,000	\$ 18,000
44	2005 Harley-Davidson Motorcycle	2742	X	\$ 1,000	X	\$ 1,000	\$ 18,000

45	2005 Ford Van	2017	X	\$ 1,000	X	\$ 1,000	\$ 38,000
46	2005 Ford Crown Victoria	4625	X	\$ 1,000	X	\$ 1,000	\$ 40,000
47	2005 Ford Crown Victoria	4626	X	\$ 1,000	X	\$ 1,000	\$ 40,000
48	2005 Ford Crown Victoria	4627	X	\$ 1,000	X	\$ 1,000	\$ 40,000
49	2006 Ford 1/2 T PU	4059	X	\$ 1,000	X	\$ 1,000	\$ 14,000
50	2006 Ford 1/2 T PU	4058	X	\$ 1,000	X	\$ 1,000	\$ 14,000
51	2006 Ford 1/2 T PU	4056	X	\$ 1,000	X	\$ 1,000	\$ 14,000
52	2006 Ford 1/2 T PU	4055	X	\$ 1,000	X	\$ 1,000	\$ 14,000
53	2006 Ford 1/2 T PU	4057	X	\$ 1,000	X	\$ 1,000	\$ 14,000
54	2006 Ford Ranger	4054	X	\$ 1,000	X	\$ 1,000	\$ 20,000
55	2006 Ford PU	2599	X	\$ 1,000	X	\$ 1,000	\$ 20,000
56	2006 Ford F12K	893	X	\$ 1,000	X	\$ 1,000	\$ 14,000
57	2006 Ford F12K	892	X	\$ 1,000	X	\$ 1,000	\$ 14,000
58	2006 Ford Ranger	4838	X	\$ 1,000	X	\$ 1,000	\$ 15,000
59	2006 Ford Ranger	4832	X	\$ 1,000	X	\$ 1,000	\$ 15,000
60	2006 Ford Ranger	4834	X	\$ 1,000	X	\$ 1,000	\$ 15,000
61	2006 Ford Ranger	4837	X	\$ 1,000	X	\$ 1,000	\$ 15,000
62	2006 Ford Ranger	4835	X	\$ 1,000	X	\$ 1,000	\$ 15,000
63	2006 Ford Ranger	4833	X	\$ 1,000	X	\$ 1,000	\$ 15,000
64	2006 Ford Ranger	4836	X	\$ 1,000	X	\$ 1,000	\$ 15,000
65	2006 Ford Crown Victoria	1413	X	\$ 1,000	X	\$ 1,000	\$ 22,000
66	2006 Ford Ranger	4839	X	\$ 1,000	X	\$ 1,000	\$ 15,000
67	2006 Ford Ranger	4840	X	\$ 1,000	X	\$ 1,000	\$ 15,000
68	2005 Mack MR6	8165	X	\$ 1,000	X	\$ 1,000	\$ 165,000
69	2006 Ford F250	6281	X	\$ 1,000	X	\$ 1,000	\$ 31,000

70	2006 Ford F250	2933	X	\$ 1,000	X	\$ 1,000	\$ 31,000
71	2006 Ford F250	2935	X	\$ 1,000	X	\$ 1,000	\$ 31,000
72	2006 Ford F250	2934	X	\$ 1,000	X	\$ 1,000	\$ 31,000
73	2006 Ford TSE	3359	X	\$ 1,000	X	\$ 1,000	\$ 20,000
74	2006 Ford Explorer	7870	X	\$ 1,000	X	\$ 1,000	\$ 24,000
75	2006 Ford F150 PU	4851	X	\$ 1,000	X	\$ 1,000	\$ 14,000
76	2006 Jeep Cherokee	3098	X	\$ 1,000	X	\$ 1,000	\$ 22,000
77	2006 Ford Crown Victoria	4088	X	\$ 1,000	X	\$ 1,000	\$ 23,000
78	2006 Ford SW	992	X	\$ 1,000	X	\$ 1,000	\$ 25,000
79	2006 Autocar Garbage Truck	3270	X	\$ 1,000	X	\$ 1,000	\$ 213,000
80	1996 Chevy Astro Van	9063	X	\$ 1,000	X	\$ 1,000	\$ 8,000
81	1995 Chevy 4DSW	9428	X	\$ 1,000	X	\$ 1,000	\$ 8,500
82	1999 Ford 3/4 T PU	1172	X	\$ 1,000	X	\$ 1,000	\$ 5,000
83	1997 Dodge Caravan	973	X	\$ 1,000	X	\$ 1,000	\$ 5,000
84	2007 Ford F3D	9341	X	\$ 1,000	X	\$ 1,000	\$ 45,000
85	2000 Ford Crown Victoria	1593	X	\$ 1,000	X	\$ 1,000	\$ 8,000
86	2003 Ford Crown Victoria	1812	X	\$ 1,000	X	\$ 1,000	\$ 10,000
87	2004 Mack LE6	8969	X	\$ 1,000	X	\$ 1,000	\$ 119,000
88	2006 Ford Taurus	6287	X	\$ 1,000	X	\$ 1,000	\$ 12,000
89	2005 Ford F550	6467	X	\$ 1,000	X	\$ 1,000	\$ 52,000
90	2007 Harley-Davidson Motorcycle	502	X	\$ 1,000	X	\$ 1,000	\$ 19,000
91	2007 Harley-Davidson Motorcycle	746	X	\$ 1,000	X	\$ 1,000	\$ 19,000
92	2007 Carson Trailer	8772	X	\$ 1,000	X	\$ 1,000	\$ 1,180
93	2007 Ford F150 PU	8026	X	\$ 1,000	X	\$ 1,000	\$ 19,000
94	2007 Ford F150 PU	8025	X	\$ 1,000	X	\$ 1,000	\$ 23,000

95	2007 Ford F150 PU	4344	X	\$ 1,000	X	\$ 1,000	\$ 34,000
96	2004 Ford Crown Victoria	7432	X	\$ 1,000	X	\$ 1,000	\$ 10,000
97	2005 Ford Crown Victoria	2275	X	\$ 1,000	X	\$ 1,000	\$ 12,000
98	1986 John Deere Motor Grader	1071	X	\$ 1,000	X	\$ 1,000	\$ 30,000
99	1996 Dodge 1 T Dump Truck	2702	X	\$ 1,000	X	\$ 1,000	\$ 3,300
100	2007 Ford Ranger	4946	X	\$ 1,000	X	\$ 1,000	\$ 19,000
101	2008 Ford Dump Truck	3654	X	\$ 1,000	X	\$ 1,000	\$ 82,000
102	2008 Ford Ranger	1336	X	\$ 1,000	X	\$ 1,000	\$ 13,600
103	2008 Ford Ranger	1337	X	\$ 1,000	X	\$ 1,000	\$ 13,600
104	2008 Ford Ranger	1338	X	\$ 1,000	X	\$ 1,000	\$ 13,600
105	2007 GEM E4	4500	X	\$ 1,000	X	\$ 1,000	\$ 11,000
106	2008 Ford F150 PU	5806	X	\$ 1,000	X	\$ 1,000	\$ 21,000
107	2008 LeeBoy Sweeper	9855	X	\$ 1,000	X	\$ 1,000	\$ 39,000
108	2000 Sterling LT7 Truck	1680	X	\$ 1,000	X	\$ 1,000	\$ 67,000
109	2008 Homemade Flatbed Trailer	6118	X	\$ 1,000	X	\$ 1,000	\$ 2,000
110	2007 Autocar Garbage Truck	4813	X	\$ 1,000	X	\$ 1,000	\$ 171,000
111	1997 Plymouth Van	5855	X	\$ 1,000	X	\$ 1,000	\$ 2,000
112	2009 Toyota Prius	3779	X	\$ 1,000	X	\$ 1,000	\$ 24,000
113	2005 Ford Crown Victoria	9268	X	\$ 1,000	X	\$ 1,000	\$ 15,000
114	2009 Chevy Tahoe	3276	X	\$ 1,000	X	\$ 1,000	\$ 35,000
115	2009 Chevy Suburban	3640	X	\$ 1,000	X	\$ 1,000	\$ 39,000
116	2009 Chevy Silverado	3166	X	\$ 1,000	X	\$ 1,000	\$ 29,000
117	2009 Chevy Silverado	2214	X	\$ 1,000	X	\$ 1,000	\$ 29,000
118	2009 Chevy Silverado	4494	X	\$ 1,000	X	\$ 1,000	\$ 29,000
119	2010 Ford F150 PU	9934	X	\$ 1,000	X	\$ 1,000	\$ 17,030

120	2010 Ford F150 PU	9932	X	\$ 1,000	X	\$ 1,000	\$ 17,030
121	2010 Ford F150 PU	9933	X	\$ 1,000	X	\$ 1,000	\$ 17,030
122	1999 EZGO Golf Cart	5788	X	\$ 1,000	X	\$ 1,000	\$ 6,900
123	1997 EZGO Golf Cart	8225	X	\$ 1,000	X	\$ 1,000	\$ 9,400
124	1999 EZGO Golf Cart	5841	X	\$ 1,000	X	\$ 1,000	\$ 6,900
125	1999 Chevy Truck	6772	X	\$ 1,000	X	\$ 1,000	\$ 3,000
126	2007 Nissan Sedan	7883	X	\$ 1,000	X	\$ 1,000	\$ 13,670
127	2011 Yamaha ATV	6151	X	\$ 1,000	X	\$ 1,000	\$ 13,000
128	2011 Yamaha ATV	6271	X	\$ 1,000	X	\$ 1,000	\$ 13,000
129	2011 Chevy Tahoe	8695	X	\$ 1,000	X	\$ 1,000	\$ 33,000
130	2007 Nissan Sentra	7883	X	\$ 1,000	X	\$ 1,000	\$ 7,000
131	2011 Chevy Truck	4174	X	\$ 1,000	X	\$ 1,000	\$ 38,000
132	2002 Jeep Cherokee	1948	X	\$ 1,000	X	\$ 1,000	\$ 5,000
133	2006 Ford F150 PU	9272	X	\$ 1,000	X	\$ 1,000	\$ 37,000
134	2006 Ford Expedition	8923	X	\$ 1,000	X	\$ 1,000	\$ 37,000
135	2006 Ford F150 PU	8757	X	\$ 1,000	X	\$ 1,000	\$ 14,000
136	2012 Freightliner Sweeper	5204	X	\$ 1,000	X	\$ 1,000	\$ 213,000
137	2006 Eldorado Bus	6839	X	\$ 1,000	X	\$ 1,000	\$ 15,000
138	2006 Nissan Titan	8661	X	\$ 1,000	X	\$ 1,000	\$ 40,000
139	2012 Ford Fusion	5346	X	\$ 1,000	X	\$ 1,000	\$ 20,000
140	2012 Dodge Charger	5713	X	\$ 1,000	X	\$ 1,000	\$ 40,000
141	2012 Dodge Charger	5714	X	\$ 1,000	X	\$ 1,000	\$ 40,000
142	2001 Ford Crown Victoria	4121	X	\$ 1,000	X	\$ 1,000	\$ 20,000
143	2013 Flatbed Trailer	1739	X	\$ 1,000	X	\$ 1,000	\$ 2,000
144	2013 Ford Pickup	7566	X	\$ 1,000	X	\$ 1,000	\$ 17,000

145	2013 Ford Pickup	7567	X	\$ 1,000	X	\$ 1,000	\$ 17,000
146	2013 Ford Taurus	2916	X	\$ 1,000	X	\$ 1,000	\$ 40,000
147	2013 Ford Taurus	2917	X	\$ 1,000	X	\$ 1,000	\$ 40,000
148	2013 Ford Taurus	2918	X	\$ 1,000	X	\$ 1,000	\$ 40,000
149	2013 Ford Explorer	566	X	\$ 1,000	X	\$ 1,000	\$ 40,000
150	2013 Ford Explorer	567	X	\$ 1,000	X	\$ 1,000	\$ 40,000
151	2013 Ford Explorer	568	X	\$ 1,000	X	\$ 1,000	\$ 40,000
152	2013 Ford Explorer	569	X	\$ 1,000	X	\$ 1,000	\$ 40,000
153	2013 Ford Explorer	560	X	\$ 1,000	X	\$ 1,000	\$ 40,000
154	2013 Ford Dump Truck	6055	X	\$ 1,000	X	\$ 1,000	\$ 49,000
155	2006 Chevy Impala	8859	X	\$ 1,000	X	\$ 1,000	\$ 40,000
156	2005 Ford Crown Victoria	2286	X	\$ 1,000	X	\$ 1,000	\$ 40,000
157	2005 Ford Crown Victoria	2312	X	\$ 1,000	X	\$ 1,000	\$ 20,000
158	2005 Ford Crown Victoria	5248	X	\$ 1,000	X	\$ 1,000	\$ 40,000
159	2001 Ford Crown Victoria	6983	X	\$ 1,000	X	\$ 1,000	\$ 20,000
160	1998 EZGO Golf Cart	8469	X	\$ 1,000	X	\$ 1,000	\$ 7,599
161	2013 Crafcro Trailer	8098	X	\$ 1,000	X	\$ 1,000	\$ 63,000
162	2013 Chevy Suburban	7519	X	\$ 1,000	X	\$ 1,000	\$ 38,000
163	1998 Toyota Corolla	9005	X	\$ 1,000	X	\$ 1,000	\$ 8,500
164	2014 Chevy Pickup	847	X	\$ 1,000	X	\$ 1,000	\$ 32,000
165	2014 Chevy Pickup	593	X	\$ 1,000	X	\$ 1,000	\$ 32,000
166	2014 Ford Pickup	5501	X	\$ 1,000	X	\$ 1,000	\$ 40,000
167	2014 Chevy Tahoe	1605	X	\$ 1,000	X	\$ 1,000	\$ 40,000
168	2014 Chevy Tahoe	2586	X	\$ 1,000	X	\$ 1,000	\$ 40,000
169	2014 Chevy Silverado	4012	X	\$ 1,000	X	\$ 1,000	\$ 40,000

170	2014 Ford Explorer	4450	X	\$ 1,000	X	\$ 1,000	\$ 40,000
171	2015 Peterbilt Truck	3796	X	\$ 1,000	X	\$ 1,000	\$ 243,000
172	2006 Ford Crown Victoria	4645	X	\$ 1,000	X	\$ 1,000	\$ 20,000
173	2014 Honda SCP Motorcycle	55	X	\$ 1,000	X	\$ 1,000	\$ 30,000
174	2014 Honda SCP Motorcycle	51	X	\$ 1,000	X	\$ 1,000	\$ 30,000
175	2014 Honda SCP Motorcycle	66	X	\$ 1,000	X	\$ 1,000	\$ 30,000
176	2015 Ford Explorer	3201	X	\$ 1,000	X	\$ 1,000	\$ 52,000
177	2015 Ford Explorer	3202	X	\$ 1,000	X	\$ 1,000	\$ 52,000
178	2015 Ford Explorer	3204	X	\$ 1,000	X	\$ 1,000	\$ 52,000
179	2015 Ford Explorer	3205	X	\$ 1,000	X	\$ 1,000	\$ 52,000
180	2015 Ford Explorer	3206	X	\$ 1,000	X	\$ 1,000	\$ 52,000
181	2007 Ford Crown Victoria	3156	X	\$ 1,000	X	\$ 1,000	\$ 2,800
182	2015 Ford F77	8356	X	\$ 1,000	X	\$ 1,000	\$ 26,434
183	2000 Chevy Colorado	5546	X	\$ 1,000	X	\$ 1,000	\$ 4,400
184	2001 Jeep Cherokee	1515	X	\$ 1,000	X	\$ 1,000	\$ 2,600
185	2015 Chevy Silverado HD 2500	6243	X	\$ 1,000	X	\$ 1,000	\$ 32,961
186	2015 Chevy Silverado HD 2500	495	X	\$ 1,000	X	\$ 1,000	\$ 29,600
187	2015 Chevy Silverado HD 2500	5470	X	\$ 1,000	X	\$ 1,000	\$ 28,759
188	2004 FORD F150 SUPERCREW	1FTRW12W64KD10449	X	\$ 1,000	X	\$ 1,000	\$ 9,000
189	2999 Spartan Monarch	8675	X	\$ 1,000	X	\$ 1,000	\$ 100,000
190	2015 Ford Fusion	6226	X	\$ 1,000	X	\$ 1,000	\$ 30,000
191	2015 Ford Fusion	1745	X	\$ 1,000	X	\$ 1,000	\$ 30,000
192	2015 Ford Fusion	1072	X	\$ 1,000	X	\$ 1,000	\$ 30,000
193	2015 Ford Escape	5521	X	\$ 1,000	X	\$ 1,000	\$ 30,000
194	2015 Ford Escape	6612	X	\$ 1,000	X	\$ 1,000	\$ 30,000

195	2015 Ford Explorer	5652	X	\$ 1,000	X	\$ 1,000	\$ 35,000
196	2014 Ford F150	987	X	\$ 1,000	X	\$ 1,000	\$ 22,000
197	2014 Ford F150	9336	X	\$ 1,000	X	\$ 1,000	\$ 22,000
198	2015 Chevy Suburban	3937	X	\$ 1,000	X	\$ 1,000	\$ 30,000
199	2015 Chevy Silverado	2104	X	\$ 1,000	X	\$ 1,000	\$ 22,000
200	2015 Ford Explorer	3203	X	\$ 1,000	X	\$ 1,000	\$ 52,000
201	2014 Ram C350Am	5571	X	\$ 1,000	X	\$ 1,000	\$ 98,460
202	2016 Ford Explorer	3844	X	\$ 1,000	X	\$ 1,000	\$ 27,112
203	2016 Ford F250	3031	X	\$ 1,000	X	\$ 1,000	\$ 35,810
204	1998 Emond Fire Truck	8313	X	\$ 1,000	X	\$ 1,000	\$ 55,000
205	2016 PIERCE MFG. INC. PIERCE	4P1BAAGF1GA016533	X	\$ 1,000	X	\$ 1,000	\$ 638,719
206	2016 FREIGHTLINER M2 106 MEDIUM DUTY	1FVACXCY7GHGV1277	X	\$ 1,000	X	\$ 1,000	\$ 247,442
207	2016 FORD F150 SUPERCREW	1FTEW1CF1GFB12467	X	\$ 1,000	X	\$ 1,000	\$ 27,800
208	2016 FORD F150 SUPERCREW	1FTFW1EF1GKD88771	X	\$ 1,000	X	\$ 1,000	\$ 31,000
209	2006 FORD ECONOLINE E450 SUPER DUTY	1FDXE45P96HA37728	X	\$ 1,000	X	\$ 1,000	\$ 55,000
210	2006 FORD ECONOLINE E450 SUPER DUTY	1FDXE45P46HA57630	X	\$ 1,000	X	\$ 1,000	\$ 55,000
211	2017 PETERBILT 348	2NP3XJ0X1HM423155	X	\$ 1,000	X	\$ 1,000	\$ 100,000
212	2017 FORD EXPLORER XLT	1FM5K7D82HGB07235	X	\$ 1,000	X	\$ 1,000	\$ 25,900
213	2004 DODGE DURANGO LIMITED SPORT UTILITY VEHICL	1D8HB58D44F17229	X	\$ 1,000	X	\$ 1,000	\$ 500
214	2017 CHEVROLET TAHOE SPECIAL SPORT UTILITY VEHICL	1GNSKFEC9HR30036	X	\$ 1,000	X	\$ 1,000	\$ 347,060
215	2017 FORD F150 SUPER CAB PICKUP	1FTEX1CF1HKC47860	X	\$ 1,000	X	\$ 1,000	\$ 25,100

216	2017 FORD EXPLORER POLICE INTERCEPT SPORT UTILITY VEHICL	1FM5K8AR9HGB93016	X	\$ 1,000	X	\$ 1,000	\$ 31,500
217	2017 RAM 3500 CAB CHASSIS	3C7WRSBL8HG536319	X	\$ 1,000	X	\$ 1,000	\$ 189,065
218	2016 RAM 3500 CAB CHASSIS	3C7WRSBL7GG221140	X	\$ 1,000	X	\$ 1,000	\$ 189,065



ARIZONA MUNICIPAL RISK RETENTION POOL MUNICIPAL AUTO LIABILITY COVERAGE AGREEMENT

THIS COVERAGE AGREEMENT IS ISSUED BY THE ARIZONA MUNICIPAL RISK RETENTION POOL ("THE POOL"). PLEASE READ THIS COVERAGE AGREEMENT CAREFULLY. ALL TERMS IN QUOTES HAVE A SPECIAL MEANING FOUND IN THE DEFINITIONS SECTION OR COMMON CONDITIONS.

IN CONSIDERATION OF THE PAYMENT OF THE PREMIUM SHOWN IN THE DECLARATIONS AND IN RELIANCE ON ALL OF THE STATEMENTS AND REPRESENTATIONS MADE DURING THE APPLICATION PROCESS TO THE POOL, AND SUBJECT TO ALL THE TERMS, CONDITIONS AND LIMITS OF THIS COVERAGE AGREEMENT, THE POOL AGREES AS FOLLOWS:

SECTION I – COVERED AUTOS

Item 4 of the Municipal Auto Declarations shows the "autos" that are covered "autos" for each of the "Named Member's" coverages. The following numerical symbols describe the "autos" that may be covered "autos". The symbols entered next to a coverage on the Municipal Auto Declarations designate the only "autos" that are covered "autos".

A. DESCRIPTION OF COVERED AUTO DESIGNATION SYMBOLS

<u>Symbols</u>	<u>Description Of Covered Auto Designation Symbols</u>	
1	Any "Auto"	"Autos" the Member owns or are used in connection with the "Named Member's" municipal operations.
2	Specifically Described "Autos" and Hired "Autos"	Those "autos" described in Item 4. of the Municipal Auto Declarations or the attached Auto Schedule (and for Municipal Auto Liability Coverage any "trailers" the Member doesn't own while attached to any power unit described in Item 4. or the attached Auto Schedule) and those "autos" the "Named Member" leases, hires, rents or borrows or an "employee" leases, hires, rents or borrows in connection with the "Named Member's" municipal operations.

B. OWNED AUTOS ACQUIRED AFTER THE RATING PERIOD BEGINS

1. If Symbol 1 is entered next to a coverage in Item 4. of the Municipal Auto Declarations, then the "Named Member" has coverage for "autos" the Member acquires of the type described for the remainder of the "rating period".
2. If Symbol 2 is entered next to a coverage in Item 4. of the Municipal Auto Declarations, an "auto" the "Named Member" acquires will be a covered "auto" for that coverage only if:
 - a) The Pool already covers all "autos" that the "Named Member" owns for that coverage or it replaces an "auto" the "Named Member" previously owned that had that coverage; and
 - b) The "Named Member" tells the Pool within 30 days after acquiring it that the "Named Member" wants the Pool to cover it for that coverage.

C. CERTAIN TRAILERS, MOBILE EQUIPMENT AND TEMPORARY SUBSTITUTE AUTOS

If Municipal Auto Liability Coverage is provided by this Coverage Agreement, the following types of vehicles are also covered "autos" under the Municipal Auto Liability Coverage:

1. "Trailers" with a load capacity of 2,000 pounds or less designed primarily for travel on public roads.
2. "Mobile equipment" while being carried on or towed by a covered "auto".
3. Any "auto" the Member does not own while used with the permission of its owner as a temporary substitute for a covered "auto" the Member owns.

SECTION II - MUNICIPAL AUTO LIABILITY COVERAGE

A. COVERAGE AGREEMENT

1. The Pool will pay all sums a "member" legally must pay as "damages" because of "bodily injury" or "property damage" to which this coverage applies, caused by an "accident" during the "rating period" and resulting from the ownership, maintenance or use of a covered "auto".
2. The Pool has the right and duty to defend a "member" against any "suit" seeking covered "damages". The Pool may, at the Pool's discretion, investigate any "claim" and settle any "claim" or "suit."
3. The Pool has no obligation to pay "damages", defend any "member" or incur any expense after the applicable limit of liability shown in the Declarations has been paid.
4. While a covered "auto" is away from the state where it is licensed, the Pool will provide the minimum amounts and types of coverages required of out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

The Pool will not pay anyone more than once for the same elements of "loss".

B. EXCLUSIONS

This coverage does not apply to any of the following:

1. Care, Custody Or Control

"Property damage" to property owned or transported by a "member" or in the "member's" care, custody or control.

But this Exclusion does not apply to:

- a) Liability assumed under a sidetrack agreement; or
- b) "Property damage" to a residence or private garage caused by a "private passenger auto".

2. Contractual Liability

Liability assumed under any contract or agreement.

But this Exclusion does not apply to liability for "damages":

- a) Assumed in a contract that is a "covered contract", provided the "bodily injury" or "property damage" occurs after the execution of the contract; or
- b) That the "member" would have in the absence of the contract.

3. Employer's Liability

"Bodily injury" to:

- a) An "employee" of the "Named Member" arising out of and in the course of:

- 1) Employment by the "Named Member"; or
- 2) Performing the duties related to the conduct of the Member's municipal operations;
or
- b) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph a. above.

This Exclusion applies:

- a) Whether the "Named Member" may be liable as an employer or in any other capacity; and b)

To any obligation to share "damages" with or repay someone else who must pay "damages" because of the injury.

This Exclusion does not apply to:

- a) Liability assumed by the "Named Member" under a "covered contract"; or
- b) "Bodily injury" to domestic employees not entitled to workers compensation benefits.

4. **Expected Or Intended Injury**

"Bodily injury" or "property damage" expected or intended from the standpoint of any "member". This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force by public safety personnel to protect persons or property.

5. **Fellow Employees**

"Bodily injury" to any fellow "employee" of the "Named Member" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of the "Named Member's" municipal operations.

6. **Handling of Property**

"Bodily injury" or "property damage" resulting from the handling of property:

- a) Before it is moved from the place where it is accepted by the "member" for movement into or onto the covered "auto"; or
- b) After it is moved from the covered "auto" to the place where it is finally delivered by the "member".

7. **Movement Of Property By Mechanical Device**

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto".

8. **Operations**

"Bodily injury" or "property damage" arising out of the operation of any equipment listed in Paragraphs 6.(b) and 6.(c) of the definition of "mobile equipment".

9. **Pollution**

- a) "Damages" for which a "member" would not have been liable in whole or in part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.
- b) Any loss, cost or expense arising out of any:

- 1) Request, demand, order or statutory or regulatory requirement that any "member" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- 2) "Claim" or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

10. Racing

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This coverage also does not apply while that covered "auto" is being prepared for such a contest or activity.

11. War And Military Action

"Bodily injury" or "property damage" due to:

- a) War, including undeclared or civil war:
- b) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

12. Workers' Compensation

Any obligation for which the "Named Member" or the Pool may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

C. LIMITS OF LIABILITY

1. Regardless of the number of covered "autos", "members", membership fees paid, "claims" made or vehicles involved in the "accident", the most the Pool will pay for the total of all "damages" resulting from any one "accident" is the Limit Of Liability for Municipal Auto Liability shown in the Municipal Auto Declarations.
2. All "bodily injury" and "property damage" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident".
3. No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage and any Medical Payments Coverage, Uninsured Motorists Coverage or Underinsured Motorists Coverage included in this Coverage Agreement.

D. DEDUCTIBLE

1. The Pool's obligation to pay "damages" on the "member's" behalf applies only to the amount of "damages" in excess of any Deductible stated in the Municipal Auto Declarations.
2. The Municipal Auto Liability Deductible amount applies to all "damages" as the result of any one "accident", regardless of the number of persons or organizations who sustain "damages" because of that "accident".
3. To settle any "claim" or "suit", the Pool may pay all or part of any Deductible shown in the Auto Declarations. If this happens, the "Named Member" must promptly reimburse the Pool for the Deductible or the part of the Deductible the Pool paid.

E. MEMBERS

1. Who Is Covered

- a) For any covered "auto", the city, town or other governmental body or entity named as the "Named Member" in the Declarations.

Unless specifically named in an endorsement, "Named Member" does not include:

- 1) A gas, airport, electrical, or steam utilities commission;
- 2) A port authority, housing and re-development authority, economic development authority, area or municipal redevelopment authority, or similar agency;
- 3) A municipal power agency or municipal gas agency;
- 4) A hospital or nursing home board or commission;
- 5) A welfare or public relief agency;
- 6) A school board; or
- 7) A "joint venture", except as provided in Paragraph 2.b. (1) below.

- b) Each of the following is also a "member":

- 1) Any elected or appointed official or "employee" of the "Named Member", while acting within the course and scope of their duties on behalf of:
 - a) The "Named Member"; or
 - b) Another governmental entity pursuant to a mutual aid agreement;for any covered "auto".
- 2) Anyone else while using with the "Named Member's" permission a covered "auto" the "Named Member" owns, hires or borrows, or anyone else volunteering services to the member and acting on behalf of the "Named Member" while using a covered "auto" the "Named Member" doesn't own, hire or borrow, except:
 - a) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is the "Named Member's".
 - b) Anyone other than the "Named Member's" "employees", or a lessor or borrower of any of their "employees", while moving property to or from a covered "auto".
- 3) Anyone liable for the conduct of a "Named Member" described above but only to the extent of that liability.

However, no one is a "member" while operating a vehicle if that person:

- 1) Is under the minimum age to obtain a driver's license;
- 2) Does not have a valid driver's license;
- 3) Has a suspended or revoked driver's license; or

- 4) Has a restricted driver's license and is operating a vehicle beyond the scope of such restriction.

F. COVERED EXPENSES AND COSTS

The Pool will pay, with respect to any "claim" the Pool investigates or settles or any "suit" against an "member" the Pool defends:

1. Expenses the Pool incurs including attorney's fees in defense of the "suit".
2. The cost of bonds to release attachments, but only for bond amounts within the applicable Limit Of Liability. The Pool does not have to furnish these bonds.
3. All reasonable expenses incurred by a "member" at the Pool's request to assist in the investigation or defense of the "claim" or "suit", including actual loss of earnings up to \$100 a day because of time off from work.
4. All costs, other than attorney's fees, taxed against the "member" in the "suit".
5. Prejudgment interest awarded against the "member" on that part of the judgment the Pool pays. If the Pool makes an offer to pay the applicable Limit Of Liability, the Pool will not pay any prejudgment interest incurred that accrued after the offer.
6. All interest on the full amount of any judgment that accrues after entry of the judgment and before the Pool has paid, offered to pay, or deposited in court the part of the judgment that is within the applicable Limit of Liability.

These payments will not reduce the Limits Of Liability unless otherwise noted in the Limits of Liability section.

SECTION III - MUNICIPAL AUTO MEDICAL PAYMENTS COVERAGE

A. COVERAGE AGREEMENT

The Pool will pay reasonable expenses incurred for necessary medical and funeral services to or for a "member" who sustains "bodily injury" caused by an "auto" "accident" during the "rating period". The Pool will pay only those expenses incurred for services rendered within three years from the date of the "accident".

B. EXCLUSIONS

This coverage does not apply to any of the following:

1. "Bodily injury" sustained by a "member" while "occupying" a vehicle located for use as a premises.
2. "Bodily injury" to the "Named Member's" "employee" arising out of and in the course of employment by the "Named Member".
3. "Bodily injury" caused by declared or undeclared war or insurrection or any of their consequences.
4. "Bodily injury" to anyone using a vehicle without a reasonable belief that the person is entitled to do so.
5. "Bodily injury" sustained by a "member" while "occupying" any covered "auto" while used in any professional racing or demolition contest or stunting activity, or while practicing for such contest or activity. This coverage also does not apply to any "bodily injury" sustained by the "member" while the "auto" is being prepared for such a contest or activity.

C. LIMITS OF LIABILITY

1. Regardless of the number of covered "autos", "members", membership fees paid, "claims" made or vehicles involved in the "accident", the most the Pool will pay for "bodily injury" for each Member injured in any one "accident" is the Limit Of Liability for Municipal Auto Medical Payments shown in the Declarations.
2. No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage and the Municipal Auto Liability Coverage, Uninsured Motorists Coverage, or Underinsured Motorists Coverage included in this Coverage Agreement.

D. MEMBERS

Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". If the "auto" is a temporary substitute, the covered "auto" must be out of service because of breakdown, repair, servicing, "loss" or destruction.

SECTION IV - UNINSURED AND UNDERINSURED MOTORISTS COVERAGE

A. COVERAGE AGREEMENT

1. The Pool will pay all "damages" a "member" is legally entitled to recover as compensatory "damages" from the owner or driver of an "uninsured motor vehicle" or "underinsured motor vehicle".

This Coverage Agreement only applies if:

- a) the "damages" result from "bodily injury" sustained by an "member" caused by an "accident" during the "rating period";
 - b) the owner's or driver's liability for these "damages" result from the ownership, maintenance or use of the "uninsured motor vehicle" or "underinsured motor vehicle".
2. Any judgment for "damages" arising out of a "suit" brought without the Pool's written consent is not binding on the Pool.

B. EXCLUSIONS

This coverage does not apply to any of the following:

1. Punitive or exemplary damages.
2. Any claim or suit settled without the Pool's consent.
3. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.
4. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
5. "Bodily injury" sustained by an "member" or any "member's" "family member" while "occupying" or struck by any vehicle owned by any "member" or "family member" which is not a covered "auto".

C. LIMITS OF LIABILITY

1. Regardless of the number of covered "autos", "members", membership fees paid, "claims" made or vehicles involved in the "accident", the most the Pool will pay for all "damages" resulting from any one "accident" is the Limit Of Liability for Uninsured/Underinsured Motorists shown in the Declarations.

2. No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage and any Liability Coverage or Medical Payments Coverage included in this Coverage Agreement.
3. The Pool will not:
 - a) Make a duplicate payment under this coverage for any element of "loss" for which payment has been made by or for anyone who is legally responsible, including all sums paid under any Municipal Liability Coverage; or
 - b) Pay for any element of "loss" for which a "member" is entitled to receive payment under any workers' compensation, disability benefits or similar law.

D. MEMBERS

Anyone occupying a covered "auto" or a temporary substitute for a covered "auto". If the "auto" is a temporary substitute, the covered "auto" must be out of service because of breakdown, repair, servicing, "loss" or destruction.

Anyone for "damages" he or she is entitled to recover because of "bodily injury" sustained by another member".

SECTION V - PHYSICAL DAMAGE COVERAGE

A. COVERAGE AGREEMENT

1. The Pool will pay for "loss" to a covered "auto" or its equipment under:
 - a) Comprehensive Coverage
From any cause except:
 - 1) The covered "auto's" collision with another object; or
 - 2) The covered "auto's" overturn.
 - b) Collision Coverage
Caused by:
 - 1) The covered "auto's" collision with another object; or
 - 2) The covered "auto's" overturn.
2. Glass Breakage – Hitting A Bird Or Animal – Falling Objects Or Missiles
If the Member carries Comprehensive Coverage for the damaged covered "auto", the Pool will pay for the following under Comprehensive Coverage:
 - a) Glass breakage;
 - b) "Loss" caused by hitting a bird or animal; and c) "Loss" caused by falling objects or missiles.

However, the "member" has the option of having glass breakage caused by a covered "auto's" collision or overturn considered a "loss" under Collision Coverage.

No deductible applies to glass breakage.

B. EXCLUSIONS

1. The Pool will not pay for "loss" caused by or resulting from any of the following exclusions. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

- a) **Nuclear Hazard**

Nuclear reaction or radiation, or radioactive contamination, however caused.

- b) **War And Military Action**

- 1) War, including undeclared or civil war.
- 2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- 3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

- c). **Racing or Demolition Contest.** The Pool will not pay for "loss" to any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity or while practicing for such contest or activity. The Pool will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such a contest or activity.

- d). **Wear and Tear/Blowouts.** The Pool will not pay for "loss" caused by or resulting from any of the following unless caused by other "loss" that is covered by this coverage:

- 1) Wear and tear, freezing, mechanical or electrical breakdown;
- 2) Blowouts, punctures or other road damage to tires.

- e). **Equipment.** The Pool will not pay for "loss" to any of the following:

- 1) Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.
- 2) Any device designed or used to detect speed measuring equipment such as radar or laser detectors and any jamming apparatus intended to elude or disrupt speed measurement equipment.
- 3) Any electronic equipment, not permanently installed, that receives or transmits audio, visual or data signals.
- 4) Any accessories used with the electronic equipment described in

Paragraph B . above. Exclusions1. e.3. and e.4. do not apply to:

- a) Equipment designed to receive or transmit audio, visual

or data electronic signals, and any accessories used with such equipment, provided such equipment is permanently installed in the covered "auto" at the time of the "loss" or such equipment is removable from a housing unit which is permanently installed in the covered "auto" at the time of the "loss", and such equipment is designed to be solely operated by use of the power from the "auto's" electrical system, in or upon the covered "auto";

b) Any other electronic equipment that is:

1) Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system; or

2) An integral part of the same unit housing any equipment described in a. above permanently installed in the opening of the dash or console of the covered "auto" normally used by the manufacturer for installation of a radio.

f. **Diminution in Value.** The Pool will not pay for "loss" to a covered "auto" due to "diminution in value".

C. LIMITS OF COVERAGE

1. The most the Pool will pay for "loss" in any one "accident" is the lesser of:

- a) The actual cash value of the damaged or stolen property as of the time of the "loss"; or
- b) The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

2. In the event of a total "loss" to a covered "auto", the Pool will pay the greater of:

- a) The amount payable under Paragraph 1., above; and
- b) Any unpaid amount due on the lease or loan for the covered "auto", less any:
 - 1) Overdue lease/loan payments at the time of the "loss";
 - 2) Financial penalties imposed under a lease for excessive use, abnormal wear and tear or high mileage;
 - 3) Security deposits not returned by the lessor;
 - 4) Costs for extended warranties, Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan or lease; and
 - 5) Carry-over balances from previous loans or leases.

An adjustment for depreciation and physical condition will be made in determining the actual cash value at the time of the total "loss".

A total "loss" means a "loss" in which the cost of repairs plus the salvage value exceeds

the actual cash value.

Paragraph 2.b. applies only to the original lease or loan written on the covered "auto".

3. If the "auto" is hired, the most the Pool will pay for all loss is \$100,000.

D. DEDUCTIBLE

For each covered "auto", the Pool's obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable Deductible shown in the Declarations.

SECTION VI -DEFINITIONS

- A. "ACCIDENT"** includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".
- B. "AUTO"** means:
1. A land motor vehicle, trailer or semi-trailer designed for travel on public roads; or
 2. An all-terrain vehicle licensed for road use; including any attached machinery or equipment. But "auto" does not include "mobile equipment".
- C. "BODILY INJURY"** means bodily injury, sickness or disease sustained by a person including death resulting from any of these.
- D. "CLAIM"** means a demand for "damages" arising from an alleged "accident".
- E. "COVERED CONTRACT"** means:
1. A lease of premises;
 2. A sidetrack agreement;
 3. Any easement or license agreement, including those for vehicle or pedestrian private railroad crossings at grade, but not including easements or license agreements in connection with construction or demolition operations on or within 500 feet of a railroad;
 4. An obligation, as required by ordinance, to indemnify a municipality;
 5. That part of any other contract or agreement pertaining to the Member's municipal activities under which the Member assumes the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement;
 6. That part of any contract of agreement entered into, as part of the Member's municipal activities, pertaining to the rental or lease, by the Member or any of the Member's officials or "employees", of any "auto". However, such contract or agreement shall not be considered a "covered contract" to the extent that it obligates the Member or any of the Member's officials or "employees" to pay for "property damage" to any "auto" rented or leased by the Member or any of the Member's officials or "employees".

A "covered contract" does not include that part of any contract or agreement:

1. That indemnifies a railroad for "bodily injury" or "property damage" arising out of

construction or demolition operations, within 500 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing; or

2. That pertains to the loan, lease or rental of an "auto" to the Member or to any of the Member's "employees", if the "auto" is loaned, leased or rented with a driver; or
3. That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for the Member's use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.

F. "DAMAGES" means money paid to another for injury.

"Damages" does not include:

1. Taxes, fines or penalties, including those imposed under the Internal Revenue Code or any similar state or local law;
2. Repayment of any tax or assessment that was wrongfully obtained, or any interest on such tax or assessment; or
3. Amounts paid or payable for the purchase or permanent acquisition of property or property rights, or for the right to permanently enforce an ordinance, regulation, or restriction on the use of property.

G. "DIMINUTION IN VALUE" means the actual or perceived loss in market value or resale value which results from a direct and accidental "loss".

H. "EMPLOYEE" means any natural person:

1. While in the "Named Member's" service;
2. Who the "Named Member" compensates directly by salary, wages or commissions; and
3. Who the "Named Member" has the right to direct and control while performing services for the "Named Member".

"Employee" does not mean or include any agent, independent contractor or representative acting in the same general capacity.

I. "FAMILY MEMBER" means a person related to a "member" by blood, marriage, or adoption who is a resident of the "member's" household, including a ward or foster child.

J. "JOINT VENTURE" means a joint powers agreement, intergovernmental agreement, mutual aid agreement, or any similar agreement, including any entity, corporation, association, partnership or other arrangement formed by that agreement.

K. "LOSS" means direct and accidental loss or "damages".

L. "MOBILE EQUIPMENT" means any of the following types of land vehicles, including any attached machinery or equipment:

1. Bulldozers, farm machinery, forklifts, all-terrain vehicles not licensed for road use, and other vehicles designed for use principally off public roads;
2. Street cleaning equipment not licensed for road use;
3. Vehicles that travel on crawler treads;

4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - a) Power cranes, shovels, loaders, diggers or drills; or
 - b) Road construction or resurfacing equipment such as graders, scrapers or rollers
5. Vehicles not described in Paragraphs 1., 2., 3. or 4. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - a) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - b) Cherry pickers and similar devices used to raise or lower workers.
6. Vehicles not described in Paragraphs 1., 2., 3., 4. or 5. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- a) Street cleaning equipment, if licensed for road use;
- b) Equipment designed primarily for:
 - 1) Snow removal; or
 - 2) Road maintenance, but not construction or resurfacing;
 - a) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
 - b) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

- M. "OCCUPYING"** means in or upon or getting in, on, out or off.
- N. "POLLUTANTS"** means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- O. "PRIVATE PASSENGER AUTO"** means a four-wheel "auto" of the private passenger, station wagon, or sport utility vehicle (SUV) type. A pickup, panel truck, minivan or full-size van is not considered to be a "private passenger auto".
- P. "PROPERTY DAMAGE"** means damage to or loss of use of tangible property.
- Q. "RATING PERIOD"** means the Rating Period shown in the Declarations.
- R. "SUIT"** means a civil proceeding in which covered "damages" are alleged. "Suit" includes:
1. An arbitration proceeding in which such "damages" are claimed and to which the "member" must submit or does submit with the Pool's consent; or

2. Any other alternative dispute resolution proceeding in which such "damages" are claimed and to which the "member" submits with the Pool's consent.

"Suit" does not mean any criminal proceeding against any "member" or any open meeting law proceeding.

S. **"TRAILER"** includes semitrailer. But "trailer" does not include "mobile equipment".

T. **"UNDERINSURED MOTOR VEHICLE"** means a land motor vehicle or "trailer" for which the sum of all bonds or policies applicable at the time of an "accident" does not provide at least the amount a "member" is legally entitled to recover as "damages" resulting from "bodily injury" caused by an "accident".

U. **"UNINSURED MOTOR VEHICLE"** means a land motor vehicle or "trailer":

1. For which no liability bond or policy at the time of an "accident" provides at least the amount specified in Section 28-4009 of the Arizona Revised Statutes;
2. For which an insuring or bonding company denies coverage or is or becomes insolvent; or
3. That is a hit-and-run vehicle and neither the driver nor owner can be identified. The vehicle must hit a covered member, a covered "auto", or a vehicle a covered member is "occupying".

SECTION VII - CONDITIONS

A. APPRAISAL FOR PHYSICAL DAMAGE LOSS

If the "member" and the Pool disagree on the amount of "loss", either may demand an appraisal of the "loss". In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If the Pool submits to an appraisal, the Pool will still retain the right to deny the claim.

B. ARBITRATION

With respect to Section IV – Uninsured And Underinsured Motorists Coverage:

1. If the Pool and a "member" disagree whether the "member" has sustained "damages" caused by the owner or driver of an "uninsured motor vehicle" or "underinsured motor vehicle" or do not agree as to the amount of "damages" recoverable by that "member", then the matter may be arbitrated. No other dispute arising out of this agreement, including any dispute regarding entitlement to coverage under this Coverage Agreement, is subject to arbitration. Either party may make a written demand for arbitration.
2. If either party makes a written demand for arbitration, the "member" and the Pool shall each select an arbitrator. The two arbitrators shall select a third arbitrator. If the two

arbitrators cannot agree on a third arbitrator within thirty days, then on joint application by the "member" and the Pool, a third arbitrator will be appointed by a court having jurisdiction.

3. Unless the "member" and the Pool agree otherwise, arbitration shall take place in the county in which the "member" has its principal place of business. Local rules of law as to arbitration procedure and evidence shall apply. Each party shall pay the expense it incurs to select an arbitrator and bear the third arbitrator's expenses equally. No attorney fees or costs may be awarded or recovered in any claim submitted to arbitration.
4. A decision by at least two of the arbitrators will be binding as to:
 - a) Whether the "member" sustained damages caused by the owner or driver of the "uninsured motor vehicle" or "underinsured motor vehicle"; and
 - b) The amount of damages. This applies only if the amount awarded does not exceed the minimum limit for bodily injury liability specified by the financial responsibility law of the State of Arizona. If the amount awarded exceeds that limit, either party may demand a trial. This demand must be made within 60 days of the arbitrators' decision. If neither party demands a trial, the amount of damages awarded will be binding subject to the Limit Of Coverage for Uninsured/Underinsured Motorists and the terms and conditions of the Coverage Agreement.

C. BANKRUPTCY

Bankruptcy or insolvency of the "member" or the "member's" estate will not relieve the Pool of any obligations under this Coverage Part.

D. COVERAGE PERIOD AND COVERAGE TERRITORY

Under this Coverage Agreement, the Pool covers "accidents" and "losses" occurring:

1. During the "rating period"; and
2. With in the Coverage Territory. The Coverage Territory is:
 - a) The United States of America (including its territories and possessions); and
 - b) Canada.

The Pool also covers "loss" to or "accidents" involving a covered "auto" while being transported between any of these places.

E. DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS

The Pool has no duty to provide coverage under this Coverage Part unless there has been full compliance with the following duties: In the event of "accident", "claim", "suit" or "loss", the "member" must give the Pool or any of its authorized representatives prompt notice of the "accident" or "loss", including:

- a) How, when and where the "accident" or "loss" occurred;
- b) Details sufficient to identify the "member"; and

- c) To the extent possible, the names and addresses of any injured persons and witnesses.
- 2. Additionally, the "member" must:
 - a) Assume no obligation, make no payment and incur no expense other than for first aid to others without the Pool's consent except at the "member" own cost.
 - b) Immediately send the Pool copies of any request, demand, order, notice, summons or legal paper received concerning the "claim" or "suit".
 - c) Cooperate with the Pool in the investigation or settlement of the "claim" or defense against the "suit", including, but not limited to:
 - 1) Attending hearings and trials; and
 - 2) Assisting in the gathering of evidence and obtaining of witness statements.
 - d) Authorize the Pool to obtain medical records or other pertinent information
 - e) Submit to examination, at the Pool's expense, by physicians of the Pool's choice, as often as the Pool reasonably requires.
 - f) Promptly take, at the "member's" own expense, all reasonable steps to prevent any additional injury or damage from arising out of the same or similar conditions.
- 3. In the event of an "accident", "claim", "suit" or "loss" involving an "uninsured motor vehicle" or "underinsured motor vehicle", the "member" must also do the following:
 - a) Promptly notify the police if a hit-and-run driver is involved; and
 - b) Promptly send the Pool copies of the legal papers if "suit" is brought.
- 4. If there is "loss" to a covered "auto" or its equipment the "member" must also do the following:
 - a) Promptly notify the police if the covered "auto" or any of its equipment is stolen.
 - b) Take all reasonable steps to protect the covered "auto" from further damage. Also keep a record of related expenses for consideration in the settlement of the claim.
 - c) Permit the Pool to inspect the covered "auto" and records proving the "loss" before its repair or disposition.
 - d) Agree to examinations under oath at the Pool's request and give the Pool a signed statement of the "member" answers.

F. LEGAL ACTION AGAINST THE POOL

- 1. No one may bring a legal action against the Pool under this Coverage Part until:
 - a) There has been full compliance with all the terms of this

Coverage Part; and b) Under Municipal Auto Liability Coverage:

- 1) The Pool agrees in writing that the Member has an obligation to pay; or
 - 2) The amount of that obligation has finally been determined by judgment after trial.
2. No one has the right under this Coverage Agreement to bring the Pool into an action to determine the "member's" liability.
 3. Any legal action by the "member" against the Pool for breach of this coverage must be filed within one year of the date of the alleged breach.

G. LOSS PAYMENT – PHYSICAL DAMAGE COVERAGES

The Pool may, at its option:

1. Pay for, repair or replace damaged stolen property;
2. Return the stolen property, at the Pool's expense. The Pool will pay for any damage that results to the "auto" from the theft.

If the Pool pays for "loss", the payment will include the applicable sales tax for the damaged or stolen property.

H. NO BENEFIT TO BAILEE – PHYSICAL DAMAGE COVERAGES

The Pool will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this Coverage Part.

I. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

1. With respect to Section II – Municipal Auto Liability Coverage and Section V – Physical Damage Coverage, if any person or organization to or for whom the Pool makes payment under this Coverage Agreement has rights to recover damages from another, those rights are transferred to the Pool. That person or organization must do everything necessary to secure the Pool's rights and must do nothing after "accident" or "loss" to impair them.
2. With respect to Section IV – Uninsured and Underinsured Motorists Coverage, if the Pool makes any payment under this coverage, and the "member", or someone on behalf of the "member", has a right to recover damages from the owner or operator of an "uninsured motor vehicle", the Pool shall be subrogated to that right to the extent permitted by law.
3. This Condition does not apply to Section III – Auto Medical Payments Coverage

J. GOVERNMENTAL TORT LIABILITY LIMITATION

By accepting coverage under this Coverage Agreement, the "member" does not waive any of its statutory immunities for monetary limits of liability (commonly known as tort liability damages caps), and the Pool shall not be liable for any "claims" in excess of the statutory monetary limits unless the statutory tort limitation is found by a court not to apply. If "claims" are asserted in any judicial jurisdiction where statutory liability damage caps do not apply, then the Limits of Liability shown in the Declarations and further described in the Limits of Liability apply.

K. REPRESENTATIONS

By accepting this Coverage Agreement, the Member agrees:

1. The statements in the Declarations and applications are accurate and complete;
2. Those statements are based upon representations the "member" made to the Pool;
3. The Pool has issued this Coverage Agreement in reliance upon the "member's" representations; and
4. The "member" does not waive any statutory or common law immunity.

L. OTHER COVERAGE

The coverage afforded by this coverage agreement is excess over any other insurance, self-insurance or other risk transfer agreement, whether primary, excess, contingent or provided on any other basis, whether collectible or not. Specifically, this coverage is excess over any "employee's" personal auto insurance. This provision does not apply to any policy that is written to be excess over this coverage agreement.

M. INSPECTION AND AUDIT

1. The Pool will be permitted, but is not obligated, to inspect the "Named Member's" property and operations. The purpose of these inspections is to assist the Pool in underwriting and assessing the risk. It is understood and agreed that in undertaking these inspections the Pool does not warrant or guarantee that the property or operations are safe or are in compliance with any law, rule, or regulation.
2. The Pool may examine and audit the "Named Member's" relevant books and records at any time during the "rating period" or any extension and within three (3) years after the final termination of this coverage agreement.

N. CHANGES, ASSIGNMENT AND SUBROGATION

This coverage agreement contains all the agreements between the Pool and all "member" concerning the coverage afforded. The "Named Member" shown in the Declarations is authorized to make changes to the terms of this coverage agreement with the consent of the Pool. The coverage agreement's terms can be amended or waived only by endorsement issued by the Pool and made a part of this coverage agreement.

Assignment of interest or any transfer or waiver of subrogation under this coverage agreement shall not bind the Pool unless and until the Pool's consent is endorsed to this coverage



THIS ENDORSEMENT CHANGES THE COVERAGE AGREEMENT. PLEASE READ IT CAREFULLY.

ARIZONA MUNICIPAL RISK RETENTION POOL ADDITIONAL COVERED ENTITY ENDORSEMENT

THIS ENDORSEMENT MODIFIES COVERAGE PROVIDED UNDER THE FOLLOWING:

MUNICIPAL AUTO LIABILITY COVERAGE FORM AZMAC

The following is added to the various "member" Sections of the Municipal Auto Liability Coverage Form:

A. ADDITIONAL INSURED

Any person or organization named as an Additional Member on a Certificate of Insurance on file with Southwest Risk Services, the designated administrator for the Arizona Municipal Risk Retention Pool, is also a "member", but only with respect to:

1. The ownership, maintenance or use of the designated "auto"; or
2. The other interest described in the Additional Insured Certificate of Insurance.



THIS ENDORSEMENT CHANGES THE COVERAGE AGREEMENT. PLEASE READ IT CAREFULLY.

ARIZONA MUNICIPAL RISK RETENTION POOL AUTO LOSS PAYABLE ENDORSEMENT

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

MUNICIPAL AUTO COVERAGE FORM AZMAC

SCHEDULE

Per the Additional Insured/Loss Payee Certificates on file with Southwest Risk Services, the designated administrator for the Arizona Municipal Risk Retention Pool, the following Condition is added to the Municipal Auto Liability Policy:

A. LOSS PAYABLE

1. The Pool will pay the "member" and the Loss Payee named in the Schedule for "loss" to a covered "auto", as interest may appear.
2. The interest of the loss payee is covered unless the "loss" results from fraudulent acts or omissions on any "member's" part.
3. The Pool may cancel the Policy as allowed by the Cancellation Common Condition.
Cancellation ends this agreement as to the loss payee's interest. If the Pool cancels the Policy, the Pool will mail the "member" and the loss payee the same advance notice.
4. If the Pool makes any payments to the loss payee, the Pool will obtain his or her rights against any other party.



THIS ENDORSEMENT CHANGES THE COVERAGE AGREEMENT. PLEASE READ IT CAREFULLY.

ARIZONA MUNICIPAL RISK RETENTION POOL LIMITED MEXICO COVERAGE ENDORSEMENT

THIS ENDORSEMENT MODIFIES COVERAGE PROVIDED UNDER THE FOLLOWING:

MUNICIPAL AUTO COVERAGE FORM AZMAC

WARNING

AUTO ACCIDENTS IN MEXICO ARE SUBJECT TO THE LAWS OF MEXICO ONLY – **NOT** THE LAWS OF THE UNITED STATES OF AMERICA. THE REPUBLIC OF MEXICO CONSIDERS ANY AUTO ACCIDENT A **CRIMINAL OFFENSE** AS WELL AS A CIVIL MATTER.

IN SOME CASES THE COVERAGE PROVIDED UNDER **THIS ENDORSEMENT MAY NOT BE RECOGNIZED BY THE MEXICAN AUTHORITIES** AND WE MAY NOT BE ALLOWED TO IMPLEMENT THIS COVERAGE AT ALL IN MEXICO. YOU SHOULD CONSIDER PURCHASING AUTO COVERAGE FROM A LICENSED MEXICAN INSURANCE COMPANY BEFORE DRIVING INTO MEXICO.

A. COVERAGE

The following is added to the Coverage Period and Coverage Territory Condition in the Municipal Auto Policy:

The Coverage Territory is extended to include Mexico but only for trips into Mexico of 10 days or less.

B. EXCLUSIONS

The following Exclusions apply in addition to the Exclusions in all sections of the Municipal Auto Policy:

This insurance does not apply:

1. If the covered "auto" is not principally garaged and principally used in the United States.
2. To any "member" who is not a resident of the United States.

C. CONDITIONS

With respect to the coverage provided by this endorsement,

1. The coverage provided by this endorsement will be excess over any other collectible insurance.
2. The following Conditions also apply:
 - a. The Pool will not pay for "damages" because of "bodily injury" or "property damage" caused by an "accident" that occurs in the Republic of Mexico unless the original "suit" for "damages" is brought within the United States of America.
 - b. If a "loss" to a covered "auto" occurs in Mexico, the Pool will pay for such "loss" in the United States. If the covered "auto" must be repaired in Mexico in order to be driven:
 1. The Pool will not pay more than the actual cash value of such "loss" at the nearest United States point where the repairs can be made; and
 2. The Pool will not pay the cost of towing, transportation and salvage operations while the covered "auto" is in Mexico.



ARIZONA MUNICIPAL RISK RETENTION POOL

MUNICIPAL CRIME COVERAGE

DECLARATIONS

Policy # 2000169-1

Replaces Policy # AM40172016

THIS DECLARATIONS PAGE AND THE ATTACHED MUNICIPAL CRIME COVERAGE AGREEMENT COMPLETE THIS COVERAGE PART.

Item 1. "Named Member" and Principal Address:

San Luis, City Of
PO Box 1170
San Luis, AZ 85349

Item 2. CONTINUOUS COVERAGE PERIOD EFFECTIVE:

12:01 A.M. Standard Time at Mailing Address
on Common Coverage Declarations

Rating Period From: 07/01/2017

To: 07/01/2018

Item 3. THE COVERED NAMED MEMBER IS: Municipality

IN RETURN FOR THE PAYMENT OF MEMBERSHIP FEES, THE POOL AGREES TO PROVIDE THE MEMBER WITH THE FOLLOWING COVERAGES FOR WHICH A MEMBERSHIP FEE IS SHOWN, SUBJECT TO ALL THE TERMS AND CONDITIONS OF THE POOL'S INTERGOVERNMENTAL AGREEMENT AND THE APPLICABLE COVERAGE AGREEMENTS AND ENDORSEMENTS:

Item 4. SCHEDULE OF COVERAGES:

Insuring Agreements	Limit Of Insurance Per Occurrence	Deductible Amount Per Occurrence
1. Employee Theft Per Loss Coverage	\$ 500,000	\$
2. Employee Theft Per Employee Coverage	\$ Not Covered	\$ Not Covered
3. Forgery Or Alteration	\$ 500,000	\$
4. Inside The Premises Theft Of Money And Securities	\$ 5,000	\$ 250
5. Inside The Premises Robbery Or Safe Burglary Of Other Property	\$ 5,000	\$ 250
6. Outside The Premises	\$ 5,000	\$ 250
7. Computer Fraud	\$ 500,000	\$ 250
8. Funds Transfer Fraud	\$ 500,000	\$ 250
9. Money Orders And Counterfeit Money	\$ 5,000	\$ 250

If "Not Covered" is inserted above opposite any specified Insuring Agreement, there is no coverage afforded under that insuring agreement.

OPTIONAL If Added by Endorsement:

Insuring Agreement(s)	Limit Of Insurance Per Occurrence	Deductible Amount Per Occurrence
Faithful Performance Bond	\$ 500,000	\$
Faithful Performance Bond - Individual	\$ Not Covered	\$ Not Covered

Item 5. COVERAGE AGREEMENTS AND ENDORSEMENTS APPLICABLE TO CRIME

AZMCE1 (07/16)

Item 6. LOCATIONS: BLANKET COVERAGE FOR ALL LOCATIONS



MUNICIPAL CRIME COVERAGE AGREEMENT

VARIOUS PROVISIONS IN THIS MUNICIPAL CRIME AGREEMENT RESTRICT COVERAGE. READ THE ENTIRE COVERAGE AGREEMENT CAREFULLY TO DETERMINE RIGHTS, DUTIES AND WHAT IS OR IS NOT COVERED.

OTHER WORDS AND PHRASES THAT APPEAR IN QUOTATION MARKS HAVE SPECIAL MEANING. REFER TO **SECTION F. DEFINITIONS** OR THE **COMMON CONDITIONS**.

A. COVERAGE AGREEMENTS

Coverage is provided under the following coverage agreements for loss a "Named Member" sustains if:

- a. an amount is shown on the applicable Limit of Coverage in the Declarations;
- b. the loss directly results from an "occurrence"; and
- c. the "Named Member" "discovers" the loss during the rating period or during the period of time provided in the Extended Period to Discovery Loss Condition E.1.f.

1. Employee Theft - Per Loss Coverage

The Pool will pay for loss of or damage to "money", "securities" and "other property" resulting directly from "theft" committed by an "employee", whether identified or not, acting alone or in collusion with other persons.

For the purposes of this Coverage agreement, "theft" shall also include forgery.

2. Employee Theft - Per Employee Coverage

The Pool will pay for loss of or damage to "money", "securities" and "other property" resulting directly from "theft" committed by each "employee", whether identified or not, acting alone or in collusion with other persons.

For the purposes of this Coverage agreement, "theft" shall also include forgery.

3. Forgery Or Alteration

- a. The Pool will pay for loss resulting directly from "forgery" or alteration of checks, drafts, promissory notes, or similar written promises, orders or directions to pay a sum certain in "money" that are:

1. Made or drawn by or drawn upon the "Named Member"; or
2. Made or drawn by one acting as the "Named Member's" agent;

or that are purported to have been so made or drawn.

For the purposes of this Coverage Agreement, a substitute check as defined in the Check Clearing for the 21st Century Act shall be treated the same as the original it replaced.

- b. If the "Named Member" is sued for refusing to pay any instrument covered in Paragraph 3.a. above on the basis that it has been forged or altered, and the "Named Member" has the Pool's written consent to defend against the suit, the Pool will pay for any reasonable legal expenses that the "Named Member" incurs and pays for counsel the Pool chooses to defend the claim. The amount that the Pool will pay is in addition to the Limit of Coverage applicable to this Coverage Agreement.

4. Inside The Premises - Theft Of Money And Securities

- a. The Pool will pay for loss of "money" and "securities" inside the "premises" or "banking premises":



1. Resulting directly from "theft" committed by a person present inside such "premises" or "banking premises", or
2. Resulting directly from disappearance or destruction.
- b. The Pool will pay for loss from damage to the "premises" or its exterior resulting directly from an actual or attempted "theft" of "money" and "securities", if the "Named Member" is the owner of the "premises" or is liable for damage to it.
- c. The Pool will pay for loss of or damage to a locked safe, vault, cash register, cash box or cash dryer located inside the "premises" resulting directly from an actual or attempted "theft" or unlawful entry into those containers.
5. Inside The Premises - Robbery Or Safe Burglary Of Other Property
 - a. The Pool will pay for loss of or damage to "other property":
 1. Inside the "premises" resulting directly from an actual or attempted "robbery" of a "custodian"; or
 2. Inside the "premises" in a safe or vault resulting directly from an actual or attempted "safe burglary".
 - b. The Pool will pay for loss from damage to the "premises" or its exterior resulting directly from an actual or attempted "robbery" or "safe burglary" of "other property", if the "Named Member" is the owner of the "premises" or is liable for damage to it.
 - c. The Pool will pay for loss of or damage to a locked safe or vault located inside the "premises" resulting directly from an actual or attempted "robbery" or "safe burglary".
6. Outside The Premises
 - a. The Pool will pay for loss of "money" and "securities" outside the "premises" in the care and custody of a "messenger" or an armored motor vehicle company resulting directly from "theft", disappearance or destruction.
 - b. The Pool will pay for loss of or damage to "other property" outside the "premises" in the care and custody of a "messenger" or an armored motor vehicle company resulting directly from an actual or attempted "robbery".
7. Computer Fraud

The Pool will pay for loss of or damage to "money", "securities" and "other property" resulting directly from the use of any computer to fraudulently cause a transfer of that property from inside the "premises" or "banking premises":

 - a. To a person (other than a "messenger") outside those "premises"; or
 - b. To a place outside those "premises".
8. Funds Transfer Fraud

The Pool will pay for loss of "funds" resulting directly from a "fraudulent instruction" directing a financial institution to transfer, pay or deliver "funds" from the "Named Member's" "transfer account".
9. Money Orders And Counterfeit Paper Currency

The Pool will pay for loss resulting directly from the "Named Member's" having accepted in good faith, in exchange for merchandise, "money" or services:

 - a. Money orders issued by any post office, express company or bank that are not paid upon presentation; or
 - b. "Counterfeit money" that is acquired during the regular course of business.

B. LIMIT OF COVERAGE



The most the Pool will pay for all loss resulting directly from a covered "occurrence" is the applicable Limit of Coverage shown in the Declarations.

If any loss is covered under more than one Coverage Agreement, the most the Pool will pay for such loss shall not exceed the largest Limit of Coverage available under any one of those Coverage Agreements.

C. DEDUCTIBLE

The Pool will not pay for loss resulting directly from an "occurrence" unless the amount of loss exceeds the Deductible Amount shown in the Declarations. The Pool will then pay the amount of loss in excess of the Deductible Amount, up to the Limit of Coverage.

D. EXCLUSIONS

1. This coverage does not apply to:

a. Acts Committed By the Named Member

Loss resulting from "theft" or any other dishonest act committed by the "Named Member", whether acting alone or in collusion with other persons.

b. Acts Of Employees Learned of By the Named Member Prior to the Rating Period

Loss caused by an "employee" if the "employee" had also committed "theft" or any other dishonest act prior to the effective date of this Coverage and the "Named Member" or any of the "Named Member's" officials, not in collusion with the "employee", learned of that "theft" or dishonest act prior to the rating period shown in the Declarations.

c. Acts Of Officials, Employees Or Representatives

Loss resulting from "theft" or any other dishonest act committed by any of the "Named Member's" officials, "employees" or authorized representatives:

1. Whether acting alone or in collusion with other persons; or
2. While performing services for the "Named Member" or otherwise;

except when covered under Coverage Agreements A.1. or A.2.

d. Confidential Information

Loss resulting from:

1. The unauthorized disclosure of the "Named Member's" confidential information including, but not limited to, patents, trade secrets, processing methods or customer lists; or
2. The unauthorized use or disclosure of confidential information of another person or entity which is held by the "Named Member" including, but not limited to, financial information, personal information, health information, credit card information or similar non-public information.

e. Governmental Action

Loss resulting from seizure or destruction of property by order of governmental authority.

f. Indirect Loss

Loss that is an indirect result of an "occurrence" covered by this Coverage Agreement including, but not limited to, loss resulting from:

1. The "Named Member's" inability to realize income that would have realized had there been no loss of or damage to "money", "securities" or "other property".
2. Payment of damages of any type for which the "Named Member" is legally liable. But, the Pool will pay compensatory damages arising directly from a loss covered under this coverage.



3. Payment of costs, fees or other expenses the "Named Member" incurs in establishing either the existence or the amount of loss under this coverage.
- g. Legal Fees, Costs And Expenses
Fees, costs, and expenses incurred by the "Named Member" which are related to any legal action, except when covered under Coverage Agreement A.3.
- h. Nuclear Hazard
Loss or damage resulting from nuclear reaction or radiation, or radioactive contamination, however caused.
- i. Pollution
Loss or damage caused by or resulting from pollution. Pollution means the discharge, dispersal, seepage, migration, release or escape of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- j. War And Similar Actions
Loss resulting from war, whether or not declared, warlike action, insurrection, rebellion or revolution, or any related act or incident.
- k. Employees Cancelled Under Prior Coverage
Loss caused by any "employee" of the "Named Member", or predecessor in interest of the "Named Member", for whom similar prior Coverage has been cancelled and not reinstated since the last such cancellation.
2. Coverage Agreements A.1. and A.2. do not apply to:
 - a. Bonded Employees
Loss caused by any "employee" required by law to be individually bonded unless bond coverage is included in crime coverage by the Pool.
 - b. Inventory Shortages
Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:
 1. An inventory computation; or
 2. A profit and loss computation.However, where the "Named Member" establishes wholly apart from such computations that it has sustained a loss, then the "Named Member" may offer its inventory records and actual physical count of inventory in support of the amount of loss claimed.
 - c. Trading
Loss resulting directly or indirectly from trading, whether in the "Named Member's" name or in a genuine or fictitious account.
 - d. Treasurers Or Tax Collectors
Loss caused by any treasurer or tax collector by whatever name known.



3. Coverage Agreements A.4., A.5. and A.6. do not apply to:
- a. Accounting Or Arithmetical Errors Or Omissions
Loss resulting from accounting or arithmetical errors or omissions.
 - b. Exchanges Or Purchases
Loss resulting from the giving or surrendering of property in any exchange or purchase.
 - c. Fire
Loss or damage resulting from fire, however caused, except:
 - 1. Loss of or damage to "money" and "securities"; and
 - 2. Loss from damage to a safe or vault.
 - d. Money Operated Devices
Loss of property contained in any money operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.
 - e. Motor Vehicles Or Equipment And Accessories
Loss of or damage to motor vehicles, trailers or semi-trailers or equipment and accessories attached to them.
 - f. Transfer Or Surrender Of Property
 - 1. Loss of or damage to property after it has been transferred or surrendered to a person or place outside the "premises" or "banking premises":
 - a) On the basis of unauthorized instructions;
 - b) As a result of a threat to do bodily harm to any person;
 - c) As a result of a threat to do damage to any property;
 - d) As a result of a threat to introduce a denial of service attack into the "Named Member's" computer system;
 - e) As a result of a threat to introduce a virus or other malicious instruction into the "Named Member's" computer system which is designed to damage, destroy or corrupt data or computer programs stored within the computer system;
 - f) As a result of a threat to contaminate, pollute or render substandard the "Named Member's" products or goods; or
 - g) As a result of a threat to disseminate, divulge or utilize:

The "Named Member's" confidential information; or

Weaknesses in the source code within the "Named Member's" computer system.

- 2. But, this Exclusion does not apply under Coverage Agreement A.6. to loss of "money", "securities" or "other property" while outside the "premises" in the care and custody of a "messenger" if the "Named Member":
 - a) Had no knowledge of any threat at the time the conveyance began; or



- b) Had knowledge of a threat at the time the conveyance began, but the loss was not related to the threat.
 - g. Vandalism
Loss from damage to the "premises" or its exterior, or to any safe, vault, cash register, cash box, cash drawer or "other property" by vandalism or malicious mischief.
 - h. Voluntary Parting Of Title To Or Possession Of Property
Loss resulting from the "Named Member", or anyone acting on the "Named Member's" express or implied authority, being induced by any dishonest act to voluntarily part with title to or possession of any property.
- 4. Coverage Agreement A.7. does not cover:
 - a. Credit Card Transactions
Loss resulting from the use or purported use of credit, debit, charge, access, convenience, identification, stored-value or other cards or the information contained on such cards.
 - b. Funds Transfer Fraud
Loss resulting from a "fraudulent instruction" directing a financial institution to transfer, pay or deliver "funds" from the "Named Member's" "transfer account".
 - c. Inventory Shortages
Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:
 - 1. An inventory computation; or
 - 2. A profit and loss computation.
- 5. Coverage Agreement A.8. does not cover:

COMPUTER FRAUD
Loss resulting from the use of any computer to fraudulently cause a transfer of "money", "securities" or "other property".

E. CONDITIONS

The following conditions apply in addition to the Common Conditions:

- 1. Conditions Applicable To All Coverage Agreements
 - a. Additional Premises or Employees
If, while this coverage is in force, the "Named Member" establishes any additional "premises" or hires additional "employees", such "premises" and "employees" shall automatically be covered under this coverage. Notice to the Pool of an increase in the number of "premises" or "employees" need not be given and no additional premium need be paid for the remainder of the "rating period" shown in the Declarations.
 - b. Concealment, Misrepresentation Or Fraud
This coverage is void in any case of fraud by the "Named Member" as it relates to this coverage at any time. It is also void if the "Named Member" or any other "member", at any time, intentionally conceals or misrepresents a material fact concerning:



1. This coverage;
 2. The property covered under this coverage;
 3. The "Named Member's" interest in the property covered under this coverage; or
 4. A claim under this coverage.
- c. Cooperation
- The "Named Member" must cooperate with the Pool in all matters pertaining to this coverage as stated in its terms and conditions.
- d. Duties In The Event Of Loss
- After the "Named Member" discovers a loss or a situation that may result in loss of or damage to "money", "securities" or "other property" the "Named Member" must:
1. Notify the Pool as soon as possible.
 2. Submit to examination under oath at the Pool's request and give the Pool a signed statement of the "Named Member's" answers.
 3. Produce for the Pool's examination all pertinent records.
 4. Give the Pool a detailed, sworn proof of loss within 120 days.
 5. Cooperate with the Pool in the investigation and settlement of any claim.
 6. Report all potentially criminal acts, including theft, to local authorities and cooperate in the investigation and prosecution.
- e. Employee Benefit Plans
1. The employee benefit plan(s) shown in the Declarations (hereinafter referred to as Plan) are included as "members" under Coverage Agreements A.1. or A.2.
 2. Any payment the Pool makes for loss sustained by any Plan will be made to the Plan sustaining the loss.
 3. The Deductible Amount applicable to Coverage Agreements A.1. or A.2. does not apply to loss sustained by any Plan.
- f. Extended Period To Discover Loss
- The Pool will pay for loss that the "Named Member" sustained prior to the effective date of cancellation of this coverage, which is "discovered" by the "Named Member" no later than 60 days from the date of that cancellation.
- However, this extended period to "discover" loss terminates immediately upon the effective date of any other insurance obtained by the "Named Member", whether from the Pool or another insurer, whether or not such other insurance provides coverage for loss sustained prior to its effective date.
- g. Joint Member
1. If more than one "Named Member" is named in the Declarations, the first "Named Member" will act for itself and for every other "Named Member" for all purposes of this coverage. If the first "Named Member" ceases to be covered, then the next "Named Member" will become the first "Named Member".
 2. If any "Named Member" or official of that "Named Member" has knowledge of any information relevant to this coverage, that knowledge is considered knowledge of every "Named Member".



3. An "employee" of any "Named Member" is considered to be an "employee" of every "Named Member".
4. If this coverage or any of its coverages is cancelled as to any "Named Member", loss sustained by that "Named Member" is covered only if it is "discovered" by the "Named Member" no later than 60 days from the date of that cancellation.
5. However, this extended period to "discover" loss terminates immediately upon the effective date of any other insurance obtained by that "Named Member", whether from the Pool or another insurer, replacing in whole or in part the coverage afforded under this Coverage Agreement, whether or not such other insurance provides coverage for loss sustained prior to its effective date.
6. The Pool will not pay more for loss sustained by more than one "Named Member" than the amount the Pool would pay if all the loss had been sustained by one "Named Member".
7. Payment by the Pool to the first "Named Member" for loss sustained by any "member", other than an employee benefit plan, shall fully release the Pool on account of such loss.

h. Legal Action Against The Pool

The "Named Member" may not bring any legal action against the Pool involving loss:

1. Unless the "Named Member" has complied with all the terms of this coverage;
2. Until 90 days after the "Named Member" has filed proof of loss with the Pool; and
3. Unless brought within 2 years from the date the "Named Member" "discovered" the loss.

If any limitation in this Condition is prohibited by law, such limitation is amended so as to equal the minimum period of limitation provided by such law.

i. Liberalization

If the Pool adopts any revision that would broaden the coverage under this coverage without additional premium within 45 days prior to or during the "rating period" shown in the Declarations, the broadened coverage will immediately apply to this coverage.

j. Other Coverage

If other valid and collectible insurance is available to the "Named Member" for loss covered under this coverage, the Pool's obligations are limited as follows:

1. Primary Coverage

When this coverage is written as primary coverage, and:

- a) The "Named Member" has other insurance subject to the same terms and conditions as this coverage, the Pool will pay its share of the covered loss. The Pool's share is the proportion that the applicable Limit of Coverage shown in the Declarations bears to the total limit of all coverage covering the same loss.
- b) The "Named Member" has other insurance covering the same loss other than that described in paragraph (1)(a), the Pool will only pay for the amount of loss that exceeds:
 - 1) The Limit of insurance and Deductible amount of that other insurance, whether the "Named Member" can collect on it or not; or



The Deductible Amount shown in the Declarations;

whichever is greater. The Pool's payment for loss is subject to the terms and conditions of this coverage.

2. Excess Coverage

- a) When this coverage is written excess over other insurance, the Pool will only pay for the amount of loss that exceeds the Limit of Coverage and Deductible Amount of that other insurance, whether the "Named Member" can collect on it or not. The Pool's payment for loss is subject to the terms and conditions of this coverage.
- b) However, if loss covered under this coverage is subject to a Deductible, the Pool will reduce the Deductible Amount shown in the Declarations by the sum total of all such other insurance plus any Deductible Amount applicable to that other insurance.

k. Ownership Of Property; Interests Covered

The property covered under this Coverage is limited to property:

- 1. That the "Named Member" owns or leases;
- 2. That the "Named Member" holds for others whether or not the "Named Member" is legally liable for the loss of such property.

However, this coverage is for the "Named Member's" benefit only. It provides no rights or benefits to any other person or organization. Any claim for loss under this coverage must be presented by the "Named Member".

l. Coverage Bridge – Discovery Replacing Loss Sustained

- 1. If this coverage replaces insurance that provided the "Named Member" with an extended period of time after cancellation in which to discover loss and which did not terminate at the time this coverage became effective:
 - a) The Pool will not pay for any loss that occurred during the "rating period" of that prior insurance which is "discovered" by the "Named Member" during the extended period to "discover" loss, unless the amount of loss exceeds the Limit of Coverage and Deductible Amount of that prior insurance. In that case, the Pool will pay for the excess loss subject to the terms and conditions of this coverage.
 - b) However, any payment the Pool makes for the excess loss will not be greater than the difference between the Limit of Coverage and Deductible Amount of that prior insurance and the Limit of Coverage shown in the Declarations. The Pool will not apply the Deductible Amount shown in the Declarations to this excess loss.

- 2. The Other Insurance Condition E.1.j. does not apply to this Condition.

m. Records

The "Named Member" must keep records of all property covered under this Coverage so the Pool can verify the amount of any loss.

n. Recoveries



1. Any recoveries, whether effected before or after payment under this coverage, whether made by the Pool or the "Named Member", shall be applied net of the expense of such recovery:
 - a) First, to the "Named Member" in satisfaction of its covered loss in excess of the amount paid under this coverage;
 - b) Second, to the Pool in satisfaction of amounts paid in settlement of the "Named Member's" claim;
 - c) Third, to the "Named Member" in satisfaction of any Deductible Amount; and
 - d) Fourth, to the "Named Member" in satisfaction of any loss not covered under this coverage.
2. Recoveries do not include any recovery:
 - a) From insurance, suretyship, reinsurance, security or indemnity taken for the Pool's benefit; or
 - b) Of original "securities" after duplicates of them have been issued.
- o. Territory

This coverage covers loss that the "Named Member" sustains resulting directly from an "occurrence" taking place within the United States of America (including its territories and possessions) and Puerto Rico.
- p. Transfer Of the "Named Member's" Rights Of Recovery Against Others To The Pool

The "Named Member" must transfer to the Pool all rights of recovery against any person or organization for any loss the "Named Member" sustained and for which the Pool has paid or settled. The "Named Member" must also do everything necessary to secure those rights and do nothing after loss to impair them.
- q. Valuation — Settlement
 1. Subject to Section B. Limit Of Coverage, the value of an loss for purposes of coverage under this policy shall be determined as follows:
 - a) Loss of "money" but only up to and including its face value.
 - b) Loss of "securities" but only up to and including their value at the close of business on the day the loss was "discovered." The Pool may, at its option:
 - 1) Pay the market value of such "securities" or replace them in kind, in which event the "Named Member" must assign to the Pool all its rights, title and interest in and to those "securities"; or
 - 2) Pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the "securities". However, the Pool will be liable only for the payment of so much of the cost of the bond as would be charged for a bond having a penalty not exceeding the lesser of the:
 - a. Market value of the "securities" at the close of business on the day the loss was discovered; or
 - b. The Limit of Coverage applicable to the "securities".



- c) Loss of or damage to "other property" or loss from damage to the "premises" or its exterior for the replacement cost of the property without deduction for depreciation. However, the Pool will not pay more than the least of the following:
- 1) The cost to replace the lost or damaged property with property of comparable material and quality and used for the same purpose; \
 - 2) The amount the "Named Member" actually spends that is necessary to repair or replace the lost or damaged property; or
 - 3) The Limit of Coverage applicable to the lost or damaged property.

With regard to Paragraphs q.(1)(c)(i) through q.(1)(c)(iii), the Pool will not pay on a replacement cost basis for any loss or damage:

- 1) Until the lost or damaged property is actually repaired or replaced; and
- 2) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.

If the lost or damaged property is not repaired or replaced, the Pool will pay on an actual cash value basis.

2. Any property that the Pool pays for or replaces becomes the Pool's property.

r. Non-Cumulation Of Limit Of Coverage

Regardless of the number of years this coverage remains in force or the number of premiums paid, no Limit of Coverage cumulates from year to year or policy period to policy period.

2. Conditions Applicable To Coverage Agreements A.1. And A.2.

a. Indemnification

The Pool will indemnify any of the "Named Member's" officials who are required by law to give bonds for the faithful performance of their duties against loss through "theft" committed by "employees" who serve under them, subject to the applicable Limit of Coverage.

b. Termination As To Any Employee

This coverage terminates as to any "employee":

1. As soon as:

- a) The "Named Member"; or
- b) Any of the "Named Member's" officials or employees authorized to manage, govern or control the "Named Member's" "employees" who is not in collusion with the "employee";

learn of "theft" or any other dishonest act committed by the "employee" whether before or after becoming employed by the "Named Member".



2. On the date specified in a notice mailed to the first "Named Member". That date will be at least 30 days after the date of mailing.

The Pool will mail or deliver the Pool's notice to the first "Named Member's" last mailing address known to the Pool. If notice is mailed, proof of mailing will be sufficient proof of notice.

- c. Territory

The Pool will pay for loss caused by any "employee" while temporarily outside the territory specified in the Territory Condition E.1.o. for a period of not more than 90 days.

3. Conditions Applicable To Coverage Agreement A.3.

- a. Deductible

The Deductible Amount does not apply to legal expenses paid under Coverage Agreement A.3.

- b. Electronic and Mechanical Signatures

The Pool will treat signatures that are produced or reproduced electronically, mechanically or by other means the same as handwritten signatures.

- c. Proof Of Loss

The "Named Member" must include with its proof of loss any instrument involved in that loss, or, if that is not possible, an affidavit setting forth the amount and cause of loss.

- d. Territory

The Pool will cover loss the "Named Member" sustains resulting directly from an "occurrence" taking place anywhere in the world. The Territory Condition E.1.o. does not apply to Coverage Agreement A.3.

4. Conditions Applicable To Coverage Agreements A.5. And A.6.

- a. Armored Motor Vehicle Companies

Under Coverage Agreement A.6., the Pool will only pay for the amount of loss the "Named Member" cannot recover:

1. Under the "Named Member's" contract with the armored motor vehicle company; and
2. From any insurance or indemnity carried by, or for the benefit of customers of, the armored motor vehicle company.

- b. Special Limit Of Coverage For Specified Property

The Pool will only pay up to \$5,000 for any one "occurrence" of loss of or damage to manuscripts, drawings, or records of any kind or the cost of reconstructing them or reproducing any information contained in them.

5. Conditions Applicable To Coverage Agreement A.7.

- a. Special Limit Of Coverage For Specified Property

The Pool will only pay up to \$5,000 for any one "occurrence" of loss of or damage to manuscripts, drawings, or records of any kind, or the cost of reconstructing them or reproducing any information contained in them.



b. Territory

The Pool will cover loss the "Named Member" sustains resulting directly from an "occurrence" taking place anywhere in the world. The Territory Condition E.1.o. does not apply to Coverage Agreement A.7.

F. DEFINITIONS

1. "Banking premises" means the interior of that portion of any building occupied by a banking institution or similar safe depository.
2. "Counterfeit money" means an imitation of "money" that is intended to deceive and to be taken as genuine.
3. "Custodian" means the "Named Member" or any "employee" while having care and custody of property inside the "premises", excluding any person while acting as a "watchperson" or janitor.
4. "Discovers" or "discovered" means the time when the "Named Member" first become aware of facts which would cause a reasonable person to assume that a loss of a type covered by this coverage has been or will be incurred, regardless of when the act or acts causing or contributing to such loss occurred, even though the exact amount or details of loss may not then be known.

"Discovers" or "discovered" also means the time when the "Named Member" first receives notice of an actual or potential claim in which it is alleged that the "Named Member" is liable to a third party under circumstances which, if true, would constitute a loss under this coverage.

5. "Employee" means:

a. Any natural person:

1. While in the "Named Member's" service and for the first 30 days immediately after termination of service, unless such termination is due to "theft" or any other dishonest act committed by the "employee";
2. Who the "Named Member" compensates directly by salary, wages or commissions; and
3. Who the "Named Member" has the right to direct and control while performing services for the "Named Member";

b. Any natural person who is furnished temporarily to the "Named Member":

1. To substitute for a permanent "employee" as defined in Paragraph (1) above, who is on leave; or
2. To meet seasonal or short-term work load conditions;

while that person is subject to the "Named Member's" direction and control and performing services for the "Named Member", excluding, however, any such person while having care and custody of property outside the "premises";

3. Any natural person who is leased to the "Named Member" under a written agreement between the "Named Member" and a labor leasing firm, to perform duties related to the conduct of the "Named Member's" business, but does not mean temporary employee as defined by Paragraph a.(2);
4. Any natural person who is:
 - a) A trustee, officer, employee, administrator or manager, except an administrator or manager who is an independent contractor, of any employee benefit plan(s); and
 - b) the "Named Member's" official while that person is handling "funds" or "other property" of any employee benefit plan(s).



5. Any natural person who is a former official, "employee" or trustee retained as a consultant while performing services for the "Named Member"; or
6. Any natural person who is a guest student or intern pursuing studies or duties, excluding, however, any such person while having care and custody of property outside the "premises".
- c. "Employee" does not mean any agent, independent contractor or representative of the same general character not specified in Paragraph 5.a.
6. "Forgery" means the signing of the name of another person or organization with intent to deceive; it does not mean a signature which consists in whole or in part of one's own name signed with or without authority, in any capacity, for any purpose.
7. "Fraudulent instruction" means an order or request directing a financial institution to transfer "funds" from the "Named Member's" "transfer account", and the order or request purports to have been issued by the "Named Member", but actually was issued by someone else without the "Named Member's" consent.
8. "Funds" means "money" and "securities".
9. "Messenger" means the "Named Member" or any "employee" while having care and custody of property outside the "premises".
10. "Money" means:
 - a. Currency, coins and bank notes in current use and having a face value; and
 - b. Travelers checks, register checks and money orders held for sale to the public.
11. "Occurrence" means:
 - a. As respects Coverage Agreement A.1., all loss caused by, or involving, one or more "employees", whether the result of a single act or series of acts.
 - b. As respects Coverage Agreement A.2., all loss caused by each "employee", whether the result of a single act or series of acts.
 - c. As respects Coverage Agreement A.3., all loss caused by any person or in which that person is involved, whether the loss involves one or more instruments.
 - d. As respects all other Coverage Agreements:
 1. An act or series of related acts involving one or more persons; or
 2. An act or event, or a series of related acts or events not involving any person.
12. "Other property" means any tangible property that has intrinsic value but does not include any property excluded under this Coverage. "Money" and "securities" are not "other property".
13. "Premises" means the interior of that portion of any building the "Named Member" occupies in conducting its business.
14. "Rating Period" means the Rating Period shown in the Declarations.
15. "Robbery" means the unlawful taking of property from the care and custody of a person by one who has:
 - a. Caused or threatened to cause that person bodily harm; or
 - b. Committed an obviously unlawful act witnessed by that person.
16. "Safe burglary" means the unlawful taking of:
 - a. Property from within a locked safe or vault by a person unlawfully entering the safe or vault as evidenced by marks of forcible entry upon its exterior; or
 - b. A safe or vault from inside the "premises".



17. "Securities" means negotiable and nonnegotiable instruments or contracts representing either "money" or property and includes:
 - a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
 - b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by the "Named Member"; but does not include "money".
18. "Theft" means the unlawful taking of "money", "securities" or "other property" to the deprivation of the "member".
19. "Transfer account" means an account maintained by the "Named Member" at a financial institution from which the "Named Member" can initiate the payment of "funds".
20. "Watchperson" means any person the "Named Member" retains specifically to have care and custody of property inside the "premises" and who has no other duties.



ARIZONA MUNICIPAL RISK RETENTION POOL WORKERS COMPENSATION AND EMPLOYERS LIABILITY COVERAGE AGREEMENT DECLARATIONS

Agreement # 2000171-1

Replaces Agreement # AZWC012120

THIS DECLARATIONS PAGE AND THE ATTACHED WORKERS COMPENSATION AND EMPLOYERS LIABILITY COVERAGE AGREEMENT COMPLETE THIS COVERAGE PART.

IN RETURN FOR THE PAYMENT OF MEMBERSHIP FEES, THE POOL AGREES TO PROVIDE THE MEMBER WITH THE FOLLOWING COVERAGE SUBJECT TO ALL OF THE TERMS AND CONDITIONS OF THE POOLS INTERGOVERNMENTAL AGREEMENT AND THE APPLICABLE COVERAGE AGREEMENT AND ENDORSEMENTS.

Item 1. "Named Member" and Principal Address:

San Luis, City Of
PO Box 1170
San Luis, AZ 11111

Item 2. "Rating Period"

This Policy takes effect at 12:01 A.M., 07/01/2017, and expires at 12:01 A.M., 07/01/2018.

These effective and expiration times are based upon the local times at the principal address of the "Named Member" stated in Item 1 above.

Item 3. The Covered Member is: Municipality

Item 4. States: AZ

Item 5. Limits of Liability

"Bodily Injury by Accident" \$ 1,000,000 Each Accident

"Bodily Injury by Disease" \$ 1,000,000 Policy Limit

\$ 1,000,000 Each Employee

Item 6. Endorsements:

AZWCP303 (07/17)

AZWCP301B (07/17)

AZWCP301C (07/17)



EXPERIENCE RATING MODIFICATION FACTOR ENDORSEMENT

The premium for this policy has been adjusted by your current workers' compensation experience modification factor (WCEMF). Arizona Municipal Risk Retention Pool (AMRRP-WC Fund) applied the WCEMF as determined by Southwest Risk Services, designated Administrator for the AMRRP-WC Fund. The WCEMF for this policy is displayed on Form AZWCP301B.



WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY INSURANCE POLICY INFORMATION PAGE EXTENSION

Policy Number: 2000171-1
Insured: San Luis, City Of
Policy Period From: 07/01/2017 - 07/01/2018

ITEM 4.

Code No	Loc	Classifications	Premium Basis Total Estimated Annual Renumeration	Rate Per \$100 of Renumeration	Estimated Annual Premium
State:	02	ARIZONA			
5506	001	STREET OR ROAD CONSTRUCTION-PAVING OR REPAVING & DRIVERS	174,656		15,422
7382	001	BUS COMPANIES & DRIVERS-ALL EMPLOYEES OTHER THAN GARAGE EE'S	22,604		1,248
7520	001	WATERWORKS OPERATION & DRIVER	188,188		6,530
7539	001	ELECTRIC LIGHT OR POWER CO. NOC--ALL EMPLOYEES & DRIVERS	22,032		692
7580	001	SEWAGE DISPOSAL PLANT OPERATION & DRIVERS	176,436		6,069
7710	001	FIREFIGHTERS & DRIVERS	735,642		25,895
7720	001	POLICE OFFICERS & DRIVERS	901,430		39,483
8380	001	AUTO SERVICE OR REPAIR CENTER & DRIVERS	81,860		2,284
8810	001	CLERICAL OFFICE EMPLOYEES NOC/LIBRARY/MUSEUM	1,343,214		3,224
8820	001	ATTORNEY-ALL EMPLOYEES & CLERICAL, MESSENGERS, DRIVERS	105,334		232
9015	001	BUILDINGS OPERATION BY OWNER OR LESSEE	229,838		8,320
9063	001	RECREATION CENTERS-ALL EMPLOYEES & CLERICAL	235,260		3,223
9102	001	PARKS NOC ALL EMPLOYEES & DRIVERS	195,518		6,061
9403	001	GARBAGE, ASHES OR REFUSE COLLECTION & DRIVERS	49,914		3,120
9410	001	MUNICIPAL, TOWNSHIP, COUNTY OR STATE EMPLOYEE NOC	53,682		939
8831	001	DOG POUNDS	29,434		662
9898		EXPERIENCE MODIFICATION	0.9800 123,404	-0.0200	-2,468
9889		SCHEDULE MODIFICATION - DEBIT	1.0800	0.0800	9,675
TOTAL THIS PAGE					\$ 130,611



ARIZONA MUNICIPAL RISK RETENTION POOL WORKERS' COMPENSATION FUND QUARTERLY INSTALLMENT BILLING ENDORSEMENT

This INSTALLMENT BILLING ENDORSEMENT shall not apply to any additional premium that may be owed based on the final premium audit.

INSTALLMENT #	DUE DATE
1	10/15
2	1/15
3	4/15
4	7/15



ARIZONA MUNICIPAL RISK RETENTION POOL MUNICIPAL EXCESS LIABILITY COVERAGE AGREEMENT DECLARATIONS

Agreement # 2000170-1

Replaces Agreement # AE40172016

THIS DECLARATIONS PAGE AND THE ATTACHED MUNICIPAL EXCESS LIABILITY COVERAGE AGREEMENT COMPLETE THIS COVERAGE PART.

Item 1. "Named Member" and Principal Address:

San Luis, City Of
PO Box 1170
San Luis, AZ 85349

Item 2.

This Agreement takes effect at 12:01 A.M., 07/01/2017, and expires at 12:01 A.M., 07/01/2018.

These effective and expiration times are based upon the local times at the principal address of the Named Member stated in Item 1 above.

IN RETURN FOR THE PAYMENT OF MEMBERSHIP FEES, THE POOL AGREES TO PROVIDE THE MEMBER WITH THE FOLLOWING COVERAGES FOR WHICH A MEMBERSHIP FEE IS SHOWN, SUBJECT TO ALL THE TERMS AND CONDITIONS OF THE POOL'S INTERGOVERNMENTAL AGREEMENT AND THE APPLICABLE COVERAGE AGREEMENTS AND ENDORSEMENTS:

Item 3. **SCHEDULE**

Description	Limit of Liability
Aggregate	\$ 3,000,000

Item 4. Description of Member: Municipality

Item 5. ENDORSEMENTS:

AZXSC (07/16)

Item 6. "Excess Retroactive Date": 08/01/1987

Item 7. Schedule of "Underlying Coverage"

Excess coverage applies only to coverage's for which underlying Limits of Coverage are shown.

Underlying Municipal Liability Coverage and Municipal Auto Liability Coverage provided by:

Underlying Carrier	Arizona Municipal Risk Retention Pool
Coverage Agreement Number	2000169-1
Rating Period	From: 07/01/2017 To: 07/01/2018
Aggregate	\$ 6,000,000
Municipal Liability Products - Completed Operations Aggregate Limit	\$ 2,000,000
Municipal Liability Each Wrongful Act Limit	\$ 2,000,000
Municipal Liability Retroactive Date	08/01/1987
Municipal Auto Liability Each Accident Limit	\$ 2,000,000

Underlying Employers Liability Coverage provided by:

Underlying Carrier	Arizona Municipal Risk Retention Pool
Coverage Agreement or Policy Number	2000171-1
Rating Period or Policy Period	From: 07/01/2017 To: 07/01/2018
Bodily Injury By Accident Limit	\$ 1,000,000
Bodily Injury By Disease - Each Employee Limit	\$ 1,000,000
Bodily Injury By Disease - Policy Limit	\$ 1,000,000

MEMBERSHIP FEE:	\$ 31,020
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ARIZONA MUNICIPAL RISK RETENTION POOL MUNICIPAL EXCESS LIABILITY COVERAGE AGREEMENT NOTICE

THIS COVERAGE AGREEMENT IS ISSUED BY THE ARIZONA MUNICIPAL RISK RETENTION POOL ("POOL"). PLEASE READ THIS COVERAGE AGREEMENT CAREFULLY. ALL TERMS IN QUOTES HAVE A SPECIAL MEANING FOUND IN THIS COVERAGE AGREEMENT, UNDER THE DEFINITIONS SECTION, AS DEFINED IN THE "UNDERLYING COVERAGE", OR IN ANY COMMON CONDITIONS.

IN CONSIDERATION OF THE PAYMENT OF THE PREMIUM SHOWN IN THE DECLARATIONS AND IN RELIANCE ON ALL OF THE STATEMENTS AND REPRESENTATIONS MADE DURING THE APPLICATION PROCESS TO THE POOL, AND SUBJECT TO ALL THE TERMS, CONDITIONS AND LIMITS OF THIS COVERAGE AGREEMENT, THE POOL AGREES AS FOLLOWS:

SECTION I - EXCESS COVERAGE AGREEMENT

- A.** The Pool will pay "damages" the "member" is legally obligated to pay in excess of an "underlying limit" of "underlying coverage." This Coverage Agreement only applies if:
1. the "damages" are covered by the "underlying coverage";
 2. if the "underlying coverage" is provided on a claims-made basis, the "damages" are caused by an act, error, omission, "occurrence" or "accident" which happened after the "excess retroactive date"; and
 3. the "underlying limit" has been satisfied by the actual payment of judgments for "damages" covered under this agreement or by final settlement of a "claim" or "suit" for covered "damages" to which the Pool agrees.
- B.** This coverage is subject to the terms and conditions of the applicable "underlying coverage" except:
1. Any provision in the "underlying coverage" related to defense or settlement; and
 2. This agreement's terms and conditions control if they conflict with any terms and conditions of the "underlying coverage."
- C.** The Pool has the right to defend the "member" against any "suit" seeking covered "damages" which exceed an "underlying limit". The Pool may, at the Pool's discretion, investigate any "claim" and settle any "claim" or "suit."
- D.** The Pool has the right to appeal any judgment which exceeds an "underlying limit."
- E.** If the limit of liability of applicable "underlying coverage" has been exhausted, the Pool has the duty to defend the "member" against a "suit" seeking covered "damages."
- F.** The Pool has no obligation to pay "damages", defend any "member" or incur any expense after the applicable limit of liability shown in the Declarations has been paid.

SECTION II - COVERED EXPENSES AND COSTS

For any "claim" the Pool investigates or settles or any "suit" the Pool defends under this Excess Coverage Agreement, the Pool will pay:

1. Expenses, including attorney's fees, the Pool incurs.
2. The cost of bonds to release attachments, but only for bond amounts within the applicable Limit Of Liability. The Pool does not have to furnish these bonds.
3. All reasonable expenses incurred by a "member" at the Pool's request to assist in the investigation or defense of the "claim" or "suit", including actual loss of earnings up to \$100 a day because of time off from work.
4. All costs, other than attorney's fees, taxed against the "member" in the "suit".
5. Prejudgment interest awarded against the "member" on that part of the judgment the Pool pays. If the Pool makes an offer to pay the applicable Limit Of Liability, the Pool will not pay any prejudgment interest incurred that accrued after the offer.
6. All interest on the full amount of any judgment that accrues after entry of the judgment and before the Pool has paid, offered to pay, or deposited in court the part of the judgment that is within the applicable Limit of Liability.

These payments shall be referred to as Loss Adjustment Expense and reduce the Aggregate Limit Of Liability. Loss Adjustment Expense shall be allocated between the underlying coverage and this coverage in proportion to the amount of damages paid.

SECTION III - EXCLUSIONS

This Coverage Agreement does not apply to:

A. Auto

1. "Damages" arising out of the ownership, maintenance, use or entrustment to others of any "auto" which is not a "covered auto" under the "underlying coverage" for auto liability.
2. Any "damages", loss, cost or expense payable under any first party physical damage coverage; no-fault law; personal injury protection or auto medical payments coverage; or uninsured or underinsured motorists law.

B. Municipal Liability Coverages

"Damages", costs or expenses payable under the following additional coverages and sublimits in the scheduled underlying Municipal Liability Coverage Agreement:

1. Medical Payments;
2. "Back Wages";
3. "Data security breach";
4. Fire damage;
5. Land use;
6. Organic pathogens;
7. Pollution liability; or
8. Crisis Intervention Coverage.

C. Molestation Of A Minor

"Damages" arising out of the actual or threatened abuse or molestation by anyone of any minor.

This Exclusion applies:

1. Whether the "member" may be liable as an employer or in any other capacity; and
2. To any obligation to share "damages" with or repay someone else who must pay "damages" because of the injury.

SECTION IV - LIMITS OF LIABILITY

1. The Limits Of Liability shown in the Declarations and the rules below fix the most the Pool will pay regardless of the number of:
 - a. "Members" involved;
 - b. "Claims" made or "suits" brought;
 - c. Persons or organizations making "claims" or bringing "suits".
2. The General Aggregate Limit is the most the Pool will pay for the sum of all "damages" and expenses under Section II covered by this agreement.
3. These Limits of Liability apply over applicable "underlying coverage". The Pool will pay "damages" above the reduced or exhausted "underlying coverage" only if the applicable "underlying limit" has been exhausted by the actual payment of covered "damages".

SECTION V - MEMBERS

Any person or organization who qualifies as a "member" under the terms of the applicable "underlying coverage" qualifies as a "member" under this agreement.

SECTION VI - DEFINITIONS

- A. "Claim" means a written demand for money or services.
- B. "Suit" means a civil proceeding in which covered "damages" are alleged. "Suit" includes:
 1. An arbitration proceeding to which the "member" must submit or does submit with the Pool's consent; or
 2. Any other alternative dispute resolution proceeding to which the "member" submits with the Pool's consent."Suit" does not mean any criminal proceeding against any "member" or any open meeting law proceeding.
- C. "Underlying coverage" means the Coverage Agreements listed in the Municipal Excess Liability Declarations for which a premium has been paid.
- D. "Underlying limit" means the applicable limit of liability in the "underlying coverage."

SECTION VII - CONDITIONS

- A. **Duties In The Event Of Wrongful Act, Occurrence, "Offense", "Claim" or "Suit"**
 1. The "member" must notify the Pool is notified as soon as practicable of a "wrongful act", "occurrence", offense or "accident", "claim" or "suit" which is reasonably likely to result in a payment of "damages" in an amount which exceeds 50% of the applicable "underlying limit." The notice must include:
 - a. Details sufficient to identify the "member" involved;
 - b. How, when, and where the "wrongful act", "occurrence" or offense took place;

- c. The names and addresses of any injured persons and witnesses; and
 - d. The nature and location of any injury or damage.
- 2. The "member" and any other involved "member" must:
 - a. Immediately send the Pool copies of any demands, notices, summonses or legal papers received in connection with the "claim" or "suit";
 - b. Authorize the Pool to obtain records and other information;
 - c. Cooperate with the Pool in the investigation or settlement of the "claim" or defense against the "suit"; and
 - d. Assist the Pool, upon the Pool's request, in the enforcement of any right against any person or organization which may be liable to the "member" because of injury or damage to which this coverage may also apply.
- 3. No "member" will, except at that "member's" own cost, voluntarily make a payment, assume any legal obligation, or incur any expense, other than for first aid, without the Pool's consent.

B. Bankruptcy

In the event of bankruptcy or insolvency of any insurer who issued "underlying coverage", the coverage afforded by this coverage shall not replace the "underlying coverage" but shall apply as if the "underlying coverage" was valid and collectible. This coverage does not drop down to apply in lieu of any "underlying coverage".

C. Maintenance Of "Underlying Coverage"

The "member" must ensure that all policies listed in the Declarations as "underlying coverage" remain in full effect throughout the "rating period" of this Coverage Agreement. If "underlying coverage" is not in full effect, this agreement will only apply as if the "underlying coverage" was in full effect and does not drop down to apply in lieu of that coverage.

The "member" must notify the Pool within thirty days if the "underlying coverage" is changed, amended or replaced. The Pool may adjust the membership fee accordingly or amend this Coverage Agreement to address changes in exposure.

If the "underlying coverage" is canceled and not replaced, there is no coverage for that liability under this Coverage Agreement.

D. Other Insurance

The coverage afforded by this agreement is excess coverage over any other coverage, self-insurance or other risk transfer agreement, whether primary, excess, contingent or provided on any other basis, whether collectible or not. This provision does not apply to any policy that is written to be excess over this agreement.



ARIZONA MUNICIPAL RISK RETENTION POOL Risk Management Program Agreement

Introduction

The Arizona Municipal Risk Retention Pool (AMRRP) since its inception has placed the safety of employees, the public and the protection of property as our top priority. In keeping with the AMRRP commitment to safety, the guidelines presented in this document are designed to provide municipalities with a framework for the development and maintenance of an effective risk management program.

Establishment of Risk Management Contact or Committee

An employee or an employee committee shall be designated to act as a risk management Coordinator, to represent the Member in matters associated with the Pool, including the implementation of risk management programs.

[AMRRP Safety Committee Best Practice](#)

Establishment of Risk management Guidelines

- The Member shall develop and maintain appropriate risk management policies and procedures in areas of Employment, Police, Fire, Streets and Roads, Park and Recreation, and all other areas of liability and property exposures applicable to each member.
- For Workers' Compensation the member shall identify a health care provider to send all employees for the first visit.
- The member shall develop a light-duty return-to-work program to reduce lost time claims.
- The Member shall review its risk management program with the Administrator on an annual basis and make appropriate changes to improve the overall effectiveness of the program

[AMRRP Safety Program Evaluation Best Practice](#)

- The Member shall establish a safety and risk management education and training program with emphasis on safe methods and procedures to follow while performing tasks where accidents have occurred, or where there is a potential for accidents.
- Members are strongly urged to and participate in non-required training programs sponsored and/or recommended by the Administrator. Participation in other special training appropriate for the members' exposures and claim activity is also highly encouraged.

[AMRRP Safety Training Best Practice](#)

- The Member and Administrator shall meet on an annual basis, or as needed, for a safety inspection. A report will be provided by the Administrator to the member and corrections should be made in a timely manner.
- The Member shall establish their own internal procedures for routine safety inspections of vehicles, buildings, grounds, equipment, machinery and work practices.

[AMRRP Safety Inspection Best Practice](#)

The Member and the Administrator shall meet on an annual, or as needed, basis to review Worker's Compensation and Property and Casualty losses. The purpose of these meetings is to:

- Establish procedures to investigate claims and incidents to determine the root cause.
- Establish procedures or develop training to eliminate or reduce the claims.
- Establish procedures for reporting incidents and claims and provide proper maintenance of records.

[AMRRP Accident Investigation Best Practice](#)

Establish appropriate motor fleet safety procedures for the operation of Municipal motor vehicles (owned and non-owned).

[AMRRP Defensive Driving Best Practice](#)

[AMRRP Distracted Driver Policy Best Practice](#)

[AMRRP 15-Passenger Van Best Practice](#)

Member Risk Management Program Audit

In order to evaluate the effectiveness of the member's risk management plan, the Administrator shall conduct a site inspection of each member and prepare loss runs for review. The site inspection shall take place with such frequency as the Administrator deems necessary, but in no case less often than annually. The site inspection shall include but is not limited to, a review of the member's progress towards the fulfillment of the provisions of this agreement and its effectiveness in controlling losses. The findings shall be used to enhance or improve the overall success of the member's risk management program. Following a site inspection the Administrator shall submit a written report to each member along with any recommendations.

Disclaimer

1. It is the sole responsibility of the Member to modify the risk management standards set forth in this Appendix to meet its specific requirements.
2. Neither the Pool nor any of its officers, directors, or representatives, makes any representation or warranty that the risk management requirements or provisions set forth in this Appendix are sufficient or adequate to meet the specific needs of the Member.



AGENDA ITEM REVIEW FORM

Regular City Council Meeting

4.D.

Meeting Date: 03/14/2018

Department Head: Richard Jessup, Acting Chief of Police, Police Department

Submitted By: Miguel Alvarez, Lieutenant, Police Department

Action Requested: Motion
Resolution

ITEM:

Discussion and possible action on any and all matters regarding Resolution No. 2036. A resolution of the Mayor and City Council of the City of San Luis, Arizona, approving and adopting the Intergovernmental Agreement between the City of San Luis and Yuma Union High School District (YUHSD) #70 for funds supporting the San Luis Police Department's participation in the School Resource Officer overtime assignment at the San Luis High School. **(Richard Jessup, Acting Chief of Police)**

SUMMARY:

The San Luis Police Department is requesting approval to enter into an Intergovernmental Agreement between the City of San Luis and YUHSD #70 for overtime School Resource Officer assignment at the San Luis High School. The term of this agreement shall be from the day of effectiveness which is the date set forth by the YUHSD #70 upon approval by their governing board up until the end of the 2019-2020 fiscal year ending June 30, 2020. The agreement provides overtime funding for AZPOST sworn personnel of the San Luis Police Department to assume the role of a School Resource Officer during 180 school days for 8 hours per day or as funding allows for any time over the 8 hours work day upon request of the San Luis High School administration.

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO APPROVE RESOLUTION NO. 2036.

Supporting information not attached to the Agenda Item Review Form:

N/A

Fiscal Impact

IS THERE FISCAL IMPACT ASSOCIATED WITH THIS ITEM:	Yes
CITY/STATE/FEDERAL FUNDS:	State
TOTAL:	\$88,528.00
BUDGETED AMOUNT:	N/A
AVAILABLE AMOUNT TO TRANSFER:	N/A
ACCT NAME & GL#/REMAINING BALANCE BEFORE PURCHASE:	250-100-181-50010. Overtime - SRO YUHSD #70 \$88,528.00
FISCAL IMPACT STATEMENT (IF THIS IS A BUDGET TRANSFER, YOU MUST ATTACH THE BUDGET ADJUSTMENT FORM):	

The \$88,528.00 is a reimbursement amount to the San Luis Police Department for overtime worked under the SRO IGA with YUHSD #70. Funds will be released through Special Revenues funds under overtime lines 250-181-50010.110 Overtime - SRO YUHSD #70 \$64,800.00, 250-181-50130.110 State Retirement - SRO YUHSD #70 \$16,484.00, 250-181-50135.110 State Unemployment - SRO YUHSD #70 \$389.00, 250-181-50115.110 Medicare - YUHSD #70 \$940.00, 250-181-50120.110 FICA - SRO YUHSD #70, 250-181-50145.110 Worker's Compensation - SRO YUHSD #70 \$1,894.00.

Attachments

Resolution No. 2036

YUHSD # 70 SRO IGA

YUHSD #70 & City of San Luis Salary Schedule A



Resolution

OFFICE OF THE
MAYOR
CITY OF SAN LUIS

No. 2036

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF SAN LUIS, ARIZONA, APPROVING AND ADOPTING AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF SAN LUIS AND YUMA UNION HIGH SCHOOL DISTRICT (YUHSD) #70 FOR FUNDS SUPPORTING THE SAN LUIS POLICE DEPARTMENT'S PARTICIPATION IN THE SCHOOL RESOURCE OFFICER OVERTIME ASSIGNMENT AT THE SAN LUIS HIGH SCHOOL.

WHEREAS, the City of San Luis desires to increase police presence within the San Luis High School grounds through the assignment of rotational School Resource Officers, which brings a broader awareness of the school's safety needs and concerns while giving the assigned officers greater experience working a school environment;

WHEREAS, the Yuma Union High School District #70 has approved IGA Overtime and Employee Related Expenses to enhance school safety and education throughout the San Luis High School;

WHEREAS, this an Intergovernmental Agreement which provides for all of the funds including that these funds shall not be used to supplant other funding of the San Luis Police Department not related to this IGA.

NOW, THEREFORE BE IT RESOLVED by the Mayor and Council of the City of San Luis, State of Arizona as follows:

Section 1. That the Intergovernmental Agreement titled "SCHOOL RESOURCE OFFICER BETWEEN THE CITY OF SAN LUIS AND YUHSD." And the salary schedule FY18, Schedule A both attached to this resolution are approved.

Section 2. That the appropriate City officials are hereby authorized and directed to enter into said agreement on behalf of the City and take any and all actions as may be necessary to effectuate said agreement.

PASSED, ADOPTED and APPROVED by the Mayor and City Council of the City of San Luis, Yuma County, Arizona this 14th day of March 2018.

Gerardo Sanchez, Mayor

ATTEST:

APPROVED AS TO FORM:

Sonia Cornelio, City Clerk

Kay Marion Macuil, City Attorney

**INTERGOVERNMENTAL AGREEMENT
SCHOOL RESOURCE OFFICER
BETWEEN THE CITY OF SAN LUIS AND YUHSD # 70**

This Intergovernmental Agreement ("Agreement") is entered into this ___ day of _____, 2018 by and between the City of San Luis ("City"), located at 1090 E. Union Street, P.O. Box 1170, San Luis, Arizona 85349, a municipal corporation and political subdivision of the State of Arizona, and Yuma Union High School District #70, a school district of the State of Arizona having its administrative offices in Yuma County, at 3150 South Avenue A, Yuma, Arizona 85364-7998("District").

The District and City may be referred to singularly as the "Party" and collectively as the "Parties."

WITNESSETH

For and in consideration of the mutual promises, terms, covenants, and conditions set forth in this Agreement, the Parties agree as follows:

Purpose of Agreement

The purpose of this Agreement is for the City to designate police officers to act as the school resource officer (referred to as "SRO"). Under this Agreement, the individual designated SRO may change occasionally. There will be a designated SRO for every day that School is in session for eight hours each of those days. The designated SRO will pay full-time attention to the law enforcement needs of the San Luis High School (the "School") while on SRO duty. The SRO will work with School personnel in providing alcohol and other drug education, maintaining a safe campus environment, serving as a law enforcement problem-solving resource, and responding appropriately to on-campus and School-related criminal activity, juvenile delinquency activity or disorderly conduct.

This purpose is a departure from prior Intergovernmental Agreements (IGA's) for SRO between the City and the District. In prior IGA's there was just one individual police officer assigned to the SRO. In this Agreement, the City desires to rotate peace officers designated to the position. This change is due in part to the City's needs for flexibility in staffing the SRO, but also because the District and the City will benefit from more of the police force being aware of the safety needs of the District, and the peace officers who serve as SRO will have a broader experience to offer. The term "Police Officer" when used in this Agreement shall refer to each individual City law enforcement personnel when assigned to serve as the SRO at the School.

Term

The term of this Agreement shall be from the day of effectiveness which is the date set forth above which is the day the last governing body approved this Agreement until the end of the 2019-2020 fiscal year, June 30, 2020.

During days that the School is not in session, the officer shall perform regular police duties determined by the Chief of Police or his designee.

Relationship of Parties

The City and the designated SRO shall have the status of an independent contractor of the District for purposes of this Agreement. The SRO designated to the District shall be considered an employee of the City and shall be subject to the City's control and supervision. The designated SRO will be subject to procedures in effect for San Luis Police Officers, including attendance at all mandated training to maintain his or her Arizona Peace Officer certification.

This Agreement is not intended to and will not constitute, create, give rise to, or otherwise recognize a joint venture, partnership, or formal business association or organization of any kind between the Parties, and the rights and obligations of the Parties shall be only those expressly set forth in this Agreement.

Finance and Budget

The City of San Luis and District will mutually agree to the terms of reimbursement. Upon the District's receipt of funding for each fiscal year, the monies will be budgeted and allocated as follows:

- A. District will pay up to the budgeted amount of the SRO's salary as per the budget schedule in Attachment A. Attachment A will be submitted annually to the District before June 30th. Attachment A shall reflect the amounts due for the hourly rate of \$30.00 per hour plus the payroll-contributions for Police Officers to the Public Safety Personnel Retirement System (PSPRS), the Federal Insurance Contribution Act (FICA), Medicare, and Unemployment. The District will be invoiced for hours spent by the Police Officer at the San Luis High School, or for hours training as pertinent to their job as an SRO. The District will not be charged for vacation days, sick leave or personal leave time.
- B. District will remit quarterly payments to the City totaling the amount reflected in Attachment A. As noted above in Section (A), the District will pay the City for hourly pay plus the payroll-contributions.
- C. If the District requires that an SRO attend Arizona School Resource Officer (AZSRO) training or National Association of School Resource Officers (NASRO) training, then the District shall pre-pay for the training before the date of the training the District is requiring of an SRO.

Police Officer Responsibilities

Police Officers designated to the District shall:

- A. Provide a program of law and education-related issues to the School community, including parents, on such topics as tobacco, alcohol, and other drug issues, and in addressing violence diffusion, violence prevention, and other safety issues in the school community.
- B. Act as a communication liaison with law enforcement agencies; providing basic information concerning students on campus served by the SRO.
- C. Provide informational in-services and be a general resource for the District's staff on issues related to alcohol, and other drugs, violence prevention, gangs, safety and security.
- D. The SRO will gather information regarding potential problems such as criminal activity, gang activity, disorderly conduct and student unrest, and attempt to identify particular individuals who may be a disruptive influence to the School and/or students.
- E. When a crime, juvenile delinquency, disorderly conduct or disruption of the peace occurs, the SRO will take the appropriate steps consistent with an Arizona Peace Police Officer's duties.
- F. The SRO will present educational programs to students and School staff on topics agreed upon by both Parties.
- G. The SRO will refer students and/or their families to the appropriate agencies for assistance when a need is determined.
- H. Unless in the SRO's opinion circumstances prevent it, the SRO will attempt to advise the School principal prior to taking action as a peace officer, subject to the officer's duties under the law.
- I. The SRO shall not act as a School disciplinarian, nor make recommendations regarding School discipline. School Resource Officers are not to be used for regularly assigned lunchroom duties, as regular hall monitors, bus duties or other monitoring duties. If there is an unusual or temporary problem in one of these areas, the SRO may assist District employees until the problem is resolved; provided further that nothing required herein is intended to nor will it constitute a relationship or duty for the designated SRO or the City beyond the general duties that exist for law enforcement officers within the State of Arizona.

Time and Place of Performance

The City will endeavor to have an SRO available for duty at the San Luis High School, 1250 8th Avenue, San Luis, Arizona, each day that School is in session during the regular school year. The SRO's activities will be restricted to the San Luis High School grounds except for:

- A. Follow up home visits when needed as a result of School-related student problems.
- B. School-related, off-campus activities when officer participation is requested by the principal and approved by the City.
- C. In response to off-campus, but School-related, criminal activity, juvenile delinquency, or disorderly conduct.
- D. In response to emergency police activities.

District Responsibilities

District will provide the SRO an office and such equipment as is necessary at San Luis High School. This equipment shall include a telephone and filing space capable of being secured and access to a computer capable of accessing the City's network. The District will provide the SRO training pertaining to the rules and regulations that govern a District employee. Any additional training for the SRO will be limited to the Arizona School Resource Officers Association (AZSROA) training or the National Association of School Resource Officers (NASRO) training, provided the training is within 300 miles of Yuma, Arizona. Attendance at training will be mutually agreed upon prior to registration. If the District requires that an SRO attend AZSRO training or NASRO training, then the District shall pre-pay for the training before the date of the training the District is requiring of an SRO.

General Provisions

- A. Time of Essence; Binding Effect
Time is of the essence of this Agreement. Such Agreement shall be binding upon and inure to the benefit of the heirs, personal representatives, successors, and assigns of the Parties.
- B. Successor and Assigns
The requirements of this Agreement are binding upon the heirs, executors, administrators, successors, and assigns of both Parties.
- C. Waiver
If either Party fails to require the other Party to perform any provision of this Agreement, that failure does not prevent the Party from later enforcing that provision. Neither Party is released from any responsibilities or obligations imposed by law of this Agreement if the other Party fails to exercise a right or remedy.

D. Governing Law and Venue

The laws of the State of Arizona govern this Agreement as to validity, interpretation, and performance. The Parties must institute and maintain any legal action or other judicial proceedings arising from this Agreement in a court of competent jurisdiction in Yuma County, Arizona or in the United State District Court for the District of Arizona at the election of the plaintiff in such legal action and the Parties waive any right to object to such venue. Nothing in this paragraph will be deemed to have authorized the bringing of any legal action in a court which does not otherwise have jurisdiction to adjudicate the legal action.

- (i) This Agreement is subject to the cancellation provisions of Arizona Revised Statute §38-511, as amended.
- (ii) The Parties agree that they are not currently engaged in, and agree that for the duration of the Agreement they will not engage in, a boycott of Israel, as that term is defined in A.R.S. §35- 393. The undersigned understand this certification will become public record under A.A.C. R2-7-C317.
- (iii) The Parties warrant that they comply with all federal immigration laws that relate to their employees and with A.R.S. §23-214 relating to verification of employment eligibility. A breach of this warranty shall be deemed a material breach of this Agreement.

E. Severability

If any terms, parts, or provisions of this Agreement are for any reason invalid or unenforceable, the remaining terms, parts, or provisions are nevertheless valid enforceable.

F. Counterparts

This Agreement may be executed in multiple counterparts, each of which shall constitute one and the same instrument.

G. Attorney Fees and Costs

If either Party brings an action or proceeding for failure to observe any of the terms or provisions of this Agreement, the prevailing Party may recover, as part of the action or proceeding, all litigation, arbitration and collection expenses, including, but not limited to, witness fees, court costs, and reasonable attorney's fees.

H. Termination

This Agreement may be terminated by either Party if in its judgment such action is necessary due to a) funding availability or b) either Party's non-compliance with the Agreement. Any termination must be in writing, stating the reason, sent certified mail and will be effective upon thirty (30) days' notice to the other Party. Upon termination of the Agreement, the Parties shall return any property to the original owner.

I. Notices

All notices to be given under this Agreement, or which may be given by either Party to the other, shall be considered validly given and fully received when made in writing and delivered or refused delivery by means of prepaid service by:

- deposit in the United States Postal Service by certified mail, return receipt requested, and postage prepaid,
- personal delivery by a process server or
- sent by a nationally recognized courier (e.g., Federal Express, UPS)

and addressed to the respective Parties as follows:

If to the City City Manager
 City of San Luis
 P.O. Box 1170 (by United States Postal Service)
 1090 East Union Street (by personal process or courier)
 San Luis, Arizona 85349

with a copy to San Luis City Attorney
 City of San Luis
 P.O. Box 1170
 San Luis, Arizona 85349

If to the District Superintendent
 Yuma Union High School District #70
 3150 South Avenue A
 Yuma, Arizona 85364-7998

or such other addresses as either Party may from time to time designate in writing and deliver in a like manner. Any such change of address notice shall be given at least ten (10) days before the date on which the change is to become effective.

J. Integration

This Agreement contains the entire Agreement between the Parties, and no oral or written statements, promises, or inducements made by either Party or its agents not contained or specifically referred to in this Agreement is valid or binding. All modifications to this Agreement must be in writing, signed and endorsed by the Parties.

K. Workers' Compensation

For workers' compensation, an employee of the City (an SRO) who works under the control of the District is deemed to be an employee of both the City and the District as provided in A.R.S. §23-1022(D). The City shall be solely liable for paying out a claim on workers' compensation benefits through the City's workers' compensation

coverage for the purposes of this section. Each Party herein shall comply with the provisions of A.R.S. §23-1022(E) by posting the notice required. Specifically, "All employees are hereby further notified that they may be required to work under the jurisdiction or control of or within the jurisdictional boundaries of another public agency pursuant to an intergovernmental agreement or contract, and under such circumstances they are deemed by the laws of Arizona to be employees of both public agencies for the purposes of workers' compensation." Alternatively, such other language as may be required by law.

L. Abide by Laws

The Parties agree they will comply with all federal, state, and local statutes, laws, ordinances, rules and regulations.

M. Headings

The descriptive headings of the paragraphs of this Agreement are inserted for convenience only, and shall not control or affect the meaning or construction of the provisions of the Agreement.

N. Authority

The undersigned represent to each other that they have full power and authority to enter into this Agreement and that all necessary actions have been taken to give full force and effect to this Agreement.

O. Amendment of the Agreement

No change or additions are to be made to this Agreement except by written amendment executed by the Parties.

P. Indemnification

To the fullest extent permitted by law, the City and the District shall each defend, indemnify and hold the other harmless from any and all actions, judgments, claims, demands, injuries, damages, costs, expenses fees (including reasonable attorney's fees) of any nature or kind which arise out the negligent act or omission of the indemnifying Party, its elected officials, directors, officers, employees, or agents in performing services under this Agreement. This duty shall be limited to the amounts set forth in the following Section, or the indemnifying Party's actual insurance coverage whichever is greater.

Q. Insurance

The City and the District shall each provide and maintain liability insurance coverage of at least \$2,000,000 per occurrence and \$6,000,000 in the aggregate. Said insurance policy shall name the other Party as an additional insured. Each Party shall deliver to the other a certificate of insurance in a form satisfactory to the other

Party. Such policies shall provide for thirty (30) days prior written notice prior to cancellation.

R. No Personal Liability

No member, official or employee of the City or District shall be personally liable to the other, or any successor or assignee, (a) if any default occurs or breach by the City or the District, (b) for any amount which may become due to the City or the District or its successor or assign, or (c) under any obligation of the City or the District under this Agreement.

S. Survival

All representations, warranties, indemnity, hold harmless and defense obligations and shall survive the expiration or earlier termination of this Agreement.

T. Force Majeure

If the District or the City are prevented or materially restricted from performing any of their obligations under this Agreement by an event of force majeure, then the obligations of each Party shall be suspended or reduced to the extent made necessary by the event. As used in this section, "force majeure" means any act or cause not reasonably within the control of the Party whose ability to perform is impaired and which that Party could not have prevented by the exercise of reasonable diligence. This includes, but is not limited to, acts of God, fire, flood, earthquakes, explosions, strikes or labor disputes over which the affected Party has no control, sabotage, riots, civil commotion, acts of civil or military authority, wars or material changes in applicable business laws or regulations.

[Intentionally left blank, signatures continue on next pages]

The Parties have executed this Agreement in Yuma County, Arizona the day and year set forth above which is the day the last governing body or Party approved this Agreement.

The parties have executed this Agreement on the day and year first above written.

Yuma Union High School District

By: _____
School Board President Date

Attested

By: _____
School Board Clerk Date

I hereby certify that I am the attorney for the Yuma Union High School District, that I have reviewed the foregoing Intergovernmental Agreement, that it is in proper form and is within the powers and authority granted under the laws of this state to such public agency.

School Board Attorney Date

City of San Luis

By:

Gerardo Sanchez, Mayor

Date

Attested

By:

Sonia Cornelio, City Clerk

Date

I hereby certify that I am the attorney for the City of San Luis, Arizona, that I have reviewed the foregoing Intergovernmental Agreement, that it is in proper form and is within the powers and authority granted under the laws of this state to such public agency.

Kay Marion Macuil, City Attorney

Date

City of San Luis
Salary Schedule FY18
Schedule A

POLICE DEPARTMENT
Schedule to Calculate SRO OT PD FY2018
Estimate: 180 school days and 8 hrs per day

EMP#	NAME	JOB POSITION	HOURLY RATE	OT HOURLY RATE	OVERTIME AMOUNT	PSPRS	FICA	MEDICARE	Unemployment	WC annual rate	Total
0	OT Police Officer	SRO	30.00	45.00	64,800	16,484	4,020	940	389	1,894	88,528
					-	-	-	-	-	-	-
					-	-	-	-	-	-	-
					-	-	-	-	-	-	-



AGENDA ITEM REVIEW FORM

Regular City Council Meeting

4.E.

Meeting Date: 03/14/2018

Department Head: Eulogio Vera, Director of Public Works, Public Works Department

Submitted By: Manuel Rojas, Assistant Director of Public Works, Public Works Department

Action Requested: Motion

ITEM:

Discussion and possible action on any and all matters regarding the purchase of Hach Luminescent Dissolved Oxygen Sensors and lab equipment from Hach Company, for the Wastewater Division.
(Manuel Rojas, Assistant Director of Public Works)

SUMMARY:

After the successful inspection by the Arizona Department of Environmental Quality (ADEQ) and Wastewater Division walk-thru, staff concurred we can perform some improvements to enhance the internal customer service and efficiency. Staff is looking at various options to automate the Wastewater Treatment Plants, to improve operations and money savings. Through the years, some equipment has become obsolete, staff has been working around issues while staying compliant with ADEQ regulations. The Dissolved Oxygen sensors are an example of equipment that is important to the treatment process and helps with energy savings. With the purchase of new Luminescent Dissolved Oxygen (LDO) sensors, both Wastewater Plants can operate automatically, as originally designed. Staff recommends the purchase of Hach LDO sensors and lab equipment from Hach Company using Utility Bonds 2013 funds. The purchase is going to be direct from Hach Company, the manufacturer, no middle salesmen. The bidding process would be futile because it would not result in a lower price. Staff recommends the purchase of Hach LDO sensor and lab equipment for the West and East Wastewater Treatment Plant and to waive formal purchasing procedures under these circumstances which are allowed under San Luis City Code-Purchasing Section 36.01(H).

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO APPROVE PURCHASE OF HACH LDO SENSORS FOR AN AMOUNT NOT TO EXCEED \$40,010.00 AND TO WAIVE FORMAL PURCHASING PROCEDURES FOR THE REASONS PRESENTED.

Supporting information not attached to the Agenda Item Review Form:

N/A

Fiscal Impact

IS THERE FISCAL IMPACT ASSOCIATED WITH THIS ITEM:	Yes
CITY/STATE/FEDERAL FUNDS:	UB2013
TOTAL:	\$40,009.19
BUDGETED AMOUNT:	\$0.00
AVAILABLE AMOUNT TO TRANSFER:	\$669,638.86

ACCT NAME & GL#/REMAINING BALANCE BEFORE PURCHASE: 310-311-90015.350 \$669,638.86

FISCAL IMPACT STATEMENT (IF THIS IS A BUDGET TRANSFER, YOU MUST ATTACH THE BUDGET ADJUSTMENT FORM):

The subject purchase is not a budgeted Fiscal Year 2018 approved item, staff is recommending the use of UB2013 funds to complete the project.

310-311-90015.350 Capital Outlay - CIP \$669,638.86

Attachments

East Plant Proposal

West Plant Proposal

ADEQ - Notice of Inspection

East Wastewater Treatment Plant Inspection Report

West Wastewater Treatment Plant Inspection Report



Quotation

Quote Number: 100316343v3

Use quote number at time of order to ensure that you receive prices quoted

Hach
PO Box 608
Loveland, CO 80539-0608
Phone: (800) 227-4224
Email: quotes@hach.com
Website: www.hach.com

Quote Date: 05-Feb-2018

Quote Expiration: 06-Apr-2018

City of San Luis

Name: Gilberto Torres
Phone: (928) 341-8562
Email: grtorres@cityofsanluis.org

Customer Quote Reference: East Plant

Sales Contact: Daniel Quintanar Email: daniel.quintanar@hach.com Phone: 520-247-3164

PRICING QUOTATION

Line	Part Number	Description	Qty	Unit Price	Extended Price
1	9020000-SC200	KTO: LDO MODEL 2, 10M HACH & 9253400 ADAPTER & sc200 2 CH DIGITAL CONTROLLER	2	3,891.00	7,782.00
2	9253000	KTO: POLE MOUNT, 1" NPT SENSOR	2	497.00	994.00
3	LXV322.99.00002	db TSS PORTABLE COMPLETE IN CASE. Standard lead time 15 days.	1	2,883.00	2,883.00
4	WRTUPGLDO2	WarrantyPlus Service Agreement includes: One start-up OR one PM/Calibration on site per year; all parts, labor, and travel for on-site, factory recommended maintenance (including required parts), unlimited technical support calls, and free firmware updates. On-site response for "down" instrument repairs is typically 3 business days. Standard business hours are 8am-5pm M-F local time, excluding holidays. Please see service terms and conditions for additional details on our service plans, and to ensure you have an opportunity to review our environmental and safety requirements.	2	424.00	848.00
Grand Total					\$ 12,507.00

NOTES

If you would like to include warranty plus on your items, please use this version when ordering. Otherwise, you may use the version 1 that I just sent out. This quote also has the sole source letter attached to it. Please scroll all the way down to see it.

TERMS OF SALE

Freight: Ground Prepay and Add

FCA: Hach's facility

All purchases of Hach Company products and/or services are expressly and without limitation subject to Hach Company's Terms & Conditions of Sale ("Hach TCS"), incorporated herein by reference and published on Hach Company's website at www.hach.com/terms. Hach TCS are contained directly and/or by reference in Hach's offer, order acknowledgment, and invoice documents. The first of the following acts constitutes an acceptance of Hach's offer and not a counteroffer and creates a contract of sale "Contract" in accordance with the Hach TCS: (i) Buyer's issuance of a purchase order document against Hach's offer; (ii) acknowledgement of Buyer's order by Hach; or (iii) commencement of any performance by Hach pursuant to Buyer's order. Provisions contained in Buyer's purchase documents (including electronic commerce interfaces) that materially alter, add to or subtract from the provisions of the Hach TCS are not part of the Contract.

Due to International regulations, a U.S. Department of Commerce Export License may be required. Hach reserves the right to approve specific shipping agents. Wooden boxes suitable for ocean shipment are extra. Specify final destination to ensure proper documentation and packing suitable for international transport. In addition, Hach may require: 1). A statement of intended end-use; 2). Certification that the intended end-use does not relate to proliferation of weapons of mass destruction (prohibited nuclear end use, chemical / biological weapons, missile technology); and 3). Certification that the goods will not be diverted contrary to U.S. law.

ORDER TERMS:
Terms are Subject to Credit Review
Please reference the quotation number on your purchase order.
Sales tax is not included. Applicable sales tax will be added to the invoice based on the U.S. destination, if applicable provide a resale/exemption certificate.
Shipments will be prepaid and added to invoices unless otherwise specified.
Equipment quoted operates with standard U.S. supply voltage.
Hach standard terms and conditions apply to all sales.
Additional terms and conditions apply to orders for service partnerships.
Prices do not include delivery of product. Reference attached Freight Charge Schedule and Collect Handling Fees.
Standard lead time is 30 days.
This Quote is good for a one time purchase.

Sales Contact:

Name: Daniel Quintanar
Title: Regional Sales Manager
Phone: 520-247-3164
Email: daniel.quintanar@hach.com



HACH COMPANY

Headquarters

P.O. Box 389
5600 Lindbergh Drive
Loveland, CO 80539-0389

Purchase Orders

PO Box 608
Loveland, CO 80539-0608

WebSite: www.hach.com

U.S.A.

Phone: 800-227-4224
Fax: 970-669-2932
E-Mail: orders@hach.com
quotes@hach.com
techhelp@hach.com

Export

Phone: 970-669-3050
Fax: 970-461-3939
Email: intl@hach.com

Remittance

2207 Collections Center Drive
Chicago, IL 60693

Wire Transfers

Bank of America
231 S. LaSalle St.
Chicago, IL 60604
Account: 8765602385
Routing (ABA): 071000039

Quotation Addendum

ADVANTAGES OF WORKING WITH HACH

<u>Technical Support</u>	<u>SIRR Delivery Program</u>	<u>Hach ServicePlus® Programs</u>
<i>Provides post-sale instrumentation and application support</i> ✓ Hach's highly skilled Technical Support staff is dedicated to helping you resolve technical issues before, during and after the sale. ✓ Available via phone, e-mail, or live online chat at Hach.com! ✓ Toll-free phone: 800-227-4224 ✓ E-mail: techhelp@hach.com www.Hach.com	<i>The Scheduled Inventory Reagent Replacement (SIRR) Program offers an uninterrupted supply of reagents</i> ✓ Lower inventory costs and fresh supplies ✓ Reduced paperwork – one purchase order for the entire year ✓ Automatic shipments on your schedule ✓ Easier budgeting www.Hach.com/sirr	<i>Instrument Protection and Service</i> ✓ Savings of more than 20% versus a "pay as you go" approach ✓ Freedom from maintenance ✓ Worry-free compliance with Hach's certification ✓ Fixed maintenance budget for the entire year www.hach.com/service-contracts

ADVANTAGES OF SIMPLIFIED SHIPPING AND HANDLING

<u>Safe & Fast Delivery</u>	<u>Save Time – Less Hassle</u>	<u>Save Money</u>
✓ Receive tracking numbers on your order acknowledgement ✓ Hach will assist with claims if an order is lost or damaged in shipment	✓ No need to set up deliveries for orders or to schedule pickup ✓ Hach ships order as product is available, at no additional charge, when simplified shipping and handling is used.	✓ No additional invoice to process – save on time and administrative costs ✓ Only pay shipping once, even if multiple shipments are required

STANDARD SIMPLIFIED SHIPPING AND HANDLING CHARGES ^{1, 2, 3}						Collect ⁴
Total Price of Merchandise Ordered	Standard Surface (Mainland USA)	Second Day Delivery (Mainland USA)	Next Day Delivery (Mainland USA)	Second Day Delivery (Alaska & Hawaii)	Next Day Delivery (Alaska & Hawaii)	Handling Fee Effective 1/6/2018
\$0.00 - \$49.99	\$11.99	\$29.99	\$54.99	\$47.20	\$89.72	\$8.38
\$50.00 - \$149.99	\$17.79	\$52.45	\$98.97	\$75.22	\$143.00	\$8.62
\$150.00 - \$349.99	\$31.27	\$83.40	\$169.88	\$105.24	\$204.81	\$9.16
\$350.00 - \$649.99	\$43.75	\$114.40	\$227.51	\$143.01	\$276.92	\$9.64
\$650.00 - \$949.99	\$55.41	\$120.12	\$251.36	\$148.73	\$280.35	\$9.98
\$950.00 - \$1,999.99	\$69.71	\$148.22	\$313.40	\$176.38	\$341.29	\$10.89
\$2,000.00 - \$3,999.99	\$80.08	\$158.56	\$321.13	\$182.35	\$346.83	\$12.59
\$4,000.00 - \$5,999.99	\$92.84	\$162.82	\$336.64	\$183.19	\$356.84	\$15.50
\$6,000.00 - \$7,999.99	\$109.70	\$185.39	\$383.30	\$202.07	\$389.57	\$18.08
\$8,000.00 - \$9,999.99	\$125.78	\$211.68	\$413.64	\$226.50	\$429.56	\$20.86
Over \$10,000	2% of Net Order Value	4% of Net Order Value	6% of Net Order Value	4% of Net Order Value	6% of Net Order Value	\$31.95

- Shipping & Handling charges shown are only applicable to orders billing and shipping to U.S. destinations. Shipping & Handling charges will be prepaid and added to invoice. Shipping & Handling for the Reagent Delivery Program is charged on each shipment release and is based on the total price of each shipment release. Shipping & Handling charges are subject to change without notice.
- Additional Shipping & Handling charges will be applied to orders containing bulky and/or especially heavy orders. Refrigerated and all weather Samplers do not qualify for simplified Shipping & Handling charges, and are considered heavy products. Dissolved Oxygen Sensors can be damaged if exposed to temps below freezing, causing sensor failure. Must be shipped over night or 2nd day air during the cold weather months.
- Orders shipping to Alaska or Hawaii: Additional Shipping & Handling charges may be applied at time of order processing. Second Day and Next Day delivery is not available to all destinations.
- Hach Company will assess a collect handling fee on orders with collect shipping terms. This handling fee covers the additional costs that Hach Company incurs from processing and managing collect shipments.

SALES TAX

Sales Tax is not included in the attached quotation. Applicable sales and usage taxes will be added to your invoice, at the time of order, based on U.S. destination of goods, unless a valid resale/exemption certificate for destination state is provided to the above address or fax number, attention of the Tax Dept.

TERMS & CONDITIONS OF SALE FOR HACH COMPANY PRODUCTS AND SERVICES

This document sets forth the Terms & Conditions of Sale for goods manufactured and/or supplied, and services provided, by Hach Company of Loveland, Colorado ("Hach") and sold to the original purchaser thereof ("Buyer"). Unless otherwise specifically stated herein, the term "Hach" includes only Hach Company and none of its affiliates. Unless otherwise specifically stated in a previously-executed written purchase agreement signed by authorized representatives of Hach and Buyer, these Terms & Conditions of Sale establish the rights, obligations and remedies of Hach and Buyer which apply to this offer and any resulting order or contract for the sale of Hach's goods and/or services ("Products").

1. **APPLICABLE TERMS & CONDITIONS:** These Terms & Conditions of Sale are contained directly and/or by reference in Hach's offer, order acknowledgment, and invoice documents. The first of the following acts constitutes an acceptance of Hach's offer and not a counteroffer and creates a contract of sale ("Contract") in accordance with these Terms & Conditions: (i) Buyer's issuance of a purchase order document against Hach's offer; (ii) acknowledgement of Buyer's order by Hach; or (iii) commencement of any performance by Hach pursuant to Buyer's order. Provisions contained in Buyer's purchase documents (including electronic commerce interfaces) that materially alter, add to or subtract from the provisions of these Terms & Conditions of Sale are not a part of the Contract.

2. **CANCELLATION:** Buyer may cancel goods orders subject to fair charges for Hach's expenses including handling, inspection, restocking, freight and invoicing charges as applicable, provided that Buyer returns such goods to Hach at Buyer's expense within 30 days of delivery and in the same condition as received. Buyer may cancel service orders on ninety (90) day's prior written notice and refunds will be prorated based on the duration of the service plan. Inspections and re-instatement fees may apply upon cancellation or expiration of service programs. Seller may cancel all or part of any order prior to delivery without liability if the order includes any Products that Seller determines may not comply with export, safety, local certification, or other applicable compliance requirements.

3. **DELIVERY:** Delivery will be accomplished FCA Hach's facility located in Ames, Iowa or Loveland, Colorado, United States (Incoterms 2010). For orders having a final destination within the U.S., legal title and risk of loss or damage pass to Buyer upon transfer to the first carrier. For orders having a final destination outside the U.S., legal title and risk of loss or damage pass to Buyer when the Products enter international waters or airspace or cross an international frontier. Hach will use commercially reasonable efforts to deliver the Products ordered herein within the time specified on the face of this Contract or, if no time is specified, within Hach's normal lead-time necessary for Hach to deliver the Products sold hereunder. Upon prior agreement with Buyer and for an additional charge, Hach will deliver the Products on an expedited basis. Standard service delivery hours are 8 am – 5 pm Monday through Friday, excluding holidays.

4. **INSPECTION:** Buyer will promptly inspect and accept any Products delivered pursuant to this Contract after receipt of such Products. In the event the Products do not conform to any applicable specifications, Buyer will promptly notify Hach of such nonconformance in writing. Hach will have a reasonable opportunity to repair or replace the nonconforming product at its option. Buyer will be deemed to have accepted any Products delivered hereunder and to have waived any such nonconformance in the event such a written notification is not received by Hach within thirty (30) days of delivery.

5. **PRICES & ORDER SIZES:** All prices are in U.S. dollars and are based on delivery as stated above. Prices do not include any charges for services such as insurance; brokerage fees; sales, use, inventory or excise taxes; import or export duties; special financing fees; VAT, income or royalty taxes imposed outside the U.S.; consular fees; special permits or licenses; or other charges imposed upon the production, sale, distribution, or delivery of Products. Buyer will either pay any and all such charges or provide Hach with acceptable exemption certificates, which obligation survives performance under this Contract. Hach reserves the right to establish minimum order sizes and will advise Buyer accordingly.

6. **PAYMENTS:** All payments must be made in U.S. dollars. For Internet orders, the purchase price is due at the time and manner set forth at www.hach.com. Invoices for all other orders are due and payable NET 30 DAYS from date of the invoice without regard to delays for inspection or transportation, with payments to be made by check to Hach at the above address or by wire transfer to the account stated on the front of Hach's invoice, or for customers with no established credit, Hach may require cash or credit card payment in advance of delivery. In the event payments are not made or not made in a timely manner, Hach may, in addition to all other remedies provided at law, either: (a) declare Buyer's performance in breach and terminate this Contract for default; (b) withhold future shipments until delinquent payments are made; (c) deliver future shipments on a cash-with-order or cash-in-advance basis even after the delinquency is cured; (d) charge interest on the delinquency at a rate of 1-1/2% per month or the maximum rate permitted by law, if lower, for each month or part thereof of delinquency in payment plus applicable storage charges and/or inventory carrying charges; (e) repossess the Products for which payment has not been made; (f) recover all costs of collection

including reasonable attorney's fees; or (g) combine any of the above rights and remedies as is practicable and permitted by law. Buyer is prohibited from setting off any and all monies owed under this from any other sums, whether liquidated or not, that are or may be due Buyer, which arise out of a different transaction with Hach or any of its affiliates. Should Buyer's financial responsibility become unsatisfactory to Hach in its reasonable discretion, Hach may require cash payment or other security. If Buyer fails to meet these requirements, Hach may treat such failure as reasonable grounds for repudiation of this Contract, in which case reasonable cancellation charges shall be due Hach. Buyer grants Hach a security interest in the Products to secure payment in full, which payment releases the security interest but only if such payments could not be considered an avoidable transfer under the U.S. Bankruptcy Code or other applicable laws. Buyer's insolvency, bankruptcy, assignment for the benefit of creditors, or dissolution or termination of the existence of Buyer, constitutes a default under this Contract and affords Hach all the remedies of a secured party under the U.C.C., as well as the remedies stated above for late payment or non-payment. See [122](#) for further wire transfer requirements.

7. **LIMITED WARRANTY:** Hach warrants that Products sold hereunder will be free from defects in material and workmanship and will, when used in accordance with the manufacturer's operating and maintenance instructions, conform to any express written warranty pertaining to the specific goods purchased, which for most Hach instruments is for a period of twelve (12) months from delivery. Hach warrants that services furnished hereunder will be free from defects in workmanship for a period of ninety (90) days from the completion of the services. Parts provided by Hach in the performance of services may be new or refurbished parts functioning equivalent to new parts. Any non-functioning parts that are repaired by Hach shall become the property of Hach. No warranties are extended to consumable items such as, without limitation, reagents, batteries, mercury cells, and light bulbs. **All other guarantees, warranties, conditions and representations, either express or implied, whether arising under any statute, law, commercial usage or otherwise, including implied warranties of merchantability and fitness for a particular purpose, are hereby excluded.** The sole remedy for Products not meeting this Limited Warranty is replacement, credit or refund of the purchase price. This remedy will not be deemed to have failed of its essential purpose so long as Hach is willing to provide such replacement, credit or refund.

8. **INDEMNIFICATION:** Indemnification applies to a party and to such party's successors-in-interest, assignees, affiliates, directors, officers, and employees ("Indemnified Parties"). Hach is responsible for and will defend, indemnify and hold harmless the Buyer Indemnified Parties against all losses, claims, expenses or damages which may result from accident, injury, damage, or death due to Hach's breach of the Limited Warranty. This indemnification is provided on the condition that the Buyer is likewise responsible for and will defend, indemnify and hold harmless the Hach Indemnified Parties against all losses, claims, expenses or damages which may result from accident, injury, damage, or death due to the negligence or misuse or misapplication of any goods or services by the Buyer or any third party affiliated or in privity with Buyer.

9. **PATENT PROTECTION:** Subject to all limitations of liability provided herein, Hach will, with respect to any Products of Hach's design or manufacture, indemnify Buyer from any and all damages and costs as finally determined by a court of competent jurisdiction in any suit for infringement of any U.S. patent (or European patent for Products that Hach sells to Buyer for end use in a member state of the E.U.) that has issued as of the delivery date, solely by reason of the sale or normal use of any Products sold to Buyer hereunder and from reasonable expenses incurred by Buyer in defense of such suit if Hach does not undertake the defense thereof, provided that Buyer promptly notifies Hach of such suit and offers Hach either (i) full and exclusive control of the defense of such suit when Products of Hach only are involved, or (ii) the right to participate in the defense of such suit when products other than those of Hach are also involved. Hach's warranty as to use patents only applies to infringement arising solely out of the inherent operation of the Products according to their applications as envisioned by Hach's specifications. In case the Products are in such suit held to constitute infringement and the use of the Products is enjoined, Hach will, at its own expense and at its option, either procure for Buyer the right to continue using such Products or replace them with non-infringing products, or modify them so they become non-infringing, or remove the Products and refund the purchase price (prorated for depreciation) and the transportation costs thereof. The foregoing states the entire liability of Hach for patent infringement by the Products. Further, to the same extent as set forth in Hach's above obligation to Buyer, Buyer agrees to defend, indemnify and hold harmless Hach for patent infringement related to (x) any goods manufactured to the Buyer's design, (y) services provided in accordance with the Buyer's instructions, or (z) Hach's Products when used in combination with any other devices, parts or software not provided by Hach hereunder.

10. **TRADEMARKS AND OTHER LABELS:** Buyer agrees not to remove or alter any indicia of manufacturing origin or patent numbers contained on or within the Products, including without limitation the serial numbers or trademarks on nameplates or cast, molded or machined components.



11. **SOFTWARE.** All licenses to Hach's separately-provided software products are subject to the separate software license agreement(s) accompanying the software media. In the absence of such terms and for all other software, Hach grants Buyer only a personal, non-exclusive license to access and use the software provided by Hach with Products purchased hereunder solely as necessary for Buyer to enjoy the benefit of the Products. A portion of the software may contain or consist of open source software, which Buyer may use under the terms and conditions of the specific license under which the open source software is distributed. Buyer agrees that it will be bound by any and all such license agreements. Title to software remains with the applicable licensor(s).

12. **PROPRIETARY INFORMATION; PRIVACY:** "Proprietary Information" means any information, technical data or know-how in whatever form, whether documented, contained in machine readable or physical components, mask works or artwork, or otherwise, which Hach considers proprietary, including but not limited to service and maintenance manuals. Buyer and its customers, employees and agents will keep confidential all such Proprietary Information obtained directly or indirectly from Hach and will not transfer or disclose it without Hach's prior written consent, or use it for the manufacture, procurement, servicing or calibration of Products or any similar products, or cause such products to be manufactured, serviced or calibrated by or procured from any other source, or reproduce or otherwise appropriate it. All such Proprietary Information remains Hach's property. No right or license is granted to Buyer or its customers, employees or agents, expressly or by implication, with respect to the Proprietary Information or any patent right or other proprietary right of Hach, except for the limited use licenses implied by law. Hach will manage Customer's information and personal data in accordance with its Privacy Policy, located at <http://www.hach.com/privacypolicy>.

13. **CHANGES AND ADDITIONAL CHARGES:** Hach reserves the right to make design changes or improvements to any products of the same general class as Products being delivered hereunder without liability or obligation to incorporate such changes or improvements to Products ordered by Buyer unless agreed upon in writing before the Products' delivery date. Services which must be performed as a result of any of the following conditions are subject to additional charges for labor, travel and parts: (a) equipment alterations not authorized in writing by Hach; (b) damage resulting from improper use or handling, accident, neglect, power surge, or operation in an environment or manner in which the instrument is not designed to operate or is not in accordance with Hach's operating manuals; (c) the use of parts or accessories not provided by Hach; (d) damage resulting from acts of war, terrorism or nature; (e) services outside standard business hours; (f) site prework not complete per proposal; or (g) any repairs required to ensure equipment meets manufacturer's specifications upon activation of a service agreement.

14. **SITE ACCESS / PREPARATION / WORKER SAFETY / ENVIRONMENTAL COMPLIANCE:** In connection with services provided by Hach, Buyer agrees to permit prompt access to equipment. Buyer assumes full responsibility to back-up or otherwise protect its data against loss, damage or destruction before services are performed. Buyer is the operator and in full control of its premises, including those areas where Hach employees or contractors are performing service, repair and maintenance activities. Buyer will ensure that all necessary measures are taken for safety and security of working conditions, sites and installations during the performance of services. Buyer is the generator of any resulting wastes, including without limitation hazardous wastes. Buyer is solely responsible to arrange for the disposal of any wastes at its own expense. Buyer will, at its own expense, provide Hach employees and contractors working on Buyer's premises with all information and training required under applicable safety compliance regulations and Buyer's policies. If the instrument to be serviced is in a Confined Space, as that term is defined under OSHA regulations, Buyer is solely responsible to make it available to be serviced in an unconfined space. Hach service technicians will not work in Confined Spaces. In the event that a Buyer requires Hach employees or contractors to attend safety or compliance training programs provided by Buyer, Buyer will pay Hach the standard hourly rate and expense reimbursement for such training attended. The attendance at or completion of such training does not create or expand any warranty or obligation of Hach and does not serve to alter, amend, limit or supersede any part of this Contract.

15. **LIMITATIONS ON USE; RELATIONSHIP OF PARTIES:** Buyer will not use any Products for any purpose other than those identified in Hach's catalogs and literature as intended uses. Unless Hach has advised the Buyer in writing, in no event will Buyer use any Products in drugs, food additives, food or cosmetics, or medical applications for humans or animals. In no event will Buyer use in any application any Product that requires FDA 510(k) clearance unless and only to the extent the Product has such clearance. Any warranty granted by Hach is void if any goods covered by such warranty are used for any purpose not permitted hereunder. Buyer is not an agent or representative of Hach and will not present itself as such under any circumstances unless and to the extent it has been formally screened by Hach's compliance department and received a separate duly-authorized letter from Hach setting forth the scope and limitations of such authorization.

16. **EXPORT AND IMPORT LICENSES AND COMPLIANCE WITH LAWS:** Unless otherwise specified in this Contract, Buyer is responsible for obtaining any required export or import licenses. Hach represents that all Products delivered hereunder will be produced and supplied in compliance with all applicable laws and regulations. Buyer will comply with all laws and regulations applicable to the installation or use of all Products, including applicable import and export control

laws and regulations of the U.S., E.U. and any other country having proper jurisdiction, and will obtain all necessary export licenses in connection with any subsequent export, re-export, transfer and use of all Products and technology delivered hereunder. Buyer will not sell, transfer, export or re-export any Hach Products or technology for use in activities which involve the design, development, production, use or stockpiling of nuclear, chemical or biological weapons or missiles, nor use Hach Products or technology in any facility which engages in activities relating to such weapons. Buyer will comply with all local, national, and other laws of all jurisdictions globally relating to anti-corruption, bribery, extortion, kickbacks, or similar matters which are applicable to Buyer's business activities in connection with this Contract, including but not limited to the U.S. Foreign Corrupt Practices Act of 1977, as amended (the "FCPA"). Buyer agrees that no payment of money or provision of anything of value will be offered, promised, paid or transferred, directly or indirectly, by any person or entity, to any government official, government employee, or employee of any company owned in part by a government, political party, political party official, or candidate for any government office or political party office to induce such organizations or persons to use their authority or influence to obtain or retain an improper business advantage for Buyer or for Hach, or which otherwise constitute or have the purpose or effect of public or commercial bribery, acceptance of or acquiescence in extortion, kickbacks or other unlawful or improper means of obtaining business or any improper advantage, with respect to any of Buyer's activities related to this Contract. Hach asks Buyer to "Speak Up!" if aware of any violation of law, regulation or our Standards of Conduct ("SOC") in relation to this Contract. See <http://danaher.com/integrity-and-compliance> and www.danaherintegrity.com for a copy of the SOC and for access to our Helpline portal.

17. **FORCE MAJEURE:** Hach is excused from performance of its obligations under this Contract to the extent caused by acts or omissions that are beyond its control of, including but not limited to Government embargoes, blockages, seizures or freeze of assets, delays or refusals to grant an export or import license or the suspension or revocation thereof, or any other acts of any Government; fires, floods, severe weather conditions, or any other acts of God; quarantines; labor strikes or lockouts; riots; strife; insurrections; civil disobedience or acts of criminals or terrorists; war; material shortages or delays in deliveries to Hach by third parties. In the event of the existence of any force majeure circumstances, the period of time for delivery, payment terms and payments under any letters of credit will be extended for a period of time equal to the period of delay. If the force majeure circumstances extend for six months, Hach may, at its option, terminate this Contract without penalty and without being deemed in default or in breach thereof.

18. **NON ASSIGNMENT AND WAIVER:** Buyer will not transfer or assign this Contract or any rights or interests hereunder without Hach's prior written consent. Failure of either party to insist upon strict performance of any provision of this Contract, or to exercise any right or privilege contained herein, or the waiver of any breach of the terms or conditions of this Contract will not be construed as thereafter waiving any such terms, conditions, rights, or privileges, and the same will continue and remain in force and effect as if no waiver had occurred.

19. **LIMITATION OF LIABILITY:** None of the Hach Indemnified Parties will be liable to Buyer under any circumstances for any special, treble, incidental or consequential damages, including without limitation, damage to or loss of property other than for the Products purchased hereunder; damages incurred in installation, repair or replacement; lost profits, revenue or opportunity; loss of use; losses resulting from or related to downtime of the products or inaccurate measurements or reporting; the cost of substitute products; or claims of Buyer's customers for such damages, howsoever caused, and whether based on warranty, contract, and/or tort (including negligence, strict liability or otherwise). The total liability of the Hach Indemnified Parties arising out of the performance or nonperformance hereunder or Hach's obligations in connection with the design, manufacture, sale, delivery, and/or use of Products will in no circumstance exceed in the aggregate a sum equal to twice the amount actually paid to Hach for Products delivered hereunder.

20. **APPLICABLE LAW AND DISPUTE RESOLUTION:** The construction, interpretation and performance hereof and all transactions hereunder shall be governed by the laws of the State of Colorado, without regard to its principles or laws regarding conflicts of laws. If any provision of this Contract violates any Federal, State or local statutes or regulations of any countries having jurisdiction of this transaction, or is illegal for any reason, said provision shall be self-deleting without affecting the validity of the remaining provisions. Unless otherwise specifically agreed upon in writing between Hach and Buyer, any dispute relating to this Contract which is not resolved by the parties shall be adjudicated in order of preference by a court of competent jurisdiction (i) in the State of Colorado, U.S.A. if Buyer has minimum contacts with Colorado and the U.S., (ii) elsewhere in the U.S. if Buyer has minimum contacts with the U.S. but not Colorado, or (iii) in a neutral location if Buyer does not have minimum contacts with the United States.

21. **ENTIRE AGREEMENT & MODIFICATION:** These Terms & Conditions of Sale constitute the entire agreement between the parties and supersede any prior agreements or representations, whether oral or written. No change to or modification of these Terms & Conditions shall be binding upon Hach unless in a written instrument specifically referencing that it is amending these Terms & Conditions of Sale and signed by an authorized representative of Hach. Hach rejects any additional or inconsistent Terms & Conditions of Sale offered by Buyer at any time, whether or not such terms or conditions materially alter the Terms &



TERMS AND CONDITIONS OF SALE FOR HACH® PRODUCTS

Conditions herein and irrespective of Hach's acceptance of Buyer's order for the described goods and services.

* * *

Additional Provisions

22. WIRE TRANSFERS: Buyer and Hach both recognize that there is a risk of wire fraud when individuals impersonating a business demand immediate payment under new wire transfer instructions. To avoid this risk, Buyer must verbally confirm any new or changed wire transfer instructions by calling Hach at +1-970-663-1377 and speaking with Hach's Credit Manager before transferring any monies using the new wire instructions. Both parties agree that they will not institute wire transfer instruction changes and require immediate payment under the new instructions but will instead provide a ten (10) day grace period to verify any wire transfer instruction changes before any outstanding payments are due using the new instructions.

* * *

The Sole Authorized [First Tier] Distributor Letter

2/5/2018

Customer Name: City of San Luis

Customer Address: 101 W Juan Sanchez Blvd

Customer City, State, Zip: San Luis, AZ

Customer Account Number: 100035

Item(s):	Description(s):
9020000-SC200	KTO: LDO Model 2, with 9253400 adapter & SC200 2 Channel digital controller
9253000	KTO: Pole mount, 1" NPT Sensor
LCB322.33.00002	TSS Portable

This letter is to confirm that Hach Company is the sole authorized [first tier] distributor of the item/items listed above.

Thank you for your interest in Hach Company Products. If we can be of further assistance, please contact us at 1-800-227-4224.

Thank you



Quotation

Hach
PO Box 608
Loveland, CO 80539-0608
Phone: (800) 227-4224
Email: quotes@hach.com
Website: www.hach.com

Quote Number: 100316341v3

Use quote number at time of order to ensure
that you receive prices quoted

Quote Date: 05-Feb-2018

Quote Expiration: 06-Apr-2018

City of San Luis

Name: Gilberto Torres

Phone: (928) 341-8562

Email: grtorres@cityofsanluis.org

Customer Quote Reference: West Plant

Sales Contact: Daniel Quintanar Email: daniel.quintanar@hach.com Phone: 520-247-3164

PRICING QUOTATION

Line	Part Number	Description	Qty	Unit Price	Extended Price
1	9020000-SC200	KTO: LDO MODEL 2, 10M HACH & 9253400 ADAPTER & sc200 2 CH DIGITAL CONTROLLER	4	3,891.00	15,564.00
2	9253000	KTO: POLE MOUNT, 1" NPT SENSOR	4	497.00	1,988.00
3	LXV322.99.00002	db TSS PORTABLE COMPLETE IN CASE. Standard lead time 15 days.	1	2,883.00	2,883.00
4	2947050	KTO: PLAN ACHROMATIC MICROSCOPE	1	1,504.00	1,504.00
5	WRTUPGLDO2	WarrantyPlus Service Agreement includes: One start-up OR one PM/Calibration on site per year; all parts, labor, and travel for on-site, factory recommended maintenance (including required parts), unlimited technical support calls, and free firmware updates. On-site response for "down" instrument repairs is typically 3 business days. Standard business hours are 8am-5pm M-F local time, excluding holidays. Please see service terms and conditions for additional details on our service plans, and to ensure you have an opportunity to review our environmental and safety requirements.	4	424.00	1,696.00
Grand Total				\$	23,635.00

NOTES

If you would like to include warranty plus on your items, please use this version when ordering. Otherwise, you may use the version 1 that I just sent out. This quote also has the sole source letter attached to it. Please scroll all the way down to see it.

TERMS OF SALE

Freight: Ground Prepay and Add

FCA: Hach's facility

All purchases of Hach Company products and/or services are expressly and without limitation subject to Hach Company's Terms & Conditions of Sale ("Hach TCS"), incorporated herein by reference and published on Hach Company's website at www.hach.com/terms. Hach TCS are contained directly and/or by reference in Hach's offer, order acknowledgment, and invoice documents. The first of the following acts constitutes an acceptance of Hach's offer and not a counteroffer and creates a contract of sale "Contract" in accordance with the Hach TCS: (i) Buyer's issuance of a purchase order document against Hach's offer; (ii) acknowledgement of Buyer's order by Hach; or (iii) commencement of any performance by Hach pursuant to Buyer's order. Provisions contained in Buyer's purchase documents (including electronic commerce interfaces) that materially alter, add to or subtract from the provisions of the Hach TCS are not part of the Contract.

Due to International regulations, a U.S. Department of Commerce Export License may be required. Hach reserves the right to approve specific shipping agents. Wooden boxes suitable for ocean shipment are extra. Specify final destination to ensure proper documentation and packing suitable for International transport. In addition, Hach may require : 1). A statement

of intended end-use; 2).Certification that the intended end-use does not relate to proliferation of weapons of mass destruction (prohibited nuclear end use, chemical / biological weapons, missile technology); and 3). Certification that the goods will not be diverted contrary to U.S. law.

ORDER TERMS:
Terms are Subject to Credit Review
Please reference the quotation number on your purchase order.
Sales tax is not included. Applicable sales tax will be added to the invoice based on the U.S. destination, if applicable provide a resale/exemption certificate.
Shipments will be prepaid and added to invoices unless otherwise specified.
Equipment quoted operates with standard U.S. supply voltage.
Hach standard terms and conditions apply to all sales.
Additional terms and conditions apply to orders for service partnerships.
Prices do not include delivery of product. Reference attached Freight Charge Schedule and Collect Handling Fees.
Standard lead time is 30 days.
This Quote is good for a one time purchase.

Sales Contact:
Name: Daniel Quintanar
Title: Regional Sales Manager
Phone: 520-247-3164
Email: daniel.quintanar@hach.com



HACH COMPANY

Headquarters

P.O. Box 389
5600 Lindbergh Drive
Loveland, CO 80539-0389

Purchase Orders

PO Box 608
Loveland, CO 80539-0608

WebSite: www.hach.com

U.S.A.

Phone: 800-227-4224
Fax: 970-669-2932
E-Mail: orders@hach.com
quotes@hach.com
techhelp@hach.com

Export

Phone: 970-669-3050
Fax: 970-461-3939
Email: intl@hach.com

Remittance

2207 Collections Center Drive
Chicago, IL 60693

Wire Transfers

Bank of America
231 S. LaSalle St.
Chicago, IL 60604
Account: 8765602385
Routing (ABA): 071000039

Quotation Addendum

ADVANTAGES OF WORKING WITH HACH

<u>Technical Support</u>	<u>SIRR Delivery Program</u>	<u>Hach ServicePlus® Programs</u>
<i>Provides post-sale instrumentation and application support</i> ✓ Hach's highly skilled Technical Support staff is dedicated to helping you resolve technical issues before, during and after the sale. ✓ Available via phone, e-mail, or live online chat at Hach.com! ✓ Toll-free phone: 800-227-4224 ✓ E-mail: techhelp@hach.com www.Hach.com	<i>The Scheduled Inventory Reagent Replacement (SIRR) Program offers an uninterrupted supply of reagents</i> ✓ Lower inventory costs and fresh supplies ✓ Reduced paperwork – one purchase order for the entire year ✓ Automatic shipments on your schedule ✓ Easier budgeting www.Hach.com/sirr	<i>Instrument Protection and Service</i> ✓ Savings of more than 20% versus a "pay as you go" approach ✓ Freedom from maintenance ✓ Worry-free compliance with Hach's certification ✓ Fixed maintenance budget for the entire year www.hach.com/service-contracts

ADVANTAGES OF SIMPLIFIED SHIPPING AND HANDLING

<u>Safe & Fast Delivery</u>	<u>Save Time – Less Hassle</u>	<u>Save Money</u>
✓ Receive tracking numbers on your order acknowledgement ✓ Hach will assist with claims if an order is lost or damaged in shipment	✓ No need to set up deliveries for orders or to schedule pickup ✓ Hach ships order as product is available, at no additional charge, when simplified shipping and handling is used.	✓ No additional invoice to process – save on time and administrative costs ✓ Only pay shipping once, even if multiple shipments are required

STANDARD SIMPLIFIED SHIPPING AND HANDLING CHARGES ^{1, 2, 3}						Collect ⁴
Total Price of Merchandise Ordered	Standard Surface (Mainland USA)	Second Day Delivery (Mainland USA)	Next Day Delivery (Mainland USA)	Second Day Delivery (Alaska & Hawaii)	Next Day Delivery (Alaska & Hawaii)	Handling Fee Effective 1/6/2018
\$0.00 - \$49.99	\$11.99	\$29.99	\$54.99	\$47.20	\$89.72	\$8.38
\$50.00 - \$149.99	\$17.79	\$52.45	\$98.97	\$75.22	\$143.00	\$8.62
\$150.00 - \$349.99	\$31.27	\$83.40	\$169.88	\$105.24	\$204.81	\$9.16
\$350.00 - \$649.99	\$43.75	\$114.40	\$227.51	\$143.01	\$276.92	\$9.64
\$650.00 - \$949.99	\$55.41	\$120.12	\$251.36	\$148.73	\$280.35	\$9.98
\$950.00 - \$1,999.99	\$69.71	\$148.22	\$313.40	\$176.38	\$341.29	\$10.89
\$2,000.00 - \$3,999.99	\$80.08	\$158.56	\$321.13	\$182.35	\$346.83	\$12.59
\$4,000.00 - \$5,999.99	\$92.84	\$162.82	\$336.64	\$183.19	\$356.84	\$15.50
\$6,000.00 - \$7,999.99	\$109.70	\$185.39	\$383.30	\$202.07	\$389.57	\$18.08
\$8,000.00 - \$9,999.99	\$125.78	\$211.68	\$413.64	\$226.50	\$429.56	\$20.86
Over \$10,000	2% of Net Order Value	4% of Net Order Value	6% of Net Order Value	4% of Net Order Value	6% of Net Order Value	\$31.95

- Shipping & Handling charges shown are only applicable to orders billing and shipping to U.S. destinations. Shipping & Handling charges will be prepaid and added to invoice. Shipping & Handling for the Reagent Delivery Program is charged on each shipment release and is based on the total price of each shipment release. Shipping & Handling charges are subject to change without notice.
- Additional Shipping & Handling charges will be applied to orders containing bulky and/or especially heavy orders. Refrigerated and all weather Samplers do not qualify for simplified Shipping & Handling charges, and are considered heavy products. Dissolved Oxygen Sensors can be damaged if exposed to temps below freezing, causing sensor failure. Must be shipped over night or 2nd day air during the cold weather months.
- Orders shipping to Alaska or Hawaii: Additional Shipping & Handling charges may be applied at time of order processing. Second Day and Next Day delivery is not available to all destinations.
- Hach Company will assess a collect handling fee on orders with collect shipping terms. This handling fee covers the additional costs that Hach Company incurs from processing and managing collect shipments.

SALES TAX

Sales Tax is not included in the attached quotation. Applicable sales and usage taxes will be added to your invoice, at the time of order, based on U.S. destination of goods, unless a valid resale/exemption certificate for destination state is provided to the above address or fax number, attention of the Tax Dept.

TERMS & CONDITIONS OF SALE FOR HACH COMPANY PRODUCTS AND SERVICES

This document sets forth the Terms & Conditions of Sale for goods manufactured and/or supplied, and services provided, by Hach Company of Loveland, Colorado ("Hach") and sold to the original purchaser thereof ("Buyer"). Unless otherwise specifically stated herein, the term "Hach" includes only Hach Company and none of its affiliates. Unless otherwise specifically stated in a previously-executed written purchase agreement signed by authorized representatives of Hach and Buyer, these Terms & Conditions of Sale establish the rights, obligations and remedies of Hach and Buyer which apply to this offer and any resulting order or contract for the sale of Hach's goods and/or services ("Products").

1. **APPLICABLE TERMS & CONDITIONS:** These Terms & Conditions of Sale are contained directly and/or by reference in Hach's offer, order acknowledgment, and invoice documents. The first of the following acts constitutes an acceptance of Hach's offer and not a counteroffer and creates a contract of sale ("Contract") in accordance with these Terms & Conditions: (i) Buyer's issuance of a purchase order document against Hach's offer; (ii) acknowledgement of Buyer's order by Hach; or (iii) commencement of any performance by Hach pursuant to Buyer's order. Provisions contained in Buyer's purchase documents (including electronic commerce interfaces) that materially alter, add to or subtract from the provisions of these Terms & Conditions of Sale are not a part of the Contract.

2. **CANCELLATION:** Buyer may cancel goods orders subject to fair charges for Hach's expenses including handling, inspection, restocking, freight and invoicing charges as applicable, provided that Buyer returns such goods to Hach at Buyer's expense within 30 days of delivery and in the same condition as received. Buyer may cancel service orders on ninety (90) day's prior written notice and refunds will be prorated based on the duration of the service plan. Inspections and re-instatement fees may apply upon cancellation or expiration of service programs. Seller may cancel all or part of any order prior to delivery without liability if the order includes any Products that Seller determines may not comply with export, safety, local certification, or other applicable compliance requirements.

3. **DELIVERY:** Delivery will be accomplished FCA Hach's facility located in Ames, Iowa or Loveland, Colorado, United States (Incoterms 2010). For orders having a final destination within the U.S., legal title and risk of loss or damage pass to Buyer upon transfer to the first carrier. For orders having a final destination outside the U.S., legal title and risk of loss or damage pass to Buyer when the Products enter international waters or airspace or cross an international frontier. Hach will use commercially reasonable efforts to deliver the Products ordered herein within the time specified on the face of this Contract or, if no time is specified, within Hach's normal lead-time necessary for Hach to deliver the Products sold hereunder. Upon prior agreement with Buyer and for an additional charge, Hach will deliver the Products on an expedited basis. Standard service delivery hours are 8 am – 5 pm Monday through Friday, excluding holidays.

4. **INSPECTION:** Buyer will promptly inspect and accept any Products delivered pursuant to this Contract after receipt of such Products. In the event the Products do not conform to any applicable specifications, Buyer will promptly notify Hach of such nonconformance in writing. Hach will have a reasonable opportunity to repair or replace the nonconforming product at its option. Buyer will be deemed to have accepted any Products delivered hereunder and to have waived any such nonconformance in the event such a written notification is not received by Hach within thirty (30) days of delivery.

5. **PRICES & ORDER SIZES:** All prices are in U.S. dollars and are based on delivery as stated above. Prices do not include any charges for services such as insurance; brokerage fees; sales, use, inventory or excise taxes; import or export duties; special financing fees; VAT, income or royalty taxes imposed outside the U.S.; consular fees; special permits or licenses; or other charges imposed upon the production, sale, distribution, or delivery of Products. Buyer will either pay any and all such charges or provide Hach with acceptable exemption certificates, which obligation survives performance under this Contract. Hach reserves the right to establish minimum order sizes and will advise Buyer accordingly.

6. **PAYMENTS:** All payments must be made in U.S. dollars. For Internet orders, the purchase price is due at the time and manner set forth at www.hach.com. Invoices for all other orders are due and payable NET 30 DAYS from date of the invoice without regard to delays for inspection or transportation, with payments to be made by check to Hach at the above address or by wire transfer to the account stated on the front of Hach's invoice, or for customers with no established credit, Hach may require cash or credit card payment in advance of delivery. In the event payments are not made or not made in a timely manner, Hach may, in addition to all other remedies provided at law, either: (a) declare Buyer's performance in breach and terminate this Contract for default; (b) withhold future shipments until delinquent payments are made; (c) deliver future shipments on a cash-with-order or cash-in-advance basis even after the delinquency is cured; (d) charge interest on the delinquency at a rate of 1-1/2% per month or the maximum rate permitted by law, if lower, for each month or part thereof of delinquency in payment plus applicable storage charges and/or inventory carrying charges; (e) repossess the Products for which payment has not been made; (f) recover all costs of collection

including reasonable attorney's fees; or (g) combine any of the above rights and remedies as is practicable and permitted by law. Buyer is prohibited from setting off any and all monies owed under this from any other sums, whether liquidated or not, that are or may be due Buyer, which arise out of a different transaction with Hach or any of its affiliates. Should Buyer's financial responsibility become unsatisfactory to Hach in its reasonable discretion, Hach may require cash payment or other security. If Buyer fails to meet these requirements, Hach may treat such failure as reasonable grounds for repudiation of this Contract, in which case reasonable cancellation charges shall be due Hach. Buyer grants Hach a security interest in the Products to secure payment in full, which payment releases the security interest but only if such payments could not be considered an avoidable transfer under the U.S. Bankruptcy Code or other applicable laws. Buyer's insolvency, bankruptcy, assignment for the benefit of creditors, or dissolution or termination of the existence of Buyer, constitutes a default under this Contract and affords Hach all the remedies of a secured party under the U.C.C., as well as the remedies stated above for late payment or non-payment. See [122](#) for further wire transfer requirements.

7. **LIMITED WARRANTY:** Hach warrants that Products sold hereunder will be free from defects in material and workmanship and will, when used in accordance with the manufacturer's operating and maintenance instructions, conform to any express written warranty pertaining to the specific goods purchased, which for most Hach instruments is for a period of twelve (12) months from delivery. Hach warrants that services furnished hereunder will be free from defects in workmanship for a period of ninety (90) days from the completion of the services. Parts provided by Hach in the performance of services may be new or refurbished parts functioning equivalent to new parts. Any non-functioning parts that are repaired by Hach shall become the property of Hach. No warranties are extended to consumable items such as, without limitation, reagents, batteries, mercury cells, and light bulbs. **All other guarantees, warranties, conditions and representations, either express or implied, whether arising under any statute, law, commercial usage or otherwise, including implied warranties of merchantability and fitness for a particular purpose, are hereby excluded.** The sole remedy for Products not meeting this Limited Warranty is replacement, credit or refund of the purchase price. This remedy will not be deemed to have failed of its essential purpose so long as Hach is willing to provide such replacement, credit or refund.

8. **INDEMNIFICATION:** Indemnification applies to a party and to such party's successors-in-interest, assignees, affiliates, directors, officers, and employees ("Indemnified Parties"). Hach is responsible for and will defend, indemnify and hold harmless the Buyer Indemnified Parties against all losses, claims, expenses or damages which may result from accident, injury, damage, or death due to Hach's breach of the Limited Warranty. This indemnification is provided on the condition that the Buyer is likewise responsible for and will defend, indemnify and hold harmless the Hach Indemnified Parties against all losses, claims, expenses or damages which may result from accident, injury, damage, or death due to the negligence or misuse or misapplication of any goods or services by the Buyer or any third party affiliated or in privity with Buyer.

9. **PATENT PROTECTION:** Subject to all limitations of liability provided herein, Hach will, with respect to any Products of Hach's design or manufacture, indemnify Buyer from any and all damages and costs as finally determined by a court of competent jurisdiction in any suit for infringement of any U.S. patent (or European patent for Products that Hach sells to Buyer for end use in a member state of the E.U.) that has issued as of the delivery date, solely by reason of the sale or normal use of any Products sold to Buyer hereunder and from reasonable expenses incurred by Buyer in defense of such suit if Hach does not undertake the defense thereof, provided that Buyer promptly notifies Hach of such suit and offers Hach either (i) full and exclusive control of the defense of such suit when Products of Hach only are involved, or (ii) the right to participate in the defense of such suit when products other than those of Hach are also involved. Hach's warranty as to use patents only applies to infringement arising solely out of the inherent operation of the Products according to their applications as envisioned by Hach's specifications. In case the Products are in such suit held to constitute infringement and the use of the Products is enjoined, Hach will, at its own expense and at its option, either procure for Buyer the right to continue using such Products or replace them with non-infringing products, or modify them so they become non-infringing, or remove the Products and refund the purchase price (prorated for depreciation) and the transportation costs thereof. The foregoing states the entire liability of Hach for patent infringement by the Products. Further, to the same extent as set forth in Hach's above obligation to Buyer, Buyer agrees to defend, indemnify and hold harmless Hach for patent infringement related to (x) any goods manufactured to the Buyer's design, (y) services provided in accordance with the Buyer's instructions, or (z) Hach's Products when used in combination with any other devices, parts or software not provided by Hach hereunder.

10. **TRADEMARKS AND OTHER LABELS:** Buyer agrees not to remove or alter any indicia of manufacturing origin or patent numbers contained on or within the Products, including without limitation the serial numbers or trademarks on nameplates or cast, molded or machined components.



11. **SOFTWARE.** All licenses to Hach's separately-provided software products are subject to the separate software license agreement(s) accompanying the software media. In the absence of such terms and for all other software, Hach grants Buyer only a personal, non-exclusive license to access and use the software provided by Hach with Products purchased hereunder solely as necessary for Buyer to enjoy the benefit of the Products. A portion of the software may contain or consist of open source software, which Buyer may use under the terms and conditions of the specific license under which the open source software is distributed. Buyer agrees that it will be bound by any and all such license agreements. Title to software remains with the applicable licensor(s).

12. **PROPRIETARY INFORMATION; PRIVACY:** "Proprietary Information" means any information, technical data or know-how in whatever form, whether documented, contained in machine readable or physical components, mask works or artwork, or otherwise, which Hach considers proprietary, including but not limited to service and maintenance manuals. Buyer and its customers, employees and agents will keep confidential all such Proprietary Information obtained directly or indirectly from Hach and will not transfer or disclose it without Hach's prior written consent, or use it for the manufacture, procurement, servicing or calibration of Products or any similar products, or cause such products to be manufactured, serviced or calibrated by or procured from any other source, or reproduce or otherwise appropriate it. All such Proprietary Information remains Hach's property. No right or license is granted to Buyer or its customers, employees or agents, expressly or by implication, with respect to the Proprietary Information or any patent right or other proprietary right of Hach, except for the limited use licenses implied by law. Hach will manage Customer's information and personal data in accordance with its Privacy Policy, located at <http://www.hach.com/privacypolicy>.

13. **CHANGES AND ADDITIONAL CHARGES:** Hach reserves the right to make design changes or improvements to any products of the same general class as Products being delivered hereunder without liability or obligation to incorporate such changes or improvements to Products ordered by Buyer unless agreed upon in writing before the Products' delivery date. Services which must be performed as a result of any of the following conditions are subject to additional charges for labor, travel and parts: (a) equipment alterations not authorized in writing by Hach; (b) damage resulting from improper use or handling, accident, neglect, power surge, or operation in an environment or manner in which the instrument is not designed to operate or is not in accordance with Hach's operating manuals; (c) the use of parts or accessories not provided by Hach; (d) damage resulting from acts of war, terrorism or nature; (e) services outside standard business hours; (f) site prework not complete per proposal; or (g) any repairs required to ensure equipment meets manufacturer's specifications upon activation of a service agreement.

14. **SITE ACCESS / PREPARATION / WORKER SAFETY / ENVIRONMENTAL COMPLIANCE:** In connection with services provided by Hach, Buyer agrees to permit prompt access to equipment. Buyer assumes full responsibility to back-up or otherwise protect its data against loss, damage or destruction before services are performed. Buyer is the operator and in full control of its premises, including those areas where Hach employees or contractors are performing service, repair and maintenance activities. Buyer will ensure that all necessary measures are taken for safety and security of working conditions, sites and installations during the performance of services. Buyer is the generator of any resulting wastes, including without limitation hazardous wastes. Buyer is solely responsible to arrange for the disposal of any wastes at its own expense. Buyer will, at its own expense, provide Hach employees and contractors working on Buyer's premises with all information and training required under applicable safety compliance regulations and Buyer's policies. If the instrument to be serviced is in a Confined Space, as that term is defined under OSHA regulations, Buyer is solely responsible to make it available to be serviced in an unconfined space. Hach service technicians will not work in Confined Spaces. In the event that a Buyer requires Hach employees or contractors to attend safety or compliance training programs provided by Buyer, Buyer will pay Hach the standard hourly rate and expense reimbursement for such training attended. The attendance at or completion of such training does not create or expand any warranty or obligation of Hach and does not serve to alter, amend, limit or supersede any part of this Contract.

15. **LIMITATIONS ON USE; RELATIONSHIP OF PARTIES:** Buyer will not use any Products for any purpose other than those identified in Hach's catalogs and literature as intended uses. Unless Hach has advised the Buyer in writing, in no event will Buyer use any Products in drugs, food additives, food or cosmetics, or medical applications for humans or animals. In no event will Buyer use in any application any Product that requires FDA 510(k) clearance unless and only to the extent the Product has such clearance. Any warranty granted by Hach is void if any goods covered by such warranty are used for any purpose not permitted hereunder. Buyer is not an agent or representative of Hach and will not present itself as such under any circumstances unless and to the extent it has been formally screened by Hach's compliance department and received a separate duly-authorized letter from Hach setting forth the scope and limitations of such authorization.

16. **EXPORT AND IMPORT LICENSES AND COMPLIANCE WITH LAWS:** Unless otherwise specified in this Contract, Buyer is responsible for obtaining any required export or import licenses. Hach represents that all Products delivered hereunder will be produced and supplied in compliance with all applicable laws and regulations. Buyer will comply with all laws and regulations applicable to the installation or use of all Products, including applicable import and export control

laws and regulations of the U.S., E.U. and any other country having proper jurisdiction, and will obtain all necessary export licenses in connection with any subsequent export, re-export, transfer and use of all Products and technology delivered hereunder. Buyer will not sell, transfer, export or re-export any Hach Products or technology for use in activities which involve the design, development, production, use or stockpiling of nuclear, chemical or biological weapons or missiles, nor use Hach Products or technology in any facility which engages in activities relating to such weapons. Buyer will comply with all local, national, and other laws of all jurisdictions globally relating to anti-corruption, bribery, extortion, kickbacks, or similar matters which are applicable to Buyer's business activities in connection with this Contract, including but not limited to the U.S. Foreign Corrupt Practices Act of 1977, as amended (the "FCPA"). Buyer agrees that no payment of money or provision of anything of value will be offered, promised, paid or transferred, directly or indirectly, by any person or entity, to any government official, government employee, or employee of any company owned in part by a government, political party, political party official, or candidate for any government office or political party office to induce such organizations or persons to use their authority or influence to obtain or retain an improper business advantage for Buyer or for Hach, or which otherwise constitute or have the purpose or effect of public or commercial bribery, acceptance of or acquiescence in extortion, kickbacks or other unlawful or improper means of obtaining business or any improper advantage, with respect to any of Buyer's activities related to this Contract. Hach asks Buyer to "Speak Up!" if aware of any violation of law, regulation or our Standards of Conduct ("SOC") in relation to this Contract. See <http://danaher.com/integrity-and-compliance> and www.danaherintegrity.com for a copy of the SOC and for access to our Helpline portal.

17. **FORCE MAJEURE:** Hach is excused from performance of its obligations under this Contract to the extent caused by acts or omissions that are beyond its control of, including but not limited to Government embargoes, blockages, seizures or freeze of assets, delays or refusals to grant an export or import license or the suspension or revocation thereof, or any other acts of any Government; fires, floods, severe weather conditions, or any other acts of God; quarantines; labor strikes or lockouts; riots; strife; insurrections; civil disobedience or acts of criminals or terrorists; war; material shortages or delays in deliveries to Hach by third parties. In the event of the existence of any force majeure circumstances, the period of time for delivery, payment terms and payments under any letters of credit will be extended for a period of time equal to the period of delay. If the force majeure circumstances extend for six months, Hach may, at its option, terminate this Contract without penalty and without being deemed in default or in breach thereof.

18. **NON ASSIGNMENT AND WAIVER:** Buyer will not transfer or assign this Contract or any rights or interests hereunder without Hach's prior written consent. Failure of either party to insist upon strict performance of any provision of this Contract, or to exercise any right or privilege contained herein, or the waiver of any breach of the terms or conditions of this Contract will not be construed as thereafter waiving any such terms, conditions, rights, or privileges, and the same will continue and remain in force and effect as if no waiver had occurred.

19. **LIMITATION OF LIABILITY:** None of the Hach Indemnified Parties will be liable to Buyer under any circumstances for any special, treble, incidental or consequential damages, including without limitation, damage to or loss of property other than for the Products purchased hereunder; damages incurred in installation, repair or replacement; lost profits, revenue or opportunity; loss of use; losses resulting from or related to downtime of the products or inaccurate measurements or reporting; the cost of substitute products; or claims of Buyer's customers for such damages, howsoever caused, and whether based on warranty, contract, and/or tort (including negligence, strict liability or otherwise). The total liability of the Hach Indemnified Parties arising out of the performance or nonperformance hereunder or Hach's obligations in connection with the design, manufacture, sale, delivery, and/or use of Products will in no circumstance exceed in the aggregate a sum equal to twice the amount actually paid to Hach for Products delivered hereunder.

20. **APPLICABLE LAW AND DISPUTE RESOLUTION:** The construction, interpretation and performance hereof and all transactions hereunder shall be governed by the laws of the State of Colorado, without regard to its principles or laws regarding conflicts of laws. If any provision of this Contract violates any Federal, State or local statutes or regulations of any countries having jurisdiction of this transaction, or is illegal for any reason, said provision shall be self-deleting without affecting the validity of the remaining provisions. Unless otherwise specifically agreed upon in writing between Hach and Buyer, any dispute relating to this Contract which is not resolved by the parties shall be adjudicated in order of preference by a court of competent jurisdiction (i) in the State of Colorado, U.S.A. if Buyer has minimum contacts with Colorado and the U.S., (ii) elsewhere in the U.S. if Buyer has minimum contacts with the U.S. but not Colorado, or (iii) in a neutral location if Buyer does not have minimum contacts with the United States.

21. **ENTIRE AGREEMENT & MODIFICATION:** These Terms & Conditions of Sale constitute the entire agreement between the parties and supersede any prior agreements or representations, whether oral or written. No change to or modification of these Terms & Conditions shall be binding upon Hach unless in a written instrument specifically referencing that it is amending these Terms & Conditions of Sale and signed by an authorized representative of Hach. Hach rejects any additional or inconsistent Terms & Conditions of Sale offered by Buyer at any time, whether or not such terms or conditions materially alter the Terms &



TERMS AND CONDITIONS OF SALE FOR HACH® PRODUCTS

Conditions herein and irrespective of Hach's acceptance of Buyer's order for the described goods and services.

* * *

Additional Provisions

22. WIRE TRANSFERS: Buyer and Hach both recognize that there is a risk of wire fraud when individuals impersonating a business demand immediate payment under new wire transfer instructions. To avoid this risk, Buyer must verbally confirm any new or changed wire transfer instructions by calling Hach at +1-970-663-1377 and speaking with Hach's Credit Manager before transferring any monies using the new wire instructions. Both parties agree that they will not institute wire transfer instruction changes and require immediate payment under the new instructions but will instead provide a ten (10) day grace period to verify any wire transfer instruction changes before any outstanding payments are due using the new instructions.

* * *

The Sole Authorized [First Tier] Distributor Letter

2/5/2018

Customer Name: City of San Luis

Customer Address: 101 W Juan Sanchez Blvd

Customer City, State, Zip: San Luis, AZ

Customer Account Number: 100035

Item(s):	Description(s):
9020000-SC200	KTO: LDO Model 2, with 9253400 adapter & SC200 2 Channel digital controller
9253000	KTO: Pole mount, 1" NPT Sensor
LCB322.33.00002	TSS Portable

This letter is to confirm that Hach Company is the sole authorized [first tier] distributor of the item/items listed above.

Thank you for your interest in Hach Company Products. If we can be of further assistance, please contact us at 1-800-227-4224.

Thank you



ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY

NOTICE OF INSPECTION RIGHTS

FACILITY INFORMATION		ADEQ INFORMATION	
Facility Name (Customer):	City of San Luis WWTPs	Date/Time of Inspection:	9/19/17
Facility Location (Place):	San Luis	County:	Yuma
		Inspector:	John E. Eyre, P.E.
Mailing Address:	101 West Juan Sanchez Blvd., San Luis, AZ 85349	Telephone:	520-628-6721
		Accompanied by:	Miguel Gonzalez
Responsible Party:	City of San Luis		
On-Site Representative:	Gilberto Torres	ADEQ Follow-up Contact:	
Telephone:	928-920-0859		John E. Eyre, P.E.
Title:		Title:	Environmental Engineer
Telephone:		Telephone:	520-628-6721

The ADEQ representative(s) identified above were present at the above address on the above listed date and time. Upon entry to the premises, the ADEQ representative(s) met with me, presented photo identification indicating that they are ADEQ employees and explained:

- ☐ That the purpose of the inspection is to determine:
- ☐ Compliance with Title 49 of the Arizona Revised Statutes, Title 18 of the Arizona Administrative Code* and/or:
Arizona Revised Statutes: Title 49, Chapter 2 et seq Article _____
Arizona Administrative Code: Title 18, Chapter 9 et seq Article _____
Permit/Agreement Number: _____
 - ☐ Qualification for a license issued pursuant to:
Arizona Revised Statutes: § 49-361 _____
Arizona Administrative Code: R 18-5-101 et seq _____
 - ☐ That this inspection is conducted pursuant to the authority granted in Arizona Revised Statutes § 49-104(B)(8) and/or:
Arizona Revised Statutes: § 41-1009, 49-203(B)(1) _____
Arizona Administrative Code: R 18-4-110 _____
Permit/Agreement Number : _____
- ☐ That the fee for this inspection is: None

*The Arizona Revised Statutes (A.R.S.) can be found on the internet: www.azleg.state.az.us/ArizonaRevisedStatutes.asp while the Arizona Administrative Code (A.A.C.) can be found at www.azsosaz.gov/public_services/Table_of_Contents.htm

While I have the right to refuse to sign this form, the ADEQ representatives may still proceed with the inspection

☒ I have read both sides of this notice and discussed any questions or concerns with the ADEQ representatives.

Signature of Regulated Person or Authorized On-Site Representative

Date

☐ The regulated person or authorized on-site representative refused to sign.

Name of Regulated Person or Authorized On-Site Representative

Title

☐ The regulated person or an authorized on-site representative was not present at the facility.

Signature of ADEQ Representative

Date

INSPECTION RIGHTS

- ☐ I understand that I can accompany the ADEQ representative(s) on the premises, except during confidential interviews.
- ☐ I understand that I have right to, on request:
 - Copies of any original documents taken during the inspection, and that ADEQ will provide copies of those documents at ADEQ's expense;
 - A split of any samples taken during the inspection, if the split of the samples would not prohibit an analysis from being conducted or render an analysis inconclusive;
 - Copies of any analysis performed on samples taken during the inspection and that ADEQ would provide copies of this analysis at ADEQ's expense;
 - Copies of any documents to be relied on to determine compliance with licensure or regulatory requirements if the agency is otherwise permitted by law to do so.
- ☐ I also understand that:
 - Each person interviewed during the inspection must be informed that statements made by the person may be included in the inspection report;
 - Each person whose conversation is tape recorded during the inspection must be informed that the conversation is being tape recorded;
 - If an administrative order is issued or a permit decision is made based on the results of the inspection, I have the right to appeal that administrative order or permit decision. I understand that my administrative hearing rights are set forth in Arizona Revised Statutes § 41-1092 *et seq.* and my rights relating to an appeal of a final agency decision are found in Arizona Revised Statutes § 12901 *et seq.*;
 - If I have any questions or concerns about this inspection, I may contact the person listed as the ADEQ Follow-up Contact on the front of this form; ADEQ's Ombudsman at (602) 771-4322 toll free inside Arizona at (800) 2345677, extension, 771-4322); or the Arizona Ombudsman-Citizens' Aid office at (602) 277-7292 toll free at (800) 872-2879);
 - If I have any questions concerning my rights to appeal an administrative order or permit decision, I may contact ADEQ's Office of Administrative Counsel at (602) 771-2212 (toll free inside Arizona at (800) 234-5677, extension 771-2212).

Aquifer Protection Permit Compliance Checklist

This checklist is provided as a tool for permit holders and ADEQ staff to have a consistent understanding of the major compliance expectations under this permit. This checklist is designed to be easy to read and follow. It is intended only to address the permit requirements that ADEQ feels are the most important to protect human health and the environment. This list does not include every permit condition and permit holders should ensure they understand the full requirements of their permit. This list does not supplant or supersede any legal requirement and is not binding on the permit holder or ADEQ staff.

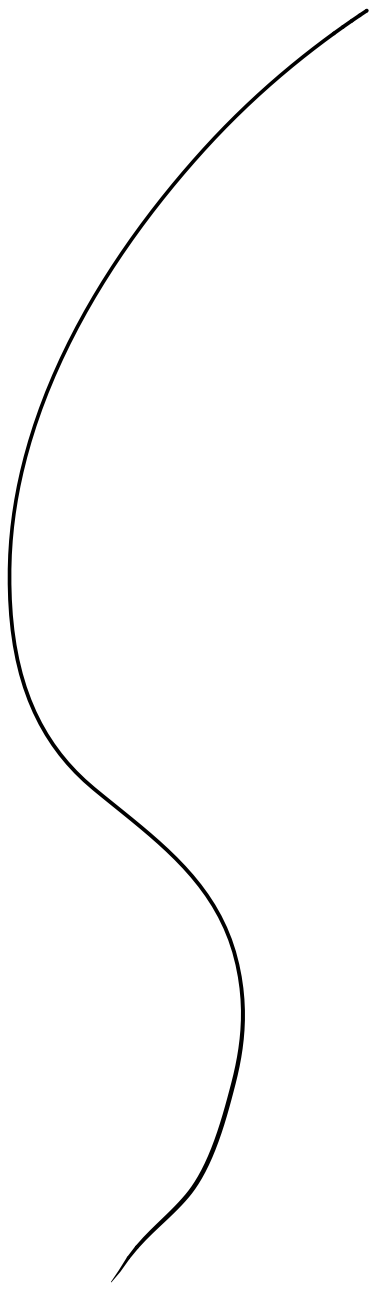
Facility Name: Town of San Luis East WWTP Place ID: 113797	Inspection No: 289263 Inspection Date: 9/19/17
Inventory/Permit #: 100790 Current LTF#: 29805	Inspector(s): John E. Eyre, P.E.
Facility Address: 101 West Juan Sanchez Blvd. City, State, Zip: San Luis, AZ 85349 County: Yuma	Inspector Phone: 520-628-6721 Inspector Email: jee@azdeq.gov
Permittee/Responsible Party: Town of San Luis Contact: Gilberto Torres Mailing Address: P.O. Box 3750 City, State, Zip: San Luis, AZ 85349 Phone: 928-920-0859 Email: grtorres@cityofsanluis.org	WWTP Population Served: 32,700 Treatment Plant Grade: 4T Collection System Grade: 4C
Operator/ID: Gilberto Torres Phone: 928-920-0859 Email: grtorres@cityofsanluis.org Op. Cert. Grade/Expiration: OP012147 / 30-Jun-2019	Compliance Summary: Certified Operator ☒ Yes ☐ No Physical Facilities ☒ Yes ☐ No Monitoring and Reporting ☐ Yes ☐ No Separate Action ☒
Results of Inspection: ✓ ☒ No deficiencies were noted during the course of the inspection. No ADEQ action will result from this inspection. ☐ Potential deficiencies were noted during the course of the inspection. Additional correspondence regarding this Inspection may be forthcoming.	
Inspection Report Issued: Via email at facility	Facility Initial: <i>ME</i> ADEQ Initial: <i>JE</i>
Potential Deficiencies: S	

PHOTOGRAPHS TAKEN DURING INSPECTIONS ARE AVAILABLE ON REQUEST

Documentation:	Requirement met?	Comments
Does the facility have SMRF non-submittals or exceedances?	☐ Yes ☐ No ☐ N/A	M&R Review being done under a separate action.
If yes, do the exceedances meet the requirements for significant non-compliance? <i>(list in Comments)</i>	☐ Yes ☒ No ☐ N/A	
Were required notifications provided for violation of any permit condition, discharge limit, or exceedance of an alert level? <i>(list notifications in Comments)</i>	☐ Yes ☐ No ☐ N/A	M&R Review being done under a separate action.
Were SMRFs and monitoring requirements discussed with the facility?	☒ Yes ☐ No ☐ N/A	
Does the facility have any outstanding or overdue compliance schedule items? (Section 3.0 in the permit)	☒ Yes ☐ No ☐ N/A	
Does the facility have a copy of the current signed permit?	☒ Yes ☐ No ☐ N/A	
Is there a copy of the operations and maintenance manual on-site?	☒ Yes ☐ No ☐ N/A	
Is there a copy of the approved contingency/emergency response plan on-site?	☒ Yes ☐ No ☐ N/A	
Was there any unauthorized discharge of suspected hazardous, toxic, or non-hazardous materials? If so list corrective actions taken. (Section 2.6.5)	☒ Yes ☐ No ☐ N/A	
Facility Description and Operational Monitoring Requirements	Requirement met?	Comments
Is the log book of the inspections and measurements required by this permit updated and current?	☒ Yes ☐ No ☐ N/A	
Do the facility treatment processes match what is in the current permit?	☒ Yes ☐ No ☐ N/A	
Is the facility being maintained according to the Operations and Maintenance Manual?	☒ Yes ☐ No ☐ N/A	
Freeboard in Recharge Basin: Minimum 1 ft?	☒ Yes ☐ No ☐ N/A	
Do the treatment plant components appear to be in working order?	☒ Yes ☐ No ☐ N/A	

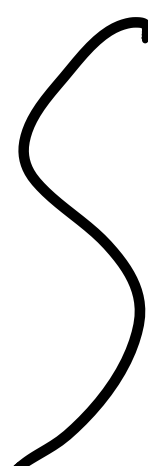
Recharge Basins: Are they in good condition and adequately scarified?	☒ Yes ☐ No ☐ N/A	
Compliance Monitoring	Requirement met?	Comments
POC – 30-feet south of the Percolation Ponds Loc: 32° 28' 56.7" N 114° 41' 9.24" W • Location verified? • Does the well appear to be in working order?	☒ Yes ☐ No ☐ N/A ☒ Yes ☐ No ☐ N/A	
Field Methods – Is the facility using applicable on-site calibrations and quality assurance for BOD, T, pH, and turbidity?	☒ Yes ☐ No ☐ N/A	
Does the facility have a written QA manual for all analysis done on-site?	☒ Yes ☐ No ☐ N/A	
Are ADHS approved methods used for all analyses?	☒ Yes ☐ No ☐ N/A	
Did the facility have a method detection limit study for lab methods?	☒ Yes ☐ No ☐ N/A	
Are on-site lab instruments properly calibrated?	☒ Yes ☐ No ☐ N/A	
Are on-site calibration and baseline reagents current and not expired?	☒ Yes ☐ No ☐ N/A	
Are on-site flow meters properly calibrated?	☒ Yes ☐ No ☐ N/A	
Does the facility have a bench log sheet?	☒ Yes ☐ No ☐ N/A	

RECOMMENDATIONS AND POTENTIAL DEFICIENCIES:



Aquifer Protection Permit Compliance Checklist

This checklist is provided as a tool for permit holders and ADEQ staff to have a consistent understanding of the major compliance expectations under this permit. This checklist is designed to be easy to read and follow. It is intended only to address the permit requirements that ADEQ feels are the most important to protect human health and the environment. This list does not include every permit condition and permit holders should ensure they understand the full requirements of their permit. This list does not supplant or supersede any legal requirement and is not binding on the permit holder or ADEQ staff.

Facility Name: Town of San Luis West WWTP Place ID: 1097	Inspection No: 288234 Inspection Date: 9/19/17
Inventory/Permit #: 100790 Current LTF#: 22810	Inspector(s): John E. Eyre, P.E.
Facility Address: 101 West Juan Sanchez Blvd. City, State, Zip: San Luis, AZ 85349 County: Yuma	Inspector Phone: 520-628-6721 Inspector Email: jee@azdeq.gov
Permittee/Responsible Party: Town of San Luis Contact: Gilberto Torres Mailing Address: P.O. Box 3750 City, State, Zip: San Luis, AZ 85349 Phone: 928-920-0859 Email: gtorres@cityofsanluis.org	WWTP Population Served: 32,700 Treatment Plant Grade: 4T Collection System Grade: 4C
Operator/ID: Gilberto Torres Phone: 928-920-0859 Email: gtorres@cityofsanluis.org Op. Cert. Grade/Expiration: OP012147 / 30-Jun-2019	Compliance Summary: Certified Operator ☒ Yes ☐ No Physical Facilities ☒ Yes ☐ No Monitoring and Reporting ☐ Yes ☐ No Separate Action ☒
Results of Inspection: ☒ No deficiencies were noted during the course of the inspection. No ADEQ action will result from this inspection. ☐ Potential deficiencies were noted during the course of the inspection. Additional correspondence regarding this Inspection may be forthcoming.	
Inspection Report Issued: Via email at facility	Facility Initial: MB ADEQ Initial: 
Potential Deficiencies: 	
PHOTOGRAPHS TAKEN DURING INSPECTIONS ARE AVAILABLE ON REQUEST	

Documentation:	Requirement met?	Comments
Does the facility have SMRF non-submittals or exceedances?	☐ Yes ☐ No ☐ N/A	M&R Review being done under a separate action.
If yes, do the exceedances meet the requirements for significant non-compliance? <i>(list in Comments)</i>	☐ Yes ☐ No ☒ N/A	
Were required notifications provided for violation of any permit condition, discharge limit, or exceedance of an alert level? <i>(list notifications in Comments)</i>	☐ Yes ☐ No ☐ N/A	M&R Review being done under a separate action.
Were SMRFs and monitoring requirements discussed with the facility?	☒ Yes ☐ No ☐ N/A	
Does the facility have any outstanding or overdue compliance schedule items? (Section 3.0 in the permit)	☐ Yes ☒ No ☐ N/A	
Does the facility have a copy of the current signed permit?	☒ Yes ☐ No ☐ N/A	
Is there a copy of the operations and maintenance manual on-site?	☒ Yes ☐ No ☐ N/A	
Is there a copy of the approved contingency/emergency response plan on-site?	☒ Yes ☐ No ☐ N/A	
Was there any unauthorized discharge of suspected hazardous, toxic, or non-hazardous materials? If so list corrective actions taken. (Section 2.6.5)	☐ Yes ☒ No ☐ N/A	
Facility Description and Operational Monitoring Requirements	Requirement met?	Comments
Is the log book of the inspections and measurements required by this permit updated and current?	☒ Yes ☐ No ☐ N/A	
Do the facility treatment processes match what is in the current permit?	☒ Yes ☐ No ☐ N/A	
Is the facility being maintained according to the Operations and Maintenance Manual?	☒ Yes ☐ No ☐ N/A	
Do the treatment plant components appear to be in working order?	☒ Yes ☐ No ☐ N/A	

Compliance Monitoring	Requirement met?	Comments
POC – Well #2 Loc: 32° 29' 33" N 114° 47' 46" W • Location verified? • Does the well appear to be in working order?	☒ Yes ☐ No ☐ N/A ☒ Yes ☐ No ☐ N/A	
Discharge Point – Effluent Pump Station to the Welton/Mohawk Salinity ByPass Canal Loc: 32° 29' 33" N 114° 47' 48" W • Location verified? • Does the discharge appear to be in working order?	☒ Yes ☐ No ☐ N/A ☒ Yes ☐ No ☐ N/A	
Field Methods – Is the facility using applicable on-site calibrations and quality assurance for BOD, T, pH, and turbidity?	☒ Yes ☐ No ☐ N/A	
Does the facility have a written QA manual for all analysis done on-site?	☒ Yes ☐ No ☐ N/A	
Are ADHS approved methods used for all analyses?	☒ Yes ☐ No ☐ N/A	
Did the facility have a method detection limit study for lab methods?	☒ Yes ☐ No ☐ N/A	
Are on-site lab instruments properly calibrated?	☒ Yes ☐ No ☐ N/A	
Are on-site calibration and baseline reagents current and not expired?	☒ Yes ☐ No ☐ N/A	
Are on-site flow meters properly calibrated?	☒ Yes ☐ No ☐ N/A	
Does the facility have a bench log sheet?	☒ Yes ☐ No ☐ N/A	

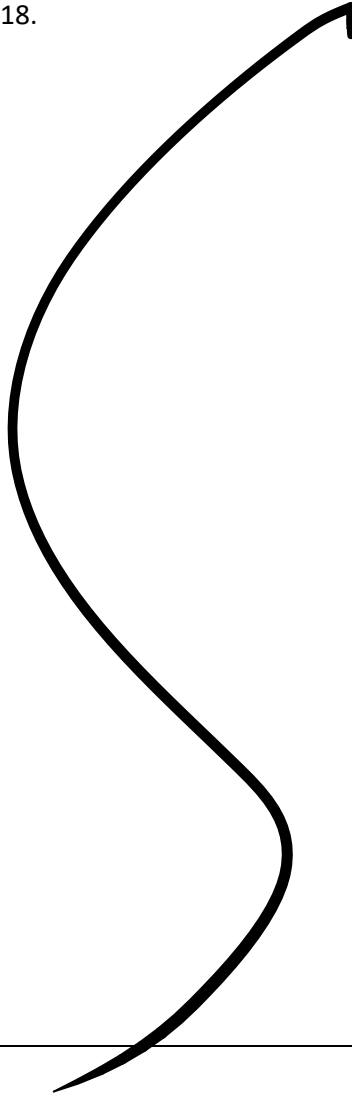
RECOMMENDATIONS AND POTENTIAL DEFICIENCIES:

SBR #1 is being rebuilt with new aerators at the time of inspection. The inspector was told by Miguel (Shaft head operator) the work on this SBR will be finished around the end of September and SBR #2 will then be drained and the aerators worked on with the work on this one being finished 30-days after it is started.

The decant water in SBR #2 looked a little green to the inspector and this may be due to the aerators needing maintenance work, but the flow going out to the canal was clear.

A new monitoring well had been installed due to the ground water level drop over the years.

Inspector suggests another inspection in 2018.





AGENDA ITEM REVIEW FORM

Regular City Council Meeting

4.F.

Meeting Date: 03/14/2018

Department Head: Eulogio Vera, Director of Public Works, Public Works Department

Submitted By: Manuel Rojas, Assistant Director of Public Works, Public Works Department

Action Requested: Motion

ITEM:

Discussion and possible action on any and all matters regarding the purchase of a Vapex Environmental Technologies, Odor Control Unit for Merrill Lift Station. **(Manuel Rojas, Assistant Director of Public Works)**

SUMMARY:

A Fiscal Year 2018 purchase, staff has continued to research various options to mitigate odor control at the sewer lift stations and collection system. Staff has used biological enzyme treatment, ozone technology and currently scheduled an air system pilot test to control odor in the Wastewater System. Merrill Lift Station was recently upgraded using a corrosive resistant material, as specified by Vapex Environmental Technologies System. Staff has recorded successful installations of subject odor control unit at Juan Sanchez Lift Station and Lift Station 300. The installation of a new Vapex System would minimize the odor issue, enhancing our customer service delivery to residents in the area. Vapex has a unique patented technology. Staff was able to find the best price for the product by purchasing directly from the manufacturer. The bidding process would be futile because it would not result in a lower price. Staff recommends the purchase of a Vapex Environmental Technologies, Nano System for Merrill Lift Station and to waive formal purchasing procedures under these circumstances which are allowed under San Luis City Code-Purchasing Section 36.01(H).

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO APPROVE THE PURCHASE OF THE VAPEX ENVIRONMENTAL TECHNOLOGIES ODOR CONTROL UNIT AS PRESENTED FOR AN AMOUNT NOT TO EXCEED \$70,725.00 AND TO WAIVE FORMAL PURCHASING PROCEDURES FOR THE REASONS PRESENTED.

Supporting information not attached to the Agenda Item Review Form:

N/A

Fiscal Impact

IS THERE FISCAL IMPACT ASSOCIATED WITH THIS ITEM:	yes
CITY/STATE/FEDERAL FUNDS:	Enterprise Funds
TOTAL:	\$70,724.01
BUDGETED AMOUNT:	\$125,000.00
AVAILABLE AMOUNT TO TRANSFER:	\$0.00
ACCT NAME & GL#/REMAINING BALANCE BEFORE PURCHASE:	310-311-90000 Capital Outlay-Equipment \$102,888.80

FISCAL IMPACT STATEMENT (IF THIS IS A BUDGET TRANSFER, YOU MUST ATTACH THE BUDGET ADJUSTMENT FORM):

The Odor Control Project is an approved Fiscal Year 2018 purchase. This will be the first purchase of 3 for the subject project.

310-311-90000 Capital Outlay - Equipment \$102,888.80

Attachments

Vapex Proposal

Vapex Brochure

Vapex Firm Proposal
AZ, San Luis
Merrill Ave Sewage Lift Station



Vapex Environmental Technologies, LLC
February 6, 2018



Address

Vapex Environmental Technologies, LLC
2971-A Oxbow Circle
Cocoa, Florida 32926
USA

To:	Bruce Loring	Date:	February 6, 2018
Company:	James, Cooke and Hobson	From:	Stephanie Kasanicky
cc:	Eric Loring		
Subject:	Firm Proposal - Merrill Ave Sewage Lift Station – San Luis		

Dear Mr. Loring,

Thank you for your interest in the Vapex™ Radical Odor Control System. Based upon the data provided for this project, we developed the unit sizing described in this proposal. We are confident that the Vapex™ NANO not only provides the most effective solution for this municipality in terms of installed, operational and maintenance cost but also provides the most effective solution to eliminate odors.

In addition to eliminating odor, the Vapex™ technology has also been shown to neutralize pH thereby reducing wet well and equipment corrosion. The NANO will also break down some forms of fats, oils and greases.

We look forward to working with you on this project. Should you have any questions or need clarifications, please feel free to contact me. Thank you.

Kind Regards,

Stephanie Kasanicky

Stephanie Kasanicky
Regional Sales Manager
C: 303-396-2154

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1. DESIGN BASIS

Application:	Lift Station/Wet Well
Treatment Area Dimensions:	7 ft Length 24ft Depth
Treatment Area Volume:	924 ft ³
Peak H₂S Level:	300 ppm
Installation Location:	Outdoors

2. EQUIPMENT SUPPLIED

1	NANO
1	LV Nozzle - Flexible Install
100 ft	Oxidant Tubing
100 ft	Water Tubing
100 ft	LV Air Tubing
75 ft	2.5" Zipper Cable Sheath
2	IOM Manuals
1	I&O Kit - NANO - 1 LV Nozzle
1	Spare Parts Kit - NANO
1	Modem
1	Communications - 3 Years
1	Remote Monitoring - 3 Years

3. SERVICES

Vapex will furnish the following services:

- One (1) factory representative for two (2) days during one (1) trip to assist in:
 - Installation inspection,
 - Start-up supervision
 - Operator training
- Three (3) years Cellular communications
- Three (3) years Remote Monitoring

4. PATENTS

The Equipment and/or Process quoted herein may operate under one or more U.S. patents. The Purchase Price includes a one-time royalty payment (if any), which provides the Buyer with immunity to operate the Equipment specified in the Quotation under any applicable patents.

5. PURCHASE PRICE

All of the above listed for\$ **63,888.00** USD

F.O.B. Jobsite, Freight Allowed, Taxes Exclude

5.1 Validity

PROPOSAL: This proposal is valid for 90-days from proposal date. All prices are guaranteed for one year from date of Vapex™ acceptance of a Purchase Order. This quote does not include applicable sales and use taxes, which will be applied to the final invoice. Please provide tax exemption certificate(s) if applicable.

ACCEPTANCE: To accept this proposal send a Purchase Order to Vapex™ Corporate Headquarters – OR – complete the acceptance information below. All Purchase Orders shall include:

- a. Purchase Price quoted in this document
- b. Ship-to address, contact name, and phone number
- c. Bill-to address, contact name, phone number and fax number
- d. Requested delivery date

Tax exemption information if applicable

5.2 Payment terms

Net 30-Days, FOB Cocoa, Florida. Sales and or Use tax is not included in this proposal. Please provide tax exemption information. Applicable tax is invoiced with purchase on date of shipment.

ORDERS: Orders are subject to credit evaluation and acceptance. All orders are subject to Vapex™ terms and conditions stated in this document.

PRODUCTION: Vapex requires 6 to 8 weeks from the receipt of approved submittals or waiver of submittals for shipment.

LATE PAYMENT PENALTY: Invoices not paid 31 days after the invoice date are subject to a Service Charge of 1½ % per month (.05% per day) on the unpaid balance. The equivalent interest rate per annum is 18%.

TITLE: Title to Vapex™ Radical Odor Control Systems and supplied equipment (the Goods) shall remain vested in Vapex™, and shall not pass to the buyer until the purchase price for the Goods has been paid in full and received by Vapex™ Environmental Technologies, Inc.

START-UP: Start-up services include equipment start-up, warranty certification and on-site equipment operation & maintenance training. Trip fees may apply for additional training visits, multi-phase start-up or non-standard installations. Prior to scheduling the Vapex™ technician, the Customer shall verify that the site is prepared for start-up. If the site is not prepared when the technician arrives and the start-up is rescheduled, the customer will be responsible for payment of additional trip fees for the technician at current Vapex™ trip rates.

IMPORTANT NOTES: Regarding Vapex™ Radical Odor Control system Wet Well Installations: If the system is treating a wet well (or lift station) all access for cables, wires or sample tubing shall be sealed. All conduit connections into the well must be sealed. If a vent is required, a Vapex™ supplied vent must be installed. Vapex™ strongly recommends that all ferrous metal hardware within the well be epoxy coated to prevent premature rusting from increased humidity. Pump and/or Grinder cables coated in natural rubber will deteriorate. If there are pump and/or grinder cables located inside the wet well they must be of a material compatible to sulfuric acid >10% and ozone or the pump cables must be sleeved with a PVC jacket (not provided by Vapex™ unless listed in the Equipment Supplied Section of this document). Cables must be sleeved by the customer/contractor prior to equipment start-up. Contact Vapex™ for additional information.

6. WARRANTY

Limited Mechanical Warranty Policy

Vapex™ Equipment is limitedly warranted to be free from defective material and workmanship, under normal use and service and when installed, operated and maintained in accordance with installation, operation and maintenance instructions. This policy and maintenance/operating procedures as follows:

- **Vapex™ NANO – 18 months from shipment or 12 months from startup whichever occurs first**

To make claim under this Warranty, Buyer must notify Vapex™ within ten (10) business days after the date of discovery of any nonconformity and make the affected Equipment immediately available for inspection by Vapex™ or its service representative.

Vapex™ Equipment may be deemed nonconforming only by an authorized Vapex™ representative. **Returns will not be accepted unless Vapex™ has authorized said return in writing.** If the Vapex™ inspection indicates nonconforming materials and/or workmanship, the Equipment will, at Vapex™'s option, either be repaired or replaced without charge. Upon receipt of Vapex™'s written consent, Equipment may be promptly returned to the Vapex™ factory, F.O.B. However, under certain circumstances, Vapex™ may decide, in its sole discretion, to repair or replace the Equipment at the Project site. Buyer hereby agrees to provide Vapex™, its employees and/or representatives, free of charge, on-site access to the Project site, and any necessary utilities and plant personnel needed by Vapex™ for the purpose of repairing and/or replacing nonconforming Equipment per this Warranty.

The following will void this Warranty:

1. Equipment is used for purposes other than those for which it was designed;
2. Equipment is not used in accordance with generally approved practices;
3. Disasters, whether natural or manmade, such as fire, flood, wind, earthquake, cave-in, lightning, war, or vandalism;
4. Unauthorized alterations to or modifications of the Equipment not approved by Vapex™, in writing;

5. Abuse, neglect or misuse of Equipment, including without limitation, operation of Equipment after a defect is discovered;
6. Operation of Equipment by persons not properly trained for that purpose;
7. Failure to operate the Equipment in accordance with Vapex™'s specifications, O&M manuals or other written guidelines; and/or
8. Failure to perform regular cleaning, inspection, adjustment and/or preventative maintenance.

Notes:

- Vapex™ is not liable for any corrective work or expenditure that has not been authorized by Vapex™ in writing prior to the commencement of such work and prior to committing to such expenditures.
- Inspection service calls, requested by Buyer, where no evidence of nonconforming materials and/or workmanship is found, will be invoiced to the Buyer at Vapex™'s current per diem, plus all travel and living expenses.
- Onsite labor and freight are not covered by this Warranty.
- This Warranty does not cover normal wear and tear.
- Following a Warranty claim, verification of proper operation and maintenance is required.
- Physical damage due to external forces and/or accident is not covered by this Warranty.
- The effects of corrosion and unforeseeable environmental characteristics are excluded from this Warranty.
- Actions by 3rd parties in causing nonconformity of the Equipment are not covered under this Warranty.

THE FOREGOING LIMITED WARRANTY IS EXCLUSIVE AND IN LIEU OF ALL OTHER GUARANTEES AND WARRANTIES OF ANY KIND WHATSOEVER, WRITTEN, ORAL OR IMPLIED; ALL OTHER WARRANTIES INCLUDING WITHOUT LIMITATION ANY WARRANTY OF MERCHANTABILITY AND/OR FITNESS FOR A PARTICULAR PURPOSE, ARE HEREBY DISCLAIMED.

VAPEX™ SHALL HAVE NO OBLIGATION OR LIABILITY, WHETHER ARISING IN CONTRACT (INCLUDING WARRANTY), TORT (INCLUDING ACTIVE, PASSIVE, OR IMPUTED NEGLIGENCE AND STRICT LIABILITY), OR OTHERWISE, FOR DAMAGE TO THE EQUIPMENT, PROPERTY DAMAGE, LOSS OF USE, REVENUE OR PROFIT, COST OF CAPITAL, COST OF SUBSTITUTE EQUIPMENT, ADDITIONAL COSTS INCURRED BY BUYER (FOR CORRECTION OR OTHERWISE) OR ANY OTHER INCIDENTAL, SPECIAL, INDIRECT, OR CONSEQUENTIAL DAMAGES, WHETHER RESULTING FROM NONDELIVERY OR FROM THE USE, MISUSE OR INABILITY TO USE THE EQUIPMENT.

This exclusion applies even if the Warranty fails of its essential purpose and regardless of whether such damages are sought for breach of warranty, breach of contract, negligence or strict liability in tort or under any other legal theory.

This document constitutes the sole Warranty in its entirety and no other provisions express or implied exist. Any modification of this Warranty must be in writing and signed by an authorized representative of Vapex. An adjustment made per this Warranty does not void the Warranty, nor does it imply an extension of the Warranty Period. Equipment repaired during the Warranty Period carries the un-expired portion of this original Warranty only. This Warranty is governed by the laws of the state of Florida.

7. ACCEPTANCE

	Vapex™ Environmental Technologies, LLC	
Name:	Stephanie Kasanicky	
Title:	Regional Sales Manager	
Signature:	<i>Stephanie Kasanicky</i>	
Date:	February 6, 2018	

Radical Odor Control Technology

with Advanced Oxidation Process



Proven Odor Control Technology

- Treats Odors, Fats, Oils, Grease & Corrosion
- Designed for enclosed or partially enclosed areas
- No chemicals or biosolutions required
- Minimal startup & operation costs
- Easy installation & low maintenance





PICO



NANO



MICRO



MILLI

Specifications	PICO	NANO	MICRO	MILLI
Maximum Treatment Volume, ft ³ (m ³)	750 (21)	10,000 (283)	26,000 (736)	42,000 (1,189)
Maximum Number of Nozzles	1	2	4	6
Oxidant Output, g/hr	≤ 10	≤ 20	≤ 50	≤ 60
Average H ₂ O Usage, gal/h/nozzle (l/h/nozzle)	1.5 (5.7)	8 (30.3)	8 (30.3)	8 (30.3)
Air Output, cfm/nozzle (m ³ /hr/nozzle)	1 (1.8)	30 (54)	30 (54)	30 (54)
Material of Construction*	Aluminum	Aluminum	Aluminum	Aluminum
Noise Level, dB	<65	<70	<70	<70
System Dimensions, L in (cm) x W in (cm) x H in (cm)	20 (51) x 17 (43) x 31 (79)	41 (104) x 17 (43) x 47 (119)	54 (138) x 35 (89) x 44 (112)	54 (138) x 35 (89) x 44 (112)
Average System Weight, lbs (kg)	62 (28)	160 (73)	250 (113)	355 (161)
Power Requirements				
Volts, VAC	110	110 or 220	220	220
Average Current Draw, A, 50 Hz	3.5	10	18	20
Average Current Draw, A, 60 Hz	6	17 or 11	19	23

*All units are TGIC Polyester Powder Coated, Stainless Steel Available



Contact your Vapex™ Sales Representative or call 1-888-907-0004 to determine which Vapex™ unit is best suited to eliminate odors, remediate FOG, and decrease corrosion for your application.

Vapex™ systems have been successfully installed in hundreds of locations

The Vapex™ odor control system with its patented air atomizing three-fluid nozzles enhance the Advanced Oxidation Process by creating hydroxyl radicals ($\bullet\text{OH}$), the most potent oxidant used in odor treatment.

Vapex™ combines ozone, water and air to create a hydroxyl radical fog that is efficiently dispersed throughout enclosed or partially enclosed spaces, such as lift stations, wet wells, holding tanks, diversion boxes, and headwork channels.

Vapex™ odor control systems treat offensive odors in situ greatly reducing energy costs. Vapex™ units have a small footprint, require minimal water and electricity, and are extremely quiet.

Proven

An independent university study found that hydroxyl radicals are being produced by combining the micron-sized water particles and ozone.

Accepted

Major engineering firms and a state EPA have determined that Vapex™ technology is an effective method to eliminate odors and remediate FOG.

Established

Over the past 10 years, a number of major municipalities have standardized on the Vapex™ technology.

Eliminate Odors

Vapex™ technology oxidizes odorous compounds where they are generated. Combining ozone and micron-sized water particles produces hydroxyl radicals that react quickly with odorous compounds such as reduced sulfur compounds, amines, and volatile fatty acids.

This technology is customizable to meet varying installation requirements and can be installed indoors or outdoors. The hydroxyl radical fog results in almost instantaneous odor reduction.

Fats, Oils, & Grease Prevention

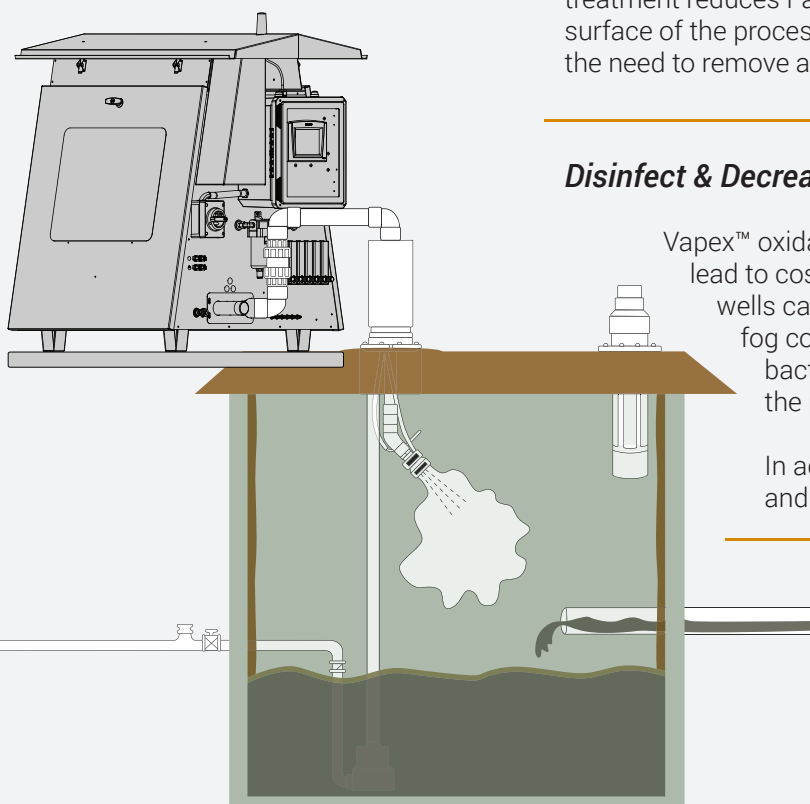
Vapex™ technology remediates Fats, Oils, & Grease (FOG) by breaking the double carbon bonds that form the fatty acid chain. By breaking the bonds, FOG does not reform downstream. Odors from volatile fatty acids are decreased significantly.

FOG clogs pumps and decreases pump efficiency. Continuous treatment reduces Fats, Oils, and Grease from collecting on the surface of the process water and walls, reducing or eliminating the need to remove and dispose surface FOG & debris.

Disinfect & Decrease Rate of Corrosion

Vapex™ oxidation process eliminates biofilm on surfaces that lead to costly infrastructure destruction. Surface pH in wet wells can be as low as 1, however, the powerful oxidant fog covers the entire surface killing *Thiobacillus*, the bacterium that metabolizes H_2S to sulfuric acid, raising the pH to above 6 and preserving the infrastructure.

In addition, hydroxyl radicals essentially kill bacteria and viruses virtually disinfecting the treatment area.





HV NOZZLE



LV NOZZLE



RXN VENT

Base Model Features

- Powder Coated Aluminum Cabinet
- Insulated Cabinet
- Patented Nozzles
- HMI/PLC (excluding PICO model)
- Individual Oxidant Control for each nozzle
- SCADA Connection (excluding PICO model)
- Timer Based Oxidant Control
- Auto-Draining Moisture Removal System
- Pressure & Flow Based Oxidant Shut Off
- Small Footprint
- Low Power Usage
- 1-Year Mechanical Warranty
- Modem & Communication Services

Benefits

- Treats High Concentrations of Hydrogen Sulfide, Mercaptans, and Amines
- Eliminates Odor Complaints
- Reduces Rate of Corrosion in the Infrastructure
- Remediates Fats, Oils, and Greases
- No Chemical Storage or Handling
- Quiet Operation
- Easy Installation
- Straightforward to Operate
- Environmentally Friendly
 - Reacted chemistry condenses safely back into influent stream
 - Small Carbon Footprint
- Low Installation, Maintenance, and Operational Costs

Applications

- Pump Stations/Wet Wells/Lift Stations
- Junction Boxes & Siphons
- Interceptors
- Manholes
- Sludge Holding Tanks
- Grease and Scum Pits
- Grit Chambers
- Covered Primary Clarifiers
- Holding, Retention & Equalization Tanks
- Headworks Channels
- Rotary Screens

Options

- Stainless Steel Enclosure
- Remote Monitoring
- Extended Mechanical Warranty
- Ergonomically Designed Pedestal Mount
- Quarterly Maintenance Program
- AOP Vent
- RXN Vent



AGENDA ITEM REVIEW FORM

Regular City Council Meeting

5.A.

Meeting Date: 03/14/2018

Department Head: Derek Duenas, IT Manager, Administration, Information Technology

Submitted By: Jonathan Dumadag, Senior IT Technician, Administration, Information Technology

Action Requested: Motion

ITEM:

Discussion and possible action on any and all matters regarding the purchase of hardware, and software licensing to upgrade current email system. **(Jonathan Dumadag, Senior IT Technician)**

SUMMARY:

Current email hardware and software for the city has served its recommended lifespan of more than 5 years of use. We will be upgrading from Exchange 2010 to Exchange 2016. Items that will be purchased are two physical servers and all appropriate licensing for 250 users. The purchase will not exceed \$40,500.00. The purchase will be made under the cooperative agreement from National Joint Powers Alliance (NJPA) #100614 which is allowed under the City Code-Purchasing §36.09-Cooperative Purchasing.

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO APPROVE THE PURCHASE OF EMAIL SOFTWARE UPGRADE, LICENSES, AND HARDWARE IN AN AMOUNT NOT TO EXCEED \$40,500.00 UTILIZING PROCUREMENT CODE 36.09-COOPERATIVE PURCHASING.

Supporting information not attached to the Agenda Item Review Form:

N/A

Fiscal Impact

IS THERE FISCAL IMPACT ASSOCIATED WITH THIS ITEM:	Yes
CITY/STATE/FEDERAL FUNDS:	City
TOTAL:	\$40,500.00
BUDGETED AMOUNT:	Yes
AVAILABLE AMOUNT TO TRANSFER:	N/A
ACCT NAME & GL#/REMAINING BALANCE BEFORE PURCHASE:	Capital Outlay-OFF-COMP-OTHER 100-999-90020/\$110,112.60

FISCAL IMPACT STATEMENT (IF THIS IS A BUDGET TRANSFER, YOU MUST ATTACH THE BUDGET ADJUSTMENT FORM):

This item was budgeted for fiscal year 2017-2018.

Attachments

NJPA 100614#CDW
Exchange 2016 Quote

Form C**EXCEPTIONS TO PROPOSAL, TERMS, CONDITIONS
AND SOLUTIONS REQUEST**Company Name: CDW Government LLCNote: **Original must be signed** and inserted in the inside front cover pouch.

Any exceptions to the Terms, Conditions, Specifications, or Proposal Forms contained herein shall be noted in writing and included with the proposal submittal. Proposer acknowledges that the exceptions listed may or may not be accepted by NJPA and may or may not be included in the final contract. NJPA may clarify exceptions listed here and document the results of those clarifications in the appropriate section below.

Section/page	Term, Condition, or Specification	Exception	NJPA ACCEPTS
3	J. TOTAL COST OF ACQUISITION The Total Cost of Acquisition for the equipment/products and related services being proposed is the cost of the proposed equipment/products and related services delivered and operational for its intended purpose in the end-user's location.	For section J, please remove the words, "for its intended purpose".	NJPA Accepts
7	3.23 Sole Source of Responsibility- NJPA desires a "Sole Source of Responsibility" Vendor. This means the Vendor will take sole responsibility for the performance of delivered equipment/products/ services.	CDW•G does not manufacture materials nor is it the provider of warranty support services. CDW•G is only selling commercial off-the-shelf products. As such, CDW•G does not believe this term applies to our offering and request its removal. All warranties reside with the manufacturer of the items, and CDW•G will assign its warranty rights to the extent allowable. NJPA and NJPA Members must look to either the manufacturer or publisher of the items and the third party service provider of the support services (as applicable) to address any performance and associated responsibility. CDW•G allows returns based on the policies of the original product manufacturer. Software is not returnable if the packaging has been opened. If software was distributed electronically, it is not returnable if the licenses were downloaded. Your dedicated CDW•G account manager can provide further details. For any on-site services performed under CDW•G's Statement of Work ("SOW Services"), CDW•G offers a standard warranty for performance/re-performance or a refund after receiving notice of any non-conformities within a defined period after original performance. CDW•G can agree to defend NJPA and NJPA Members for third party claims for death, bodily injury or damage to tangible personal property during the performance of SOW services that's subject to an approved and appropriate dollar cap and limited to direct damages.	NJPA Accepts
7	3.23.2 Vendor use of sub-contractors in sourcing or delivering equipment/ product/services: NJPA desires a single source of responsibility for equipment/ products and services proposed. Proposers are assumed to have sub-contractor relationships with all organizations and individuals whom are external to the Proposer and are involved in providing or delivering the equipment/ products/services being proposed. Vendor assumes all responsibility for the equipment/products/services and actions of any	Please delete in accordance with CDW•G's exception to section 3.23, as noted above.	NJPA Accepts

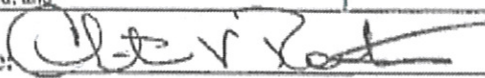
	such Sub-Contractor.		
9	3.31 Industry Standards: Except as contained herein, the specifications or solutions for this RFP shall be those accepted guidelines set forth by the TECHNOLOGY SOLUTIONS WITH RELATED EQUIPMENT AND ACCESSORIES industry, as they are generally understood and accepted within that industry across the nation. Submitted products/equipment, related services, and their warranties and assurances are required to meet and/or exceed all current, traditional and anticipated needs and requirements of NJPA and its Members.	Please delete in accordance with CDW•G's exception to section 3.23, as noted above.	NJPA Accepts
9	3.35 Warranty: The Proposer warrants that all products, equipment, supplies, and services delivered under this Contract shall be covered by the industry standard or better warranty. All products and equipment should carry a minimum industry standard manufacturer's warranty that includes materials and labor. The Proposer has the primary responsibility to submit product specific warranty as required and accepted by industry standards. Dealer/Distributors agree to assist the purchaser in reaching a solution in a dispute over warranty's terms with the manufacturer. Any manufacturer's warranty which is effective past the expiration of the warranty will be passed on to the NJPA member. Failure to submit a minimum warranty may result in non-award.	<u>Patent/Warranty:</u> The NJPA or NJPA Members understand that the Vendor is not the manufacturer of the products purchased by the NJPA or NJPA Members hereunder and the only warranties offered are those of the manufacturer, not Vendor or its affiliates. In purchasing the products, the NJPA or NJPA Members are relying on the manufacturer's specifications only and is not relying on any statements, specifications, photographs or other illustrations representing the products that may be provided by Vendor or its affiliates. VENDOR AND ITS AFFILIATES HEREBY EXPRESSLY DISCLAIM ALL WARRANTIES EITHER EXPRESS OR IMPLIED, RELATED TO PRODUCTS, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF TITLE, ACCURACY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WARRANTY OF NON-INFRINGEMENT, OR ANY WARRANTY RELATING TO THIRD PARTY SERVICES. THE DISCLAIMER CONTAINED IN THIS PARAGRAPH DOES NOT AFFECT THE TERMS OF ANY MANUFACTURER'S WARRANTY. The NJPA or NJPA Members expressly waives any claim that it may have against Vendor or its affiliates based on any product liability or infringement of any patent, copyright, trade secret or other intellectual property rights (each a "Claim") with respect to any product and also waives any right to indemnification from Vendor or its affiliates against any such Claim made against the NJPA or NJPA Members by a third party. The NJPA or NJPA Members acknowledge that no employee of Vendor or its affiliates is authorized to make any representation or warranty on behalf of Vendor or any of its affiliates that is not in this Agreement. Vendor will not be responsible for and no liability shall result to Vendor or any of its affiliates for any delays in delivery which result from any circumstances beyond Vendor's reasonable control, including, but not limited to, product unavailability, carrier delays, delays due to fire, severe weather conditions, failure of power, labor problems, acts of war, terrorism, embargo, acts of God or acts or laws of any government or agency. Any shipping dates provided by Vendor and any purported deadlines contained in any other document are estimates only. <u>Services Warranty:</u> Vendor warrants that the SOW Services will be performed in a good and workmanlike manner. The NJPA Member's sole and exclusive remedy with respect to this warranty will be, at the sole option of Seller, to either (a) use its reasonable commercial efforts to reperform any SOW Services not in substantial compliance with this warranty, or (b) refund amounts paid by the NJPA Member related to the portion of the SOW Services not in substantial compliance; provided, in each case, the NJPA Member notifies Vendor in writing within thirty (30) business days after performance of the applicable SOW Services. This warranty is voided if the SOW Services are altered by anyone other than Vendor or any of its affiliates or any of its or their personnel <u>Hold Harmless:</u> Vendor shall indemnify and hold harmless the NJPA or NJPA Members for any damages or losses to the NJPA or NJPA Members arising from Claims. "Claims" are defined as (i) claims brought by a third party for death or	NJPA Accepts

		personal injury to a third party, or (ii) damage to tangible personal property suffered or incurred by the NJPA or NJPA Members allegedly resulting from the grossly negligent or willful misconduct of the Vendor, its employees, agents, contractors, representatives or affiliates. However, notwithstanding the prior sentence, a claim for death or personal injury to a third party or damage to tangible personal property shall not be a Claim.	
9-10	3.36 Additional Warrants: The Proposer warrants all products/equipment and related services furnished hereunder will be free from liens and encumbrances; defects in design, materials, and workmanship; and will conform in all respects to the terms of this RFP including any specifications or standards. In addition, Proposer/ Vendor warrants the products/equipment and related services are suitable for and will perform in accordance with the ordinary use for which they are intended.	For section 3.36, please see Vendor's response in section 3.35 above.	NJPA Accepts
20	5.51 Delivered products/equipment must be properly packaged. Damaged equipment/products will not be accepted, or if the damage is not readily apparent at the time of delivery, the equipment/products shall be returned at no cost to NJPA or NJPA Member. NJPA and NJPA Members reserve the right to inspect the equipment/products at a reasonable time subsequent to delivery where circumstances or conditions prevent effective inspection of the equipment/products at the time of delivery.	Section 5.5.1 shall be governed by Vendor's return policy, as it is specified in Vendor's proposal response.	NJPA Accepts
20	5.53 NJPA reserves the right to declare a breach of Contract if the Vendor intentionally delivers substandard or inferior equipment/products which are not under Contract and described in its paper or electronic price lists or sourced upon request to any member under this Contract. In the event of the delivery of nonconforming equipment/products, NJPA Member will notify the Vendor as soon as possible and the Vendor will replace non-conforming equipment/products with conforming equipment/products acceptable to the NJPA member.	For section 5.5.3, please see Vendor's response in section 3.35 above. shall be governed by Vendor's return policy, as it is specified in Vendor's proposal response.	NJPA Accepts
20	5.54 Throughout the term of the Contract, Proposer agrees to pay for return shipment on equipment/products that arrives in a defective or inoperable condition. Proposer must arrange for the return shipment of damaged equipment/products.	Section 5.5.4 shall be governed by Vendor's return policy, as it is specified in Vendor's proposal response. Your dedicated Vendor account manager can provide further details, and has the ability to work with the NJPA Member, when requested, to pay for returns.	NJPA Accepts
24	G. CERTIFICATE OF INSURANCE 6.21 Vendors shall provide evidence of liability insurance coverage identified below in the form of a Certificate of Insurance or an ACCORD binder form with their proposal. Upon Award issued pursuant to this contract and prior to the execution of any commerce relating to such award, Vendor will be responsible for providing verification, in the form of a Certificate of Insurance identifying the coverage required below and identifying NJPA as a "Certificate Holder." Vendor will be responsible to maintain such insurance coverage at their own expense throughout the term of any contract resulting from this solicitation.	G. CERTIFICATE OF INSURANCE 6.21 Vendors shall provide evidence of liability insurance coverage identified below in the form of a Certificate of Insurance or on an ACCORD binder form with their proposal. Upon Award issued pursuant to this contract and prior to the execution of any commerce relating to such award, Vendor will be responsible for providing verification evidence of coverage , in the form of a Certificate of Insurance identifying the coverage required below and identifying NJPA as a "Certificate Holder." Vendor will be responsible to maintain such insurance coverage at their own expense throughout the term of any contract resulting from this solicitation.	NJPA Accepts
25	6.26 Subcontractors: Vendors' certificate(s) shall include all subcontractors as additional insureds under its policies or Vendor shall furnish to NJPA separate certificates for each subcontractor. All coverage for subcontractors shall be subject to the minimum requirements identified above.	6.26 Subcontractors: Vendors' eertificate(s)-general <u>liability coverage</u> shall include all <u>coverage for its</u> subcontractors as additional insureds under its policies or Vendor shall furnish to NJPA separate certificates for each subcontractor. All coverage for subcontractors shall be subject to the minimum requirements identified above.	NJPA Accepts

28	D. AUDITS 7.8 No more than once per calendar year during the Contract term, Vendor may be required to make available to NJPA the invoice reports and/or invoice documents from Vendor pertaining to all invoices sent by Vendor and all payments made by NJPA members for all equipment/products and related services purchased under the awarded Contract. NJPA must provide written notice of exercise of this requirement with no less than fourteen (14) business days' notice. NJPA may employ an independent auditor or NJPA may choose to conduct such audit on its own behalf. Upon approval and after the auditor has executed an appropriate confidentiality agreement, Vendor will permit the auditor to review the relevant Vendor documents. NJPA shall be responsible for paying the auditor's fees. The parties will make every reasonable effort to fairly and equitably resolve discrepancies to the satisfaction of both parties. Vendor agrees that the NJPA may audit their records with a reasonable notice to establish total compliance and to verify prices charged under of the Contract are being met. Vendor agrees to provide verifiable documentation and tracking in a timely manner.	7.8 No more than once per calendar year during the Contract's term, Vendor may be required to make available to NJPA the invoice reports and/or invoice documents from Vendor pertaining to all invoices sent by Vendor and all payments made by NJPA members for all equipment/products and related services purchased under the awarded Contract. NJPA must provide written notice of exercise of this requirement with no less than fourteen (14) <u>thirty (30)</u> business days' notice. NJPA may employ an independent auditor or NJPA may choose to conduct such audit on its own behalf. Upon approval and after the auditor has executed an appropriate confidentiality agreement, Vendor will permit the auditor to review the relevant Vendor documents. NJPA shall be responsible for paying the auditor's fees. The parties will make every reasonable effort to fairly and equitably resolve discrepancies to the satisfaction of both parties. Vendor agrees that the NJPA may audit their records with a reasonable notice to establish total compliance and to verify prices charged <u>the accuracy of amounts paid</u> under of the Contract are being met. Vendor agrees to provide verifiable documentation and tracking in a timely manner.	NJPA Accepts
29	7.17 NJPA may execute Contract termination without cause with a required 60-day written notice of termination. Termination of Contract shall not relieve either party of financial, product or service obligations incurred or accrued prior to termination.	<u>Either party</u>-NJPA may execute Contract termination without cause with a required sixty (60) day written notice of termination. Termination of Contract shall not relieve either party of financial, product or service obligations incurred or accrued prior to termination.	NJPA Accepts
31	8.10 Patent and Copyright Infringement: If an article sold and delivered to NJPA or NJPA Members hereunder shall be protected by any applicable patent or copyright, the Vendor agrees to indemnify and hold harmless NJPA and NJPA Members against any and all suits, claims, judgments, and costs instituted or recovered against it by any person on account of the use or sale of such articles by NJPA or NJPA Members in violation or right under such patent or copyright.	For section 8.10, please see Vendor's response in section 3.35 above.	NJPA Accepts
31	F. DATA PRACTICES 8.15 All materials submitted in response to this RFP will become property of the NJPA and will become public record in accordance with Minnesota Statutes, section 13.591, after the evaluation process is completed. If the Responder submits information in response to this RFP that it believes to be nonpublic information, as defined by the Minnesota Government Data Practices Act, Minnesota Statute § 13.37, the Responder must:	F. DATA PRACTICES 8.15 All materials submitted in response to this RFP will be used to evaluate the RFP only become property of the NJPA and will become public record in accordance with Minnesota Statutes, section 13.591, after the evaluation process is completed. <u>No ownership rights are extended by Responder.</u> If the Responder submits information in response to this RFP that it believes to be nonpublic information, as defined by the Minnesota Government Data Practices Act, Minnesota Statute § 13.37, the Responder must:	
42	<u>Form F, PROPOSER ASSURANCE OF COMPLIANCE:</u> 7. The undersigned, being familiar with and understand the expectations requested and outlined in this RFP under consideration, hereby proposes to deliver through valid requests, Purchase Orders or other acceptable forms ordering and procurement by NJPA Members. Unless otherwise indicated, requested and agreed to on a valid purchase order per this RFP, only new, unused and first quality equipment/products and related services are to be transacted with NJPA Members relating to an awarded contract; and	<u>Form F, PROPOSER ASSURANCE OF COMPLIANCE:</u> 7. The undersigned, being familiar with and understand the expectations requested and outlined in this RFP under consideration, hereby proposes to deliver through valid requests, Purchase Orders or other acceptable forms ordering and procurement by NJPA Members. Unless otherwise indicated, requested and agreed to on a valid purchase order per this RFP, only new, unused and first-quality equipment/products and related services are to be transacted with NJPA Members relating to an awarded contract; and	NJPA Accepts
42	<u>Form F, PROPOSER ASSURANCE OF COMPLIANCE:</u> 8. The Proposer has carefully checked the accuracy of all proposed products/equipment and related services and listed total price per unit of purchase in this proposal to include	<u>Form F, PROPOSER ASSURANCE OF COMPLIANCE:</u> 8. The Proposer has carefully checked the accuracy of all proposed products/equipment and related services and listed total price per unit of purchase in this proposal to include shipping and delivery considerations. In addition,	NJPA Accepts

	shipping and delivery considerations. In addition, the Proposer accepts all general terms and conditions of this RFP, including all responsibilities of commitment as outlined and proposed, and	the Proposer accepts all general terms and conditions of this RFP <u>as mutually agreed to</u> , including all responsibilities of commitment as outlined and proposed; and	
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Proposer's Signature:



Date: 09.25.2014

Christina V. Rother, President CDW•G

NJPA CLARIFICATIONS:

Any proposed exception not explicitly accepted by NJPA is hereby rejected and will not be part of the Contract.



Contract Award
RFP 100614 #

FORM D



Formal Offering of Proposal
(To be completed Only by Proposer)

TECHNOLOGY SOLUTIONS WITH RELATED EQUIPMENT AND ACCESSORIES

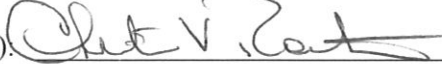
In compliance with the Request for Proposal (RFP) for TECHNOLOGY SOLUTIONS WITH RELATED EQUIPMENT AND ACCESSORIES the undersigned warrants that I/we have examined this RFP and, being familiar with all of the instructions, terms and conditions, general specifications, expectations, technical specifications, service expectations and any special terms, do hereby propose, fully commit and agree to furnish the defined equipment/products and related services in full compliance with all terms, conditions of this RFP, any applicable amendments of this RFP, and all Proposer's Response documentation. Proposer further understands they accept the full responsibility as the sole source of responsibility of the proposed response herein and that the performance of any sub-contractors employed by the Proposer in fulfillment of this proposal is the sole responsibility of the Proposer.

Company Name: CDW Government LLC Date: 09.25.2014

Company Address: 230 N. Milwaukee Avenue

City: Vernon Hills State: IL Zip: 60061

Contact Person: Christina V. Rother Title: President, CDW Government LLC

Authorized Signature (ink only):  Christina V. Rother
(Name printed or typed)



Contract Acceptance and Award

(To be completed only by NJPA)

NJPA 100614 # Technology Solutions with Related Equipment and Accessories
CDW Government, LLC
 Proposer's full legal name

Your proposal is hereby accepted and awarded. As an awarded Proposer, you are now bound to provide the defined product/equipment and services contained in your proposal offering according to all terms, conditions, and pricing set forth in this RFP, any amendments to this RFP, your Response, and any exceptions accepted or rejected by NJPA on Form C.

The effective start date of the Contract will be December 1st, 20 14 and continue for four years from the board award date. This contract has the consideration of a fifth year renewal option at the discretion of NJPA.

National Joint Powers Alliance® (NJPA)

NJPA Authorized signature: [Signature] Dr. Chad Connette
 NJPA Executive Director (Name printed or typed)

Awarded this 18th day of November, 20 14 NJPA Contract Number 100614 #CDW

NJPA Authorized signature: [Signature] Scott Veronen
 NJPA Board Member (Name printed or typed)

Executed this 18th day of November, 20 14 NJPA Contract Number 100614 #CDW

Proposer hereby accepts contract award including all accepted exceptions and NJPA clarifications identified on FORM C.

Vendor Name CDW Government LLC

Vendor Authorized signature: [Signature] Christina V. Rother
 (Name printed or typed)

Title: President, CDW Government LLC

Executed this 26th day of November, 20 14 NJPA Contract Number 100614 #CDW

PROPOSER ASSURANCE OF COMPLIANCE



Proposal Affidavit Signature Page

PROPOSER'S AFFIDAVIT

The undersigned, representing the persons, firms and corporations joining in the submission of the foregoing proposal (such persons, firms and corporations hereinafter being referred to as the "Proposer"), being duly sworn on his/her oath, states to the best of his/her belief and knowledge:

1. The undersigned certifies the Proposer is submitting their proposal under their true and correct name, the Proposer has been properly originated and legally exists in good standing in its state of residence, that the Proposer possesses, or will possess prior to the delivery of any equipment/products and related services, all applicable licenses necessary for such delivery to NJPA members agencies nationally, and that they are authorized to act on behalf of, and encumber the "Proposer" in this Contract; and
2. To the best of my knowledge, no Proposer or Potential Proposer, nor any person duly representing the same, has directly or indirectly entered into any agreement or arrangement with any other Proposers, Potential Proposers, any official or employee of the NJPA, or any person, firm or corporation under contract with the NJPA in an effort to influence either the offering or non-offering of certain prices, terms, and conditions relating to this RFP which tends to, or does, lessen or destroy free competition of the Contract sought for by this RFP; and
3. The Proposer or any person on his/her behalf, has not agreed, connived or colluded to produce a deceptive show of competition in the manner of the proposal or award of the referenced contract; and
4. Neither the Proposer nor any officer, director, partner, member or associate of the Proposer, nor any of its employees directly involved in obtaining contracts with the NJPA or any subdivision of the NJPA, has been convicted of false pretenses, attempted false pretenses or conspiracy to commit false pretenses, bribery, attempted bribery or conspiracy to bribe under the laws of any state or federal government for acts or omissions after January 1, 1985; and
5. The Proposer has examined and understands the terms, conditions, scope, contract opportunity, specifications request and other documents of this solicitation and that any and all exceptions have been noted in writing and have been included with the proposal submittal; and
6. If awarded a contract, the Proposer will provide the equipment/products and/or services to qualifying members of the NJPA in accordance with the terms, conditions, scope of this RFP, Proposer offered specifications and other documents of this solicitation; and
7. The undersigned, being familiar with and understand the expectations requested and outlined in this RFP under consideration, hereby proposes to deliver through valid requests, Purchase Orders or other acceptable forms ordering and procurement by NJPA Members. Unless otherwise indicated, requested and agreed to on a valid purchase order per this RFP, only new, unused and first quality equipment/products and related services are to be transacted with NJPA Members relating to an awarded contract; and
8. The Proposer has carefully checked the accuracy of all proposed products/equipment and related services and listed total price per unit of purchase in this proposal to include shipping and delivery considerations. In addition, the Proposer accepts all general terms and conditions of this RFP, including all responsibilities of commitment as outlined and proposed; and

9. In submitting this proposal, it is understood that the right is reserved by the NJPA to reject any or all proposals and it is agreed by all parties that this proposal may not be withdrawn during a period of 90 days from the date proposals were opened regarding this RFP; and
10. The Proposer certifies that in performing this Contract they will comply with all applicable provisions of the federal, state, and local laws, regulations, rules, and orders; and
11. The Proposer understands that submitted proposals which are marked "confidential" in their entirety, or those in which a significant portion of the submitted proposal is marked "nonpublic" will not be accepted by NJPA. Pursuant to Minnesota Statute §13.37 only specific parts of the proposal may be labeled a "trade secret." All proposals are nonpublic until the contract is awarded; at which time, both successful and unsuccessful vendors' proposals become public information.
12. The Proposer understands and agrees that NJPA will not be responsible for any information contained within the proposal.
13. By signing below, the Proposer understands it is his or her responsibility as the Vendor to act in protection of labeled information and agree to defend and indemnify NJPA for honoring such designation. Proposer duly realizes failure to so act will constitute a complete waiver and all submitted information will become public information; additionally failure to label any information that is released by NJPA shall constitute a complete waiver of any and all claims for damages caused by the release of the information.

[The rest of this page has been left intentionally blank. Signature page below]

By signing below, Proposer is acknowledging that he or she has read, understands and agrees to comply with the terms and conditions specified above.

Company Name: CDW Government LLC

Contact Person for Questions: Mark Ellis

(Must be individual who is responsible for filling out this Proposer's Response form)

Address: 230 N. Milwaukee Ave

City/State/Zip: Vernon Hills, IL 60061

Telephone Number: 877.489.8641 Fax Number: 732.380.6390

E-mail Address: markeli@cdwg.com

Authorized Signature: 

Authorized Name (typed): Christina V. Rother

Title: President, CDW Government LLC

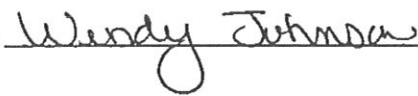
Date: 09.25.2014

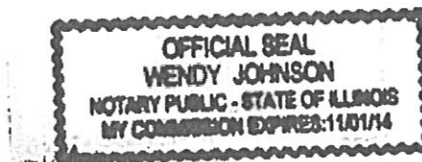
Notarized

Subscribed and sworn to before me this 25th day of September, 20 14

Notary Public in and for the County of Lake State of Illinois

My commission expires: 11/1/14

Signature: 





PROPOSER QUESTIONNAIRE

Payment Terms, Warranty, Products/Equipment/Services, Pricing and Delivery, Industry Specific

Proposer Name: CDW Government LLC

Questionnaire completed by: Mark Ellis and Larissa Newman

PAYMENT TERMS AND FINANCING OPTIONS

1) Identify your payment terms if applicable. (Net 30, etc.)

Our standard payment terms are Net 30, but we are flexible to our customers' needs. We will work with members to arrange other terms, when necessary and dependent on a few financial factors.

2) Identify any applicable leasing or other financing options as defined herein.

CDW•G's Leasing Team helps members navigate through all the available leasing providers to select the best option to fit the customer's needs. For members with a Master Lease Agreement established, we more than likely have a partnership in place with their provider, or can establish one, to extend their existing agreement to incorporate purchases from CDW•G. We are a recognized force with many of our leasing partners, such as our 2014 HP PartnerOne Financial Services Partner of the Year Award. Often, we are able to leverage our relationship with our partners with more advantageous rates or terms. For Members that have diversity requirements to meet, we can recommend our WBE certified leasing partner, Commonwealth Capital Corporation.



Mark has been working diligently to get NJPA's preferred leasing partner, National Cooperative Leasing (NCL) on-boarded as one of our own leasing partners, to further support Members' financing needs. We are pleased to be able to highlight our partnership with NCL for this next contract reiteration. In response to the RFP leasing requirements, NCL details the options they have available to suit members' varying budgetary requirements. We've also included example documentation in the supplemental attachments.

Examples of such options include Tax Exempt Municipal Leases, Fair Market Value Leases, \$1 Buyout Leases, and customized programs as required by client. National Cooperative Leasing also offers government agencies purchasing on this contract a "Purchase Order Only" program. Under this program agencies merely issue a purchase order with leasing language (provided in attachment) included in the body of purchase order. No lease agreement is necessary. Leasing terms and conditions will be provided and reside in the contract between CDW•G and NJPA.

Additionally, CDW•G and National Cooperative Leasing will also offer member agencies the "FlexPlus" leasing plan. The FlexPlus plan offers agencies a Tax Exempt Municipal Lease plan along with a Technology Refresh Window whereby agencies can upgrade their equipment and walk away from their existing lease during the refresh window period. This plan provides a low monthly or annual cost along with the flexibility to return old technology for new technology.

5.43.1.1: National Cooperative Leasing will offer NJPA member agencies interest rates tied to the existing Libor Rate (Rate Index). The maximum rate to be charged will be Libor plus 7 percent for public agencies who qualify for tax exempt municipal financing. This is a ceiling rate. Rates can and will be lower depending on size of transaction, term

of transaction and risk associated with the transaction as determined by National Cooperative Leasing. Rates for Non-Profit (501 C 3) corporations may have a higher "risk adjusted" rate as determined by National Cooperative Leasing.

5.43.1.2: The index rate being adjusted is Libor.

5.43.1.3: The "Purchase Option" offered will depend upon the program being offered. Fair Market Value leases will contain a purchase option equal to the fair market value of the equipment at the termination of the lease. Tax Exempt Municipal Leases, FlexPlus leases and \$1 buy-out leases will have a purchase option of \$1 at the termination of the lease.

5.43.1.4: The available terms offered will be from 12 months to 84 months.

5.43.2: Lease Servicing Center, Inc. dba National Cooperative Leasing is the leasing provider offered. National Cooperative Leasing, headquartered in Alexandria, Minnesota, is an existing provider of NJPA and has had a Professional Services Agreement with NJPA since 2001.

5.43.2.1: Lease Servicing Center, Inc. dba National Cooperative Leasing
220 22nd Ave East
Suite 106
Alexandria, MN 56308

5.43.2.2: There is no ownership, common ownership, or control between CDW•G and National Cooperative Leasing.

3) Briefly describe your proposed order process for this proposal and contract award. (Note: order process may be modified or refined during an NJPA member's final Contract phase process).

- a. Please specify if you will be including your dealer network in this proposal. If so, please specify how involved they will be. (For example, will he Dealer accept the P.O.?), and how are we to verify the specific dealer is part of your network?**

CDW•G doesn't operate a dealer network the way capital or heavy equipment companies do.

We will be the only party accepting P.O.s and all contract management functions will continue to be handled by Mark and his team. When any of our partners are involved, CDW•G manages the relationship and liability involved. We do ask customers to mutually agree to and sign Statements of Work for all service engagements through CDW•G. This is to ensure we keep Members apprised of the responsibilities, timelines, and progress of the project.

In instances where customers would like to integrate their e-Pro applications with our own, CDW•G will provide the integration assistance. However, the relationship the member has with their e-Pro application vendor is their own, any applicable vendor fees resulting from the integration will be the responsibility of the member.

There are a number of other instances where a member may have an agreement directly with a manufacturer or service partner. Examples include, but not limited to, software licensing agreements, lease agreements, and cloud agreements.

We'll incorporate leasing into our sales team trainings for the contract, so that sales can recognize opportunities where leasing would benefit the members and to be able to speak to the different lease options available.

4) Do you accept the P-card procurement and payment process?

We do accept this form of procurement and payment process. We also accept ghost cards as well.

WARRANTY

5) Describe, in detail, your Manufacture Warranty Program including conditions and requirements to qualify, claims procedure, and overall structure.

CDW•G offers the standard manufacturer's warranty on all of the products which we provide. We actively support members in connecting with the right contact for their warranty coverage and assist them to reach a solution if there is a dispute with the OEM over the warranty terms.

We also offer the following value added services to NJPA members.

- **CDW•G provided 30 day warranty.** CDW•G offers a complimentary 30 day warranty for most products we sell. Once the 30 days have expired, CDW•G's technical support or the NJPA member's dedicated Account Manager assist in requesting the manufacturer warranty service.
- **Certified technician support.** We provide toll-free, email, and on-line chat technical support on all hardware and operating systems for up to two years after purchase from CDW•G. Our technical support technicians are US based, located in Eatontown, New Jersey, responding to about 60 calls a day. All technicians are CompTIA certified; hold, at minimum, A+ and Network+ certifications; and have an average tenure of 13 years. These technicians are available Monday – Friday, 7:00 am – 7:30 pm CST. Their expert assistance results in an average resolution time of 30 minutes for computers, and about 45 minutes of servers and server operating systems. For insight into technical issues members can monitor the frequency and type of technical support requests via their CDW•G Account Center site.
- **Extensive engineering support.** We have over 1,060 service-dedicated coworkers nationwide, aiding in pre- and post-sale questions. They provide assistance to NJPA members by phone, and we also offer on-site support. These experienced and certificated engineers provide consultation with configurations and infrastructure shifts.

If standard warranty does not meet the needs of members, CDW•G offers a breadth of warranty options, repair services, and maintenance agreements to provide the insurance of predictable costs and repair response times that a warranty agreement can provide. Included in our impressive portfolio:

- | | |
|------------------------------------|--------------------------------------|
| • Warranty extensions and upgrades | • Post-sale technical support |
| • Post warranty support | • Product and certification training |
| • Accidental damage protection | • Onsite repair |
| • Maintenance contract agreements | • Help desk services |

The variety of our portfolio allows us to offer effective problem diagnosis and resolution for every member need.

6) Do all warranties cover all products/equipment parts and labor?

The actual warranties will vary by manufacturer, but in general, they do cover all material and labor. We provide details on each warranty to the NJPA member at the time of quote to ensure members make an informed purchase. This information is also available at any time on cdwg.com.

7) Do warranties impose usage limit restrictions?

Warranty usage limits vary by manufacturer. We provide details on each warranty to the NJPA member at the time of quote to ensure members make an informed purchase.

8) Do warranties cover the expense of technicians travel time and mileage to perform warranty repairs?

Warranty coverage of travel time will vary by manufacturer. We provide details on each warranty to the NJPA member at the time of quote to ensure members make an informed purchase.

9) Please list any other limitations or circumstances that would not be covered under your warranty.

Warranty limitations and special circumstances will vary by manufacturer. We provide details on each warranty to the NJPA member at the time of quote to ensure members make an informed purchase.

- 10) Please list any geographic regions of the United States for which you cannot provide a certified technician to perform warranty repairs. How will NJPA Members in these regions be provided service for warranty repair? Warranty repairs are completed based on the warranty coverage. If the warranty was purchased through CDW•G, our Account Teams and Help Desk Coworkers can access warranty coverage information and get the member connected to the right person to assist.

EQUIPMENT/PRODUCT/SERVICES, PRICING, AND DELIVERY

- 11) Provide a general narrative description of the equipment/products and related services you are offering in your proposal.

We are truly technologically diverse, with a product portfolio that includes more than 100,000 products from more than 1,000 brands. We don't purport to offer "the kitchen sink," because we believe that our partner vetting process weeds out risky vendors and products, ultimately helping our clients. Our offerings range from discrete hardware and software products and services to complex integrated solutions that include one or more of these elements. We believe our customers increasingly view technology purchases as integrated solutions rather than discrete product and service categories and we estimate that approximately 51% of our net sales in 2013 came from sales of product categories and services typically associated with solutions. Our hardware products include notebooks/mobile devices (including tablets), network communications, enterprise and data storage, video monitors, printers, desktop computers and servers.

Our software products include application suites, security, virtualization, operating systems, network management and Software as a Service ("SaaS") offerings. We also provide a full suite of value-added-services, which range from basic installation, warranty and repair services to custom configuration, data center and network implementation services, as well as managed services that include Infrastructure as a Service ("IaaS") offerings.

We also offer a variety of integrated solutions, such as:

- **Mobility:** We assist our customers with the selection, procurement, and integration of mobile security software, hardware devices such as smartphones, tablets and notebooks, and cellular wireless activation systems. We also provide mobile device management applications with policy and security management capabilities across a variety of mobile operating systems and platforms.
- **Security:** We assess our customers' security needs and provide them with threat prevention tools in order to protect their networks, servers and applications, such as anti-virus, anti-spam, content filtering, intrusion prevention, firewall and virtual private network services, and network access control. We also design and implement data loss prevention solutions, using data monitoring and encryption across a wide array of devices to ensure the security of customer information, personal employee information, and research and development data.
- **Data Center Optimization:** We help our customers evaluate their data centers for convergence and optimization opportunities. Our data center optimization solutions consist of server virtualization, physical server consolidation, data storage management and energy-efficient power and cooling systems.
- **Cloud Computing:** Cloud computing is a combination of software and computing delivered on demand as a service. We provide SaaS and IaaS solutions that reside in the public cloud, meaning any person or organization interested in porting applications and resources to an external "public" cloud system can do so. Likewise, we provide similar private cloud-based solutions to our customers that prefer to avoid running their infrastructure on a shared public platform but want to obtain the flexibility, scalability and access offered by cloud computing and collaboration.
- **Virtualization:** We design and implement server, storage and desktop virtualization solutions. Virtualization enables our customers to efficiently utilize hardware resources by running multiple, independent, virtual operating systems on a single computer and multiple virtual servers simultaneously on a single server. Virtualization also can separate a desktop environment and associated application software from the hardware device that is used to access it, and provides employees with remote desktop access. Our

specialists assist customers with the steps of implementing virtualization solutions, including evaluating network environments, deploying shared storage options and licensing platform software.

- Collaboration: We provide our customers with communication tools that allow employees to share knowledge, ideas and information among each other and with clients and partners effectively and quickly. Our collaboration solutions unite communications and applications via the integration of products that facilitate the use of multiple enterprise communication methods including email, instant messaging, presence, social media, voice, video, hardware, software, and services. We also host cloud-based collaboration solutions.

We provide value to our customers by simplifying the complexities of technology across design, selection, procurement, integration, and management. Our goal is to have our customers, regardless of their size, view us as an indispensable extension of their IT staffs. We seek to achieve this goal by providing our customers with superior service through our large and experienced sales force and service delivery teams. Our multi-brand offering approach enables us to identify the products or combination of products that best address each customer's specific organizational IT requirements and to evolve our offerings as new technologies develop.

12) Provide a general narrative description of your pricing model identifying how the model works (line item and/or published catalog percentage discount).

Our proposed model is a discount off of our Nationally Advertised Price (NAP), just like the current contract model.

We think this model continues to be a competitive and advantageous price offer for NJPA Members. The dynamic price structure updates automatically as our advertised price updates to market conditions and benchmarking. This ensures that we aren't leaving additional savings on the table, as is the case when a customer has to wait for a contract to be manually updated. We conduct a quarterly analysis of our CDW•G advertised price compared to advertised pricing available from our competitors on a random market basket of over 20,000 products to ensure that we meet or beat the competition on average. This discipline means that a contract structure built from CDW•G advertised is inherently more competitive than one built from another reseller.

To further increase savings to Members, we propose our discounts that align to our own internal catalog categories. This helps us provide deeper discounts where we can, instead of blanketing our catalog with one, more conservative, discount. Our proposed discounts are communicated to our Sales Teams as a ceiling or "not to exceed" price. More often than not, our AMs are able to negotiate even further discounts for NJPA members.

For included Professional Services, we propose our 2014-2015 advertised rates. As with our catalog pricing, we will update these hourly rates as our advertised rates are updated.

13) Please quantify the discount range presented in this response pricing as a percentage discount from MSRP/published list.

The discount amount varies by product category, the range is 0-13%. Our proposed pricing compared to the current contract offering provides further discounts in 78% of the categories, or an average additional 1.01% discount *per category*.

14) Provide an overall proposed statement of method of pricing for individual line items, percentage discount off published product/equipment catalogs and/or category pricing percentage discount with regard to all equipment/products and related services and being proposed. Provide a SKU number for each item being proposed.

Due to the size of our catalog, we ask that NJPA refer to <http://www.cdwg.com/njpa100614> for proposed items SKUs. The price reflects the applicable proposed category discount for each product. We've included the proposed category discounts in the supplemental attachments.

The single most important factor in a price model for this contract is the reference point from which price is calculated.

Respondents, who propose discounts from MSRP, or a manufacturer's list price, are often not providing the best value for Members. Such MSRP lists are infrequently updated and completely irrelevant to market conditions. In an

ever changing market like IT, this can mean prices in the industry lower dramatically before your contract prices. To further complicate things, not all OEMs have price lists, which results in a limited catalog offer, or a vendor selecting a price list on their own.

The misleading point of price discounts from a MSRP list price is that proposed discounts can seem more aggressive at first glance, but when comparing at a line item level, a dynamic catalog offer (like CDW•G's) gets Members their technology for a lower cost.

There are two major factors in the discrepancy. 1) Resellers do not buy most products at a discount from list, as described above, we are opportunistic and buy based on market conditions and then apply a standard range mark-up to arrive at Advertised price. 2) Resellers are able to get far more advantageous pricing, due in large part to the quantity of product we source from manufacturers and/or distribution partners. Because of our many intimate OEM partnerships and our buying power, CDW•G's NAP is historically far lower than MSRP.

The chart we've included to the right display three products that have been compared using the MSRP vs. CDW•G NAP Models. These charts highlight the variance in the relationship between the two indices and the lack of savings which MSRP price models produce, as compared to that of a dynamic price list such as CDW•G NAP.

As you can see, the discounts we are proposing look lower than the 20% MSRP discount, but provide over \$314 more, or nearly double the savings at the line item level.

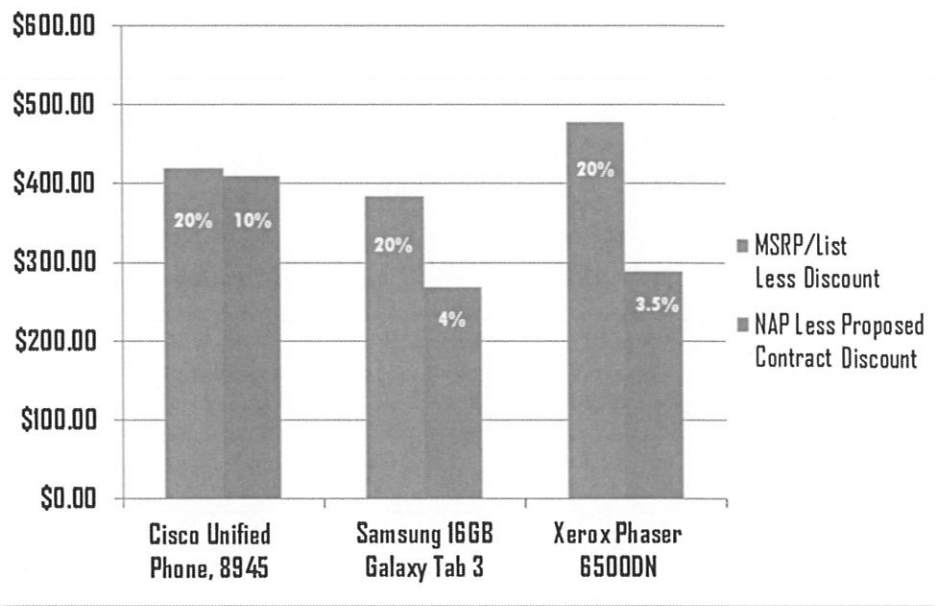


Figure 9: CDW•G's dynamic pricing model provides members the best value for their procurement dollar

The Xerox Phaser currently has an instant savings deals (until 10/31), which discounted the item \$200 more. We included this as an example because it demonstrates how we are able to incorporate further savings as they are available. This \$200 would not be recognized in an MSRP model.

As evidenced, selecting a partner like CDW•G that utilizes a dynamic price reference point allows for the extension of better pricing even with a lower discount number. Adding up all total discounts does not qualify savings unless NJPA is aware of where the prices originate. CDW•G's Nationally Advertised Price List, unlike an MSRP model, considers industry and buying trends and is automated. This benefits NJPA Members in many ways, including that price decreases are easily track-able and reportable by running a basic report. On the flip side, MSRP models require continuous monitoring and manual price adjustment entry for thousands of line items. With our model, we can simply query price changes, update the price index, and quickly and easily pass savings to NJPA members.

In summary, CDW•G's dynamic price model keeps NJPA's evaluation simple, and allows NJPA members to see more savings, faster. Even if a discount percentage is in the single digits (as noted in the CDW•G NAP Model above) it packs the offer with greater savings than that offered by the high discount, low realized savings MSRP model.

15) Propose a strategy, process, and specific method of facilitating “Sourced Equipment/Products and/or related Services” (AKA, “Open Market” items or “Non-Standard Options”).

Due to the routine partner reviews we perform, we rarely run into having to onboard new vendors or products. However, if a customer requests an item we, or our partners, do not carry, we'll follow the same set process we've described in response #45 in the Value Added section above. This defined process lowers our customers' exposure to the typical risks associated with such technology.

16) Describe your NJPA customer volume rebate programs, as applicable.

Under the contract, individual Members who purchase significantly larger amounts usually qualify for an additional discount on their purchase, nearly 65% of our prior four quarters of sales had adjustments for volume on at least one item on the order. We recommend Members work with their AM when expecting to make a large volume purchase. The Account Manager will work with manufacturer partners on behalf of his/her customer to achieve even greater than contract discounts. The discounts and effective savings are dependent on manufacturer support as well as the size and volume of the order. Depending on the product type the discounts can be anywhere from 2- 20% additional savings.

We're currently working with our vendor partners to secure contract specific discount programs. For example, Microsoft is compiling an NJPA discount program for their tablet line, which includes the same tablets you are using in your evaluation of our response. We'll continue collaborating with our partners throughout the contract duration to leverage the buying power of members and ensure the contract is still providing the best overall value.

17) Identify any Total Cost of Acquisition (as defined herein) cost(s) which is NOT included “Pricing” submitted with your proposal response. Identify to whom these charges are payable to and their relationship to Proposer.

Additional charges that may be applicable, which are not included in our submitted pricing include:

- Taxes – we will include applicable taxes as a separate itemized line on purchase orders of those customers for whom taxes apply
- CA Recycling Fee – California law requires us to fee certain products, such as monitors. Our systems are set up to have the fee tied to the applicable devices. This ensures the fee is automatically included, when required. Customers will see this fee included on their purchase orders as a separate line item from their devices.
- Late fees – Late fees will be charged in some instances of delayed payments past the agreed upon payment schedule. CDW•G collects the fee when resulting from a late payment to us. Our financing partners may have late fees as well; payments would be made directly to the financing company.
- Restocking fees – In certain instances we charge a restocking fee for returned items to offset a portion of these losses. For example, When CDW•G accepts a return on a BTO/CTO, our losses are significant- more than half the cost of the product is lost when we either b-stock or liquidate custom product. While these fees don't cover the loss of our returns, they help offset some of the deficit so we can continue to review out-of-policy returns for our customers.

While we believe this list includes all applicable costs, through the standard course of business there may be others that arise. In these instances, we will notify the customer prior to placing their order and will communicate to NJPA so that you can update the contract list as well.

18) If freight, delivery or shipping is an additional cost to the NJPA member, describe in detail the complete shipping and delivery program.

Shipping and handling will be included, for shipments/packages less than 70 pounds. All orders are subject to our standard shipping policies in place at the time of order placement. For orders that are larger than 70 pounds or call for express or overnight delivery, CDW•G pre-pays shipping costs and added to the customer invoice.

19) As an important part of the evaluation of your offer, indicate the level of pricing you are offering.

Prices offered in this proposal are:

- _____ a. Pricing is the same as typically offered to an individual municipality, Higher Ed or school

district.

_____ b. Pricing is the same as typically offered to GPOs, cooperative procurement organizations or state purchasing departments.

___X*___ c. Better than typically offered to GPOs, cooperative procurement organizations or state purchasing departments.

_____ d. Other; please describe.

*Generally and in aggregate, the pricing to NJPA members is lower than that offered to other cooperatives or state purchasing departments.

20) Do you offer quantity or volume discounts?

___X___ YES _____ NO Outline guidelines and program.

We offer a number of special pricing programs. In fact, we have more than 500 special pricing programs through our internal pricing registration requestor (the Bid Desk), the CDW Outlet, and the CDW Deal of the Week. We've outlined our approach to contract volume discounts in Question #16, above. Because of the variety of pricing opportunities we have available, guidelines are detailed by our Account Managers to Members at the time of inquiry.

In addition to the pricing programs noted above, we're working with our manufacturer partners to develop pricing programs specific to the NJPA contract, like the HP and Xerox programs available on the current contract.

21) Describe in detail your proposed exchange and return program(s) and policy(s).

We propose our standard return policy, which we've included in the supplemental materials.

22) Specifically identify those shipping and delivery and exchange and returns programs as they relate to Alaska and Hawaii and any related off shore delivery of contracted products/ equipment and related services

We provide these customers the same support we offer our customers in the continental US, there will be no differences in the programs. Even though the cost is greater to CDW•G for 2nd day air shipments, members will not be charged for these extra shipping charges. Palletization and large freight over 70 pounds are not included.

23) Please describe any self-audit process/program you plan to employ to verify compliance with your anticipated contract with NJPA. Please be as specific as possible.

Our account managers review and approve all orders before they send them on for processing. This helps eliminate potential errors made by purchasers. For orders placed online, only customers that are NJPA members can submit an order using the NJPA contract. Members and non-member both have access to NJPA pricing at <http://www.cdwg.com/njpa100614> and can add items to their cart. However, once the purchaser selects "checkout" they are promoted to login to their Account Center. Once logged in, if the customer is not an NJPA member, they cannot proceed to checkout with NJPA contract pricing. This automated audit process helps ensure contract users are also NJPA members. We've included screenshot walkthrough of this process in the supplemental attachments.

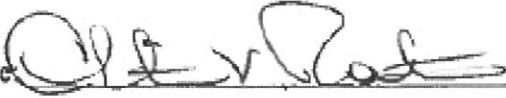
Mark and his team does a quarterly review of the NJPA sales report internally, before submitting to NJPA. Mark then works with Lindsey Meech to clarify any questions before he submits the administrative fee payment for processing. Once submitted, the payment request goes through about seven layers of review before it is approved and sent via ACH to NJPA. Mark and his team also conduct audits to review orders. These reviews make sure only members have access and are using the contract and to confirm contract pricing compliance.

INDUSTRY SPECIFIC ITEMS

24) If the Proposer is not a manufacturer, please describe your ability to provide letters of authorization to resell and/or provide services to support those products and services.

CDW•G is an authorized reseller for all items submitted in this offer. We can provide letters of authorization from both our OEMs and distribution partners, upon request. The 1,000+ manufacturer partners we boast are well established companies that we've negotiated additional benefits that we pass along to our customers. These benefits include incentives such as volume rebates, bid programs, price protection, and other programs. Through our distribution partners, we can provide nearly any available manufacturer. Our biggest manufacturer partners for the contract have provided letters of authorization to NJPA. In our supplementary documents, we include these and letters from our biggest distribution partners as proof of our abilities.

Signature



Date: 09.25.2014

Christina V. Rother, President CDW•G

QUOTE CONFIRMATION



DEAR JONATHAN DUMADAG ,

Thank you for considering CDW•G for your computing needs. The details of your quote are below. [Click here](#) to convert your quote to an order.

QUOTE #	QUOTE DATE	QUOTE REFERENCE	CUSTOMER #	GRAND TOTAL
1BTNKWJ	3/6/2018	EXCHANGE SERVER 2016	9563163	\$40,075.32

QUOTE DETAILS				
ITEM	QTY	CDW#	UNIT PRICE	EXT. PRICE
Microsoft Exchange Server 2016 Standard CAL - license - 1 device CAL Mfg. Part#: 381-04452 UNSPSC: 43232915 Electronic distribution - NO MEDIA Contract: NJPA 100614#CDW Technology Catalog (100614#CDW)	250	3847560	\$51.97	\$12,992.50
Microsoft Windows Server 2016 Standard Edition - license Mfg. Part#: 871147-B21 UNSPSC: 43233004 Electronic distribution - NO MEDIA Contract: NJPA 100614#CDW Technology Catalog (100614#CDW)	2	4526616	\$703.13	\$1,406.26
HPE Enterprise - hard drive - 300 GB - SAS 12Gb/s Mfg. Part#: 870753-B21 UNSPSC: 43201803 Contract: NJPA 100614#CDW Technology Catalog (100614#CDW)	6	4503467	\$409.19	\$2,455.14
HPE ProLiant DL380 Gen10 - rack-mountable - Xeon Silver 4110 2.1 GHz - 16 G Mfg. Part#: 875760-S01 UNSPSC: 43211501 Contract: NJPA 100614#CDW Technology Catalog (100614#CDW)	2	4708400	\$2,319.02	\$4,638.04
HPE Enterprise - hard drive - 1.2 TB - SAS 12Gb/s Mfg. Part#: 872479-B21 UNSPSC: 43201803 Contract: NJPA 100614#CDW Technology Catalog (100614#CDW)	12	4497524	\$623.39	\$7,480.68
HPE SmartMemory - DDR4 - 16 GB - DIMM 288-pin Mfg. Part#: 815098-B21 UNSPSC: 32101602 Contract: NJPA 100614#CDW Technology Catalog (100614#CDW)	2	4708367	\$288.52	\$577.04
HPE 562FLR-SFP+ - network adapter Mfg. Part#: 727054-B21 UNSPSC: 43201404 Contract: Arizona HP Enterprise NVP Computer Equipment (MNNVP-134 ADSP016-098209)	2	4084031	\$495.67	\$991.34
HPE - power supply - hot-plug / redundant - 500 Watt - 563 VA Mfg. Part#: 865408-B21 UNSPSC: 39121004	2	4708383	\$225.57	\$451.14

QUOTE DETAILS (CONT.)

Contract: Arizona HP Enterprise NVP Computer Equipment
(MNNVP-134 ADSP016-098209)

[Microsoft Windows Server 2016 - license](#)

250

4322503

\$26.25

\$6,562.50

Mfg. Part#: R18-05167

UNSPSC: 43233004

Electronic distribution - NO MEDIA

Contract: Arizona NVP Software (ADSP017-149774)

PURCHASER BILLING INFO**Billing Address:**

SAN LUIS CITY HALL
ACCTS PAYABLE
PO BOX 7740
SAN LUIS, AZ 85349-6816
Phone: (928) 627-2027

Payment Terms:**DELIVER TO****Shipping Address:**

SAN LUIS CITY HALL
ATTN: JONATHAN DUMADAG
PO BOX 7740
1090 E UNION STREET
SAN LUIS, AZ 85349-6816
Phone: (928) 627-2027
Shipping Method: FEDEX Ground

SUBTOTAL

\$37,554.64

SHIPPING

\$0.00

SALES TAX

\$2,520.68

GRAND TOTAL

\$40,075.32

Please remit payments to:

CDW Government
75 Remittance Drive
Suite 1515
Chicago, IL 60675-1515

Need Assistance? CDW•G SALES CONTACT INFORMATION

Alex Booker

(877) 862-3929

alexboo@cdwg.com

This quote is subject to CDW's Terms and Conditions of Sales and Service Projects at
<http://www.cdwg.com/content/terms-conditions/product-sales.aspx>
For more information, contact a CDW account manager

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AGENDA ITEM REVIEW FORM

Regular City Council Meeting

5.B.

Meeting Date: 03/14/2018

Department Head: Kay Macuil, City Attorney, Attorney's Office

Submitted By: Kay Macuil, City Attorney, Attorney's Office

Action Requested: Motion
Resolution

ITEM:

Discussion and possible action on any and all matters regarding Resolution No. 2035. A Resolution of the Mayor and City Council of the City of San Luis, Arizona adopting fees for small wireless facilities; repealing any conflicting provisions, and providing for severability. **(Kay Marion Macuil, City Attorney)**

SUMMARY:

On January 10, 2018, City Council passed Ordinance No. 377 which approved form license agreements for small wireless facilities in the city's right of way and on light poles. The Arizona Legislature in 2017 passed HB 2365 (ARS Sections 9-591 through 9-599 and 11-1801 through 1810) which allowed small wireless facilities to be installed "by right" on any public street and on light poles. Resolution No. 2035 sets fees as follows:

Application Fee – New or Replacement Pole	\$750.00	
Annual Right of Way Use Fee.	\$ 50.00	(for each facility in city's right of way or utility easements)
Annual City Pole Use Fee	\$ 50.00	(for each facility installed on a city-owned pole or on a city-owned wireless support structure in the city's right of way or utility easements)

This fee has been noticed in the City of San Luis's website for the requisite 60 days.

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO APPROVE AND ADOPT RESOLUTION 2035.

Supporting information not attached to the Agenda Item Review Form:

N/A

Fiscal Impact

IS THERE FISCAL IMPACT ASSOCIATED WITH THIS ITEM:	No
CITY/STATE/FEDERAL FUNDS:	N/A
TOTAL:	N/A
BUDGETED AMOUNT:	N/A
AVAILABLE AMOUNT TO TRANSFER:	N/A
ACCT NAME & GL#/REMAINING BALANCE BEFORE PURCHASE:	N/A

FISCAL IMPACT STATEMENT (IF THIS IS A BUDGET TRANSFER, YOU MUST ATTACH THE BUDGET ADJUSTMENT FORM):

It is not expected that there will be many applications for small wireless facilities to be placed on public streets or on light poles. Any cost or revenue to San Luis is expected to be negligible.

Attachments

Res No. 2035

Notice of Fees



Resolution

No. 2035

OFFICE OF THE
MAYOR
CITY OF SAN LUIS

**A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF
SAN LUIS, ARIZONA ADOPTING FEES FOR SMALL WIRELESS FACILITIES;
REPEALING ANY CONFLICTING PROVISIONS, AND PROVIDING FOR
SEVERABILITY.**

WHEREAS, in 2017 the Arizona Legislature adopted HB 2365 which allowed small wireless facilities to be installed “by right” in all zoning districts and on any public street; and

WHEREAS, the City of San Luis adopted Ordinance 377 which approved (1) design standards, concepts and requirements; (2) forms of license agreements for wireless facilities and (3) standard terms and conditions for such agreements;

BE IT RESOLVED by the Mayor and City Council of the City of San Luis, Arizona, as follows:

Section 1. Fees for small wireless facilities shall be as follows:

- (A) Application Fee – New or Replacement Pole \$750.00
- (B) Annual Right of Way Use Fee. \$ 50.00
(for each facility in City’s right of way or utility easements)
- (C) Annual City Pole Use Fee \$ 50.00
(for each facility installed on a City-owned pole or on a City-owned wireless support structure in the City’s right of way or utility easements)

Section 2. In the event of a conflict between the provisions of this resolution and any other ordinance, resolution, regulation, or policy of the City of San Luis, the conflicting provisions are hereby repealed, superseded, and replaced, and the provisions of this resolution shall govern.

Section 3. If any section, subsection, sentence, clause, phrase, or portion of this resolution is for any reason held to be invalid or unconstitutional by the final decision of any court of competent jurisdiction, such decision shall not affect the validity of the

remaining portions of this resolution.

PASSED, ADOPTED and APPROVED by the Mayor and City Council of the City of San Luis, Yuma County, Arizona this ____ day of March 2018

Gerardo Sanchez, Mayor

ATTEST:

APPROVED AS TO FORM:

Sonia Cornelio, City Clerk

Kay Marion Macuil, City Attorney

Posted on: January 2, 2018

NOTICE OF PROPOSED RATES AND FEES FOR WIRELESS PROVIDERS AND COMMUNICATIONS LICENSES

PLEASE TAKE NOTICE that that the City of San Luis, Arizona is considering possible establishing rates and fees for establishing wireless communications facilities in municipal rights of way. The proposed rates and fees will not exceed the amounts recommended by the League of Arizona Cities and Towns as contained in their publication entitled "Legislative Implementation Guidelines- HB 2365 Wireless Facilities; Rights-of-Way Guide", a copy of which is on file with the City Clerk, and available for public inspection during normal business hours. The City Council of the City of San Luis may consider and take action to adopt the proposed rates and fees at its regular meeting on March 14, 2018 at 7:00 p.m. at the Council Chambers of the City of San Luis, 1090 E. Union Street, San Luis, Arizona, 85349.



AGENDA ITEM REVIEW FORM

Regular City Council Meeting

5.C.

Meeting Date: 03/14/2018

Department Head: Kay Macuil, City Attorney, Attorney's Office

Submitted By: Kay Macuil, City Attorney, Attorney's Office

Action Requested: Motion
Resolution

ITEM:

Discussion and possible action on any and all matters regarding Resolution No. 2037. A resolution of the Mayor and City Council of the City of San Luis, Arizona for a rumble strip project on Juan Sanchez Boulevard authorizing and directing the entering into an Intergovernmental Agreement between the State of Arizona and City of San Luis and declaring an emergency. **(Eulogio Vera, Director of Public Works)**

SUMMARY:

This project will be funded by Federal Highway Administration (FHWA) for \$318,374.00 as itemized on Exhibit A of the attached draft Intergovernmental Agreement (IGA). The improvements proposed in this IGA include the design, construction, and installation in **Juan Sanchez Blvd. from 10th Avenue to Avenue E** of:

- centerline rumble strip;
- thermoplastic pavement markings,
- raised pavement markers,
- new signs and
- associated work.

The Arizona Department of Transportation (ADOT) will administer the design and advertise, bid and award the construction phase of the project.

The City of San Luis will be responsible for project costs that exceed initial estimates.

This measure is to pass as an emergency measure because ADOTs work is lined up for the project and delay could cause cost overruns which the city would be responsible for any other consequences. Emergency resolution becomes effective on the day of passage rather than the usual 30 days.

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO APPROVE AND ADOPT RESOLUTION NO. 2037 AND DECLARE AN EMERGENCY.

Supporting information not attached to the Agenda Item Review Form:

Final Versions to be provided before or at the Council Meeting

Fiscal Impact

IS THERE FISCAL IMPACT ASSOCIATED WITH THIS ITEM:

No

CITY/STATE/FEDERAL FUNDS:

N/A

TOTAL: 0
BUDGETED AMOUNT: 0
AVAILABLE AMOUNT TO TRANSFER: N/A
ACCT NAME & GL#/REMAINING BALANCE BEFORE PURCHASE: N/A

FISCAL IMPACT STATEMENT (IF THIS IS A BUDGET TRANSFER, YOU MUST ATTACH THE BUDGET ADJUSTMENT FORM):

The project will be fully funded by FHWA funds. In the event that project costs exceed the available FHWA funding, the City will fund the exceeded amount, though it is unlikely.

Attachments

Resolution No. 2037
IGA ADOT JSB Rumble Strip



Resolution

OFFICE OF THE
MAYOR
CITY OF SAN LUIS

No. 2037

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF SAN LUIS, ARIZONA FOR A RUMBLE STRIP PROJECT ON JUAN SANCHEZ BOULEVARD AUTHORIZING AND DIRECTING THE ENTERING INTO AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE STATE OF ARIZONA AND CITY OF SAN LUIS AND DECLARING AN EMERGENCY

BE IT RESOLVED by the Mayor and City Council of the City of San Luis, Arizona, as follows:

Section 1. It is deemed in the best interest of City of San Luis and its residents that the city enter into an Intergovernmental Agreement with the State of Arizona through its Arizona Department of Transportation (ADOT) for the design, construction, and installation of centerline rumble strips, thermoplastic pavement markings, raised pavement markers, new signs and associated work on Juan Sanchez Blvd. from 10th Avenue (Avenue H) to Avenue E (SR 195), (the "Project"). The State will administer the design and advertise, bid and award the construction phase of the Project.

Section 2. A true copy of said Intergovernmental Agreement is incorporated herein as though fully set forth again in full.

Section 3. The Mayor or City Manager and his designee are hereby authorized and directed to execute this Intergovernmental Agreement on behalf of the City of San Luis and to take any and all actions as may be necessary to put the agreement into effect.

Section 4. The San Luis City Clerk and her designee are authorized and directed to maintain this Intergovernmental Agreement in the official files of the City Clerk and to deliver it to the Arizona Department of Transportation.

Section 5. It is necessary for the preservation of the peace, health and safety of the City of San Luis, Arizona, an emergency is declared to exist, and this resolution shall become immediately operative and in force from and after the date of posting hereof.

[Intentionally left blank, signature page follows]

PASSED, ADOPTED and APPROVED by the Mayor and City Council of the City of San Luis, Yuma County, Arizona this ____ day of March 2018

Gerardo Sanchez, Mayor

ATTEST:

APPROVED AS TO FORM:

Sonia Cornelio, City Clerk

Kay Marion Macuil, City Attorney

ADOT CAR No.: IGA 17-0006734-I
AG Contract No.: P0012018000623
Project Location/Name: Juan Sanchez
Blvd; 10th Ave-Avenue E (SR 195)
Type of Work: Rumble Strip
Improvements
Federal-aid No.: HSIP-SLS-0(204)T
ADOT Project No.: T0165 01D/01C
TIP/STIP No.: SL18-01C
**CFDA No.: 20.205 - Highway Planning
and Construction**
Budget Source Item No.: N/A

INTERGOVERNMENTAL AGREEMENT

BETWEEN
THE STATE OF ARIZONA
AND
CITY OF SAN LUIS

THIS AGREEMENT is entered into this date _____, pursuant to the Arizona Revised Statutes §§ 11-951 through 11-954, as amended, between the STATE OF ARIZONA, acting by and through its DEPARTMENT OF TRANSPORTATION (the "State" or "ADOT") and the CITY OF SAN LUIS, acting by and through its MAYOR and CITY COUNCIL (the "City"). The State and the City are collectively referred to as "Parties".

I. RECITALS

1. The State is empowered by Arizona Revised Statutes § 28-401 to enter into this Agreement and has delegated to the undersigned the authority to execute this Agreement on behalf of the State.
2. The City is empowered by Arizona Revised Statutes § 48-572 to enter into this Agreement and has by resolution, a copy of which is attached and made a part of, resolved to enter into this Agreement and has authorized the undersigned to execute this Agreement on behalf of the City.
3. The improvements proposed in this Agreement, include the design, construction, and installation of centerline rumble strips, thermoplastic pavement markings, raised pavement markers, new signs and associated work on Juan Sanchez Blvd. from 10th Avenue (Avenue H) to Avenue E (SR 195), (the "Project"). The State will administer the design and advertise, bid and award the construction phase of the Project.
4. The interest of the State in this Project is the acquisition of federal funds for the use and benefit of the City and authorization of such federal funds for the Project pursuant to federal law and regulations. The State shall be the designated agent for the City for the Project, if the Project is approved by Federal Highway Administration (FHWA) and funds for the Project are available.

5. The Parties agree that the City and ADOT will each separately file a Notice of Intent (NOI) under the Construction General Permit (CGP) with the Arizona Department of Environmental Quality (ADEQ) before construction begins, if applicable to the Project.
6. The Parties acknowledge that the final Project amount may exceed the initial estimate(s) identified in Exhibit A, and in such case, the City is responsible for, and agrees to pay, any and all actual costs exceeding the initial estimate. If the final bid amount is less than the initial estimate, the difference between the final bid amount and the initial estimate will be de-obligated or otherwise released from the Project. The City acknowledges it remains responsible for, and agrees to pay according to the terms of this Agreement, any and all actual costs exceeding the programmed amount.
7. The Parties will perform their responsibilities consistent with this Agreement, and any change or modification to the Project will only occur with the mutual written consent of both Parties.
8. The Project will be performed, completed, accepted and paid for in accordance with the requirements of the Project plans and specifications.

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

II. SCOPE OF WORK

1. The State will:
 - a. Execute this Agreement, and if the Project is approved by FHWA and funds for the Project are available, be the City designated agent for the Project.
 - b. Prepare and provide all documents pertaining to the design and post-design of the Project, incorporating comments from the City, as appropriate. Review and approve documents required by FHWA to qualify the Project for and to receive federal funds. Perform tasks that may consist of, but are not limited to, preparation of environmental documents; analysis and documentation of environmental categorical exclusion determinations; geologic materials testing and analysis; right-of-way related activities; preparation of reports, design plans, maps, specifications and cost estimates and other related tasks essential to the development of the Project.
 - c. Submit all required documentation pertaining to the Project to FHWA with the recommendation that the maximum federal funds programmed for this Project be approved for scoping/design. After receipt of FHWA authorization, proceed to advertise for and enter into contract(s) with the consultant(s) for the design and post design of the Project. Should costs exceed the maximum federal funds available it is understood and agreed that the City will be responsible for any overage.
 - d. Submit all required documentation to FHWA with the recommendation that the maximum federal funds programmed for construction of this Project be approved.

Should costs exceed the maximum federal funds available, it is understood and agreed that the City will be responsible for any overage.

- e. After receipt of FHWA authorization, proceed to administer construction, advertise for, receive and open bids, award and enter into a contract with the firm for the construction of the Project. If the bid amounts exceed the construction cost estimate, obtain City concurrence prior to awarding the contract. After the Project is awarded, invoice the City for the difference between estimated and actual costs, if applicable.
- f. Notify the City of substantial completion and final acceptance of the Project. At such time, file a Notice of Termination (NOT) with ADEQ transferring CGP responsibilities to the City, and provide a copy to the City indicating that the State's maintenance responsibility of the Project is terminated, as applicable.
- g. Notify the City of substantial completion and final acceptance of the Project; coordinate with the City and turn over full responsibility of the Project improvements.
- h. Not be obligated to maintain the Project, should the City fail to budget or provide for proper and perpetual maintenance as set forth in this Agreement.

2. The City will:

- a. Designate the State as the City's authorized agent for the Project.
- b. Review design plans, specifications, cost estimates and other such documents required for the construction bidding and construction of the Project, including scoping/design plans and documents required by FHWA to qualify projects for and to receive federal funds; provide design review comments within two weeks of receipt to the State as appropriate.
- c. Be responsible for all costs incurred in performing and accomplishing the work as set forth under this Agreement, that are not covered by federal funding. Should costs be deemed ineligible or exceed the maximum federal funds available, it is understood and agreed that the City is responsible for these costs; payment for these costs shall be made within 30 days of receipt of an invoice from the State.
- d. Certify that all necessary rights-of-way have been or will be acquired prior to advertisement for bid and also certify that all obstructions or unauthorized encroachments of whatever nature, either above or below the surface of the Project area, shall be removed from the proposed right-of-way, or will be removed prior to the start of construction, in accordance with The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as amended; 49 CFR 24.102 Basic Acquisition Policies; 49 CFR 24.4 Assurances, Monitoring and Corrective Action, parts (a) & (b) and ADOT ROW Manual: 8.02 Responsibilities, 8.03 Prime Functions, 9.06 Monitoring Process and 9.07 Certification of Compliance. Coordinate with the appropriate State's Right-of-Way personnel during any right-of-way process performed by the City, if applicable.

- e. Certify that the City has adequate resources to discharge the City's real property related responsibilities and ensures that its Title 23-funded projects are carried out using the FHWA approved and certified ADOT Right of Way Procedures Manual and that they will comply with current FHWA requirements whether or not the requirements are included in the FHWA approved ADOT Right of Way Procedures Manual. (23 CFR 710.201)
- f. Not permit or allow any encroachments on, or private use of, the right-of-way, except those authorized by permit. In the event of any unauthorized encroachment or improper use, the City shall take all necessary steps to remove or prevent any such encroachment or use.
- g. Automatically grant to the State, by execution of this Agreement, its agents and/or contractors, without cost, the temporary right to enter City rights-of-way, as required, to conduct any and all construction and preconstruction related activities for the Project, on, to and over said City rights-of-way. This temporary right will expire with completion of the Project.
- h. Investigate and document utilities within the Project limits; submit findings to ADOT determining prior rights or no prior rights; approve an easement within the final right-of-way to re-establish the prior right location for those utilities with prior rights.
- i. Be obligated to incur any expenditure should unforeseen conditions or circumstances increase Project costs. Be responsible for the cost of any City-requested changes to the scope of work of the Project; such changes will require State and FHWA approval. Be responsible for any contractor claims for additional compensation caused by Project delay attributable to the City. Payment for these costs will be made to the State within 30 days of receipt of an invoice from the State.
- j. After notification of final acceptance by the State, assume and maintain full responsibility of the Project, including Storm Water Pollution Prevention Plans (SWPPP) inspections, maintenance, and required documentation, until final stabilization is reached. Provide the NOI number to the State and the Contractor, accept CGP responsibilities at time of transfer, and file an NOT with ADEQ when final stabilization is reached, as applicable.
- k. After completion and final acceptance of the Project, agree to maintain and assume full responsibility of the Project and all Project components.
- l. Pursuant to 23 USC 102(b), repay all federal funds reimbursements for preliminary engineering costs on the Project if it does not advance to right of way acquisition or construction within 10 years after federal funds were first made available.

III. MISCELLANEOUS PROVISIONS

1. This Agreement shall become effective upon signing and dating of the Determination Letter by the State's Attorney General.

2. The terms, conditions and provisions of this Agreement shall remain in full force and effect until completion of the Project and all related deposits and/or reimbursements are made. Any provisions for maintenance shall be perpetual, unless assumed by another competent entity.
3. This Agreement may be cancelled at any time prior to the award of the Project contract and after 30 days written notice to the other Party. It is understood and agreed that, in the event the City terminates this Agreement, the City shall be responsible for all costs incurred by the State up to the time of termination. It is further understood and agreed that in the event the City terminates this Agreement, the State shall in no way be obligated to complete or maintain the Project.
4. The City shall indemnify, defend, and hold harmless the State, any of its departments, agencies, officers or employees (collectively referred to in this paragraph as the "State") from any and all claims, demands, suits, actions, proceedings, loss, cost and damages of every kind and description, including reasonable attorneys' fees and/or litigation expenses (collectively referred to in this paragraph as the "Claims"), which may be brought or made against or incurred by the State on account of loss of or damage to any property or for injuries to or death of any person, to the extent caused by, arising out of, or contributed to, by reasons of any alleged act, omission, professional error, fault, mistake, or negligence of the City, its employees, officers, directors, agents, representatives, or contractors, their employees, agents, or representatives in connection with or incident to the performance of this Agreement. The City's obligations under this paragraph shall not extend to any Claims to the extent caused by the negligence of the State, except the obligation does apply to any negligence of the City which may be legally imputed to the State by virtue of the State's ownership or possession of land. The City's obligations under this paragraph shall survive the termination of this Agreement.
5. The State shall include Section 107.13 of the 2008 version of the Arizona Department of Transportation Standard Specifications for Road and Bridge Construction, incorporated to this Agreement by reference, in the State's contract with any and all contractors, of which the City shall be specifically named as a third-party beneficiary. This provision may not be amended without the approval of the City.
6. The cost of scoping, design, construction and construction engineering work under this Agreement is to be covered by the federal funds programmed for this Project, up to the maximum available. The City acknowledges that actual Project costs may exceed the maximum available amount of federal funds, or that certain costs may not be accepted by FHWA as eligible for federal funds. Therefore, the City agrees to pay the difference between actual costs of the Project and the federal funds received.
7. Should the federal funding related to this Project be terminated or reduced by the federal government, or Congress rescinds, fails to renew, or otherwise reduces apportionments or obligation authority, the State shall in no way be obligated for funding or liable for any past, current or future expenses under this Agreement.
8. The cost of the Project under this Agreement includes indirect costs approved by FHWA, as applicable.

9. The Parties warrant compliance with the Federal Funding Accountability and Transparency Act of 2006 and associated 2008 Amendments (the "Act"). Additionally, in a timely manner, the City will provide information that is requested by the State to enable the State to comply with the requirements of the Act, as may be applicable.
10. The City acknowledges that as a condition to receiving any federal financial assistance from the U.S. Department of Transportation (DOT), through FHWA and ADOT, the City is subject to and will comply with the following: Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin); 49 C.F.R. Part 21 (entitled Non-discrimination In Federally-Assisted Programs Of The Department Of Transportation--Effectuation Of Title VI Of The Civil Rights Act Of 1964); 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964); 23 C.F.R. Part 200 Subchapter C-Civil Rights (Title VI program implementation and related statutes). The City has agreed to and signed Title VI Assurances as required by the US DOT Order 1050.2A. The Title VI Assurances are incorporated into this Agreement as set forth herein and attached hereto in full as Attachment One.
11. The City acknowledges compliance with federal laws and regulations and may be subject to the CODE OF FEDERAL REGULATIONS, TITLE 2, PART 200 (also known as The Uniform Grant Guidance). Entities that expend \$750,000.00 or more (on or after 12/26/14) of federal assistance (federal funds, federal grants, or federal awards) are required to comply by having an independent audit in accordance with §200.331 Subpart F. Either an electronic or hardcopy of the Single Audit is to be sent to Arizona Department of Transportation Financial Management Services within the required deadline of nine months of the sub recipient fiscal year end.

ADOT – FMS
Attn: Cost Accounting Administrator
206 S 17th Ave. Mail Drop 204B
Phoenix, AZ 85007
SingleAudit@azdot.gov
12. This Agreement shall be governed by and construed in accordance with Arizona laws.
13. This Agreement may be cancelled in accordance with Arizona Revised Statutes § 38-511.
14. To the extent applicable under law, the provisions set forth in Arizona Revised Statutes §§ 35-214 and 35-215 shall apply to this Agreement.
15. This Agreement is subject to all applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and all applicable federal regulations under the Act, including 28 CFR Parts 35 and 36. The Parties to this Agreement shall comply with Executive Order Number 2009-09 issued by the Governor of the State of Arizona and incorporated in this Agreement by reference regarding "Non-Discrimination".
16. Non-Availability of Funds: Every obligation of the State under this Agreement is conditioned upon the availability of funds appropriated or allocated for the fulfillment of such obligations. If funds are not allocated and available for the continuance of this Agreement, this Agreement may be terminated by the State at the end of the period for which the funds

are available. No liability shall accrue to the State in the event this provision is exercised, and the State shall not be obligated or liable for any future payments as a result of termination under this paragraph.

17. In the event of any controversy, which may arise out of this Agreement, the Parties agree to abide by required arbitration as is set forth for public works contracts in Arizona Revised Statutes § 12-1518.
18. The Parties shall comply with the applicable requirements of Arizona Revised Statutes § 41-4401.
19. The Parties shall comply with the applicable requirements of Arizona Revised Statutes § 35-393.01.
20. The Parties shall comply with all applicable laws, rules, regulations and ordinances, as may be amended.
21. 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:

For Agreement Administration:

Arizona Department of Transportation
Joint Project Agreement Section
205 S. 17th Avenue, Mail Drop 637E
Phoenix, AZ 85007
JPABranch@azdot.gov

City of San Luis
Attn: Kay Marion Macuil
City Attorney
1090 E. Union Street
(by in-person delivery)
P.O. Box 1170 (by mail)
San Luis, Arizona 85349
Phone (928) 341-8526
Fax (928) 722-0263
kmacuil@cityofsanluis.org

For Project Administration:

Arizona Department of Transportation
Project Management Group
205 S. 17th Avenue, Mail Drop 614E
Phoenix, AZ 85007
602.712.7545

City of San Luis
Attn: Eulogio Vera,
Public Works Director
1090 E. Union Street
(by in-person delivery)
P.O. Box 3750 (by mail)
San Luis, Arizona 85349
Phone (928) 341-8577
Fax (928) 341-8599
evera@cityofsanluis.org

For Financial Administration:

Arizona Department of Transportation
Project Management Group
205 S. 17th Avenue, Mail Drop 614E
Phoenix, AZ 85007
602.712.7545

City of San Luis
Attn: Monica Castro
Finance Director
1090 E. Union Street
(by in-person delivery)
P.O. Box 7740 (by mail)
San Luis, Arizona 85349

Phone (928) 341-8553
Fax (928) 341-8549
Mcastro@cityofsanluis.org

22. In accordance with Arizona Revised Statutes § 11-952 (D) attached and incorporated in this Agreement is the written determination of each Party's legal counsel that the Parties are authorized under the laws of this State to enter into this Agreement and that the Agreement is in proper form.

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

CITY OF SAN LUIS

STATE OF ARIZONA

Department of Transportation

By _____
GERARDO SANCHEZ
Mayor

By _____
STEVE BOSCHEN, P.E.
Division Director

ATTEST:

By _____
SONIA CORNELIO
City Clerk

ATTORNEY APPROVAL FORM FOR THE CITY OF SAN LUIS

I have reviewed the above referenced Intergovernmental Agreement between the State of Arizona, acting by and through its DEPARTMENT OF TRANSPORTATION, and the CITY OF SAN LUIS, an agreement among public agencies which, has been reviewed pursuant to Arizona Revised Statutes §§ 11-951 through 11-954 and declare this Agreement to be in proper form and within the powers and authority granted to the City under the laws of the State of Arizona.

No opinion is expressed as to the authority of the State to enter into this Agreement.

DATED this _____ day of _____, 2018.

Kay Marion Macuil
City Attorney

EXHIBIT A

IGA 17-0006734-I Cost Estimate

T0165 01D/01C

The federal funds will be used for the scoping/design and construction of the Project, including the construction engineering and administration cost (CE). The estimated Project costs are as follows:

T016501D (scoping/design):

FHWA's contribution @ 100%	\$ 130,000.00
Subtotal – Scoping/Design/PDA*	\$ 130,000.00

T016501C (construction):

FHWA's contribution @ 100%	\$ 188,374.00
Subtotal – Construction**	\$ 188,374.00
Estimated TOTAL Project Cost	\$ 318,374.00
Total Federal Funds	\$ 318,374.00

* (Includes ADOT Project Development Administration (PDA) Costs)

** (Includes 15% CE (this percentage is subject to change, any change will require concurrence from the City) and 5% Project contingencies)



AGENDA ITEM REVIEW FORM

Regular City Council Meeting

5.D.

Meeting Date: 03/14/2018

Department Head: Kay Macuil, City Attorney, Attorney's Office

Submitted By: Kay Macuil, City Attorney, Attorney's Office

Action Requested: Motion
Ordinance - 1st Reading

ITEM:

Discussion and possible action on any and all matters regarding Ordinance No. 380. An ordinance of the Mayor and City Council of the City of San Luis, Arizona amending the San Luis City Code Title IX, Chapter 95 relating to animals by adding Sections 95.04 through 95.07 regarding dangerous dogs; repealing any conflicting provisions; providing for penalties; and providing for severability. **(Richard Jessup, Acting Chief of Police)**

A. Action on reading of Ordinance No. 380 by title only.

(City Clerk to read Ordinance by title only)

B. Action on Ordinance No. 380.

SUMMARY:

This ordinance is to address dogs getting loose and attacking animals and people. These dogs present a danger to the public. This ordinance provides a procedure through the Municipal Court that the dog may be declared dangerous if solid reasons exist. There are options for the Municipal Court to issue orders that it deems appropriate under the circumstances. These options range from requiring the dog to be kept in a proper enclosure or enclosed yard to ordering the destruction of the dog. The ordinance protects dog owner's rights as well. The dog owner gets notice and an opportunity to be heard. Under this ordinance, it is unlawful to keep a dangerous dog except under the conditions ordered by the Court. Violations will be penalized by San Luis City Code Section 95.99 as a Class 2 Misdemeanor, which is a \$750 fine or 4 months in jail, each day of a violation is a separate violation.

In addition to the proposed ordinance, staff has attached a legal memorandum and easy-to-use forms for filing in court and giving notice to the dog owner.

RECOMMENDATION / SUGGESTED MOTION:

A. I MOVE TO APPROVE READING OF ORDINANCE NO. 380 BY TITLE ONLY.

(City Clerk to read ordinance by title only)

B. I MOVE TO APPROVE AND ADOPT ORDINANCE NO. 380.

Supporting information not attached to the Agenda Item Review Form:

N/A

Fiscal Impact

IS THERE FISCAL IMPACT ASSOCIATED WITH THIS ITEM:

No

CITY/STATE/FEDERAL FUNDS: N/A

TOTAL: N/A

BUDGETED AMOUNT: N/A

AVAILABLE AMOUNT TO TRANSFER: N/A

ACCT NAME & GL#/REMAINING BALANCE BEFORE PURCHASE: N/A

FISCAL IMPACT STATEMENT (IF THIS IS A BUDGET TRANSFER, YOU MUST ATTACH THE BUDGET ADJUSTMENT FORM):

There are filing and penalty fees associated with this item, but they are not anticipated to generate any appreciable amount of revenue. The Court may waive the filing fee. The purpose of this Ordinance is not to generate funds but instead have a fair mechanism for dealing with dangerous dogs for the safety of the community.

Attachments

Ordinance 380 Dangerous Dogs

Legal Memo

Dangerous Dog Petition Form

Dangerous Dog Summons Form



Ordinance

OFFICE OF THE
MAYOR
CITY OF SAN LUIS

No. 380

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF THE CITY OF SAN LUIS, ARIZONA AMENDING THE SAN LUIS CITY CODE TITLE IX, CHAPTER 95 RELATING TO ANIMALS BY ADDING SECTIONS 95.04 THROUGH 95.07 REGARDING DANGEROUS DOGS; REPEALING ANY CONFLICTING PROVISIONS; PROVIDING FOR PENALTIES; ESTABLISHING AN EFFECTIVE DATE AND PROVIDING FOR SEVERABILITY.

BE IT ORDAINED by the Mayor and Council of the City of San Luis, Arizona as follows:

Section 1. That Title IX, Chapter 95, of the San Luis City Code relating to Animals, be amended by adding Sections 95.04 through 95:07 regarding Dangerous Dogs to read as follows:

§95.04 DANGEROUS DOG DEFINITIONS.

As used in this ordinance on dangerous dogs, the following terms shall have the following meanings, unless the context clearly indicates that a different meaning is intended:

DANGEROUS DOG. Any dog which is capable of inflicting death or serious injury on a person or another animal and which:

- (1) Has, without provocation, attacked or bitten a person engaged in a lawful activity; or
- (2) Has, while off the property of its owner and without provocation, killed or seriously injured another animal; or
- (3) Has exhibited a propensity, tendency or disposition to attack, bite, scratch, or otherwise inflict or cause injury or threaten the safety of persons or other animals without provocation; or

(4) Has a propensity to approach human beings, without provocation, in a menacing or terrorizing manner so as to confine movement of or instill fear in a reasonable person; or

(5) Has acted in a manner that causes or should cause its owner to know that the dog is potentially dangerous; and

(6) Is declared dangerous after a hearing before a San Luis City municipal judge.

(7) This definition does not apply to dogs utilized by law enforcement.

DOG. The word "dog" shall include a dog of any age, both the male and female sex of the *Canis familiaris* family.

§95.05 DANGEROUS DOG DETERMINATION.

(A) Any person having reasonable grounds to believe a dog is dangerous may petition the Municipal Court for a determination that the dog is dangerous. A petition by an enforcement officer of the City shall be based upon an investigation and a determination by the officer or other officers that reasonable grounds exist to believe the dog to be dangerous.

(B) Any time after the petition is filed, the court may, if it finds there are reasonable grounds to believe that the dog poses a risk of injury to any person or is dangerous as defined in §95.03, order that the animal be impounded on such terms as the court deems necessary to protect public safety.

(C) After notice to the owner or the person found in control of the dog, the Municipal Court shall conduct a hearing. The hearing shall be informal and open to the public. Hearings and appeals shall be conducted, as nearly as practicable, in accordance with the Rules of Procedure in Civil Traffic and Civil Boating Violations. Any owner or person having control of the dog who fails to appear after notice may be deemed to have waived any right to introduce evidence.

(D) A dangerous dog determination may be conducted with and as a part of a criminal proceeding if dangerousness is alleged in the complaint.

(E) Any fee for filing a petition or fees for service of hearing notices pursuant to this section may be deferred or waived by the court.

§95.06 DISPOSITION OF DANGEROUS DOGS.

Upon determining a dog to be dangerous, the court shall enter such orders as it deems necessary to protect the public. Any such orders shall be at the expense of the owner. The court may order, but is not limited to, the following:

(1) that the owner of the dangerous dog display in a prominent place on the premises where the dog is kept a sign in three-inch letters, both in English and Spanish, easily readable by the public, using the words "Vicious Dog" and its equivalent in Spanish;

(2) that the owner obtain public liability insurance for a single incident amount of at least \$250,000 for bodily injury or death of any person or for damage to property caused by the dangerous dog;

(3) that the dog at all times be securely confined indoors or in a securely enclosed and locked pen or kennel, except when leashed and muzzled;

(4) that the dog be microchipped or tattooed or both;

(5) that the dog be spayed or neutered;

(6) that the dog be destroyed.

§95.07 KEEPING DANGEROUS DOG UNLAWFUL.

It shall be unlawful for any person to keep any dangerous dog except in compliance with an order of the court issued pursuant to §95.06.

Section 2: In the event of a conflict between the provisions of this Ordinance and any other ordinance, resolution, regulation, code, or policy of the City of San Luis, the conflicting provisions are hereby repealed, suspended, and replaced, and the provisions of this Ordinance shall govern.

Section 3: If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is for any reason held to be invalid or unconstitutional by the final decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance.

[Intentionally left blank, signature page follows]

PASSED, ADOPTED and APPROVED by the Mayor and City Council of the City of San Luis, Yuma County, Arizona this ____day of _____, 2018.

Gerardo Sanchez, Mayor

ATTEST:

APPROVED AS TO FORM:

Sonia Cornelio, City Clerk

Kay Marion Macuil, City Attorney

Legal Memorandum

City of San Luis

To: Mayor and City Council
From: Kay Marion Macuil, City Attorney
Copy: City Manager, Acting Chief of Police, San Luis Prosecutor, and San Luis Municipal Magistrate
Date: March 7, 2018
Re: Ordinance No. 380
Dangerous Dogs Procedure

The Police Department has responded to severe incidents of dogs attacking animals and people in our community and requested more tools to deal with these situations.

Assistant City Attorney Glenn Gimbut researched the approaches to dealing with Dangerous Dogs and melding the International Municipal Lawyers Association's Model Ordinance with an Arizona ordinance, which has been in place since 1997 in Phoenix. This memo repeats his memo with only minor changes.

The Legal Issue

Pets are property under the law. Under the U.S. Constitution's 5th and 14th Amendments, governments cannot take property without due process. Due process is meaningful notice and opportunity for a hearing before the government takes property. However, the government also has the power to act in the interests of the public health, safety, and welfare.

So, the questions in the law have been:

Do the police have the power to put down a dog on-the-spot the police believe to be dangerous?

Alternatively,

must the dog-owners have a chance to have their side of the story heard under their constitutional rights to property?

Trend in the Law

Nationally, the trend is to treat dangerous dogs as Constitutionally protected property. As an example see *Rabon v. City of Seattle*, 107 Wash.App. 734, 34 P.3d 821 (Ct. App. Div.1, 2001). As stated in 7 McQuillin Mun. Corp. § 24:292 (3d ed.):

The view has been taken that authority to regulate the keeping of dogs under the penalty of having them summarily destroyed without previous adjudication is within the police power.

However, the view has been taken that a dog cannot be destroyed under a vicious-dog ordinance without giving notice and an opportunity of being heard to its owner.

In Arizona, ARS §11-1014 on biting animals requires notice and hearing before an animal can be destroyed, and provides for impoundment and the owner of the animal being responsible for the costs involved.

With a national trend in the law and an Arizona on-point, it is prudent for San Luis to have a procedure for a form of notice and a right to be heard in dealing with dangerous dogs.

Proposed Procedure

As with any case in court, there must be some procedures for handling the matter. Municipalities can have their own unique rules of procedure, i.e., "local rules," but if the City of San Luis were to do this, the City would need to have them submitted to and approved by the Arizona Supreme Court. The faster method is to adopt by reference some form of rules of procedure that the Arizona Supreme Court has already approved. In this case, Ordinance 380 refers to the Rules of Court Procedure for Civil Traffic and Civil Boating Violations.

Rule 3 of the Rules of Court Procedure for Civil Traffic and Civil Boating Violations ("RPCTCB") provides that a case commences by filing a traffic ticket or by filing a "long form complaint." What I propose is a form of long-form complaint, because a respondent is entitled to notice and a hearing. It is possible an officer will give a dog-owner a complaint listing citations for civil and criminal offenses or both separately from a petition for "dangerous dog." It is also possible to allege dangerous dog on the form for traffic complaint along with those offenses. (See Ordinance No. 380 §95.05 (D). It is also likely this might become a 'stand-alone' matter just on the issue of whether the dog is so dangerous it needs to be put down for the safety of the community. If so, then a long-form complaint is preferable since it does provide notice to the owner of the subject animal exactly

why the City is taking action and gives notice of the City's position at the upcoming hearing. Rule 2.3 of the Rules of Criminal Procedure describes a "long form complaint" as: "A complaint is a written statement of the essential facts constituting a public offense that is either signed by a prosecutor, made upon an oath before a magistrate or made in accordance with A.R.S. § 13-3903." The attached form is a written statement of essential facts made under oath, and it is to be presented to the Municipal Magistrate for the court's consideration regarding setting a hearing.

The Rules of Criminal Procedure state that a long form complaint, if determined sufficient by the Court, will result in either a warrant for arrest or the issuance of a summons. In this case, since the determination of a dangerous dog is not the same as the determination that an individual has committed a criminal offense, a form of summons is the logical instrument. 16A A.R.S. Rules Crim.Proc., Form 3(b) is the official form for a summons where no fingerprint is required. The proposed form of summons has all of those elements and more and gives hard notice of a hearing under §95.04(C) of the City Code. Rule 3.2.B of the Rules of Criminal Procedure sets out the requirements for a summons. Here it states:

"b. Summons. The summons shall be in the same form as the warrant except ***that it shall summon the defendant to appear at a stated date, time and place within 30 days after the filing of an indictment, information or complaint.*** At the request of the prosecutor or by direction of the court the summons shall command the defendant to report to a designated place to be photographed and fingerprinted prior to defendant's appearance in response to the summons. Failure to so report shall result in defendant's arrest at the time of defendant's appearance in response to the summons, unless good cause for such failure is shown, whereupon the magistrate shall direct the defendant to report immediately for such photographing and fingerprinting." [Emphasis Added].

§95.04.B allows for the Court to order an impounding of a dog while a matter is pending. Both the form of the complaint and the form of the summons and notice of hearing have appropriate boxes to check if the officer's investigation warrants impounding the dog. Impounding is further authorized, and the forms attached comport with, ARS §§11-1014 and 13-1208. The City has independent authority to adopt police power regulations with regards to animals, namely ARS §9-240(B)(21) and §§9-240(B)(16) a through §9-240(B)(16)(d).

Form of Petition

While the RPCTCB uses the word "complaint," the Phoenix ordinance, from which I modeled the San Luis ordinance, uses the word "petition." In normal civil practice before the Superior Court, the term "petition" and "complaint" are interchangeable. I have selected the word "petition" for the proposed form to comport with the ordinance.

Notice it is a kind of "check the appropriate box" type of form. Different grounds exist for a dog to be considered "dangerous" I selected the term "dangerous" instead of "vicious" namely because that was the term used in the IMLA Model Ordinance. However, Phoenix and state statutes use the term "vicious." The words are interchangeable. I wanted to emphasize the City was using its own police powers here since the term was being applied to animals which demonstrated they were a threat but had not yet necessarily bitten someone. (Because it can be applied to animals that are considered a threat, but have not yet bitten someone, is all the more reason for notice and a hearing before an animal can be destroyed, and a law which allows the Court to consider remedies other than destruction.)

The second paragraph of the proposed form of petition needs the information regarding 1) the owner or person believed to be in control of the animal, namely the name and address, and 2) a description of the dog.

Paragraph four is one where the petitioner checks the boxes that are applicable. Notice it follows the definitions of "dangerous" as contained in the Ordinance.

Paragraph five is obvious. When involved in any case headed to court, an officer should be writing an incident report of some kind. So this proposed form asks for the name of the officer who wrote the report, then attaches that report to the petition and incorporates it by reference. While most of the time the person filing this petition will be the officer who wrote the report, please notice that it does not have to be the same person.

Paragraph six is another "check the box" and tracks the ordinance where it makes provision for impounding a dog pending a hearing. However, PLEASE NOTE that the grounds for WHY a dog needs to be impounded BEFORE the owner can have "his day in court" NEEDS to be explained in detail in the incident report that is attached to the petition. The Court will read this and decide if good grounds appear. It needs to be as specific as one can make it. A dog running at large and appearing to be dangerous and a threat, even though it has not yet bitten someone, is an example of one of the scenarios justifying impound. A dog that is a threat that is on the owner's property, yet is confined in a way that escape from the yard is likely can also be grounds for impound if the circumstances are right. Biting is ALWAYS a reason for impound. There are several good law articles on this, and the purpose of

this memo is not to get too "deep in the weeds" of all the ways impound pending hearing would be justified. The point here is that the exact circumstances why the officer believes the public needs protection pending hearing need to be set out in the incident report.

Form of Summons

The summons form is made for the convenience of the Court. The Magistrate will read the petition, and if the Court deems it sufficient to support probable cause that the dog is dangerous, will issue the summons. The blanks to be filled in are obvious.

If the petition asks for an order of impound before there is a decision made after a hearing and has checked that box. If the Magistrate agrees with that, the Magistrate will check the appropriate box on the summons. The Court will fill in the blank stating when the summons must be served. While possible to have service by mail, service by the police department is preferred.

Hearing

At the day and time of the hearing, the officer needs to be present and make his/her case. The hearing is informal and held like any hearing on a traffic citation.

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PETITION TO DETERMINE DANGEROUS DOG

Petitioner is a ____ police officer ____ animal control officer with the City of San Luis, a municipal corporation and political subdivision of the State of Arizona and hereby states as follows:

2. Respondent _____, of _____, San Luis, Arizona
is the owner or keeper of the following dog: (Describe the dog and give license number if
available)_____

4. Petitioner requests that the dog be declared to be dangerous for the following reasons:

1 ____ The dog, Has, without provocation, attacked or bitten a person engaged in a lawful
2 activity;

3 ____ Has, while off the property of its owner and without provocation, killed or seriously
4 injured another animal;

5 ____ Has exhibited a propensity, tendency or disposition to attack, bite, scratch, or
6 otherwise inflict or cause injury or threaten the safety of persons or other animals without
7 provocation;

9 ____ Has a propensity to approach human beings, without provocation, in a menacing or
10 terrorizing manner so as to confine movement of or instill fear in a reasonable person;

11 ____ Has acted in a manner that causes or should cause its owner to know that it is
12 potentially dangerous.
13

14 5. This petition is supported by an incident report prepared by _____ of
15 the San Luis Police Department and the attachments, if any, thereto. A true copy of this report is
16 attached hereto and by this reference incorporated herein.

17 6 _____ (applicable to this petition) _____ (not applicable to this petition)
18

19 Petitioner for the reasons stated in the attached incident report requests that the court
20 immediately find that there are reasonable grounds to believe that the dog poses a risk of injury
21 to any person, or is dangerous as defined in §95.03, and order that the animal be impounded on
22 such terms as the court deems necessary to protect public safety pending hearing on this petition.
23

24 Petitioner prays that the Court issue its summons ordering Respondent(s) to appear in
25 court on a day certain, and to show cause, if any they may have, why the Court should not
26 declare the dog which is the subject of this petition a dangerous dog and enter such orders as the
27 court deems just and proper pursuant to §95.05 of the Code of Ordinances of the City of San
28

1 Luis, Arizona. _____ (check if applicable to this petition) Petitioner further prays that the court
2 find there find that there are reasonable grounds to believe that the dog poses a risk of injury to
3 any person, or is dangerous as defined in §95.03, and order that the animal be impounded on
4 such terms as the court deems necessary to protect public safety pending hearing on this petition.
5

6
7 _____
8 Petitioner
9

10 **VERIFICATION**

11 STATE OF ARIZONA)
)ss.
12 County of Yuma)

13 I, _____, being first duly sworn, state as follows:
14

15 1. I am an officer with the San Luis Police Department, City of San Luis, State of
Arizona;

16 2. I have read the foregoing Petition, know the contents thereof, and the matters and
17 things stated therein are true to the best of my knowledge, information, and belief.
18

19 Dated this _____ day of _____, 20____.

20
21 _____
(Signature of officer)

22 Subscribed and Sworn to before me this ____ day of _____, 20____.
23

24 _____
25 Notary Public

26 My Commission Expires:
27
28 _____

CITY OF SAN LUIS,	)	CASE NO.
a municipal corporation,	)	
Petitioner	)	
	)	
v.	)	SUMMON
	)	HEARING
	)	RE: DETE
	)	DANGERO
	)	
	)	
Respondent	)	
	)	

**SUMMONS AND NOTICE OF
HEARING
RE: DETERMINATION OF
DANGEROUS DOG**

This matter having come before the Court, and it appearing from the facts shown by Petitioner's verified Petition to Determine Dangerous Dog and pursuant §95.04 of the Code of Ordinances of the City of San Luis, Arizona, and good cause appearing therefor, YOU ARE HEREBY SUMMONED to appear before a Judge of the Municipal Court of the City of San Luis, State of Arizona at the Municipal Court of the City of San Luis, State of Arizona.

Hon. Kristen McManus
Judge of the Municipal Court

[Date of hearing]

[Time of hearing]

1 PLACE OF HEARING:

2 Municipal of the City of San Luis, State of Arizona
3 767 N. First Avenue
4 P.O. Box 1670
5 San Luis, AZ 85349
6 Phone: (928) 341-8595

7 then and there to show cause, if any, why the dog which is the subject of the Petition filed in the
8 above entitled and numbered cause should not be determined a dangerous dog with the Court
9 granting relief and entering appropriate orders as authorized by, and consistent with, §95.05 of
10 the Code of Ordinances of the City of San Luis, Arizona.

11 _____ (If appropriate)

12 IT IS FURTHER ORDERED that, pursuant to the facts stated in the verified Petition on file in
13 the above entitled and numbered cause, there are reasonable grounds to believe that the dog
14 which is the subject of the Petition filed herein poses a risk of injury to any person, or is
15 dangerous as defined in §95.03, and it is hereby ordered that the animal be impounded pending
16 further order of this court to protect public safety. .

17 IT IS FURTHER ORDERED that a true copy of this Summons and a true copy of the verified
18 Petition filed in the above entitled and numbered cause, together with all exhibits attached
19 thereto, be served upon respondent no less than _____ days prior to the date of hearing in
20 this matter.
21

22
23 **DONE IN OPEN COURT this _____ day of _____, 20____.**
24

25
26 _____
27 Judge of the Municipal Court

28 **Requests for reasonable accommodation for persons with disabilities must be made to the court by parties at least 3 working days in advance of a scheduled court proceeding**

1 **CERTIFICATE OF PERSONAL SERVICE**

2 **I swear that I personally served this summons as follows:**

3 **Date Received:** _____

4 **Date Served:** _____

5 **Time Served:** _____

6 **Person Served:** _____

7 **Location Where Served:** _____ **Yuma County.**

8 **Officer Serving Summons:** _____

9 **CERTIFICATE OF SERVICE BY MAILING**

10 **I certify that a copy of this document was sent by Registered or Certified mail, return**

11 **receipt requested, to the defendant at the above-listed address.**

12 **Dated:** _____

13 _____

14 **CLERK**