

**INTERGOVERNMENTAL AGREEMENT**  
**BETWEEN**  
**THE CITY OF SAN LUIS**  
**AND**  
**THE CITY OF PHOENIX**

THIS AGREEMENT is entered into this \_\_\_\_\_ day of June, 2019, pursuant to Arizona Revised Statutes (ARS) §11-952, between the **CITY OF SAN LUIS** acting by and through its city council and the **CITY OF PHOENIX (“PHOENIX”)**, acting by and through its City Council. ARS. §42-6001 establishes that the Arizona Department of Revenue (DOR) will collect and administer municipal privilege, transaction and use taxes (“Taxes”) for all Arizona cities and towns. As part of their administration of the Taxes, DOR shall provide each city or town access to data covering the amount of Taxes reported and the amount of Taxes distributed to that specific city and town. The purpose of this Agreement is to provide PHOENIX the mechanism to allow other cities and towns to cooperatively use the PHOENIX hosted and developed municipal tax dashboards on the PHOENIX Business Intelligence system (“System”).

**RECITALS**

1. CITY OF SAN LUIS is authorized by A.R.S. § 11-952, San Luis City Code §35.15 and the SAN LUIS Tax Code Section Sec. 7A-510 to enter into this Agreement.
2. PHOENIX is authorized by City Charter, Chapter 2, Section 2, and

PHOENIX Tax Code Sec. 14-510 to enter into this Agreement.

3. This Agreement establishes the structure whereby other cities and towns access the System, reimburse PHOENIX for its cost of investment in the System, and share the costs of future continued cooperative use of the System.

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

#### **I. SCOPE OF AGREEMENT**

1. System is already in place with dashboards providing municipal tax data furnished by DOR.

2. SAN LUIS agrees that PHOENIX will maintain and administer the System.

3. PHOENIX will provide System availability during the hours of 7 a.m. – 5 p.m. (MST), Monday-Friday, excluding holidays.

4. External users will have a City of Phoenix Active Directory account created for access to the dashboards. This requires that external users have the appropriate background checks from their organizations that meet or exceed screening requirements established by ARS §41-4401.

5. Support services will be provided via telephone helpline during the hours of 7 a.m. – 5 p.m. (MST), Monday-Friday, excluding holidays. Users will report system errors to Support Services.

6. Outages due to scheduled or emergency network, software and/or hardware maintenance will be broadcast to authorized users when possible in advance via email. All reasonable attempts will be made to get the System diagnosed and operational within twenty-four (24) hours.

7. PHOENIX will allow SAN LUIS to only use System to access SAN LUIS Taxes data supplied by DOR.

8. SAN LUIS will be billed by and shall reimburse PHOENIX, in advance of its access to SAN LUIS data, the sum of \$2,000.00 as its share of the cost for the System.

9. SAN LUIS will be billed \$375.00 annually as its share for the operational cost of cooperative used of the System, which shall be due thirty (30) days from the invoice date.

10. All activities relating to the provisions set forth in this Agreement are to be coordinated between the municipal tax officers or their designees.

11. Any failure of the System resulting from negligence by SAN LUIS is a breach this Agreement.

12. Municipal tax data hosted by PHOENIX and presented in the System is confidential information and may not be distributed or copied except as permitted by ARS §42-2003. The data sources are furnished by the DOR and are considered confidential information as defined in ARS §42-2001. PHOENIX does not control and

cannot guarantee the relevance, timeliness, or accuracy of this data and provides no warranty, expressed or implied, as to the accuracy, reliability or completeness of furnished data. Sample data types include, but may not be limited to:

<b>Reports</b>	<b>Description</b>
<b>New License Report</b>	Demographic information about taxpayers that have completed a Joint Tax Application with DOR, that have a location or expect to have taxable activity within that city/town.
<b>License Update Report</b>	Demographic information for Taxpayers that have had a change made to their account and have a location or have that city's/town's region code on their profile.
<b>City Payment Journal Detail Report</b>	Detailed information about money that is distributed to the city/town, including the taxpayer, business code and period covered for each distribution.
<b>No Money Report</b>	Detailed information about a taxpayer that has filed a net zero return for that city/town or has not paid any money for the return for the period covered by GL Accounting month.
<b>Deduction Report</b>	Detailed information about deductions that taxpayers have taken for activity within the city/town. The report will reflect the deductions taken for each location and each business code for the city.
<b>Fund Distribution Report</b>	Detailed information about money that is distributed to the city/town at the Fund Level, including the taxpayer, location code, business code and tax period covered for each distribution.

13. The System supports five TPT Simplification dashboards listed below:

	<b>Dashboard Description</b>
<b>Centralized Payment Analysis</b>	This dashboard provides visualization and detailed information about money that is distributed to a city/town (City Payment Journal Detail from DOR) by DOR, including the taxpayer, business code and tax period covered for each distribution.

<b>Centralized License Analysis</b>	This dashboard provides visualization and detailed demographic information (License Update Report and New License Report from DOR) for taxpayers that have a taxable location in Arizona.
<b>Centralized Fund Analysis</b>	This dashboard provides visualization and detailed information about money that is distributed to a city/town at the Fund Level (Fund Distribution Report from DOR), including the taxpayer, location code, business code and period covered for each distribution.
<b>Centralized Deduction Analysis</b>	This dashboard provides visualization and detailed information about deductions (Deduction Report from DOR) that taxpayers have taken on their returns. The report reflects deductions taken for each location and each business code by jurisdiction.
<b>Centralized No Payment Analysis</b>	This dashboard provides visualization and detailed information about a) taxpayers that have filed a no activity/zero return b) taxpayers that have not filed a return for a location for a city and c) taxpayers that have filed a return but failed to remit payment. The source is the No Money Report from DOR.

14. The System supports the three user security models listed below. Each subscribing city/town will select one of the three security profiles below for each user that they designate for System access. SAN LUIS acknowledges that each individual user should be assigned the lowest level of security needed depending on their job duties. SAN LUIS also acknowledges that information obtained from DOR, and displayed by Phoenix, is confidential information and may only be disclosed as authorized by ARS§ 42-2003. Should PHOENIX become aware of unauthorized use or disclosure of confidential information, all users shall be revoked and this agreement shall terminate upon notice to SAN LUIS.

<b>Security Model</b>	<b>Security Model Description</b>
<b>Restricted</b>	This role for management staff allows access to the summary level data view for financial dashboards (Centralized Payment Analysis and Centralized Fund Analysis) for the user's jurisdiction.
<b>Mid-Level</b>	This role for accounting staff allows access to the summary and detail level data views for financial dashboards (Centralized Payment Analysis and Centralized Fund Analysis) for the user's jurisdiction.
<b>Full Access</b>	This role for audit/enforcement/supervisory user staff allows access to the summary and detail level data views for financial dashboards (Centralized Fund Analysis) for the user's jurisdiction and access to the Centralized Payment Analysis, Centralized License Analysis, Centralized Deduction Analysis, and No Payment Analysis dashboards for any jurisdiction, subject to pre-existing limitations outside of this Agreement.

## **II. MISCELLANEOUS PROVISIONS**

1. This Agreement shall become effective on the date of execution and shall continue in full force and effect until it is terminated either by mutual agreement of the parties or by either party giving the other at least thirty (30) calendar days advance written notice of termination of the Agreement, which notice shall specify the date of termination.

2. SAN LUIS or PHOENIX may cancel this Agreement at any time without penalty or further obligation. No pro-rata refund will be returned.

3. This Agreement is subject to the cancellation provisions of ARS §38-511.

4. Cancellation pursuant to either Paragraphs 2 or 3 above shall be effective when written notice from the chief executive officer of one city/town is received by the other party to this Agreement, unless the notice specifies a later time.

5. To the extent permitted by law, each party (as "Indemnitor") agrees to indemnify, defend, and hold harmless the other party (as "Indemnitee") from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) whether direct or indirect (hereinafter collectively referred to as "Claims") arising out of System use, but only to the extent that such Claims which result in vicarious/derivative liability to the Indemnitee are caused by the act, omission, negligence, misconduct, or other fault of the Indemnitor, its officers, officials, agents, employees, or volunteers.

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

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

CITY OF SAN LUIS  
Finance Department  
Attn: Finance Director  
P.O. Box 7740  
San Luis, AZ 85349

CITY OF PHOENIX  
Finance Department, Tax Division  
Attn: Tax Administrator  
251 W. Washington Street, 9th Floor  
Phoenix, AZ 85003

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

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

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



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

CITY OF PHOENIX  
a municipal corporation  
ED ZUERCHER, City Manager

CITY OF SAN LUIS  
a municipal corporation  
GERARDO SANCHEZ, Mayor

By \_\_\_\_\_  
ED ZUERCHER

By \_\_\_\_\_  
GERARDO SANCHEZ

ATTEST:  
  
\_\_\_\_\_  
City Clerk

ATTEST:  
  
\_\_\_\_\_  
Clerk

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

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ARIZONA TO THE CITY OF SAN LUIS

\_\_\_\_\_  
City Attorney

\_\_\_\_\_  
City Attorney