NOTICE OF REGULAR COUNCIL MEETING

In accordance with § 38-431.02 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 6:00 p.m., Wednesday, May 27, 2026. The meeting will take place at the City Council Chambers, located at 1090 E. Union Street, San Luis, Arizona, 85349. 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 or 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/ Sonia Cornelio, City Clerk

AVISO DE JUNTA REGULAR

De acuerdo con los Estatutos del Estado de Arizona A.R.S. § 38-431.02, 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 6:00 p.m., el día Miercoles, 27 de Mayo del 2026. 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 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/ Sonia Cornelio, Actuaria de la Ciudad

AGENDA
Regular Meeting
San Luis City Council
Council Chambers
1090 E. Union Street
San Luis, AZ 85349
May 27, 2026
6:00 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.

TENGA EN CUENTA QUE LOS MIEMBROS DEL CABILDO DE LA CIUDAD ASISTIRÁN EN PERSONA, TELÉFONO O COMUNICACIÓN POR VIDEO CONFERENCIA. LA ALCALDESA O ALCALDE INTERINO DE ESTA REUNIÓN PUEDE CAMBIAR EL ORDEN DE LOS TEMAS; SI ESTÁ AUTORIZADO POR LA LEY Y POR MAYORÍA DE VOTOS DE UN QUÓRUM DE MIEMBROS DEL CABILDO PRESENTES, SE LLEVARÁ A CABO UNA SESIÓN EJECUTIVA INMEDIATAMENTE DESPUÉS DE LA VOTACIÓN DE ACUERDO CON LOS ESTATUTOS DEL ESTADO DE ARIZONA A.R.S. § 38-431.03 (A) Y LA REUNIÓN SERÁ TEMPORALMENTE RECESADA MIENTRAS EL CABILDO DE LA CIUDAD SE RETIRE A UNA SESIÓN EJECUTIVA QUE NO ESTARÁ ABIERTA AL PÚBLICO.

1. CALL TO ORDER/ROLL CALL

2. PLEDGE OF ALLEGIANCE

3. INVOCATION

Any opening invocation that is offered before the official start of the Council meeting shall be the voluntary offering of a private person, to and for the benefit of the Council. The views or beliefs expressed by the invocation speaker have not been previously reviewed or approved by the City Council or the city staff. The city is not allowed by law to endorse the religious or non-religious beliefs or views of such speakers. Any invitation to stand during the Pledge of Allegiance or invocation shall not be construed as a demand, order, or any other type of command. No person in attendance at the meeting shall be required to participate in any Pledge of Allegiance or an opening invocation that is offered.

Toda invocación inicial que se ofrezca antes del inicio oficial de la sesión del Cabildo será una ofrenda voluntaria de una persona particular, para beneficio del Cabildo. Las opiniones o creencias expresadas por quien haga la invocación no han sido revisadas ni aprobadas previamente por el Cabildo ni por el personal de la ciudad. La ley no permite a la ciudad respaldar las creencias o puntos de vista religiosos o no religiosos de dichos oradores. Cualquier invitación a ponerse de pie durante el Juramento a la Bandera o la invocación no se interpretará como una exigencia, orden ni ningún otro tipo de mandato. Ninguna persona presente en la sesión estará obligada a participar en el Juramento a la Bandera ni en ninguna invocación inicial que se ofrezca.

4. **CALL TO THE PUBLIC**

This is the time for the public to comment. Under A.R.S. § 38-431.01(I), Members of the City Council shall not discuss or take legal action on matters raised during an open call to the public that are not properly noticed on this agenda for discussion and legal action. At the conclusion of an open call to the public, individual Members of the City Council may respond to criticism made by those who have addressed the City Council, may ask staff to review a matter, or may ask that a matter be put on a future agenda.

5. **PROCLAMATIONS**

5. A. Proclamation on Elder Abuse Awareness Month - June 2026

5. B. Proclamation on LGBTQ Pride Month - June 2026

5. C. Proclamation on Men's Health Month - June 2026

5. D. Proclamation on National Homeownership Month - June 2026

5. E. Proclamation on Post-Traumatic Stress Disorder Month - June 2026

6. **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.

6. A. **MINUTES OF**

- Budget Retreat held April 17 & 18, 2026
- Regular Council Meeting held April 22, 2026

6. B. **DISBURSEMENTS**

From May 5, 2026 to May 19, 2026

Total $1,408,642.97 (One Million, Four Hundred Eight Thousand, Six Hundred Forty-Two Dollars and Ninety-Seven Cents)

7. **DISCUSSION AND POSSIBLE ACTION ITEMS:**

7. A. Discussion and possible directions to staff on any and all matters regarding possible opportunities of a partnership between the City of San Luis and the Gadsden Elementary School District #32 for the Scorpions Sports Complex. **(Lizette Esparza, Gadsden School District Superintendent)**

7. B. Discussion and possible action on any and all matters regarding the authorization to purchase Opengov's Software as a Service Platform, inclusive of financial management, budgeting and performance, utility billing, permitting and licensing, and enterprise asset management modules through the Vertosoft cooperative contract. **(Fernando Corona, Information Technology Manager)**

7. C. Discussion and possible action on any matters regarding the authorization to purchase UKG Ready Software as a Service Platform, inclusive of time keeping, payroll, HR, benefits management, compensation, leave manager, people insights, performance, recruitment, and employee document manager modules through the Omnia cooperative contract. **(Fernando Corona, Information Technology Manager)**

7. D. Discussion and possible action on any and all matters regarding the City of San Luis B Street and Main Street Intersection Improvements - Paving project. **(Tomas Sanchez, City Engineer)**

7. E. Discussion and possible action on any and all matters regarding acceptance of a proposal from Haydon Companies, LLC for sewer manhole rehabilitation services. **(Eulogio Vera, Director of Public Works)**

7. F. Public Hearing followed by discussion and possible action on any and all matters regarding the recommendation of a Special Event Liquor License Application to the Arizona Department of Liquor Licenses and Control to authorize the San Luis FRONTERA Rotary Club to sell alcohol at the Fourth of July Freedom Celebration on Saturday, July 4, 2026. **(Marcos Ramirez, San Luis Frontera Rotary Club)**

A. Staff and/or Applicant Presentation
B. Open Public Hearing
C. Call to the public on this item
D. Close Public Hearing
E. Action on Special Event Liquor License Application to the Arizona Department of Liquor Licenses & Control

7. G. Discussion and possible action on any and all matters regarding the approval and adoption of Order No. 2026-04. An Order of the Mayor and City Council of the City of San Luis, Arizona, to authorize the City of San Luis Police Department to receive funding for overtime and mileage by approving an Intergovernmental Agreement and authorizing execution of Subrecipient Agreement Operation Stonegarden Grant Program; 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. **(Damian Miller, Police Lieutenant)**

7. H. Discussion and possible action on any and all matters regarding the approval and adoption of Order No. 2026-05. An Order of the Mayor and City Council of the City of San Luis, Arizona, to authorize the City of San Luis Police Department to receive funding for overtime and mileage by approving an Intergovernmental Agreement and authorizing execution of Subrecipient Agreement Operation Stonegarden Grant Program; 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. **(Damian Miller, Police Lieutenant)**

7. I. Discussion and possible action on any and all matters regarding Ordinance No. 484. An Ordinance of the Mayor and City Council of the City of San Luis, Arizona, adding San Luis City Code Section 7.05.040, Dog Parks; adopting the City of San Luis Dog Park Policy & Rules, repealing and conflicting provisions; and providing for severability. **(Angelica Roldan, Director of Parks and Recreation)**

A. Action on reading of Ordinance No. 484 by title only
B. Action on Ordinance No. 484

7. J. Public Hearing followed by discussion and possible action on any and all matters regarding Resolution No. 2399. A Resolution of the Mayor and City Council of the City of San Luis authorizing the submission of an application for FY 2027 Community Development Block Grant (CDBG) State Special Projects (SSP) funds, certifying that said application meet the community's previously identified housing and community development needs and the requirements of the Arizona Department of Housing (ADOH) Community Development Block Grant Program, and authorizing all actions necessary to implement and complete the activities outlined in said application. **(Humberto Arcos, Grants Coordinator)**

A. Staff Presentation
B. Open Public Hearing
C. Call to the public on this item
D. Close Public Hearing
E. Action on Resolution No. 2399

7. K. Discussion and possible action on any and all matters regarding Resolution No. 2400. A Resolution of the Mayor and City Council of the City of San Luis, Arizona, reducing the City Council Members' pay by fifty percent and amending the City of San Luis Personnel Policies to remove City Council Members from dental and vision care coverage paid by the city; establishing an effective date; repealing any conflicting provisions; and providing for severability. **(Mayor Nieves Riedel)**

8. SUMMARY OF CURRENT EVENTS
Events by Mayor, Council Members and/or City Manager pursuant to A.R.S. § 38-431.02 (K).

9. ADJOURNMENT

PROCLAMATION

Regular City Council Meeting **5. A.**

Meeting Date: 05/27/2026

Title:

Proclamation on Elder Abuse Awareness Month - June 2026

Attachments

Proclamation

OFFICE OF THE
MAYOR
CITY OF SAN LUIS

Proclamation

ELDER ABUSE AWARENESS MONTH
June 2026

WHEREAS, older adults deserve to be treated with respect and dignity to enable them to serve as leaders, mentors, volunteers and vital participating members of our communities; and

WHEREAS, the Mayor's Office, along with the City Council and Western Arizona Council of Governments Area Agency on Aging, recognize the importance of taking action to raise awareness, prevent and address elder abuse; and

WHEREAS, as our population lives longer, we are presented with an opportunity to think about our collective needs and future as a city and ageism and social isolation are major causes of elder abuse in the United States and recognizing that it is up to all of us, to ensure that proper social structures exist so people can retain community and societal connections, reducing the likelihood of abuse; and

WHEREAS, preventing abuse of older adults through maintaining and improving social support like senior centers, human services and transportation will allow everyone to continue to live as independently as possible and contribute to the life and vibrancy of our communities; and

WHEREAS, where there is justice, there can be no abuse; therefore, the Mayor's Office and members of the City Council, along with Western Arizona Council of Governments Area Agency on Aging, urge all people to restore justice by honoring older adults. Join us in our engaging and empowering movement and put an end to abuse.

NOW, THEREFORE, BE IT RESOLVED, that I, Nieves Riedel, Mayor of the City of San Luis, do hereby proclaim June 2026 as **"Elder Abuse Awareness Month"** and encourage all our citizens to recognize and celebrate older adults and their ongoing contributions to the success and liveliness of our community.

DATED this **27th** day of **May 2026**.

_____
Nieves Riedel, Mayor

ATTEST:

_____
Sonia Cornelio, City Clerk

PROCLAMATION

Regular City Council Meeting **5. B.**

Meeting Date: 05/27/2026

Title:

Proclamation on LGBTQ Pride Month - June 2026

Attachments

Proclamation

OFFICE OF THE
MAYOR
CITY OF SAN LUIS

Proclamation

LGBTQ PRIDE MONTH
June 2026

WHEREAS, San Luis is an exceptional place to live, work, play and is a welcoming place built on the principles of equality, diversity and inclusion. We take pride in being a city where every individual can be themselves without fear of discrimination or violence; and

WHEREAS, San Luis' Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) community members and organizations are a vital piece of our city. Each person who calls San Luis home knows that although they may come from different backgrounds, they are accepted for who they are; and

WHEREAS, San Luis aspires to value all residents equitably, regardless of sexual orientation or gender identity. It is critical we continue working vigorously to ensure that all San Luis residents know that no matter how they identify, everyone is welcome; and

WHEREAS, this June, we celebrate LGBTQ Pride Month. This month, we reflect on the work needed to increase awareness and establish support for our LGBTQ friends, family, neighbors, and organizations. We have an opportunity to act and engage in dialogue to strengthen alliances, all while building acceptance for the advancement of equal rights. Together, we will create a city that works for everyone.

NOW, THEREFORE, BE IT RESOLVED, that I, Nieves Riedel, Mayor of the City of San Luis, do hereby proclaim June 2026 as **"LGBTQ Pride Month"** and urge all San Luis residents to join in celebrating this important month around our city.

DATED this **27th** day of **May 2026**.

_____
Nieves Riedel, Mayor

ATTEST:

_____
Sonia Cornelio, City Clerk

PROCLAMATION

Regular City Council Meeting **5. C.**

Meeting Date: 05/27/2026

Title:

Proclamation on Men's Health Month - June 2026

Attachments

Proclamation

OFFICE OF THE
MAYOR
CITY OF SAN LUIS

Proclamation

MEN'S HEALTH MONTH
June 2026

WHEREAS, Men's Health Month is an opportunity to educate and focus on a broad range of men's health issues, including prostate, testicular and colon cancer, heart disease, mental health, sexual and reproductive health, diabetes and substance abuse; and

WHEREAS, despite advances in medical technology and research, men continue to live an average of five years less than women, Native American and African-American men having the lowest life expectancy; and

WHEREAS, educating the public and health care providers about the importance of a healthy lifestyle and early detection of male health problems will result in reducing rates of mortality from certain diseases; and

WHEREAS, men who are educated about the value of preventive health will be more likely to participate in health screenings, decrease high-risk behaviors and lead healthier and prolonged lives; and

WHEREAS, heightening the awareness of preventable health problems and increasing early detection and treatment of disease would significantly improve our nation's health; and

WHEREAS, the citizens of San Luis are encouraged to increase awareness of the importance of a healthy lifestyle, regular exercise and medical check-ups.

NOW, THEREFORE BE IT RESOLVED, that I, Nieves Riedel, Mayor of the City of San Luis, do hereby proclaim the month of June 2026 as **"Men's Health Month"** in the City of San Luis and encourage all our residents to pursue preventative health practices and early detection efforts.

DATED this **27th** day of **May 2026**.

_____
Nieves Riedel, Mayor

ATTEST:

_____
Sonia Cornelio, City Clerk

PROCLAMATION

Regular City Council Meeting **5. D.**

Meeting Date: 05/27/2026

Title:

Proclamation on National Homeownership Month - June 2026

Attachments

Proclamation

OFFICE OF THE
MAYOR
CITY OF SAN LUIS

Proclamation

NATIONAL HOMEOWNERSHIP MONTH
June 2026

WHEREAS, for many Americans, a home is more than just a residence; it is a place that instills a sense of pride, security, and comfort that, no matter what challenges in life arise, they have somewhere to go and call their own; and

WHEREAS, most Americans had no way of really owning a home in the 1800s. Mortgages became common only after the U.S. banking system came into being, following the 1860s National Bank Acts; and

WHEREAS, every American should have the opportunity to afford a home of their own to rent or own. Yet across the country, the price of housing - both for renters and homebuyers - is increasing, making it harder for people to find an affordable home; and

WHEREAS, today, across America, there is a historic number of affordable, multifamily units currently under construction; and

WHEREAS, the Fair Housing Act bans discrimination against renters or potential buyers based on race, but studies show that many Americans are still denied equal treatment in the housing market.; and

WHEREAS, National Homeownership Week began in 1995, which was a strategy of the administration under President Bill Clinton to increase homeownership across America and later, in 2002, President George W. Bush expanded the period of observance from a week to the entire month of June; and

WHEREAS, Homeownership Month reinforces the belief that owning a home is one of the steps towards achieving the American dream

NOW, THEREFORE, BE IT RESOLVED, that I, Nieves Riedel, Mayor of the City of San Luis, do hereby proclaim June 2026, as **"National Homeownership Month"** and encourage all San Luis residents to safeguard the American Dream by ensuring that everyone has access to an affordable home in a community of their choice.

DATED this **27th** day of **May 2026**.

_____
Nieves Riedel, Mayor

ATTEST:

_____
Sonia Cornelio, City Clerk

PROCLAMATION

Regular City Council Meeting **5. E.**

Meeting Date: 05/27/2026

Title:

Proclamation on Post-Traumatic Stress Disorder Month - June 2026

Attachments

Proclamation

OFFICE OF THE
MAYOR
CITY OF SAN LUIS

Proclamation

POST-TRAUMATIC STRESS DISORDER MONTH
June 2026

WHEREAS, Post-Traumatic Stress Disorder (PTSD) can occur after a person experiences trauma, including, but not limited to, the stress of combat, rape, sexual assault, child abuse, bombings, accidents and natural disasters and affects approximately 8 million people in the United States annually; and

WHEREAS, PTSD is associated with chemical changes in the body's hormonal system and autonomic nervous system and is characterized by symptoms including flashbacks, nightmares, insomnia, avoidance, hypervigilance, anxiety and depression; and

WHEREAS, the brave men and women of the United States Armed Forces, who proudly serve the nation and risk their lives to protect our freedom, deserve the investment of every possible resource to ensure their lasting physical, mental and emotional well-being; and

WHEREAS, combat-related PTSD stress among our men and women in the Armed Forces is significantly pronounced, given that they are often exposed to highly traumatic events for weeks, months and even years; and

WHEREAS, approximately 6 out of every 100 people in the U.S. will develop PTSD at some time; and

WHEREAS, despite its treatability, many cases of PTSD remain undiagnosed and untreated due to a lack of awareness of this condition and the persistent stigma associated with mental health conditions; and

WHEREAS, raising awareness of this condition is necessary to remove the stigma and to encourage those suffering to seek proper and timely treatment that may save their lives; and

WHEREAS, all citizens suffering from PTSD deserve our consideration, and those who are affected by PTSD from wounds received while protecting our freedom deserve our respect and special honor.

NOW, THEREFORE, BE IT RESOLVED, that I, Nieves Riedel, Mayor of the City of San Luis, do hereby proclaim June 2026 as **"Post-Traumatic Stress Disorder Month"** and encourage all of our citizens to recognize and celebrate older adults and their ongoing contributions to the success and liveliness of our community.

DATED this **27th** day of **May 2026**.

_____
Nieves Riedel, Mayor

ATTEST:

_____
Sonia Cornelio, City Clerk

AGENDA ITEM REVIEW FORM

Regular City Council Meeting **6. A.**

Meeting Date: 05/27/2026

Summary

MINUTES OF

- Budget Retreat held April 17 & 18, 2026
- Regular Council Meeting held April 22, 2026

Attachments

4/17/2026 and 4/18/2026 BR

4/22/2026 RCM

MINUTES
Budget Retreat
Cesar Chavez Cultural Center
1015 N. Main Street
San Luis, AZ 85349
April 17, 2026, at 5:00 p.m.
April 18, 2026, at 8:00 a.m.

April 17, 2026 - Day One

The Mayor and Vice Mayor were absent during this meeting, and as authorized by City Code 2.05.440A1, the Budget Retreat was called to order at 5:02 p.m. by Mrs. Sonia Cornelio, City Clerk. The members of the city council present made a motion to nominate Council Member Luis E. Cabrera as the Acting Mayor during this meeting.

MOTION: Council Member Maria C. Cruz/Council Member Lizeth Servin to nominate Council Member Luis E. Cabrera to chair the Budget Retreat meeting. The motion passed unanimously.

The Vote was as follows:

Council Member Maria Cecilia Cruz	Aye
Council Member Lizeth Servin	Aye
Council Member Esteban C. Rosalez	Aye
Council Member Luis E. Cabrera	Aye

1. CALL TO ORDER/ROLL CALL: Acting Mayor Luis E. Cabrera called the Budget Retreat meeting to order at approximately 5:02 p.m.

PRESENT: Acting Mayor Luis E. Cabrera
Council Member Maria Cecilia Cruz
Council Member Esteban C. Rosales
Council Member Lizeth Servin

ABSENT: Mayor Nieves Riedel
Vice Mayor Javier Vargas
Council Member Tadeo Azael De La Hoya

OTHERS PRESENT: Jenny Torres, City Manager
Sonia Cornelio, City Clerk
Olivia Jenkins, Acting Assistant City Manager
Adela Cortes, Director of Human Resources
Albert Moreno, IT Technician
Alejandra Peru, Court Administrator
Amanda Mahon-Watlington, City Prosecutor
Angel Ramirez, Fire Chief
Angelica Roldan, Director of Parks & Recreation

Armando Esparza, Director of Economic Development & Government Affairs
Domingo Sosa, Graphics & Media Specialist
Edgar Esparza, Billing & Collections Manager
Enrique Lopez, Assistant Fire Chief
Eulogio Vera, Director of Public Works
Fernando Corona, Information Technology Manager
Francia Alonso, Public Information Officer
Jose A. Guzman, Director of Development Services
Jose Antonio Maldonado, Multimedia Production & Operations Specialist
Manuel Hernandez, Assistant Director of Public Works
Maria Barajas, Human Resources Manager
Maria Sabori, Risk Management Manager
Michelle Boucher, Police Administrator
Miguel Ramirez, Finance Accounting Manager
Nigel Reynoso, Police Chief
Tomas Sanchez, City Engineer
Anthony Araza, CIP Consultant
Christian Cuevas, Simultaneous Interpreter
Maria Robles, Resident
Perla De La Hoya, Resident

2. DISCUSSION ITEMS:

2. A. Discussion and review on any and all matters regarding the proposed City of San Luis Budget for Fiscal Year 2026-2027 by staff. (Department Heads - April 17, 2026)

Finance Department

Mrs. Roula Encinas, Director of Finance, presented the city's major financial indicators for Fiscal Year 2027. Her presentation includes an overview of projected revenues, projected expenditures, fund balance status, and major cost drivers impacting the fiscal year. She also reviewed long-term financial trends, capital needs, and departmental budget impacts.

Her presentation included the following slides, Budget Timeline, Budget Approach (Zero-Based Budgeting), FY2027 Budget Priorities, Budget Retreat – Key Discussion Topics, Economic and Revenue Outlook, State Revenue Risk: Potential Impact to URS, City Sales Tax Comparison – July to January (FY2025 vs. FY2026), City Sales Tax by Category – FY2025 vs. FY2026 (July-January), Financial Historical Data, Citywide Five-Year Budget Trend (FY2022-FY2027), Citywide Revenue: Actual vs. Budget, Citywide Historical Expenditures: Actual vs. Budget, Citywide Four-Year Actual Financial Performance (FY2022-FY2025), FY2027 Proposed Budget by Fund, Citywide Revenue Proposed FY2027, Citywide Revenue by Category Comparison FY2026 Adopted vs. FY2026 Proposed, Citywide Expenses Proposed FY2027, Citywide Expenditure by Category Comparison FY2026 vs. FY2027 Proposed, Home Rule Option, Employee Compensation Adjustment and Salary Implementation, Salaries Options Proposed FY2027, Budget FY 2027 General Fund Overview, General Fund Revenues, General Fund Expenditures, Budget FY2027 Highway User Overview, General Fund Long-Range Financial Plan Five-Year, Planning for the Future, Best Practices for Fiscal Sustainability Planing, and Points for Consideration. A copy of this presentation is included with the complete agenda packet filed in the City Clerk's Office.

A discussion was held, and the Acting Mayor, City Council, and staff addressed the comments.

Capital Improvement Projects – Consulting Engineering Incorporated

Mr. Anthony Araza, Capital Improvements Project Consultant, outlined the objectives of the Capital Improvement Program (CIP) presentation. He reviewed the Arizona Revised Statute requirements for a CIP and provided definitions to distinguish the CIP process from operational budgeting. He discussed the goals of the CIP processes for all departments, noting coordination with the Administration and Finance Departments. Mr. Araza presented the CIP calendar, explaining that this was aligned with the existing budget and finance calendar to ensure consistency between capital revenue forecasting and projected capital expenditures. He explained that CIP projects in the five-year program were consolidated into four (4) categories for clarity and ease of reference, with a future handout planned to illustrate the CIP book format. Mr. Araza also noted that the presentation would include the number of projects by division and category, the dollar amounts for each category in the five-year program, and would conclude with a summary of key findings. His PowerPoint presentation included the following slides: Presentation Objectives, Arizona Revised Statute Requirements for CIPs for Municipalities, What is a Capital Improvement Program?, Goals of the CIP Process, What Types of Projects are in the CIP?, and Conclusion. A copy of this presentation is included with the complete agenda packet filed in the City Clerk's Office.

A discussion was held, and the Acting Mayor, City Council, and staff addressed the comments.

Acting Mayor Luis E. Cabrera suggested taking a break.

MOTION: Acting Mayor Luis E. Cabrera/Council Member Lizeth Servin to take a break at 6:22 p.m. Motion passed unanimously.

The vote was as follows:

Council Member Maria Cecilia Cruz	Aye
Council Member Lizeth Servin	Aye
Council Member Esteban C. Rosalez	Aye
Acting Mayor Luis E. Cabrera	Aye

MOTION: Acting Mayor Luis E. Cabrera/Council Member Lizeth Servin to reconvene at 6:38 p.m. The motion passed unanimously.

The vote was as follows:

Council Member Maria Cecilia Cruz	Aye
Council Member Lizeth Servin	Aye
Council Member Esteban C. Rosalez	Aye
Acting Mayor Luis E. Cabrera	Aye

2. B. Discussion and review on any and all matters regarding the proposed changes to the city's health benefits plan for Fiscal Year 2026-2027 by Mr. Dave Madden, Employee Benefits Consultant for CBIZ Benefits & Insurance Services, Inc. (Dave Madden, Employee Benefits Consultant) (April 17, 2026)

Mr. Dave Madden, Employee Benefits Consultant, provided a PowerPoint presentation on an update on the city's employee health insurance costs. Of the $5.1 million benefits budget, approximately $4.7 million is for medical and pharmacy coverage. The projected increase for the next fiscal year is 9% to 15%, pending final claims data. Rising costs are largely due to a small number of high-cost claimants and an anticipated $300,000 - $400,000 increase in stop-loss insurance. He noted that last year the plan ran at 117% of the budget, while the current year is trending at 93%. The city recently completed a Request for Proposal process and is transitioning to 90 Degrees as the third-party administrator using the Aetna PPO network. Dental costs are expected to rise about 10%. Staff will present the final premium impact to the Employee Benefits Trust for approval of funding. A copy of this presentation is included with the complete agenda packet, filed in the City Clerk's Office.

A discussion was held, and the Acting Mayor, City Council, and staff addressed the comments.

Mrs. Francia Alonso, Pubic Information Officer, informed the Acting Mayor and City Council that a brief survey would be displayed for participants. Attendees were asked to scan a QR code and respond to four (4) questions. Responses were reviewed in real time, and staff confirmed that the results would be stored for record-keeping. Ms. Alonso stated that the survey questions for the following day would be different. She thanked the participants for their involvement. A copy of the survey questions and responses is part of the complete agenda packet filed in the City Clerk's Office.

Acting Mayor Luis Cabrera recessed the Budget Retreat at 7:18 p.m. until April 18, 2026, at 8:00 a.m. There was no opposition from the city council.

April 18, 2026 – Day Two

The Mayor and Vice Mayor were absent during this meeting, and as authorized by City Code 2.05.440A1, the Budget Retreat was called to order at 5:02 p.m. by Mrs. Sonia Cornelio, City Clerk. The members of the city council present made a motion to nominate Council Member Luis E. Cabrera as the Acting Mayor during this meeting.

The Budget Retreat reconvened on April 18, 2026, at approximately 8:01 a.m.

MOTION: Council Member Maria C. Cruz/Council Member Lizeth Servin to nominate Council Member Luis E. Cabrera to chair the Budget Retreat meeting. The motion passed unanimously.

The Vote was as follows:

Council Member Maria Cecilia Cruz	Aye
Council Member Lizeth Servin	Aye
Council Member Esteban C. Rosalez	Aye
Council Member Luis E. Cabrera	Aye

Acting Mayor Luis E. Cabrera welcomed attendees to Day 2 of the Budget Retreat. He noted that Department Heads would be presenting and requested that participants write down any questions during the presentation so they may be addressed at the end.

1. CALL TO ORDER/ROLL CALL: Acting Mayor Luis E. Cabrera called the Budget Retreat meeting to order at approximately 8:02 a.m.

PRESENT: Acting Mayor Luis E. Cabrera
Council Member Maria Cecilia Cruz
Council Member Esteban C. Rosales
Council Member Lizeth Servin

ABSENT: Mayor Nieves Riedel
Vice Mayor Javier Vargas
Council Member Tadeo Azael De La Hoya

OTHERS PRESENT: Jenny Torres, City Manager
Sonia Cornelio, City Clerk
Olivia Jenkins, Acting Assistant City Manager
Adela Cortes, Director of Human Resources
Alejandra Peru, Court Administrator
Amanda Mahon-Watlington, City Prosecutor
Angel Ramirez, Fire Chief
Angelica Roldan, Director of Parks & Recreation
Armando Esparza, Director of Economic Development & Government Affairs

Edgar Esparza, Billing & Collections Manager
Enrique Lopez, Assistant Fire Chief
Eulogio Vera, Director of Public Works
Fernando Corona, Information Technology Manager
Francia Alonso, Public Information Officer
Jeziel Banos, IT Help Desk Technician
Jose A. Guzman, Director of Development Services
Jose Antonio Maldonado, Multimedia Production & Operations Specialist
Manuel Hernandez, Assistant Director of Public Works
Maria Sabori, Risk Management Manager
Michelle Boucher, Police Administrator
Miguel Ramirez, Finance Accounting Manager
Nigel Reynoso, Police Chief
Roula Encinas, Director of Finance
Tomas Sanchez, City Engineer
Viviana Briones, Administrative Assistant

2. C. Discussion and review on any and all matters regarding the proposed City of San Luis Budget for Fiscal Year 2026-2027 by staff. (Department Heads - April 18, 2026)

Opening Remarks

Mrs. Jenny Torres, City Manager, welcomed everyone to Day Two of the Budget Retreat and reviewed the expectations for the day, including respectful participation, no interruptions, and maintaining professionalism throughout the streamed meeting. She outlined the interactive format, noting that City Council would rotate among department tables every hour and that survey input would be collected again. She reviewed the day's schedule, including a video presentation during lunch. Mrs. Torres then reiterated several key budget challenges discussed on Day One, including raising costs in utilities, health insurance, and construction; continued subsidy of the HURF due to roadway and traffic-related needs; and increasing community expectations. She also noted that although the city balances the budget each year with reserves, those funds should not be relied on to support new discretionary projects. She also emphasized the budget impact on staffing, explaining that approximately 50% of General Fund expenditures are personnel-related, which limits the ability to add new positions. As a result, the focus for the upcoming year is on retaining existing staff through salary adjustments rather than expanding the workforce. She noted that turnover, delayed hiring, and project timing often create a budgetary cushion, but the City must remain mindful of resource limitations and staff workload.

The Acting Mayor and City Council received printed materials outlining the recommended capital projects, staffing changes, and events. Mrs. Torres asked the Acting Mayor and City Council to listen to departmental presentations, take notes, and be prepared to discuss potential adjustments, including shifting or deferring projects and impacts on the five-year plan.

Billing & Collections Division

Mr. Edgar Esparza, Billing & Collections Manager, gave a PowerPoint presentation to provide an overview of the department's accomplishments this fiscal year. His presentation included the following slides: Purpose Statement, AMI Implementation, AMI System, Rate Study FY2027, Kiosk – East Side, Business License, Business License Yard Sale Locator, and Position Reclassification – Business License Coordinator. A copy of this presentation is included with the complete agenda packet, filed in the City Clerk's Office.

A discussion was held, and the Acting Mayor, City Council, and staff addressed the comments.

Public Works Department

Mr. Eulogio Vera, Director of Public Works, and Mr. Manuel Hernandez, Assistant Director of Public Works, gave a PowerPoint presentation on their department divisions, which included Public Works Administration, Highway Users, Fleet Services, Solid Waste, Water Division, Wastewater Division, and Facilities Maintenance. Their presentation contained the following slides: Highway Users Division, Solid Waste Division, Fleet Services Division, Water Treatment Facilities System Sketch, Water Operations, Wastewater Division, and Facilities Division. A copy of this presentation is included with the complete agenda packet, filed in the City Clerk's Office.

A discussion was held, and the Acting Mayor, City Council, and staff addressed the comments.

Engineering Department

Mr. Tomas Sanchez, City Engineer, provided an overview of the Engineering Department, which was established in December 2024. He clarified that the department operates independently from Public Works, though they work closely together. The department currently consists of the City Engineer, a Project Manager, a Project Coordinator, and a Senior Technician.

He explained that the department supports multiple city departments by preparing conceptual plans, conducting reviews, and providing various technical services. Responsibilities include reviewing commercial and subdivision plans, ensuring compliance with city standards, and overseeing engineering aspects of Capital Improvement Projects (CIP). The department also coordinates with consultants, reviews design work, and assists Public Works and other departments in completing projects.

Mr. Sanchez gave a PowerPoint presentation that listed the Water and Waste Water Master Plans. A copy of this presentation is included with the complete agenda packet, filed in the City Clerk's Office.

A discussion was held, and the Acting Mayor, City Council, and staff addressed the comments.

Mrs. Francia Alonso, Pubic Information Officer, informed the Acting Mayor and City Council that a brief survey would be displayed for participants throughout the meeting. Attendees were asked to scan a QR code and answer four (4) questions; their responses were reviewed in real time. A copy of the survey questions and responses is part of the complete agenda packet filed in the City Clerk's Office.

Fire Department

Mr. Angel Ramirez, Fire Chief, provided an overview of current Fire Department initiatives, operations challenges, and long-term planning considerations. He highlighted ongoing efforts to ensure the department remains relevant and engaged with the community through programs such as the Annual Pancake Breakfast, CTE Firefighter Training Partnerships, CPR Instruction, and public education activities. He noted recent achievements, including a local CTE student becoming a state champion in firefighting. Chief Ramirez emphasized the department's unique role in the county, given the longer transport time from the port of entry to the hospital, which enables firefighters to provide extended advanced life support and monitor patient outcomes more closely. He discussed response time standards required by the Arizona Department of Health Services (AZDHS). The department recently received a three-year renewal of its Certificate of Necessity (CON), valid until October 2028. While the department continues to meet the 10 and 20-minute benchmarks, he noted that the 5-minute benchmark is becoming increasingly difficult to maintain due to growth and construction. Data analysis showed that the majority of near-threshold calls occur south of Cesar Chavez Boulevard and west of 10th Avenue, with a significant concentration at the port of entry. Chief Ramirez expressed the need to plan for improved coverage in that area. He also discussed industry-wide challenges, including increasing vehicle costs and shifting service models. Approximately 80% of calls for service are medical in nature, and he noted that every red department vehicle, including command units, is staffed with a paramedic to provide advanced life support. Chief Ramirez emphasized that maintaining service levels, retaining personnel, and managing rising operational costs will remain priorities for the department.

Chief Ramirez gave a PowerPoint presentation that included the following: Increase Call Volume, Training Captain, Adding three (3) Firefighters, Fire Rescue Truck, SCBA Regulators, SCBA Air Packs, Rescue Tools, Fire Dispatch Station Alerting System, Fire Station #3 Upgrades, Fire Station #2 Phase #2, Ambulance, and Community Impact. A copy of this presentation is included with the complete agenda packet, filed in the City Clerk's Office.

A discussion was held, and the Acting Mayor, City Council, and staff addressed the comments.

The Acting Mayor, City Council, and staff took a break at 10:01 a.m. and reconvened at 10:50 a.m.

Police Department

Mr. Nigel Reynoso, Chief of Police, gave a PowerPoint presentation covering Demographics, Calls for Service, Requested Salary Adjustments, Requested New Position, Proposed Capital Projects, ASDPS Local Border Support Fund, and AZDEMA Border Security Fund. A copy of this presentation is included with the complete agenda packet, filed in the City Clerk's Office.

A discussion was held, and the Acting Mayor, City Council, and staff addressed the comments.

Development Services Department

Mr. Jose A. Guzman, Director of Development Services, gave a PowerPoint presentation covering Reclassifications, New Positions, and Capital Projects. A copy of this presentation is included with the complete agenda packet filed in the City Clerk's Office.

A discussion was held, and the Acting Mayor, City Council, and staff addressed the comments.

Economic Development Department

Mr. Armando Esparza, Director of Economic Development & Government Affairs, presented the Economic Development Department's upcoming fiscal year budget and outlined the department's strategic goals. He explained that the goals align with recommendations from the Arizona Association of Economic Development and the International Economic Development Council. The department identified five goals:

1. Business attraction and investment through outreach efforts, trade shows, and partnership activities.
2. Business retention and expansion through direct engagement with local businesses and support services.
3. Expansion of small business development programs, including transitioning current work with PA Local into an in-house initiative.
4. Downtown revitalization.
5. Increasing grant acquisition.

Mr. Esparza noted that the department's proposed capital projects are designed to support and advance these five (5) goals. He gave a PowerPoint presentation that covered EDA Grant: US

Highway 95 Water and Sewer Line Expansion (FY 2026 Carryover), CDBG RA-Merrill Avenue Street Improvements Phase II (Carryover), CDBG SSP – Los Oros Street Improvements Phase III (Los Valles St., Los Portales St., El Chamizal St.), NADBank CAP – Downtown San Luis Master Drainage Infrastructure, ADOT TAP Grant – East Main Canal Shared-Use Path, Cesar Chavez Blvd. Commercial Land Development – State Land Auction Preparation Study (Carryover), Cesar Chavez Blvd. Commercial State Land Purchase, Public Art Program, Historic Preservation & Cultural Revitalization, Small Business Development Program, Data & Business Intelligence – Placer.ai, and Economic Development Strategic Plan. A copy of this presentation is included with the complete agenda packet filed in the City Clerk's Office.

A discussion was held, and the Acting Mayor, City Council, and staff addressed the comments.

San Luis Municipal Court

Ms. Julissa Alejandra Peru, Court Administrator, gave a PowerPoint presentation that covered Functions, Roles and Responsibilites, Position Request, Structure Review Request, Justification for New Chief Clerk Position, Strengthening the Pillars of Public Safety, Chief Court Clerk Reclassification, Court Admnistrator Salary Adjustment, Internal Salary Study, FY 2025 Budget Overview: City vs. Court Expenditures, Funding, Capital Improvement Plan New Courthouse, Justice Center, Vision for San Luis Municipal Court, Funding, and Network Circuit Upgrade. A copy of this presentation is included with the complete agenda packet filed in the City Clerk's Office.

A discussion was held, and the Acting Mayor, City Council, and staff addressed the comments.

City Attorney's Office

Mrs. Jenny Torres, City Manager, presented on behalf of the City Attorney's Office and reported one budget request for the upcoming fiscal year: the addition of an Assistant City Attorney position. The purpose of the request is to support ongoing recruitment for an in-house City Attorney and to ensure continuity of legal services by providing backup coverage in the event of vacancies. A copy of this presentation is included with the complete agenda packet filed in the City Clerk's Office.

A discussion was held, and the Acting Mayor, City Council, and staff addressed the comments.

City Prosecutor's Office

Ms. Amanda Mahon-Watlington, City Prosecutor, reported that the City Prosecutor's Office has no budget requests for the upcoming fiscal year. She provided an overview of the office's responsibilities, which include prosecuting misdemeanors occurring within the city limits investigated by the San Luis Police Department, as well as occasional cases referred by the Registrar of Contractors.
The office also notifies victims of their rights and assists them in exercising those rights. She noted a continued increase in case filings. She added that, as of early April 2026, case numbers were already 32 higher than the same period the previous year, indicating caseloads will likely continue to rise.

Ms. Mahon-Watlington also summarized key activities from the previous year, including six bench trials, one jury trial, one post-conviction relief petition, handling conflict cases from and to other jurisdictions, reviewing long-form cases, converting 80 warrant files to the digital system, obtaining new system access for criminal history updates and lab results, and developing written procedures for major case-processing steps. A copy of this presentation is included with the complete agenda packet filed in the City Clerk's Office.

A discussion was held, and the Acting Mayor, City Council, and staff addressed the comments.

City Clerk's Office

Mrs. Sonia Cornelio, City Clerk, gave a PowerPoint presentation that covered the New Position Request. A copy of this presentation is included with the complete agenda packet filed in the City Clerk's Office.

A discussion was held, and the Acting Mayor, City Council, and staff addressed the comments.

The Acting Mayor, City Council, and staff took a break at 1:00 p.m. and reconvened at 1:42 p.m.

Parks & Recreation Department

Ms. Angelica Roldan, Director of Parks & Recreation, gave a PowerPoint presentation that covered the department's mission and vision, Senior Center, Recreation, Municipal Pool, Cultutal Center, Youth Center, Parks Grounds, Jose Orduño Relight Structure System, Artificial Turf Field Renovation, Parks Assessments, Recreation Facility Expansion, Recreation Gym Upgrades, Recreation Department Indoor Restrooms, Youth Center Gym Floorings, Youth Center Equipment Upgrades, East Community Park, Positions Requested FY 2026-2027, and Special Events. A copy of this presentation is included with the complete agenda packet filed in the City Clerk's Office.

A discussion was held, and the Acting Mayor, City Council, and staff addressed the comments.

Human Resources Department

Ms. Adela Cortez, Director of Human Resources, gave a PowerPoint presentation that covered the following slides: Vision, Mission, Values, Organizational Chart, Workforce Allocation, Talent Acquisition FY 25-26, Active Personnel, Workforce Metrics, Training & Development, Goals & Objectives FY 26-27, Growth & Public Service, Economy, and Financial Sustainability. A copy of this presentation is included with the complete agenda packet filed in the City Clerk's Office.

A discussion was held, and the Acting Mayor, City Council, and staff addressed the comments.

Risk Management

Ms. Maria Sabori, Risk Management Manager, gave a PowerPoint presentation that covered the following slides: Organizational Chart, Total Inspections, Safety Talks, Safety & Compliance Training, Summary of Work-Related Injuries or Illnesses, Liability Claims, Goals & Objectives FY 26-27, Growth & Public Service, Economy, and Financial Sustainability. A copy of this presentation is included with the complete agenda packet filed in the City Clerk's Office.

A discussion was held, and the Acting Mayor, City Council, and staff addressed the comments.

Information Technology

Mr. Fernando Corona, Information Technology Manager, introduced the IT Department's upcoming fiscal year 2027 initiatives. He stated that the department aims to focus on how proposed technology improvements will benefit community members rather than on technical details. He noted that the first major project involves the modernization of citywide systems, with additional projects to follow in the full presentation.
He gave a PowerPoint that included the following slides, Transforming City Services through Technology Modernization that covered, which covered Financial ERP, HR, Payroll, Licensing, Permits Modernization & Cloud Transformation Initiative, Phone System Cloud Migration, Water

Plan to Fleet Building Fiber Optim Link, Data Center Perimeter Wall & Electrical Installation, Fire Dispatch Alerting System Upgrade, and Funding Request – Network & IT Security Administrator. A copy of this presentation is included with the complete agenda packet filed in the City Clerk's Office.

A discussion was held, and the Acting Mayor, City Council, and staff addressed the comments.

City Administration

Ms. Olivia Jenkins, Acting Assistant City Manager, provided an overview of the City Administration Department and its current operations.
The department consists of eight (8) employees, including the Communications Division, City Manager, administrative staff, and front-desk personnel who support between 10 and 14 city departments, as well as seven council members, residents, and outside organizations. The Communications Division manages press releases, social media platforms, media interviews, event photography, graphics, website content, livestreaming of city meetings, video production, and drone footage. Recent accomplishments include launching an updated city website and continuing multimedia support for city events and public communication.

The department noted that, although a new position had been previously considered, the request has been postponed until next year. Staff expressed appreciation for the team's work and their support across all city departments. She gave a PowerPoint presentation covering the Administration Capital Improvement Projects, which included a 2026 Ford Explorer, a 2026 Chevy Tahoe, City Hall Landscape, City Administration Wing Reconfirmation, ADA-Compliant Parking Spaces, Postal Service Cluster Boxes, and Building Remodel. A copy of this presentation is included with the complete agenda packet filed in the City Clerk's Office.

A discussion was held, and the Acting Mayor, City Council, and staff addressed the comments.

Acting Mayor Luis E. Cabrera noted that a group discussion and feedback session had been planned to review the budget presentations from the previous evening and earlier in the day. However, due to the absence of the mayor and two (2) council members, staff recommended postponing the discussion to ensure all elected officials have the opportunity to provide input. He encouraged staff and the city council to take the time to review the proposed projects. Staff were asked to email Ms. Jenny with their recommendations on which projects should move forward and which should not. Once salary figures are finalized, updated budget information will be shared to provide a clearer context on overall financial impacts.
Staff emphasized the importance of a collaborative process involving the full council, including the mayor, vice mayor, and all members.

Mrs. Jenny Torres, City Manager, announced plans to hold a budget work session on May 6 and asked council members to confirm their availability. By that date, salary details and proposed adjustments to capital projects and events are expected to be finalized, allowing the council to review the full financial picture and proceed with budget decisions. Before adjourning, staff expressed appreciation to all participants for their work during the two (2) days of presentations and acknowledged the personal time commitment involved. Special thanks were given to the IT and Communications teams, specifically Mr. Jose Antonio Maldonado, Ms. Olivia Jenkins, and Ms. Viviana Briones, for their significant effort in preparing and coordinating the budget session.

The Acting Mayor and the members of the City Council gave their closing remarks.

3. Adjournment

Acting Mayor Luis E. Cabrera adjourned the meeting at 4:22 p.m.

APPROVED:

_____
Nieves Riedel, Mayor

ATTEST:

_____
Sonia Cornelio, City Clerk

Certification

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Budget Retreat for the City Council of the City of San Luis, Arizona, held on April 17-18, 2026. I further certify that the meeting was duly called and held and that a quorum was present.

_____
Sonia Cornelio, City Clerk

M I N U T E S
Regular Council Meeting
San Luis City Council
San Luis Council Chambers
1090 E. Union Street
San Luis, AZ 85349
April 22, 2026
6:00 p.m.

1. CALL TO ORDER/ROLL CALL

Mayor Nieves Riedel called the meeting to order at approximately 6:00 p.m.

PRESENT: Council Member Maria Cecilia Cruz
Council Member Azael De La Hoya (left at 7:01 p.m.)
Council Member Esteban C. Rosales
Council Member Lizeth Servin
Vice Mayor Javier Vargas
Mayor Nieves Riedel

ABSENT: Council Member Luis E. Cabrera

OTHERS PRESENT: Jenny Torres, City Manager
Joe Estes, Interim City Attorney
Sonia Cornelio, City Clerk
Adela Cortez, Director of Human Resources
Angelica Roldan, Director of Parks & Recreation
Antonio Maldonado, Multimedia Production & Operations Specialist
Armando Esparza, Director of Economic Development
Cesar Magallanes, Crew Leader Supervisor
Domingo Sosa, Graphics and Media Specialist
Edgar Esparza, Billing & Collections Manager
Edgar Juarez, Project Coordinator
Enrique Lopez, Assistant Fire Chief
Eulogio Vera, Director of Public Works
Francia Alonso, Public Information Officer
Jeziel Banos, IT Help Desk Technician
Manuel Hernandez, Assistant Director of Public Works
Maria Barajas, Human Resources Manager
Miguel Ramirez, Finance Accounting Manager
Olivia Jenkins, Acting Assistant City Manager
Roula Encinas, Director of Finance
Tomas Sanchez, City Engineer
Victor De La Torre, Safety Officer
Xochitl Lopez, Office Supervisor

Christian Cuevas, Meeting Interpreter
Fabher Sanchez, Resident
Gina Bunn, Arizona Department of Environmental Quality (ADEQ) LiIaison
James Allen Jr., Resident
Maria Robles, Resident
Scarlett Harper, JP2 Judge/Resident

2. PLEDGE OF ALLEGIANCE

Council Member Tadeo Azael De La Hoya led the Pledge of Allegiance.

3. INVOCATION

The invocation was performed by Ms. Elida Valenzuela – Police Chaplain.

4. CALL TO THE PUBLIC

Mr. James Allen Jr., 1549 E. Babbitt Lane, San Luis, AZ, stated that this is the last year for the trash and water increases, voted on by the Council for a five-year period, which are in effect, possibly as of January 2027. He asked citizens what they wanted to know about what would happen once that benchmark passes. Is the City Council considering doing something similar again?

Ms. Maria Robles, 1195 California Street, San Luis, AZ, reminded that in 1979, during the fight for justice and social equality for farm workers, Mr. Justo Contreras died in a strike in Calexico, California. He was a 27-year-old willing to risk his life to fight for the movement. She is proud that in the current Council, there is a voice and representation. Ms. Robles added that they are the history and the movement. There are judges, courts, and those who judge; they should be proud that the movement brought dignity and justice. She has contact with an attorney, a first-generation son of a farm worker who attended a university. She provided some background on his childhood, when he worked in the lemon groves along with his family, and on the kids who did not have an opportunity to go to school or to have fair housing.

5. PROCLAMATIONS/PRESENTATION

5. A. Proclamation on Denim Day - April 29, 2026
5. B. Proclamation on Inclusive Post Secondary Education (IPSE) Day - May 1, 2026
5. C. Proclamation on International Firefighters' Day - May 4, 2026
5. D. Proclamation on 57th Annual Professional Municipal Clerks Week - May 3-9, 2026
5. E. Proclamation on National Small Business Week - May 3-9, 2026
5. F. Proclamation on Public Service Recognition Week - May 3-9, 2026
5. G. Proclamation on Economic Development Week - May 4-8, 2026

5. H. Proclamation on National Police Week - May 10-16, 2026 and Peace Officers' Memorial Day - May 15, 2026
5. I. Proclamation on Building Safety Month - May 2026
5. J. Proclamation on National Bike Month - May 2026
5. K. Proclamation on National Water Safety Month - May 2026

Mrs. Sonia Cornelio, City Clerk, read the proclamations by title only.

She also mentioned that members of the Greater Yuma Water Safety Alliance were present to support the National Water Safety Month Proclamation.

Mayor Nieves Riedel acknowledged their presence and thanked them.

Ms. Angelica Roldan, Director of Parks & Recreation, who also participates in the committee, introduced the members of the Greater Yuma Water Safety Alliance: City of Yuma Council Member Carol Smith; City of Yuma Deputy Administrator Jen Rachel; City of Yuma Communications Manager Jen Miller; and from Exceptional Health, Lisa Basil. Ms. Roldan and Ms. Rachel made some brief remarks.

5. L. Presentation of Certificate of Recognition to the City of San Luis Solid Waste Division for its acceptance into the Voluntary Environmental Stewardship Program (VEP) from the Arizona Department of Environmental Quality (ADEQ). (Gina Bunn, ADEQ Community Liaison)

Ms. Gina Bunn, ADEQ Community Liaison, presented the City of San Luis with a certificate recognizing the solid waste transfer station's strong compliance record. In 2023, the city also received recognition for good stewardship of the East Wastewater Treatment Plant. She explained that the Voluntary Environmental Stewardship Program (VESP), created by the state legislature, honors organizations that exceed environmental requirements. San Luis has now been accepted into the program at the bronze level for its solid waste transfer station, based on three (3) years with no environmental violations. Ms. Bunn mentioned that if the city maintains this record over the next three (3) years, its bronze membership will automatically renew. The city may also apply for higher levels of recognition through the VESP program.

Mr. Eulogio Vera, Director of Public Works, recognized and thanked his staff in that division for ensuring they were compliant.

6. CONSENT AGENDA

6. A. MINUTES OF
- Regular Council meeting held March 25, 2026

6. B. DISBURSEMENTS
From April 2, 2026 to April 14, 2026
Total $2,419,487.84
(Two Million, Four Hundred Nineteen Thousand, Four Hundred Eighty-Seven Dollars and Eighty-Four Cents)

6. C. Discussion and possible action on any and all matters regarding Order No. 2026-03. An order of the Mayor and City Council of the City of San Luis, Arizona, authorizing joining the Remnant Defendants Opioid Settlement Agreement. (Jenny Torres, City Manager and Joe Estes, Interim City Attorney)

MOTION: Council Member Tadeo Azael De La Hoya/Vice Mayor Javier Vargas to approve the Consent Agenda as presented. The motion passed unanimously.

The vote was as follows:

Council Member Maria Cecilia Cruz	Aye
Council Member Tadeo Azael De La Hoya	Aye
Council Member Esteban C. Rosales	Aye
Council Member Lizeth Servin	Aye
Vice Mayor Javier Vargas	Aye
Mayor Nieves Riedel	Aye

7. DISCUSSION AND POSSIBLE ACTION ITEMS:

7. A. Discussion and possible action on any and all matters regarding the City of San Luis Fire Station No.1 Roof Repair Project. (Eulogio Vera, Director of Public Works)

Mr. Eulogio Vera, Director of Public Works, stated that an assessment was conducted to determine which repairs were needed. The project was advertised as required by state statute. Bids were received, reviewed and it was determined that the contract be awarded to the lowest responsive bidder. This is for an almost 20-year-old roof.

MOTION: Vice Mayor Javier Vargas/Council Member Tadeo Azael De La Hoya to award the contract to EcoEnergy Solutions, LLC for the San Luis Fire Station No. 1 roof repair in the amount of $138,375.00, as presented. The motion passed unanimously.

The vote was as follows:

Council Member Maria Cecilia Cruz	Aye
Council Member Tadeo Azael De La Hoya	Aye
Council Member Esteban C. Rosales	Aye
Council Member Lizeth Servin	Aye
Vice Mayor Javier Vargas	Aye
Mayor Nieves Riedel	Aye

7. B. Discussion and possible action on any and all matters regarding the City of San Luis Well Site 3 Storage Tank Rehabilitation Project. (Eulogio Vera, Director of Public Works)

Mr. Eulogio Vera, Director of Public Works, explained that the City of San Luis Well Site 3 storage tank was rehabilitated approximately ten (10) years ago. An assessment was done and it needs Well Sites No. 3 and No. 4 were in the budget to be completed this fiscal year; however, due to conditions at Well Site No. 4, staff had to push it to next year. He added that repairs and improvements will be made to bring it into code. The project was advertised, and two (2) bids were received. Pittsburg Tank and Tower is the lowest responsible bidder; therefore, staff recommended awarding the contract to them. He added that all the metal tanks need to be replaced, except for the last one, which is concrete. Metal tanks are generally recodedre-coded every ten (10) to 15 years. Mr. Vera briefly spoke about other well sites and the repairs needed.

MOTION: Council Member Maria Cecilia Cruz/Vice Mayor Javier Vargas to award the contract to Pittsburg Tank & Tower Maintenance, Co., Inc. for the construction of the City of San Luis Well Site 3 Storage Tank Rehabilitation Project in the amount of $640,046.00, as presented. The motion passed unanimously.

The vote was as follows:

Council Member Maria Cecilia Cruz	Aye
Council Member Tadeo Azael De La Hoya	Aye
Council Member Esteban C. Rosales	Aye
Council Member Lizeth Servin	Aye
Vice Mayor Javier Vargas	Aye
Mayor Nieves Riedel	Aye

7. C. Discussion and possible action on any and all matters regarding the City of San Luis Merrill Avenue Improvements — County 22nd Street to Los Oros Street Phase 2 (CDBG #108-26) project. (Tomas Sanchez, City Engineer)

Mr. Tomas Sanchez, City Engineer, stated that staff is seeking approval to accept and award a construction contract to Gutierrez Canales Engineering for this project in the amount of $898,656.99. The project will consist of widening Merrill Avenue from Nancy Street to County 22nd Street. The city will match the first part of Phase One of Merrill Avenue. He added that the project was advertised, and a total of three (3) bids were received. Gutierrez Canales was selected as the lowest responsive and responsible bidder. The Economic Development Department secured a Community Development Block Grant (CDBG) in the amount of $480,965.00, and there is $665,000.00 in this fiscal year. The duration of this project will be approximately four (4) months.

MOTION: Council Member Esteban C. Rosales/Mayor Nieves Riedel to award the contract to Gutierrez Canales Engineering, PC for Merrill Avenue Improvements – County 22nd Street to Los Oros Street Phase 2 CDBG Project in the amount of $898,656.99, as presented. The motion passed unanimously.

The vote was as follows:

Council Member Maria Cecilia Cruz	Aye
Council Member Tadeo Azael De La Hoya	Aye
Council Member Esteban C. Rosales	Aye
Council Member Lizeth Servin	Aye
Vice Mayor Javier Vargas	Aye
Mayor Nieves Riedel	Aye

7. D. Presentation to City Council followed by discussion and possible direction to staff on any and all matters regarding the nominations for Opportunity Zones for the City of San Luis. (Armando Esparza, Director of Economic Development and Government Affairs)

Mr. Armando Esparza, Director of Economic Development and Government Affairs, provided a brief overview of Opportunity Zones (OZs). Opportunity Zones are a program that has existed since the Tax Cuts and Jobs Act of 2017 and was recently reauthorized by the One Big Beautiful Bill Act. It is a program designed to attract investment from companies and individuals with capital gains, offering tax benefits when they reinvest in qualifying census tracts and when they exit their investment. He spoke about the nomination process, eligible census tracts in San Luis, Census Tracts 04027011403 and 04027011601 and recommendations.

There were questions and answers between Council Member Tadeo Azael De La Hoya and Mr. Esparza on assistance from outside advisors.

MOTION: Vice Mayor Javier Vargas/Council Member Esteba C. Rosales to direct staff to recommend Census Tracts 04027011403 and 04027011601 to the Arizona Commerce Authority for Opportunity Zone Designation. The motions passed unanimously.

The vote was as follows:

Council Member Maria Cecilia Cruz	Aye
Council Member Tadeo Azael De La Hoya	Aye
Council Member Esteban C. Rosales	Aye
Council Member Lizeth Servin	Aye
Vice Mayor Javier Vargas	Aye
Mayor Nieves Riedel	Aye

8. SUMMARY OF CURRENT EVENTS

Council Member Maria Cecilia Cruz reported that she and Ms. Crystal Figueroa, Director of Yuma Metropolitan Planning Organization, attended the Rural Transportation Advocacy Council. An update was provided from the Dorne Policy Group regarding HB2304 – Statewide Priority Projects, which encompassed 72 road transportation projects. Additionally, they were informed about HB2760 – the Smart Fund Bill, which sought to appropriate $15 million, but did not advance, although they were pleased that it received a hearing. Since there is no funding, they will continue to advocate for the county's transportation needs.

Council Member Esteban C. Rosales thanked staff for organizing the city's budget retreat on April 17 and 18 and the departments for presenting their breakdowns of what the City Council will have to decide on for the city. He also reported that he, along with Vice Mayor Javier Vargas and Council Member Tadeo Azael De La Hoya, attended the ribbon-cutting ceremonies for the awnings at various local schools.

Council Member Tadeo Azael De La Hoya added that almost half a million dollars was spent on the shades for the three (3) schools without going to the voters for a bond issue, which is very important to the community. The shades are protective of a couple of the newest inclusive playgrounds. He also announced that there is a post on social media on one (1) eighth-grade math teacher from San Luis Middle School, Ms. Arlene Cajeola, who was nominated for the Teachers of Tomorrow, Teacher of the Year Award. She is the only one, not only in Yuma County but in the state, nominated and invited residents to vote for her, so she can place San Luis and Gadsden School District at the national level.

Mayor Nieves Riedel acknowledged the presence of Judge Harper and thanked her for covering the city's court needs. She clarified that Judge Harper is doing it pro bono; she is not getting paid.

Council Member Lizeth Servin acknowledged the city's communications team, which continues to do a great job with the city's website. The new website is really nice, vibrant, colorful and user-friendly. She reported attending the Yuma County Intergovernmental Public Transportation Authority (YCIPTA) Board meeting and the Financial Sustainability Committee last week. Things are moving forward with the transportation, but budget changes are coming, just as with the city. She mentioned she also attended the ribbon-cutting ceremony for a new daycare from Somerton, in San Luis and is really happy, as daycare services are much needed in the City of San Luis and throughout Yuma County. She extended an invitation to the community, off-roaders, clubs, and staff to join the Second Annual Desert Cleanup on Saturday, beginning at 7:00 a.m. She reminded that Yuma County continues to work on the south solid waste transfer station between Avenues D and E. Yuma County secured some grant funding to provide this service to the community.

Vice Mayor Javier Vargas reported that last week, as a member of the Yuma Port Authority, he welcomed a delegation from Taiwan visiting the region to explore it. They toured the area and saw the many options and opportunities the region offers.

9. EXECUTIVE SESSION:

Discussion and possible action to hold an Executive Session pursuant to A.R.S. §§ 38-431.03(A)(3), and (4) on any and all matters regarding the litigation of San Luis v. Border Ranches II and San Luis v. Rogers; consultation for legal advice with the city attorneys, in order to consider its position and instruct its attorneys and representatives about the City Council's position on contracts that are the subject of negotiations, in litigation or in settlement discussions conducted in order to resolve litigation (under subsection 4) allowed in executive sessions. (Joe Estes, Interim City Attorney and Outside Counsel Sims Mackin Ltd.)

MOTION: Council Member Tadeo Azael De La Hoya/Council Member Esteban C. Rosales to go into executive session at approximately 6:38 p.m. The motion passed unanimously.

The vote was as follows:

Council Member Maria Cecilia Cruz	Aye
Council Member Tadeo Azael De La Hoya	Aye
Council Member Esteban C. Rosales	Aye
Council Member Lizeth Servin	Aye
Vice Mayor Javier Vargas	Aye
Mayor Nieves Riedel	Aye

10. MOTION TO GO BACK TO REGULAR SESSION

MOTION: Mayor Nieves Riedel/Council Member Esteban C. Rosales to go back to regular session at approximately 7:05 p.m. The motion passed unanimously.

The vote was as follows:

Council Member Maria Cecilia Cruz	Aye
Council Member Esteban C. Rosales	Aye
Council Member Lizeth Servin	Aye
Vice Mayor Javier Vargas	Aye
Mayor Nieves Riedel	Aye

11. DISCUSSION AND POSSIBLE ACTION ITEM:

Discussion and possible action on any and all matters regarding Order No. 2026-02, an Order of the City Council of the City of San Luis, Arizona, approving the settlement agreement for Case No. S1400CV202300365 the City of San Luis versus Border Ranches II and S1400CV202300366 the City of San Luis versus Rogers in the Yuma County Superior Court; repealing conflicting provisions; and providing for severability. (Joe Estes, Interim City Attorney)

Mr. Joe Estes, Interim City Attorney, stated that the settlement agreements are in the packet being presented and that it is recommended the city agree to and enter into those agreements.

MOTION: Council Member Esteban C. Rosales/Mayor Nieves Riedel to approve Order No. 2026-02 accepting the terms of the attached settlement agreements.

The vote was as follows:

Council Member Maria Cecilia Cruz	Aye
Council Member Esteban C. Rosales	Aye
Council Member Lizeth Servin	Aye
Vice Mayor Javier Vargas	Aye
Mayor Nieves Riedel	Aye

12. ADJOURNMENT

MOTION: Mayor Nieves Riedel/ Council Member Esteban C. Rosales to adjourn the Regular Council meeting at approximately 7:07 p.m. The motion passed unanimously.

The vote was as follows:

Council Member Maria Cecilia Cruz	Aye
Council Member Esteban C. Rosales	Aye
Council Member Lizeth Servin	Aye
Vice Mayor Javier Vargas	Aye
Mayor Nieves Riedel	Aye

APPROVED:

_____
Nieves Riedel, Mayor

ATTEST:

_____
Sonia Cornelio, City Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular City Council meeting of the City Council of the City of San Luis, Arizona, held on April 22, 2026. I further certify that the meeting was duly called and held and that a quorum was present.

_____
Sonia Cornelio, City Clerk

AGENDA ITEM REVIEW FORM

Regular City Council Meeting **6. B.**

Meeting Date: 05/27/2026

Summary

DISBURSEMENTS
From May 5, 2026 to May 19, 2026
Total $1,408,642.97 (One Million, Four Hundred Eight Thousand, Six Hundred Forty-Two Dollars and Ninety-Seven Cents)

Attachments

Disbursements

City of San Luis
Finance Department

COUNCIL MEETING MAY 27, 2026
Disbursement Report from 05/05/2026 TO 05/19/2026

Bank Accounts	Check Date	Amount	Schedule
Payroll Check Account	05/07/26	$ 604,185.26	Schedule A
Accounts Payable Check Account	05/08/2026	$ 438,102.88	Schedule B
Payroll Check Account	05/12/2026	$ 3,974.42	Schedule C
Accounts Payable Check Account	05/15/2026	$ 362,380.41	Schedule D
	Total Disbursements:	**$ 1,408,642.97**	-

Please contact Ms. Roula Encinas or Mr. Miguel Ramirez prior to the meeting if additional information is needed.

Prepared by Guadalupe Canez: _____

Verified by Finance: Miguel Ramirez

For Council approval on: _____

Mayor: _____

Council: _____

_____

_____

_____

_____

_____

RECEIVED
MAY 20 2026
CITY CLERK'S OFFICE

Pay Day Register

Pay Date Range 04/18/26 - 05/01/26
Pay Batch 202610

Pay Batch 202610 Total
Employees in Pay Batch 351
Female Employees in Pay Batch 96

Hours Description	Hours	Gross
100 - REGULAR	27,039.2000	708,216.27
1001 - LEAVE WITHOUT PAY	40.5000	.00
1007 - ON CALL WORKED HOURS	14.5000	359.94
1009 - PART TIME	102.0000	1,646.61
1010 - PART TIME FIREFIGHTERS	37.7500	873.54
1012 - LEAVE WITH PAY	30.0000	1,459.30
105 - MILITARY LEAVE	40.0000	1,118.00
201 - OVERTIME	1,630.2500	64,882.06
202 - OP STONE GARDEN- O.T.	278.5000	14,816.72
2023 - FMLA - SICK LEAVE	181.6400	4,570.57
2024 - FMLA - VACATION LEAVE	140.4400	3,449.08
2036 - MARSHALS OT	22.0000	955.36
2038 - FMLA - LEAVE WITHOUT	34.1400	.00
210 - SRO	181.5000	5,348.08
300 - VACATION EARNED	1,385.6898	.00
301 - VACATION USED	822.7500	22,510.13
400 - SICK EARNED	1,331.3200	.00
405 - SCHEDULED SICK LEAVE	415.7800	11,950.31
406 - UNSCHEDULED SICK LEAVE	502.9500	12,175.36
501 - WC PUBLIC SAFETY USED	45.5000	1,405.63
502 - ON CALL PAY I.T.	.0000	100.00
503 - STAND-BY PAY	658.5000	1,317.00
703 - FIRE HOLIDAY USED	116.6000	2,756.42
809 - RETRO PAY	15.1317	467.90
900 - COMPENSATION EARNED	28.0000	.00
901 - COMPENSATION USED	240.8750	4,747.52
911 - First Responders Emergency	17.0000	571.17
940 - PD - EDU ASST	.0000	450.00
941 - PD - EDU BCHL	.0000	750.00
950 - PD -SRT	.0000	100.00
951 - PD - K-9 HANDLER	.0000	100.00
952 - PD - PHLEBOTOMIS	.0000	150.00
953 - PD - COLLISION	.0000	150.00
954 - PD - NEGOTIATOR	.0000	200.00
956 - PD - MIDNIGHT SHFT	.0000	800.00
961 - FD - EDU ASST	.0000	700.00
962 - FD - EDU BACHL	.0000	225.00
965 - PD - STAND-BY PAY	.0000	1,300.00

Withholdings and Deductions		Gross Base
Gross	870,771.97	
Imputed Income		
FEDERAL TAX WITHHOLDING	50,460.11	750,303.01
SOCIAL SECURITY TAX	53,987.94	870,771.97
MEDICARE	12,625.87	870,771.97
STATE WITHHOLDING	15,924.15	750,303.01
AM. FIDELITY - HEALTH FSA	25.00	.00
AM. FIDELITY- ACCIDENT-POST	25.01	.00
AM. FIDELITY- ACCIDENT-PRE	471.55	.00
AM. FIDELITY- CANCER-POST	43.30	.00
AM. FIDELITY- CANCER-PRE TAX	157.40	.00
AM. FIDELITY- GCI -POST TAX	73.09	.00
AM. FIDELITY- GHI- PRE TAX	259.84	.00
AM. FIDELITY- LIFE -POST TAX	316.48	.00
AM. FIDELITY- TX LIFE -POST	178.44	.00
AZ COPS - SLPD	575.00	.00
AZ STATE RETIREMENT	58,864.91	496,331.98
CHILD SUPPORT 2	234.46	.00
DEFERRED COMP - ROTH	1,300.00	.00
DEFERRED COMP - ROTH	217.09	8,794.55
DEFERRED COMPENSATION	2,590.00	.00
DEFERRED COMPENSATION	1,013.87	7,722.81
FOP/ALC	450.00	.00
GARNISHMENT	97.17	.00
GARNISHMENT - CHILD	2,231.38	.00
IAFF- FIRE DEPT	1,520.00	.00
LEGAL SHIELD	49.83	.00
LONG TERM DISABILITY	694.84	496,331.98
MANHATTANLIFE ASSURANCE	96.51	.00
MEX ONLY DENTAL - EE &	183.20	.00
MEX ONLY DENTAL - EE &	427.35	.00
MEX ONLY DENTAL - EE &	201.52	.00
MEX ONLY HEALTH - EE & CH	656.04	.00
MEX ONLY HEALTH = S	538.35	.00
MEXICO ONLY HEALTH - EE &	2,525.61	.00
MEXICO ONLY HEALTH - EE &	596.40	.00
MISCELLANEOUS	2,570.00	.00
PAC FUND- FIRE DEPT.	116.00	.00
PS DEFERRED COMP - ROTH	805.00	.00

Benefits		Gross Base
ASRS ALTERNATE	690.85	7,085.60
AZ STATE RETIREMENT	58,864.91	496,331.98
DENTAL = FAMILY	378.10	.00
LONG TERM DISABILITY	694.84	496,331.98
MEDICAL MEX ONLY - EE &	2,664.09	.00
MEDICAL MEX ONLY - EE &	10,256.14	.00
MEDICAL MEX ONLY - EE &	2,421.90	.00
MEDICAL MEX ONLY - EE ONLY	4,844.04	.00
MEX & US HEALTH = EE	59,281.20	.00
MEX ONLY DENTAL - EE &	142.40	.00
MEX ONLY DENTAL - EE &	332.15	.00
MEX ONLY DENTAL - EE &	156.64	.00
MEX ONLY DENTAL - EE ONLY	244.20	.00
PSPRS - ALTERNATE	252.43	3,155.36
PSPRS FIRE DB NORM - TIER 1	10,235.16	82,210.26
PSPRS FIRE DB NORM - TIER 2	911.45	7,320.92
PSPRS FIRE DB NORM - TIER 3	8,763.75	100,848.34
PSPRS FIRE DB UNFUND - TIER	1,902.63	83,448.19
PSPRS FIRE DB UNFUND - TIER	166.92	7,320.92
PSPRS FIRE DB UNFUND - TIER	2,511.12	100,848.34
PSPRS POLICE DB NORM - TIER	4,954.63	51,449.89
PSPRS POLICE DB NORM - TIER	1,126.14	11,694.10
PSPRS POLICE DB NORM - TIER	6,002.49	69,073.57
PSPRS POLICE DB UNFUND -	2,510.77	51,449.89
PSPRS POLICE DB UNFUND -	570.68	11,694.10
PSPRS POLICE DB UNFUND -	3,593.62	69,241.27
STANDARD STD	4,971.94	.00
U.S. MEX DENTAL - EE &	382.56	.00
U.S. MEX DENTAL - EE &	127.52	.00
US & MEX DENTAL - EE	3,210.24	.00
US & MEX HEALTH = C	26,588.80	.00
US & MEX HEALTH = FAMILY	26,437.58	.00
US & MEX HEALTH = SP	5,982.48	.00
VISION - SINGLE	1,285.94	.00
VSP- VISION	561.75	.00
WC PSPRS 17.38	29.15	167.70
WC PSPRS 20.10	248.82	1,237.93
Total	$254,300.03	

SCHEDULE A

Pay Day Register

Pay Date Range 04/18/26 - 05/01/26
Pay Batch 202610

968 - SRO 50	.0000	150.00	PS DEFERRED COMP - ROTH	767.40	13,070.83	Employer Taxes		Gross Base
Total	35,352.5165	$870,771.97	PS DEFERRED COMP TIAA -	642.98	14,945.20	MEDICARE	12,625.87	870,771.97
			PS DEFERRED COMPENSATION	1,765.00	.00	SOCIAL SECURITY TAX	53,987.94	870,771.97
			PSPRS FIRE DB RATE - TIER 1a	5,134.08	67,112.17	SUTA/UNEMPLOYMENT	5,019.42	836,568.56
			PSPRS FIRE DB RATE - TIER 1b	1,155.01	15,098.09	Total	$71,633.23	
			PSPRS FIRE DB RATE - TIER 2	560.05	7,320.92			
			PSPRS FIRE DB RATE - TIER 3	8,763.75	100,848.34	Workers' Comp		Gross Base
			PSPRS POLICE DB RATE - TIER	2,434.63	31,825.27	Ambulance EMT Search &	4,568.59	96,181.22
			PSPRS POLICE DB RATE - TIER	1,501.28	19,624.62	ANIMAL CONTROL OFFICERS	83.80	3,724.49
			PSPRS POLICE DB RATE - TIER 2	894.60	11,694.10	ATTORNEY- ALL & CLERICAL-	57.85	26,307.03
			PSPRS POLICE DB RATE - TIER 3	6,002.49	69,073.57	AUTO SERVICE/ REPAIR	332.03	11,900.50
			STANDARD LIFE ADDTNL	700.19	.00	BUILDING- NOC OPER BY	691.50	19,102.60
			TRANSWESTERN MEXICAN	141.00	.00	BUS COMPANY AND DRIVERS	83.99	1,521.60
			U.S. MEX DENTAL - EE &	492.72	.00	CLERICAL OFFICE/ LIBRARY/	476.44	198,521.86
			U.S. MEX DENTAL - EE &	164.24	.00	Electrician	73.78	2,349.60
			UNITED WAY	14.00	.00	FIREFIGHTERS & DRIVERS	5,624.13	118,402.61
			US & MEX DENTAL= FAMILY	486.78	.00	GARBAGE/ ASH/ REFUSE	668.87	10,701.97
			US & MEX HEALTH = C	6,547.60	.00	Homemaker Service	44.06	1,923.60
			US & MEX HEALTH = FAMILY	6,510.40	.00	Motion Picture Production	17.91	2,754.92
			US & MEX HEALTH = S	6,586.80	.00	MUNICIPAL/ TOWN/	986.00	56,343.36
			US & MEX HEALTH = SP	1,473.21	.00	PARKS- NOC ALL EMPLOYEES	838.45	27,045.71
			VSP - VISION CHILDREN	250.92	.00	POLICE OFFICERS	7,648.31	161,017.56
			VSP - VISION FAMILY	341.53	.00	RECREATION- ALL EMPLOYEES/	317.95	23,208.02
			VSP - VISION SPOUSE	153.34	.00	SEWAGE DISPOSAL/ PLANT	1,420.66	41,299.34
			Net	$604,185.26		Sewer Construction - All Operat	119.36	1,724.80
						Street or Road Construction	3,088.72	34,979.84
						WATERWORKS OPERATIONS	1,102.11	31,761.34
						Total	$28,244.51	

Miguel Ramirez
5/7/2026

Direct Deposits	Amount
1st Bank Yuma	36,133.18
ACADEMY BANK	2,185.22
Ally Bank	1,589.68
AVENIR FINANCIAL	47,326.94
Bank of America	6,907.57
Bank of America CA	1,272.93
Bankcorp	2,818.08
BANKCORP BANK	1,938.07
CAPITAL ONE	2,071.30
Charles Sch	350.00
Chase Bank	271,199.60
CHASE BANK CA	3,095.74
CHASE BANK MORGAN	1,924.46

Pay Day Register

Pay Date Range 04/18/26 - 05/01/26
Pay Batch 202610

CHASE BANK TX	1,500.00
chase centro	2,124.41
discover	400.00
EVOLVE BANK AND TRUST	109.84
FF CREDIT UNION	3,201.96
FIDELITY	435.22
FIREFIGHTER FIRST CREDIT UNION	20,256.35
HUGHES FCU	3,580.85
JP Morgan Chase	1,211.98
MECHNICS BANK	288.74
National Bank	1,319.18
National Police FCU	100.00
Navy Federal	39,570.90
NBKC Bank - Acorns	1,057.11
NetSpend Corporation DD	120.00
NORTH ISLAND CREDIT UNION	807.19
One Pay	600.00
OneAZ Credit Union	2,657.61
PATHWARD	2,071.65
SOFI BANK	1,969.46
Sunbank	1,933.44
THE FOOTHILLS BANK	2,981.96
US Bank	1,654.98
USAA FEDERAL SAVING	5,659.76
VANTAGE WEST	2,221.08
WASHINGTON FEDERAL	1,343.96
Wells Fargo	116,543.12
WELLS FARGO ARKANSAS	1,914.47
WELLS FARGO CA	6,609.71
WELLS FARGO CALE	1,127.56
Total	$604,185.26
Check	$0.00

City of San Luis

Payment Register

From Payment Date: 5/4/2026 - To Payment Date: 5/8/2026

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
1BYPAYABLE - 1st BY Accounts Payable									
Check									
115165	05/07/2026	Open			Accounts Payable	ARIZONA CONFERENCE OF POLICE & SHERIFFS	$575.00		
115166	05/07/2026	Open			Accounts Payable	FLASH FUND GROUP	$97.17		
115167	05/07/2026	Open			Accounts Payable	FOP/ALC	$450.00		
115168	05/07/2026	Open			Accounts Payable	SUPPORT PAYMENT CLEARINGHOUSE	$2,465.84		
115169	05/07/2026	Open			Accounts Payable	UNITED WAY OF YUMA COUNTY INC.	$14.00		
115170	05/07/2026	Open			Accounts Payable	UNITED YUMA FIRE FIGHTERS ASSOC	$116.00		
115171	05/07/2026	Open			Accounts Payable	UNITED YUMA FIRE FIGHTERS-IAFF	$1,520.00		
115172	05/08/2026	Open			Accounts Payable	ADOT MVD	$2.68		
115173	05/08/2026	Open			Accounts Payable	AFFORDABLE TOWING	$205.00		
115174	05/08/2026	Open			Accounts Payable	AGUA HELADA LLC	$223.34		
115175	05/08/2026	Open			Accounts Payable	AMERICAN BACKFLOW PRODUCTS CO.	$5,662.47		
115176	05/08/2026	Open			Accounts Payable	ARIZONA WESTERN COLLEGE	$671.53		
115177	05/08/2026	Open			Accounts Payable	BOBBY'S TERRITORIAL H-D	$1,095.28		
115178	05/08/2026	Open			Accounts Payable	BOUND TREE MEDICAL, LLC.	$4,106.83		
115179	05/08/2026	Open			Accounts Payable	BRUSH IT LLC	$1,000.00		
115180	05/08/2026	Open			Accounts Payable	BURROFF AND ASSOCIATES, LTD	$950.00		
115181	05/08/2026	Open			Accounts Payable	BUSTAMANTE, FRANCO, JOEL	$150.00		
115182	05/08/2026	Open			Accounts Payable	CABRERA, LUIS	$108.00		
115183	05/08/2026	Open			Accounts Payable	CARLOS, TERESA	$1,200.00		
115184	05/08/2026	Open			Accounts Payable	CASTILLO'S SOUTHWEST TOWING LLC.	$390.00		
115185	05/08/2026	Open			Accounts Payable	CENTURYLINK	$78.31		
115186	05/08/2026	Open			Accounts Payable	CHAVEZ LOPEZ, JESUS	$90.00		
115187	05/08/2026	Open			Accounts Payable	CITIES DIGITAL, INC.	$14,037.00		
115188	05/08/2026	Open			Accounts Payable	CODE PUBLISHING COMPANY	$235.00		
115189	05/08/2026	Open			Accounts Payable	DE LA HOYA, TADEO	$108.00		
115190	05/08/2026	Open			Accounts Payable	DICK'S AUTO SALVAGE	$650.47		
115191	05/08/2026	Open			Accounts Payable	DOMINGUEZ, DANIEL	$410.00		
115192	05/08/2026	Open			Accounts Payable	ESPARZA, ARMANDO	$108.00		
115193	05/08/2026	Open			Accounts Payable	FIREFIGHTER SELECTION, INC.	$200.00		
115194	05/08/2026	Open			Accounts Payable	FPA, LTD.	$11,265.00		
115195	05/08/2026	Open			Accounts Payable	FRAGOSO, CERVANDO	$190.21		
115196	05/08/2026	Open			Accounts Payable	FX TACTICAL, LLC	$159.50		
115197	05/08/2026	Open			Accounts Payable	GADSDEN ELEMENTARY SCHOOL MARCHING BAND	$350.00		
115198	05/08/2026	Open			Accounts Payable	GOMEZ, MARCO	$410.00		
115199	05/08/2026	Open			Accounts Payable	GUARDIAN ALLIANCE TECHNOLOGIES, INC.	$195.00		
115200	05/08/2026	Open			Accounts Payable	HUGHES FIRE EQUIPMENT, INC.	$418.06		
115201	05/08/2026	Open			Accounts Payable	HUMPHREY, JEREMY	$59.00		
115202	05/08/2026	Open			Accounts Payable	INSTANT PROMOTION INC	$2,451.36		
115203	05/08/2026	Open			Accounts Payable	INTERNATIONAL ASSOC. FOR PROP/EVIDENCE	$65.00		

SCHEDULE B

City of San Luis

Payment Register

From Payment Date: 5/4/2026 - To Payment Date: 5/8/2026

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
115204	05/08/2026	Open			Accounts Payable	IRON MOUNTAIN INC	$325.11		
115205	05/08/2026	Open			Accounts Payable	JOSHUA BLATT LIFTPRO LLC	$12,446.18		
115206	05/08/2026	Open			Accounts Payable	LERS	$1,924.44		
115207	05/08/2026	Open			Accounts Payable	LOPEZ, ENRIQUE	$59.00		
115208	05/08/2026	Open			Accounts Payable	LOPEZ, PEDRO, ANGEL	$47.15		
115209	05/08/2026	Open			Accounts Payable	MADERA, VANESSA	$1,200.00		
115210	05/08/2026	Open			Accounts Payable	MEZA, BLANCA, CRISTINA	$100.00		
115211	05/08/2026	Open			Accounts Payable	MILLER, DAMIAN	$81.00		
115212	05/08/2026	Open			Accounts Payable	MOTION INDUSTRIES, INC.	$155.47		
115213	05/08/2026	Open			Accounts Payable	MSTS RECEIVABLE LLC/HARBOR FREIGHT TOOLS USA, INC	$452.95		
115214	05/08/2026	Open			Accounts Payable	NORWOOD EQUIPMENT INC.	$14,539.39		
115215	05/08/2026	Open			Accounts Payable	NUNO, JAVIER	$1,300.00		
115216	05/08/2026	Open			Accounts Payable	ORTEGA, KEYLA	$55.00		
115217	05/08/2026	Open			Accounts Payable	PENA DE SUAREZ, MARIA	$150.00		
115218	05/08/2026	Open			Accounts Payable	PRECISION UNIFORMS LLC	$3,123.98		
115219	05/08/2026	Open			Accounts Payable	PVP COMMUNICATIONS INC.	$1,083.00		
115220	05/08/2026	Open			Accounts Payable	QUINONEZ, FRANCISCO	$360.00		
115221	05/08/2026	Open			Accounts Payable	REFRIGERATION SUPPLIES DISTRIBUTOR	$1,923.35		
115222	05/08/2026	Open			Accounts Payable	RIVERSIDE ENVIRONMENTAL SERVICES, INC.	$9,972.00		
115223	05/08/2026	Open			Accounts Payable	RODARTE, RODRIGO	$410.00		
115224	05/08/2026	Open			Accounts Payable	SANTANA, PEDRO, LUIS	$400.00		
115225	05/08/2026	Open			Accounts Payable	SERVIN, LIZETH	$108.00		
115226	05/08/2026	Open			Accounts Payable	STANDARD INSURANCE CO.	$14,385.40		
115227	05/08/2026	Open			Accounts Payable	US BANK	$1,000.00		
115228	05/08/2026	Open			Accounts Payable	WACOG	$4,500.00		
115229	05/08/2026	Open			Accounts Payable	WAL-MART	$35.00		
115230	05/08/2026	Open			Accounts Payable	YUMA COUNTY ANTI-DRUG COALITION	$500.00		
115231	05/08/2026	Open			Accounts Payable	YUMA COUNTY DEVELOPMENT SERVICES	$66,562.18		
115232	05/08/2026	Open			Accounts Payable	YUMA COUNTY SUPERIOR COURT	$15,824.77		
115233	05/08/2026	Open			Accounts Payable	ZARAGOZA, LETICIA	$130.00		
Type Check Totals:					69 Transactions		$205,636.42		
EFT									
9622	05/08/2026	Open			Accounts Payable	AIRGAS, INC.	$207.78		
9623	05/08/2026	Open			Accounts Payable	ALLKIOSK LLC	$1,117.98		
9624	05/08/2026	Open			Accounts Payable	ARIZONA MEDICAL WASTE	$129.77		
9625	05/08/2026	Open			Accounts Payable	ARIZONA STATE TREASURER	$40,213.78		
9626	05/08/2026	Open			Accounts Payable	BLT READY MIX CONCRETE LLC	$12,798.34		
9627	05/08/2026	Open			Accounts Payable	CDWG	$305.97		
9628	05/08/2026	Open			Accounts Payable	CORE & MAIN LP	$8,285.26		
9629	05/08/2026	Open			Accounts Payable	CSC OF YUMA	$10.33		
9630	05/08/2026	Open			Accounts Payable	DESERT DOCUMENT SHREDDERS, LLC	$72.75		
9631	05/08/2026	Open			Accounts Payable	DESERT WATER STORE INC	$337.07		
9632	05/08/2026	Open			Accounts Payable	FENCING BY S.K. L.L.C.	$957.20		
9633	05/08/2026	Open			Accounts Payable	FRESH TERRA SERVICES LLC	$536.00		

City of San Luis

Payment Register

From Payment Date: 5/4/2026 - To Payment Date: 5/8/2026

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
9634	05/08/2026	Open			Accounts Payable	FRUTH GROUP INC	$1,912.41		
9635	05/08/2026	Open			Accounts Payable	G&T LOCKSMITH AND SAFE CO.	$29.81		
9636	05/08/2026	Open			Accounts Payable	HILL BROTHERS CHEMICAL CO.	$4,594.69		
9637	05/08/2026	Open			Accounts Payable	JSA COMPANY	$29,104.00		
9638	05/08/2026	Open			Accounts Payable	LOOMIS	$2,232.50		
9639	05/08/2026	Open			Accounts Payable	ORDUNO-CROUSE, CANDICE	$9,500.00		
9640	05/08/2026	Open			Accounts Payable	POINT EMBLEMS, LLC	$4,370.80		
9641	05/08/2026	Open			Accounts Payable	POLAR ICE LLC	$193.75		
9642	05/08/2026	Open			Accounts Payable	PRECISION FIRE PROTECTION SRVS, INC	$977.00		
9643	05/08/2026	Open			Accounts Payable	PRECISION PROTECTIVE SERVICES LLC	$10,505.65		
9644	05/08/2026	Open			Accounts Payable	R&M ELECTRIC SUPPLY LLC	$4,871.86		
9645	05/08/2026	Open			Accounts Payable	RAMIREZ ADVISORS INTER-NATIONAL,LLC	$7,500.00		
9646	05/08/2026	Open			Accounts Payable	REPUBLIC SERVICES, INC.	$17,727.16		
9647	05/08/2026	Open			Accounts Payable	ROACH PEST CONTROL	$1,015.00		
9648	05/08/2026	Open			Accounts Payable	SAN LUIS AIR CONDITIONING LLC	$1,945.00		
9649	05/08/2026	Open			Accounts Payable	SEBIS DIRECT INC.	$3,198.45		
9650	05/08/2026	Open			Accounts Payable	SIRCHIE ACQUISITION COMPANY LLC	$394.80		
9651	05/08/2026	Open			Accounts Payable	SOUTHWEST SANITATION SERVICES, LLC	$2,948.32		
9652	05/08/2026	Open			Accounts Payable	THOMSON WEST PUBLISHING CO.	$474.28		
9653	05/08/2026	Open			Accounts Payable	UNIVERSAL BACKGROUND SCREENING INC	$294.35		
9654	05/08/2026	Open			Accounts Payable	YUMA COUNTY RECORDER'S OFFICE	$15.00		
9655	05/08/2026	Open			Accounts Payable	YUMA COUNTY TREASURER'S OFFICE	$207.52		
9656	05/08/2026	Open			Accounts Payable	YUMA SIGN MASTERS LLC	$585.42		
9657	05/08/2026	Open			Accounts Payable	YUMA WINNELSON CO.	$62,896.46		

City of San Luis

Payment Register

From Payment Date: 5/4/2026 - To Payment Date: 5/8/2026

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
Type EFT Totals:					36 Transactions		$232,466.46		
1BYPAYABLE - 1st BY Accounts Payable Totals									

Checks	Status	Count	Transaction Amount	Reconciled Amount
	Open	69	$205,636.42	$0.00
	Reconciled	0	$0.00	$0.00
	Voided	0	$0.00	$0.00
	Stopped	0	$0.00	$0.00
	Total	69	$205,636.42	$0.00

EFTs	Status	Count	Transaction Amount	Reconciled Amount
	Open	36	$232,466.46	$0.00
	Reconciled	0	$0.00	$0.00
	Voided	0	$0.00	$0.00
	Total	36	$232,466.46	$0.00

All	Status	Count	Transaction Amount	Reconciled Amount
	Open	105	$438,102.88	$0.00
	Reconciled	0	$0.00	$0.00
	Voided	0	$0.00	$0.00
	Stopped	0	$0.00	$0.00
	Total	105	$438,102.88	$0.00

Grand Totals:

Checks	Status	Count	Transaction Amount	Reconciled Amount
	Open	**69**	**$205,636.42**	**$0.00**
	Reconciled	**0**	**$0.00**	**$0.00**
	Voided	**0**	**$0.00**	**$0.00**
	Stopped	**0**	**$0.00**	**$0.00**
	Total	**69**	**$205,636.42**	**$0.00**

EFTs	Status	Count	Transaction Amount	Reconciled Amount
	Open	**36**	**$232,466.46**	**$0.00**
	Reconciled	**0**	**$0.00**	**$0.00**
	Voided	**0**	**$0.00**	**$0.00**
	Total	**36**	**$232,466.46**	**$0.00**

All	Status	Count	Transaction Amount	Reconciled Amount
	Open	**105**	**$438,102.88**	**$0.00**
	Reconciled	**0**	**$0.00**	**$0.00**
	Voided	**0**	**$0.00**	**$0.00**
	Stopped	**0**	**$0.00**	**$0.00**
	Total	**105**	**$438,102.88**	**$0.00**

Guadalupe Canez

Digitally signed by: Guadalupe Canez
DN: CN = Guadalupe Canez email = gcanez@sanluisaz.gov C = AD
Date: 2026.05.08 18:02:55 -07'00'

Pay Day Register

Pay Date Range 05/01/26 - 05/31/26
Pay Batch 202605M

Pay Batch 202605M Total
Employees in Pay Batch 7
Female Employees in Pay Batch 3

Hours Description	Hours	Gross
102 - SALARY	.0000	7,550.00
Total	0.0000	$7,550.00

Withholdings and Deductions		Gross Base
Gross	7,550.00	
Imputed Income		
FEDERAL TAX WITHHOLDING	81.01	4,753.74
SOCIAL SECURITY TAX	468.11	7,550.00
MEDICARE	109.47	7,550.00
STATE WITHHOLDING	118.21	4,753.74
ASRS Council	213.48	1,800.00
ASRS LTD Council	2.52	1,800.00
Council Retirement EORP	117.00	900.00
Dental Council	133.33	.00
EODCRS - COUNCIL	388.00	4,850.00
EODCRS - DISABILITY	6.79	4,850.00
Medical Council	1,895.84	.00
Vision Council	41.82	.00
Net	$3,974.42	

Miguel Ramirez
05/12/2026

Benefits		Gross Base
ASRS Council	213.48	1,800.00
ASRS LTD Council	2.52	1,800.00
ASRS/EORP - LEGACY RATE	1,056.60	1,800.00
Dental Council	249.44	.00
EODCRS - COUNCIL	291.00	4,850.00
EODCRS - DISABILITY	6.79	4,850.00
EODCRS/EORP LEGACY RATE	2,600.09	4,850.00
Health Council	8,881.85	.00
Retirement Council EORP	636.30	900.00
Vision Council	76.98	.00
Total	$14,015.05	

Employer Taxes		Gross Base
MEDICARE	109.47	7,550.00
SOCIAL SECURITY TAX	468.11	7,550.00
SUTA/UNEMPLOYMENT	45.30	7,550.00
Total	$622.88	

Workers' Comp		Gross Base
MUNICIPAL/ TOWN/	132.13	7,550.00
Total	$132.13	

Direct Deposits	Amount
1st Bank Yuma	1,340.10
CAPITAL ONE	651.91
Chase Bank	1,261.56
Navy Federal	104.92
Wells Fargo	615.93
Total	$3,974.42

Check $0.00

SCHEDULE C

City of San Luis

Payment Register

From Payment Date: 5/11/2026 - To Payment Date: 5/15/2026

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
1BYPAYABLE - 1st BY Accounts Payable									
Check									
115234	05/13/2026	Open			Utility Management Refund	ALTAMIRANO MURRIETA, LARISSA	$203.94		
115235	05/13/2026	Open			Utility Management Refund	ARELLANO, ISAAC & JAELYNN L CADDELL	$202.36		
115236	05/13/2026	Open			Utility Management Refund	BELTRAN JULIA & BORQUEZ ROSARIO	$157.79		
115237	05/13/2026	Open			Utility Management Refund	CARILLO , GIANNA ANNABEL	$63.93		
115238	05/13/2026	Open			Utility Management Refund	COMITE DE BIENESTAR, LUIS G HUERTA	$3,110.74		
115239	05/13/2026	Open			Utility Management Refund	DELGADO, EVELYN	$108.47		
115240	05/13/2026	Open			Utility Management Refund	ESTRADA DE MEDINA, MARTHA LETICIA	$169.63		
115241	05/13/2026	Open			Utility Management Refund	FIGUEROA, MAYRA, J	$226.72		
115242	05/13/2026	Open			Utility Management Refund	FLORES GONZALEZ, VALERIA	$235.23		
115243	05/13/2026	Open			Utility Management Refund	GARCIA, OMAR	$226.66		
115244	05/13/2026	Open			Utility Management Refund	HAXTON MASONRY INC	$2,440.84		
115245	05/13/2026	Open			Utility Management Refund	HERRERA, ROSA, I	$72.69		
115246	05/13/2026	Open			Utility Management Refund	LOPEZ, EDSON	$232.61		
115247	05/13/2026	Open			Utility Management Refund	PLANTILLAS, ZAHID, H	$196.81		
115248	05/13/2026	Open			Utility Management Refund	ROBLES, GERMAN	$73.40		
115249	05/13/2026	Open			Utility Management Refund	ROCHA, FATIMA	$11.26		
115250	05/13/2026	Open			Utility Management Refund	SIQUEIROS, FELIX & ANGEL	$132.60		
115251	05/13/2026	Open			Utility Management Refund	VERDUGO, YESENIA	$85.15		
115252	05/13/2026	Open			Utility Management Refund	ZAMORA, ADRIANA	$242.59		
115253	05/14/2026	Open			Accounts Payable	ARIZONA PUBLIC SERVICE	$1,001.18		
115254	05/14/2026	Open			Accounts Payable	AT&T MOBILITY LLC	$5,540.91		
115255	05/14/2026	Open			Accounts Payable	CENTURYLINK	$5,163.86		
115256	05/14/2026	Open			Accounts Payable	CORREA, JUAN	$200.00		
115257	05/14/2026	Open			Accounts Payable	DUARTE, YIGAL	$217.00		
115258	05/14/2026	Open			Accounts Payable	DUARTE REYES, LIZ	$50.00		
115259	05/14/2026	Open			Accounts Payable	ESPARZA, ARMANDO	$217.00		
115260	05/14/2026	Open			Accounts Payable	GONZALEZ, AARON	$200.00		
115261	05/14/2026	Open			Accounts Payable	GONZALEZ, SAMUEL	$154.01		
115262	05/14/2026	Open			Accounts Payable	HUMANA	$628.64		
115263	05/14/2026	Open			Accounts Payable	LOPEZ, ENRIQUE	$59.00		

SCHEDULE D

City of San Luis

Payment Register

From Payment Date: 5/11/2026 - To Payment Date: 5/15/2026

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
115264	05/14/2026	Open			Accounts Payable	LUNA, AMERICA	$20.80		
115265	05/14/2026	Open			Accounts Payable	NORIDIAN HEALTHCARE SOLUTIONS, LLC	$484.15		
115266	05/14/2026	Open			Accounts Payable	ROSALES, ESTEBAN	$227.00		
115267	05/14/2026	Open			Accounts Payable	SERVIN, LIZETH	$227.00		
115268	05/14/2026	Open			Accounts Payable	TRANSWESTERN INSURANCE ADMIN	$282.00		
115269	05/14/2026	Open			Accounts Payable	VISION SERVICE PLAN OF ARIZONA	$11,176.14		
115270	05/15/2026	Open			Accounts Payable	ALLO HOLDINGS, LLC	$1,433.42		
115271	05/15/2026	Open			Accounts Payable	APS	$13,495.15		
115272	05/15/2026	Open			Accounts Payable	ARCTIC GLACIER USA INC	$458.40		
115273	05/15/2026	Open			Accounts Payable	BOUND TREE MEDICAL, LLC.	$2,997.33		
115274	05/15/2026	Open			Accounts Payable	BUNGER STEEL, INC	$23,153.94		
115275	05/15/2026	Open			Accounts Payable	CAMPESINOS SIN FRONTERAS	$1,000.00		
115276	05/15/2026	Open			Accounts Payable	CENTURYLINK	$241.46		
115277	05/15/2026	Open			Accounts Payable	CNJ AUTO GLASS & WINDOW TINTING, LLC	$629.00		
115278	05/15/2026	Open			Accounts Payable	COE & VAN LOO CONSULTANTS, INC.	$1,500.00		
115279	05/15/2026	Open			Accounts Payable	COMITE DE BIENESTAR INC	$2,848.74		
115280	05/15/2026	Open			Accounts Payable	CONSTRUCTION SUPPLY HOLDINGS II, LLC	$463.13		
115281	05/15/2026	Open			Accounts Payable	DAHL, ROBINS & ASSOCIATES, INC	$1,350.00		
115282	05/15/2026	Open			Accounts Payable	FLASH 360 LLC	$300.00		
115283	05/15/2026	Open			Accounts Payable	FLORES F., CARLOS,	$7,500.00		
115284	05/15/2026	Open			Accounts Payable	IMSA GARAGE DOORS LLC	$3,540.00		
115285	05/15/2026	Open			Accounts Payable	INTELLIGENT MARKING USA, INC	$420.86		
115286	05/15/2026	Open			Accounts Payable	LOWE'S HIW, INC.	$1,522.41		
115287	05/15/2026	Open			Accounts Payable	PIERCE COLEMAN PLLC	$13,365.00		
115288	05/15/2026	Open			Accounts Payable	PRECISION UNIFORMS LLC	$889.13		
115289	05/15/2026	Open			Accounts Payable	PULIDO AYALA, JESUS, I	$35.00		
115290	05/15/2026	Open			Accounts Payable	REYES BARRIOS, ERICK, ALAN	$45.00		
115291	05/15/2026	Open			Accounts Payable	RODRIGUEZ, JARMY	$466.20		
115292	05/15/2026	Open			Accounts Payable	SOLANO, CARLOS, BERNABE	$500.00		
115293	05/15/2026	Open			Accounts Payable	SOUTHWEST TURF SUPPLY	$1,478.05		
115294	05/15/2026	Open			Accounts Payable	STATUS CREATIVO LLC	$715.52		
115295	05/15/2026	Open			Accounts Payable	THE HOME DEPOT	$1,262.25		
115296	05/15/2026	Open			Accounts Payable	THE WINDOOR SHOP	$112.05		
115297	05/15/2026	Open			Accounts Payable	TYLER TECHNOLOGIES, INC.	$9,109.89		
115298	05/15/2026	Open			Accounts Payable	W.W.GRAINGER, INC	$238.08		
115299	05/15/2026	Open			Accounts Payable	XEROX CORPORATION	$1,763.79		
115300	05/15/2026	Open			Accounts Payable	YUMA WINLECTRIC CO.	$108.20		
Type Check Totals:					67 Transactions		$126,984.11		
EFT									
9658	05/12/2026	Open			Accounts Payable	ALSCO, INC	$11,671.49		
9659	05/12/2026	Open			Accounts Payable	AMAZON.COM SALES, INC.	$8,340.92		
9660	05/12/2026	Open			Accounts Payable	AUTOZONE STORES, INC	$809.40		
9661	05/12/2026	Open			Accounts Payable	O'REILLY AUTO PARTS	$718.91		
9662	05/12/2026	Open			Accounts Payable	ODP BUSINESS SOLUTIONS LLC	$10,117.64		

City of San Luis

Payment Register

From Payment Date: 5/11/2026 - To Payment Date: 5/15/2026

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
9663	05/15/2026	Open			Accounts Payable	24/7 GET FIT LLC	$1,728.00		
9664	05/15/2026	Open			Accounts Payable	4 IMPRINT	$4,623.45		
9665	05/15/2026	Open			Accounts Payable	ANIMAL CARE EQUIPMENT AND SERVICES	$307.26		
9666	05/15/2026	Open			Accounts Payable	ARIZONA EMERGENCY PRODUCTS, INC.	$48,328.88		
9667	05/15/2026	Open			Accounts Payable	BILL ALEXANDER FORD	$150.00		
9668	05/15/2026	Open			Accounts Payable	BLT READY MIX CONCRETE LLC	$5,340.99		
9669	05/15/2026	Open			Accounts Payable	BORDER GYM	$1,200.00		
9670	05/15/2026	Open			Accounts Payable	BTE BODY COMPANY INC	$3,108.50		
9671	05/15/2026	Open			Accounts Payable	CDWG	$3,230.02		
9672	05/15/2026	Open			Accounts Payable	CENTERLINE SUPPLY WEST	$9,900.31		
9673	05/15/2026	Open			Accounts Payable	CHAPMAN CHEVROLET BUICK GMC YUMA LLC	$844.47		
9674	05/15/2026	Open			Accounts Payable	CHAPMAN DCJR YUMA LLC	$1,296.71		
9675	05/15/2026	Open			Accounts Payable	COMBAT BRANDS, LLC	$99.98		
9676	05/15/2026	Open			Accounts Payable	CONSULTANT ENGINEERING INC	$10,211.06		
9677	05/15/2026	Open			Accounts Payable	CORE & MAIN LP	$1,362.78		
9678	05/15/2026	Open			Accounts Payable	CORE ENGINEERING GROUP, PLLC	$1,065.00		
9679	05/15/2026	Open			Accounts Payable	CUEVAS, CHRISTIAN	$200.00		
9680	05/15/2026	Open			Accounts Payable	DESERT WATER STORE INC	$159.39		
9681	05/15/2026	Open			Accounts Payable	ECOVERDE, LLC	$812.04		
9682	05/15/2026	Open			Accounts Payable	FRESH TERRA SERVICES LLC	$6,149.00		
9683	05/15/2026	Open			Accounts Payable	G&T LOCKSMITH AND SAFE CO.	$371.29		
9684	05/15/2026	Open			Accounts Payable	HILL BROTHERS CHEMICAL CO.	$7,063.07		
9685	05/15/2026	Open			Accounts Payable	KINGHOSE INDUSTRY LLC	$151.78		
9686	05/15/2026	Open			Accounts Payable	MCNEECE BROS. OIL COMPANY, INC	$69,751.78		
9687	05/15/2026	Open			Accounts Payable	METRO FIRE EQUIPMENT INC	$154.00		
9688	05/15/2026	Open			Accounts Payable	ON TRACK OVERHEAD DOORS LLC	$180.00		
9689	05/15/2026	Open			Accounts Payable	ROACH PEST CONTROL	$525.00		
9690	05/15/2026	Open			Accounts Payable	RUSH TRUCK CENTER	$7,498.01		
9691	05/15/2026	Open			Accounts Payable	SOUTHERN TIRE MART LLC	$5,155.81		
9692	05/15/2026	Open			Accounts Payable	SOUTHWEST MERCH LLC	$21.75		
9693	05/15/2026	Open			Accounts Payable	SPECTRUM BUSINESS	$7,049.16		
9694	05/15/2026	Open			Accounts Payable	THOMSON WEST PUBLISHING CO.	$474.28		
9695	05/15/2026	Open			Accounts Payable	ULINE, INC.	$1,190.77		
9696	05/15/2026	Open			Accounts Payable	WAXIE SANITARY SUPPLY	$154.47		
9697	05/15/2026	Open			Accounts Payable	YUMA NURSERY LLC	$3,704.93		
9698	05/15/2026	Open			Accounts Payable	YUMA SUN INC	$174.00		
Type EFT Totals:					41 Transactions		$235,396.30		

1BYPAYABLE - 1st BY Accounts Payable Totals

Checks	Status	Count	Transaction Amount	Reconciled Amount
	Open	67	$126,984.11	$0.00
	Reconciled	0	$0.00	$0.00
	Voided	0	$0.00	$0.00
	Stopped	0	$0.00	$0.00
	Total	67	$126,984.11	$0.00

City of San Luis

Payment Register

From Payment Date: 5/11/2026 - To Payment Date: 5/15/2026

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference

EFTs	Status	Count	Transaction Amount	Reconciled Amount
	Open	41	$235,396.30	$0.00
	Reconciled	0	$0.00	$0.00
	Voided	0	$0.00	$0.00
	Total	41	$235,396.30	$0.00

All	Status	Count	Transaction Amount	Reconciled Amount
	Open	108	$362,380.41	$0.00
	Reconciled	0	$0.00	$0.00
	Voided	0	$0.00	$0.00
	Stopped	0	$0.00	$0.00
	Total	108	$362,380.41	$0.00

Grand Totals:

Checks	Status	Count	Transaction Amount	Reconciled Amount
	Open	**67**	**$126,984.11**	**$0.00**
	Reconciled	**0**	**$0.00**	**$0.00**
	Voided	**0**	**$0.00**	**$0.00**
	Stopped	**0**	**$0.00**	**$0.00**
	Total	**67**	**$126,984.11**	**$0.00**

EFTs	Status	Count	Transaction Amount	Reconciled Amount
	Open	**41**	**$235,396.30**	**$0.00**
	Reconciled	**0**	**$0.00**	**$0.00**
	Voided	**0**	**$0.00**	**$0.00**
	Total	**41**	**$235,396.30**	**$0.00**

All	Status	Count	Transaction Amount	Reconciled Amount
	Open	**108**	**$362,380.41**	**$0.00**
	Reconciled	**0**	**$0.00**	**$0.00**
	Voided	**0**	**$0.00**	**$0.00**
	Stopped	**0**	**$0.00**	**$0.00**
	Total	**108**	**$362,380.41**	**$0.00**

Guadalupe Canez

Digitally signed by: Guadalupe Canez
DN: CN = Guadalupe Canez email = gcanez@sanluisaz.gov
C = AD
Date: 2026.05.15 15:10:49 -07'00'

AGENDA ITEM REVIEW FORM

Regular City Council Meeting **7. A.**

Meeting Date: 05/27/2026
Department Head: Sonia Cornelio, City Clerk, City Clerk's Office
Submitted By: Sonia Cornelio, City Clerk, City Clerk's Office
Action Requested: Discussion Item - No Action to be Taken

ITEM:

Discussion and possible directions to staff on any and all matters regarding possible opportunities of a partnership between the City of San Luis and the Gadsden Elementary School District #32 for the Scorpions Sports Complex. **(Lizette Esparza, Gadsden School District Superintendent)**

SUMMARY:

The Gadsden Elementary School District #32 has an update on their Land and Water Conservation Fund Grant application submitted in March 2026, with approval expected in September. They are requesting $872,160.00 to be matched by the district for a total cost of $1,744,320.00 for Phase 1.

Phase 1 of the Scorpions Sports Complex at San Luis Middle School includes two (2) soccer fields, a track field, restrooms, bleachers, lighting, and essential site work. The complex will serve both students and the wider San Luis community, with public access possible through a partnership with the city.

They are seeking city support through financial assistance, construction or labor contributions, equipment support, or in-kind services. This project is a long-term investment in recreation and community well-being.

RECOMMENDATION / SUGGESTED MOTION:

Discussion and possible directions to staff only, no action.

Fiscal Impact

IS THERE FISCAL IMPACT ASSOCIATED WITH THIS ITEM:	N/A
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):

N/A

Attachments

Email
Scorpions Sports Complex

Archived: Monday, May 11, 2026 7:40:42 AM
From: Nieves Riedel
Sent: Friday, May 8, 2026 8:18:38 AM
To: Sonia Cornelio
Subject: Fw: May 27 agenda item request (Scorpions Sports Complex)
Importance: Normal
Sensitivity: None
Attachments:
original-26FAC0FB-A313-4CA9-88D6-52480C1C6392.jpeg;

Good morning Sonia.
Can you add this item on the 27 0f may please.

Get Outlook for iOS

From: Tadeo A. DeLaHoya <tdelahoya@sanluisaz.gov>
Sent: Thursday, May 7, 2026 3:52:13 PM
To: Nieves Riedel <nriedel@sanluisaz.gov>
Cc: Jenny Torres <jtorres@sanluisaz.gov>; Olivia Jenkins <ojenkins@sanluisaz.gov>
Subject: May 27 agenda item request (Scorpions Sports Complex)

Mayor Riedel,

Would you please add as an agenda item for the May 27 Regular Council Meeting, the proposed partnership between the City of San Luis and the Gadsden Elementary School District #32 (see email below).

Mrs. Lizette Esparza (District Superintendent), and Ms. Lina Galvan (Associate Superintendent) would like to present this awesome opportunity for the City to expand our ability to serve all of residents within our community. Especially those interested in soccer and running leagues.

Attached to my email, is the conceptual/draft of the proposed project.

Let me know if you have any questions, or if any additional information is needed.

Thank you,

Tadeo A. De La Hoya
Council Member

Begin forwarded message:

> **From:** "Esparza, Lizette" <lmesparza@gesd32.org>
> **Date:** May 7, 2026 at 3:36:30 'a0PM MST
> **To:** "Tadeo A. De La Hoya"

Dear Board President Mr. De La Hoya,

I would like to give you an update on the application for the Land and Water Conservation Fund Grant that was submitted on March 2026, with final approval anticipated in September 2026. This is a 50/50 matching grant program through Arizona State Parks and Trails. We are requesting $872,160 in grant funding and will provide an equal matching contribution, resulting in a total estimated Phase 1 project cost of $1,744,320.

Phase 1 of the Scorpions Sports Complex will be located at San Luis Middle School and will include:

- Development of two state-of-the-art soccer fields
- Construction of a track field
- Restroom facilities
- Bleachers and sports lighting
- Fencing, surveys, testing, permits, and general site construction

The Scorpions Sports Complex is intended to serve not only our students, but also the greater San Luis community. If we create a partnership between Gadsden School District and the city of San Luis the facility would be enabled to the public during non-school hours, providing expanded recreational opportunities for youth, families, and local sports organizations.

We respectfully seek partnership opportunities with the City of San Luis to help support the successful completion of this community project. Potential contributions may include:

- Financial assistance toward matching grant requirements
- Donation of labor or construction support
- Bleachers, scoreboards, sound systems, or lighting assistance
- In-kind services or other allowable contributions within the City's annual budget

This project represents a long-term investment in recreation, youth development, health, and community engagement for the residents of San Luis. We would like the opportunity to present this project to the San Luis City Mayor and Council on May 27 2026 to discuss possible opportunities of a partnership.

Sincerely,

Lizette Esparza

Gadsden District Superintendent

SCORPIONS SPORTS COMPLEX

AT SAN LUIS MIDDLE SCHOOL

INVESTING IN OUR YOUTH. STRENGTHENING OUR COMMUNITY.

GRANT OVERVIEW

Gadsden Elementary School District submitted the application for the Land and Water Conservation Fund Grant in March 2026, pending final approval **by September 2026.**

PROJECT FUNDING

This is a **50/50** matching grant.

$872,160	$872,160
Requested from Arizona State Parks	District Match

TOTAL PROJECT COST (PHASE 1)

$1,744,320

PROJECT LOCATION

San Luis Middle School

PHASE 1 INCLUDES

- ✔ All general construction, permits, testing, surveys, and fencing
- ✔ Development of two state of the art soccer fields
- ✔ Track field
- ✔ Restroom building
- ✔ Bleachers and sports lighting



2 SOCCER FIELDS | TRACK FIELD | RESTROOM BUILDING | BLEACHERS | SPORTS LIGHTING

A COMMUNITY INVESTMENT

The Scorpions Sports Complex will be open to the public while school is not in session and will bring additional recreational opportunities to our community.

Building a Legacy. Inspiring Generations.

We believe this project will foster a love for nature and sports among our youth and community for generations to come.

PARTNERING FOR OUR COMMUNITY

To support this important community investment, the district is seeking a partnership with the City of San Luis to contribute towards this project in any means possible and allowable by the yearly budget.

WAYS TO PARTNER

- DONATIONS
- DONATION OF LABOR
- BLEACHERS
- SOUND SYSTEMS
- SCORE BOARDS
- FUNDING TO ALLEVIATE MATCH REQUIREMENTS

Your partnership will help create a state-of-the-art facility that promotes health, teamwork, and pride in San Luis for years to come.

Thank You!

TOGETHER, WE CAN BUILD MORE THAN A SPORTS COMPLEX—WE CAN BUILD A STRONGER COMMUNITY.

AGENDA ITEM REVIEW FORM

Regular City Council Meeting **7. B.**

Meeting Date: 05/27/2026

Department Head: Fernando Corona, Information Technology Manager, Administration, Information Technology

Submitted By: Fernando Corona, Information Technology Manager, Administration, Information Technology

Action Requested: Motion

ITEM:

Discussion and possible action on any and all matters regarding the authorization to purchase Opengov's Software as a Service Platform, inclusive of financial management, budgeting and performance, utility billing, permitting and licensing, and enterprise asset management modules through the Vertosoft cooperative contract. **(Fernando Corona, Information Technology Manager)**

SUMMARY:

The Information Technology Division is seeking approval to procure OpenGov's platform, inclusive of financial management, budgeting and performance, utility billing, permitting and licensing, and enterprise asset management modules, through a Vertosoft cooperative agreement under Sourcewell contract #060624-VTO for a 5-year term, with a total cost of $2,564,450.34 plus tax, with the overall objective to improve the City of San Luis operational efficiency, compliance, reporting transparency and provide residents with 24/7 public portals, where they can pay their utility bill, review water consumption, file, pay and track progress on any active permitting and licensing applications and work orders for water, waster water , and streets. This purchase is allowed under procurement code 3.05.090 Cooperative Purchasing.

PRICING INCLUDES

- Financial Enterprise Resource Planning
- Utility Billing
  - Water, Sewer, Trash
- Budgeting and Performance
- Permitting
  - Building, Planning, Code, Business, and Public Works Licensing
- Enterprise Asset Management
  - Water distribution, wastewater collection, water treatment, and street/transportation
- 311 + Public Works Customer Relationship Management System
- Expert Services
- Premium Support Service Level Agreement

FISCAL IMPACT BREAKDOWN

- FY27: $753,178.17 + $14,400 OpenGov travel expenses + tax (Software as a Service and Professional Deployment Fees)
- FY28: $416,905.37 + tax (Software as a Service)
- FY29: $437,750.67 + tax (Software as a Service)

- FY30: $459,596.06 + tax (Software as a Service)
- FY31: $482,620.07 + tax (Software as a Service)

Approving the procurement of OpenGov Software as a Service Platform showcases the city's commitment to a more transparent, efficient, and responsive city government. Staff recommends moving forward with the OpenGov platform to meet the city's growing operational demands.

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO APPROVE THE PURCHASE OF OPENGOV'S PLATFORM, INCLUDING FINANCIAL MANAGEMENT, BUDGETING AND PERFORMANCE, UTILITY BILLING, PERMITTING AND LICENSING, THE 311 CUSTOMER RELATIONSHIP MANAGEMENT SYSTEM, AND ENTERPRISE ASSET MANAGEMENT, IN ACCORDANCE WITH THE PRICING AND TERMS PRESENTED IN THE AGENDA MATERIALS, PLUS APPLICABLE TAXES, FOR A FIVE-YEAR SERVICE TERM.

Fiscal Impact

IS THERE FISCAL IMPACT ASSOCIATED WITH THIS ITEM:	YES
CITY/STATE/FEDERAL FUNDS:	CITY
TOTAL:	$753,170.50 plus taxes, and $14,400 for travel expenses
BUDGETED AMOUNT:	$1,000,000
AVAILABLE AMOUNT TO TRANSFER:	N/A
ACCT NAME & GL#/REMAINING BALANCE BEFORE PURCHASE:	100-999-90020

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

The proposed FY2027 budget includes approximately $1,000,000 for the implementation and first-year costs associated with the OpenGov platform and the City’s new Enterprise Resource Planning (ERP) system. This funding will support the implementation of financial management, budgeting and performance, utility billing, permitting and licensing, enterprise asset management, and related professional services.

The total 5-year contract amount is $2,564,450.34 plus applicable taxes. Future annual subscription, support, maintenance, and contractual costs associated with the OpenGov platform will be budgeted accordingly in subsequent fiscal years through the City’s annual budget adoption process.

Attachments

Cooperative Agreement, Contract and Scope of Work

OpenGov Quote

OpenGov Service Level Agreement

OpenGov City Council Presentation

AGREEMENT TO PROVIDE SERVICE PURSUANT TO A COOPERATIVE PURCHASING CONTRACT

This Agreement is made and entered into by and between the City of San Luis, an Arizona municipal corporation, hereinafter designated as the "City" and Vertosoft, LLC, a Virgina limited liability company, hereinafter designated as the "Contractor" for the OpenGov software system. City and Contractor may hereinafter be referred to individual as a "Party" or collectively as the "Parties."

Recitals

A. Contractor has contracted with Sourcewell pursuant to Contract No. RFP-060624 (the "Cooperative Purchasing Contract"), attached hereto as **Exhibit "A"** and incorporated herein; and; and

B. Pursuant to A.R.S. § 41-2631 et seq. and City Code § 3.05.909, the City has authority to utilize cooperative purchasing contracts and engage Contractors under the terms thereof.

C. The City and the Contractor desire to enter into this Agreement for the purpose of (i) acknowledging their cooperative contractual relationship under the Cooperative Purchasing Contract and this Agreement, and (ii) establishing the terms and conditions by which the Contractor may provide the City with the services, materials and/or equipment as more particularly set forth below (the "Services").

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

Agreement

1. Scope of Work. Contractor shall provide the Services as detailed and described in the Vertosoft Quote for OpenGov – City of San Luis, attached hereto as **Exhibit B**, which is incorporated herein by reference. As used in this Contract, all references in the Cooperative Purchasing Contract to Sourcewell shall mean the City.

2. Completion of Work. The Contractor shall provide the Services as provided for in the Quote.

3. Payment. The Contract Price is $2,564,450.34. Payment to the Contractor for the Services provided, shall be made in accordance with the price list and terms set forth in the Quote and Cooperative Purchasing Contract.

4. Terms of Cooperative Purchasing Contract Apply. All provisions of the Cooperative Purchasing Contract documents are incorporated in and shall apply to this Contract as though fully set forth herein, except as otherwise provided for in this Agreement.

5. **Conflict of Interest.** The Agreement is subject to the provisions of A.R.S. § 38-511. The City may cancel this Agreement without penalty or further obligations by the City or any of its departments or agencies if any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of the City or any of its departments or agencies is, at any time while this Agreement or any extension of this Agreement is in effect, an employee or agent of any other party to this Agreement in any capacity or a consultant to any other party of this Agreement with respect to the subject matter of this Agreement.

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

7. **Boycott of Israel.** To the extent A.R.S. § 35-393 through § 35-393.03 are applicable, the Parties hereby certify that they are not currently engaged in, and agree for the duration of this Agreement to not engage in, a boycott of goods or services from Israel, as that term is defined in A.R.S. § 35-393.

8. **Forced Labor Of Ethnic Uyghurs Prohibited.** Pursuant to A.R.S. § 35-394, by entering into this Agreement, Contractor certifies and agrees Contractor does not currently use and will not use for the term of this Agreement: (i) the forced labor of ethnic Uyghurs in the People's Republic of China; or (ii) any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China; or (iii) any contractors, subcontractors or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China.

9. **Conflicting Terms.** In the event of any inconsistency, conflict or ambiguity between this Agreement and the Cooperative Purchasing Contract, this Agreement shall govern.

10. **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 said counterparts shall be deemed original hereof.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this ____ day of May, 2026.

CITY OF SAN LUIS:

By: _____
Nieves Riedel, Mayor

CONTRACTOR:

By: _____
(*Signature)*

_____
(*Printed Name & Title)*

ATTEST:

_____
Sonia Cornelio, City Clerk

APPROVED AS TO FORM:

_____
Joseph D. Estes, Interim City Attorney

EXHIBIT A
CONTRACT OF COOPERATIVE PURCHASING ENTITY

Attached:

- Sourcewell Contract No. RFP-060624

Docusign Envelope ID: 3550C0CD-DA30-478E-B377-5C24A0E676EA

Solicitation Number: RFP #060624

CONTRACT

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and Vertosoft LLC, 1602 Village Market Blvd. SE, Suite 320, Leesburg, VA 20175 (Supplier).

Sourcewell is a State of Minnesota local government unit and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to government entities. Participation is open to eligible federal, state/province, and municipal governmental entities, higher education, K-12 education, nonprofit, tribal government, and other public entities located in the United States and Canada. Sourcewell issued a public solicitation for Software Solutions and Related Services for Public Sector and Education Administration from which Supplier was awarded a contract in Categories 1, 2, and 4.

Supplier desires to contract with Sourcewell to provide equipment, products, or services to Sourcewell and the entities that access Sourcewell's cooperative purchasing contracts (Participating Entities).

1. TERM OF CONTRACT

A. EFFECTIVE DATE. This Contract is effective upon the date of the final signature below.

EXPIRATION DATE AND EXTENSION. This Contract expires October 25, 2028, unless it is cancelled sooner pursuant to Article 22. This Contract allows up to three additional one-year extensions upon the request of Sourcewell and written agreement by Supplier. Sourcewell retains the right to consider additional extensions beyond seven years as required under exceptional circumstances.

B. SURVIVAL OF TERMS. Notwithstanding any expiration or termination of this Contract, all payment obligations incurred prior to expiration or termination will survive, as will the following: Articles 11 through 14 survive the expiration or cancellation of this Contract. All other rights will cease upon expiration or termination of this Contract.

2. EQUIPMENT, PRODUCTS, OR SERVICES

Docusign Envelope ID: 3550C0CD-DA30-478E-B377-5C24A0E676EA

A. EQUIPMENT, PRODUCTS, OR SERVICES. Supplier will provide the Equipment, Products, or Services as stated in its Proposal submitted under the Solicitation Number listed above. Supplier's Equipment, Products, or Services Proposal (Proposal) is attached and incorporated into this Contract.

All Equipment and Products provided under this Contract must be new and the current model. Supplier may offer close-out or refurbished Equipment or Products if they are clearly indicated in Supplier's product and pricing list. Unless agreed to by the Participating Entities in advance, Equipment or Products must be delivered as operational to the Participating Entity's site.

This Contract offers an indefinite quantity of sales, and while substantial volume is anticipated, sales and sales volume are not guaranteed.

B. WARRANTY. Supplier warrants that all Equipment, Products, and Services furnished are free from liens and encumbrances, and are free from defects in design, materials, and workmanship. In addition, Supplier warrants the Equipment, Products, and Services are suitable for and will perform in accordance with the ordinary use for which they are intended. Supplier's dealers and distributors must agree to assist the Participating Entity in reaching a resolution in any dispute over warranty terms with the manufacturer. Any manufacturer's warranty that extends beyond the expiration of the Supplier's warranty will be passed on to the Participating Entity.

C. DEALERS, DISTRIBUTORS, AND/OR RESELLERS. Upon Contract execution and throughout the Contract term, Supplier must provide to Sourcewell a current means to validate or authenticate Supplier's authorized dealers, distributors, or resellers relative to the Equipment, Products, and Services offered under this Contract, which will be incorporated into this Contract by reference. It is the Supplier's responsibility to ensure Sourcewell receives the most current information.

3. PRICING

All Equipment, Products, or Services under this Contract will be priced at or below the price stated in Supplier's Proposal.

When providing pricing quotes to Participating Entities, all pricing quoted must reflect a Participating Entity's total cost of acquisition. This means that the quoted cost is for delivered Equipment, Products, and Services that are operational for their intended purpose, and includes all costs to the Participating Entity's requested delivery location.

Regardless of the payment method chosen by the Participating Entity, the total cost associated with any purchase option of the Equipment, Products, or Services must always be disclosed in the pricing quote to the applicable Participating Entity at the time of purchase.

Docusign Envelope ID: 3550C0CD-DA30-478E-B377-5C24A0E676EA

A. SHIPPING AND SHIPPING COSTS. All delivered Equipment and Products must be properly packaged. Damaged Equipment and Products may be rejected. If the damage is not readily apparent at the time of delivery, Supplier must permit the Equipment and Products to be returned within a reasonable time at no cost to Sourcewell or its Participating Entities. Participating Entities reserve the right to inspect the Equipment and Products at a reasonable time after delivery where circumstances or conditions prevent effective inspection of the Equipment and Products at the time of delivery. In the event of the delivery of nonconforming Equipment and Products, the Participating Entity will notify the Supplier as soon as possible and the Supplier will replace nonconforming Equipment and Products with conforming Equipment and Products that are acceptable to the Participating Entity.

Supplier must arrange for and pay for the return shipment on Equipment and Products that arrive in a defective or inoperable condition.

Sourcewell may declare the Supplier in breach of this Contract if the Supplier intentionally delivers substandard or inferior Equipment or Products.

B. SALES TAX. Each Participating Entity is responsible for supplying the Supplier with valid tax-exemption certification(s). When ordering, a Participating Entity must indicate if it is a tax-exempt entity.

C. HOT LIST PRICING. At any time during this Contract, Supplier may offer a specific selection of Equipment, Products, or Services at discounts greater than those listed in the Contract. When Supplier determines it will offer Hot List Pricing, it must be submitted electronically to Sourcewell in a line-item format. Equipment, Products, or Services may be added or removed from the Hot List at any time through a Sourcewell Price and Product Change Form as defined in Article 4 below.

Hot List program and pricing may also be used to discount and liquidate close-out and discontinued Equipment and Products as long as those close-out and discontinued items are clearly identified as such. Current ordering process and administrative fees apply. Hot List Pricing must be published and made available to all Participating Entities.

4. PRODUCT AND PRICING CHANGE REQUESTS

Supplier may request Equipment, Product, or Service changes, additions, or deletions at any time. All requests must be made in writing by submitting a signed Sourcewell Price and Product Change Request Form to the assigned Sourcewell Supplier Development Administrator. This approved form is available from the assigned Sourcewell Supplier Development Administrator. At a minimum, the request must:

- Identify the applicable Sourcewell contract number;

Docusign Envelope ID: 3550C0CD-DA30-478E-B377-5C24A0E676EA

- Clearly specify the requested change;
- Provide sufficient detail to justify the requested change;
- Individually list all Equipment, Products, or Services affected by the requested change, along with the requested change (e.g., addition, deletion, price change); and
- Include a complete restatement of pricing documentation in Microsoft Excel with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Equipment, Products, and Services offered, even for those items where pricing remains unchanged.

A fully executed Sourcewell Price and Product Change Request Form will become an amendment to this Contract and will be incorporated by reference.

5. PARTICIPATION, CONTRACT ACCESS, AND PARTICIPATING ENTITY REQUIREMENTS

A. PARTICIPATION. Sourcewell's cooperative contracts are available and open to public and nonprofit entities across the United States and Canada; such as federal, state/province, municipal, K-12 and higher education, tribal government, and other public entities.

The benefits of this Contract should be available to all Participating Entities that can legally access the Equipment, Products, or Services under this Contract. A Participating Entity's authority to access this Contract is determined through its cooperative purchasing, interlocal, or joint powers laws. Any entity accessing benefits of this Contract will be considered a Service Member of Sourcewell during such time of access. Supplier understands that a Participating Entity's use of this Contract is at the Participating Entity's sole convenience and Participating Entities reserve the right to obtain like Equipment, Products, or Services from any other source.

Supplier is responsible for familiarizing its sales and service forces with Sourcewell contract use eligibility requirements and documentation and will encourage potential participating entities to join Sourcewell. Sourcewell reserves the right to add and remove Participating Entities to its roster during the term of this Contract.

B. PUBLIC FACILITIES. Supplier's employees may be required to perform work at government-owned facilities, including schools. Supplier's employees and agents must conduct themselves in a professional manner while on the premises, and in accordance with Participating Entity policies and procedures, and all applicable laws.

6. PARTICIPATING ENTITY USE AND PURCHASING

A. ORDERS AND PAYMENT. To access the contracted Equipment, Products, or Services under this Contract, a Participating Entity must clearly indicate to Supplier that it intends to access this Contract; however, order flow and procedure will be developed jointly between Sourcewell and Supplier. Typically, a Participating Entity will issue an order directly to Supplier or its authorized

Docusign Envelope ID: 3550C0CD-DA30-478E-B377-5C24A0E676EA

subsidiary, distributor, dealer, or reseller. If a Participating Entity issues a purchase order, it may use its own forms, but the purchase order should clearly note the applicable Sourcewell contract number. All Participating Entity orders under this Contract must be issued prior to expiration or cancellation of this Contract; however, Supplier performance, Participating Entity payment obligations, and any applicable warranty periods or other Supplier or Participating Entity obligations may extend beyond the term of this Contract.

Supplier's acceptable forms of payment are included in its attached Proposal. Participating Entities will be solely responsible for payment and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

B. ADDITIONAL TERMS AND CONDITIONS/PARTICIPATING ADDENDUM. Additional terms and conditions to a purchase order, or other required transaction documentation, may be negotiated between a Participating Entity and Supplier, such as job or industry-specific requirements, legal requirements (e.g., affirmative action or immigration status requirements), or specific local policy requirements. Some Participating Entities may require the use of a Participating Addendum, the terms of which will be negotiated directly between the Participating Entity and the Supplier or its authorized dealers, distributors, or resellers, as applicable. Any negotiated additional terms and conditions must never be less favorable to the Participating Entity than what is contained in this Contract.

C. SPECIALIZED SERVICE REQUIREMENTS. In the event that the Participating Entity requires service or specialized performance requirements not addressed in this Contract (such as e-commerce specifications, specialized delivery requirements, or other specifications and requirements), the Participating Entity and the Supplier may enter into a separate, standalone agreement, apart from this Contract. Sourcewell, including its agents and employees, will not be made a party to a claim for breach of such agreement.

D. TERMINATION OF ORDERS. Participating Entities may terminate an order, in whole or in part, immediately upon notice to Supplier in the event of any of the following events:

1. The Participating Entity fails to receive funding or appropriation from its governing body at levels sufficient to pay for the equipment, products, or services to be purchased; or
2. Federal, state, or provincial laws or regulations prohibit the purchase or change the Participating Entity's requirements.

E. GOVERNING LAW AND VENUE. The governing law and venue for any action related to a Participating Entity's order will be determined by the Participating Entity making the purchase.

7. CUSTOMER SERVICE

Docusign Envelope ID: 3550C0CD-DA30-478E-B377-5C24A0E676EA

A. PRIMARY ACCOUNT REPRESENTATIVE. Supplier will assign an Account Representative to Sourcewell for this Contract and must provide prompt notice to Sourcewell if that person is changed. The Account Representative will be responsible for:

- Maintenance and management of this Contract;
- Timely response to all Sourcewell and Participating Entity inquiries; and
- Business reviews to Sourcewell and Participating Entities, if applicable.

B. BUSINESS REVIEWS. Supplier must perform a minimum of one business review with Sourcewell per contract year. The business review will cover sales to Participating Entities, pricing and contract terms, administrative fees, sales data reports, performance issues, supply issues, customer issues, and any other necessary information.

8. REPORT ON CONTRACT SALES ACTIVITY AND ADMINISTRATIVE FEE PAYMENT

A. CONTRACT SALES ACTIVITY REPORT. Each calendar quarter, Supplier must provide a contract sales activity report (Report) to the Sourcewell Supplier Development Administrator assigned to this Contract. Reports are due no later than 45 days after the end of each calendar quarter. A Report must be provided regardless of the number or amount of sales during that quarter (i.e., if there are no sales, Supplier must submit a report indicating no sales were made).

The Report must contain the following fields:

- Participating Entity Name (e.g., City of Staples Highway Department);
- Participating Entity Physical Street Address;
- Participating Entity City;
- Participating Entity State/Province;
- Participating Entity Zip/Postal Code;
- Participating Entity Contact Name;
- Participating Entity Contact Email Address;
- Participating Entity Contact Telephone Number;
- Sourcewell Assigned Entity/Participating Entity Number;
- Item Purchased Description;
- Item Purchased Price;
- Sourcewell Administrative Fee Applied; and
- Date Purchase was invoiced/sale was recognized as revenue by Supplier.

B. ADMINISTRATIVE FEE. In consideration for the support and services provided by Sourcewell, the Supplier will pay an administrative fee to Sourcewell on all Equipment, Products, and Services provided to Participating Entities. The Administrative Fee must be included in, and not added to, the pricing. Supplier may not charge Participating Entities more than the contracted

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price to offset the Administrative Fee.

The Supplier will submit payment to Sourcewell for the percentage of administrative fee stated in the Proposal multiplied by the total sales of all Equipment, Products, and Services purchased by Participating Entities under this Contract during each calendar quarter. Payments should note the Supplier's name and Sourcewell-assigned contract number in the memo; and must be mailed to the address above "Attn: Accounts Receivable" or remitted electronically to Sourcewell's banking institution per Sourcewell's Finance department instructions. Payments must be received no later than 45 calendar days after the end of each calendar quarter.

Supplier agrees to cooperate with Sourcewell in auditing transactions under this Contract to ensure that the administrative fee is paid on all items purchased under this Contract.

In the event the Supplier is delinquent in any undisputed administrative fees, Sourcewell reserves the right to cancel this Contract and reject any proposal submitted by the Supplier in any subsequent solicitation. In the event this Contract is cancelled by either party prior to the Contract's expiration date, the administrative fee payment will be due no more than 30 days from the cancellation date.

9. AUTHORIZED REPRESENTATIVE

Sourcewell's Authorized Representative is its Chief Procurement Officer.

Supplier's Authorized Representative is the person named in the Supplier's Proposal. If Supplier's Authorized Representative changes at any time during this Contract, Supplier must promptly notify Sourcewell in writing.

10. AUDIT, ASSIGNMENT, AMENDMENTS, WAIVER, AND CONTRACT COMPLETE

A. AUDIT. Pursuant to Minnesota Statutes Section 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices relevant to this Contract are subject to examination by Sourcewell or the Minnesota State Auditor for a minimum of six years from the end of this Contract. This clause extends to Participating Entities as it relates to business conducted by that Participating Entity under this Contract.

B. ASSIGNMENT. Neither party may assign or otherwise transfer its rights or obligations under this Contract without the prior written consent of the other party and a fully executed assignment agreement. Such consent will not be unreasonably withheld. Any prohibited assignment will be invalid.

C. AMENDMENTS. Any amendment to this Contract must be in writing and will not be effective until it has been duly executed by the parties.

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D. WAIVER. Failure by either party to take action or assert any right under this Contract will not be deemed a waiver of such right in the event of the continuation or repetition of the circumstances giving rise to such right. Any such waiver must be in writing and signed by the parties.

E. CONTRACT COMPLETE. This Contract represents the complete agreement between the parties. No other understanding regarding this Contract, whether written or oral, may be used to bind either party. For any conflict between the attached Proposal and the terms set out in Articles 1-22 of this Contract, the terms of Articles 1-22 will govern.

F. RELATIONSHIP OF THE PARTIES. The relationship of the parties is one of independent contractors, each free to exercise judgment and discretion with regard to the conduct of their respective businesses. This Contract does not create a partnership, joint venture, or any other relationship such as master-servant, or principal-agent.

11. INDEMNITY AND HOLD HARMLESS

Supplier must indemnify, defend, save, and hold Sourcewell and its Participating Entities, including their agents and employees, harmless from any claims or causes of action, including attorneys' fees incurred by Sourcewell or its Participating Entities, arising out of any act or omission in the performance of this Contract by the Supplier or its agents or employees; this indemnification includes injury or death to person(s) or property alleged to have been caused by some defect in the Equipment, Products, or Services under this Contract to the extent the Equipment, Product, or Service has been used according to its specifications. Sourcewell's responsibility will be governed by the State of Minnesota's Tort Liability Act (Minnesota Statutes Chapter 466) and other applicable law.

12. GOVERNMENT DATA PRACTICES

Supplier and Sourcewell must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by or provided to Sourcewell under this Contract and as it applies to all data created, collected, received, maintained, or disseminated by the Supplier under this Contract.

13. INTELLECTUAL PROPERTY, PUBLICITY, MARKETING, AND ENDORSEMENT

A. INTELLECTUAL PROPERTY

1. *Grant of License.* During the term of this Contract:

    a. Sourcewell grants to Supplier a royalty-free, worldwide, non-exclusive right and license to use the trademark(s) provided to Supplier by Sourcewell in advertising and promotional materials for the purpose of marketing Sourcewell's relationship with Supplier.

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b. Supplier grants to Sourcewell a royalty-free, worldwide, non-exclusive right and license to use Supplier's trademarks in advertising and promotional materials for the purpose of marketing Supplier's relationship with Sourcewell.

2. *Limited Right of Sublicense*. The right and license granted herein includes a limited right of each party to grant sublicenses to their respective subsidiaries, distributors, dealers, resellers, marketing representatives, and agents (collectively "Permitted Sublicensees") in advertising and promotional materials for the purpose of marketing the Parties' relationship to Participating Entities. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this Article by any of their respective sublicensees.

3. *Use; Quality Control.*

a. Neither party may alter the other party's trademarks from the form provided and must comply with removal requests as to specific uses of its trademarks or logos.

b. Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party's trademarks only in good faith and in a dignified manner consistent with such party's use of the trademarks. Upon written notice to the breaching party, the breaching party has 30 days of the date of the written notice to cure the breach or the license will be terminated.

4. *Termination*. Upon the termination of this Contract for any reason, each party, including Permitted Sublicensees, will have 30 days to remove all Trademarks from signage, websites, and the like bearing the other party's name or logo (excepting Sourcewell's pre-printed catalog of suppliers which may be used until the next printing). Supplier must return all marketing and promotional materials, including signage, provided by Sourcewell, or dispose of it according to Sourcewell's written directions.

B. PUBLICITY. Any publicity regarding the subject matter of this Contract must not be released without prior written approval from the Authorized Representatives. Publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Supplier individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

C. MARKETING. Any direct advertising, marketing, or offers with Participating Entities must be approved by Sourcewell. Send all approval requests to the Sourcewell Supplier Development Administrator assigned to this Contract.

D. ENDORSEMENT. The Supplier must not claim that Sourcewell endorses its Equipment, Products, or Services.

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14. GOVERNING LAW, JURISDICTION, AND VENUE

The substantive and procedural laws of the State of Minnesota will govern this Contract. Venue for all legal proceedings arising out of this Contract, or its breach, must be in the appropriate state court in Todd County, Minnesota or federal court in Fergus Falls, Minnesota.

15. FORCE MAJEURE

Neither party to this Contract will be held responsible for delay or default caused by acts of God or other conditions that are beyond that party's reasonable control. A party defaulting under this provision must provide the other party prompt written notice of the default.

16. SEVERABILITY

If any provision of this Contract is found by a court of competent jurisdiction to be illegal, unenforceable, or void then both parties will be relieved from all obligations arising from that provision. If the remainder of this Contract is capable of being performed, it will not be affected by such determination or finding and must be fully performed.

17. PERFORMANCE, DEFAULT, AND REMEDIES

A. PERFORMANCE. During the term of this Contract, the parties will monitor performance and address unresolved contract issues as follows:

1. *Notification.* The parties must promptly notify each other of any known dispute and work in good faith to resolve such dispute within a reasonable period of time. If necessary, Sourcewell and the Supplier will jointly develop a short briefing document that describes the issue(s), relevant impact, and positions of both parties.
2. *Escalation.* If parties are unable to resolve the issue in a timely manner, as specified above, either Sourcewell or Supplier may escalate the resolution of the issue to a higher level of management. The Supplier will have 30 calendar days to cure an outstanding issue.
3. *Performance while Dispute is Pending*. Notwithstanding the existence of a dispute, the Supplier must continue without delay to carry out all of its responsibilities under the Contract that are not affected by the dispute. If the Supplier fails to continue without delay to perform its responsibilities under the Contract, in the accomplishment of all undisputed work, the Supplier will bear any additional costs incurred by Sourcewell and/or its Participating Entities as a result of such failure to proceed.

B. DEFAULT AND REMEDIES. Either of the following constitutes cause to declare this Contract, or any Participating Entity order under this Contract, in default:

1. Nonperformance of contractual requirements, or
2. A material breach of any term or condition of this Contract.

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The party claiming default must provide written notice of the default, with 30 calendar days to cure the default. Time allowed for cure will not diminish or eliminate any liability for liquidated or other damages. If the default remains after the opportunity for cure, the non-defaulting party may:

- Exercise any remedy provided by law or equity, or
- Terminate the Contract or any portion thereof, including any orders issued against the Contract.

18. INSURANCE

A. REQUIREMENTS. At its own expense, Supplier must maintain insurance policy(ies) in effect at all times during the performance of this Contract with insurance company(ies) licensed or authorized to do business in the State of Minnesota having an "AM BEST" rating of A- or better, with coverage and limits of insurance not less than the following:

1. *Workers' Compensation and Employer's Liability.*
Workers' Compensation: As required by any applicable law or regulation.
Employer's Liability Insurance: must be provided in amounts not less than listed below:
Minimum limits:
$500,000 each accident for bodily injury by accident
$500,000 policy limit for bodily injury by disease
$500,000 each employee for bodily injury by disease

2. *Commercial General Liability Insurance.* Supplier will maintain insurance covering its operations, with coverage on an occurrence basis, and must be subject to terms no less broad than the Insurance Services Office ("ISO") Commercial General Liability Form CG0001 (2001 or newer edition), or equivalent. At a minimum, coverage must include liability arising from premises, operations, bodily injury and property damage, independent contractors, products-completed operations including construction defect, contractual liability, blanket contractual liability, and personal injury and advertising injury. All required limits, terms and conditions of coverage must be maintained during the term of this Contract.
Minimum Limits:
$1,000,000 each occurrence Bodily Injury and Property Damage
$1,000,000 Personal and Advertising Injury
$2,000,000 aggregate for products liability-completed operations
$2,000,000 general aggregate

3. *Commercial Automobile Liability Insurance.* During the term of this Contract, Supplier will maintain insurance covering all owned, hired, and non-owned automobiles in limits of liability not less than indicated below. The coverage must be subject to terms

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no less broad than ISO Business Auto Coverage Form CA 0001 (2010 edition or newer), or equivalent.

Minimum Limits:
$1,000,000 each accident, combined single limit

4. *Umbrella Insurance*. During the term of this Contract, Supplier will maintain umbrella coverage over Employer's Liability, Commercial General Liability, and Commercial Automobile.

Minimum Limits:
$2,000,000

5. *Professional/Technical, Errors and Omissions, and/or Miscellaneous Professional Liability*. During the term of this Contract, Supplier will maintain coverage for all claims the Supplier may become legally obligated to pay resulting from any actual or alleged negligent act, error, or omission related to Supplier's professional services required under this Contract.

Minimum Limits:
$2,000,000 per claim or event
$2,000,000 – annual aggregate

6. *Network Security and Privacy Liability Insurance*. During the term of this Contract, Supplier will maintain coverage for network security and privacy liability. The coverage may be endorsed on another form of liability coverage or written on a standalone policy. The insurance must cover claims which may arise from failure of Supplier's security resulting in, but not limited to, computer attacks, unauthorized access, disclosure of not public data – including but not limited to, confidential or private information, transmission of a computer virus, or denial of service.

Minimum limits:
$2,000,000 per occurrence
$2,000,000 annual aggregate

Failure of Supplier to maintain the required insurance will constitute a material breach entitling Sourcewell to immediately terminate this Contract for default.

B. CERTIFICATES OF INSURANCE. Prior to commencing under this Contract, Supplier must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this Contract. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or sent to the Sourcewell Supplier Development Administrator assigned to this Contract. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf.

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Failure to request certificates of insurance by Sourcewell, or failure of Supplier to provide certificates of insurance, in no way limits or relieves Supplier of its duties and responsibilities in this Contract.

C. ADDITIONAL INSURED ENDORSEMENT AND PRIMARY AND NON-CONTRIBUTORY INSURANCE CLAUSE. Supplier agrees to list Sourcewell and its Participating Entities, including their officers, agents, and employees, as an additional insured under the Supplier's commercial general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Supplier, and products and completed operations of Supplier. The policy provision(s) or endorsement(s) must further provide that coverage is primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds.

D. WAIVER OF SUBROGATION. Supplier waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Contract or other insurance applicable to the Supplier or its subcontractors. The waiver must apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by the Supplier or its subcontractors. Where permitted by law, Supplier must require similar written express waivers of subrogation and insurance clauses from each of its subcontractors.

E. UMBRELLA/EXCESS LIABILITY/SELF-INSURED RETENTION. The limits required by this Contract can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies), or self-insured retention.

19. COMPLIANCE

A. LAWS AND REGULATIONS. All Equipment, Products, or Services provided under this Contract must comply fully with applicable federal laws and regulations, and with the laws in the states and provinces in which the Equipment, Products, or Services are sold.

B. LICENSES. Supplier must maintain a valid and current status on all required federal, state/provincial, and local licenses, bonds, and permits required for the operation of the business that the Supplier conducts with Sourcewell and Participating Entities.

20. BANKRUPTCY, DEBARMENT, OR SUSPENSION CERTIFICATION

Supplier certifies and warrants that it is not in bankruptcy or that it has previously disclosed in writing certain information to Sourcewell related to bankruptcy actions. If at any time during this Contract Supplier declares bankruptcy, Supplier must immediately notify Sourcewell in writing.

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Supplier certifies and warrants that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Supplier certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this Contract. Supplier further warrants that it will provide immediate written notice to Sourcewell if this certification changes at any time.

21. PROVISIONS FOR NON-UNITED STATES FEDERAL ENTITY PROCUREMENTS UNDER UNITED STATES FEDERAL AWARDS OR OTHER AWARDS

Participating Entities that use United States federal grant or FEMA funds to purchase goods or services from this Contract may be subject to additional requirements including the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. § 200. Participating Entities may have additional requirements based on specific funding source terms or conditions. Within this Article, all references to "federal" should be interpreted to mean the United States federal government. The following list only applies when a Participating Entity accesses Supplier's Equipment, Products, or Services with United States federal funds.

A. EQUAL EMPLOYMENT OPPORTUNITY. Except as otherwise provided under 41 C.F.R. § 60, all contracts that meet the definition of "federally assisted construction contract" in 41 C.F.R. § 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. §60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 C.F.R. §, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 C.F.R. § 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor." The equal opportunity clause is incorporated herein by reference.

B. DAVIS-BACON ACT, AS AMENDED (40 U.S.C. § 3141-3148). When required by federal program legislation, all prime construction contracts in excess of $2,000 awarded by non-federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. § 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 C.F.R. § 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-federal entity must report all suspected or reported violations to the federal awarding agency. The contracts must also include a provision for compliance with

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the Copeland “Anti-Kickback” Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations (29 C.F.R. § 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-federal entity must report all suspected or reported violations to the federal awarding agency. Supplier must be in compliance with all applicable Davis-Bacon Act provisions.

C. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708). Where applicable, all contracts awarded by the non-federal entity in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. § 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. This provision is hereby incorporated by reference into this Contract. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

D. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT. If the federal award meets the definition of “funding agreement” under 37 C.F.R. § 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 C.F.R. § 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

E. CLEAN AIR ACT (42 U.S.C. § 7401-7671Q.) AND THE FEDERAL WATER POLLUTION CONTROL ACT (33 U.S.C. § 1251-1387). Contracts and subgrants of amounts in excess of $150,000 require the non-federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401- 7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

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Supplier certifies that during the term of this Contract will comply with applicable requirements as referenced above.

F. DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689). A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. §180 that implement Executive Orders 12549 (3 C.F.R. § 1986 Comp., p. 189) and 12689 (3 C.F.R. § 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. Supplier certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

G. BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352). Suppliers must file any required certifications. Suppliers must not have used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Suppliers must disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award. Suppliers must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

H. RECORD RETENTION REQUIREMENTS. To the extent applicable, Supplier must comply with the record retention requirements detailed in 2 C.F.R. § 200.333. The Supplier further certifies that it will retain all records as required by 2 C.F.R. § 200.333 for a period of 3 years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

I. ENERGY POLICY AND CONSERVATION ACT COMPLIANCE. To the extent applicable, Supplier must comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

J. BUY AMERICAN PROVISIONS COMPLIANCE. To the extent applicable, Supplier must comply with all applicable provisions of the Buy American Act. Purchases made in accordance with the Buy American Act must follow the applicable procurement rules calling for free and open competition.

K. ACCESS TO RECORDS (2 C.F.R. § 200.336). Supplier agrees that duly authorized representatives of a federal agency must have access to any books, documents, papers and

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records of Supplier that are directly pertinent to Supplier's discharge of its obligations under this Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Supplier's personnel for the purpose of interview and discussion relating to such documents.

L. PROCUREMENT OF RECOVERED MATERIALS (2 C.F.R. § 200.322). A non-federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. § 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired during the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

M. FEDERAL SEAL(S), LOGOS, AND FLAGS. The Supplier cannot use the seal(s), logos, crests, or reproductions of flags or likenesses of Federal agency officials without specific pre-approval.

N. NO OBLIGATION BY FEDERAL GOVERNMENT. The U.S. federal government is not a party to this Contract or any purchase by a Participating Entity and is not subject to any obligations or liabilities to the Participating Entity, Supplier, or any other party pertaining to any matter resulting from the Contract or any purchase by an authorized user.

O. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS. The Contractor acknowledges that 31 U.S.C. 38 (Administrative Remedies for False Claims and Statements) applies to the Supplier's actions pertaining to this Contract or any purchase by a Participating Entity.

P. FEDERAL DEBT. The Supplier certifies that it is non-delinquent in its repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowance, and benefit overpayments.

Q. CONFLICTS OF INTEREST. The Supplier must notify the U.S. Office of General Services, Sourcewell, and Participating Entity as soon as possible if this Contract or any aspect related to the anticipated work under this Contract raises an actual or potential conflict of interest (as described in 2 C.F.R. Part 200). The Supplier must explain the actual or potential conflict in writing in sufficient detail so that the U.S. Office of General Services, Sourcewell, and Participating Entity are able to assess the actual or potential conflict; and provide any additional information as necessary or requested.

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R. U.S. EXECUTIVE ORDER 13224. The Supplier, and its subcontractors, must comply with U.S. Executive Order 13224 and U.S. Laws that prohibit transactions with and provision of resources and support to individuals and organizations associated with terrorism.

S. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT. To the extent applicable, Supplier certifies that during the term of this Contract it will comply with applicable requirements of 2 C.F.R. § 200.216.

T. DOMESTIC PREFERENCES FOR PROCUREMENTS. To the extent applicable, Supplier certifies that during the term of this Contract will comply with applicable requirements of 2 C.F.R. § 200.322.

22. CANCELLATION

Sourcewell or Supplier may cancel this Contract at any time, with or without cause, upon 60 days' written notice to the other party. However, Sourcewell may cancel this Contract immediately upon discovery of a material defect in any certification made in Supplier's Proposal. Cancellation of this Contract does not relieve either party of financial, product, or service obligations incurred or accrued prior to cancellation.

Sourcewell	Vertosoft LLC
Signed by: Jeremy Schwartz C0FD2A139D06489...	Signed by: H. Jay Colavita CE362D9DCA75431...
By: _____	By: _____
Jeremy Schwartz	Jay Colavita
Title: Chief Procurement Officer	Title: President
Date: 10/23/2024 | 2:51 PM CDT	Date: 10/23/2024 | 2:47 PM CDT

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RFP 060624 - Software Solutions and Related Services for Public Sector and Education Administration

Vendor Details

Company Name:	Vertosoft
Does your company conduct business under any other name? If yes, please state:	Virginia
Address:	1602 Village Market Blvd SE Suite 320 Leesburg, Virginia 20175
Contact:	Ashlianne Shigley
Email:	ashlianne.shigley@vertosoft.com
Phone:	571-799-9578
HST#:	81-3911287

Submission Details

Created On:	Tuesday May 14, 2024 10:42:32
Submitted On:	Wednesday June 19, 2024 16:27:20
Submitted By:	Chet Hayes
Email:	chet@vertosoft.com
Transaction #:	24e4534c-d2ba-49f8-8719-aa21f40b0e00
Submitter's IP Address:	173.72.254.97

Specifications

Table 1: Proposer Identity & Authorized Representatives

General Instructions (applies to all Tables) Sourcewell prefers a brief but thorough response to each question. Do not merely attach additional documents to your response without also providing a substantive response. Do not leave answers blank; respond “N/A” if the question does not apply to you (preferably with an explanation).

Line Item	Question	Response *	
1	Proposer Legal Name (one legal entity only): (In the event of award, will execute the resulting contract as "Supplier")	Vertosoft LLC	*
2	Identify all subsidiary entities of the Proposer whose equipment, products, or services are included in the Proposal.	Vertosoft LLC has no subsidiaries.	*
3	Identify all applicable assumed names or DBA names of the Proposer or Proposer's subsidiaries in Line 1 or Line 2 above.	Vertosoft	*
4	Provide your CAGE code or Unique Entity Identifier (SAM):	CAGE: 7QV38. UEI: Y7D5MXRU2839.	*
5	Proposer Physical Address:	1602 Village Market Blvd SE Ste. 320 Leesburg, VA 20175	*
6	Proposer website address (or addresses):	www.vertosoft.com	*
7	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the “Proposer’s Assurance of Compliance” on behalf of the Proposer and, in the event of award, will be expected to execute the resulting contract):	Name: Jay Colavita Title: President Address: 1602 Village Market Blvd SE Ste. 320 Leesburg, VA 20175 Email: contracts@vertosoft.com Phone: 703-568-4703	*
8	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Name: Ashlianne Shigley Title: Government Contracts Program Manager Address: 1602 Village Market Blvd SE Ste. 320 Leesburg, VA 20175 Email: ashlianne.shigley@vertosoft.com Phone: 571-799-9578	*
9	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Name: Chet Hayes Title: CTO Address: 1602 Village Market Blvd SE Ste. 320 Leesburg, VA 20175 Email: chet@vertosoft.com Phone: 571-707-4137	

Table 2: Company Information and Financial Strength

Line Item	Question	Response *	
10	Provide a brief history of your company, including your company’s core values, business philosophy, and industry longevity related to the requested equipment, products or services.	Vertosoft LLC (Vertosoft) is a technology services company that focuses on delivering innovative and emerging technologies to public sector organizations across the country. Established in 2016, Vertosoft has deep knowledge and experience supporting all phases of the acquisition life cycle. We specialize in providing services to emerging technology companies and the public sector agencies they serve. Our forte is strategic sourcing, which streamlines the time required to provide critical technology and services to government end-users at competitive prices. We provide Sourcewell members the flexibility, agility, and responsiveness of a small company with the experience of a large organization. Vertosoft's staff is widely respected and relied upon for its professional, ethical business approach. Our success is based upon the leadership of a highly-experienced management team, and our staff has deep expertise in meeting each agency's specific requirements and the technology required to satisfy those requirements. Our core values include an innovative mindset, an entrepreneurial spirit, and a deep knowledge and experience supporting all phases of government sales and acquisition lifecycle. We are widely respected and relied upon for our professional, ethical, and industry certified business process.	*
11	What are your company’s expectations in the event of an award?	An award from Sourcewell represents an opportunity for a beneficial partnership between Vertosoft, Sourcewell, and its members. This partnership ensures that Sourcewell members gain access to leading-edge technologies that are exclusively available through Vertosoft's robust catalog. As an awarded supplier under Sourcewell's rigorous selection process, Vertosoft gains a prestigious platform to showcase its innovative solutions. Sourcewell, in turn, enhances its offerings with a broader and more advanced range of technology solutions. We believe that the strongest and most effective partnerships are built on a foundation of collaboration. We are committed to working hand-in-hand with Sourcewell to tailor solutions that precisely address the diverse needs of Sourcewell members, ensuring a relationship where progress and mutual satisfaction are the mainstays.	*
12	Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response.	Vertosoft is a fast-growing and financially sound company that delivers high-quality software solutions to the public sector. Since 2016, we have achieved an impressive annual growth rate of 30-60%, reaching $74M in revenue in 2021 and over $178M in 2023. We have zero debt, and we invest our own funds to meet the diverse needs of our clients and partners. The financial statements that we have provided attest to our solid and stable performance. You can find our 2023 Financial Statements within the “Step 2 - Documents” portion of the submission under “Financial Strength and Stability” for reference.	*
13	What is your US market share for the solutions that you are proposing?	Vertosoft is dedicated to introducing innovative and emerging technologies within the public sector. While our data on non-public sector market share is not within our purview, we are proud to state that for a substantial portion of the suppliers we represent, Vertosoft handles between 80% to 100% of all their public sector transactions. This significant figure demonstrates our strong position and influence in the public sector technology market.	*

14	What is your Canadian market share for the solutions that you are proposing?	The proposed solutions from our suppliers have a significant and growing presence in the Canadian market. Although specific market share values are not available, we can provide insights into their influence and adoption across various sectors in Canada. UKG (Ultimate Kronos Group) is widely recognized in Canada for its comprehensive human capital management (HCM) solutions. Many Canadian organizations across public and private sectors leverage UKG's workforce management and HR solutions to enhance operational efficiency and employee engagement. Diligent's governance, risk, and compliance solutions are trusted by numerous Canadian enterprises and public sector organizations. Their tools are known for enhancing board governance and regulatory compliance, making them a preferred choice in Canada. Trintech's financial close management software is used by several leading Canadian companies to streamline their financial operations. Their solutions are appreciated for improving accuracy and efficiency in financial processes. Visual Lease has a notable presence in the Canadian market, with its lease management solutions being adopted by organizations to ensure compliance with lease accounting standards and improve financial performance. OpenGov is a trusted partner for many Canadian government entities, providing financial and performance management solutions that promote transparency, efficiency, and data-driven decision-making. Cornerstone's cloud-based learning and talent management solutions are widely adopted by cCanadian businesses and educational institutions, supporting continuous learning and professional development. Udacity's online learning platform is popular among Canadian learners and organizations for its cutting-edge courses in technology and business, which help enhance workforce skills and adaptability. Ivy.ai's AI-powered chatbot and virtual assistant solutions are utilized by various Canadian educational institutions and businesses to improve customer service and engagement through automated support. Fleet DM's fleet management solutions are implemented by several Canadian organizations to optimize their fleet operations, reduce costs, and enhance operational efficiency. Urban SDK's data analytics and visualization tools are used by Canadian urban planners and policymakers to improve city infrastructure and enhance urban development through data-driven insights. Autura's automotive solutions support Canadian automotive businesses with real-time data and analytics on vehicle performance and maintenance, helping improve efficiency and decision-making. Fluxx Labs' grant management software is adopted by several Canadian philanthropic organizations and government agencies to streamline the grant application and management process. Swiftly's public transit solutions are employed by Canadian transit agencies to provide real-time data and analytics, improving transit operations and rider experience. Spare Labs, based in Canada, provides demand-responsive transportation solutions that are widely used by Canadian transit agencies to enhance mobility and accessibility in urban and rural areas. Public Input's community engagement platform is utilized by various Canadian municipalities to facilitate public participation and gather citizen feedback, enhancing community involvement in governance.	*
15	Has your business ever petitioned for bankruptcy protection? If so, explain in detail.	No, Vertosoft has never petitioned for bankruptcy protection.	*
16	How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer whichever question (either a) or b) just below) best applies to your organization. a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned? b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?	Vertosoft is best categorized as a distributor/dealer/reseller. Answer to a): Due to the fact that Vertosoft has proposed a wide variety of solutions for this submission, we have attached the proposed suppliers Letter of Authorizations to fulfill this requirement. Letters of Authorization can be found in the "Step 2 - Documents" portion of the submission under "Upload Additional Documentation." A zip folder titled "LOAs" has been uploaded accordingly.	*
17	If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP.	Vertosoft was formed with the sole focus of serving the public sector market with the most advanced emerging technology available. To support this mission, Vertosoft has implemented and adheres to a comprehensive set of internationally recognized standards and certifications, demonstrating our commitment to quality, security, and regulatory compliance. These certifications include those held directly by Vertosoft as well as those maintained by our third-party partners and subcontractors. Vertosoft has implemented the International Organization for Standardization (ISO) 9001:2015 standard, a globally recognized benchmark for quality management systems (QMS). This certification underscores our dedication to maintaining the highest standards of quality in our processes and services, ensuring that we consistently meet or exceed the rigorous requirements set by government agencies. Recognizing the complexity and interdependence of global information technology supply chains, Vertosoft holds a certificate for the Open Trusted Technology Provider™ Standard (OTTPS), which is approved as ISO/IEC 20243:2015. This certification is critical for mitigating the risk of maliciously tainted and counterfeit products, thereby ensuring the integrity and security of our supply chain. Many of Vertosoft's cloud-native suppliers are FedRAMP certified. FedRAMP is a government-wide program that standardizes security and risk assessments for cloud technologies, promoting the adoption of secure cloud services across the federal government. Additionally, our suppliers also hold StateRAMP certifications, which extend these stringent security protocols to state and local government entities, ensuring consistent protection and compliance. To further bolster our commitment to data security, many of our suppliers are SOC 2 Type II certified. This certification involves a rigorous audit process that evaluates an organization's information systems against strict criteria for security, availability, processing integrity, confidentiality, and privacy. SOC 2 Type II certification is particularly crucial for service providers managing customer data in the cloud, ensuring that data is secure and protected from unauthorized access. Furthermore, several of our suppliers are certified to the ISO/IEC 27001 standard. This international standard provides a robust framework for information security management systems (ISMS), enabling organizations to manage the security of assets such as financial information, intellectual property, and employee details, as well as information entrusted by third parties.	*
18	Provide all "Suspension or Debarment" information that has applied to your organization during the past ten years.	In Vertosoft's 7+ years as a company, we have never been suspended or debarred.	*

Table 3: Industry Recognition & Marketplace Success

Line Item	Question	Response *
19	Describe any relevant industry awards or recognition that your company has received in the past five years	- INC 5000 2022 AND 2023 - Washington Business Journal Top Performing Small Technology Companies 2022 AND 2023 - Washington Business Journal Fast 50 2022 AND 2023 - Washington Business Journal Fast 50 2021 - Most Promising Public Sector Solution Providers 2021 - Best Places to Work 2021, 2022, 2023, & 2024
20	What percentage of your sales are to the governmental sector in the past three years	99.12%
21	What percentage of your sales are to the education sector in the past three years	3.48%
22	List any state, provincial, or cooperative purchasing contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	TIPS: 220105 -- $7,346,338.43 NCPA-OMNIA: 01-165 -- $4,770,754.68 BuyBoard: 692-23 -- $420,658.61 Texas DIR: DIR-TSO-4227 -- $13,782,528.51 California Multiple Award Schedule: 3-23-06-1020
23	List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years?	GSA: GS-35F-688GA -- $45,306,418.77 2GIT: 47QTCA21A002A -- $4,394,961.23 DoD ESI: N66001-21-A-0092 -- $259,717.60 ITES-SW2: W52P1J-20-D-0067 -- $19,225,960.62

Table 4: References/Testimonials

Line Item 24. Supply reference information from three customers who are eligible to be Sourcewell participating entities.

Entity Name *	Contact Name *	Phone Number *
Judiciary Courts of the State of Kansas	Jeff Peter	(785) 291-3054
University of Alabama	Julie Shelton	(205) 348-7917
County of Davidson, NC	Joel Hartley	(336) 242-2032

Table 5: Top Five Government or Education Customers

Line Item 25. Provide a list of your top five government, education, or non-profit customers (entity name is optional), including entity type, the state or province the entity is located in, scope of the project(s), size of transaction(s), and dollar volumes from the past three years.

Entity Name	Entity Type *	State / Province *	Scope of Work *	Size of Transactions *	Dollar Volume Past Three Years *
State of West Virginia	Government	West Virginia - WV	Enterprise Lease Platform, Community Engagement and Citizen Engagement, Financial Reporting Software	Average Deal Size: $928,509	$9,874,122
State of Montana	Government	Montana - MT	Regulatory Publication Platform, Financial Reporting	Average Deal Size: $164,987	$3,009,236
Florida Department of Corrections	Government	Florida - FL	Budgeting and Planning Software	$2,134,236	$2,134,236
State of Maryland	Government	Maryland - MD	Enterprise Agile Planning Solution, Financial Reporting, Cloud Native Automation, Budgeting Software	Average Deal Size: $155,339	$1,777,514
City of San Antonio Texas	Government	Texas - TX	Transparency Platform	Average Deal Size: $345,839	$1,020,000

Table 6: Ability to Sell and Deliver Service

Describe your company's capability to meet the needs of Sourcewell participating entities across the US and Canada, as applicable.

Your response should address in detail at least the following areas: locations of your network of sales and service providers, the number of workers (full-time equivalents) involved in each sector, whether these workers are your direct employees (or employees of a third party), and any overlap between the sales and service functions.

Line Item	Question	Response *

26	Sales force.	Vertosoft's strategic positioning across the United States reflects our commitment to providing exceptional service and support for all our clients, including the prospect of serving Sourcewell's nationwide needs. Our corporate headquarters in Leesburg, VA, doubles as the national sales support center, orchestrating thousands of transactions across all 50 states, as well as extending our reach into Canada. This centralized hub ensures that we maintain a cohesive strategy and a consistent level of service across all jurisdictions. We bolster our national presence with additional locations strategically placed in Charleston, SC; Charlottesville, VA; Denver, CO; Philadelphia, PA; Portland, ME; and Tacoma, WA. These offices are not mere points on a map; they are integral parts of a cohesive network that extends Vertosoft's capabilities and brings our services closer to Sourcewell members. Our sales force, a dedicated team of 45 full-time individuals, is not just a number. Each member is a specialist, aligned with specific software suppliers to act as both a force multiplier for our partners and a trusted advisor to our public sector clients. This ensures that each Sourcewell member receives tailored attention and expertise that aligns with their unique missions and challenges. Beyond our sales team, Vertosoft has crafted a core group of key individuals who will directly support this contract, including: Executive Sponsor: Jay Colavita, President Contract Management: Ashlianne Shigley, Government Contracts Program Manager Technical Executive: Chet Hayes, CTO Accounts Payable: Hannah Xiu, CFO Sales Leadership: Josh Slattery, VP of Technology Sales Sales Operations: Nur Rahman, Director of Operations Contract Marketing: Mary Dawson, Digital Marketing Manager Financial Reporting: Michael DiPlacido, Government Business Analyst These leaders are not just overseeing operations; they are actively engaged in ensuring that every Sourcewell member receives the highest level of service and support. The size of our team is a testament to our efficiency and dedication. With Vertosoft, Sourcewell will not be engaging with a cumbersome, slow-moving entity, but a nimble, responsive organization where every employee carries the weight of their expertise and commitment to public service. Our agility allows us to pivot and adapt to the changing needs of Sourcewell members, ensuring that each entity receives the attention and resources it deserves. We are not just proposing a vendor-client relationship; we are offering a partnership where Sourcewell's needs are met with precision, professionalism, and a personal touch that only a team like Vertosoft's can provide. With our nationwide network, specialized team, and the direct involvement of our leadership, Sourcewell can be confident in Vertosoft's ability to meet and exceed their nationwide requirements.
27	Dealer network or other distribution methods.	Vertosoft is a software distributor and reseller and can sell directly to any of the Sourcewell participating entities across the United States. Vertosoft also maintains a broad partner network across the country that is comprised of companies that fall into a wide variety of disadvantaged categories such as women owned, service-disabled veteran owned, minority owned, etc. With this wide partner network, Vertosoft can help Sourcewell participating entities meet specific procurement goals related small or disadvantaged business. Our reliable partner network of nearly 300 companies is made up of top industry participants (some being Sourcewell contract holders) such as BlueTech, GovSmart, Enterprise Technology Solutions, SHI, Insight Public Sector, New Tech, and Strategic Communications, just to name a few.
28	Service force.	As a software distributor and reseller, Vertosoft works directly with the software manufacturers and their service partners to provide needed service, rather than maintaining a large service force. These partners reside both in the United States and in Canada. We work heavily with multiple services providers for UKG, one of the proposed solutions in this submission. They are as follows: Worldgate, Project Genetics, Covalence, JK Seva, Fase Group, HRchitect, Mosaic Consulting Group, Jubilant LLC, PredictiveHR, Sability LP, and more. Service providers we commonly work with for other technologies include F.H. Black, Trintech, Aeyon, and Clearsulting.
29	Describe the ordering process. If orders will be handled by distributors, dealers or others, explain the respective roles of the Proposer and others.	Vertosoft can act as both a distributor and reseller to help make the ordering process for Sourcewell participating entities as smooth and easy as possible. Here's how the process is tailored to meet the software-centric requirements: When Vertosoft Acts as a Distributor: 1. Selection and Consultation: A Sourcewell entity selects their required software solutions with the possibility of consultation from Vertosoft and/or the software supplier to ensure the best fit for their needs. 2. Authorized Reseller Engagement: The entity then engages with an authorized reseller partner of Vertosoft to place the order. This partnership combines the local touch of a reseller with the extensive software offerings of Vertosoft. This could also help participating entities to achieve socio-economic goals when possible. 3. Order Coordination: Once the order is placed with the reseller, Vertosoft coordinates with the software supplier to fulfill the order. Vertosoft's role as a distributor ensures that the software supplier delivers the order effectively through the reseller partner. When Vertosoft Acts as Both Distributor and Reseller: 1. Direct Order Placement: In scenarios where Vertosoft assumes the combined role, the Sourcewell entity places the order directly with Vertosoft, eliminating any thirdparty interaction. 2. Order Fulfillment: Vertosoft then takes on the responsibility of coordinating directly with the software supplier to fulfill the order. This direct line ensures clarity, efficiency, and expediency in delivery. 3. Post-Order Support: Regardless of the role, Vertosoft provides comprehensive post-order support, assisting with software entitlement, license management, and technical queries. In both scenarios, Vertosoft's involvement guarantees a streamlined process that caters to the digital nature of the products offered. With no physical inventory to manage, the focus remains on prompt service and precise fulfillment of software orders, ensuring that Sourcewell entities receive the right software solutions at the right time, with Vertosoft as their dedicated point of contact.
30	Describe your strategy related to implementation, integration, and use of implementation partners.	Vertosoft's strategy for implementation, integration, and use of implementation partners is designed to ensure the successful and seamless deployment of solutions for our customers. Our approach is comprehensive, collaborative, and client-focused, with the ultimate goal of providing irrefutable value. We currently collaborate with nearly 50 implementation partners who are industry leaders in their specialty, consistently engaging with them for their highly skilled expertise and streamlined project facilitation. We view implementation partners as valuable extensions of any given project.

31	Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises.	Vertosoft is fully committed to delivering exceptional customer service to Sourcewell members through our comprehensive Customer Success Program. Our approach is designed to provide rapid, knowledgeable, and tailored support to ensure that our clients maximize the benefits of our technology solutions. Upon commencement of our partnership, Sourcewell members will be assigned a dedicated Customer Success Manager (CSM) team. This team, comprised entirely of U.S. citizens, boasts an intimate understanding of various software manufacturers' entitlement systems, license management processes, and technical support frameworks. This ensures that the support provided is not only expert but also directly aligned with the nuances of the public sector's operational requirements. To facilitate immediate and seamless communication, we provide a dedicated toll-free number and a specific email address that directly connects Sourcewell members to their CSM team. This direct line of contact is designed to eliminate delays and streamline the resolution process. Our CSM team pledges to deliver on the following key customer service aspects: Software Entitlement Management Support: Expert assistance in managing and optimizing software entitlements. Customized License Reporting and Usage: Tailored reports that provide insights into software usage and compliance status, aiding in informed decision-making. Service Desk Management Portal: Sourcewell members will have access to 'VertoDesk', our robust service management portal, allowing them to open and manage service tickets efficiently with the CSM team. Technical Outreach and Advisory Sessions: Scheduled sessions to discuss new solutions, technology roadmaps, and to offer strategic advice tailored to the unique needs of Sourcewell members. Our response-time capabilities are a cornerstone of our customer service commitment. The CSM team guarantees prompt attention to all inquiries and issues, with an initial response time target within one business hour of contact. We strive to resolve queries and service tickets swiftly, with a focus on first-contact resolution whenever possible. To ensure these service goals are consistently met, Vertosoft incentivizes our CSM team based on key performance indicators that include response times, resolution times, and customer satisfaction levels. Regular reporting on these metrics, including the volume of calls, emails, and the status of service tickets, will be provided to Sourcewell to maintain transparency and encourage continuous improvement. Our dedicated CSM team, responsive service capabilities, and strategic incentives all serve one purpose: to provide Sourcewell members with an unparalleled customer service experience that not only meets but exceeds their expectations for support and strategic guidance.	*
32	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in the United States.	Vertosoft's core business is selling to the Public Sector, both the State & Local and Federal Government. We have dedicated the entire business to our only customer being the Government due to the expanse and nuance of the Government as a customer. Due to this, this makes our ability as a software distributor and reseller to sell directly to any of the Sourcewell participating entities across the United States extremely plausible and within our normal reach. We look forward to working with Sourcewell participating entities to provide the solutions proposed as part of this solicitation.	*
33	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	Vertosoft is committed to delivering high-quality software and related services to public sector and education administration entities, including those across Canada. Our ability and willingness to serve Sourcewell participating entities in Canada are rooted in the following key aspects: - Vertosoft LLC has established a legal presence in Canada and has the ability to quote in CAD. - We have an established, proven track record of success via direct transactions, as well as through our number of Canadian partners. - Vertosoft offers comprehensive training and implementation services tailored to the specific needs of our customers. For any related services that we are proposing, we provide remote options, ensuring that Canadian entities can maximize the value of Vertosoft's solutions, while encountering minimal disruption to their daily operations. - We are best able to serve the Canadian territories and provinces that conduct business in English.	*
34	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract.	Vertosoft is currently equipped to and has done business with all 50 states of the US. We are also equipped to do business with all required areas of Canada.	*
35	Identify any Sourcewell participating entity sectors (i.e., government, education, not-for-profit) that you will NOT be fully serving through the proposed contract. Explain in detail. For example, does your company have only a regional presence, or do other cooperative purchasing contracts limit your ability to promote another contract?	Vertosoft anticipates being able to fully serve any participating entity sectors through this proposed contract, and looks forward to the opportunity of doing so.	*
36	Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	Vertosoft has no specific restrictions related to participating entities in Hawaii and Alaska.	*

Table 7: Marketing Plan

Line Item	Question	Response *	

37	Describe your marketing strategy for promoting this contract opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	Vertosoft has crafted a robust marketing strategy to ensure the successful promotion of the Sourcewell contract opportunity. Our approach is multifaceted, designed to leverage our expertise and resources to educated and engage public sector entities about the advantages of using this contract vehicle for their technology solution acquisitions. The text in the following questions (#37-40) covering the Marketing Plan is meant to work in tandem with what we have submitted as an attachment under the “Step 2 - Documents” portion of the submission under “Marketing Plan/Samples.” Dedicated Sales Team Effort: Vertosoft’s seasoned public sector sales team, armed with extensive experience in leveraging national contracts, will actively collaborate with Sourcewell’s marketing division. The objective is to enlighten public sector organizations about the benefits and efficiencies gained by utilizing this contract for their technology purposes. Partnership with Software Manufacturers: Our Software Manufacturer Partners, who have well-established national sales forces, will integrate the promotion of this contract into their sales strategies. In their interactions with public sector entities, they will advocate for the use of this contract as the preferred procurement vehicle for acquiring state-of-the-art technology solutions. Proactive Communication and Media Outreach: Within the first 14 days post-award, Vertosoft will disseminate a co-branded press release, announcing the contract award with detailed insights into the contract specifics. This announcement will be bolstered by strategic social media campaigns, targeting public sector organizations to inform and promote the contract’s utilization. Online Presence and Accessibility: A dedicated Vertosoft website will be launched within 30 days of award notice, featuring the standard Sourcewell logo. This line resource will serve as a comprehensive hub, housing the original RFP, contract documents, product summaries, marketing materials, and direct links to the Sourcewell website. Additionally, we will establish a dedicated toll-free number and email address exclusively for Sourcewell participating entities, facilitating effortless access and inquiries. Direct Engagement Campaign: Within 60 days of the award, Vertosoft will initiate a targeted email and direct contact campaign. This initiative is designed to notify both existing and prospective public sector agencies about the contract. The communication will offer detailed guidance on how to effectively leverage the contract for future technology solution procurements. Vertosoft’s marketing strategy is a testament to our commitment to not only inform but also empower participating agencies with the tools and knowledge to enhance their operational capabilities through this contract with Sourcewell.
38	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	Vertosoft employs a sophisticated array of digital technologies and data analytics to enhance the effectiveness of our marketing initiatives. Here's an outline of our strategy: Social Media Utilization: We leverage social media platforms to engage with our audience, utilizing targeted advertising and organic content strategies. By analyzing user interaction data, we tailor our content to increase engagement, foster community building, and enhance brand awareness. Metadata Analysis: By harnessing metadata from various digital channels, we gain insights into customer behavior, preferences, and trends. This information allows us to optimize our content for search engines and improve the visibility of our digital assets. Customer Relationship Management (CRM) Systems: Our CRM systems are integrated with marketing automation tools that utilize digital data to personalize communication and track the customer journey. This ensures that marketing campaigns are relevant and timely, increasing conversion rates. Data-Driven Decision Making: We employ analytics tools to evaluate the performance of our marketing campaigns across digital channels. By understanding key performance indicators (KPIs), we can make informed decisions to refine our marketing tactics. Content Personalization: Using data analytics, we personalize content for various segments of our audience. This approach ensures that the messaging resonates with the specific needs and interests of each segment, improving engagement and conversion rates. Predictive Analytics: By analyzing past and current data trends, we employ predictive analytics to anticipate future behaviors and preferences. This allows us to stay ahead of market trends and adapt our marketing strategies accordingly. Digital Engagement Tracking: We track engagements and interactions across our digital channels to understand what content performs best. This enables us to replicate successful tactics and drop ineffective ones. Email Marketing Optimization: We use digital data to segment our audience and tailor email marketing campaigns, enhancing open rates and click-through rates. Through these technologically driven strategies, Vertosoft ensures that our marketing efforts are not just widespread, but also precise, relevant, and effective, leading to a stronger market presence and higher ROI on marketing investments.
39	In your view, what is Sourcewell’s role in promoting contracts arising out of this RFP? How will you integrate a Sourcewell-awarded contract into your sales process?	Vertosoft recognizes the immense value of a Sourcewell contract and the significant benefits it provides to Sourcewell contract holders. Therefore, we view it as very important that Sourcewell and Vertosoft have a symbiotic relationship in the promotion of a contract award. We view Sourcewell’s involvement in the successful promotion of our contract to include, but not necessarily be limited to: 1. Promotion via Sourcewell Channels: Leverage Sourcewell’s established communication channels, such as the official website, newsletters, and direct emails to regularly inform and update participating entities of the contract and its benefits. We would also like to establish an official landing page on Sourcewell’s website to highlight Vertosoft’s contract, similarly to how we would do on our own website. 2. Co-Branded Marketing Materials: Partner with Vertosoft to create co-branded marketing materials that combine the credibility and reputation of Sourcewell with the innovative offerings of Vertosoft, reinforcing the contract’s value proposition. 3. Educational Webinars and Workshops: Organize and host educational webinars and workshops that elucidate the contract’s features and instruct participating entities on how to leverage the offerings to effectively meet their needs. 4. Social Media Engagement: Utilize Sourcewell’s social media platforms to engage with the participating entity base, increase contract visibility, and encourage discussions around the contract’s usage and benefits. 5. Case Studies and Testimonials: Develop and share success stories and/or testimonials from customers who have seen great value through Vertosoft suppliers on the contract. This will provide real-world, timely examples of the value of Vertosoft's solutions and demonstrate the effectiveness of a properly leveraged Sourcewell contract awarded to Vertosoft.

40	Are your products or services available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	All solutions proposed under this RFP are available for electronic delivery, either via download for on-premises installed software, or as a Software-as-a-Service (SaaS) offering, but not through an online e-procurement ordering system.	*

Table 8: Value-Added Attributes

Line Item	Question	Response *	
41	Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcewell participating entities.	As a leading distributor of innovative software solutions for the public sector, Vertosoft is uniquely positioned to offer a range of product-related training programs. Our training offerings are as diverse as our product portfolio, varying significantly based on each supplier's specific technology and approach. Product Training Overview: Our training programs are designed to enhance the effective use and understanding of the software products we distribute. Recognizing that training needs vary from one supplier to another, we offer: 1. Standardized Training Programs: - Offered for: Widely used software products with uniform functionalities. - Details: These programs cover basic operations, user interface navigation, and standard application features. - Provider: Trained professionals with comprehensive knowledge of specific software. - Costs: Generally included with the purchase of software licenses. 2. Advanced and Specialized Training: - Offered for: Software requiring specific skill sets or knowledge for optimal use. - Details: Advanced operational techniques, customization options, and in-depth feature exploration. - Provider: Specialists or even developers from the software supplier, ensuring an authoritative understanding of the product. - Costs: Priced separately, reflecting the advanced level and specialized nature of the training. 3. Customizable Training Solutions: - Offered for: Software with flexible or adaptable functionalities. - Details: Tailored training modules developed in conjunction with the software supplier, focusing on the unique needs of each Sourcewell entity. - Provider: A collaborative team of Vertosoft experts and supplier representatives. Costs: Varies based on the training scope, duration, and specific requirements. - Unique Value Proposition: Vertosoft's strength lies in our ability to connect Sourcewell entities with a wide range of software training options, directly correlating to the diverse products offered by our suppliers. This approach ensures that each entity receives the most relevant, effective training for their chosen software solutions, maximizing the benefits and impact of their technology investments	*
42	Describe any technological advances that your proposed products or services offer.	Vertosoft stands at the forefront of technological innovation, providing cutting-edge solutions tailored for Core Administrative Systems, Education and Public Sector Information and Work Management, and Public Engagement and Specialized Services. Our offerings, derived from partnerships with emerging tech companies, seamlessly integrate into your operations, delivering significant benefits: In Core Administrative Systems, Vertosoft's proposed solutions enhance automation and improve decision-making. Leveraging technologies such as AI-driven financial close processes from Blackline, and predictive analytics and financial automation from Trintech, our solutions streamline operations and optimize resource management. This enables public sector and educational institutions to effectively manage administrative tasks and improve overall operational efficiency. For Education and Public Sector Information and Work Management, Vertosoft's solutions redefine efficiency in information and work management. By auto-generating designs and content, and developing novel data models, these tools significantly reduce time-to-market and foster innovation. For instance, Cornerstone onDemand's AI-powered learning management system personalizes learning paths and provides advanced analytics, while OpenGov's data-driven decision-making tools offer deep insights, trend analysis, and predictive forecasting crucial for strategic planning and operational efficiency. Moreover, platforms like Udacity offer cutting-edge learning programs in emerging technologies, further empowering institutions to unlock the full potential of their data. In the realm of Public Engagement and Specialized Services, Vertosoft offers robust solutions that enhance communication and interaction with the community. AI-powered platforms, including chatbots and virtual assistants from Ivy.ai, facilitate efficient handling of inquiries and provide real-time data analytics. PublicInput's platform uses AI to analyze public feedback and sentiment, enhancing community engagement. These solutions streamline processes, reduce response times, and provide 24/7 support, thereby promoting stronger community relationships and trust.	*

43	Please describe your software innovation maturity related to the following technology areas: o Machine learning o Natural language processing o Virtual assistants/chatbots o Predictive analytics o Big data analytics o AI/Generative AI	Vertosoft, along with our suppliers, offer Sourcewell participating entities advanced capabilities across key technology areas including machine learning, natural language processing, virtual assistants/chatbots, predictive analytics, big data analytics, and AI/Generative AI. The following companies Autura, Blackline, Cornerstone OnDemand, Diligent, Floqast, Fluxx Labs, Ivy.ai, OpenGov, Public Input, Red Rover, Schoox, Spare Labs, Swiftly, Thirdline, Trintech, Udacity, UKG, Urban SDK, and Visual Lease demonstrate exceptional innovation maturity in these fields, offering cutting-edge solutions aligned with the most advanced technology available. Machine Learning: UKG: Utilizes machine learning to enhance workforce management solutions, providing predictive scheduling, workforce forecasting, and advanced analytics to optimize labor costs and improve employee engagement. Natural Language Processing (NLP): Ivy.ai: Specializes in NLP to power intelligent chatbots and virtual assistants for higher education institutions, facilitating seamless communication and support for students and staff. Udacity: Leverages NLP in their educational platforms to provide personalized learning experiences, adaptive content, and intelligent tutoring systems. Virtual Assistants/Chatbots: Ivy.ai: Offers advanced chatbot solutions that utilize AI and NLP to provide real-time, automated support for various user queries, improving customer service efficiency. Cornerstone OnDemand: Integrates virtual assistants into their learning and talent management solutions, providing users with immediate assistance and enhancing overall user experience. Predictive Analytics: Floqast: Utilizes predictive analytics to streamline and optimize financial close processes, providing actionable insights that help organizations forecast and manage financial outcomes more effectively. Swiftly: Applies predictive analytics to improve public transportation systems, offering real-time data and predictive insights to enhance transit operations and rider experience. Big Data Analytics: OpenGov: Employs big data analytics to provide governments with comprehensive financial management and transparency solutions, enabling data-driven decision-making and improved public service delivery. Urban SDK: Uses big data analytics to provide urban planners and policymakers with actionable insights to improve city infrastructure, transportation, and overall urban development. AI/Generative AI: Red Rover: Implements generative AI to enhance their employee onboarding solutions, creating personalized and engaging onboarding experiences that streamline the integration of new hires. Spare Labs: Utilizes AI and generative AI to optimize demand-responsive transportation systems, improving efficiency and accessibility for transit agencies and riders. Comprehensive Innovation Across Technology Areas: Diligent: Provides governance, risk, and compliance solutions that integrate AI and machine learning to enhance decision-making and risk management processes. Trintech: Delivers financial close management software that incorporates predictive analytics and AI to automate and optimize financial operations. Visual Lease: Uses machine learning and big data analytics to offer lease management solutions that improve compliance and financial performance. Thirdline: Applies advanced machine learning and AI techniques to enhance their security and compliance monitoring solutions. Blackline: Utilizes AI and machine learning to streamline and automate accounting and finance processes, providing real-time visibility and control. Public Input: Uses big data analytics and AI to facilitate public engagement and community feedback, providing governments with deeper insights and more effective decision-making. Fluxx Labs: Employs AI and big data analytics to improve grant management and impact measurement for philanthropic organizations. Autura: Leverages machine learning and predictive analytics to enhance automotive industry solutions, improving vehicle performance and customer satisfaction. Schoox: Implements AI and machine learning in their learning management systems to provide personalized training and development programs. Together, these companies represent a robust and comprehensive suite of solutions that showcase our collective expertise and innovation maturity in key technology areas. By offering suppliers with the latest advancements in machine learning, natural language processing, virtual assistants, predictive analytics, big data analytics, and AI, Vertosoft and our suppliers are well-positioned to deliver exceptional value and transformative outcomes for Sourcewell participating entities.

44	Describe connectivity and integration capabilities between your offered solution(s) and other software systems.	The diversity of connectivity and integration capabilities available are as varied and diverse as the suppliers we are proposing for this opportunity, ensuring seamless interoperability and comprehensive functionality across various software systems. We have provided a brief subset of some of the integration capabilities below: Autura supports integrations with Salesforce, Hubspot, Zoho CRM, SAP, Oracle ERP, Microsoft Dynamics 365, Geotab, Samsara, and Verizon Connect, along with an API and SDK to assist with other connections. Blackline's financial close management software integrates with major ERP systems such as SAP, Oracle, and Microsoft Dynamics. It offers APIs and pre-built connectors to streamline data flow between financial systems and enhance process automation. Cornerstone OnDemand's learning and talent management systems integrate seamlessly with a variety of HRIS, payroll, and other enterprise systems, utilizing open APIs, connectors, and integration hubs to ensure data synchronization and workflow automation. Specifically, Cornerstone integrates with Workday, enabling smooth data flow for HR, payroll, and talent management processes, which supports unified reporting, automated data updates, and streamlined workflows. The system also integrates with SAP SuccessFactors, allowing for the synchronization of employee data, performance metrics, and learning management information, thus providing a comprehensive talent management solution. Furthermore, integration with Oracle HCM Cloud ensures synchronized HR data, payroll information, and talent management processes, enhancing data accuracy and operational efficiency. Cornerstone's compatibility with ADP helps synchronize payroll data, employee information, and compliance reporting, facilitating easier workforce data management across systems. Additionally, Cornerstone integrates with UKG Pro (formerly UltiPro) to offer seamless HR, payroll, and talent management capabilities, promoting real-time data synchronization and efficient workflow automation. Integration with Microsoft Dynamics 365 allows for the connection of HR and talent management data, enabling comprehensive analytics and streamlined operations. The integration with PeopleSoft ensures that employee records, payroll data, and HR processes are synchronized, providing a unified platform for managing workforce information. Finally, Cornerstone's integration with Kronos aligns time and attendance data with HR and payroll systems, ensuring accurate payroll processing and compliance with labor regulations. These integrations enable Cornerstone to provide a cohesive and efficient experience for managing HR processes, payroll, and employee development, supporting comprehensive workforce management and development strategies across various enterprise systems. Ivy.ai's AI-powered chatbot and virtual assistant solutions integrate seamlessly with a variety of systems to enhance customer service and engagement. Utilizing open APIs and connectors, Ivy.ai ensures smooth data flow and operational efficiency across educational institutions and businesses. Specifically, Ivy.ai integrates with CRM systems like Salesforce and HubSpot to streamline customer interactions, ensuring data from chatbot interactions is accurately captured and enhancing customer relationship management and marketing efforts. In learning management systems such as Canvas and Blackboard, Ivy.ai provides educational institutions with seamless student support, automating responses to inquiries and facilitating course navigation. Additionally, Ivy.ai integrates with student information systems like Banner and PeopleSoft to automate administrative tasks, providing instant access to academic information and assisting with enrollment processes. For HRIS, Ivy.ai works with systems like Workday and SAP SuccessFactors to offer automated HR support, addressing employee queries related to benefits, leave balances, and payroll details. Furthermore, integrations with content management systems like WordPress and Drupal enable Ivy.ai to enhance user engagement on websites by providing real-time support and guiding visitors. These integrations collectively enable Ivy.ai to deliver a cohesive and efficient experience for managing customer interactions, student support, and HR services, significantly improving operational efficiency and user satisfaction. OpenGov provides robust integration capabilities to enhance its financial and performance management solutions for government agencies. It integrates seamlessly with major Enterprise Resource Planning (ERP) systems such as SAP, Oracle, and Microsoft Dynamics, enabling comprehensive financial management and streamlined operations. OpenGov connects with financial systems like QuickBooks, NetSuite, and Sage Intacct, facilitating accurate financial reporting and budget management. Its platform also integrates with Customer Relationship Management (CRM) systems like Salesforce, enabling improved citizen engagement and service delivery. OpenGov supports data visualization and analytics tools such as Tableau and Power BI, providing real-time insights and data-driven decision-making. For document and records management, it integrates with systems like Laserfiche and SharePoint, ensuring efficient document handling and compliance. Additionally, OpenGov connects with geographic information systems (GIS) like Esri, enhancing spatial data analysis and planning capabilities. These integrations ensure that OpenGov's solutions provide comprehensive, efficient, and secure financial and performance management, enhancing the ability of government agencies to deliver transparent and effective public services. UKG (Ultimate Kronos Group) offers extensive integration capabilities across various systems to enhance workforce management solutions. It integrates with major Human Capital Management (HCM) systems like Workday, Oracle HCM Cloud, and SAP SuccessFactors for seamless HR and payroll operations. UKG also connects with payroll systems such as ADP, Ceridian Dayforce, and Paychex to ensure accurate payroll processing. Its integration with ERP systems like SAP ERP, Oracle ERP, and Microsoft Dynamics 365 streamlines workforce planning and financial management. UKG's connectivity extends to CRM systems, including Salesforce, HubSpot, and Zoho CRM, aligning workforce management with customer relationship activities. Time and attendance systems like Kronos, Tanda, and Deputy are supported for efficient scheduling and tracking. Additionally, UKG integrates with Learning Management Systems (LMS) such as Cornerstone OnDemand, SAP Litmos, and Udemy for Business to enhance employee training and development. Benefits administration systems like Benefitfocus, Alight Solutions, and Businessolver are also supported, ensuring comprehensive benefits management. For secure access, UKG integrates with Single Sign-On (SSO) solutions like Okta, Microsoft Azure Active Directory, and Ping Identity. These integrations ensure UKG's solutions provide comprehensive, efficient, and secure workforce management across diverse business environments. *

45	Describe your migration, customization, configuration, and upgrade processes.	Each of the suppliers being proposed has a variety of methodologies they follow to ensure success. For example, OpenGov's implementation methodology ensures a smooth transition and successful adoption of their solutions through a structured approach consisting of several key phases: Initiate, Validate, Configure, Customize, Train, Test, Launch, and Support and Upgrade. In the Initiate phase, OpenGov provides customer entity configuration and creates system administrator accounts, granting access to the system. This phase concludes with customer sign-off on product access. During the Validate phase, OpenGov develops a Solution Blueprint based on the customer's requirements and confirms the data migration and validation strategy. The customer signs off on the Initial Draft Solution Blueprint to complete this phase. The Configure phase involves configuring the deliverables as outlined in the project scope, with customer sign-off confirming the completion and acceptance of all configuration deliverables. Customization follows in the next phase, based on specific customer requirements detailed in the Solution Blueprint. This includes custom feature development, integration with other systems, and workflow customizations. This phase concludes with customer sign-off on the completed customizations. Training is provided through instructor-led virtual sessions, covering both administrators and end users as specified in the project scope. Customer sign-off confirms the completion of training. OpenGov conducts thorough testing of the system in the Test phase, including user acceptance testing (UAT), to ensure all configurations and customizations work as expected. The customer signs off on the successful completion of the testing phase. The Launch phase includes providing HyperAdopt support post Go-Live to ensure successful adoption, with customer sign-off transitioning the project from active deployment to Customer Success. In the Support and Upgrade phase, OpenGov provides ongoing support to ensure the system continues to meet customer needs, regularly releasing updates and upgrades to enhance functionality and security. Customers are notified of upcoming upgrades, and OpenGov works with them to schedule and implement these upgrades with minimal disruption, concluding with customer sign-off on major upgrades to confirm successful implementation. UKG uses the following methodology: Project Management UKG guides the life cycle of the UKG HCM implementation, providing best practices to ensure successful deployment. The UKG Project Manager partners with the Customer Project Manager to develop the project plan, manage risks, and ensure objectives are achieved. The Customer Project Manager manages resources, secures executive sponsor buy-in, leads change management, liaises between UKG and project stakeholders, administers project changes, and resolves issues. Welcome Phase In the Welcome Phase, UKG and the Customer team lay the foundation for a successful implementation. This includes assigning stakeholders, defining areas of responsibility, reviewing expectations and goals, discussing project assumptions, and establishing meeting cadences. The UKG Project Manager will also discuss the project plan, change management, testing, and end-user training activities with the Customer Project Manager. This phase concludes with the start of the Requirements phase. Requirements Phase During the Requirements phase, UKG discusses specific configurations and identifies necessary modifications with the Customer. This involves discovery sessions with key department stakeholders and reviewing internal process changes based on industry best practices. The aim is to minimize configuration changes outside the preconfigured solution. These discussions help in making informed decisions about processes, testing scenarios, and end-user training. Build Phase In the Build phase, UKG completes the agreed-upon configurations. The Customer provides necessary employee data from legacy systems, configures hardware if applicable, and attends recommended training. Working sessions are held to review the configuration and navigation of the UKG HCM solution. The Customer also designates System Administrators who actively participate in all activities to ensure they can maintain and troubleshoot the solution post-implementation. Test Phase During the Test phase, the Customer leads User Acceptance Testing (UAT) with support from UKG. The Customer assigns resources to conduct unit tests, documents outcomes, and communicates issues to UKG for resolution. Concurrently, the Customer develops change management strategies and communication plans to ensure user adoption, prepares deployment groups, and rolls out end-user training. Go-Live Phase In the Go-Live phase, the configured and tested solution is deployed to end users. The project's goals, success criteria, change management, end-user training, and risk management efforts culminate in this phase. The Customer signs off on an agreed Deployment Plan for the UKG HCM system. UKG supports one deployment group and provides a thirty-day warranty period before transitioning to UKG Global Support (Success Care) for post-implementation support.

46	Describe any “green” initiatives that relate to your company or to your products or services, and include a list of the certifying agency for each.	Vertosoft maintains a corporate Sustainability Policy which is provided below: Vertosoft LLC strives to be a leader in environmental sustainability and believes that a successful future for our business and the customers we serve depends on the sustainability of the environment, communities, and economies in which we operate. As a responsible corporate citizen, we bear a responsibility to consider the impacts of our actions and how they affect the environment both directly in terms of our own operation, and indirectly through our purchasing decisions, the products, and services we offer to our customers and the business opportunities we pursue. We are committed to minimizing the impact of our operations on the environment and to demonstrating leadership by integrating environmental considerations into all our business practices. We are committed to protecting the environment through responsible management of our operations and give appropriate weight and consideration to this environmental policy when making future planning and investment decisions. Vertosoft LLC will set targets and objectives, within the scope of the environmental management system, to achieve continual improvement and a sustainable development; Vertosoft LLC will establish and periodically review and report progress on objectives and targets in the pursuit of continual improvement in our environmental management system for the purpose of enhancing our environmental performance and ongoing prevention of pollution. Vertosoft LLC will minimize the environmental impacts of our own operations through best practice management of use of our energy, transportation, material consumption, water use, waste and emissions. Vertosoft will also encourage suppliers, subcontractors, retailers and recyclers of our products to adopt the same environmental principals as Vertosoft LLC; Vertosoft LLC will raise employee awareness and support employee creativity and enthusiasm with respect to implementing our environmental policies, guidelines, programs, and initiatives. Vertosoft will also continually promote environmental awareness, responsibility, and best practices and to support the environmental sustainability culture of our company through education and in-house initiatives to reduce our environmental footprint. Guided by our Sustainability Policy, Vertosoft provides each employee with an Ocean Bottle “GO” water bottle. Each bottle is made from at least 67% recycled materials, and each bottle purchased funds the collection of 1,000 ocean-bound plastic bottles. To date, our usage of these bottles has funded the removal of over 40,000 ocean-bound plastic bottles. Vertosoft has also installed an in-office point-of-use water system that is connected to the building water supply. This system is estimated to save 4,000 bottles annually. Another policy that Vertosoft has put in place that is driven by our Sustainability Policy is our ‘Work from Home’ program. Employees that are eligible for this program can work from home 2 days a week. It is estimated that this policy saves ~10.67 metric tons of carbon emissions over the course of a year. In addition to these items, Vertosoft requires all electronic equipment to be Energy STAR certified, and where available, EPEAT registered. We prioritize products made from recycled materials and those with minimal, eco-friendly packaging. Vertosoft also selects products designed for longevity and ease of upgrade to extend their usable life. One specific example is our laptops. Vertosoft’s laptops have an average lifespan of 5 years, as compared to many corporate laptops that have a lifespan of approximately 3 years.	*
47	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	Several providers in our proposal demonstrate a strong commitment to sustainability through various certifications and eco-labels. UKG and Diligent both hold ISO 14001 certification for environmental management systems, underscoring their dedication to reducing environmental impact. Trintech, a member of the Green Business Certification Inc. (GBCI), reinforces its green business practices. Visual Lease partners frequently use Energy Star-certified equipment, promoting energy efficiency. OpenGov operates in LEED-certified facilities, reflecting their commitment to environmentally friendly building practices. Fluxx Labs, as a certified B Corporation, meets high standards of social and environmental performance. These certifications and practices highlight the focus on energy efficiency, sustainability, and green initiatives among our proposed solution providers.	*
48	Describe your strategy related to ecosystem partners for additional functionalities or capabilities.	Our strategy for leveraging ecosystem partners to enhance functionalities and capabilities revolves around building a robust network of integrations and collaborations that amplify the strengths of our core solutions. By partnering with leading providers across various domains, we ensure that our customers can access a comprehensive suite of tools and services that seamlessly integrate with our offerings, enhancing overall efficiency and effectiveness. For instance, UKG (Ultimate Kronos Group) collaborates with numerous HRIS and payroll systems such as Workday, SAP SuccessFactors, and ADP, enabling seamless data flow and operational efficiencies. These integrations allow organizations to unify their workforce management and HR processes, providing a cohesive user experience. Similarly, Diligent’s governance, risk, and compliance solutions are enhanced through partnerships with other compliance tools and risk management systems, ensuring comprehensive governance and regulatory adherence. OpenGov’s financial and performance management solutions benefit from integrations with ERP systems like SAP and Oracle, as well as data visualization tools such as Tableau and Power BI. This strategic collaboration enables government entities to leverage advanced analytics and reporting capabilities, driving data-driven decision-making. Cornerstone OnDemand’s learning and talent management systems integrate with CRM systems like Salesforce and HubSpot, as well as LMS platforms like Canvas and Blackboard, ensuring that educational institutions and businesses can provide seamless learning experiences and robust talent management. Additionally, Ivy.ai’s AI-powered chatbot solutions integrate with various CMS, LMS, and HRIS platforms, offering enhanced customer service, student support, and HR functionalities. By partnering with ecosystem players such as WordPress, Drupal, and Workday, Ivy.ai ensures that its AI-driven solutions are easily accessible and highly effective across different use cases.	*
49	Describe any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or HUB partners have obtained. Upload documentation of certification (as applicable) in the document upload section of your response.	Vertosoft LLC is a Certified Virginia Small Business Concern, number 725842 for reference. We have attached a copy of our Small, Women-owned, and Minority-owned Business (SWaM) certificate under the “Step 2 - Documents” portion of the submission - “WMBE/MBE/SBE or Related Certificates”	*

50	What unique attributes does your company, your products, or your services offer to Sourcewell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcewell participating entities?	Presales Engineering Talent Vertosoft's focus on emerging and innovative technologies are supported by experienced technical resources to identify the best overall solution for Sourcewell members. Vertosoft Account Managers are trained presales specialists who focus on specific technology domains such as Cloud Computing, Machine Learning and Artificial Intelligence, Cybersecurity, and Big Data and Analytics. Partnered with dedicated engineering resources from the software supplier, Vertosoft can provide Sourcewell participating entities with important insights about the technology solutions to best meet the member's needs. Quality and Responsiveness Vertosoft maintains an ISO 9001:2015 certification that demonstrates Vertosoft's commitment to the highest level of quality and customer satisfaction. Our Quality Management program supports our core business processes and provides the tools through which we measure, control, and improve these processes which include: - Maintaining product catalogs and price lists on different government contract vehicles. - Error free quoting to the government on behalf of our technology partners. - Efficient purchase order (PO) processing from our government customers. - Efficient PO delivery to our technology partners. - Accurate invoice creation for government customers for solutions delivered by our technology partners. - Payments to our technology partners upon payment from the government. - Customer satisfaction measurement with the overall procurement process experience through Vertosoft. Dedicated Customer Success Management Team Vertosoft will assign a dedicated Customer Success Manager (CSM) team to Sourcewell participating entities. The assigned CSM team will all be US citizens with knowledge of the different software manufacturer's software entitlement systems, license management processes, and technical support systems. Vertosoft provides a dedicated 1-800 number and email address that will connect participating entities directly with the dedicated CSM team. The CSM will be able to provide Sourcewell and participating entities with the following benefits: - Software Entitlement management support - Customized license reporting and usage - Service Desk Management Portal – ability to open and manage service tickets with Vertosoft CSM team - Technical Outreach and Advisory Sessions Vertosoft's CSM team will assist Sourcewell and participating entities with tracking the usage for each product. The CSM team will provide Sourcewell metrics on the calls/emails into the Vertosoft 1-800 and dedicated email address along with open/closed service tickets to help Sourcewell understand the volume and scale of support being requested and provided. Vertosoft will also provide Sourcewell participating entities with access to VertoDesk, which is a software entitlement portal where assigned participating entities can see the list of current software entitlements. * Marketing and Training Each of the software suppliers supported by Vertosoft provides complimentary webinars to Sourcewell member agencies to help them better understand different features within the tool, so that agencies can maximize the investment in the technology. Vertosoft also hosts 'Tech-Days' where we bring emerging technology suppliers to our public sector customers where they can engage in technical deep dives, learn about product roadmaps, and get key industry updates and insights. Within the first 14 days post award, Vertosoft will issue a co-branded press release announcing the award and specific details of the contract. This will be combined with targeted social media postings to promote the use of the contract for eligible public sector organizations. Within 30 days of award, Vertosoft will launch a dedicated web site with the Sourcewell standard logo. The website will have a copy of the original request for proposal, a copy of the contract, summary of products being offered, marketing materials, and a link to Sourcewell website. Vertosoft will also include a dedicated toll-free number and email address for Sourcewell participating entities. Within 60 days of award, Vertosoft will execute a dedicated email and contact campaign to notify existing and potential public sector agencies about the contract and provide guidance on how to leverage the contract in the future. Secure Software Supply Chain Executive Order 14028, "Improving the Nation's Cybersecurity" called to establish baseline security standards for development of software. As part of this effort, Vertosoft is working with our suppliers to develop a 'software bill of materials' (SBOM) to help public sector agencies better understand the nested libraries that make up the software components they are using. Minority and Women Business Enterprise (MWBE) and HUB Participation Vertosoft believes that a diverse supplier base is important to our overall success as an organization. This is evident by hundreds of services and resell partners that Vertosoft works with around the country that are either minority, women owned, service-disabled veteran, certified 8(a), or HUB Zone companies. These partners compliant our software supplier's diversity programs and help public sector agencies meet their own goals for diversity. Government Financing and Structured Payment Plans Vertosoft offers extended payment plans and subscription billing for technology purchases to help align structured payments to government program budgets while meeting government guidelines. Vertosoft's deep understanding of the government acquisition process allows us to provide the government with simplified terms and conditions and flexible payment options. We also can provide utility-based pricing and quarterly or monthly subscription billing for cloud-based SaaS software.
51	If applicable, how does your solution facilitate increased citizen engagement and feedback in public sector processes?	We are proposing solutions PublicInput, OpenGov, and Ivy.ai to facilitate increased citizen engagement and feedback in public sector processes. They do so with their unique capabilities that you can read more about below: PublicInput provides an all-in-one engagement and communications platform that enables government agencies to actively connect with their communities. The solution includes various tools like public surveys, virtual town halls, social media integration, and data analytics. By facilitating transparent communication and enhancing equitable citizen participation, PublicInput empowers governments to receive actionable insights through real-time feedback and representative reporting. This platform supports effective decision-making and strengthens community trust by creating an inclusive engagement environment. OpenGov's Community Feedback software is specifically designed to enhance public sector processes through the collection and analysis of public feedback. The solution streamlines the process of gathering input via surveys and comment tracking, ensuring transparency and robust citizen engagement. With real-time feedback analysis, OpenGov enables informed decision-making based on community insights, fostering harmonious relationships between governments and citizens by efficiently utilizing public feedback to inform policies and services. * Ivy.ai offers an AI-powered platform for Citizen Relationship and Engagement Management, featuring chatbots and virtual assistants that improve communication between governments and citizens. The solution provides automated responses, multi-channel support, and real-time data analytics, facilitating efficient handling of inquiries and enhancing citizen engagement. By streamlining processes, reducing response times, and providing 24/7 support, Ivy.ai promotes stronger community relationships and trust, thereby contributing to increased citizen engagement and feedback in public sector processes.

52	How does your solution support digital transformation initiatives within the public sector, including cloud adoption, mobile access, and digital service delivery?	Our proposed solution, supported by a diverse group of innovative suppliers, robustly supports digital transformation initiatives within the public sector, emphasizing cloud adoption, mobile access, and digital service delivery. UKG (Ultimate Kronos Group): UKG's cloud-based workforce management solutions facilitate seamless cloud adoption, providing scalable and secure HR, payroll, and workforce analytics. Their mobile access capabilities ensure that public sector employees can manage schedules, track time, and access critical HR information from anywhere, enhancing operational efficiency and employee engagement. Diligent: Diligent's governance, risk, and compliance solutions are cloud-based, offering secure, scalable platforms that support public sector needs. Their mobile applications enable government officials to access critical information, manage risks, and ensure compliance on the go, streamlining governance processes and improving transparency. Trintech: Trintech's cloud-based financial close management software supports public sector financial transformation by automating complex financial processes. Their solutions offer mobile access to financial data and workflows, enabling finance teams to collaborate and manage financial operations from anywhere, ensuring accuracy and efficiency. Visual Lease: Visual Lease provides cloud-based lease management solutions that enhance compliance and financial performance for public sector organizations. Their mobile-friendly platform allows users to access lease data and perform management tasks remotely, supporting efficient lease administration and real-time decision-making. OpenGov: OpenGov's cloud-based financial and performance management solutions are designed specifically for the public sector, facilitating efficient cloud adoption. Their mobile-friendly platforms enable government officials to access budget data, performance metrics, and financial reports on the go, enhancing transparency and decision-making capabilities. Cornerstone OnDemand: Cornerstone offers cloud-based learning and talent management solutions that support public sector digital transformation. Their mobile applications allow government employees to access training, performance reviews, and development resources anytime, anywhere, promoting continuous learning and professional growth. Udacity: Udacity provides cloud-based educational platforms that support digital transformation through online learning. Their mobile-accessible courses enable public sector employees to develop new skills and stay updated with the latest technologies, enhancing workforce capabilities and adaptability. Ivy.ai: Ivy.ai's AI-powered chatbot and virtual assistant solutions support digital service delivery by providing instant, automated responses to public inquiries. Their cloud-based, mobile-friendly platforms ensure that citizens can access information and services anytime, improving public engagement and satisfaction. Urban SDK: Urban SDK offers cloud-based data analytics and visualization tools that support smart city initiatives. Their mobile-accessible platform allows city planners and officials to access real-time data on urban environments, facilitating informed decision-making and efficient urban management. Autura: Autura's cloud-based automotive solutions support public sector digital transformation by providing real-time data and analytics on vehicle performance and maintenance. Their mobile-friendly platforms enable efficient fleet management and decision-making from any location. Fluxx Labs: Fluxx Labs' cloud-based grant management software supports public sector digital transformation by streamlining the grant application and management process. Their mobile-accessible platform allows grant managers to track and manage grants on the go, improving efficiency and accountability. Swiftly: Swiftly's cloud-based public transit solutions support digital transformation by providing real-time data and analytics for transit operations. Their mobile applications enable transit agencies to monitor performance, optimize routes, and improve service delivery, enhancing the public transportation experience. Spare Labs: Spare Labs' cloud-based, demand-responsive transportation solutions support public sector mobility initiatives. Their mobile-friendly platform allows users to book and manage rides in real-time, improving accessibility and efficiency in public transportation services. By leveraging the capabilities of these innovative suppliers, our solution robustly supports the public sector's digital transformation initiatives, promoting cloud adoption, mobile access, and enhanced digital service delivery to improve operational efficiency and public engagement.	*

Table 9A: Warranty

Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure.

You may upload representative samples of your warranty materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *	

53	Do your warranties cover all products, parts, and labor?	Vertosoft is committed to providing comprehensive warranty coverage across the wide variety of suppliers we propose to meet the needs of Sourcewell participating entities. In general, our warranties cover products, parts, and labor, although specific terms and conditions may vary between suppliers. To ensure Sourcewell participating entities have a clear understanding of the warranties they can expect, we have included detailed warranty information from several key suppliers. This will provide a transparent view of the warranty coverage for products, parts, and labor, demonstrating our commitment to quality and customer satisfaction. OpenGov Warranty: General Warranty. OpenGov represents and warrants that it has all right and authority necessary to enter into and perform this Agreement. Professional Services Warranty. OpenGov further represents and warrants that the Professional Services, if any, will be performed in a professional and workmanlike manner in accordance with generally prevailing industry standards. For any breach of the Professional Services warranty, Customer's exclusive remedy and OpenGov's entire liability will be the re-performance of the applicable services. If OpenGov is unable to re-perform such work as warranted, Customer will be entitled to recover all fees paid to OpenGov for the deficient work. Customer must give written notice of any claim under this warranty to OpenGov within 90 days of performance of such work to receive such warranty remedies. Software Services Warranty. OpenGov further represents and warrants that for a period of 90 days after the subscription start date specified in the Order Form, the Software Services will perform in all material respects in accordance with the Documentation. The foregoing warranty does not apply to any Software Services that have been used in a manner other than as set forth in the Documentation and authorized under this Agreement. OpenGov does not warrant that the Software Services will be uninterrupted or error-free. Customer must give written notice of any claim under this warranty to OpenGov during the Subscription Term. OpenGov's entire liability for any breach of the foregoing warranty is to repair or replace any nonconforming Software Services so that the affected portion of the Software Services operates as warranted or, if OpenGov is unable to do so, terminate the license for such Software Services and refund the pre-paid, unused portion of the fee for such Software Services to the Reseller. By Customer. Customer represents and warrants that (a) it has all right and authority necessary to enter into and perform this Agreement; and (b) OpenGov's use of the Customer Data pursuant to this Agreement will not infringe, violate or misappropriate the Intellectual Property Rights of any third party. Disclaimer. OPENGOV DOES NOT WARRANT THAT THE SOFTWARE SERVICES WILL BE UNINTERRUPTED OR ERROR FREE; NOR DOES IT MAKE ANY WARRANTY AS TO THE RESULTS THAT MAY BE OBTAINED FROM USE OF THE SOFTWARE SERVICES. EXCEPT AS SET FORTH IN THIS SECTION 8, THE SOFTWARE SERVICES ARE PROVIDED "AS IS" AND OPENGOV DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY, TITLE, FITNESS FOR A PARTICULAR PURPOSE, AND NON-INFRINGEMENT. UKG Warranty: Mutual Warranties. Each Party hereby warrants that (a) it has the full right and authority to enter into this Agreement; and (b) the performance of its obligations and duties under this Agreement does not conflict with or result in a breach of any other agreement of such Party or any judgment, order, or decree by which such Party is bound. Subscription Services Warranty. UKG warrants that the Subscription Services will substantially conform with the Documentation and that the functionality of the Subscription Services will not be materially diminished or adversely modified. In the event of a breach of the warranty described in this Section, as Customer's exclusive remedy and UKG's sole obligation, UKG will make commercially reasonable efforts to remedy such breach without additional cost to Customer, provided that if UKG cannot substantially remedy such breach, then Customer may terminate the affected Subscription Services in accordance with Section 7.2.2. Customer agrees to report any nonconformance of the Subscription Services within thirty (30) days of its discovery and provide UKG with reasonable information and assistance to enable UKG to reproduce or verify the non-conforming aspect of the Subscription Services. Professional, Support, and Training Services Warranty. UKG warrants that the Professional Services, Support Services, and Training Services will be performed by qualified personnel in a good and professional manner. In the event UKG breaches the warranty described in this Section, as Customer's exclusive remedy and UKG's sole obligation, UKG will reperform the deficient Professional, Support, or Training Service, at UKG's cost, provided that if UKG cannot substantially remedy such breach, then UKG will refund any fees prepaid by Customer for the affected Services. Customer must report any deficiencies in such Services, including Professional Services, within thirty (30) days of the completion of the Services. Disclaimer. TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, UKG DISCLAIMS ALL OTHER WARRANTIES NOT SET FORTH IN THIS AGREEMENT, EITHER EXPRESS OR IMPLIED, INCLUDING ALL WARRANTIES OF MERCHANTABILITY, QUALITY, PERFORMANCE, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, TITLE, AND ANY WARRANTIES ARISING FROM COURSE OF DEALING, USAGE, OR TRADE PRACTICE, IN CONNECTION WITH THIS AGREEMENT AND THE SERVICES. UKG DOES NOT REPRESENT, WARRANT, OR COVENANT THAT THE SERVICES OR ANY OTHER PRODUCT OR SERVICE PROVIDED HEREUNDER WILL BE UNINTERRUPTED, ERROR-FREE, VIRUS-FREE, OR SECURE. THIS DISCLAIMER OF WARRANTY MAY NOT BE VALID IN SOME JURISDICTIONS AND CUSTOMER MAY HAVE WARRANTY RIGHTS UNDER LAW WHICH MAY NOT BE WAIVED OR DISCLAIMED. ANY SUCH WARRANTY RIGHTS EXTEND ONLY FOR THIRTY (30) DAYS FROM THE EFFECTIVE DATE OF THIS AGREEMENT (UNLESS AND ONLY TO THE EXTENT SUCH LAW PROVIDES OTHERWISE). Due to providing detailed examples in this text section for Warranty, we have not uploaded any attachments within the "Step 2 - Documents" portion of the submission under "Warranty Information." If interested in reading more supplier warranties, please navigate to the zip file entitled "EULAs" within the "Step 2 - Documents" portion of the submission under "Standard Transaction Document Samples."
54	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	There are no usage restrictions or other limitations that adversely affect coverage.
55	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	The majority of the proposed solutions are software-based, ensuring that troubleshooting and warranty repairs are conducted remotely. This approach eliminates the need for technicians to travel, thereby avoiding additional expenses for travel time and mileage. Remote troubleshooting offers several advantages, including faster response times, reduced downtime, and increased convenience for Sourcewell participating entities. By leveraging advanced remote support technologies, we can quickly diagnose and resolve issues without the delays associated with scheduling and dispatching on-site technicians. This not only enhances the efficiency of our support services but also aligns with sustainable practices by reducing the carbon footprint associated with travel. Consequently, Sourcewell participating entities benefit from a more responsive and eco-friendly warranty service, ensuring that their operations continue smoothly and without unnecessary interruptions.
56	Are there any geographic regions of the United States or Canada (as applicable) for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell participating entities in these regions be provided service for warranty repair?	The proposed solutions are software-based, allowing us to provide comprehensive support and warranty repairs remotely, without the need for certified technicians to travel to specific geographic locations. This approach ensures that all Sourcewell participating entities, regardless of their location within the United States or Canada, receive timely and effective service for warranty repairs.
57	Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?	In general, each supplier included in our proposal will provide warranties for their respective software solutions. This warranty coverage extends even if the software solution incorporates third-party or open-source software components. Each supplier is responsible for the warranty service of their products, ensuring that Sourcewell participating entities receive consistent and reliable support directly from the source of the solution. This approach allows for specialized expertise and ensures that any warranty issues are addressed efficiently by the original manufacturers who are best equipped to handle their specific products. By relying on each supplier to manage their warranties, we ensure that all components of our proposed solutions are covered under appropriate and effective warranty terms.

58	What are your proposed exchange and return programs and policies?	The exchange and return programs and policies vary from supplier to supplier. To provide Sourcewell with a clear understanding of what to expect, we have highlighted the diverse policies of a few key suppliers, illustrating the variations across the proposed solutions. UKG (Ultimate Kronos Group): In the event of termination, UKG's policy ensures that all fees are paid by the customer for services rendered through the effective date of termination. If the termination is due to UKG's breach of the agreement, any prepaid fees for services not rendered before the termination date will be credited back to the customer's account, with any remaining amounts refunded within thirty days. This approach ensures financial fairness and transparency, providing peace of mind to customers regarding their investments in UKG's solutions. OpenGov: OpenGov's exchange and return policies are outlined in their subscription terms. The agreement commences upon execution and continues until the end date specified on the order form, with provisions for renewal and termination. If either party materially breaches the agreement and fails to cure the breach within thirty days of written notice, the non-breaching party may terminate the agreement. Upon termination, customers are required to pay in full for all services rendered up to the termination date, and OpenGov will cease providing services. This structured approach ensures that both parties are protected and that services are delivered effectively up to the termination point. BlackLine: BlackLine's policy includes a refund or payment on termination clause. If the customer terminates the agreement pursuant to the specified terms, BlackLine will issue a prorated refund for any payment corresponding to the period after the effective termination date. Conversely, if BlackLine terminates the agreement, the customer must pay any unpaid fees covering the remainder of the current term. This policy guarantees that customers are only billed for the services they receive, ensuring a fair and equitable financial arrangement.	*
59	Describe any service contract options for the items included in your proposal.	Vertosoft provides comprehensive service contract options to support the solutions proposed. We include a range of implementation, training, and support services to ensure successful deployment and ongoing operation of our solutions. Implementation Services: -Project Kick-off & Oversight: Initial meetings to introduce the project team, develop a high-level project plan, and establish regular status updates. -Configuration & Integration: Custom setup and integration of solutions tailored to specific organizational needs, including data migration and system configuration. -Prototyping & Validation: Creation of solution prototypes using customer data to validate processes and outcomes, with iterative refinement sessions. Training Services: -Onboarding & Enablement Training: Remote and on-site training options are available, providing hands-on experience with the solutions. Training sessions cover system navigation, user access administration, and utilization of platform features. -Specialized Training Programs: Tailored training programs for different user groups, including administrators and end-users, ensuring all staff are proficient in using the solutions. Support Services: -24/7 Customer Support: Continuous support for high-priority issues, with prioritized response times based on issue severity. Medium and low-priority issues are addressed during business hours. -Technical Escalation & Remote Support: Access to technical experts for complex issue resolution, including remote support capabilities for real-time assistance. -Ongoing Maintenance & Updates: Regular updates and maintenance to keep the systems current and functioning optimally. Includes monitoring and management of system performance and security. Additional Support Options: -Success Manager: Dedicated resource to provide best practices guidance and ensure optimal use of the solutions. -Feature Review & Activation Assistance: Support for reviewing and activating new features as they become available, along with industry best practices reviews and configuration optimization. These service contract options are designed to provide robust support throughout the lifecycle of the solutions, from initial deployment to ongoing management, ensuring Sourcewell participating entities maximize the value of its investment in our solutions. Examples of service options and SOWs have been provided “Step 2 - Documents” portion of the submission under “Upload Additional Documentation.” A folder entitled "Services Information" provides in depth details as well as past examples on what could be expected of a project including services.	*

Table 9B: Performance Standards or Guarantees

Describe in detail your performance standards or guarantees, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your performance materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *	

60	Describe any performance standards or guarantees that apply to your services	Vertosoft collaborates with a wide array of software suppliers, each bringing their unique performance standards and guarantees to the table. While specifics may vary depending on the supplier, the following are general aspects that are commonly addressed: Service Availability: Many of our suppliers aim for high service availability, striving to ensure their platforms are accessible and functional during key operational hours. This commitment is subject to variations based on the individual supplier's capabilities and service model. Software Quality Assurance: Several of our suppliers adhere to rigorous quality testing protocols, ensuring that their software meets industry standards for reliability and functionality. This may include regular updates and security patches. Timely Delivery: Suppliers generally commit to delivering software products in a timely manner. The exact timelines and delivery mechanisms can vary, depending on the nature of the software and the distribution channels used. Technical Support and Maintenance: Support and maintenance services are often provided, with the scope and responsiveness varying by supplier. This can range from basic troubleshooting to comprehensive technical assistance and regular maintenance. Compliance and Security: Most suppliers ensure that their software and services comply with relevant industry norms, legal standards, and security protocols, though the specifics of these compliance measures can differ. Customization and Integration Support: Depending on the supplier, there may be options for customization and integration support to align the software with specific business needs and systems. Performance Metrics: Some suppliers may offer transparency through performance metrics reporting, such as uptime statistics and customer support response times, though the level of detail and frequency of such reporting can vary. Continuous Improvement: Many suppliers engage in continuous improvement efforts based on client feedback and industry developments, aiming to enhance service quality and client experience over time. It is important to note that the specific performance standards and guarantees are subject to the individual terms and policies of each software supplier in Vertosoft's network. As such, we recommend reviewing the detailed terms and conditions provided by each supplier for precise information.	*
61	Describe any service standards or guarantees that apply to your services (policies, metrics, KPIs, etc.)	Each supplier provides different levels of SLAs and guarantees, and the following examples illustrate the type of service standards available. Visual Lease Service Standards: Visual Lease ensures high service standards for its customers, as outlined in their Service Level Agreement (SLA). They commit to a monthly uptime of 99.0% for their production environments, excluding planned maintenance periods. Scheduled maintenance is communicated in advance, typically taking place during non-business hours. In the event that Visual Lease does not meet the uptime commitment, they offer service credits based on the percentage of monthly uptime achieved. Visual Lease categorizes technical issues into four severity levels, each with specific response and resolution time targets. For instance, critical issues (Severity 1) should receive a response within one hour during support hours, and a resolution is aimed within one calendar day. Visual Lease provides disaster recovery capabilities with defined objectives for backup retention, business continuity, recovery point, and recovery time, ensuring the availability and integrity of customer data. UKG Service Standards: UKG provides robust support and service standards through their various support plans, including Gold, Platinum, and Platinum Plus. They offer priority-based support, ensuring customers with the most critical issues are serviced first. High priority issues receive a response within 30 minutes or immediately via rapid response, while medium and low priority issues have response times of one hour and two hours, respectively. UKG's support is available 24/7/365 for high-priority issues, with business hours support for other issues. UKG's support services include technical escalation, management escalation, and remote support through web-based screen-sharing tools. They also offer access to the UKG Community for how-to articles, discussion boards, and case management. UKG's SLAs ensure continuous effort on high-priority events, leveraging a team-based approach to resolve issues swiftly and efficiently. They provide detailed documentation, knowledgebase access, and regular service releases to keep their software up-to-date and functioning optimally. We have uploaded the two example documents within the "Step 2 - Documents" portion of the submission - "Upload Additional Documentation" The folder entitled "SLAs" includes the mentioned Visual Lease SLA and UKG SLA.	*
62	Describe your data integrity and protection standards, data backup, recovery, and secure storage solutions.	Our suppliers prioritize the protection and integrity of customer data, employing robust strategies for data backup, recovery, and secure storage. While each supplier may approach these aspects differently, the following examples illustrate the comprehensive measures in place to safeguard customer information. Cornerstone OnDemand: Cornerstone's customer environments and disaster recovery capabilities are hosted in AWS regions and colocation data centers in the U.S., with plans to migrate production environments fully to AWS. The production sites are in US-West-1 (N. California) and US-West-2 (Oregon), with disaster recovery sites in US-West-2 and US-East-1 (N. Virginia). AWS was selected for its high service availability and strong data protection controls, ensuring that all connectivity and security measures are maintained. Additionally, Cornerstone uses Equinix colocation data centers in El Segundo, CA, and Ashburn, VA, with strict access controls, including biometric hand scanners and restricted entry to authorized personnel only. Furthermore, Cornerstone leverages Google Cloud Platform (GCP) for its machine learning platform and content-related microservices, ensuring secure connectivity and data protection using redundant IPSec tunnels and Palo Alto firewalls. Cornerstone adheres to several compliance certifications, including SSAE18 SOC 1 & SOC 2, ISAE 3402 Type II, ISO/IEC 27001:2013, ISO/IEC 27018:2014, and ISO/IEC 27701:2019. OpenGov: OpenGov employs infrastructure provided by AWS, utilizing services such as EC2 and RDS with security best practices recommended by AWS. OpenGov's security infrastructure includes AES 256 encryption for data at rest and TLS 1.2 encryption for data in transit. Additional protection is provided by Cloudflare, acting as a web application firewall. OpenGov uses a multi-AZ deployment strategy for enhanced availability and durability, capturing regular backups and snapshots stored in regional data centers. This approach ensures data replication in real-time across AWS and Azure availability zones, minimizing data loss to one minute in the event of a fault. OpenGov has also passed SOC 2 audits, with the latest SOC 2 Type 2 report available upon request. Visual Lease: Visual Lease hosts its application on AWS, employing a network architecture that places web servers in a public subnet and database servers in a private subnet, accessible only from approved sources. Data at rest is protected with AES-256 bit encryption, and data in transit is secured with SSL (TLS 1.2) encryption and SSH (SFTP) for managed file transfers. Visual Lease leverages AWS Backup, a fully managed backup service, ensuring data integrity and protection.	*

63	What are your policies and governance features regarding large language models and generative AI?	Vertosoft implements a robust governance framework to ensure the responsible use of generative AI within our solutions. Our approach includes several key components to align with industry best practices. We adhere to ethical AI principles to ensure responsible use, avoid biases, and respect user privacy and data security. We maintain transparency by clearly communicating how AI technologies are used, including the types of data processed and the purposes of AI-generated outputs, ensuring users are informed and can provide informed consent. Our data privacy and security measures comply with regulations such as GDPR and CCPA, and we implement encryption and other security measures to protect sensitive data used in AI models. Regular audits and updates to our AI models help identify and mitigate biases, ensuring fair outcomes for all users. We ensure human oversight by reviewing AI-generated outputs, especially in critical decision-making processes, to prevent potential errors or unintended consequences. We establish clear accountability mechanisms for AI deployment, defining roles and responsibilities for managing and overseeing AI systems. Vertosoft also aims for relevant certifications and conducts regular compliance checks to ensure our AI systems meet industry standards and regulatory requirements. Continuous improvement efforts are made through ongoing research and development to enhance the accuracy, efficiency, and ethical considerations of our AI technologies. By adopting these best practices, Vertosoft ensures that our use of generative AI aligns with industry standards for ethical and responsible AI deployment, providing innovative solutions while maintaining high standards of trust and integrity. For more specific information, our detailed policies and practices regarding generative AI are available upon request.	*
64	User Accessibility: How does your software ensure accessibility for all users, including those with disabilities, in compliance with standards?	Vertosoft and our suppliers are committed to ensuring that software solutions are accessible to all users, including those with disabilities, in compliance with established accessibility standards such as the Web Content Accessibility Guidelines (WCAG) and Section 508 of the Rehabilitation Act. Our suppliers, including OpenGov, Thirdline, and PublicInput, prioritize accessibility and have developed Voluntary Product Accessibility Templates (VPATs) to demonstrate their compliance with these standards. OpenGov: OpenGov's software is designed with accessibility in mind, ensuring that all users, including those with disabilities, can effectively use their solutions. OpenGov adheres to WCAG 2.1 and Section 508 standards, providing a VPAT that details their compliance. Their platform includes features such as keyboard navigation, screen reader compatibility, and high-contrast modes to accommodate users with various disabilities. OpenGov regularly updates their accessibility features based on user feedback and advances in accessibility technology to ensure an inclusive user experience. Thirdline: Thirdline is dedicated to making their software accessible to everyone. They follow WCAG and Section 508 guidelines and provide a comprehensive VPAT to outline their compliance. Thirdline's software includes customizable interface settings, alternative text for images, and support for assistive technologies like screen readers and voice recognition software. They continuously assess and enhance their accessibility features to ensure all users can navigate and utilize their solutions effectively. PublicInput: PublicInput ensures their platform is accessible to all users, including those with disabilities, by adhering to WCAG 2.1 and Section 508 standards. They offer a detailed VPAT to demonstrate their commitment to accessibility compliance. PublicInput's software includes features such as text-to-speech capabilities, keyboard shortcuts, and adjustable text sizes. They engage with accessibility experts and users to regularly review and improve their platform, ensuring it meets the highest accessibility standards.	*

Table 10: Payment Terms and Financing Options

Line Item	Question	Response *	
65	Describe your payment terms and accepted payment methods.	Vertosoft accepts Net 30 payment terms as is what is commonly seen/offered among State and Local Government entities. Our accepted payment methods are via ACH, check, and credit card.	*
66	Describe any leasing or financing options available for use by educational or governmental entities.	Vertosoft offers extended payment plans and subscription billing for technology purchases to help align structured payments to government program budgets while meeting government guidelines. Vertosoft's deep understanding of the government acquisition process allows us to provide the government with simplified terms and conditions, and flexible payment options. We also can provide utility-based pricing and quarterly or monthly subscription billing for cloud-based SaaS software.	*
67	Describe any standard transaction documents that you propose to use in connection with an awarded contract (order forms, terms and conditions, service level agreements, etc.). Upload a sample of each (as applicable) in the document upload section of your response.	We have attached the End User License Agreements (EULAs) or applicable terms & conditions document for the software suppliers we are proposing as part of this submission. End User License Agreements/terms documents can be found in the "Step 2 - Documents" portion of the submission under "Standard Transaction Document Samples." A zip folder titled "EULAs" has been uploaded accordingly.	*
68	Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell participating entities for using this process?	Yes, we do accept the e P-card procurement and payment process for any orders less than $50,000. There is a 3% processing fee associated with these transactions.	*

Table 11: Pricing and Delivery

Provide detailed pricing information in the questions that follow below. Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract as described in the RFP, the template Contract, and the Sourcewell Price and Product Change Request Form.

Line Item	Question	Response *	
69	Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcewell discounted price) on all of the items that you want Sourcewell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. Upload your pricing materials (if applicable) in the document upload section of your response.	Due to the number of suppliers we are proposing and thus the large number of parts this brings, Vertosoft is providing a percentage discount off our catalog. The % discount will be off the named supplier/OEM MSRP. This approach will make it simplistic for Sourcewell participating entities to calculate the cost of any given part using the formula: Sourcewell price = MSRP – (MSRP * % discount). For example, if the supplier discount is 10%, and the MSRP is $100, the cost to the Sourcewell participating entity would be $90.00, shown as: $100 – (100*0.10) = $90.00. We have provided an Excel Spreadsheet titled “Sourcewell pricing” that contains detailed pricing information in the “Step 2 - Documents” section of the submission under “Pricing."	*
70	Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range.	As stated in our answer to Question #69, Vertosoft is proposing a large number of suppliers as a part of our submission and therefore a one size fits all approach regarding a pricing discount is not feasible. In the “Sourcewell pricing” Excel file (previously referenced as submitted in “Step 2 - Documents” section of the submission under “Pricing”) we have different percentage discounts listed that are dependent upon the supplier. The discount range is anywhere from 1-50% off MSRP.	*
71	Describe any quantity or volume discounts or rebate programs that you offer.	There are no quantity or volume discounts or rebate programs available from the proposed software suppliers. Our discounts provided off of MSRP are designed to be competitive without the need for such programs. In most cases this is negotiated on a deal-by-deal basis, as needed.	*
72	Propose a method of facilitating “sourced” products or related services, which may be referred to as “open market” items or “nonstandard options”. For example, you may supply such items “at cost” or “at cost plus a percentage,” or you may supply a quote for each such request.	For any requests or items that are considered “open market,” Vertosoft will provide a quote that is labeled as such.	*
73	Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.	There are no elements regarding the total cost of acquisition that are not included in our response.	*
74	If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program.	There are typically no additional costs such as freight, delivery, or shipping associated with our transactions as all of our products are non-tangible (i.e. software licenses)	*
75	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	We do not have any specific freight, shipping, delivery terms and/or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	*
76	Describe any unique distribution and/or delivery methods or options offered in your proposal.	We do not have any unique distribution or delivery methods associated with our transactions. We do, however, have the ability to work through our software suppliers to provide license Proof of Entitlement or Proof of Delivery (PoE/PoD) upon transaction completion. This ensures Sourcewell participating entities buying products through Vertosoft benefit from an additional layer of security - guaranteeing transparency, accountability, and confidence in receiving the intended products and services.	*

Table 12: Pricing Offered

Line Item	The Pricing Offered in this Proposal is: *	Comments
77	b. the same as the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.	

Table 13: Audit and Administrative Fee

Line Item	Question	Response *
78	Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcewell. This process includes ensuring that Sourcewell participating entities obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcewell. Provide sufficient detail to support your ability to report quarterly sales to Sourcewell as described in the Contract template.	Vertosoft is committed to providing the highest quality of service to Sourcewell through this contract. To facilitate this high level of service, Vertosoft maintains an ISO 9001:2015 certification that demonstrates Vertosoft's commitment to the highest level of excellence and customer satisfaction. Our Quality Management program supports our core business processes and provides the tools through which we measure, control, and improve these processes which include: - Maintaining product catalogs and price lists on different government contract vehicles. - Error free quoting to the government on behalf of our technology partners. - Efficient Purchase Order (PO) processing from our public sector customers. - Efficient PO delivery to our technology partners. Accurate invoice creation for public sector customers for solutions delivered by our technology partners. - Customer satisfaction measurement with the overall procurement process experience through Vertosoft. - Accurate and timely fee remittance. Due to the number of other contracts we hold and currently report monthly and/or quarterly on, Vertosoft has established a tailored, streamlined process for contract reporting. Therefore, we are confident that we can successfully deliver quarterly reports to Sourcewell within 45 days following the end of each quarter, meeting all the required fields specified in the contract template. Oracle NetSuite, the ERP (Enterprise Resource Planning) tool used by Vertosoft currently generates monthly reports on all invoiced transactions, already including the relevant fields from the Sourcewell contract template, such as entity name, address, contact details, price, date, etc. Typically received in the first week of the month, our Contracts team reviews the transactions within the report and transposes them into the specified contracting template or portal to issue successful fee payments. The administrative fee is also inputted at the Sourcewell account level and will auto-apply to all Sourcewell transactions in the report, ensuring the proper fee is always remitted. We ensure Sourcewell participating entities receive the proper pricing through our quoting system, CPQ by Salesforce. This will have Sourcewell contract pricing pre-loaded upon contract execution to eliminate manual processes and potential human error.
79	If you are awarded a contract, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the contract.	Vertosoft will employ a Quality Assurance Surveillance Plan (QASP) to benchmark, measure, and improve the effectiveness of our business and technical operations that support the contract. The QASP will be administered and controlled by a separate Quality Assurance Manager to independently monitor and evaluate business and technical activities each quarter. Results and any changes from quarterly evaluations will be shared with Sourcewell. Vertosoft has tailored a QASP for relevant functions to include responsiveness to the Public Sector and Education Administration Software Solutions RFP, timeliness for order processing and delivery, and accuracy and timeliness of contract deliverable requirements. Metric: Administrative Fee Surveillance Method: Inspection Performance Standard: Acceptable performance is met by timely submission and accuracy of reports and remittance of payments. Quality Level: 100% Reporting Methods: Quarterly reporting to Sourcewell Metric: Quarterly Sales Reporting Surveillance Method: Inspection Performance Standard: Acceptable performance is met by timeliness and accuracy of the report Quality Level: 100% Reporting Methods: Quarterly reporting to Sourcewell Metric: Quote Accuracy Surveillance Method: Inspection Performance Standard: All quotes issued to Sourcewell participating entities utilize the correct contract pricing. This is made possible through our quoting system, CPQ by Salesforce, that has contract pricing pre-loaded to eliminate manual processes and potential human error. Quality Level: 100% Reporting Methods: Quarterly reporting to Sourcewell
80	Identify a proposed administrative fee that you will pay to Sourcewell for facilitating, managing, and promoting the Sourcewell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See the RFP and template Contract for additional details.)	Vertosoft LLC proposes a 1.25% administrative fee. This fee will keep the contract competitive against Vertosoft's other contract offerings and accelerate the internal adoption of the contract, all whilst ensuring we have the necessary mechanisms in place to provide superior value to Sourcewell's participating entities.

Table 14: Depth and Breadth of Offered Equipment Products and Services

Proposers including solutions offered within the scope of Categories 1, 2, 3, and 4 within its singular proposal must designate they are seeking award in **Category 5** in the Sourcewell Procurement Portal. Proposers seeking award in Category 1, 2, 3, or 4, as defined herein must make that designation below. Proposers may only receive an award within the Category(-ies) they designate. Sourcewell reserves the right to re-categorize any designation as it deems appropriate.

Line Item	Category Selection	Offering *	
81	Category 1: Core Administrative Systems	(•) Yes ( ) No	*
82	Category 2: Education and Public Sector Information and Work Management	(•) Yes ( ) No	*
83	Category 3: Asset and Risk Management	( ) Yes (•) No	*
84	Category 4: Public Engagement and Specialized Services	(•) Yes ( ) No	*
85	Category 5: Integrated Enterprise Solutions	( ) Yes (•) No	*

Table 15: Category 1 - Depth and Breadth of Offered Equipment Products and Services

Indicate below if the listed types of software are offered within your proposal. Provide additional comments in the text box provided, as necessary.

Proposers submitting a proposal in Category 1 will be submitting in the broad category that includes Core Administrative Systems. See RFP Section II. B. 1 for details.

☐ We will not be submitting for Table 15: Category 1 - Depth and Breadth of Offered Equipment Products and Services

Line Item	Category or Type	Offered *	Comments	
86	Human Resources Software	◉ Yes ○ No	Vertosoft is proposing UKG (Ultimate Kronos Group) for this category, Human Resources Software. UKG, or Ultimate Kronos Group (formerly known as Kronos) is a leading provider of HR, payroll, and workforce management solutions. UKG Ready and UKG Pro are the two HR offerings we are proposing for this category, which constitute the Human Capital Management (HCM) offering of UKG. UKG Ready is ideal for small to mid-sized organizations, while UKG Pro is ideal for large organizations. UKG's HR solutions are designed to help entities manage their human capital effectively. Features of the platform include centralized data management, flexible workflows, advanced reporting and analytics, employee self-service, and compliance tools. UKG solutions streamline administrative tasks, facilitate data-driven decision-making, and empower employees with self-service options. These tools help improve efficiency, ensure compliance, and foster a positive workplace culture, ultimately driving greater outcomes.	*
87	Financial Performance, Spend, or Expense Management Software	◉ Yes ○ No	Vertosoft is proposing Diligent, Trintech, Visual Lease, ThirdLine, and FloQast for this category, Financial Performance, Spend, or Expense Management Software. Diligent is a leading GRC (Governance, Risk, and Compliance) SaaS company that gives organizations the tools and solutions they need to bring clarity to complex risk, elevate impactful insights and get ahead of a world that is constantly changing. Diligent currently empowers more than 1 million users and 700,000 board members and leaders. Diligent's Audit Management solution for government and education streamlines the audit process with automated workflows, advanced analytics, and real-time data integration. It ensures compliance, continuous control monitoring, and effective management of audit workpapers. Trintech Inc. is a leading global provider of cloud-based, integrated reconciliation and financial close solutions for Finance & Accounting departments. From high volume transaction matching, to automating and managing balance sheet reconciliations, intercompany accounting, journal entries, close management tasks, to governance, risk and compliance – Trintech's portfolio of financial solutions, including its Cadency® Platform (for large enterprises) and Adra® Suite (for mid-market organizations), help manage all aspects of the reconciliation and financial close processes. Visual Lease is the #1 lease optimization software provider. Visual Lease help organizations become compliant with FASB, IFRS and GASB lease accounting standards, while simultaneously improving the financial, legal and operational performance of their leases. The easy-to-use SaaS platform is embedded with more than three decades of best practices from major corporations and leading industry professionals. Visual Lease's award-winning solutions are used by 80+ organizations to manage 500,000+ real estate, equipment and other leased assets. Committed to ongoing innovation and unparalleled customer service, Visual Lease helps organizations transform their lease compliance requirements into financial opportunities. ThirdLine's financial analytics software for government and education offers deployable analytics within a week, providing real-time risk assessments, monitoring of ARPA/SLFRF funds, and cost-control planning. Designed by accountants, it addresses common challenges such as resource constraints, talent retention, and pandemic-related disruptions with a low-cost, no-code platform that enhances fraud detection and financial oversight. FloQast is the leading provider of accounting workflow automation created by accountants for accountants. FloQast enables customers to streamline processes such as automated reconciliations, documentation requests, and other workflows that impact the month-end close, financial reporting, and payroll.	*
88	Accounts Payable, Accounts Receivable, Billing, or Revenue Collection Solutions	◉ Yes ○ No	Vertosoft is proposing Blackline and InvoiceCloud for this category, Accounts Payable, Accounts Receivable, Billing, or Revenue Collection Solutions. Blackline's cloud-based financial operations management and market-leading customer service help companies move to modern accounting by unifying their data and processes, automating repetitive work, and driving accountability through visibility. Blackline provides solutions to manage and automate financial close, accounts receivable and intercompany accounting processes, helping large enterprises and midsize companies across all industries do accounting work better, faster, and with more control. InvoiceCloud provides a complete, simple, and secure electronic bill presentment and payment solution. The SaaS platform provides flexible and always up to date online payment solutions that can be configured to meet the unique needs of your organization. InvoiceCloud's simple to use interface engages customers throughout the payment process to deliver your highest ever e-payment adoption rates.	*
89	Procure-to-Pay and Contract Management Systems	◉ Yes ○ No	Vertosoft is proposing OpenGov for this category, Procure-to-Pay and Contract Management Systems. OpenGov's Procurement software is a comprehensive, collaborative procurement suite designed for government agencies to streamline their entire procurement lifecycle. Trusted by over 1,600 agencies, the platform enhances supplier engagement and evaluation speed, supports compliance, and centralizes contract management. These features work to expedite processes by up to 75%, all while offering compliant solicitation development. Users experience increased efficiency, reduced stress, and higher vendor participation. Additionally, OpenGov provides dedicated support with account managers, training, and live assistance. OpenGov Procurement capabilities: - Develop Solicitations - Engage Suppliers - Evaluate and Award - Manage Contracts	*

Table 16: Category 2 - Depth and Breadth of Offered Equipment Products and Services

Indicate below if the listed types of software are offered within your proposal. Provide additional comments in the text box provided, as necessary.

Proposers submitting a proposal in Category 2 will be submitting in the broad category that includes Education and Public Sector Information and Work Management. See RFP Section II. B.

1 for details.

☐ We will not be submitting for Table 16: Category 2 - Depth and Breadth of Offered Equipment Products and Services

Line Item	Category or Type	Offered *	Comments	
90	Student Information System (SIS)	◉ Yes ○ No	Vertosoft is proposing Red Rover and UKG (Ultimate Kronos Group) for this category, Student Information System (SIS). Red Rover has been built from the customer-first perspective, delivering on the features that education professionals yearn for – an easy-to-use, adaptive, and delightful experience that grows with any school district, flexible and customizable to what educators tell us they need. With Red Rover, administrators can assess staffing needs, teachers/other full-time staff can declare time off, and substitutes can connect with openings tailored to their skill sets. Although our service is rooted in technology, our people are our most valued asset. Our culture of trust and transparency allows us to adapt to evolving client needs more effectively and helps create meaningful, enduring relationships. UKG's, or Ultimate Kronos Groups (formerly known as Kronos) K-12 solutions streamline workforce management for school districts, providing tools for timekeeping, scheduling, talent management, and compliance. By optimizing resources and enhancing employee experiences, UKG helps districts focus more on student success. The platform reduces compliance risks and supports efficient HR processes, making it easier for schools to manage their staff and improve operational efficiency.	*
91	Learning Management System (LMS)	◉ Yes ○ No	Vertosoft is proposing Cornerstone OnDemand, Schoox, and Udacity for this category, Learning Management System (LMS). Cornerstone OnDemand's Learning Management System (LMS) enhances employee training and development with personalized learning paths, content libraries, and robust analytics. The platform supports compliance, skill development, and performance management, helping organizations to effectively upskill their workforce. Cornerstone's LMS provides tools for creating, managing, and tracking learning programs, ensuring employees have access to both relevant and engaging content. Schoox's Learning Management System (LMS) offers a flexible and intuitive platform for employee training and development. The LMS features social personalized learning paths, comprehensive analytics, and social collaboration tools to track progress and measure effectiveness. The LMS supports various content formats and integrates with other HR systems to streamline administrative tasks and enhance the user learning experience. Udacity is a global, online training platform powering digital transformation and accelerated time-to-market initiatives for Public Sector, Fortune 500 and Global 2000 enterprises. Udacity programs provide industry-created practitioner skills through a series of "Nanodegree" programs consisting of online courses and real-world projects in artificial intelligence, machine learning, data science, autonomous systems, and cloud computing among other disciplines. In partnership with Udacity's experts, they will co-design a tailored transformation journey to solve acute workforce challenges to deliver next-level results.	*
92	Work Management Software	◉ Yes ○ No	Vertosoft is proposing Wrike and Ivy.ai, and for this category, Work Management Software. Wrike offers a versatile work management platform designed to streamline project planning, collaboration, and execution. It features customizable workflows, real-time collaboration tools, and robust reporting capabilities to enhance productivity and transparency. Wrike integrates with various applications, empowering your teams to do their best work with 360° visibility. Wrike is suitable for handling complex projects and enhancing team productivity, as it offers a unified platform for information and communication that enables teams to remain aligned and work in real time. Ivy.ai is an innovative technology company specializing in AI-powered chatbots and omnichannel communication platforms, designed to enhance customer support. Ivy.ai has made significant strides in leveraging AI to provide accurate, 24/7/365 assistance across various sectors, including government, education, and healthcare. The company's solutions are distinguished by their ability to seamlessly integrate with an organization's existing knowledge sources, ensuring up-to-date and consistent information delivery. With a focus on ease of deployment and maintenance, Ivy.ai's chatbots are built quickly and require no coding for upkeep, thanks to their industry-leading crawler technology and unique shared brain structure. This approach ensures a unified user experience across all communication channels, underlining Ivy.ai's commitment to driving efficiency and improving engagement through cutting-edge AI technology. Leveraging Ivy.ai, many public sector entities have seen material results, either by saving thousands of dollars, or by having call/agent volume reduced by significant percentages.	*

93	Enterprise Content Management/Records Management	◉ Yes ○ No	Vertosoft is proposing IBM and Quadient for this category, Enterprise Content Management/Records Management. IBM ranks among the world's largest information technology companies, providing a wide spectrum of software, services, and hardware offerings. Vertosoft is proud to be an IBM Gold Partner and authorized to sell IBM's entire portfolio of software. IBM creates value for clients by providing integrated solutions and products that leverage data, information technology, deep expertise in industries and business processes, trust and security, and a broad ecosystem of partners and alliances. IBM solutions provide clients with new capabilities that change their businesses and allow them to connect with their customers and employees in different ways. These solutions use a leading portfolio of enterprise systems and software, consulting and IT implementation services, cloud, digital, and cognitive offerings, which are all supported by one of the world's leading research organizations. Quadient is the driving force behind the world's most meaningful customer experiences. By focusing on three key solution areas, Intelligent Communication Automation, Parcel Locker Solutions and Mail-Related Solutions, Quadient helps simplify the connection between people and what matters. Quadient's records management solution offers comprehensive document digitization to enhance efficiency and compliance. It features automated workflows, secure storage, and easy retrieval of records, ensuring accuracy and accessibility. The platform supports regulatory compliance, reduces manual processes, and integrates with existing systems for seamless operations.	*
94	Enrollment Management Systems	◉ Yes ○ No	Vertosoft is proposing Red Rover and UKG (Ultimate Kronos Group) for this category, Enrollment Management Systems. UKG, or Ultimate Kronos Group (formerly known as Kronos) Ready Benefits offers a comprehensive enrollment management system designed to streamline benefits administration for organizations. It features intuitive self-service enrollment, automated eligibility tracking, and real-time analytics to enhance employee engagement and simplify benefits management. The platform ensures compliance, reduces administrative burden, and provides a seamless experience for both HR teams and employees. Red Rover's enrollment management system is tailored for K-12 schools, focusing on efficient substitute management and attendance tracking. The platform streamlines the hiring and onboarding process, ensures compliance with state regulations, and provides real-time analytics. Its goal is to enhance operational efficiency and improve substitute teacher experiences, ensuring that schools maintain seamless operations.	*

Table 17: Category 3 - Depth and Breadth of Offered Equipment Products and Services

Indicate below if the listed types of software are offered within your proposal. Provide additional comments in the text box provided, as necessary.

Proposers submitting a proposal in Category 3 will be submitting in the broad category that includes Asset and Risk Management. See RFP Section II. B. 1 for details.

☑ We will not be submitting for Table 17: Category 3 - Depth and Breadth of Offered Equipment Products and Services

Line Item	Category or Type	Offered *	Comments	
95	Computerized Maintenance Management System (CMMS)	○ Yes ○ No		*
96	Facility Management Software	○ Yes ○ No		*
97	Energy Management Software	○ Yes ○ No		*
98	Insurance and Risk Management	○ Yes ○ No		*
99	Environmental, Health, and Safety (EHS) management	○ Yes ○ No		*

Table 18: Category 4 - Depth and Breadth of Offered Equipment Products and Services

Indicate below if the listed types of software are offered within your proposal. Provide additional comments in the text box provided, as necessary.

Proposers submitting a proposal in Category 4 will be submitting in the broad category that includes Public Engagement and Specialized Services . See RFP Section II. B. 1 for details.

☐ We will not be submitting for Table 18: Category 4 - Depth and Breadth of Offered Equipment Products and Services

Line Item	Category or Type	Offered *	Comments	
100	Court, Corrections, and Justice System	◉ Yes ○ No	Vertosoft is proposing Soma Global for this category, Court, Corrections, and Justice System. SOMA Global has been a leading provider of cloud-native critical-response public safety software solutions since 2017. SOMA's team of public safety veterans and mission-driven developers are focused on enabling agency partners to focus on what matters most, fulfilling their mission in the communities they serve. Through world-class customer service in combination with SOMA Telos™ and SOMA Global's modern-cloud software solutions, operations are a unified ecosystem of pre-built applications, workflows, automations and data interoperability that can be rapidly configured based on the specific needs of your agency and community.	*

101	Municipal Services, Inspections, Licensing, Grants, Tax, and Permitting Management Solutions	◉ Yes ○ No	Vertosoft is proposing OpenGov, Autura, Fluxx Labs, Urban SDK, Swiftly, Spare Labs, and Transit App for this category, Municipal Services, Inspections, Licensing, Grants, Tax, and Permitting Management Solutions. OpenGov offers comprehensive solutions for Municipal Services, Inspections, Licensing, Grants, Tax, and Permitting Management. The Permitting and Licensing solution streamlines application processes, enhances transparency, and reduces approval times through a user-friendly interface and automation features. It supports efficient workflows for permits, licenses, and inspections. The Tax and Revenue solution improves tax administration with real-time data access, automated workflows, and robust reporting capabilities. It ensures compliance, enhances revenue collection, and provides detailed insights for informed decision-making. Autura (previously known as AutoReturn) is an innovative towing ecosystem that not only ensures swift and efficient vehicle recovery, but also keeps more tow operators on the road and more law enforcement protecting the community. Using a state-of-the-art SaaS platform combined with towing industry expertise, Autura has disrupted outdated, analog systems and transformed the towing industry into a seamlessly integrated ecosystem that benefits law enforcement agencies, tow operators, and vehicle owners. This system optimizes resource use, improves road safety, and reduces secondary crashes, saving time for officers and dispatchers. Autura significantly enhances community safety by promptly removing dangerous, illegally parked, or abandoned vehicles from the streets. Fluxx Labs' (dba Fluxx) cloud-based grant management software helps government agencies manage their data in one place, reduce the time to respond and collaborate with grantees and team members, and connect your systems to a single source of the truth. Fluxx supports your end-to-end grantmaking operations: from Notices of Funding Opportunities to Pre-award application intake and review to post-award payments and reporting requirements — and all in one intuitive and integrated platform. Its modern solution helps reduce complexity for Grantors, ease administrative burden on grantees, improve visibility into the grants process and mitigate compliance risk through robust audit trails. With a centralized data-driven platform, all information is connected in a single solution for grants management. Urban SDK is the nation's leading Traffic Calming software. It provides Traffic Speed, Volume, and Delay metrics for ALL local roads in your municipality, displayed on dynamic maps. Urban SDK works with 100+ Public Works Departments to aid with: traffic calming measures, pre and post-implementation studies, safety analysis, fielding public complaints, and reporting to council. Swiftly is a single platform to unify your public transit data. Swiftly's products combine to form a single, powerful platform that centers your transit agency on the industry's most accurate data, thereby improving service reliability and operational efficiency for municipalities. Swiftly's cloud infrastructure and subscription model simplify how agencies build their transit data stack. It provides real-time data for vehicle locations, optimizing operations and planning. Swiftly improves passenger information reliability, boosts operational efficiency, and integrates seamlessly with existing systems. Spare Labs is on a mission to help accelerate the global shift to autonomous vehicles by enabling anyone to create and manage a smart transportation network in seconds. With Spare Platform, Spare's core product, anyone can plan, launch, operate, and analyze a smart transportation network, all from one place. Spare's platform supports ADA paratransit and micro transit services, enhancing access and operational efficiency. Spare's technology automates workflows, reduces costs, and improves rider experiences with real-time data and flexible service options. The platform integrates with local fleets and ensures compliance, making it an ideal choice for municipalities seeking to optimize transit services. Transit is the public transit app that makes life better without a car in more than 300 cities worldwide. Millions of public transit riders rely on its accurate real-time updates, intuitive step-by-step navigation, and helpful crowdsourcing features. It provides real-time departure information, trip planning, and seamless integration with various transit modes including bikeshare, scooters, and ride hail services. Transit collaborates with transit agencies to improve urban mobility, making it easier for municipalities to manage and optimize their transportation services.	*
102	Parks and Recreation Software	◉ Yes ○ No	Vertosoft is proposing OpenGov for this category, Parks and Recreation Software. OpenGov's Parks and Recreation Software offers a robust platform for managing park assets, financials, and community engagement. It streamlines operations with key features such as online reservations and payments, maintenance tracking, activity registration, facility scheduling, and comprehensive financial reporting. The software supports efficient operations and enhances transparency with real-time data access and automated workflows. It also facilitates better community interaction through intuitive, user-friendly portals, making it easier for citizens to access park services and amenities.	*

103	Citizen Relationship/Engagement Management	◉ Yes ○ No	Vertosoft is proposing PublicInput, OpenGov, and Ivy.ai for this category, Citizen Relationship/Engagement Management. PublicInput provides an all-in-one engagement and communications platform, enabling governments agencies to connect with the communities they serve. The solution includes tools for public surveys, virtual town halls, social media integration, and data analytics. It facilitates transparent communication, enhances equitable citizen participation, and provides actionable insights through real-time feedback and representative reporting. PublicInput supports effective decision-making and strengthens community trust by creating an inclusive engagement environment. OpenGov's Community Feedback software is designed to collect and analyze public feedback. The solution streamlines the process of gathering and analyzing public input through surveys and comment tracking. It enhances transparency and citizen engagement by providing real-time feedback analysis, enabling informed decision-making based on community insights. This platform fosters harmonious relationships between governments and their citizens by ensuring that public feedback is efficiently collected and utilized to inform policies and services. Ivy.ai offers an AI-powered platform for Citizen Relationship and Engagement Management, providing chatbots and virtual assistants that enhance communication between governments and citizens. The solution features automated responses, multi-channel support, and real-time data analytics, enabling efficient handling of inquiries and improved citizen engagement. Ivy.ai helps streamline processes, reduce response times, and provide 24/7 support, thereby promoting stronger community relationships and trust.	*

Table 19: Category 5 - Depth and Breadth of Offered Equipment Products and Services

Indicate below if the listed types of software are offered within your proposal. Provide additional comments in the text box provided, as necessary.

Proposers submitting a proposal in Category 5 will be submitting in the broad category that includes Integrated Enterprise Solutions. See RFP Section II. B. 1 for details.

☑ We will not be submitting for Table 19: Category 5 - Depth and Breadth of Offered Equipment Products and Services

Line Item	Category or Type	Offered *	Comments	
104	Comprehensive suites that encompass Enterprise Resource Planning (ERP) and at least one solution from EACH category 1-4 above	○ Yes ○ No		*

Table 20: Depth and Breadth of Offered Equipment Products and Services

Line Item	Question	Response *	
105	Provide a detailed description of the equipment, products, and services that you are offering in your proposal.	A detailed description of the solutions we are proposing have been incorporated into the subcategories we are responding to as follows: - Table 15: Category 1 - Depth and Breadth of Offered Equipment Products and Services - Table 16: Category 2 - Depth and Breadth of Offered Equipment Products and Services - Table 18: Category 4 - Depth and Breadth of Offered Equipment Products and Services	*
106	Equipment and accessories related to the offering of systems or solutions described in subsections categories 1-5 above, including but not limited to, hardware, peripherals, and accessories	UKG (Ultimate Kronos Group) offers timeclocks that integrate seamlessly with their Human Capital Management offering, providing robust functionalities for workforce management.	*
107	Services related to the offering of systems or solutions described in categories 1-5, including, but not limited to, hosting, cloud migration, modernization, customization, integration, implementation, installation, maintenance, training, data collection, import, export and backup, record-keeping and reporting, mobile, cloud, and web-based applications or platforms, customer service, auditing, compliance, security, and technical and user support	Vertosoft offers a comprehensive range of services to support the solutions described in the categories we are responding to, categories 1, 2, and 4. Our service offerings are designed to ensure successful deployment, seamless integration, and ongoing operation of the proposed solutions. These services include but are not limited to: Implementation Services: - Project Kick-off & Oversight - Configuration - Integration Training Services: - Onboarding - Enablement Training - Specialized Training Program Support Services: - Remote Support - Ongoing Maintenance & Updates Additional Services: - Cloud Migration - Modernization - Customization - Installation - Data Services - Record-Keeping & Reporting - Auditing & Compliance - Security	*

Table 21: Exceptions to Terms, Conditions, or Specifications Form

Line Item 108. **NOTICE**: To identify any exception, or to request any modification, to Sourcewell standard Contract terms, conditions, or specifications, a Proposer must submit the proposed exception(s) or requested modification(s) via redline in the Contract Template provided in the "Bid Documents" section. Proposer must upload the redline in the "Requested Exceptions" upload field. All exceptions and/or proposed modifications are subject to review and approval by Sourcewell and will not automatically be included in the Contract.

Do you have exceptions or modifications to propose?	Acknowledgement *
	○ Yes ◉ No

Documents

Ensure your submission document(s) conforms to the following:

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.

2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.

3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.

4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as “Marketing Plan.”

- Pricing - Vertosoft LLC Pricing - Sourcewell 060624.xlsx - Wednesday June 19, 2024 15:28:50
- Financial Strength and Stability - 2023 Financial Statement_Vertosoft.pdf - Tuesday June 18, 2024 12:06:19
- Marketing Plan/Samples - Vertosoft Sourcewell Marketing Plan.pdf - Tuesday June 18, 2024 13:04:17
- WMBE/MBE/SBE or Related Certificates - VA small business certification.pdf - Wednesday May 22, 2024 10:41:45
- Warranty Information (optional)
- Standard Transaction Document Samples - EULAs.zip - Wednesday June 19, 2024 08:22:46
- Requested Exceptions (optional)
- Upload Additional Document - Additional Documentation.zip - Wednesday June 19, 2024 13:17:58

Addenda, Terms and Conditions

PROPOSER AFFIDAVIT AND ASSURANCE OF COMPLIANCE

I certify that I am the authorized representative of the Proposer submitting the foregoing Proposal with the legal authority to bind the Proposer to this Affidavit and Assurance of Compliance:

1. The Proposer is submitting this Proposal under its full and complete legal name, and the Proposer legally exists in good standing in the jurisdiction of its residence.
2. The Proposer warrants that the information provided in this Proposal is true, correct, and reliable for purposes of evaluation for contract award.
3. The Proposer, including any person assisting with the creation of this Proposal, has arrived at this Proposal independently and the Proposal has been created without colluding with any other person, company, or parties that have or will submit a proposal under this solicitation; and the Proposal has in all respects been created fairly without any fraud or dishonesty. The Proposer has not directly or indirectly entered into any agreement or arrangement with any person or business in an effort to influence any part of this solicitation or operations of a resulting contract; and the Proposer has not taken any action in restraint of free trade or competitiveness in connection with this solicitation. Additionally, if Proposer has worked with a consultant on the Proposal, the consultant (an individual or a company) has not assisted any other entity that has submitted or will submit a proposal for this solicitation.
4. To the best of its knowledge and belief, and except as otherwise disclosed in the Proposal, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest. An organizational conflict of interest exists when a vendor has an unfair competitive advantage or the vendor's objectivity in performing the contract is, or might be, impaired.
5. The contents of the Proposal have not been communicated by the Proposer or its employees or agents to any person not an employee or legally authorized agent of the Proposer and will not be communicated to any such persons prior to Due Date of this solicitation.
6. If awarded a contract, the Proposer will provide to Sourcewell Participating Entities the equipment, products, and services in accordance with the terms, conditions, and scope of a resulting contract.
7. The Proposer possesses, or will possess before delivering any equipment, products, or services, all applicable licenses or certifications necessary to deliver such equipment, products, or services under any resulting contract.
8. The Proposer agrees to deliver equipment, products, and services through valid contracts, purchase orders, or means that are acceptable to Sourcewell Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to Sourcewell Members under an awarded Contract.
9. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.
10. The Proposer understands that Sourcewell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statutes Section 13.591, subdivision 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals become public data. Minnesota Statutes Section 13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.
11. Proposer its employees, agents, and subcontractors are not:
    1. Included on the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign Assets Control of the United States Department of the Treasury found at: https://www.treasury.gov/ofac/downloads/sdnlist.pdf;
    2. Included on the government-wide exclusions lists in the United States System for Award Management found at: https://sam.gov/SAM/; or
    3. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this solicitation.

☑ By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - Chet Hayes, CTO, Vertosoft LLC

The Proposer declares that there is an actual or potential Conflict of Interest relating to the preparation of its submission, and/or the Proposer foresees an actual or potential Conflict of Interest in performing the obligations contemplated in the solicitation proposal.

○ **Yes** ○ **No**

The Bidder acknowledges and agrees that the addendum/addenda below form part of the Bid Document.

Check the box in the column "**I have reviewed this addendum"** below to acknowledge each of the addenda.

File Name	I have reviewed the below addendum and attachments (if applicable)	Pages
Addendum 17 Software Solutions RFP 060624 Mon June 3 2024 10:31 AM	☑	1
Addendum 16 Software Solutions RFP 060624 Thu May 30 2024 10:38 AM	☑	4
Addendum 15 Software Solutions RFP 060624 Tue May 28 2024 02:32 PM	☑	2
Addendum_14_Software_Solutions_RFP_060624 Fri May 24 2024 03:00 PM	☑	4
Addendum_13_Software_Solutions_RFP_060624 Tue May 21 2024 04:25 PM	☑	1
Addendum_12_Software_Solutions_RFP_060624 Mon May 20 2024 06:33 PM	☑	1
Addendum 11 Software Solutions RFP 060624 Fri May 17 2024 03:19 PM	☑	2
Addendum 10 Software Solutions RFP 060624 Thu May 16 2024 01:38 PM	☑	4
Addendum 9 Software Solutions RFP 060624 Tue May 14 2024 03:18 PM	☑	2
Addendum 8 Software Solutions RFP 060624 Thu May 9 2024 12:50 PM	☑	1
Addendum 7 Software Solutions RFP 060624 Wed May 8 2024 01:39 PM	☑	1
Addendum 6 Software Solutions RFP 060624 Tue May 7 2024 12:00 PM	☑	2
Addendum 5 Software Solutions RFP 060624 Fri May 3 2024 01:56 PM	☑	1
Addendum 4 Software Solutions RFP 060624 Thu May 2 2024 12:30 PM	☑	1
Addendum 3 Software Solutions RFP 060624 Tue April 30 2024 03:17 PM	☑	1
Addendum 2 Software Solutions RFP 060624 Mon April 22 2024 02:21 PM	☑	1
Addendum 1 Software Solutions RFP 060624 Fri April 19 2024 02:53 PM	☑	1

Docusign Envelope ID: 51AFA9DE-8145-4BBB-AB4A-0A5D0D6F8AA2

AMENDMENT #1
TO
CONTRACT # 060624-VTO

THIS AMENDMENT is effective upon the date of the last signature below by and between **Sourcewell** and **Vertosoft LLC** (Supplier).

Sourcewell awarded a contract to Supplier to provide Software Solutions and Related Services for Public Sector and Education Administration to Sourcewell and its Participating Entities, effective October 23, 2024, through October 25, 2028 (Contract).

The parties wish to amend the Proposal to ensure compliance with Sourcewell's Procurement Policy and standard government procurement practices.

NOW, THEREFORE, the parties amend the Contract as follows:

1. Line item 69 of "Table 11: Pricing and Delivery" of the Proposal is deleted in its entirety and replaced with the following: "Due to the number of suppliers we are proposing and thus the large number of parts this brings, Vertosoft is providing a percentage discount off our catalog by supplier. This table, with each supplier listed alphabetically can be found under contract documentation on Vertosoft's Sourcewell landing page, titled "Contract 060624-VTO-Price Information." This table will be updating accordingly when new additions, removals, etc. are approved through Contract. A Master Price File will also be internally maintained and made available upon request."

2. Line item 70 of "Table 11: Pricing and Delivery" of the Proposal is delete in its entirety and replaced with the following: "Vertosoft is proposing a large number of suppliers as a part of our submission and therefore a one size fits all approach regarding a price discount is not feasible. The file labeled "Contract 060624-VTO-Price Information" on the contract documentation portion of Vertosoft's Sourcewell page will be the source for supplier discounts, ranging from 0-50% off MSRP."

Except as amended by this Amendment, the Contract remains in full force and effect.

Sourcewell

Signed by:
By: Jeremy Schwartz
C0FD2A139D06489...
Jeremy Schwartz, Chief Operating Officer

Date: 2/19/2025 | 11:34 PM CST

Vertosoft LLC

DocuSigned by:
By: Jay Colavita
B85871DC292A47C...
Jay Colavita, President

Date: 2/19/2025 | 7:57 PM PST

EXHIBIT B

SPECIFIC REQUIREMENTS/OPTIONS OF CITY

Attached: Vertosoft Quote for OpenGov – City of San Luis

Statement of Work

City of San Luis, AZ

Creation Date: 5/13/2026
SoW Expiration Date:8/13/2026
Document Number: PS-11980.2
Created by: Emily Scheckel

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OpenGov Statement of Work

1. Project Scope and Understanding

This Statement of Work ("SOW") outlines the Professional Services OpenGov will provide to City of San Luis, AZ ("Customer") under the applicable Order Form. Professional Services or technical requirements not listed in this SOW are out of scope.

2. Exhibits

The following exhibits are incorporated by reference and are part of this SOW:

- 2.1. Exhibit 1: Implementation Activities
  - 2.1.1. Financial Management
  - 2.1.2. Utility Billing
  - 2.1.3. Payroll
  - 2.1.4. Permitting & Licensing
  - 2.1.5. Enterprise Asset Management (EAM)
  - 2.1.6. Budgeting & Performance
  - 2.1.7. Government App Builder
- 2.2. Exhibit 2: Technical Requirements
  - 2.2.1. Financial Management
  - 2.2.2. Permitting & Licensing
  - 2.2.3. Budgeting & Performance
  - 2.2.4. Government App Builder

3. OpenGov Responsibilities

OpenGov will provide a framework for planning, communication, progress tracking, and coordination for activities in Exhibit 1. In collaboration with Customer, OpenGov will develop and maintain the Project Plan. The "Project Plan" is a detailed, living document that defines how the project will be executed, including tasks, timelines, milestones, and team assignments. OpenGov will monitor progress against the Project Plan, coordinate adjustments to tasks and schedules as needed, and conduct status meetings as agreed to by the parties. OpenGov will provide weekly status reports, a Project Charter, and a RAID register (Risks, Actions, Issues, and Decisions). The "Project Charter" is a high-level document outlining the project's purpose, goals, key stakeholders, success criteria, and major milestones.

4. Customer Responsibilities

The Customer will appoint a primary point of contact with authority to make binding decisions ("Customer's Project Manager"). This person will coordinate internal resources, assign subject matter experts ("SMEs"), and oversee implementation. Responsibilities include attending status meetings, making timely decisions,

providing requested information, escalating issues internally, and collaborating on the Project Plan and Change Order process, if applicable.

Customer acknowledges that the success of this project is contingent on its full participation. Customer must provide data within ten (10) business days of a request, maintain consistent data formats and access throughout the project, and allocate the necessary Customer resources and time to support deliverables and meet agreed-upon timelines.

Any failure by Customer to meet its responsibilities under this SOW (each, a "Customer Delay") will automatically suspend the affected obligations of OpenGov for the duration of the Customer Delay and for a reasonable restart period thereafter. All affected milestones, delivery dates, and service-level commitments will be extended on a day-for-day basis (or as otherwise reasonably necessary) to account for the Customer Delay, and may result in an adjustment of the fees if OpenGov incurs additional time, materials, or other costs as a result. Under no circumstances will any consequence of a Customer Delay constitute a breach by OpenGov of this SOW or of the Agreement, nor will OpenGov be liable for any failure to meet a performance obligation that is caused, in whole or in part, by a Customer Delay.

5. Project Delivery

OpenGov will perform services under this SOW remotely and provide up to 5 (five) onsite trips for project-related activities. Customer will provide a suitable workspace, including a conference room with attendee capacity, non-public Wi-Fi, and AV equipment. Travel expenses are estimated not to exceed $22,400. OpenGov may use a combination of OpenGov personnel and OpenGov-trained implementation partners to deliver the services described in this SOW.

6. Estimated Schedule

The estimated duration of this work is eighteen (18) months. The specific timeline, including order of delivery of the product(s), will be determined during the project planning activities in the Initiate Phase. Services are estimated to begin within two (2) weeks and no later than four (4) weeks from contract signature. OpenGov reserves the right to adjust the schedule based on the availability of Customer or OpenGov resources, and the timeliness of deliverables provided by the Customer.

7. Acceptance Procedure

OpenGov will submit completed deliverables to the Customer's Project Manager for review. Within five (5) business days of receipt, the Customer's Project Manager will

either provide written acceptance or a list of requested revisions. In the event there are requested revisions, the subsequent review period for acceptance will follow the same timeline until final acceptance. If Customer does not respond within this period, the deliverable will be deemed accepted. Once a deliverable is accepted, any requested changes will require a paid Change Order.

Acceptance milestones and review timelines will be tracked in the Project Plan. Both parties acknowledge that delays in task completion or unresolved issues may impact the project timeline. If OpenGov determines in good faith that Customer is not fulfilling its responsibilities under this SOW, OpenGov may place services on hold following a minimum of five (5) business days' written notice. The notice will specify the actions needed to progress the project. During the hold period, OpenGov may reallocate resources without penalty and will not be responsible for resulting delays.

8. Modifications

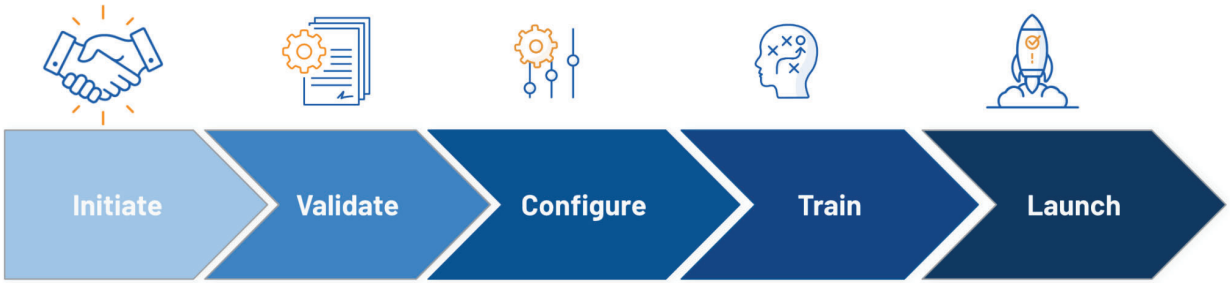
The fees and estimated timeline are based on the scope and assumptions in this SOW. If either party determines that a change to the scope is necessary, the parties will collaborate to define the required modification, which may result in fee adjustments based on OpenGov's standard rates. All modifications must be documented in a written Change Order and signed by both parties ("Change Order") . Examples of changes include revisions to the project timeline, deliverables, or resource allocation.

9. Communication and Escalation Procedure

OpenGov and Customer agree to maintain regular communication in alignment with the Project Plan to ensure progress, resolve questions promptly, and minimize risk. Both parties will raise any issues or concerns in a timely manner. If challenges are not resolved through standard project discussions, Customer and OpenGov Project Managers will escalate to their respective executive leadership teams to jointly determine a resolution and align on a path to successful implementation.

Exhibit 1: Implementation Activities

OpenGov Implementation Methodology Overview



Every OpenGov implementation follows a five-phase hybrid methodology designed to ensure a structured and collaborative deployment. The phases are:

1. Initiate – OpenGov provisions access and performs initial system setup.
2. Validate – OpenGov works with the Customer to confirm requirements and review initial configurations.
3. Configure – OpenGov completes system configuration as outlined in this SOW.
4. Train – OpenGov provides training to system administrators and/or end users, as applicable.
5. Launch – OpenGov provides post-go-live support and transitions the Customer to OpenGov's Customer Success Team.

Each implementation is structured around these phases. Deliverables, sign-offs, and completion criteria are aligned to the relevant phase.

Financial Management

Use Cases Build for Financials Solutions

- General Ledger
- Accounts Payable
- Requisitions
- Cash Receipts
- Bank Reconciliation
- Accounts Receivable
- Purchase Cards
- Fixed Assets

Initiate

Provision Financials Instance

OpenGov will:

- Provision Customer's OpenGov entity and verify Customer has access to all purchased modules.

Customer will:

- Confirm access to entity and modules.

Completion Criteria

- Customer verifies access to the site.

Validate

Validation Workshops

OpenGov will:

- Conduct up to fourteen (14) hours of workshops to validate deliverables for the following:
  - Chart of Accounts
  - General Ledger
  - Accounts Payable
  - Requisitions
  - Accounts Receivable
  - Cash Receipts
  - Purchase Cards
  - Fixed Assets
  - Bank Reconciliation

Customer will:

- Identify relevant participants to attend all sessions.

Completion Criteria

- Customer sign-off on the project plan.

Chart of Accounts

OpenGov will:

- Build Customer's Chart of Accounts in OpenGov in accordance with OpenGov technical requirements.
- Build the Chart of Accounts in Excel format.
- Provide up to twelve (12) hours of working sessions for Chart of Accounts.
- Review the Chart of Accounts with the customer.
- Gather sign off from the Customer on the Chart of Accounts in Excel.
- Load the Chart of Accounts into OpenGov.
- Gather sign off from the Customer on the uploaded Chart of Accounts in OpenGov.

Customer will:

- Provide current Chart of Accounts and transactional data Through provisioned access to the New World Database or in CSV or Excel format.
- Attend all Chart of Accounts working sessions.
- Review and complete Chart of Account mappings.
- Validate and provide sign off on the Chart of Accounts in excel.
- Validate and provide sign off on the Chart of Accounts once it is uploaded to OpenGov.
- Maintain the Chart of Accounts in OpenGov following signoff.

OpenGov assumptions:

- Customer's Chart of Accounts must comply with the OpenGov software. Once the Chart of Accounts is agreed upon, signed-off, and loaded, Customer retains ownership to future changes, updates, or addition of new codes.
- OpenGov will load the signed off Chart of Accounts into the Financials Product one (1) time.

Completion Criteria

- Customer sign-off that the Chart of Accounts has been imported.

Configure

Integrations

OpenGov will:

- Provide security token to UKG for purposes of configuring SFTP.
- Configure the SFTP file posting to the OpenGov SFTP folder.

UKG will:

- Build integration report for purposes of configuring SFTP.

Customer will:

- Provide an IT resource to assist the project team in the initial set-up.
- Work with UKG to ensure the file export contains the data needed for transfer from OpenGov.

- Confirm that the correct file is being loaded.

OpenGov assumptions:

- There will not be any customizations to the integrations and/or any export/import functionality.

Completion Criteria

- Customer sign-off that the Integrations are complete and the data is being captured as planned.

General Ledger

OpenGov will:

- Configure General Ledger settings.
- Provide up to eight (8) hours of working sessions covering:
    - Configuration Review
    - Process Walkthrough(s)
    - User Acceptance Testing support

Customer will:

- Provide all current imported Journal Entries.
- Provide account access details.
- Validate data.
- Validate reports.
- Review, Test, and Sign off on configuration.
- Attend all working sessions.

OpenGov Assumptions:

- OpenGov assumes that the customer is responsible for testing its workflows, automations, integrations, and configurations and will update the configurations as part of its testing and training activities.

Completion Criteria

- Customer sign-off that the General Ledger has been configured.

Accounts Payable

OpenGov will:

- Configure Accounts Payable settings.
- Configure Consolidated Cash
- Import Vendors
- Provide up to ten (10) hours of working sessions covering:
    - Configuration Review
    - Process Walkthrough(s)
    - User Acceptance Testing support

Customer will:

- Provide a bank account listing
- Provide a Vendor listing
- Define user access levels and approval workflows
- Provide examples of recent invoices

- Provide a voided check copy
- Provide MICR, ACH, and positive pay specifications from bank name
- Test checks, ACH file, and positive pay file with bank name for accuracy
- Validate data
- Review, Test, and Sign off on configuration
- Attend all working sessions

OpenGov Assumptions:

- OpenGov assumes that the customer is responsible for testing its workflows, automations, integrations, and configurations and will update the configurations as part of its testing and training activities.

Completion Criteria

- Customer sign-off that Accounts Payable has been configured.

Requisitions

OpenGov will:

- Configure Requisition settings.
- Provide up to ten (10) hours of working sessions covering:
    - Configuration Review
    - Process Walkthrough(s)
    - User Acceptance Testing support

Customer will:

- Provide Requisition Approvers.
- Provide Departments.
- Provide a purchasing policy.
- Provide examples of recent Purchase Orders.
- Review, Test, and Sign off on configuration.
- Attend all working sessions.

OpenGov Assumptions:

- OpenGov assumes that the customer is responsible for testing its workflows, automations, integrations, and configurations and will update the configurations as part of its testing and training activities.

Completion Criteria

- Customer sign-off that Requisitions have been configured.

Cash Receipts

OpenGov will:

- Configure Cash Receipts settings.
- Provide up to eight (8) hours of working sessions covering:
    - Configuration Review
    - Process Walkthrough(s)
    - User Acceptance Testing support.

Customer will:

- Provide Receipt Categories and Receipt Groups.
- Provide Tender Types.
- Provide examples of current receipts.
- Review, Test, and Sign off on configuration.
- Attend all working sessions.

OpenGov Assumptions:

- OpenGov assumes that the customer is responsible for testing its workflows, automations, integrations, and configurations and will update the configurations as part of its testing and training activities.

Completion Criteria

- Customer sign-off that Cash Receipts have been configured.

Accounts Receivable

OpenGov will:

- Configure Accounts Receivable settings.
- Import Customers
- Provide up to five (5) hours of working sessions covering:
    - Configuration Review
    - Process Walkthrough(s)
    - User Acceptance Testing support

Customer will:

- Provide a list of customers
- Provide AR accounts with Balances
- Review, Test, and Sign off on configuration
- Attend all working sessions

OpenGov Assumptions:

- OpenGov assumes that the customer is responsible for testing its workflows, automations, integrations, and configurations and will update the configurations as part of its testing and training activities.

Completion Criteria

- Customer sign-off that Accounts Receivable has been configured.

Fixed Assets

OpenGov will:

- Configure Fixed Assets settings.
- Provide up to eight (8) hours of working sessions covering:
    - Configuration Review
    - Process Walkthrough(s)
    - User Acceptance Testing support

Customer will:

- Provide Fixed Assets data as of end of prior FY (or last audited date) Through provisioned access to the New World Database or in csv or excel format
- Populate the Fixed Assets upload template
- Review, Test, and Sign off on configuration
- Attend all working sessions

OpenGov Assumptions:

- OpenGov assumes that the customer is responsible for testing its workflows, automations, integrations, and configurations and will update the configurations as part of its testing and training activities.

Completion Criteria

- Customer sign-off that Fixed Assets has been configured.

Purchase Cards

OpenGov will:

- Configure Purchase Cards settings.
- Provide up to six (6) hours of working sessions covering:
    - Configuration Review
    - Process Walkthrough(s)
    - User Acceptance Testing support

Customer will:

- Complete Categories and Cardholders template.
- Provide Pcard output report from Customer Bank.
- Review, Test, and Sign off on configuration.
- Attend all working sessions.

OpenGov Assumptions:

- Customer to provide Bank Name within 2 weeks of contract signing data.
- OpenGov assumes that the customer is responsible for testing its workflows, automations, integrations, and configurations and will update the configurations as part of its testing and training activities.

Completion Criteria

- Customer sign-off that Purchase Cards have been configured.

Reporting and Transparency NextGen Reporting

OpenGov will:

- Configure "Standard Datasets" in Reporting and Transparency following the go-live of the General Ledger and Accounts Payable modules.
- Set up (1) view per standard dataset.
- Configure the following OpenGov Standard Reports:
    - Budget vs. Actuals
        - Includes Views for up to three (3) Funds and up to three (3) Departments.

    - Monthly Statement of Revenues & Expenditures
        - Includes Views for up to three (3) Funds and up to three (3) Departments.
    - Balance Sheet
        - Includes Views for up to three (3) Funds.

Customer will:

- Set up additional views beyond those listed above.
- Review, Test, and Sign off on configuration.

OpenGov Assumptions:

- OpenGov will configure the reports to account for all funds, departments, and other segments.
- The Customer is responsible for making any desired adjustments to the reports.

Completion Criteria

- Customer sign-off that the Reports have been configured.

Reporting Consulting and Support

OpenGov will:

- Provide up to fifteen (15) hours of reporting support prior to project completion. These hours can be used toward OpenGov creating additional reports for the customer, or training and support on report creation.

Customer will:

- Attend all working sessions.
- Provide example(s) of reports that are needed.

OpenGov Assumptions:

- OpenGov may deliver the report in a different format or a combination of reports.

Completion Criteria

- Reporting Consulting and Support has been provided.

Train

Administrator Training

OpenGov will:

- Provide up to twenty four (24) hours of Financials system administrator training to enable system administrators on the following topics:
    - Maintaining the Chart of Accounts
    - Creating and posting Journal Entries
    - Running reports and navigating inquiries
    - Importing and exporting data from financials
    - Maintaining Vendor records

    - Maintaining Customer records
    - Requisition workflow
    - Invoice Approval workflow
    - Paying invoices
    - Creating Cash Receipt deposits
    - Adding invoices to Customer accounts
    - Processing Bank Reconciliation for one (1) banks
    - Creating and maintaining Fixed Asset records
    - Processing depreciation
    - Purchase Card transactions
    - OpenGov's import tools for the purposes of bringing in data from 3rd party systems.
    - Provide up to three (3) hours of Reporting & Transparency Administrator training, to enable system administrators on the following topics:
        - Download and upload data to Reporting & Transparency
        - How to create reports and dashboards
        - Standard Datasets

Customer will:

- Identify relevant participants and attend scheduled training sessions.
- Test all relevant use cases as to Customer's processes and Complete User Acceptance Testing according to the project plan.

Completion Criteria

- Administrator Training has been provided.

End User Training

OpenGov will:

- Provide up to forty eight (48) hours of Financials system end user training to enable system administrators on the following topics:
    - Running reports and navigating inquiries
    - Requisition workflow
    - Invoice Approval workflow

Customer will:

- Identify relevant participants and attend scheduled training sessions.

Completion Criteria

- End User Training has been provided.

Launch

OpenGov Financials Data Migration

OpenGov will:

- Using a copy of the New World database provided by the customer, extract up to five (5) years of General Ledger and AP Invoice history for the purposes of data conversion.
- Transform the Customer's data into OpenGov's field requirements.
- Upload the following data into the OpenGov Financials Product:
    - General Ledger
        - Up to four (4) years historical Journal Entry detail
        - Current YTD Journal Entry detail
    - Accounts Payable
        - Up to four (4) years historical AP Invoice detail
        - Current YTD AP Invoice detail
        - Vendors
    - Fixed Assets

Customer will:

- Provide OpenGov copies of the New World database as needed.
- Be responsible for their data and populate data templates provided by OpenGov where OpenGov is not able to transform data.
- Validate all data and reports prior to providing to OpenGov.
- Validate the data once it is loaded to OpenGov Financials.
- Assist OpenGov in transforming data errors.
- Provide sign off confirming agreement with OpenGov that the data is accurate and complete.

OpenGov assumptions:

- OpenGov will load cutover data up to two (2) times including:
    - One (1) mock cutover
    - One (1) go live cutover
- Customer's Trial Balance is in balance by Fund at the start of the implementation.
- Customer's subsidiary ledgers are reconciled to the general ledger.
- In the event that the customer cannot provide database access or extract unfiltered data to delimited file(s), the Customer is responsible for providing transformed and ready-to-load data in the OpenGov provided data templates. This means that the customer will assume responsibility for any data mapping and required transformations.

Completion Criteria

- Customer sign-off that the Data Migration has been completed.

Bank Reconciliation

OpenGov will:

- Configure Bank Reconciliation settings.
- Provide up to five (5) hours of working sessions covering:
    - Configuration Review
    - Process Walkthrough(s)

    - User Acceptance Testing support

OpenGov assumptions:

- OpenGov assumes the customer is current on Bank Reconciliations by the Financials project go live date. If bank reconciliations are not current, the change order process will be followed.

Customer will:

- Provide a .pdf version of the Bank Statement used to complete their last reconciliation.
- Provide a bank reconciliation report in excel format showing the last balanced reconciliation.
- Provide a list of outstanding checks Through provisioned access to theNew World Database or in .csv or excel format.
- Review, Test, and Sign off on configuration.
- Attend all working sessions.
- Complete bank reconciliation in OpenGov within 30 days following go-live.

Completion Criteria

- Customer sign-off that Bank Reconciliation has been configured.

HyperAdopt

OpenGov will:

- Provide up to forty (40) hours over four (4) weeks of support from the OpenGov project team after go-live.
- Assist the customer with up to (1) live check run.
- Assist the customer with up to one (1) bank reconciliation within 30 days following go-live.

Customer will:

- Attend all working sessions.
- Manage ongoing support and questions through Customer Success and Support following each Phase's go-live.

Completion Criteria

- Customer sign-off that the project has been completed.

Permitting & Licensing

Use Cases for Permitting & Licensing:

- Building Permits & Inspectional Services
- Planning and Zoning Approvals
- Code Enforcement
- Licensing
- Public Works

Initiate

Provisioning Permitting & Licensing Platform

OpenGov will:

- OpenGov will provision Customer's OpenGov entity and verify Customer has access to all purchased modules.

Customer will:

- Confirm access to entity and modules.

Completion Criteria

- Customer verifies access to the site.

Data Initiation

OpenGov will:

- Provide the needed data and format to the customer.
- Discuss data needs for the foundational initiation of the software.
- Assign a Project Manager once the data has been collected.

Customer will:

- Provide the required data in a timely manner.

Completion Criteria

- Customer sign-off that the Integrations are complete and the data is being captured as planned.

Validate

Technical Project Review

OpenGov will:

- Provide up to one (1) one-hour working sessions at the beginning of the project to:
    - Review deliverables
    - Review technical requirements
    - Provide documentation on requirements and processes

OpenGov Assumptions:

- Customer will provide relevant data within two (2) weeks immediately following the kick-off meeting.

Customer will:

- Identify relevant participants for attendance.
- Confirm deliverables.
- Gather and provide relevant data for the project.

Completion Criteria

- Customer sign-off on project plan.

Configure

Record Types Deliverables

OpenGov will configure the following standard record types, including sub-types, drafts of Customer's record types in the Permitting & Licensing system including Form, Workflow, Output Document and Fees:

Building and Inspectional Services Service Area
Up to four (4) record types from the following list:

- Residential Building Permit
- Commercial Building Permit
- Mechanical Permit
- Electrical Permit
- Plumbing Permit
- Contractor Registration

Planning and Zoning Service Area
Up to three (3) record types from the following list:

- Land Use Application Form
- Subdivision Application Form
- Temporary Use Application Form
- Variance Application

Code Enforcement Service Area
Up to two (2) record types from the following list:

- Code Complaint
- Code Violation

Licensing Service Area
Up to one (1) record types from the following list:

- Business License

Public Works Service Area
Up to two (2) record types from the following list:

- Encroachment Permit
- Temporary Sign Application

Customer will:

- Attend working sessions to validate, review, and iterate upon draft records.
- Test all configured record types

Completion Criteria

- Customer sign-off that the Record Types have been configured. Sign-off will occur with each completed Record Type.

Data Deliverables

Master Address Table (MAT) Integration

OpenGov will:

- Provide a template file to be utilized by the Customer to populate MAT information.
- Import the completed template file and validate against the completed template file.

Customer will:

- Populate and validate the MAT template.

Completion Criteria

- Customer sign-off that the Master Address Table has been configured.

Esri ArcGIS Server Integration

OpenGov will:

- Integrate with the Customer's ArcGIS public API endpoint.

Completion Criteria

- Customer sign-off on the Esri Integration.

GIS Flag Integration

OpenGov will:

- Provide a template file to be utilized by the Customer to populate GIS Flag information.
- Import the populated template file after acceptance.
- Enable the GIS Flag Integration.

Customer will:

- Populate and validate the flag template file.

Completion Criteria

- Customer sign-off on the GIS Flag Integration.

Accounting and Finance Export

OpenGov will:

- Provide an export of financial data, based on the Customer's provided format, to the Customer's FTPS as often as nightly.

Customer will:

- Agree upon specifications prior to export.

Completion Criteria

- Customer sign-off on the Accounting and Finance Export.

Record Export

Autofill Integration

OpenGov will:

- Provide up to four (4) Autofills, using source data from OpenGov or provided by the Customer.

Customer will:

- Provide the source data, if applicable.
- Agree upon specifications prior to upload.

Completion Criteria

- Customer sign-off on the Autofill Integration.

Bluebeam Integration

OpenGov will:

- Enable Bluebeam integration
- Provide instructions on how to connect Bluebeam.

Customer will:

- Provide Bluebeam Core or Complete license(s).
- Handle licensing and training with Bluebeam directly.

Completion Criteria

- Customer sign-off on the Bluebeam Integration.

Single Sign On (SSO) Integration

OpenGov will:

- Provide the SSO enablement form.
- Implement identity provider initiated SSO for Microsoft ADFS, Microsoft Azure AD, or Okta.

Customer will:

- Complete the SSO enablement form.
- Provide the information from the identity provided required to establish SAML or HTTPS certification and add OpenGov as a new application in the identity provider.

Completion Criteria

- Customer sign-off on the SSO Integration.

Data Migration

OpenGov will:

- Perform historic data migration from New World ERP using flat files provided by and mapped by the customer.
- Set up historical record types, historical data will be migrated prior to the initial data load.
- Provide a report of unmatched locations
- Provide instructions for customer validation of data migration.
- Provide up to one (1) initial load, two (2) format changes, and one (1) final load.

Customer will:

- Complete the OpenGov provided data templates within three (3) weeks of request.
- Validate data deliverables within three (3) weeks of request.
- Configure Record Types to align with the Project Plan's Go Live and cutover to ensure the migration encompasses all records from the legacy system.
- Sign off prior to final data load. Additional format changes will result in a Change Order.

OpenGov Assumptions:

- Data Migration does not exceed 250,000 records.

- Data Migration does not include database backup files.
- Data Migration does not include cleansing of corrupt data, creation or linking of applicant accounts, integration of historical fees and payments into workflow or financial reports, logs of permit changes, migration of data into the workflow, permit attachments, import of contractor database, or hierarchical relationships between records.

Completion Criteria

- Customer sign-off on data prior to final data load.

Document Migration

OpenGov will:

- Migrate documents attached to either migrated permits or locations provided through a Master Address Table (MAT) integration.

OpenGov Assumptions:

- Document Migration does not exceed 1TB.

Completion Criteria

- Customer sign-off that the Document Migration has been completed.

Stripe

OpenGov will:

- Enable the Stripe Pluggable Payment Integration within the OpenGov's Permitting and Licensing module
- Configure Stripe settings for the Permitting and Licensing module

Customer will:

- Customer sign-off on the stripe Integration.

Assumptions

- Stripe is the only pluggable payment provider supported natively within the standard OpenGov platform and included within this Scope of Work.
- All other third-party payment providers or pluggable payment integrations are expressly excluded from this Scope of Work. Any request to assess or implement alternative payment providers will require a separate feasibility evaluation and, if feasible, shall only proceed under a mutually executed Change Order that reflects revised scope, timeline, and cost.

Train

Onsite Training

OpenGov will:

- Provide one (1) three-day (3-day) onsite training events with two (2) OpenGov resources. The training agenda will be defined and agreed upon by both OpenGov and the customer's project manager. Topics may include any of the following:
    - Navigation of the system
    - Manage inbox and tasks
    - Take payments
    - Conduct inspections
    - Create records

- Mobile App

Customer will:
- Identify the relevant participants to attend each training session
- Host the workshop in the Customer's facility
- Secure an adequate space (conference room or training room) within the customer's facility
- Provide wifi internet connection for OpenGov resource.

Completion Criteria
- Onsite Training has been conducted.

Launch

HyperAdopt

OpenGov will:
- Provide up to eight (8) hours of HyperAdopt support from the OpenGov Project Team post Go-Live to ensure successful adoption.

Customer will:
- Identify issues and attend sessions

Completion Criteria
- Customer sign-off that the project has been completed.

Enterprise Asset Management

Use Cases Build for Enterprise Asset Management:

- Transportation
- Water Distribution
- Water Treatment
- Wastewater Collection

OpenGov Enterprise Asset Management

Initiate

OpenGov will:
- Setup a hosted sandbox and a hosted production OpenGov Asset Management environment, if one does not already exist
- Conduct one (1) remote session to review customer assets (see asset section below), source data, GIS capabilities, Esri authentication, and single sign on identity provider (if applicable).

OpenGov Assumptions:

- OpenGov assumes that the customer is responsible for performing quality control measures on its data in EAM.

Completion Criteria:

- The project kicked off with an initial project timeline delivered.

Validate

OpenGov will:

- Provide a remote, up to sixteen (16) hours, validation workshop to increase our understanding of Customer business and functional goals. Through workshops and interviews, OpenGov will identify best fit scenarios for OpenGov Asset Management and provide a brief including any challenges as well as recommendations for OpenGov Asset Management best practices relevant to Customer implementation.
- Provide a template file to be utilized by Customer staff to populate resources, libraries, and users/roles data that OpenGov will import into OpenGov Enterprise Asset Management.
- Provide up to two (2) remote sessions for Customer technical GIS staff to configure Esri Feature Services for the bidirectional GIS integration and authentication.

Completion Criteria:

- Completion of validation workshop.

Configure

Configurations

OpenGov will:

- Provide configuration services, including:
    - Up to ten (10) custom fields and up to two (2) custom layouts per asset type listed in the Assets section below
    - Up to thirty (30) custom fields and up to ten (10) custom layouts to be utilized in any of the shared areas of the system, such as Tasks
    - Up to twenty (20) automations
    - Up to twenty (20) preventative maintenance plans

OpenGov Assumptions:

- Implementation of any custom modification developed by OpenGov; your internal staff; or any third-party is not included in the scope of this project unless specifically listed above.

Data Services

OpenGov will:

- Provide one sandbox and one production data load service through standard import/export functionality. OpenGov will provide template documents for data

population. Once populated by Customer staff, OpenGov will load the data into Customer sandbox or production OpenGov Asset Management environment. Data loads may include data such as:

- Parent level asset records
- Asset location (spatial x/y) attributes
- Parent level resource (Labor, Equipment Material, Vendor) records
- Resource Rate (Labor, Equipment, Material) records
- Standard system libraries

OpenGov Assumptions:

- OpenGov assumes that the customer is responsible for performing quality control measures on its data in EAM.
- Data conversion services from other software system(s) or sources (including Navigator databases) are not included in the scope of this project unless specifically listed above.

Assets

OpenGov will:

- Provide installation and training on the following asset types:
  - Transportation (8)
    - Bridge; Light Fixture; Pavement; Sign; Guardrail; Marking; Pavement Area; Support
  - Water Distribution (9)
    - Water Backflow; Water Facility; Water Hydrant; Water Lateral; Water Main; Water Meter; Water Pump; Water Valve; Water Storage Tank
  - Water Treatment Plant (34)
    - Water Treatment Plant; Water Treatment Plant Blowers; Water Treatment Plant Compressors; Water Treatment Plant Electrical Generator; Water Treatment Plant Facility; Water Treatment Plant HVAC Equipment; Water Treatment Plant Instrumentation; Water Treatment Plant Motors; Water Treatment Plant Processes; Water Treatment Plant Pump; Water Treatment Plant Screens; Water Treatment Plant Structure; Water Treatment Plant UV; Water Treatment Plant Valves; Water Treatment Plant Floor; Basement Construction; Conveying; Exterior Enclosures; Facility Electrical; Facility Equipment; Fire Protection; Foundations; Furnishings; Interior Construction; Interior Finishes; Plumbing; Roofing; Site Mechanical Issues; Special Construction; Stairs; Superstructure; Selective Building Demolition; Site Preparation; Site Improvement; Other Site Construction
  - Wastewater Collection / Sanitary Sewer (7)
    - Sewer Cleanout; Sewer Facility; Sewer Force Main; Sewer Lateral; Sewer Main; Sewer Manhole; Sewer Pump

Completion Criteria:

- Customer sign-off on ability to login and access to the sandbox.

Train

Foundational Training

- Provide remote train-the-trainer training, up to two (2) hours, on overall system navigation and functionality to help familiarize Customer staff with the software environment and its common functions. Training topics include:
    - Dashboards
    - Standard KPI/ROI Gadgets
    - Logins/Permission
    - Layers
    - Filters
    - Maps
    - Grids
    - System Navigation
    - Views (List & Detail)
    - Standard Reports
    - Attachments
    - Requests, Work, Assets, Resources, Reports, and Administrator Tabs

OpenGov assumptions:

- OpenGov assumes that the customer is responsible for testing its workflows, automations, integrations, and configurations within the EAM and will update the configurations as part of its testing and training activities.

Train the Trainer Training Event

- Provide a remote, up to sixteen (16) hours "train-the-trainer" training event. The training agenda will be defined and agreed upon by both OpenGov and Customer project manager. To avoid redundancy, and to utilize service time efficiently, training may cover a subset of the assets listed in the Asset section of the scope. Topics may include any of the following:
    - Request Management:
        - Requests
        - Requesters
        - Task Creation from Requests
        - Issue library (including settings such as Applies to Asset and Non-Location)
        - OpenGov recommended best practices for Request and Requester Management
    - Work Management:
        - Create Task(s)(Asset/Non-Asset)
        - Assignments (Add, Edit, Remove)
        - Task Menu Actions
        - Related Work Items
        - Create Work Order
        - Associate Task to Work Order

        - Repeat Work Orders
        - Work Order Menu Actions
        - Enter Resources
        - Timesheets
        - Activity library (including settings such as Applies to Asset, Inspection, Key Dates, Cost, and Productivity)
        - OpenGov recommended best practices for Work Management
    - Asset Management:
        - Asset Details
        - Preventative Maintenance Plans
        - Inspections
        - Linked assets (if applicable)
        - Container/Component Relationships (if applicable)
        - OpenGov recommended best practices for Asset Management
    - Resource Management:
        - Resource Details
        - Labor/Equipment Rates
        - Material Management (Stock, Usage, Adjustments)
        - Vendor Price Quotes
        - OpenGov recommended best practices for Resource Management
    - OpenGov Mobile:
        - Overall system functionality (Navigation, Interface, Maps, Attachments, Sorting)
        - Work Management
            - Create and Update Tasks (Asset/Non-Asset)
            - Assign Tasks
            - Enter Resources
            - Inspections
        - Asset Management
            - Create and Update Assets
        - Request Management
            - View and Update Requests
            - View Requester information
            - Create Task from Request
        - OpenGov recommended best practices for mobile device use
    - Administrator:
        - Administrator:
            - User Administration, Role Administration, Asset Administration, Record Filter Administration, Import/Export, Scheduled Process Log, Error Log
        - Settings:
            - System Settings, Map Administration, Geocode Settings, GIS Integration settings, Asset Color Manager
        - Manager:

- Layout Manager, Library Manager, Preventative Maintenance, Asset Condition Manager, Notification Manager, Structure Manager, Automation Manager

Core Training:

- Provide remote train-the-trainer training, up to two (2) sessions on OpenGov Asset Builder. Training topics include:
    - OpenGov Asset Management Administrator
        - Structure Manager
        - Library Manager
        - Layout Manager
        - User/Role Configurations
    - OpenGov recommended best practices for expanding the system's use and/or building assets
- Provide Preventative Maintenance Plans remote train-the-trainer training, up to two (2) sessions. Training topics include:
    - Preventative Maintenance
    - OpenGov recommended best practices for proactive asset management
- Provide Advanced Inspections, Asset Condition Manager, and Asset Risk remote train-the-trainer training, up to three (3) sessions. Training topics include:
    - Performance Management
        - Prediction Groups
        - Minimum Condition Groups
        - Activities and Impacts
        - Criticality Factor
        - Install/Replaced Dates
    - Business Risk Exposure
        - Risk
        - Consequence of Failure
        - Probability of Failure
    - OpenGov recommended best practices for Asset Risk Functionality , advanced inspections and condition management

Completion Criteria

- Core Training and train-the-trainer has been conducted.

Launch

OpenGov will:

- Provide remote, up to eight (8) hours, web conferences, of working sessions to answer any questions following solution acceptance.

Completion Criteria:

- Go Live Support has been conducted.

Budgeting & Performance

Use Cases Build for Budgeting & Performance:

- Operating Budget
- Workforce Planning
- Budget Book Publication
- Capital Budgeting

Initiate

Provisioning Budget & Planning

OpenGov will:

- Provision Customer's OpenGov entity and verify Customer has access to all purchased modules.

Customer will:

- Confirm access to entity and modules.

Completion Criteria

- Customer verifies access to the site.

Validate

Technical Project Review

OpenGov will:

- Provide up to one (1) one-hour working sessions at the beginning of the project to:
    - Review deliverables
    - Review technical requirements
    - Provide documentation on requirements and processes

OpenGov Assumptions:

- Customer will provide relevant data within two (2) weeks immediately following the kick-off meeting.

Customer will:

- Identify relevant participants for attendance.
- Confirm deliverables.
- Gather and provide relevant data for the project.

Completion Criteria

- Customer sign-off on the project plan.

Configure

Chart of Accounts (COA)

OpenGov will:

- Build Customer's COA in OpenGov in accordance with OpenGov technical requirements.
- Review configured COA and uploaded data and provide training to Customer on how to:
    - Manage new codes
    - Edit COA
    - Create Masks
- Build the finalized OpenGov Financial Management COA.

Customer will:

- Provide current COA and transactional data.
- Validate and provide sign off on COA.
- Maintain the COA following configuration.

Completion Criteria

- Customer sign-off that the Chart of Accounts has been configured.

Operating Budget

OpenGov will:

- Configure one (1) Budget instance.
- Configure budget proposal based on a Segment of the Chart of Accounts.
- Train and assist on the modification of the configuration.
- Configure and upload Customer's base budget file into OpenGov budget instance.
- Configure OpenGov Budget Proposals and Worksheets for Departments in the base budget file based on the agreed upon structure.
- Review configured OpenGov Budget and provide training to Customer on how to:
    - Create new Proposals and Worksheets
    - Manage Budgets

Customer will:

- Provide a current budget.
- Validate Budget Proposals and Worksheets.
- Signoff on Budget Proposals and Worksheets.

Completion Criteria

- Customer sign-off that Operating Budget proposals and worksheets have been configured.

Capital Budget

OpenGov will:

- Configure one (1) Budget instance.
- Configure and upload Customer's base budget file into OpenGov budget instance.
- Configure proposals and worksheets for Capital Projects in the base budget file based on the agreed upon structure.
- Review configured OpenGov Budget and provide training to Customer on how to:
    - Create new Proposals and Worksheets
    - Manage Budgets

Customer will:

- Provide a current budget.
- Validate and provide signoff on Budget Proposals.

Completion Criteria

- Customer sign-off that Capital Budget proposals and worksheets have been configured.

Workforce

OpenGov will:

- Provide cost elements based on Customer's existing personnel forecast to workforce document as per OpenGov's best practices.
- Review configured OpenGov Workforce Plan and provide training to Customer on how to:
    - Create Cost Elements
    - Populate and upload the Position Template

Customer will:

- Provide Position calculations and tables.
- Populate the Position Template and upload the completed template into OpenGov.
- Validate and provide signoff on the Workforce Plan calculations.
- Maintain the Workforce Plan and data once configured.

Completion Criteria

- Customer sign-off that the Workforce Plan has been configured.

Reporting

OpenGov will:

- Set up one (1) export and Dataset View to enable OpenGov Budget Reports for the Operating and Capital Budget(s).
- Configure up three (3) standard reports using the customer's integrated financial data:
    - Annual
    - Budget to Actuals
    - Transactions
- Configure up to four (4) Operating Budget Reports using OpenGov budget data:
    - Milestones
    - Development
    - Fund Balance Projections
    - Categories*
- Configure up to two (2) Capital Budget Reports using OpenGov budget data:
    - Development
    - Effect on Operating
- Review configured OpenGov Reports and provide training Customer on how to:
    - Export Budget Data for use in OpenGov Reports.
    - Create new Reports
    - Manage Reports
    - Share Reports

*Budget Categories report is only available to customers using a zero-based budget.

Customer will:

- Validate and provide sign-off of Reports.
- Maintain the Reports once configured.
- Map OpenGov Budget export to Customer ERP import format.

Completion Criteria

- Customer sign-off that Reports have been configured.

Budget Book Publication

OpenGov will:

- Deliver the following Online Budget Book deliverables for use with the completion of the first OpenGov Budget development.
    - Based on best practices, build out the look and feel of six (6) Standard OBB Templates:
        - Home Page
        - Generic (multi-use)
        - Operating
        - Department
        - Capital
        - Capital Project
    - Using the above standard templates, create up to 100 total Project and/orDepartment page shells.
    - Create an Annual Budget Report and FTE Report using OpenGov Budget data and Report Views to use in Department and Project OBB Story Shells.
    - Provide up to ten (10) one-hour working sessions to answer Customer questions on OBB Configuration

Customer will:

- Provide logo and branding colors to OpenGov.
- Create any additional OBB Reports, Report Views, and OBB Stories required by the Customer
- Add all content to Stories including:
    - Narrative
    - OpenGov Report Views
    - Images
    - Data not in OpenGov
- Attend working sessions to get answers on OBB questions.
- Make Stories public and Publish OBB.

Completion Criteria

- Customer sign-off that the Budget Book Publication templates are configured.

Other Publications (ACFR)

OpenGov will:

- Provide two branded templates:
    - ACFR Table of Contents
    - ACFR General
- Provide up to ten training or consultative sessions to provide guidance to the Customer on building the ACFR.

Customer will:

- Create all pages from templates

- Add content to all pages including
    - Narrative
    - OpenGov Report Views
    - Images
    - Data not in OpenGov
- Create tables in Excel and import the tables into the publication.

Completion Criteria

- Customer sign-off that ACFR templates have been configured.

Train

Budgeting & Planning Working Sessions

OpenGov will:

- Per the agreed upon Project Plan, schedule working sessions with Customer's system administrators to:
    - Review configurations;
    - Provide training on system functionality;
    - Gain feedback; and
    - Answer questions regarding configured system functionality.

Customer will:

- Per the agreed upon Project Plan, attend working sessions to:
    - Understand configurations;
    - Gain training on system functionality;
    - Give feedback; and
    - Ask questions regarding configured system functionality

Completion Criteria

- Budgeting & Planning Working Sessions have been conducted.

Budget and Workforce Administrator Training

OpenGov will:

- Provide training to Customer system administrators on how to:
    - Create and manage Budgets
    - Prepare to set up Next Year's Budget
    - Create and manage Workforce Plans including Cost Elements and Position Upload Templates
    - Export Budget Data for use in OpenGov Reports.

Customer will:

- Identify relevant participants and attend scheduled training sessions.

Completion Criteria

- Budget & Workforce Training has been conducted.

Publication Training

OpenGov will:

- Provide one (1) 60- Minute System Training designed for OBB Administrators on how to:
    - Use and copy OBB Templates
    - Add Reports Views to Stories
    - Add Customer content including: narrative, images, and external data to Stories
    - Publish Stories
    - Update and maintain Stories

Customer will:

- Identify relevant participants and attend scheduled training sessions.

Completion Criteria

- Publication Training has been conducted.

End-User Training

OpenGov will:

- Provide two (2), 60-Minute training session(s) to Customer's Internal Users on how to:
    - Navigate Opengov Budgets and Reports
    - How to enter Budget data
    - How to run and use reports

Customer will:

- Identify relevant participants and attend scheduled training sessions.

Completion Criteria

- End User Training has been conducted.

Launch

HyperAdopt

OpenGov will:

- Provide up to eight (8) hours of working sessions to answer any questions following solution acceptance.

Customer will:

- Identify issues and attend sessions.

Completion Criteria

- Customer sign-off that the project has been completed.

Utility Billing

Initiate

Provision Utility Billing Module Instance

OpenGov will:

- Provision Customer's OpenGov entity and verify Customer has access to all purchased modules.

Customer will:

- Confirm access to entity and modules.

Completion Criteria

- Customer verifies access to the site.

Validate

Validation Workshops

OpenGov will:

- Conduct workshops to validate deliverables for Utility Billing.

Customer will:

- Identify relevant participants to attend all sessions.

Completion Criteria

- Customer sign-off on the project plan.

Configure

Utility Billing

OpenGov will:

- Evaluate current Rate tables and Service Codes (as functions in OpenGov financials) and provide a recommendation for OpenGov configuration.
- Build crosswalks for the following OpenGov functions:
    - Route table
    - Transaction Code table
    - Service Code table
    - Class Code table
    - Sensus Meters
        - Including AMI feeds for applicable meters
    - Rate table

- Configure Utility Billing settings.
    - Including but not limited to:
        - Payment processor (Stripe)
- Complete one (1) parallel billing for a subset of data for each rate/service code type.
- Complete one (1) parallel billing end-to-end for each billing cycle:
- Provide working sessions following each parallel billing covering:
    - The parallel billing results
    - Recommended configuration adjustments
    - How to validate the configuration
- Complete cutover conversion as agreed upon in the project plan and previous parallel billing
- Provide working sessions covering:
    - Configuration Review
    - Process Walkthrough(s)
    - User Acceptance Testing support

Customer will:

- Provide lists of all Rates, Service codes.
- Review, Test, and Sign off on configuration.
- Review, Test, and Sign off on all test parallel billings.
- Attend all working sessions.
- Provide access to utility billing data.
- Provide a billing register, utility billing trial balance, and any additional reports needed for validation.

Completion Criteria

- Customer sign-off that the Utility Billing Module has been configured.

Financials Product Reporting

OpenGov will:

- Deliver reports requested by the customer, as supported with current software functionality.

Customer will:

- Review, Test, and Sign off on delivered reports.
- Own the creation of additional reports outside of those listed.
- Own modifications to delivered reports.

OpenGov assumptions:

- OpenGov may deliver the report in a different format or a combination of reports.

Completion Criteria

- Customer sign-off that available reports have been reviewed.

Train

Administrator Training

OpenGov will:

- Provide Financials system administrator training to enable system administrators on the following topics:

- Creating Cash Receipt deposits
- Adding invoices to Customer accounts
- Meter Read processing
- Creating and maintaining Utility Billing Customers and Rates
- Creating a Billing Register and making adjustments
- Sending billing information to Datapros
- Cutoff notices, door hangers
- Receiving monies into Utility Billing
- Utility Billing Online Portal
- Exporting Utility Billing General Ledger impact

Customer will:

- Identify relevant participants and attend scheduled training sessions.
- Test all relevant use cases as to Customer processes.

Completion Criteria

- Administrator Training has been conducted.

Launch

Data Migration

OpenGov will:

- Set up a secure SFTP site for data transfer purposes.
- Validate the following reports provided by the Customer:
  - Billing register
  - Utility billing trial balance
  - Additional reports needed for validation
- Transform the Customer's data into OpenGov's field requirements.
- Upload up to five (5) years of historical data provided by Customer into the OpenGov Financials Product:
  - Utility Billing open balances
- Transform data errors with Customer's assistance
- Produce and communicate errors where data, for example, is missing or does not fit segment length.

Customer will:

- Upload a copy of their Incode database to the secure SFTP site or provide direct access to the Incode database.
- Be responsible for their data and populate data templates provided by OpenGov where applicable.
- Validate all data and reports prior to providing to OpenGov.
- Validate the data once it is loaded to OpenGov Financials.
- Assist OpenGov in transforming data errors.
- Provide sign off confirming agreement with OpenGov that the data is accurate and complete.

OpenGov assumptions:

- OpenGov will load cutover data up to two (2) times including:
    - One (1) mock cutover (parallel billing)
    - One (1) go live cutover
- In the event that OpenGov cannot access the Customer's legacy database, the Customer is responsible for providing data in the OpenGov provided data templates.
- If the Customer is unable to provide validation reports, the Customer will be responsible for providing the data to be used in the data conversion.
- The customer is able to provide attachment data for OpenGov to load.

Completion Criteria

- Customer sign-off on that the Data Migration has been completed.

HyperAdopt

OpenGov will:

- Provide HyperCare Support to the Customer for a maximum of 1 billings per cycle until each billing cycle is completed 1 time or for fifty (50) hours, whichever comes first.

Customer will:

- Attend all working sessions.
- Manage ongoing support and questions through Customer Success and Support following each Phase's go-live.

Completion Criteria

- Customer sign-off that the project has been completed.

311 Request Management

Initiate

OpenGov will:

- Conduct a project kickoff to align goals, roles, scope, and approach.
- Provision Government App Builder environment; configure initial roles
- Run discovery/working sessions to confirm high-level requirements across channels (web, and mobile-browser).
- Create initial configuration backlog in shared workspace

Customer will:

- Identify stakeholders; ensure attendance at kickoff and working sessions.
- Confirm environment access and user roles.
- Provide process documentation (current service catalog, scripts, categories), reporting examples, and regulatory/retention requirements.
- Review and approve initial configuration backlog and project schedule.

Assumptions:

- OpenGov will use standard templates and intake patterns unless otherwise agreed in writing.
- Branding and content style guides provided by Customer (if applicable)

Completion Criteria:

- Kickoff completed with documented actions.
- Access confirmed for core users.
- Initial backlog and plan approved.
- Shared workspace established.

Validate

Validation Workshops

OpenGov will:

- Conduct up to eight (8) hours of remote validation workshops focused on:
    - Validating functional requirements for all modules in scope.
    - Recommending best practice configuration to align to Customer's business objectives.
    - Identifying risks and proposing mitigation strategies.
- Finalize the Project Plan and Project Charter reflective of the information gathered during the workshops.
- Draft the Solution Blueprint document, reflective of information gathered during workshops, to guide the Configure Phase.

Customer will:

- Identify functional business owners and SMEs to attend sessions.
- Provide requested data as needed.

Completion Criteria:

- Signature on the Final Project Plan and Project Charter

Configure

Request/Issue Catalog

OpenGov will:

- Define catalog taxonomy and metadata; configure categories, subcategories, and article templates
- Provide enablement on ongoing content governance.

Customer will:

- Supply existing catalog lists and knowledge content; designate content owners
- Review layouts and content structure; approve final catalog and initial article set.

Assumptions:

- Content writing and localization are Customer responsibilities unless otherwise contracted.
- External website CMS updates (outside of the 311 portal) are out of scope.

Completion Criteria:

- Request/Issue catalog configured and linked to intake workflows.
- Initial knowledge base articles published.
- Governance approach documented.

Geofencing

OpenGov will:

- Configure geofencing within the CRM to identify constituents, cases, and related records within approved geographic boundaries, including point-and-radius, street segment, polygon, ward, neighborhood, and other City GIS/service-area layers.
- Enable authorized users to preview impacted records and use geofenced audiences for workflows such as water main breaks, emergency notifications, service disruptions, and targeted community outreach.
- Integrate geofencing with the City's approved GIS and address data sources, with validation during testing; geofencing accuracy depends on source data quality, and real-time tracking, advanced spatial analytics, and custom GIS development are out of scope unless separately scoped.

Service Request Intake & Form (Web & Browser Accessible Mobile)

OpenGov will:

- Configure one (1) standard intake form including: data tables, fields, validations, conditional logic, attachments, and layouts.
- Implement address capture and geocoding using standard capabilities and/or GIS integration when in scope.
- Conduct review sessions and iterate to finalize.

Customer will:

- Provide field-level requirements, current scripts, categories, and mandatory data elements.
- Participate in reviews; provide consolidated feedback.

- Validate permissions, logic, and layouts for internal and resident users
- Approve final configurations.

Assumptions:

- Designs leverage standard form capabilities and controls.
- Public site branding assets provided by Customer.

Completion Criteria:

- Forms/tables configured and tested
- Address capture/geocoding validated.
- Required data capture confirmed
- Customer approval received.

Workflow, Triage & Routing

OpenGov will:

- Configure one (1) workflow with routing rules, ownership groups, task states, reassignment, and collaboration steps.
- Implement prioritization logic and triage forms.
- Document workflows and test with Customer.

Customer will:

- Provide current process maps, ownership matrices, and escalation criteria.
- Participate in testing and refinement; approve final logic.

Assumptions:

- Automation will use standard workflow options; custom code is out of scope unless listed.
- Location-based routing requires GIS layers and data provided by Customer.

Completion Criteria:

- Workflows live with routing functioning.
- Ownership groups and queues configured.
- Approval received from Customer.

SLAs, Notifications & Escalation

OpenGov will:

- Configure one (1) SLA timers across all request types (acknowledgment, first response, resolution), indicators, and dashboards.
- Set up resident communications (email/SMS when in scope) and status updates
- Configure escalations to supervisors and leadership.

Customer will:

- Provide SLA definitions per category and business hours/holiday calendars.
- Approve notification templates and escalation paths.
- Validate end-to-end SLA behavior.

Assumptions:

- SMS/email providers and associated fees are Customer responsibilities unless otherwise contracted.
- Two-way messaging outside of standard capabilities may require a Change Order.

Completion Criteria:

- *SLAs operational with monitoring in dashboards
- Notifications and escalations tested
- Customer approval received.

Integration with OpenGov Enterprise Asset Management (EAM)

OpenGov will:

- Enable bi-directional sync so 311 Request Management requests can create EAM work orders when criteria are met, and status updates in EAM reflect back to 311 and the public status page where appropriate.
- Define decision rules for work-order creation (e.g., by category/high-alert flag).
- Map fields between 311 Request Management and EAM (request ID, category, asset/location, status codes, dates).
- Implement API-based integration or agreed method; handle error validation and retries.
- Configure read-backs of EAM status/progress for resident-friendly display on the status page.
- Provide technical runbook and data-mapping documentation.

Customer Responsibilities:

- Provide or confirm EAM environment details, credentials, and test data; confirm asset/address cross-walks.
- Validate mapping, status cross-reference, and acceptance criteria.
- Coordinate with any internal EAM administrators for endpoint access/windows.

Boundaries & Assumptions

- Scope is limited to OpenGov 311 Request Management ↔ OpenGov EAM integration; other third-party systems are out of scope.
- Integration follows standard, supported API capabilities; custom EAM extensions are excluded.

Completion Criteria:

- End-to-end tests demonstrate work-order creation and status synchronization; integration documentation delivered; stakeholder approval received.

Reporting & Dashboards

OpenGov will:

- Configure one (1) admin report and one (1) department dashboard, filters, and visualizations; enable exports suitable for council/board/public dashboards (up to 6 unique dashboards)
- Provide enablement on managing report parameters and publishing.

Customer will:

- Define KPIs and reporting needs; provide examples of internal and public reporting.
- Review layouts and logic; test exports; designate owners for ongoing reporting.

Assumptions:

- Reports rely on data available in configured tables or approved imports/integrations.
- Complex, custom templates outside of standard exports may require a Change Order.

Completion Criteria:

- Reports and dashboards live with accurate data.
- Permissions verified; export formats tested
- Customer approval received.

Configuration Workshops

OpenGov will:

- Conduct up to eight (8) hours of remote configuration review workshops, following the initial system configuration, focused on:
    - Demonstrating the functional environment
    - Identifying misalignment with defined business objectives.
    - Implementing necessary corrections and adjustments required to move into the Train Phase.
- Update Solution Blueprint to reflect the divisions made in the Configuration Phase.

Customer will:

- Identify functional business owners and SMEs to attend sessions.
- Review configuration and workflows during the workshops and identify any misalignment with business objectives to be corrected.
- Sign off on the system readiness to move into the train phase.

Completion Criteria:

- Sign off on system readiness to enter the Train Phase.

Train

Administrator & Dispatcher Training

OpenGov will:

- Deliver live virtual training; provide documentation and recordings.
- Cover core admin tasks (form edits, report creation, workflow adjustments, SLA configuration, permission controls).
- Assign practice scenarios.

Customer will:

- Identify admin/dispatcher users; attend training; complete practice exercises; confirm understanding of responsibilities.

Assumptions:

- Training delivered remotely unless otherwise specified.
- Attendees are available at scheduled times.

Completion Criteria:

- Admin training completed; access confirmed for relevant users.
- Practice scenarios validated
- Customer confirms readiness to manage configuration post-launch.

Agent/Field Staff Enablement

OpenGov will:

- Deliver role-based sessions and quick-reference guides.
- Demonstrate status updates, assignment, and completion workflows.

Customer will:

- Ensure attendance; provide device policies and any mobile restrictions.
- Validate that training aligns to field operation needs.

Assumptions:

- Device procurement and management are Customer responsibilities.
- Offline mode support is limited to generally available capabilities.

Completion Criteria:

- Agent/field sessions delivered; materials distributed.
- Readiness sign-off received from departmental leads.

Public/User-Facing Collateral

OpenGov will:

- Draft how-to guides with screenshots and FAQs; deliver PDF and web-optimized formats.
- Review drafts with Customer for accuracy; finalize collateral.

Customer will:

- Review and provide feedback; approve final content; handle distribution and any localization.

Assumptions:

- Content reflects current forms and processes at go-live.
- Accessibility/translation needs identified by Customer.

Completion Criteria:

- Guides finalized and approved; published via Customer channels.

User Acceptance Testing (UAT

OpenGov will:

- Provide a UAT Test Task Guide that provides step by step scenarios on how to test configured product workflows.
- Facilitate one session per week for two (2) weeks to address Customer progress and issues identified during testing.
- Support re-testing of resolved issues and regression testing of resolved issues to ensure fixes do not negatively impact existing workflows.

Customer will:

- Execute Test Task Guide scenarios within the two (2) week UAT period.
- Record Pass/Fail and document issues with sufficient detail for resolution.
- Re-test resolved issues to confirm resolution and perform regression testing to confirm existing workflows continue to function as expected.

Completion Criteria:

- UAT is signed off as completed by the Customer.

Launch

OpenGov will:

- Monitor adoption; resolve configuration questions and issues.
- Conduct final stakeholder review; transition to Customer Success.

Customer will:

- Monitor usage; report issues; attend final review; sign solution acceptance.

Assumptions:

- Hypercare support is time-boxed per the Project Plan.
- Post-launch enhancements will be prioritized via Customer Success or Change Orders.

Completion Criteria:

- Hypercare window closed; known issues addressed or queued.

- Stakeholder review completed; solution acceptance signed.

Exhibit 2: Technical Requirements

Financials Hardware and Technical Requirements

Computers, tablets or other user devices

- Access to the internet; Google Chrome is the recommended browser for optimal performance.

Printer

- MICR ink compatible

Check Stock

- blank, 8 1/2" x 11", check at the bottom

Cash Drawers

- MMF Cash Drawer - Value Line or MMP Cash Drawer - Advantage

Receipt Printer

- Model options: Ithaca 9000 - Thermal Printer, Epson T20III - Thermal, Thermal/inkjet, Epson TM-H6000IV

Thermal Paper

- Compatible with receipt printer

Scanner (Optional)

- Twain driver scanner

Chart of Accounts

- Flat file
- .csv, .xls, .xlsx with headers
- Active Accounts and Accounts with activity in the years of data being loaded into OpenGov.

Vendor Listing

- Flat file
- .csv, .xls, .xlsx with headers

Customer Listing

- Flat file
- .csv, .xls, .xlsx with headers

Trial Balance

- Flat file
- .csv, .xls, .xlsx with headers
- 5 Years of Data

Current Budget

- Flat file
- .csv, .xls, .xlsx with headers

Unpaid Invoice Report
- Flat file
- .csv, .xls, .xlsx with headers

Calendar YTD 1099 totals by vendor and tax payment type
- Flat file
- .csv, .xls, .xlsx with headers

Fixed Assets Data
- Flat file
- .csv, .xls, .xlsx with headers

Bank Statement
- .pdf

Bank Reconciliation Report
- Flat file
- .csv, .xls, .xlsx with headers

Outstanding Checks and Deposits List
- Flat file
- .csv, .xls, .xlsx with headers

AR Customer Balance by Service Code
- Flat file
- .csv, .xls, .xlsx with headers

Permitting & Licensing Technical Requirements

Master Address Table
- All addresses must have a unique ID
- Flat file, .csv, .xls, .xlsx, .txt with headers
- Parcels and address points recommended
- Recommended source data: Esri GIS, Alternative source options include: Assessor's database, E911

Esri ArcGIS
- A single publicly-accessible secure Esri REST API URL

ArcGIS Flags
- Polygon Layer(s) via Esri REST API URL, Polylines and points are not supported

- Flags will be populated via the same Publicly-accessible secure Esri REST API URL as provided for the Esri ArcGIS integration.

Financial and Record Exports
- Required format (columns) and sample document

Autofills using Customer source data
- Flat file, .csv, .xls, .xlsx, .txt with headers

Current application forms, workflows, fee structures, and output documents
- PDF, Word, .csv, .xls, .xlsx with headers

Historical Data
- Flat file, .csv, .xlsx with headers
- Record type and status mapping using OpenGov template

Historical Documents
- Flat file, .csv, .xlsx with headers
- One row per document. All rows must be tied back to the MAT's unique ID field and have a file path or publicly accessible URL.
- Special characters, outside of the following list, are not supported and will be removed from file names upon migration to OpenGov.
    - Alphanumeric characters
        - A-z
        - A-Z
        - 0-9
    - Special characters
        - Exclamation point (!)
        - Hyphen (-)
        - Underscore (_)
        - Period (.)
        - Asterisk (*)
        - Single quote (')
        - Open parenthesis (()
        - Close parenthesis ())

SSO
- SAML or HTTPS certificate, Whitelist OpenGov in Customer VPN or firewall

Budgeting & Performance Technical Requirements

Chart of Accounts
- Flat file
- .csv, .xls, .xlsx with headers
- Active Accounts and Accounts with activity in the years of data being loaded into OpenGov.

Financial Data Files (Transactional Export)

- Flat file
- .csv, .xls, .xlsx with headers
- 5 Years of Data

Financial Data Files (Summary Revenue and Expense Export)

- PDF export

Current Budget

- Flat file
- .csv, .xls, .xlsx with headers
- Operating Budget

Personnel Calculations and Tables

- PDF, Word, csv, .xls, .xlsx with headers

Logo Image

- .jpg or .png format
- Transparent

Branding Guidelines

- Hex codes

Government App Builder Technical Requirements

- Migration
    - All data must be accessible to OpenGov in Excel or CSV format
    - Maximum historical record count: 500
- Flat File Integrations
    - Customer must
        - Provide OpenGov with the export file (a delimited file) from the external system
        - Automate the export and/or import of data into and out of the external system.
- API Integrations
    - Customer is responsible for:
        - Fees associated with purchasing the external system
        - Providing OpenGov with access to the API and/or access to technical staff from that vendor.
        - Access to a test instance of the third party API including a URL, authentication credentials, and relevant documentation.
        - Changes to scope resulting from a change in the third-party vendor's API.
        - Testing expected workflows and data in both test and production environments
    - To display a location on a map, the third party system must be able to provide location data via their API, as shapes or coordinates. Text addresses are limited to populating address fields.

Statement of Work

Expert Services

City of San Luis, AZ

Creation Date: 5/13/2026
SoW Expiration Date: 8/13/2026
Document Number: PS-11980.ES.1
Created by: A.C. Long

Introduction

This Statement of Work (SOW) outlines the terms and scope of OpenGov Expert Services to be provided by OpenGov to City of San Luis, AZ (the "Customer") pursuant to the applicable Order Form. The objective of this SOW is to define the engagement framework and responsibilities of both parties to ensure the successful execution of the expert services.

1. Scope of Services

1. Service Overview:
   - 1.1. Expert services for the operation, monitoring, and optimization of Financial Management.
   - 1.2. Access to OpenGov Professional Services resources for post-implementation activities (e.g.training, consulting, configuration, or staff augmentation).
   - 1.3. Optimize is the premium expert services level offering a more comprehensive volume of service packages.
   - 1.4. OpenGov will perform the work under this SOW remotely unless on-site activities are explicitly selected in the annual plan.
   - 1.5. If on-site activities are selected, the Customer is responsible for paying travel expenses as incurred on a quarterly basis. If applicable, the not to exceed amount for the quoted expenses will be included on the Project Charter.
   - 1.6. OpenGov will use personnel and resources located across the United States, and may also include OpenGov-trained implementation partners to support the delivery of services.
2. Key Activities:
   - 2.1. Annual planning session within the first 30 days of the contract year to define the activities to be completed that year and resources allocated to those activities.
   - 2.2. The Project Charter is defined as the annual plan of activities, tasks, assignments, timeline, and milestones to be performed by OpenGov and Customer within the contract year.
   - 2.3. Creation of a Project Charter between OpenGov and Customer outlining the agreed upon expert services for that year. Once the Project Charter timeline is mutually agreed upon, any changes will require a Change Order per Section 6.
3. Timeline
   - 3.1. Expert Services are delivered annually per the Order Form, with a contract year potentially shorter than twelve months if specified on the Order Form.
4. OpenGov Responsibilities
   - 4.1. Assign qualified personnel to perform the agreed upon activities.
   - 4.2. Ensure timely and professional execution of deliverables as outlined in the Project Charter.

4.3. Maintain clear and regular communication with the Customer as needed for planning and execution of agreed upon activities.

4.4. In the event of requested changes to the Project Charter, a change order will be drafted and sent to Customer for signature.

5. Customer Responsibilities

5.1. Assist OpenGov in coordinating and attend the annual planning session within the first 30 days of a new subscription term.

5.2. Provide access to the relevant personnel, systems, and data per activities defined in the Project Charter.

5.3. Review and approve deliverables within a timely manner as outlined in the Project Charter.

5.4. Designate a point of contact for ongoing communication and decision-making.

5.5. Submit a change order request if changes to the Project Charter are needed.

6. Change Order Process

6.1. Any change to the scope as outlined in the Project Charter must be agreed to in writing by both Customer and OpenGov, and documented via a Change Order.

6.2. Verbal agreement is not binding on OpenGov or Customer.

6.3. A Change Order is defined as work that is added to or deleted from the original scope of this SOW.

1602 Village Market Blvd SE, Suite 320
Leesburg, VA20175 USA

Cage Code: 7QV38
UEI Number Y7D5MXRU2839
DUNS# 080431574
Federal Tax ID: 81-3911287
Business Size: Small Business

Date: 5/18/2026, 11:30 AM

Phone: 571 707-4130
Fax: 571-291-4119
Email: opengov@vertosoft.com

Vertosoft Contact: Carly Moore
Phone: (540) 998-8361
Email: carly.moore@vertosoft.com

Vertosoft Quote for OpenGov - City of San Luis, AZ

Contract: Sourcewell: 060624-VTO

Quote #: Q-23617
Expires On: 5/31/2026

Quote For:
Name: Roula Encinas
Company: City of San Luis, AZ
Email: rencinas@sanluisaz.gov
Phone: (928) 341-8534

Ship To
Angelica Cifuentes
City of San Luis- Roula Encinas
1090 E. Union Street
San Luis, AZ 85309

9283418534
rencinas@sanluisaz.gov

PAYMENT TERMS	DELIVERY METHOD	PAYMENT METHOD	VERTOSOFT CUST ID	SUPPLIER REF
Net 30	Electronic	Check/ACH/Credit Card		

Overall POP Start Date: 7/1/2026
Overall POP End Date: 6/30/2031

Term 1 7/1/2026 - 6/30/2027

PART #	DESCRIPTION	QTY	UNIT PRICE	EXTENDED
OG-TWHX-B100150M-AR-3Y	Asset Management Base Bundle - Between $100-150 Million - 3Y	1.00	$7,629.22	$7,629.22
OG-SWCV-B100150M-AR-3Y	Autofill Interface - Between $100-150 Million - 3Y	3.00	$254.75	$764.25
OG-SWCZ-B100150M-AR-3Y	Bluebeam Integration - Between $100-150 Million - 3Y	1.00	$1,528.08	$1,528.08

PART #	DESCRIPTION	QTY	UNIT PRICE	EXTENDED
OG-SWDB-B100150M-AR-3Y	Document Management Interface - Between $100-150 Million - 3Y	1.00	$1,819.22	$1,819.22
OG-TWEC-B100150M-AR-3Y	Financials Expert Services: Optimize - Between $100-150 Million - 3Y	1.00	$17,069.46	$17,069.46
OG-TWHT-B100150M-AR-3Y	OpenGov 311 - Between $100-150 Million - 3Y	1.00	$23,593.72	$23,593.72
OG-TWIS-B100150M-AR-3Y	OpenGov Financial Management and Budgeting - Between $100-150 Million - 3Y	1.00	$94,238.81	$94,238.81
OG-TWER-B100150M-AR-3Y	Permitting and Licensing - Business Licenses Additional Service Area - Between $100-150 Million - 3Y	1.00	$14,250.16	$14,250.16
OG-TWCP-B100150M-AR-3Y	Permitting and Licensing - Community Development Without Fire - Between $100-150 Million - 3Y	1.00	$23,274.41	$23,274.41
OG-TWET-B100150M-AR-3Y	Permitting and Licensing - Public Works Permits Additional Service Area - Between $100-150 Million - 3Y	1.00	$14,250.16	$14,250.16
OG-SWCB-B100150M-AR-3Y	Premium Support - Between $100-150 Million - 3Y	1.00	$18,726.47	$18,726.47
OG-TWBC-B100150M-AR-3Y	Transportation Domain - Between $100-150 Million - 3Y	1.00	$6,474.05	$6,474.05
OG-TWHR-B100150M-AR-3Y	Utility Billing Base Subscription - Between $100-150 Million - 3Y	1.00	$41,559.32	$41,559.32
OG-TWHP-B100150M-AR-3Y	Utility Billing: Additional Service Area - Sewer - Between $100-150 Million - 3Y	1.00	$6,234.45	$6,234.45
OG-TWHQ-B100150M-AR-3Y	Utility Billing: Additional Service Area - Trash - Between $100-150 Million - 3Y	1.00	$6,234.45	$6,234.45
OG-TWHS-B100150M-AR-3Y	Utility Billing: Additional Service Area - Water - Between $100-150 Million - 3Y	1.00	$33,113.32	$33,113.32
OG-TWAZ-B100150M-AR-3Y	Wastewater Collection - Between $100-150 Million - 3Y	1.00	$5,708.90	$5,708.90
OG-TWBF-B100150M-AR-3Y	Water Distribution Domain - Between $100-150 Million - 3Y	1.00	$6,474.05	$6,474.05
OG-TWBG-B100150M-AR-3Y	Water Treatment Domain - Between $100-150 Million - 3Y	1.00	$6,713.77	$6,713.77
OG-TWJO-B100150M-OT-0Y	Permitting and Licensing Implementation Services Package - Advanced - Between $100-150 Million - 0Y	430.00	$241.32	$103,767.60
OG-TWJB-B100150M-OT-0Y	Utility Billing Implementation Services Package - Standard - Between $100-150 Million - 0Y	400.00	$172.77	$69,108.00
OG-PSBG-B100150M-OT-0Y	Professional Services Deployment - Prepaid - Between $100-150 Million - 0Y	1,598.00	$156.85	$250,646.30
			Term 1 TOTAL:	$753,178.17

Estimated Reimbursable Travel and Expenses

PART #	DESCRIPTION	QTY	UNIT PRICE	EXTENDED
OG-Travel-Expense-Reimb	OpenGov - designed for reimbursable travel expenditures. **Estimate expense	14,400.00	$1.00	$14,400.00
			Estimated Reimbursable Travel and Expenses TOTAL:	$14,400.00

Term 2 7/1/2027 - 6/30/2028

PART #	DESCRIPTION	QTY	UNIT PRICE	EXTENDED
OG-TWHX-B100150M-AR-3Y	Asset Management Base Bundle - Between $100-150 Million - 3Y	1.00	$24,371.02	$24,371.02
OG-SWCV-B100150M-AR-3Y	Autofill Interface - Between $100-150 Million - 3Y	3.00	$267.48	$802.44
OG-SWCZ-B100150M-AR-3Y	Bluebeam Integration - Between $100-150 Million - 3Y	1.00	$1,604.47	$1,604.47
OG-SWDB-B100150M-AR-3Y	Document Management Interface - Between $100-150 Million - 3Y	1.00	$1,910.17	$1,910.17
OG-TWEC-B100150M-AR-3Y	Financials Expert Services: Optimize - Between $100-150 Million - 3Y	1.00	$17,922.94	$17,922.94
OG-TWHT-B100150M-AR-3Y	OpenGov 311 - Between $100-150 Million - 3Y	1.00	$24,773.41	$24,773.41
OG-TWIS-B100150M-AR-3Y	OpenGov Financial Management and Budgeting - Between $100-150 Million - 3Y	1.00	$98,950.74	$98,950.74
OG-TWER-B100150M-AR-3Y	Permitting and Licensing - Business Licenses Additional Service Area - Between $100-150 Million - 3Y	1.00	$14,962.67	$14,962.67
OG-TWCP-B100150M-AR-3Y	Permitting and Licensing - Community Development Without Fire - Between $100-150 Million - 3Y	1.00	$24,438.10	$24,438.10
OG-TWET-B100150M-AR-3Y	Permitting and Licensing - Public Works Permits Additional Service Area - Between $100-150 Million - 3Y	1.00	$14,962.67	$14,962.67
OG-SWCB-B100150M-AR-3Y	Premium Support - Between $100-150 Million - 3Y	1.00	$19,662.80	$19,662.80
OG-TWBC-B100150M-AR-3Y	Transportation Domain - Between $100-150 Million - 3Y	1.00	$20,680.96	$20,680.96
OG-TWHR-B100150M-AR-3Y	Utility Billing Base Subscription - Between $100-150 Million - 3Y	1.00	$43,637.29	$43,637.29
OG-TWHP-B100150M-AR-3Y	Utility Billing: Additional Service Area - Sewer - Between $100-150 Million - 3Y	1.00	$6,546.17	$6,546.17
OG-TWHQ-B100150M-AR-3Y	Utility Billing: Additional Service Area - Trash - Between $100-150 Million - 3Y	1.00	$6,546.17	$6,546.17
OG-TWHS-B100150M-AR-3Y	Utility Billing: Additional Service Area - Water - Between $100-150 Million - 3Y	1.00	$34,768.99	$34,768.99
OG-TWAZ-B100150M-AR-3Y	Wastewater Collection - Between $100-150 Million - 3Y	1.00	$18,236.70	$18,236.70

PART #	DESCRIPTION	QTY	UNIT PRICE	EXTENDED
OG-TWBF-B100150M-AR-3Y	Water Distribution Domain - Between $100-150 Million - 3Y	1.00	$20,680.96	$20,680.96
OG-TWBG-B100150M-AR-3Y	Water Treatment Domain - Between $100-150 Million - 3Y	1.00	$21,446.70	$21,446.70
			Term 2 TOTAL:	$416,905.37

Term 3 7/1/2028 - 6/30/2029

PART #	DESCRIPTION	QTY	UNIT PRICE	EXTENDED
OG-TWHX-B100150M-AR-3Y	Asset Management Base Bundle - Between $100-150 Million - 3Y	1.00	$25,589.58	$25,589.58
OG-SWCV-B100150M-AR-3Y	Autofill Interface - Between $100-150 Million - 3Y	3.00	$280.86	$842.58
OG-SWCZ-B100150M-AR-3Y	Bluebeam Integration - Between $100-150 Million - 3Y	1.00	$1,684.70	$1,684.70
OG-SWDB-B100150M-AR-3Y	Document Management Interface - Between $100-150 Million - 3Y	1.00	$2,005.68	$2,005.68
OG-TWEC-B100150M-AR-3Y	Financials Expert Services: Optimize - Between $100-150 Million - 3Y	1.00	$18,819.09	$18,819.09
OG-TWHT-B100150M-AR-3Y	OpenGov 311 - Between $100-150 Million - 3Y	1.00	$26,012.08	$26,012.08
OG-TWIS-B100150M-AR-3Y	OpenGov Financial Management and Budgeting - Between $100-150 Million - 3Y	1.00	$103,898.29	$103,898.29
OG-TWER-B100150M-AR-3Y	Permitting and Licensing - Business Licenses Additional Service Area - Between $100-150 Million - 3Y	1.00	$15,710.80	$15,710.80
OG-TWCP-B100150M-AR-3Y	Permitting and Licensing - Community Development Without Fire - Between $100-150 Million - 3Y	1.00	$25,660.02	$25,660.02
OG-TWET-B100150M-AR-3Y	Permitting and Licensing - Public Works Permits Additional Service Area - Between $100-150 Million - 3Y	1.00	$15,710.80	$15,710.80
OG-SWCB-B100150M-AR-3Y	Premium Support - Between $100-150 Million - 3Y	1.00	$20,645.94	$20,645.94
OG-TWBC-B100150M-AR-3Y	Transportation Domain - Between $100-150 Million - 3Y	1.00	$21,715.00	$21,715.00
OG-TWHR-B100150M-AR-3Y	Utility Billing Base Subscription - Between $100-150 Million - 3Y	1.00	$45,819.15	$45,819.15
OG-TWHP-B100150M-AR-3Y	Utility Billing: Additional Service Area - Sewer - Between $100-150 Million - 3Y	1.00	$6,873.48	$6,873.48
OG-TWHQ-B100150M-AR-3Y	Utility Billing: Additional Service Area - Trash - Between $100-150 Million - 3Y	1.00	$6,873.48	$6,873.48
OG-TWHS-B100150M-AR-3Y	Utility Billing: Additional Service Area - Water - Between $100-150 Million - 3Y	1.00	$36,507.43	$36,507.43
OG-TWAZ-B100150M-AR-3Y	Wastewater Collection - Between $100-150 Million - 3Y	1.00	$19,148.54	$19,148.54

PART #	DESCRIPTION	QTY	UNIT PRICE	EXTENDED
OG-TWBF-B100150M-AR-3Y	Water Distribution Domain - Between $100-150 Million - 3Y	1.00	$21,715.00	$21,715.00
OG-TWBG-B100150M-AR-3Y	Water Treatment Domain - Between $100-150 Million - 3Y	1.00	$22,519.03	$22,519.03
			Term 3 TOTAL:	$437,750.67

Term 4 7/1/2029 - 6/30/2030

PART #	DESCRIPTION	QTY	UNIT PRICE	EXTENDED
OG-TWHX-B100150M-AR-3Y	Asset Management Base Bundle - Between $100-150 Million - 3Y	1.00	$26,869.05	$26,869.05
OG-SWCV-B100150M-AR-3Y	Autofill Interface - Between $100-150 Million - 3Y	3.00	$280.86	$842.58
OG-SWCZ-B100150M-AR-3Y	Bluebeam Integration - Between $100-150 Million - 3Y	1.00	$1,768.94	$1,768.94
OG-SWDB-B100150M-AR-3Y	Document Management Interface - Between $100-150 Million - 3Y	1.00	$2,105.97	$2,105.97
OG-TWEC-B100150M-AR-3Y	Financials Expert Services: Optimize - Between $100-150 Million - 3Y	1.00	$19,760.04	$19,760.04
OG-TWHT-B100150M-AR-3Y	OpenGov 311 - Between $100-150 Million - 3Y	1.00	$27,312.68	$27,312.68
OG-TWIS-B100150M-AR-3Y	OpenGov Financial Management and Budgeting - Between $100-150 Million - 3Y	1.00	$109,093.19	$109,093.19
OG-TWER-B100150M-AR-3Y	Permitting and Licensing - Business Licenses Additional Service Area - Between $100-150 Million - 3Y	1.00	$16,496.34	$16,496.34
OG-TWCP-B100150M-AR-3Y	Permitting and Licensing - Community Development Without Fire - Between $100-150 Million - 3Y	1.00	$26,943.02	$26,943.02
OG-TWET-B100150M-AR-3Y	Permitting and Licensing - Public Works Permits Additional Service Area - Between $100-150 Million - 3Y	1.00	$16,496.34	$16,496.34
OG-SWCB-B100150M-AR-3Y	Premium Support - Between $100-150 Million - 3Y	1.00	$21,678.23	$21,678.23
OG-TWBC-B100150M-AR-3Y	Transportation Domain - Between $100-150 Million - 3Y	1.00	$22,800.75	$22,800.75
OG-TWHR-B100150M-AR-3Y	Utility Billing Base Subscription - Between $100-150 Million - 3Y	1.00	$48,110.11	$48,110.11
OG-TWHP-B100150M-AR-3Y	Utility Billing: Additional Service Area - Sewer - Between $100-150 Million - 3Y	1.00	$7,217.15	$7,217.15
OG-TWHQ-B100150M-AR-3Y	Utility Billing: Additional Service Area - Trash - Between $100-150 Million - 3Y	1.00	$7,217.15	$7,217.15
OG-TWHS-B100150M-AR-3Y	Utility Billing: Additional Service Area - Water - Between $100-150 Million - 3Y	1.00	$38,332.81	$38,332.81
OG-TWAZ-B100150M-AR-3Y	Wastewater Collection - Between $100-150 Million - 3Y	1.00	$20,105.97	$20,105.97

PART #	DESCRIPTION	QTY	UNIT PRICE	EXTENDED
OG-TWBF-B100150M-AR-3Y	Water Distribution Domain - Between $100-150 Million - 3Y	1.00	$22,800.75	$22,800.75
OG-TWBG-B100150M-AR-3Y	Water Treatment Domain - Between $100-150 Million - 3Y	1.00	$23,644.99	$23,644.99
			Term 4 TOTAL:	$459,596.06

Term 5 7/1/2030 - 6/30/2031

PART #	DESCRIPTION	QTY	UNIT PRICE	EXTENDED
OG-TWHX-B100150M-AR-3Y	Asset Management Base Bundle - Between $100-150 Million - 3Y	1.00	$28,212.51	$28,212.51
OG-SWCV-B100150M-AR-3Y	Autofill Interface - Between $100-150 Million - 3Y	3.00	$309.65	$928.95
OG-SWCZ-B100150M-AR-3Y	Bluebeam Integration - Between $100-150 Million - 3Y	1.00	$1,857.39	$1,857.39
OG-SWDB-B100150M-AR-3Y	Document Management Interface - Between $100-150 Million - 3Y	1.00	$2,211.26	$2,211.26
OG-TWEC-B100150M-AR-3Y	Financials Expert Services: Optimize - Between $100-150 Million - 3Y	1.00	$20,748.04	$20,748.04
OG-TWHT-B100150M-AR-3Y	OpenGov 311 - Between $100-150 Million - 3Y	1.00	$28,678.31	$28,678.31
OG-TWIS-B100150M-AR-3Y	OpenGov Financial Management and Budgeting - Between $100-150 Million - 3Y	1.00	$114,547.86	$114,547.86
OG-TWER-B100150M-AR-3Y	Permitting and Licensing - Business Licenses Additional Service Area - Between $100-150 Million - 3Y	1.00	$17,321.15	$17,321.15
OG-TWCP-B100150M-AR-3Y	Permitting and Licensing - Community Development Without Fire - Between $100-150 Million - 3Y	1.00	$28,290.18	$28,290.18
OG-TWET-B100150M-AR-3Y	Permitting and Licensing - Public Works Permits Additional Service Area - Between $100-150 Million - 3Y	1.00	$17,321.15	$17,321.15
OG-SWCB-B100150M-AR-3Y	Premium Support - Between $100-150 Million - 3Y	1.00	$22,762.14	$22,762.14
OG-TWBC-B100150M-AR-3Y	Transportation Domain - Between $100-150 Million - 3Y	1.00	$23,940.78	$23,940.78
OG-TWHR-B100150M-AR-3Y	Utility Billing Base Subscription - Between $100-150 Million - 3Y	1.00	$50,515.61	$50,515.61
OG-TWHP-B100150M-AR-3Y	Utility Billing: Additional Service Area - Sewer - Between $100-150 Million - 3Y	1.00	$7,578.01	$7,578.01
OG-TWHQ-B100150M-AR-3Y	Utility Billing: Additional Service Area - Trash - Between $100-150 Million - 3Y	1.00	$7,578.01	$7,578.01
OG-TWHS-B100150M-AR-3Y	Utility Billing: Additional Service Area - Water - Between $100-150 Million - 3Y	1.00	$40,249.44	$40,249.44
OG-TWAZ-B100150M-AR-3Y	Wastewater Collection - Between $100-150 Million - 3Y	1.00	$21,111.26	$21,111.26

PART #	DESCRIPTION	QTY	UNIT PRICE	EXTENDED
OG-TWBF-B100150M-AR-3Y	Water Distribution Domain - Between $100-150 Million - 3Y	1.00	$23,940.78	$23,940.78
OG-TWBG-B100150M-AR-3Y	Water Treatment Domain - Between $100-150 Million - 3Y	1.00	$24,827.24	$24,827.24
			Term 5 TOTAL:	$482,620.07

Grand Total: $2,564,450.34

Annual invoices will be delivered by the start of each consecutive annual period. Payment of invoices shall be annually in advance. Any Professional Services shall be performed pursuant to the attached Statement of Work, if any.

Quote Terms

By purchasing the products and services described in this order form, the Customer is expressly agreeing to the End User Agreement published at https://www.vertosoft.com/terms-and-conditions-opengov

Taxes: Sales tax shall be added at the time of an invoice, unless a copy of a valid tax exemption or resale certificate is provided.
Credit Card Orders: Additional fees may apply if paying by credit card.

All Purchase Orders must include: End User Name, Phone Number, Email Address, Purchase Order Number, Government Contract Number or Our Quote Number, Bill-To and Ship-To Address (Cannot ship to a PO Box), Period of Performance (if applicable), and a Signature of a duly Authorized Representative.

Support and Software Service Levels

This Support and Software Services Levels Exhibit ("Support Exhibit") applies to OpenGov's Master Services Agreement or End User License Agreement (each the "Agreement"). Capitalized terms not defined herein have the meaning indicated in the Agreement. To access support and receive important notifications about changes to the Software Services, Customers must opt in to OpenGov's support portal (the "OpenGov Help Center").

1. Support for OpenGov Software Services

Table 1: Standard and Premium Support Offerings

Offering	Standard	Premium
Unlimited Number of Support Cases per Year	✓	✓
Unlimited Access to OpenGov Help Center	✓	✓
Unlimited Access to OpenGov Status Page	✓	✓
Unlimited Access to OpenGov University	✓	✓
Access to Phone/Chat Support 4:00 AM PT to 7:00 PM PT Monday through Friday, excluding OpenGov holidays	✓	✓
Increased Response Times	-	✓*

** See Table 2 for increased response times for premium support, which includes 24/7/365 support for Urgent severity cases.*

Table 2: Severity Levels and First Response Times

Severity Level*	Severity Definition	First Response Time	
		Standard	Premium
Urgent	Complete loss of Software Services with no workaround, blocking the Customer's business operations.	One (1) Business Hour	One (1) Calendar Hour
High	Severe defect or configuration issue with no workaround, causing significant disruption to the Customer's business operations.	One (1) Business Day	Two (2) Business Hours
Normal	Partial reduction in Software Services with a workaround available, resulting in low-to-medium impact on the Customer's operations.	Four (4) Business Days	Eight (8) Business Hours
Low	Routine support requests for minor issues with negligible to low impact on the Customer's business operations.	Eight (8) Business Days	Two (2) Business Days

** OpenGov will determine the Severity Level assigned to each support issue in its reasonable discretion, but taking into consideration the Severity Level input by Customer.*

2. OpenGov Uptime Percentage

2.1. OpenGov's Quarterly Uptime Percentage is 99.9% for the Software Services (excluding any OpenGov software not hosted by OpenGov).

2.2. Unavailability is defined as any 1-minute period where all connection requests to the Software Services fail ("Failed Connection"). A Failed Connection is counted only once per 1-minute period and not across overlapping periods (e.g., 12:00:00–12:00:59 and 12:00:30–12:01:29). OpenGov measures uptime using industry-standard monitoring tools.

2.3. "Quarterly Uptime Percentage" is calculated by subtracting from 100 the percentage of 1-minute periods during any quarterly billing cycle that the Software Services are Unavailable out of the total number of minutes in that quarterly billing cycle.

2.4. Process. Customers shall notify OpenGov of any Unavailability via the OpenGov Help Center within 30 days of the Unavailability event.

3. Exclusions. This Support Exhibit does not apply to any:

3.1. Features designated Beta;

3.2. Issues or configuration changes caused by third party software or services;

3.3. Scheduled maintenance communicated at least 24 hours in advance via the OpenGov Help Center;

3.4. Support for issues related to the operation of the Software Services due to Customer's firewall or hardware (e.g. personal computers or browser issues) and loading required add-on programs;

3.5. Unforeseen high user request volume from the Customer;

3.6. On-site support; and

3.7. Errors resulting from:

3.7.1. Abuses or behaviors violating the Agreement;

3.7.2. Customer's unauthorized actions, inaction, or those of Customer's employees, agents, contractors, or vendors, or unauthorized access through Customer's passwords or equipment due to inadequate security practices;

3.7.3. Failure to adhere to required configurations, use supported platforms, follow acceptable use policies, or misuse the Software Services beyond its intended functionality or OpenGov's published guidance.

OpenGov + City of San Luis, AZ

City Council Presentation

May 27th, 2026



Your OpenGov Team



Isabel Zarrow
Team Lead



Andrew Wooters
Account Executive, Enterprise Asset Management



Jack Coen
Account Executive, Permitting



Shahrzad Risvi
Solutions Engineer



Brandon Cook
Regional Manager, Sales



Eric Fahrenkopf
Vice President, Sales

OpenGov Project Overview

OpenGov

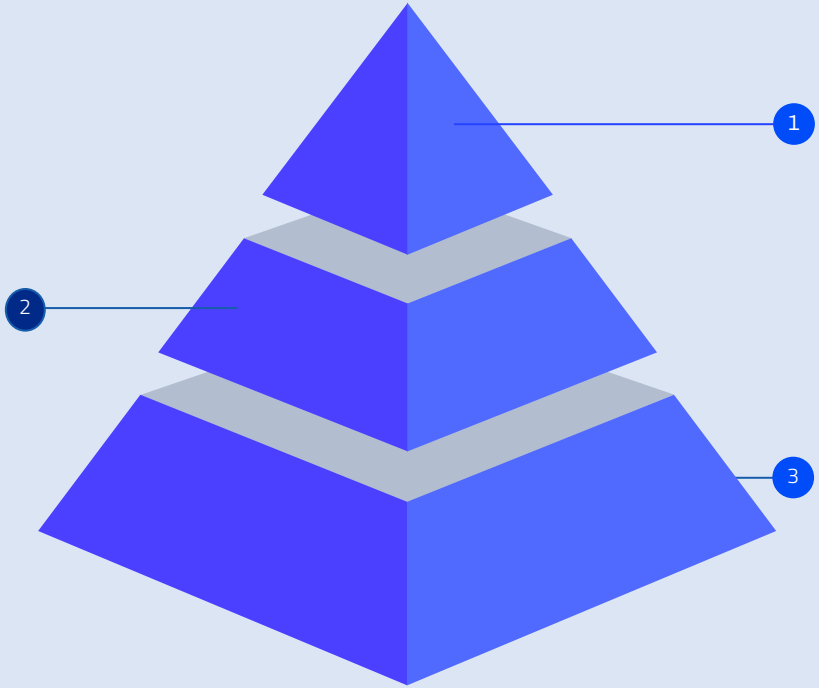
Alignment with Values and Strategic Goals

Innovative & Forward-Thinking Community

"...offering an innovative and forward-thinking community to live, work, and play..."

Fiscally Sustainable & Responsive City Services

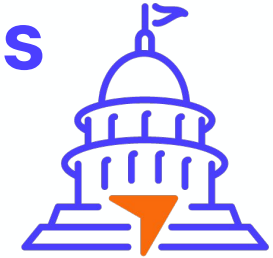
"Obtain full value for every dollar of public funds... maintain an adequate financial base to support appropriate public service levels."



Vibrant Economy & State-of-the-Art Technology

"Develop and provide public access to a database of state and federal funding sources... Provide web-based resources to the investment and development community."

Proposed Solutions



Current OpenGov Solution

Proposed OpenGov Solutions



Permitting & Licensing



Enterprise Asset Management



Financial Management



Budgeting and Performance



Utility Billing



Procurement & Contract Management

OpenGov Platform

OpenGov

Trusted By Over 2,000 Governments

- City of Alamogordo, NM
- City Wheat Ridge, CO
- City of Delano, CA
- City of Prescott, AZ
- City of Kingman, AZ
- Yuma County, AZ
- City of Tucson, AZ
- Yavapai County, AZ
- City of Desert Hot Springs, CA
- City of Castle Pines, CO

Proven Results

80% less time spent on reporting

50% less time spent on budget development

5x faster permit issuance

90% less time building solicitations

40% less time spent on work orders

Project Overview

OpenGov



Financial Management & Budgeting

The ERP of High-Performance Public Servants

CENTRALIZED ACCOUNTING

General Ledger, AP, Purchasing, AR, Fixed Assets, Cash Receipts, Project Accounting, Reporting, Purchasing Cards, and Bank Rec

DIGITAL WORKFLOWS

Eliminate paper with auditable processes and documents in one place

FINANCIAL REPORTING

Self-service reports and inquiries for finance, departments, execs, and auditors

BUDGETING

End-to-end collaborative budgeting across operating, workforce, capital, and online budget book publications

MODERN CLOUD

A single source for strategic decision-making, spend control, revenue collection.

OpenGov

How teams manage financials & budgeting with OpenGov

OpenGov Financial Management & Budgeting

STEP 01

One Shared Financial Backbone

Budget setup, reporting views, and actuals all run on the same structure.

No disconnects.

STEP 02

Actuals Update Automatically

Budget-to-actuals in real time — no exports, no re-keying.

Variances surface fast.

STEP 03

Control Before Commitment

Budget checks and approval routing happen before money is committed.

Encumbrances tie to the adopted budget.

STEP 04

One Source of Truth

Dashboards, publications, and reports pull from the same live data.

Finance and departments always reference the same numbers.

STEP 05

Transparent Reporting

Real-time financial visibility for leadership, departments, and the public.

Built-in publishing tools included.

STEP 06

Publish to the Public

Share budgets, financials, and performance data through a branded public portal.

Transparency built in, no extra work required.

Proven Results

25+ years

Average age of legacy government financial systems

1000+

Hours lost each year to manual entry and reconciliation

70%

Of budget prep happens outside the financial system

100%

Real-time budget-to-actuals with OpenGov ERP



Utility Billing

Simplified and Customer-First Utility Billing

PUBLIC PORTAL

Easy access for the public to review their account and pay bills with multiple options

METER MANAGEMENT

Support reading, imports, work orders, and historical data on multiple meter types

FULL SERVICE HISTORY

Manage accounts, view digital documents, and reference historical activity in one centralized place

FINANCIAL INTEGRATION

Full Integration with OpenGov Financials

OpenGov

OpenGov

How OpenGov Serves Residents

ERP

Governed Data Foundation

Faster Payments & Reporting

COA governance means fewer errors, resident fees post correctly the first time.

Accurate Billing

AR posts directly to the shared GL, no duplicate invoices or re-entry corrections.

Transparent Spending

Only matched, approved spend hits the GL, residents trust funds are managed responsibly.

Fewer Service Gaps

Finance and ops on the same data prevents lost updates during handoffs.

Budgeting & Performance

Plan, Publish, and Track

Know Where Tax Dollars Go

Live actuals show spending in real time — no waiting for quarterly reports.

Smarter Capital Planning

Multi-year project timelines with funding visibility reduce surprise tax increases.

Accessible Budget Publications

Digital budget books any resident can understand, not just finance professionals.

Outcomes-Tied Spending

KPIs connected to budgets give proof that programs deliver measurable results.

Utility Billing

From meter read to revenue

One Account, Full Clarity

Rates, reads, payments, and history in one place, no need to call for a balance.

Bills That Match Reality

Move-ins and adjustments handled without rekeying, fewer disputes, faster resolution.

A Portal Residents Use

Online payment with full usage history reduces calls and lets residents self-serve.

Faster Month-End

Charges post cleanly to finance, accurate statements every month, no late corrections.



Permitting & Licensing

Build an Experience Your Community Can Count On

PUBLIC PORTAL

Easy-to-use, customizable portal that makes applying for permits and licenses a breeze.

FASTER REVIEWS

Automate reviewer assignments to move approvals along faster—with fewer manual touchpoints.

IN-APP COLLABORATION

Keep applicants and staff in sync with real-time notifications and updates.

FULL CONTROL

No Code Solution —staff can design, change, and launch forms, workflows, and fees on the fly.

OpenGov

Impact on the San Luis Constituents

Apply, pay, and track anywhere, anytime

- Residents submit permit and license applications online
- Real-time status updates at every stage
- Digital document uploads

Key outcome: Fewer counter visits, faster approvals, happier applicants

Seamless fee collection and self-service renewals

- Residents pay fees online
- Automated renewal reminders sent via email
- Consistent, accessible payment portal

Key outcome: More revenue collected on time, less staff chasing renewals

Real-time visibility that builds public trust

- Residents self-schedule inspections online
- Public-facing permit status portal shows exactly where a project stands
- Automated notifications keep applicants informed

Key outcome: Engaged residents, fewer inbound calls, and a community that trusts the process



Enterprise Asset Management

Manage Every Asset

ASSETS

Know what you have, where it is, and what condition it's in.

WORK

Create, assign, and track tasks from anywhere with a truly mobile workforce.

RESOURCES

Estimate, assign, and track labor, equipment, materials, and vendors.

INFRASTRUCTURE PLANNING

Model asset scenarios and develop data-driven plans for the future

OpenGov

Impact on the San Luis Constituents

Reliable infrastructure residents can count on

- Preventive maintenance schedules keep roads, pipes, and facilities from failing unexpectedly
- Condition data drives capital planning—so the city invests in the right assets at the right time
- Faster response to service requests means fewer disruptions in daily life

Key outcome: Fewer service failures, longer asset lifespans, safer community

Transparent service you can report and track

- Residents submit maintenance requests online and get automated status updates
- Staff track every work order digitally—no calls needed to check progress
- Public-facing dashboards show infrastructure health and maintenance activity

Key outcome: Engaged residents, fewer inbound calls, visible accountability

Smarter spending of public dollars

- Real-time asset data eliminates costly emergency repairs through proactive scheduling
- Digital records support grant applications and audit requests without scrambling
- Finance and public works share a single system—budgeting aligns with actual asset needs

Key outcome: More value from every maintenance dollar, audit-ready records

One system for every service request

- Residents submit requests by phone, web, or mobile—captured in one place, no re-entry
- Cases auto-routed across departments with full status updates and request history
- Track response times, workload, and service trends in real time

Key outcome: Faster resolutions, fewer missed requests, higher trust

Implementation & Support

OpenGov

Your OpenGov Team Ecosystem

Expert Services Delivery

Project Manager

- Coordinates your Expert Services engagement end to end.
- Aligns scope, timeline, and deliverables through the Project Charter.
- Ensures progress stays on track and outcomes stay aligned.

Implementation Consultant

- Delivers the trainings, workshops, and service options in your Charter.
- Provides expertise to help your team adopt and use OpenGov effectively.

Solutions Engineer

- *Designs and supports data migrations, integrations, and technical solutions.*
- *Partners with your PM and IC to ensure technical work drives business outcomes.*



Relationship and Solution Management

Customer Success Manager

- Your main point of contact & strategic partner.
- Shares product updates, best practices, and new use cases.
- Escalation point for issues.
- Guides renewal planning.

Customer Success Engineer

- Your technical advisor for assigned product suites.
- Ensures you get maximum value from OpenGov.
- Partners with your CSM to drive adoption and reduce risk.

Support

- 24/7 access to expert analysts.
- Answers technical questions and resolves issues.
- Provides guidance on specific platform actions.

Account Executive

- Supports the overall partnership.
- Connects you with solutions aligned to your strategy.
- Facilitates conversations on growth opportunities.

OpenGov

Expert Services

Proactive. Continuous. Consultative.

Year over year support that helps your team continually adopt and get more out of OpenGov.

"White glove access to OpenGov's Professional Services team — subject matter experts dedicated to your success."

Planned in advance

Structured engagements aligned to your priorities — no scrambling, no surprises

Ongoing training

Continuous guidance to keep your team fully equipped as the platform evolves

Staff augmentation

Extend your team's capacity without adding headcount

Direct expert access

Your team gets direct access to OpenGov's Professional Services team and experts

Hands-on consulting

Optimize how your team uses OpenGov with consultative support

A partner, not a vendor

A dedicated team that knows your organization and grows with you over time

Expert Services engagements are customized per client and scoped in a Project Charter with your dedicated OpenGov team.

Investment Summary

OpenGov

Software Scope

OpenGov Financials:

- General Ledger
- Accounts Payable
- Accounts Receivable
- Bank Reconciliation
- Cash Receipts
- Project Accounting
- Reporting & Transparency
- OG Expert Services

Budgeting & Performance

- Capital Budget
- Workforce Budget
- Operating Budget
- Online Budget Book

Utility Billing:

- Solid Waste
- Sewer
- Water

311

- Constituent Request Portal
- Intake Workflow
- Routing

Permitting & Licensing

- Building
- Planning
- Code
- Public Works
- Business Licensing

Enterprise Asset Management

- Transportation
- Water Distribution
- Water Treatment
- Wastewater Collection

OpenGov

Final Investment Summary

OpenGov ERP				
Subscription Term	**Months**	**Software**	**Professional Services**	**Term Total**
July 1, 2026 - June 30, 2027	12	$329,656	$423,515	$753,171
July 1, 2027 - June 30, 2028	12	$416,905	$0.00	$416,905
July 1, 2028 - June 30, 2029	12	$437,750	$0.00	$437,750
July 1, 2029 - June 30, 2030	12	$459,638	$0.00	$459,638
July 1, 2030 - June 30, 2031	12	$482,620	$0.00	$482,620

\+ Travel and Expense Billed as Incurred and Not to Exceed: $14,400

OpenGov Annual Subscription Includes:

- Unlimited Users
- Ongoing Maintenance
- Premium Support
- Future Software Enhancements and Updates
- Customer Success Manager
- **48% Software Discount**
  - **$1.3M in Contract Savings**

OpenGov Professional Services:

- Data Migration from Tyler New World
- System Configuration
- Training
- Designated OpenGov Project Team

OpenGov

Expiration: Based on a completed agreement on or before May 30, 2026

Thank You

OpenGov

AGENDA ITEM REVIEW FORM

Regular City Council Meeting **7. C.**

Meeting Date: 05/27/2026

Department Head: Fernando Corona, Information Technology Manager, Administration, Information Technology

Submitted By: Fernando Corona, Information Technology Manager, Administration, Information Technology

Action Requested: Motion

ITEM:

Discussion and possible action on any matters regarding the authorization to purchase UKG Ready Software as a Service Platform, inclusive of time keeping, payroll, HR, benefits management, compensation, leave manager, people insights, performance, recruitment, and employee document manager modules through the Omnia cooperative contract. **(Fernando Corona, Information Technology Manager)**

SUMMARY:

The Information Technology Division is seeking approval to procure the UKG Ready Human Resource Information System (HRIS) platform, including Timekeeping, Payroll, Human Resources, Benefits Management, Compensation, Leave Manager, People Insights, Performance, Recruiting, and Employee Document Manager modules, through the Omnia Cooperative Agreement as allowed under procurement code 3.05.090 Cooperative Purchasing. The request is for a three-year term at an annual cost of $131,124 and a one-time implementation fee of $44,613 plus taxes. The overall objective of this procurement is to improve the City of San Luis Human Resources and Payroll team's operational efficiency, strengthen strategic reporting for Human Capital and Financial planning, and enhance the City's management and retention of employee records.

The UKG Ready platform includes the following modules and associated annual costs:

- UKG Ready Time (Includes Attestation & Accruals)
- UKG Ready Payroll
- UKG Ready HR
- UKG Bryte AI for Ready
- UKG Ready ACA Manager
- UKG Ready Benefits
- UKG Ready Compensation
- UKG Ready Leave Manager
- UKG Ready People Insights
- UKG Ready Performance
- UKG Ready Recruiting
- UKG Ready Document Manager

Implementing UKG Ready will streamline critical HR and Payroll functions currently handled through multiple platforms or manual processes, reducing administrative burden, increasing accuracy, and enabling more timely reporting. The platform will also support compliance with federal and state labor requirements, strengthen audit readiness, and modernize workforce data management across the organization.

Approving the procurement of the UKG Ready Human Resource Information System demonstrates the City's commitment to building a more efficient, data-driven, and responsive organization. The system generates data, such as timekeeping records, performance information, and employment history, that the City of San Luis can use to plan employee compensation and evaluate financial impacts more quickly, supporting informed decisions. Modernizing HR and Payroll will help the City meet growing workforce needs, strengthen compliance, and improve service for employees. Staff recommends moving forward with the UKG Ready platform to support the City of San Luis's long-term operational, financial, and strategic goals.

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO APPROVE THE PURCHASE OF UKG READY PLATFORM IN ACCORDANCE WITH THE PRICING AND TERMS PRESENTED IN THE AGENDA MATERIALS, PLUS APPLICABLE TAXES, FOR A THREE-YEAR SERVICE TERM.

Fiscal Impact

IS THERE FISCAL IMPACT ASSOCIATED WITH THIS ITEM:	YES
CITY/STATE/FEDERAL FUNDS:	CITY
TOTAL:	$175,737 plus taxes
BUDGETED AMOUNT:	$200,000
AVAILABLE AMOUNT TO TRANSFER:	N/A
ACCT NAME & GL#/REMAINING BALANCE BEFORE PURCHASE:	100-999-90020

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

The proposed FY2027 budget totals approximately $1,000,000. Within this amount, an estimated $200,000 was designated for the procurement of a Human Resources Information System, which costs $175,737 annually plus taxes.

Attachments

Agreement, Contract and Statement of Work

UKG Ready Quote

Turning Workforce Complexity into Measurable Value

Return on Investment

UKG Ready Service Level Agreement

Presentation

AGREEMENT TO PROVIDE SERVICE PURSUANT TO A COOPERATIVE PURCHASING CONTRACT

This Agreement is made and entered into by and between the City of San Luis, an Arizona municipal corporation, hereinafter designated as the "City" and UKG Kronos Systems, LLC, a Massachusetts limited liability company, hereinafter designated as the "Contractor" for the Human Resource Systems and Related Products and Services. City and Contractor may hereinafter be referred to individual as a "Party" or collectively as the "Parties."

Recitals

A. Contractor has contracted with Cobb County, Georgia pursuant to Contract No. 24-6833 (the "Cooperative Purchasing Contract"), attached hereto as **Exhibit "A"** and incorporated herein; and; and

B. Pursuant to A.R.S. § 41-2631 et seq. and City Code § 3.05.909, the City has authority to utilize cooperative purchasing contracts and engage Contractors under the terms thereof.

C. The City and the Contractor desire to enter into this Agreement for the purpose of (i) acknowledging their cooperative contractual relationship under the Cooperative Purchasing Contract and this Agreement, and (ii) establishing the terms and conditions by which the Contractor may provide the City with the services, materials and/or equipment as more particularly set forth below (the "Services").

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

Agreement

1. Scope of Work. Contractor shall provide the Services as detailed and described in the UKG Quote and UKG Ready Statement of Work for City of San Luis, collectively attached hereto as **Exhibit B**, which is incorporated herein by reference. As used in this Contract, all references in the Cooperative Purchasing Contract to Cobb County shall mean the City.

2. Completion of Work. The Contractor shall provide the Services as provided for in the Quote.

3. Payment. The Contract Price is $44,613.00. Payment to the Contractor for the Services provided, shall be made in accordance with the price list and terms set forth in the Quote and Cooperative Purchasing Contract.

4. Terms of Cooperative Purchasing Contract Apply. All provisions of the Cooperative Purchasing Contract documents are incorporated in and shall apply to this Contract as though fully set forth herein, except as otherwise provided for in this Agreement.

5. **Conflict of Interest.** The Agreement is subject to the provisions of A.R.S. § 38-511. The City may cancel this Agreement without penalty or further obligations by the City or any of its departments or agencies if any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of the City or any of its departments or agencies is, at any time while this Agreement or any extension of this Agreement is in effect, an employee or agent of any other party to this Agreement in any capacity or a consultant to any other party of this Agreement with respect to the subject matter of this Agreement.

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

7. **Boycott of Israel.** To the extent A.R.S. § 35-393 through § 35-393.03 are applicable, the Parties hereby certify that they are not currently engaged in, and agree for the duration of this Agreement to not engage in, a boycott of goods or services from Israel, as that term is defined in A.R.S. § 35-393.

8. **Forced Labor Of Ethnic Uyghurs Prohibited.** Pursuant to A.R.S. § 35-394, by entering into this Agreement, Contractor certifies and agrees Contractor does not currently use and will not use for the term of this Agreement: (i) the forced labor of ethnic Uyghurs in the People's Republic of China; or (ii) any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China; or (iii) any contractors, subcontractors or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China.

9. **Conflicting Terms.** In the event of any inconsistency, conflict or ambiguity between this Agreement and the Cooperative Purchasing Contract, this Agreement shall govern.

10. **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 said counterparts shall be deemed original hereof.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this ____ day of May, 2026.

CITY OF SAN LUIS:

By: _____
Nieves Riedel, Mayor

CONTRACTOR:

By: _____
(*Signature)*

_____
(*Printed Name & Title)*

ATTEST:

_____
Sonia Cornelio, City Clerk

APPROVED AS TO FORM:

_____
Joseph D. Estes, Interim City Attorney

EXHIBIT A
CONTRACT OF COOPERATIVE PURCHASING ENTITY

Attached:

- Cobb County, Georgia pursuant to Contract No. 24-6833

Cobb County, GA

Contract # 24-6833

for

Human Resource Systems and Related Products and Services

with

UKG Kronos Systems, LLC

Effective: July 14, 2025

The PDF Cobb County/UKG Master Agreement is 756 pages of information (use link named "Official Signed Contract" to retrieve). The page numbers noted below are document page numbers not PDF page numbers.

The following link to documents comprises the executed contract effective: July 22, 2025.

- Official Signed Contract
- Official Signed Contract Itemized Documents

I. Vendor Contract and Signature Form

V. Exhibit C – UKG Public Sector MSA - Page 505-521

1. Exhibit C-1 - UKG Service Descriptions - Page 522-679
2. Exhibit C-2 - UKG Support Policy - Page 680-684
3. Exhibit C-3 (also labeled as Exhibit 1) - Acceptable Use Policy - Page 685-691
    - Exhibit 2 - Equipment Addendum - Page 692-698
        - Exhibit A - Purchased Equipment Description - Page 699-700
        - Exhibit B - Equipment Rental Description - Page 701-702
4. Exhibit C-4 - US Data Protection Addendum - Page 703-707
5. Exhibit C-5 - Details of Processing of Customer Personal Data - Page 708-709
6. Exhibit C-6 - Technical and Organizational Measures - Page 710-713
7. Exhibit C-7 - Supplement to UKG DPA for UKG and Other Products and Services - Page 714-716
8. Exhibit C-8 (also labeled Exhibit 3) - Equipment Addendum - Page 717-721
    Exhibit 3A - Purchased Equipment Description - Page 722-723
    Exhibit 3B - Equipment Rental Description - Page 724-725

Reference No. 22512

Master Agreement

Owner: Cobb County Board of Commissioners
100 Cherokee Street
Marietta, GA 30090

Contractor: UKG Kronos Systems, LLC
900 Chelmsford Street
Lowell, MA 01851

Description: This Master Agreement for Human Resource Systems and Related Products and Services incorporates by reference the following, as applicable:

Exhibit "A" Contractor's Bid/Proposal submitted on August 8, 2024;

Exhibit "A-1" Exceptions

Exhibit "B" Owner's Request for Proposal #24-6833;

Exhibit "C" UKG Public Sector MSA also referred to as the UKG Kronos Systems, LLC Commercial Terms and Conditions and includes the following terms, of which the current applicable terms as of the execution of the Master Agreement are attached:

Exhibit "C-1" UKG Services Descriptions

- UKG Extensions for Health Care Services Description
  - Exhibit 1 Cloud Services for Healthcare Extension
  - Exhibit 2 Security and Disaster Recovery
  - Exhibit 3 Service Level Agreement
- UKG Great Place to Work Services Description
- UKG Great Place to Work Services Description Badge Guide
- UKG HR Service Delivery SaaS Services Description
  - Exhibit 1 Service Level Agreement for the Subscription Services Availability
  - Exhibit 2 Customer Support Policy
- UKG Income and Employment Verification from Equifax Services Description
- UKG One View Connect Services Description
- UKG One View Managed Services Description
- UKG One View Payments Services Description
- UKG Pro Clinical Scheduling Extensions Services Description
- UKG Pro Extended Services Description

UKG Pro Pay and/or UKG Pro People Center and UKG Pro Workforce Management Services Description

- Exhibit 1 Service Level Agreement for the Subscription Services Availability
- Exhibit 2 Customer Support Policy For UKG Pro Pay and UKG Pro People Center and UKG Pro Workforce Management
- Exhibit 3 UKG Pro Payment Services
- Exhibit 4 UKG Pro Print Services/Check Printing Services
- Exhibit 5 UKG Pro ACA Services

UKG Pro Pay and/or UKG Pro People Center Services Description

- Exhibit 1 Service Level Agreement for the Subscription Services Availability
- Exhibit 2 Customer Support Policy for UKG Pro Pay and UKG Pro People Center
- Exhibit 3 UKG Pro Payment Services
- Exhibit 4 UKG Pro Print Services/Check Printing Services
- Exhibit 5 UKG Pro ACA Services

UKG Pro Workforce Management Services Description

- Exhibit 1 Service Level Agreement
- Exhibit 2 Customer Support Policy

UKG Ready Benefits COBRA Administration Services Description

- Schedule 1 Duties of the Parties

UKG Ready Services Description

- Exhibit 1 UKG Support Policy

UKG Ready Payroll Services Description

- Pricing Exhibit

UKG TeleStaff IVR Service (User Based) Services Description

- Acceptable Use Policy

UKG Virtual Roster Cloud and UGK Pit Manager Cloud Services Description

Exhibit 1 Service Level Agreement for the UKG Virtual Roster Cloud and UKG Pit Manager Cloud Subscription Services Availability

Exhibit 2 Customer Support Policy for UKG Virtual Roster Cloud and UKG Pit Manager

UKG Webhooks Premium Services Description

Exhibit "C-2" UKG Support Policy

Exhibit "C-3" (also labeled as Exhibit 1): Acceptable Use Policy

Exhibit "C-4" (also labeled as Exhibit 2): US Data Protection Addendum

Exhibit "C-5" (also labeled Schedule 1): Details of Processing of Customer Personal Data

Exhibit "C-6" (also labeled Schedule 2): Technical and Organizational Measures

Exhibit "C-7" Supplement to UKG DPA for UKG Other Products and Services

Exhibit "C-8" (also labeled Exhibit 3) Equipment Addendum

Exhibit 3 A Purchased Equipment Description

Exhibit 3 B Equipment Rental Description

Exhibit "D" UKG Perpetual Software Terms and Conditions Contract

Exhibit "D-1" UKG Perpetual Software Commercial Terms and Conditions

Section A General Terms and Conditions

Section B: Terms and Conditions for Software Licenses, Software, and Educational and Professional Services

Exhibit "E" UKG Statements of Work

UKG Launch Ready Statement of Work

UKG Launch UKG Ready Template Essentials Package Statement of Work

UKG Launch UKG Ready Plus Package Statement of Work

UKG One View Connect Statement of Work

UKG One View Managed Services and Payments Statement of Work

UKG Pro Pay and People Center Statement of Work

UKG Pro Workforce Management Statement of Work

Exhibit "F" UKG Business Associate Addendum

Exhibit "G" Terms of Use for MyPeopleDoc (UKG Emplovee Vault)

Exhibit "B" Owner's Request for Proposal #Error! Reference source not found., as modified by **Exhibit "A" Contractor's Bid/Proposal** and **Exhibit "A-1" Modification to Exhibit B** shall be incorporated only by reference herein and shall have no force or effect on the parties.

Purchasing Cooperative: OMNIA PARTNERS PURCHASING COOPERATIVE: Contractor agrees to extend use of this Master Agreement to public agencies (state and local governmental entities, public and private primary, secondary and higher education entities, non-profit entities, and agencies for the public benefit) (Public Agencies) registered with OMNIA Partner, LLC's Purchasing Cooperative (Participating Public Agencies) under the terms of this Agreement (Master Agreement) and the Administrative Agreement found at Exhibit A.

Governing Law: This Agreement shall be governed by the state law in which Participating Public Agency is based, provided however, if such jurisdiction has adopted the Uniform Computer Information Transactions Act (UCITA), or such other similar law, the parties expressly agree to "opt-out" of and not be governed by UCITA or such other similar law. The parties waive the application of the United Nations Commission on International Trade Law and United Nations Convention on Contracts for the International Sale of Goods as to the interpretation or enforcement of this Agreement.

Term: This Agreement shall begin on July 14, 2025 (Effective Date), for an Initial Term of four (4) years. Owner shall have the option to renew this Agreement for three (3) additional twelve (12) month periods (Renewal Terms) upon mutual written consent of the Parties unless earlier terminated as provided herein. This Agreement shall terminate absolutely on July 13, 2032. Pursuant to O.C.G.A. § 36-60-13, this Agreement shall terminate absolutely and without further obligation on the part of the Owner at the close of the calendar year in which it was executed and at the close of each succeeding calendar year for which the Agreement is in effect. The Services which may be ordered will renew in accordance with **Exhibit "C" UKG Public Sector MSA** unless otherwise agreed between the Participating agency and the Contract. The Parties reserve the right to renew, amend or extend the Agreement for additional terms. Owner may terminate this agreement at any time for nonappropriation of funding subject to 30 days prior written notice.

Price: Prices for services and equipment, if applicable, shall be as stated in Exhibit "A" Contractor's Bid/Proposal.

Billing: For purchases made by Participating Public Agencies, the invoicing and billing requirements outlined in the applicable UKG terms and conditions as applied to the product/service outlined on the applicable Order.

[Signatures on Next Page]

IN WITNESS, WHEREOF, this Agreement has been executed by Owner and accepted by Contractor to be effective as of the date first above written.

OWNER	CONTRACTOR
Cobb County Board of Commissioners	UKG Kronos Systems,LLC
100 Cherokee Street	900 Chelmsford Street
Marietta, Georgia 30090	Lowell, MA 01851
	Mei Deng
Lisa N. Cupid, Chairwoman	MEI DENG, Director, Finance Business Ops
Cobb County Board of Commissioners	UKG Kronos Systems LLC
Date 7/22/25	Date 7/14/2023
Approved as to form:	Attest:
County Attorney's Office	Corporate Secretary
July 22, 2025	Corporate Seal
Date	
	Federal Tax ID Number 04-2640942

APPROVED
PER MINUTES OF
COBB COUNTY
BOARD OF COMMISSIONERS
7/8/25

UKG Kronos Systems, LLC
900 Chelmsford Street
Lowell, MA 01851
T: 978-250-9800
ukg.com

June 26, 2025

Certificate of Authority

I hereby certify that I am President and Manager of UKG Kronos Systems, LLC (the "Company") and that **Mei Deng, Director Finance Business Operations**, is authorized to execute contracts, contract amendments, sales order forms, quotes and Request For Proposal ("RFP") submissions on behalf of the Company.

Elizabeth McCarron
President and Manager

Exhibit "C"
UKG Public Sector MSA

(also referred to as the UKG Kronos Systems, LLC Commercial Terms and Conditions)

These Public Sector Master Terms and Conditions (this "**Agreement**") are made between the UKG entity, which may include UKG Kronos Systems LLC, Kronos SaaSHR Inc. or UKG Inc. ("**UKG**") and the Public Agency signing the Order ("**Customer**") which makes reference to the Master Agreement and sets forth the terms and conditions governing Customer's use of UKG Software as a Services offerings, Equipment and other related Professional Training and Support Services that are stated on the Order or Statement of Work, including any attachments thereto. This Agreement is effective as of the date of the last Party to sign the Order ("**Effective Date**"). Capitalized terms used but not defined in this Agreement will have the meanings ascribed to them in the applicable Order or SOW.

1. Services

1.1 Subscription Services. The Subscription Services will be identified in the Order. During the Initial Term and all applicable Renewal Terms defined in the Order, UKG will provide the Subscription Services to Customer and Customer may use such Subscription Services solely for its internal business purposes to manage the type and number of its employees subject to and conditioned on payment by Customer of all fees and Customer's compliance with this Agreement, the Services Description, the Documentation, and the Order. Customer agrees that its purchases are not contingent on the delivery of any future functionality or features, or dependent on any oral or written public comments made by UKG regarding future functionality or features.

1.2 Support Services. UKG shall maintain a trained and knowledgeable staff capable of providing support for the Subscription Services. UKG will use commercially reasonable diligence to correct reproducible errors when reported to UKG and provide phone, email, or online support 24 hours a day / 7 days a week as set forth in the UKG Support Policy located in the applicable Services Description and also available at https://www.ukg.com/saas-support-policies-and-services. UKG will also provide scheduled and periodic enhancements and modifications to the Subscription Services, including bug fixes, to correct reproducible errors reported to UKG.

1.3 Professional Services. UKG will provide the Professional Services listed in the Order, in accordance with the applicable Statement of Work. If Customer requests additional Services that were not previously identified on an Order or Statement of Work, then the Parties may need to execute additional Orders or Statements of Work.

1.4 Training Services. In connection with a Subscription Service, UKG will provide (a) live virtual training facilitated by a knowledgeable instructor and delivered remotely via a published schedule intended for (i) the core team to help key functional and technical users make informed solution design and configuration decisions and to provide fundamental product knowledge, and (ii) an application and system administrator to

prepare functional and technical super users to perform their most common tasks in the solution; and (b) self-paced product training. Training Services outside the scope of this section shall be provided by UKG as described in the Order and Statement of Work.

2. Acknowledgements

2.1 Reservation of Rights. The Subscription Services are provided with a limited right to use and are not sold, and UKG reserves and retains all rights not expressly granted in this Agreement. UKG has and shall maintain sole and exclusive ownership of all rights, title, and interests in the Services and Documentation, and all modifications and enhancements thereof (including ownership of all trade secrets, copyrights, trademarks, brands, and other intellectual property rights pertaining thereto). There will be no “work for hire” created as part of the Services or any deliverables owned by Customer, and all works, customizations, models, and developments created by UKG shall be considered a part of the Services.

2.2 Use Restrictions. Except as expressly provided in this Agreement, no other use of the Subscription Services is permitted. Customer may not, and may not cause or permit others to: (a) reverse engineer, disassemble, adapt, translate, or decompile the Subscription Services, including, without limitation, any third party components, or otherwise attempt to derive source code, trade secrets, or knowhow from the Subscription Services; (b) license, sell, transfer, assign, distribute, or outsource use of the Subscription Services or Documentation, or provide service bureau, data processing, or time sharing access to the Subscription Services, or otherwise use the Subscription Services to provide payroll or human resource record keeping for third parties; (c) create Internet "links" to the Subscription Services or "frame" or "mirror" the Subscription Services on any other server, or wireless or Internet-based device; (d) access or use the Subscription Services or Documentation to build or support, directly or indirectly, products or services competitive to UKG; (e) interfere with or disrupt the integrity or performance of any Subscription Services or any data contained therein; (f) attempt to gain unauthorized access to any Subscription Services or its related data, systems, or networks; or (g) remove or alter any proprietary notices or marks on the Subscription Services or Documentation.

2.3 Customer Feedback. Customer has no obligation to provide UKG with any suggestion, enhancement request, recommendation, evaluation, correction, or other feedback about the Services (“**Feedback**”), but if it does, Customer grants to UKG and its affiliates a worldwide, perpetual, irrevocable, royalty-free license to use, copy, modify, distribute, disclose, create derivative works, and make and incorporate such Feedback into its Services for any purpose. UKG has no obligation to incorporate or apply any Feedback to the Services.

2.4 Consent to Subcontract. Customer hereby consents to UKG subcontracting Services to persons or companies qualified by UKG to provide Services on UKG’s behalf. UKG may also fulfill its obligations related to certain Services through its affiliates. UKG shall be responsible for the actions of its subcontractors and Affiliates.

2.5 Compliance with Laws. UKG shall comply with Applicable Laws in performing its obligations hereunder. Customer shall comply with Applicable Laws when using the Services and remains solely responsible for its compliance with Applicable Laws, including, but not limited to, with respect to the configuration and use of the Services and regardless of whether UKG provides assistance with Customer compliance matters. Customer acknowledges that the specific record retention requirements established under Applicable Laws relating to Customer are the responsibility of Customer and not UKG.

2.6 Upgrades and Modifications.

2.6.1 Upgrades. The Subscription Services may be upgraded or changed at any time as required by normal business conditions, provided that such changes will not materially diminish the functionality of the Subscription Services. Any changes to the Subscription Services will be applicable to all UKG customers of the Subscription Services and material changes will be deployed with reasonable advance notice.

2.6.2 Modifications. UKG may unilaterally revise its Master Services Agreement ("MSA") terms if they are not material. For revisions that will materially change the terms of the Agreement, the revised MSA terms must be incorporated into the Agreement which will be published. Any MSA terms or conditions unilaterally revised that are inconsistent with any material term or provision of this Agreement shall not be enforceable against the Customer, and the Customer shall not be deemed to have consented to them.

2.7 Acceptable Use. Customer will use the Subscription Services in full compliance with the Acceptable Use Policy attached as Exhibit 1 and which could be found in http://www.ukg.com/acceptable-use-policy ("**Acceptable Use Policy"**), which requires Customer not to (a) use, or encourage, promote, facilitate or instruct others to use, the Services for any illegal, harmful or offensive use, or to transmit, store, display, distribute or otherwise make available content that is illegal, harmful, or offensive, (b) use the Services to violate the security or integrity of any network, computer or communications system, software application, or network or computing device, (c) interfere with or fail to cooperate with any UKG investigation of a security incident involving any UKG system, infrastructure or customer data, (d) make network connections to any users, hosts, or networks unless Customer has permission to communicate with them, and (e) use the Service to distribute, publish, send, or facilitate the sending of unsolicited mass e-mails or other messages.

2.8 Access Credentials. Except as otherwise provided herein, Customer will not provide any third party with access credentials to the Subscription Services and will safeguard and compel all users to safeguard the access credentials. Customer will be responsible for all acts and omissions of its users. Customer will notify UKG promptly if it learns of any unauthorized use of any access credentials or any other known or suspected breach of security. If Customer allows use of the Subscription Services by any of its departments or public agencies which Customer controls without requiring such department or public

agency to execute a separate Order with UKG to establish its own tenant environment, then Customer will be fully responsible and liable for all use and misuse of the Subscription Services by such Affiliate, and will fully cooperate with UKG in enforcing all of its rights to, interests in, and protection of the Services, including in seeking equitable remedies against any Affiliate that breaches this Agreement. Customer may also allow use of the Subscription Services by its legally bound contractors, provided such use is solely on Customer's behalf, is strictly in compliance with the terms and conditions of this Agreement, Customer at all times remains in control of and retains management over the Subscription Services, and Customer is liable for all breaches of this Agreement by such contractor. Customer authorizes UKG to provide such Customer contractors access to the Subscription Services.

2.9 **Connectivity.** Customer is responsible for securing, paying for, and maintaining connectivity to the Subscription Services from Customer's location(s) via the internet, including any and all related hardware, software, third party services, and related equipment and components for such connectivity. Customer agrees that UKG will have no liability for such connectivity and Customer will not be excused from any of its obligations under the Agreement due to the quality, speed, or interruption of the communication lines from the Customer's location(s) to the internet.

3. Fees and Taxes

UKG understands that Customer may be subject to Applicable Laws governing payment, including availability of funds, timing of payments, late payment interest penalties, and taxes.

3.1 **Fees.** Customer will pay the fees on the payment terms and in the currency indicated in the Order. For each Order, the billing period of the fees will start on the Billing Start Date as set forth in the Order and will continue for the time period indicated as the Initial Term and all Renewal Terms, each as defined on the Order. Customer is responsible to pay for the Services for the entire Initial Term and each Renewal Term. UKG may increase the fees as set forth in the Order. The increased fees will be set forth in the applicable invoice. Except as otherwise specified in the Order and this Agreement (a) subscription fees are based on Subscription Services purchased and not time of actual usage; (b) minimum quantities purchased cannot be decreased during the relevant the then current Initial Term or Renewal Term; (c) additional quantities may be purchased; and (d) payment obligations are non-cancelable and fees paid are non-refundable.

3.2 **Taxes.** *This section applies only if Customer has not provided with a valid tax exemption certificate authorized and honored by applicable taxing authorities that covers all Taxes.* The fees exclude, and Customer will be responsible for, all applicable sales, use, excise, withholding, VAT, and any other similar taxes, duties and charges of any kind imposed by any governmental entity in connection with the Services (excluding taxes based solely on UKG's income) ("Taxes").

3.3 Late Payment. Any invoices not reasonably disputed in writing within thirty (30) days from the date of receipt will be deemed undisputed and due. All undisputed invoices not paid within thirty (30) days after the date such amounts are due and payable may accrue interest at a rate up to the maximum allowable by applicable law. Customer will reimburse UKG for any additional reasonable cost incurred by UKG in connection with collecting any amounts payable under this Agreement. If Customer is more than thirty (30) days overdue in its payment of an undisputed amount due, then UKG reserves the right to suspend the Services provided under the applicable Order, but only until such payment is made to UKG and provided that UKG gives Customer at least ten (10) business days prior written notice of the overdue amount before UKG suspends the Services. Upon payment in full of all overdue amounts, UKG will restore the Services.

4. Data, Security and Privacy

4.1 Ownership of Customer Data. Customer shall retain ownership of all rights, title, and interests in and to Customer Data. No ownership rights in Customer Data will transfer to UKG. UKG will maintain backup copies of Customer Data as required to maintain and provide the Services, but Customer is responsible for maintaining backup copies of all data and information that Customer inputs into the Services or otherwise provides to UKG.

4.2 Use of Customer Data. Consistent with common Software as a Service (SaaS) industry practices and in accordance with Applicable Laws, UKG collects Customer Data to keep Services regularly up to date with appropriate market standards and security. All Customer Data collected is used solely for the purpose of providing and improving the Services and enhancing the customer experience with new functionalities.

4.3 Collection of Personal Information. Services may employ applications and tools that collect and process Personal Information that may be required by UKG to provide the requested Services or functionality included in or related to those Services. If Customer wishes to stop the collection and processing of Personal Information, Customer may need to uninstall or discontinue using certain Services.

4.4 Data Privacy and Security. Each Party agree to comply with Applicable Laws in its processing of Personal Information. UKG and its subprocessors will process Personal Information in accordance with UKG's DPA. All Customer Data will be secured and protected as set forth in the Technical and Organizational Measures of UKG's DPA.

5. Confidentiality

5.1 Definition. "Confidential Information" is any non-public information relating to a Party that is disclosed pursuant to any Order or this Agreement, and which reasonably should be understood by the recipient of such information to be confidential because of (a)

legends or other markings; (b) the circumstances of the disclosure; or (c) the nature of the information itself.

5.2 Exceptions. Information will not be considered Confidential Information if the information was (a) in the public domain without any breach of this Agreement; (b) disclosed to the receiving Party on a non-confidential basis from a source lawfully in possession of such Confidential Information and, to the knowledge of the receiving Party, is not prohibited from disclosing such Confidential Information to receiving Party; (c) released in writing from confidential treatment by disclosing Party; or (d) is independently developed by the receiving Party without use of or reference to the Confidential Information.

5.3 Nondisclosure. Except as expressly permitted in this section, neither Party will disclose the other Party's Confidential Information to any third party.

5.4 Protection. Each Party will secure and protect the Confidential Information of the other Party with a reasonable standard of care commensurate with the sensitivity of such Confidential Information and using precautions that are at least as stringent as it takes to protect its own Confidential Information of like nature, but no less than reasonable precautions.

5.5 Use. Each Party will only use the Confidential Information of the other Party as expressly permitted by or as required to exercise their rights, duties, and obligations under this Agreement.

5.6 Disclosure Exceptions. Confidential Information may be shared with and disclosed to (a) any Affiliate, subcontractor, or other third party who has a need to know to enable the receiving Party to exercise its rights or perform its obligations in connection with this Agreement and have non-disclosure obligations at least as stringent as the confidentiality provisions of this Agreement that apply to the Confidential Information; or (b) any court or governmental agency of competent jurisdiction, pursuant to a subpoena, order, civil investigative demand or similar process with which the receiving Party is legally obligated to comply, and of which the receiving Party notifies disclosing Party as required by a legal process, including in connection with any proceeding to establish a Party's rights or obligations under this Agreement (provided however that, when permitted by Applicable Law, a Party will give the other reasonable prior written notice so that the disclosing Party has an opportunity to contest any disclosure required by a legal process).

5.7 FOIA/Public Disclosure Laws. Notwithstanding any confidentiality obligations in the Agreement, UKG acknowledges that Customer may be compelled to disclose Confidential Information pursuant to the Federal Freedom of Information Act and any state equivalents or other open-records or public disclosure Applicable Laws. Customer may disclose such information to third parties upon written request to the extent compelled by such Applicable

Laws; provided that, prior to any such disclosure, Customer provides prior written notice of such compelled disclosure (to the extent legally permitted) and reasonable assistance, at UKG's cost, if UKG wishes to limit or contest the scope of the disclosure in whole or in part.

6. Warranty

6.1 Mutual Warranties. Each Party hereby warrants that (a) it has the full right and authority to enter into this Agreement; and (b) the performance of its obligations and duties under this Agreement does not conflict with or result in a breach of any other agreement of such Party or any judgment, order, or decree by which such Party is bound.

6.2 Subscription Services Warranty. UKG warrants that the Subscription Services will substantially conform with the Documentation and that the functionality of the Subscription Services will not be materially diminished or adversely modified. In the event of a breach of the warranty described in this Section, as Customer's exclusive remedy and UKG's sole obligation, at UKG's cost, UKG will make commercially reasonable efforts to remedy such breach, provided that if UKG cannot substantially remedy such breach, then Customer may terminate the affected Subscription Services in accordance with Section 7.2.2. Customer agrees to report any non-conformance of the Subscription Services within thirty (30) days of its discovery and provide UKG with reasonable information and assistance to enable UKG to reproduce or verify the non-conforming aspect of the Subscription Services.

6.3 Professional, Support, and Training Services Warranty. UKG warrants that the Professional Services, Support Services, and Training Services will be performed by qualified personnel in a good and professional manner. In the event UKG breaches the warranty described in this Section, as Customer's exclusive remedy and UKG's sole obligation, UKG will reperform the deficient Professional, Support, or Training Service, at UKG's cost, provided that if UKG cannot substantially remedy such breach, then UKG will refund any fees prepaid by Customer for the affected Services. Customer must report any deficiencies in such Services, including Professional Services, within thirty (30) days of the completion of the Services.

6.4 Disclaimer. TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, UKG DISCLAIMS ALL OTHER WARRANTIES NOT SET FORTH IN THIS AGREEMENT, EITHER EXPRESS OR IMPLIED, INCLUDING ALL WARRANTIES OF MERCHANTABILITY, QUALITY, PERFORMANCE, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, TITLE, AND ANY WARRANTIES ARISING FROM COURSE OF DEALING, USAGE, OR TRADE PRACTICE, IN CONNECTION WITH THIS AGREEMENT, THE SERVICES, AND ANY PRODUCTS PROVIDED BY UKG. UKG DOES NOT REPRESENT, WARRANT, OR COVENANT THAT THE SERVICES OR ANY

OTHER PRODUCT OR SERVICE PROVIDED HEREUNDER WILL BE UNINTERRUPTED, ERROR-FREE, VIRUS-FREE, OR SECURE. THIS DISCLAIMER OF WARRANTY MAY NOT BE VALID IN SOME JURISDICTIONS AND CUSTOMER MAY HAVE WARRANTY RIGHTS UNDER LAW WHICH MAY NOT BE WAIVED OR DISCLAIMED; HOWEVER, ANY SUCH WARRANTY RIGHTS EXTEND ONLY FOR THIRTY (30) DAYS FROM THE EFFECTIVE DATE OF THIS AGREEMENT (UNLESS AND ONLY TO THE EXTENT SUCH LAW PROVIDES OTHERWISE).

6.5 Customer Warranty. Customer warrants that it has all rights and required consents to provide Customer Data to UKG.

7. Term and Termination

7.1 Term of the Agreement. The term of this Agreement commences on the Effective Date and continues until the stated term in each applicable Order or as otherwise terminated as permitted in this Agreement. At the expiration of the Initial Term, and at the expiration of each Renewal Term, each as indicated on the Order, the Services will automatically renew for the duration indicated on the Order as the Renewal Term.

7.2 Types of Termination

7.2.1 Non-renewal. Either Party may terminate any Service identified in an Order upon at least sixty (60) days prior written notice to be effective at the expiration of the then current Initial Term or a Renewal Term.

7.2.2 For Cause. Either Party may terminate this Agreement, or any Service identified in an Order, if the other Party fails to perform any material obligation under this Agreement, and such Party is not able to cure the non-performance within thirty (30) days of written notice of such default with reasonably sufficient detail regarding the alleged breach, provided that UKG may immediately terminate or suspend Customer's access to the Services without notice if Customer is in breach of the "Use Restrictions" or "Confidentiality" sections of this Agreement, or the Acceptable Use Policy to prevent further harm. Either Party may immediately terminate this Agreement and all Orders if the other Party has a receiver or similar party appointed for its property, becomes insolvent, acknowledges its insolvency in any manner, ceases to do business, makes an assignment for the benefit of its creditors, or files a petition in bankruptcy. Other than as expressly permitted in this Agreement, or an Order, SOW, or Services Description, neither Party may terminate this Agreement and each Party remains fully obligated to the terms and conditions herein.

7.2.3 For Non-Appropriation of Funds. If Customer is a US Federal, State, or Local

governmental entity that relies on funding which is allocated at the federal, state and/or local level to fund the Service in the Agreement, then, to the extent required by law, the following will apply: Customer may terminate the Service in the event of a reduction in appropriations to any fund(s) from which UKG is to be paid for Services ordered under this Agreement but not yet delivered. Customer will provide a ninety (90) day prior written notice in the event of such termination to UKG and Customer agrees to pay for the products delivered and the services performed by UKG prior to the effective date of such notice. In the event of such termination, Customer shall not be entitled to a refund of pre-paid Services, such as the support fees. Customer acknowledges that by executing an Order Form for the Services, Customer has received fiscal appropriations for the amounts due during the Initial or Renewal Term (as applicable) as indicated on such Order.

7.3 Effects of Termination. The following terms apply if an Order is terminated for any reason:

7.3.1 Fees. All fees will be paid by Customer for amounts owed through the effective date of termination, and, if the Order is terminated for UKG's breach of the Agreement, any fees prepaid by Customer for the Service not rendered prior to the effective date of termination will be credited against Customer's account, with any remaining amounts refunded to Customer within thirty (30) days of the effective date of termination.

7.3.2 Cessation of Services. UKG will cease to provide the Services to Customer and Customer's right to use and access the Subscription Services will end as of the effective date of termination. If Customer requires access to the Subscription Services after the effective date of termination or transition assistance, such access and assistance will be subject to mutual agreement and additional fees, under a separate Order or SOW, and will be subject to the terms and conditions of this Agreement.

7.3.3 Deletion of Customer Data. UKG will delete Customer Data after Customer's rights to access the Subscription Services and retrieve Customer Data have ended, unless otherwise provided under this Agreement, a Services Description, Order, SOW, or another document. UKG will delete Customer Data in a series of steps and in accordance with UKG's standard business practices for destruction of Customer Data and system backups. UKG has no obligation to retain Customer Data and Customer Data may be permanently deleted as part of UKG's data management program(s) or practice(s), and in accordance with Applicable Laws.

7.3.4 Confidential Information. UKG and Customer will each return or destroy any Confidential Information of the other Party, with any retained Confidential Information remaining subject to this Agreement.

8. Indemnification

8.1 Claims Against Customer. UKG will defend Customer and Customer's respective directors, officers, and employees, who are acting on behalf of Customer ("**Customer Indemnified Parties**"), from and against any and all third party Claims to the extent the Services or Documentation infringe or misappropriate any registered copyright or patent. UKG will indemnify and hold harmless the Customer Indemnified Parties against any liabilities, damages, costs, or expenses (including, without limitation, reasonable attorneys' fees) actually awarded by a court of applicable jurisdiction to the extent resulting from such third party Claim, or as a result of UKG's settlement of such third party Claim.

8.2 Mitigation. In the event that a final injunction is obtained against Customer's use of the Subscription Services by reason of infringement or misappropriation, or if in UKG's opinion, the use of the Subscription Services is likely to become the subject of a successful Claim of infringement or misappropriation, UKG (at its option and expense) will use commercially reasonable efforts to either (a) procure for Customer the right to continue using the Subscription Services as provided in the Agreement; or (b) replace or modify the Subscription Services so that they become non-infringing but remain substantively similar to the affected Subscription Services. Should neither (a) nor (b) be commercially reasonable, either Party may terminate the applicable Subscription Services and the rights granted hereunder upon written notice, at which time UKG will provide a refund to Customer of any fees paid by Customer for the infringing elements covering the period of their unavailability.

8.3 Exceptions. UKG will have no liability to indemnify or defend Customer to the extent the alleged infringement or misappropriation of the Subscription Services is based on (a) use other than as expressly permitted by this Agreement or by UKG in writing; or (b) use in conjunction with any equipment, service, or software not provided by UKG, where the Subscription Services would not otherwise infringe, misappropriate, or become the subject of the third party Claim.

8.4 Qualifications. Customer will provide written notice to UKG promptly after receiving notice of a third party Claim. If defense of such third party Claim is materially prejudiced by a delay in providing notice, UKG will be relieved from providing such indemnity to the extent of the delay's impact on the defense. UKG will have sole control of the defense of any indemnified third party Claim and all negotiations for its settlement or compromise, provided that UKG will not enter into any settlement which imposes any obligations on Customer without the prior written consent of Customer. Customer will cooperate fully (at UKG's request and expense) with UKG in the defense, settlement, and compromise of any such action. Customer may retain its own counsel at its own expense, subject to UKG's rights above.

8.5 Government Control of Defense. If Customer is a US Federal, State, or Local governmental entity, then, to the extent required by law, the following will apply: Any

provision of the Agreement requiring UKG to defend or indemnify Customer is hereby amended, solely to the extent required by Applicable Laws, to provide that the U.S. Department of Justice (for a Federal Customer) or applicable State Attorney General's Office (for a SLED Customer) has the right to represent the respective Federal or SLED entity in litigation and other formal proceedings at its own cost. Subject to approval of the U.S. Department of Justice (for a Federal Customer) or applicable State Attorney General's Office (for a SLED Customer),if applicable, Customer shall tender defense of action to UKG upon request by UKG.

8.6 This "Indemnification" section states UKG's sole liability and Customer's exclusive remedy for all third party Claims and damages.

9. Limitations of Liability

9.1 **Monetary Cap.** DURING ANY TWELVE (12) MONTH CONTRACT TERM (BEGINNING ON THE EFFECTIVE DATE OF THE APPLICABLE ORDER), UKG'S TOTAL AGGREGATE LIABILITY FOR ANY AND ALL CLAIMS IN CONNECTION WITH ANY SERVICE PROVIDED TO CUSTOMER SHALL IN NO EVENT EXCEED THE AMOUNT PAID OR PAYABLE TO UKG DURING SUCH TWELVE (12) MONTH CONTRACT TERM FOR THE SERVICE GIVING RISE TO SUCH CLAIM(S).

9.2 **Exclusion of Damages.** UKG WILL NOT BE LIABLE FOR ANY INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL, OR PUNITIVE DAMAGES; FOR THE COST OF ACQUIRING SUBSTITUTE OR REPLACEMENT SERVICES; OR FOR ANY LOST OR IMPUTED PROFITS OR REVENUES, BUSINESS INTERRUPTION, LOST GOODWILL, OR LOST DATA RESULTING FROM OR RELATED TO THE SERVICES OR THIS AGREEMENT, HOWEVER CAUSED; OR ANY DAMAGES TO THE EXTENT CAUSED BY CUSTOMER'S DATA OR APPLICATIONS, CUSTOMER'S ALLOWANCE OF UNAUTHORIZED THIRD PARTY ACCESS, OR CUSTOMER'S INTRODUCTION OF MALICIOUS CODE.

9.3 **Applicability of Limitations.** THESE LIMITATIONS APPLY FOR ANY REASON, REGARDLESS OF LEGAL THEORY AND THE REASON LIABILITY IS ASSERTED, EVEN IF UKG HAS KNOWLEDGE OF THE POSSIBILITY OF SUCH DAMAGES AND WHETHER OR NOT SUCH DAMAGES ARE FORESEEABLE. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, NOTHING IN THIS SECTION OR ELSEWHERE IN THIS AGREEMENT SHALL OPERATE TO EXCLUDE OR LIMIT THE LIABILITY OF ANY PARTY TO THE EXTENT SUCH LIABILITY CANNOT LAWFULLY BE SO LIMITED OR EXCLUDED UNDER APPLICABLE LAW. INSOFAR AS APPLICABLE LAW PROHIBITS ANY LIMITATION ON LIABILITY HEREIN, THE PARTIES AGREE THAT SUCH LIMITATION WILL BE AUTOMATICALLY MODIFIED, BUT ONLY TO THE EXTENT SO AS TO MAKE THE LIMITATION COMPLIANT WITH APPLICABLE LAW. THE PARTIES AGREE THAT THE LIMITATIONS ON LIABILITIES SET FORTH HEREIN ARE AGREED ALLOCATIONS OF RISK AND SUCH

LIMITATIONS WILL APPLY NOTWITHSTANDING THE FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY.

10. General

10.1 Jurisdiction & Dispute Resolution. This Agreement is governed by and is to be interpreted solely in accordance with the laws of the Commonwealth of Massachusetts, without regard to any conflict of law provision that would result in the application of a different body of law, and each Party agrees to submit to exclusive venue in the courts in Boston, Massachusetts in any dispute arising out of or relating to this Agreement. The United Nations Commission on International Trade Law, the United Nations Convention on Contracts for the International Sale of Goods, and the Uniform Computer Information Transactions Act (UCITA) will not apply to this Agreement.

10.2 Federal Government Use Provision. If the ultimate end user is a U.S. federal government entity, then it acknowledges that the Subscription Services, Equipment and Documentation consist of “commercial services” and “commercial products,” as defined in FAR 2.101, consisting of “commercial computer software,” “commercial computer software documentation” and "technical data" as these terms are used in FAR 12.211-12.212 and in DFARS 227.7202, as applicable. All such government end users will comply with this Agreement while using Subscription Services, Equipment and Documentation. the rights of the U.S. Government to use, modify, reproduce, release, perform, display, or disclose commercial computer software, commercial computer software documentation, and technical data furnished in connection with the Subscription Services, Equipment and Documentation shall be as provided in this Agreement, except that, for U.S. Department of Defense end users, technical data customarily provided to the public is furnished in accordance with DFARS 252.227-7015. If such Customer needs any additional rights, it must negotiate a mutually agreed addendum to these Agreement specifically granting those rights.

10.3 Export. Each Party shall comply with the export laws and regulations of the United States and other applicable jurisdictions in providing and using the Services. Without limiting the generality of the foregoing, Customer represents that it is not on any U.S. government denied- party list and it shall not make the Services available to any person or entity that (a) is located in a country that is subject to a U.S. government embargo; (b) is listed on any U.S. government list of prohibited or restricted parties; or (c) is engaged in activities directly or indirectly related to proliferation of weapons of mass destruction.

10.4 UKG’s Employer Obligations. UKG is responsible for compliance with all requirements and obligations relating to its employees under all Applicable Laws including, but not limited to, employer’s obligations under laws relating to: payroll, income tax withholding and reporting; civil rights; equal employment opportunity; discrimination on the basis of age, sex, race, color, religion, disability, national origin, or veteran status; overtime;

minimum wage; social security contribution and withholding; unemployment insurance; employer's liability insurance; worker's compensation; veteran's rights; and all other employment, labor, or benefits related laws.

10.5 Human Trafficking and Modern Slavery. UKG shall comply with all Applicable Laws regarding slavery and human trafficking of the state, province, and country/countries in which they are performing the Services and doing business, including, but not limited to, the California Transparency in Supply Chains Act and the United Kingdom Modern Slavery Act.

10.6 E-Verify. To the extent required by Applicable Laws, UKG agrees to utilize the U.S. Department of Homeland Security's E-Verify system, to verify the employment eligibility of all persons assigned by UKG to perform work in the United States pursuant to this Agreement.

10.7 Severability and Waiver. The invalidity or illegality of any provision in this Agreement will not affect the validity of any other provision. All unaffected provisions remain in full force and effect. The waiver of any breach of this Agreement will not constitute a waiver of any subsequent breach or default and will not negate the rights of the waiving Party.

10.8 Surviving Provisions. Provisions in this Agreement which by their nature are intended to survive in the event of a dispute or because their obligations continue past termination of the Agreement, including provisions relating to acknowledgements, reservation of rights, use restrictions, fees, confidentiality, limits of liability, indemnification, and termination, will so survive.

10.9 Assignment. This Agreement cannot be assigned by a Party, whether by operation of law or otherwise, without the prior written consent of the other Party; provided, however, that either Party may assign this Agreement in its entirety (including all Orders and Statements of Work) as part of a merger, acquisition, transfer, or sale of all or substantially all of its assets, stock or business, including to an Affiliate, so long as the assignee agrees to be bound by all of the terms and conditions of this Agreement, the Orders, and Statements of Work. In the event of such an assignment, the non-assigning party shall be entitled to request from the assignee reasonable information to demonstrate that the assignee has the necessary resources and expertise to provide the Service. In no event shall Customer have the right to assign the Agreement to a direct competitor of UKG. This Agreement shall be binding on and inure to the benefit of all permitted predecessors, successors, and assigns of each Party.

10.10 Force Majeure. If an unforeseeable event reasonably beyond the control of either of the Parties arises to prevent a Party from performing its obligations under this Agreement, including, but not limited to, acts of war, terrorism, uprising, acts of nature like earthquakes or floods, measures of any governmental authority in response to pandemics, epidemics or other viral or bacterial outbreaks, civil unrest, embargoes, riots, sabotage,

labor shortages, changes in laws or regulations, the failure of the internet or communications via common networks, failure of payment transfer mechanisms (but not lack of funds to make payments), power or system failure, or a delay in transportation (collectively "**Force Majeure**"), each Party will be excused from performance of its obligations under this Agreement, for the duration of the Force Majeure affecting such Party, provided that the affected Party will use reasonable efforts to mitigate the impact of the Force Majeure. Notwithstanding the foregoing, UKG remains obligated to provide disaster recovery portions of the Services to the extent not also prevented by the Force Majeure.

10.11 Publicity. UKG will not publicize matters relating to Customer's use of the Services without Customer's prior consent. Despite the foregoing, UKG may identify the Customer as a UKG customer and use Customer's name, trademark, and logo, in any and all media, including without limitation, UKG's advertising literature, marketing materials, websites, and lists of UKG's customers; however, such usage shall not be classified as an advertisement but only identification as an entity who receives the Service from UKG. For the avoidance of doubt, this section does not prohibit UKG from referencing Customer's name in a verbal format.

10.12 Notice. When either Party needs to provide notification or consent under this Agreement, those notices and consents must be in writing and considered delivered upon actual receipt. All notices to UKG must be sent to the following: UKGLegal@ukg.com with a copy to EVP Chief Legal Officer, UKG Inc., 900 Chelmsford Street, Lowell, MA 01851. All notices to Customer will be sent to the contact listed on the applicable Order. Notices sent elsewhere will not be considered effective under this Agreement. Any cure period required under this Agreement will begin on the date the notice is received.

10.13 eSignature. Each Party agrees that an eSignature (or a facsimile signature by the authorized representative) is evidence of acceptance of a valid and enforceable agreement.

10.14 No Third Party Beneficiaries. The provisions of this Agreement are for the sole benefit of the Parties and they will not be construed as conferring any rights on any third party nor are there any third party beneficiaries to this Agreement.

10.15 Titles and Headings. Titles and headings of sections of this Agreement are for convenience only and shall not affect the construction of any provision of this Agreement.

10.16 Relationship of the Parties. The Parties are independent contractors. Nothing in this Agreement shall be deemed to constitute a partnership or joint venture between the Parties or constitute any Party to be the agent of the other Party for any purpose.

10.17 **Entire Agreement.** This Agreement (and any information in referenced herein, including in an exhibit, schedule, attachment, annex, or at any URL) along with any corresponding Order, SOW, and Services Description constitute the entire agreement between the Parties pertaining to each Order. This Agreement supersedes all prior and contemporaneous representations, negotiations, and communications between the Parties relating to the Services and its subject matter. Customer acknowledges that it has not relied upon any such representations, negotiations, and communications, and waives any rights or claims arising from such representations, negotiations, and communications, including any claims for fraud or misrepresentation. This Agreement may only be amended in writing signed by each of the Parties. If Customer uses its own purchase order or similar document, any terms or conditions in such purchase order are null and void. In the event of a conflict between the provisions contained in this Agreement and those contained in an Order, SOW, or Services Description, the following order of precedence shall apply: (1) the Order, (2) this Agreement, (3) Services Description, and (4) the SOW.

11. Definitions

11.1 "**Affiliates"** means, as to UKG, those entities that are directly or indirectly controlled by UKG Inc.; and as to Customer, those Customer entities that directly or indirectly control, are controlled by, or are under common control with Customer. "Control" (in this context) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and operating policies of the entity in respect of which the determination is being made through the ownership of the majority of its voting or equity securities, contract, or otherwise.

11.2 **"Applicable Law(s)"** means all laws, codes, legislative acts, regulations, ordinances, administrative rules, rules of court, and court orders applicable to a Party's respective business.

11.3 **"Claim(s)"** means any and all notices, charges, claims, proceedings, actions, causes of action and suits.

11.4 **"Customer Data"** means all content, information, and data Customer inputs into the Subscription Services, including but not limited to Personal Information.

11.5 **"Documentation"** means the written specifications for the Subscription Services or other published online by UKG on its community pages accessible at https://www.ukg.com/support and https://library.ukg.com/, such as user manuals and administrator guides, as well as the Services Descriptions.

11.6 "DPA" means UKG's U.S. Data Processing Agreement located at https://www.ukg.com/us-dpa .

11.6 **"Order"** means an order form, agreed by both Parties, which is subject to this Agreement or otherwise references this Agreement, setting out, among other things, the type and quantity of employees that may be managed in the Subscription Services, the term of the

Order, price and payment terms of the Services to be provided by UKG, and the fees to be paid by Customer.

11.7 **"Party"** or **"Parties"** means UKG or Customer, or both, as the context dictates.

11.8 **"Personal Information"** means Customer Data related to a Data Subject as defined under U.S Privacy Laws, including "personal information" as defined under the California Consumer Privacy Act ("CCPA") and any similar terms, such as "personally identifiable information".

11.9 **"Professional Services"** means the deployment, launch, configuration, implementation, integration, delivery, consulting, managed, and other similar services provided hereunder.

11.10 **"Services"** means the (a) Subscription Services; (b) Support Services; (c) Professional Services; (d) Training Services; and (e) other services or offerings as set forth in an Order.

11.11 **"Services Description"** means the supplemental terms applicable to a Subscription Service or other offerings located at http://www.ukg.com/services-descriptions.

11.12 **"Statement of Work"** or **"SOW"** means a document executed by both Parties, which is subject to this Agreement and the applicable Order or otherwise references this Agreement, detailing the scope of Professional Services or Training Services, the associated fees, and other applicable terms.

11.13 **"Subscription Services"** means those UKG software-as-a-service ("**SaaS**") applications set forth on the Order, including the UKG data accessible therein, and made available to Customer via a hosted multi-tenant environment to use on a subscription basis.

11.15 **"Support Services"** means support and maintenance services provided by UKG for the Subscription Services, as described in this Agreement.

11.16 **"Training Services"** means in person and virtual instructor-led training and courses, including online, on-demand, in-product, and on-site courses provided by UKG.

11.17 **"UKG"** means UKG Kronos Systems, LLC., a Massachusetts limited liability company with its principal place of business at 900 Chelmsford Street, Lowell, MA 01851.

EXHIBIT B

SPECIFIC REQUIREMENTS/OPTIONS OF CITY

Attached:
UKG Quote, and
UKG Ready Statement of Work for City of San Luis

UKG Ready Statement of Work for CITY OF SAN LUIS

This Statement of Work (SoW) outlines the scope of services to be provided by UKG for the implementation of the Subscription Services in the Order. The scope of services described herein are fixed price based and subject to the same terms and conditions as the corresponding UKG Order. Unless otherwise defined herein, words and expressions defined in the Order shall have the same meaning in this Statement of Work.

UKG's Launch methodology ("Launch") provides proven and repeatable processes that are supported with UKG standard tools, templates and proven training paths that deliver a successful launch of the Subscription Services. UKG and the Customer will collaborate throughout the Launch process performing tasks such as requirements workshops, system configuration, data conversion, integration configuration, testing cycles, production support, and project management. With Launch, UKG uses its proven methodology to provide training and services to deploy the Subscription Services. Launch will be delivered as described in this document. If there are changes to the outlined assumptions, or if additional work is required, additional costs may be required and timelines may be delayed.

Billing for the Launch of Professional Services outlined in this Statement of Work will begin on the Billing Start Date specified in the corresponding Order, regardless of when the Welcome Phase or Go Live actually occurs. Should there be any postponement in the commencement of Professional Services or in the Go Live date, these changes will not alter or delay the Billing Start Date unless both parties formally agree to such modifications through a signed change order.

1. Project Summary

CITY OF SAN LUIS is implementing Full Suite UKG Ready to improve employee engagement.

2. Introduction to Launch

Deployment Strategy

The deployment of Subscription Services is a collaborative endeavor. UKG will work with the Customer to determine the most logical and efficient deployment plan based upon Subscription Services purchased, and Launch duration outlined in this document. This best practice approach will be tailored to Customer's business objectives.

Launch Methodology

The Launch methodology provides a framework that generally describes how the project will progress from start to finish. The project team follows this framework to transition Customer's existing human capital management and workforce management (if applicable) functions from Customer's legacy provider to UKG Ready. UKG's deployment methodology includes the following phases:

Launch Phase	Description
Welcome	Preliminary preparation involves four basic elements: UKG's internal readiness and team assignments, Customer preparation, a project team initial kick off meeting and ensure system access.
Requirements	UKG will perform a discovery process by interviewing the Customer's subject matter experts from different functional areas. Information that has been gathered during the requirements phase is used to determine the current system set up, the new system definition requirements and allow UKG to determine the best fit between the Customer's business requirements and the Subscription Services. A project timeline will be provided once requirements have been collected.
Build	This phase is designed to configure UKG Ready per the purchased Subscription Services, build interfaces, and migrate employee data into UKG Ready from legacy system. This phase will also provide unit testing to ensure that each iteration delivers a fully configured component of the system.
Test	Testing involves functional testing and user acceptance testing for the applicable Subscription Services; including, but not limited to, parallel testing, dual maintenance, and validation.
Go Live	This phase consists of UKG assisting the Customer with the first live processing, the rollout of the Subscription Services and transition to UKG's Global Support team.

3. Subscription Services in Scope

The following Subscription Services are in scope and will be configured in accordance with the Launch methodology and assumptions described in this document.

Subscription Service	Go Live Phase
UKG Ready Time and Scheduling	Phase 1
UKG Ready HR	Phase 1
UKG Ready Payroll (US Only)	Phase 1
UKG Ready Integration Hub	Phase 1

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Subscription Service	Go Live Phase
UKG Ready Accruals	Phase 1
UKG Ready Attestation	Phase 1
UKG Ready Benefits (US and CAN Only)	Phase 1
UKG Ready Bryte AI	Phase 1
UKG Ready Recruiting	Phase 2
UKG Ready Learning	Phase 2
UKG Ready Leave Manager	Phase 2
UKG Ready ACA Manager (US Only)	Phase 2
UKG Ready Workforce Insights	Phase 2
UKG Ready Compensation Manager	Phase 2
UKG Ready Performance Management	Phase 2
UKG Ready HRSD Document Manager	Phase 2

4. Launch Parameters

The following parameters support UKG's Launch methodology and provide an additional set of considerations as it applies to the Project, the Subscription Service(s), and Professional Services described in this document.

Launch Item	Parameters
General Guidelines	• The assigned UKG Project Manager will provide a finalized projected timeline once the requirements phase has been completed. NOTE: The typical UKG Ready Launch duration for Customers is seven (7) to nine (9) months from project kick-off and expire after twelve (12) months. • Financial-based integrations (e.g., 401k/RRSP export) are provided in alignment with go live. • The customer and UKG team are to complete tasks as indicated in the roles and responsibilities of this document and as assigned in the final project plan by mutually agreed upon due dates. • UKG will communicate with the Customer's project manager as the appointed point of contact responsible for all project management, communication, and preparation among all customer's parties (e.g., staff, vendors, consultants) and for any escalation and resolution. • Customer holds sole responsibility for troubleshooting system(s) or hardware not provided by UKG. • Changes in the scope of the launch or requirements are subject to review and may have an impact on the project timeline or cost. If additional work is required, a Change Order or new Statement of Work must be scoped, quoted, and signed. • UKG will support up to two (2) in-production payroll processing periods, then transition customer engagement to UKG's Global Support team for post-implementation support.
Delivery Guidelines	• All project work and resource delivery are supported through a virtual (offsite) UKG Launch team; the customer's team is not required to travel to UKG for any part of the Launch process. • If onsite work is preferred or required, exceptions can be requested from the UKG Services Manager. UKG has consulting service solutions that are not included as part of Launch but can be purchased as a value-added service. • When travel is agreed upon as part of a custom Launch or service request, UKG will deliver the scope of this project utilizing a blended approach. A blended approach combines onsite and remote resources. • For any UKG travel to a customer's location, travel expenses are not included and will be invoiced separately as incurred. • The UKG Launch Team will consist of English-speaking resources unless legally required for Quebec. UKG will collaborate with the customer's North America–based project team and local project representatives. Requirements for other in-scope countries will be gathered by the customer's North America–based project team and provided to the UKG Launch Team.

5. Roles and Responsibilities

A successful Launch assumes Customer participation throughout the project as referenced in the Roles and Responsibilities sections of this document. UKG and the Customer's roles and responsibilities are described below.

A check mark in the grid below indicates each respective party's primary responsibilities.

Activities	UKG	Customer
Project Management		

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Activities	UKG	Customer
Review the scope of services with Customer including contract documents and resource assignments	√	√
Manage UKG team's project resources, budget, and scope/deliverables to ensure they are being met per the project timeline	√	
Manage Customer team's project resources, budget, and scope/deliverables to ensure they are being met per the project timeline		√
Create status reports and facilitate status calls with project team	√	
Partner together to identify, manage, and resolve project issues	√	√
Provide Customer communications and general project-related management activities	√	
Create change management and training for managers and employees		√
Welcome Phase		
Provide Customer access to the Subscription Services as contracted in the Order	√	
Share project goals and success criteria with UKG project team		√
Participate in the kick-off meeting	√	√
Assist in defining necessary Customer resources and a training plan as part of the project plan	√	
Key project resources attend recommended training course(s) throughout implementation		√
Requirements Phase		
Gather all available policy, procedure documentation, and business use cases to complete the data collection process		√
Describe the expected solution, business processes, and business rules for all employee groups in scope during requirements meeting(s)		√
Facilitate rapid review, feedback, and signoff on all project documentation as required to meet project deadlines		√
Lead meeting(s) to gather business requirements and document configuration needs	√	
Provide Customer with a detailed project plan	√	
Build Phase		
Complete mutually agreed upon UKG configuration tasks and complete unit testing to validate configuration	√	√
Share data translations and field mapping specifications for all required fields in the UKG import templates for data conversion	√	
Provide source data for production processing in the UKG approved import template formats		√
Review and approve imported data according to the agreed upon schedule		√
Create interfaces as defined during the Requirements phase of Launch	√	
Supply technical support required for system integration and data conversion	√	√
Complete all administrative training through Learning Center in UKG Ready		√
Create a plan for manager and end-user training		√
Test Phase		
Complete interface data validation	√	√
Perform functional/user acceptance and system testing	√	√
Execute manager and end-user training		√
Go-Live Phase		
Provide production support and post-live support for transition to UKG's Global Support team	√	
Perform project wrap-up activities, including closing open issues	√	√

6. Deliverables

Below are the key project deliverables and related acceptance criteria that UKG will deliver in each phase of the implementation.

Deliverable	Activity	Acceptance Criteria
Welcome Phase		
Aligned expectations	UKG will transition the customer project from Sales to Delivery Services	Customer confirms project expectations aligns with Sales order
Project team transition	UKG will assign the Launch team to the specifics of the project	UKG and Customer prepare project for engagement with the Launch team
Requirements Phase		
Detailed Project Plan	UKG will refine and update the initial project plan	Customer receives and accepts the detailed project plan

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Deliverable	Activity	Acceptance Criteria
Project Requirements Document	UKG will provide Project Requirements Document	Customer receives and completes SOC (System and Organization Controls) sign off on the Project Requirements Document in UKG Ready
Completed Integration Specifications Document(s)*	Customer will review Integration Synopsis Document(s) with UKG	Customer reviews the document(s) prior to development of interface(s)
Build Phase		
UKG Ready configuration	UKG builds UKG Ready based on Requirements Document	UKG completes internal testing prior to hosting Build Review Call(s)
Build Review Call(s)	Customer to attend Build Review Call(s) hosted by UKG	Customer confirms the system is built according to the Requirements Document
Completed imports of all applicable employee data	Customer will review imported data with UKG and perform data validation	Customer confirms the system is built according to the Requirements Document
Completed Integration Development*	UKG completes the development of applicable integration(s) based on the approved Integration Synopsis Document(s)	UKG completes internal testing and validation prior to moving to customer/third party testing and validation
Test Phase		
Complete Payroll Compare for first Test Parallel. Provide issues resolution for first parallel compare	Customer will participate in parallel testing and validate results	Customer confirms that all parallel testing results are accurate, and issues are resolved
Complete Payroll Compare for second Test Parallel. Provide issues resolution for second parallel compare	Customer will participate in parallel testing and validate results	Customer confirms that all parallel testing results are accurate, and issues are resolved
Complete UKG Ready Testing	Customer will participate in UKG Ready testing and review results	Customer confirms that all testing is accurate through SOC (System and Organization Controls) sign off in UKG Ready
Completed Import of Check History, Balances, and all other Go Live Relevant Imports	Customer review imported data with UKG and perform data validation	Customer confirms that all imported employee data is accurate

**Note: Financial-based integrations (e.g., 401k/RRSP export) are provided in alignment with go live. All other interfaces are delivered as available.*

7. Project Team Composition

Resource allocation and commitment are key drivers for a successful Launch. UKG uses employee resources and may use trained and approved consulting services resources ("Certified Partners") to assist in the performance of the Launch or consulting services under this Order Form. Customer hereby authorizes access by UKG, its affiliates, and Certified Partners to the Customer information necessary to perform such services which may include access to Customer's Confidential Information and Customer Data.

The team roles and key responsibilities are listed below. UKG will provide experienced industry experts specializing in specific areas of Launch. Customer will provide resources as described below in the Customer Team Resources section or as otherwise mutually agreed to in the project plan.

UKG Team Resource	Key Responsibilities
Services Manager	• UKG project sponsor • Gains commitment for all project resources
Project Manager	• Primary point of contact • Responsible for achieving project objectives by coordinating with all project resources on the timely completion of project tasks • Develops and manages project schedule • Identify and develop project risk mitigation plan • Communicates overall project status and provides project reporting • Serves as initial point of escalation for all project related issues and coordinates activities needed for resolution
Time Solution Consultant	• Primary UKG resource and functional UKG Ready Time expert • Customer's day-to-day point of contact for all system-related service requests • Completes Subscription Services configuration life cycle per the Launch methodology

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UKG Team Resource	Key Responsibilities
HR (Human Resources) Solution Consultant	• Primary UKG resource and functional UKG Ready HR (Human Resources) expert • Customer's day-to-day point of contact for all system-related service requests • Completes Subscription Services configuration life cycle per the Launch methodology
Payroll Solution Consultant	• Primary UKG resource and functional UKG Ready Payroll expert • Customer's day-to-day point of contact for all system-related service requests • Completes Subscription Services configuration life cycle per the Launch methodology
Benefits Solution Consultant	• Primary UKG resource and functional UKG Ready Benefits expert • Customer's day-to-day point of contact for all system-related related service requests • Completes Subscription Services configuration life cycle per the Launch methodology
Talent Acquisition, Comp, Performance Solution Consultant	• Primary UKG resource and functional UKG Ready Talent and Compensation expert • Customer's day-to-day point of contact for all system-related related service requests • Completes Subscription Services configuration life cycle per the Launch methodology
Integration Consultant (As Applicable)	• Responsible for integration file creation and delivery • Works together with Customer to determine requirements for integration(s), deploys and schedules completed interface(s).
Customer Success Consultant	• Primary point of contact for post-live services related activities and transition to support

Customer Team Resource	Key Responsibilities
Executive Sponsor	• Customer project sponsor • Gains commitment for all project resources • Provides executive-level support to the project team • Ensures that the needs of the project team are well represented and met by the steering committee
Project Manager/Lead	• Primary point of contact • Responsible for achieving project objectives by coordinating with Customer project resources on the timely completion of project tasks • Communicates overall project status and provides project reporting to Customer steering committee if applicable • Serves as Customer's initial point of escalation for all project related issues and coordinates activities needed for resolution • Identify and manage project risks • Channels the team's activities toward Subscription Services configuration and executing the project
Time Subject Matter Expert	• Customer's primary time representative and designated decision maker for time tracking
HR (Human Resources) Subject Matter Expert	• Customer's primary HR representative and designated decision maker for HR
Payroll Subject Matter Expert	• Customer's primary payroll representative and designated decision maker for payroll
Benefits Subject Matter Expert	• Customer's primary benefit representative and designated decision maker for benefits
Talent Acquisition Subject Matter Expert	• Customer's primary talent acquisition representative and designated decision maker for talent acquisition
Education and Change Management Resource	• Customer's primary resource and designated decision maker for end user training and change management
System Administrator	• Customer's primary resource for Subscription Services configuration and system knowledge

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Customer Team Resource	Key Responsibilities
Technical Resource	• Customer's primary resource for technical issues related to data conversion, integrations, network, and Subscription Services security
Other Subject Matter Experts	• Customer's primary resource and designated decision maker in their specific specialty area

8. Service Assumptions

The following assumptions were used to formulate the Order and this SOW. **Changes to these assumptions may require a separate Service Request resulting in additional costs and delayed timelines.**

Training and User Adoption Services

Effective training is the key to high user adoption rates. Training resulting in self-sufficient administrators, managers, and employees increases the efficiency of use of the Subscription Services and Customer's business processes.
UKG's training model includes a role-based learning plan. Each role within Customer's organization has a specific set of courses required at specific points in Launch. Having role-based training classes ensures the Customer's team members are trained on the processes they will use in their day-to-day interactions with Ready Subscription Services.

The timing of this training is key. UKG aims to provide the training with as little time between training delivery date and system usage as possible. This provides for Customer's users to have an opportunity to reinforce the training through real-life application before they begin to lose the skills gained in training. End users (e.g., Managers and Employees) use a train the trainer model for learning. Customer is responsible for train-the-trainer learning for their managers and employees unless otherwise defined in the Launch Guidelines/Assumptions section of this document.

Core Training	UKG Delivered Value Incudes Access To:

Administrator and Super User Training	• Learning Center, UKG Ready's learning management system and training delivery platform, for each user. Learning experiences found within include, but are not limited to:
	  ○ Interactive self-paced, on-demand modules
	  ○ "How to" videos and snippets
	  ○ Printable job aids
	• Recommended learning plan(s) aligned to each user's roles within UKG Ready
	• Online, public instructor-led class(es)
	• "Train the Trainer" enablement and materials
	  ○ Editable templates and tools to be leveraged by the administrators to deliver manager and employee training
	  ○ Manager and employee-focused job aids for common tasks within UKG Ready

Change Management and User Adoption Training	• Change management training for the project team on building a change management plan for Customer's organization • Change management toolkit that includes pre-populated templates and supporting resources to be leveraged to deliver Customer's change management plan

UKG Ready Services

Subscription Service	Assumptions

UKG Ready Time and Scheduling	Deployment gets you started with the ability to accept punches and pay employees accurately through these core components:
	• Total Cost Centers
	• Profiles
	  ○ Timesheets
	  ○ Time off requests
	  ○ Pay Prep

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Subscription Service	Assumptions
	○ Security ○ Points • Pay Calculations ○ Up to 20 calculations will be configured by the UKG project team • Tables ○ Rate ○ Holiday • Manager Levels • Employee Perspectives Scorecards • Workflows ○ Time Off Requests ○ Timesheet Change Requests • Schedules ○ Daily Rules ○ Work Schedule Profiles • Pay Periods • Counters • Time Off Categories • Reports ○ Includes 61 commonly used pre-configured reports** • Timekeeping Admin Training **Up to five (5) additional customer-specified reports will be configured by the UKG project team using the standard functionality in the software. The customer can continue to configure as many as needed.
UKG Ready HR	Core functionality deployment gets you started by establishing HR as the system of record for employees, one of the most important foundational components through: • Core employee demographics • Onboarding • Checklists ○ Up to 10 will be configured by the UKG project team, however the Customer can configure as many as needed • Personnel management • Workflows ○ Up to 10 will be configured by the UKG project team, however the Customer can configure as many as needed • HR documents & forms ○ Up to 10 custom forms will be configured by the UKG project team, however the Customer can configure as many as needed • Incident tracking • Certification / Credential • Asset management • Compliance reporting • Standard reporting • One-Time data load using customer-supplied data for current year in a standard UKG-supplied format • Interface bundle using customer supplied data in standard file formats • HR Admin Training
UKG Ready Payroll* (US Only)	Deployment gets you started with the end-to-end payroll process with the ability to calculate gross-to-net, pay employees, adjust, and export data needed tax filing (if using a provider other than UKG Payroll

Subscription Service	Assumptions

*Recommend UKG Ready Payroll Services	Services) through:
	
	• Configuration of up to 5 EINs
	• Pay Period Profiles
	• Up to two Parallel Payroll Tests
	• Company Tax Setup (Jurisdictions)
	• Custom Exports/Reports
	• Company Deduction Types
	• Company Earning Types
	• Configure Default Banks
	• Workers Comp Types
	• Payroll History up to 4 Quarter of Current Year
	• All Payroll Configurations Include:
	  ○ Standard Dashboard Widgets
	  ○ Global Payroll Settings
	  ○ Standard Notifications
	  ○ GL (General Ledger) Set Up
	  ○ In-house manual check printing
	  ○ Employee Imports
	• Vendor Payments (ACH/Check)
	• Payroll Administrative Training
	
	Note: If UKG Payroll Services has not been purchased, UKG will configure tax filing options for one of the following vendors – ADP, BSI, Ceridian

UKG Ready Integration Hub
 	
Included with any above- listed Subscription Services, as available and required
 	
All Benefit and Financial integrations require Benefits Hub, a service of UKG Ready.
	Enables data to flow between UKG Ready and 3rd party applications and/or vendors. UKG will deliver up to three (3) additional interfaces as part of this project.
	
	The customer is responsible for providing import files to UKG in the standard UKG Ready format and utilizing the standard UKG Ready delivery method. Each direction (To/From) any 3rd party system and UKG is considered a separate interface.
	
	Interfaces will be accomplished via standard flat-file exchange. Customer will work with UKG and 3rd party vendors to facilitate design, testing, and validation.
	
	The customer is responsible for implementing any SFTP protocols and providing UKG the required access.
	
	Examples of interfaces/integrations that can be supplied under this project include:
	  ○ Schedule Import/Export
	  ○ Punch Import/Export
	  ○ Demographic Import/Export
	  ○ Accruals Import/Export
	
	The interfaces included will expire if not identified by Launch Go Live.
	
	Note: Non-templated, bidirectional, custom reports and/or API (Application Programming Interface) based integrations are not included in the scope of this project. If such services or reports are required, a separate quote will be provided.

UKG Ready Learning	• Creation of Learning Academy • Learning Profile assignments • Bulk Upload of Employee information to LMS (Learning Management System) • Security settings

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Subscription Service	Assumptions

	• Training enabling client to administrate:
	  ○ Content creation
	  ○ Addition of Courses, Exams, OJTs, and Polls
	  ○ Assignment of courses to individuals or groups of employees
	  ○ Dashboard configuration for employees, managers, and administrators
	  ○ Reporting functionality

UKG Leave Manager* *Recommend being used with UKG Ready Time, Accruals & HR	Adds comprehensive leave administration through: • Federal & state/provincial leave policy enforcement • Employer-specific leave policy enforcement • Qualifying questionnaire • Leave eligibility, type & duration determination • Leave hour interface with timesheets • Leave case routing workflow • Leave case life cycle monitoring • Employee self-services leave request & history • Standard reporting & email notification alerts • One-Time data load using customer-supplied data of current leave cases, leave case entries & entitlement balances in a standard UKG-supplied format
UKG Ready ACA Manager* (US Only) *Recommend being used with UKG Ready Time, HR & Payroll	Provides proactive administration of your ACA (Affordable Care Act) compliance strategy across the UKG Ready solution through: • Configurable time periods & rules • Set measurement periods & hours threshold • Calculation of employee ACA (full-time (FT) status • Identify employees ACA standing by month • Flag part-time (PT) employees approaching ACA FT status • Flag ACA FT employees no longer qualifying • Calculation of plan's affordability (Requires UKG Payroll) • Settings for minimum value plan (Requires UKG HR) • Year-End government compliant forms • Standard ACA compliance reporting • One-Time Data load using customer-supplied data of employee hours for look back in a standard UKG-supplied format
UKG Ready Accruals* *Requires UKG Ready Time and/or Payroll	Adds comprehensive accrual administration to UKG Ready Time by automatically enforcing your time-off policies through: • Consistent enforcement of policy • Configurable calculation methods & grants (see table below) • Time-Off routing & approval workflow (requires Timekeeper) • Time-Off requests at data collection devices • Automatic updates to schedule & timecard (requires Timekeeper) • Visibility to projected balances • Automatic balance reduction (requires Timekeeper or Payroll) • View time-off calendars for groups • Mobile access • One-Time data load using customer-supplied data for current year in a standard UKG - supplied format • Configure Accruals profiles and assign them to employees
UKG Ready Attestation* *Requires UKG Ready Time	Provides documentation proof of compliance for required administration to UKG Time by automatically enforcing your policies through: • Configurable questions & response choices • Automated notification & reminders • Several employee prompts with workflows

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Subscription Service	Assumptions
	○ Prompts differ based on attestation prompt • Workflows** • Functionality for the InTouch Clock vs. the Web may differ • Full Audit Report **Up to three (3) of each, as needed, will be configured by the UKG project team. The customer can continue to configure as many as needed.
UKG Ready Workforce Insights* *Requires UKG Ready Time	Core functionality deployment gets you started by establishing standard views of common information helpful to business stakeholders. The standard views UKG will provide during this project include: • Calculation of flight risk • Configurable alerts using AIMEE Insights • Standard reporting including pivot functionality • Flight Risk Dashboard tile • Voluntary Termination Reason Mapping (*In conjunction with UKG Ready HR)
UKG Ready Benefits* (US and CAN Only) *Requires UKG Ready HR for benefit plan feeds and UKG Ready Payroll for retirement/401(k) feeds *Note: Each file needed, even to the same vendor, counts as one (1) feed.	Deployment gets you started with the end-to-end benefit administration process with the ability to automate carrier connectivity through: • Employee Self-Service capabilities including open enrollment/life events • Dependent and beneficiary record keeping • One time data load of benefit enrollments, including dependents and beneficiaries • Benefit maintenance training • Standard Reporting • **US ONLY** - Five (5) carrier feeds including benefit providers, COBRA (US Only) connectivity to a TPA (Third Party Administrator), and Financial Connectivity The included interfaces will expire if not identified by Launch Go Live.
UKG Ready Compensation Manager* *Requires UKG Ready HR	Automates the entire compensation management process from defining programs and guidelines through budgeting and modeling to routing proposals for approval through: • Configurable compensation cycles • Tie compensation to performance outcomes • Import/export Excel based compensation proposals • Routing & approval workflows • Complete compensation process visibility • Budget vs. proposed comparison
UKG Ready Performance Management* *Requires UKG Ready HR	Provides performance management process from defining programs and guidelines through budgeting and modeling to routing proposals for approval through: • Full Performance Configuration** • Performance Development - Customer will be trained on how to setup Goal Categories, Goal Types and how to assign them to Employees. Customers will be responsible for the setup of each development area. • Succession Planning ○ Succession Metrics ○ Up to 5 Succession Profiles will be configured by the UKG project team, however the Customer can configure as many as needed ○ Customer will be trained on how to assign succession profiles to employees and manage the metrics **Up to three (3) review profiles will be configured by the UKG project team. The customer can continue to configure as many as needed.
UKG Recruiting* *Requires UKG Ready HR	Provides proactive administration of your Recruitment strategy across the UKG Ready solution through: • Applicant Configuration • Applicant Administration • Job Requisitions • Workflows**

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Subscription Service	Assumptions
	• Checklists** • Questionnaires** • Tracking/recruitment custom forms** • Talent tracking: training, skills, certifications • Communication and Notification templates** • Standard reporting **Up to five (5) of each, as needed, will be configured by the UKG project team. The customer can continue to configure as many as needed.
UKG Ready Bryte AI	UKG will provide the following predefined functionality: • Assist with configuring access to Bryte Assist through security settings • Provide guidance on how to upload documents to Bryte Assist • Share best practices for using Bryte Assist effectively Please note: Bryte AI does not currently support the automatic generation of responses based on localized content-specific rules or policies unless those are uploaded. We also recommend that customers encourage their user base to provide clear feedback if Bryte AI ever provides incorrect information. For any issues, Customer Administrators should submit tickets via the appropriate UKG channels, following the established escalation process and SLA requirements.
UKG HRSD Document Manager	UKG will provide the following predefined functionality: • Employee folder structure • HR roles mapped with UKG Ready HR roles • UKG Ready HR Data (Employee, Organization and HR User) • Enablement of advanced document feature • Logo of Customer to UKG Ready Document Manager site • Document migration from UKG Ready Documents: Employee, Government, and Custom Forms, to Document Manager Customer responsibility includes: Document migration from legacy provider to UKG Ready

9. Service Requests

Requests for changes to this Statement of Work, additional scope, activities outside of this planned project scope, or increased project duration must be submitted to the UKG project manager in writing or in the form of an electronic Service Request.

The following excluded items are considered out of scope and will require a billable Service Request:

- Material changes in the scope or effort (i.e., # of deployments or EINs, request of onsite assistance, etc.)
- Material changes in the number or type of deliverables to meet the defined scope of effort (i.e., additional integrations, profiles, etc.)
- Changes to the project resource requirements
- Changes to the Launch duration (i.e., changes to the scheduled dates after completion of Requirements)
- Modules placed on hold may incur re-engagement or other re-work fees and may result in a change of consultant(s)

UKG will assess the time needed to implement the Service Request, as well as its impact on the project's delivery, and will quote the Service Request based on current rates. Service Requests are submitted through the UKG Community. UKG will perform the requested work once the Service Request has been completed and approved by the Customer. UKG will not be responsible for troubleshooting Subscription Service(s), interfaces, or hardware not provided by UKG.

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HR, Pay, & Workforce Management

ORDER FORM

Quote#: Q-418011
Expires: 29 May, 2026
Sales Executive: Rachel Adelberg
Effective Date: Effective as of the date of last signature of this Order

Order Type: Quote
Date: 15 May, 2026

Customer Legal Name:
CITY OF SAN LUIS

Customer Legal Address:
1090 E UNION ST, SAN LUIS, AZ 85349 USA

Bill To: CITY OF SAN LUIS
1090 E UNION ST
SAN LUIS, AZ 85349 USA

Ship To: CITY OF SAN LUIS
1090 E UNION ST
SAN LUIS, AZ 85349 USA

Bill To Contact:

Ship To Contact: Fernando Corona

Ship to Phone: 9283418530 ext. 2060
Ship to Mobile: +19283418530
Contact: Fernando Corona
Email: fcorona@sanluisaz.gov

Currency: USD
Customer PO Number:
Solution ID: 6222993
Initial Term: 36 months from Billing Start Date
Uplift Percent: 8 %

Shipping Terms: Shipping Point
Ship Method: FedEx Ground
Freight Term: Prepay & Add
Renewal Term: 36 months
Payment Terms: Net 30 Days

Billing Start Date: 90 Days from the Effective Date

Services

Billing Frequency: Annual in Advance

Services	Quantity	PEPM	Monthly Price	Annual Price
UKG BRYTE AI FOR READY	400	USD 0.91	USD 364.00	USD 4,368.00
UKG READY ACA MANAGER	400	USD 0.37	USD 148.00	USD 1,776.00
UKG READY ACCRUALS MANAGER	400	USD 0.54	USD 216.00	USD 2,592.00
UKG READY ATTESTATION	400	USD 0.37	USD 148.00	USD 1,776.00
UKG READY BENEFITS	400	USD 2.19	USD 876.00	USD 10,512.00
UKG READY COMPENSATION	400	USD 0.73	USD 292.00	USD 3,504.00
UKG READY DOCUMENT MANAGER	400	USD 1.46	USD 584.00	USD 7,008.00
UKG READY HR	400	USD 5.11	USD 2,044.00	USD 24,528.00
UKG READY INTEGRATION HUB	1	USD 0.00	USD 0.00	USD 0.00
UKG READY LEAVE	400	USD 0.91	USD 364.00	USD 4,368.00
UKG READY PAYROLL	400	USD 4.75	USD 1,900.00	USD 22,800.00
UKG READY WORKFORCE INSIGHTS	400	USD 0.73	USD 292.00	USD 3,504.00
UKG READY PERFORMANCE	400	USD 1.10	USD 440.00	USD 5,280.00
UKG READY RECRUITING	400	USD 1.46	USD 584.00	USD 7,008.00
UKG READY TIME	400	USD 3.47	USD 1,388.00	USD 16,656.00
Total Price			**USD 9,640.00**	**USD 115,680.00**

Equipment Rental

Billing Frequency: Annual in Advance

Item	Quantity	Unit Price	Monthly Price	Annual Price
UKG READY RENTAL INTOUCH DX G2,HID PROX	13	USD 99.00	USD 1,287.00	USD 15,444.00
Total Price			**USD 1,287.00**	**USD 15,444.00**

Accessories

Billing Frequency: Invoiced Upon the Signature of the order form

Item	Quantity	Unit Price	Total Price
NORTH AMERICA POWER ADAPTER FOR EXTERNAL OUTLET, INTOUCH DX/DX G2	13	USD 0.00	USD 0.00
Total Price			**USD 0.00**

Professional Services - Fixed Fee

Billing Frequency: Billed 100% upon signature of the order form

Professional Services - Fixed Fee	Billing Role	Quantity	Unit Price	Total Price
UKG READY LAUNCH FIXED FEE	Grouped	1	USD 44,613.00	USD 44,613.00
Total Price				**USD 44,613.00**

Quote Summary

Item	Total Price
Minimum Monthly SaaS Service & Equipment Rental Fee	USD 10,927.00

Item	Total Price
Minimum Annual SaaS Service & Equipment Rental Fee	USD 131,124.00

Item	Total Price
Total Equipment Purchase and Accessories Fee	USD 0.00

Item	Total Price
Total Fixed Fees	USD 44,613.00

Order Notes:

This Order is subject to the Master Agreement No 24-6833 entered into between Cobb County Board of Commissioner ("Lead Agency") and UKG Kronos Systems, LLC ("UKG") effective as of July 14th, 2025 (the " Omnia Master Agreement No. 24-6833 ") and used by Customer as an Omnia Participating Public Agency.

UKG Launch is based on the Launch Quantity of 400.

The Subscription Fees for the applicable monthly Minimum Quantities are due on the Billing Frequency stated on the Order Form and invoiced sixty (60) days in advance of the Billing Start Date and annual anniversary. To reconcile the actual employee counts, promptly following the end of each month starting from the Billing Start Date, UKG will invoice Customer for the actual number of employees in each month that exceeded the Monthly Minimum Quantity.

The Statement of Work attached to this order form is incorporated herein by reference.

IN WITNESS WHEREOF, the parties have caused this Order to be executed by their authorized representatives and shall be effective as of the date of the last signature below.

CITY OF SAN LUIS		**Kronos SaaShr, Inc.**	
Signature:	_____	Signature:	_____
Name:	_____	Name:	_____
Title:	_____	Title:	_____
Date:	_____	Date:	_____

The monthly price on this Order has been rounded to two decimal places for display purposes. As many as eight decimal places may be present in the actual price. Due to the rounding calculations, the actual price may not display as expected when displayed on your Order. Nonetheless, the actual price on your invoice is the true and binding total for this Order for purposes of amounts owed for the term. If you are tax exempt, please email a copy of your "Tax Exempt Certificate" to TaxExemption@ukg.com along with the quote number otherwise this order is subject to applicable taxes. The actual tax amount to be paid by Customer will be shown on Customer's invoice.

CITY OF SAN LUIS ARIZONA

UKG Ready Value Assessment

Turning Workforce Complexity into Measurable Value

Modernize HR, time, payroll, and workforce processes. Strengthen accuracy, controls, and confidence across the City.

AT A GLANCE

$401,709

Total Annual Potential Benefit

$240,629	**Direct Cost Savings** (Payroll Cost Savings + Employee Turnover Savings)
$85,053	Back-Office Efficiency
$76,440	Productivity Gains

ANNUAL FINANCIAL IMPACT OF IMPROVEMENT

$401,709

By consolidating HR, time, payroll, and workforce processes with UKG Ready, San Luis can address manual handoffs, payroll exceptions, spreadsheet-heavy HR work, and public safety rule complexity.

KEY SAVINGS DRIVERS

$183,456	$85,053	$76,440	$57,173
Direct Payroll Cost Reduction	Back-Office Efficiency	Increased Manager Productivity	Turnover Cost Reduction

INVESTMENT PROFILE

6 Months	Payback Period
133%	3-Year ROI

THE COST OF DELAY

Potential value remains tied up in manual work, avoidable errors, and compliance risk when the decision is delayed.

$1,101	$7,725	$33,476
Potential value/day	Potential value/week	Potential value/month

A 6-month delay represents roughly $200,000 in potential lost value.

OPERATING CONTEXT

350	employees supported
60	hires/year
20–25	leave cases/year
11	physical time clocks
3–4 hrs	timecard review/pay week
28/212/106	fire rule complexity

STRATEGIC IMPACT

Strengthen pay accuracy and trust
Catch errors earlier, reduce handoffs, and support cleaner payroll close.

Automate public safety complexity
Support fire 28-day/212-hour and 106-hour first-period rules with less manual true-up.

Improve compliance readiness
Track credentials, leave cases, policy acknowledgements, and audit trails in one place.

Give time back to HR and managers
Reduce paper, spreadsheets, approval chasing, and employee questions.

CURRENT STATE CHALLENGES

- Manual export/import and sync jobs between time and payroll.
- Accrual and position data require recurring double-checking.
- Fire 106-hour true-up and 28-day cycle handled manually today.
- Benefits, leave, certifications, and policies rely on paper/spreadsheets.
- Reports and grant/time-code visibility are inconsistent.

BOTTOM LINE

This is not just a technology decision. It is an opportunity to unlock measurable annual value, strengthen controls, and give HR, Finance, managers, and employees a cleaner way to work.

$401,709
annual potential value

Sources: UKG Value Assessment prepared for City of San Luis (05/05/2026) and discovery/demo transcripts. Benefits are potential, benchmark-informed estimates and not guaranteed.

UKG HR, Pay, & Workforce Management

Business Value Assessment

Prepared for City of San Luis

by UKG Value Consulting

05/05/2026

UKG is pleased to provide this information for your convenience, however, it is provided with the understanding that UKG is not engaged in rendering any professional advice. This document is provided for informational purposes only and should not be used as the basis of making any business decisions. The results described in this document are not guaranteed and the recipient hereby acknowledges that outcomes and results may differ.



Executive Summary

About Your UKG Value Analysis

The following UKG Value Analysis reflects a joint working session between UKG and key stakeholders at your organization. Inputs in this document were gathered through UKG discovery and validated with stakeholders, and the results represent potential value enabled by adopting UKG Ready capabilities in scope.

This analysis organizes value across five pillars that UKG delivers:

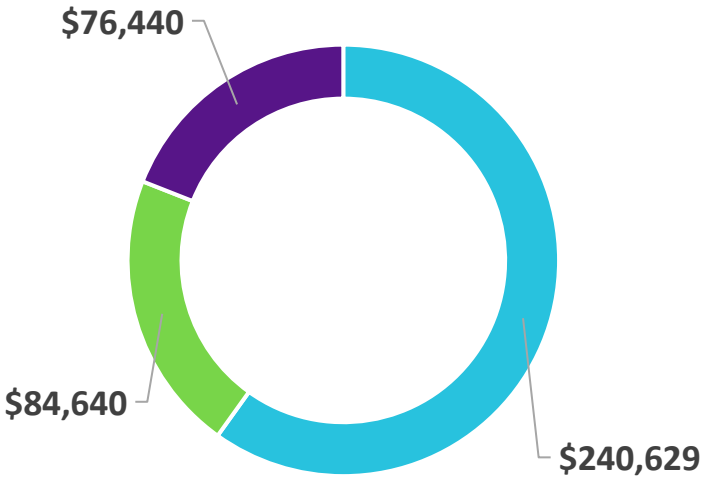
- **EBITDA Impact:** Reduce labor cost leakage and avoidable spend through stronger control of overtime, time inflation, and payroll accuracy.
- **Improved Operational Productivity:** Give managers and frontline leaders time back with real-time visibility, faster exception handling, and easier day-to-day workforce execution.
- **Increased Administrative Efficiency:** Streamline HR, payroll, benefits, and IT effort by consolidating data, reducing duplicate work, and accelerating routine transactions through self-service and automation.
- **Improved Compliance:** Strengthen policy enforcement, audit readiness, and regulatory confidence through consistent rules, alerts, standardized processes, and reliable workforce data.
- **Increased Employee Engagement:** Improve the employee experience with easier access to information, faster resolution of common needs, and more consistent manager communication and recognition.

The potential benefits shown in this document are driven by a combination of addressing critical business issues, improving process effectiveness and ease, increasing visibility and control, and automating routine work across the workforce lifecycle.

In conjunction with your data, this UKG Value Analysis makes use of third-party research and studies produced through organizations such as SHRM, the American Payroll Association, and the Department of Labor, as well as research and consulting firms such as Nucleus Research and Forrester Research. Source materials are cited where appropriate.

Value Summary

Benefits by year



$325,269

Direct savings per year

$76,440

Indirect savings per year

$401,709

Total potential savings per year

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Each row below represents ways in which the UKG solution will drive savings for your organization based on your environment, your data, and your business needs. Details for each of these value areas can be found in subsequent sections of this document.

Direct Cost Savings

Reduced Payroll Errors	$183,456
Reduced Employee Turnover Costs	$57,173
Direct savings per year	**$240,629**

Direct Productivity Improvement

Increased Payroll Productivity	$15,600
Reduced Employee Onboarding / Administration Cost	$3,300
Increased Employee Self-Service Opportunity Cost	$23,100
Increased HR Administration Productivity	$39,312
Increased IT Productivity	$3,328
Direct Improvement savings per year	**$85,053**

Indirect Productivity Improvement

Increased Manager Productivity	$76,440
Direct Improvement savings per year	**$76,440**

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Reduced Payroll Error Rate: UKG Ready helps improve administrative efficiency and compliance confidence by reducing payroll errors through automated rules, unified time and pay data, and fewer manual handoffs that create audit and rework risk.

Calculation and input errors occur when staff miscalculate hours worked, misapply pay rates and differentials, misinterpret labor rules, or incorrectly transcribe hour and wage data between forms and systems. This results in employees being paid too little or too much in a pay period and increases rework, avoidable cost, and compliance exposure, especially in environments with complex rules and disconnected tools.

The number and magnitude of these errors typically fall on a curve:

- Finance and accounting controls generally identify large errors, while employees are incentivized to identify any underpayments.
- Smaller overpayments are harder to recognize and can go unnoticed or unreported, creating ongoing labor leakage.

UKG Ready helps reduce payroll errors so effectively because time, scheduling, and payroll processing work together in one unified solution. Employee time flows from capture into payroll without manual re-keying, which reduces transcription errors and the back-and-forth that often drives corrections. Automated pay rules help apply rates, premiums, and differentials consistently, reducing misinterpretation and manual calculation. Integrated scheduling further improves accuracy by letting managers align missed punches to scheduled start times rather than guessing, and by surfacing exceptions earlier so they can be resolved before payroll close. Where productivity-based pay applies, integrating the source system with UKG Ready can feed adjustments automatically, reducing manual intervention and supporting cleaner, more auditable payroll outcomes.

According to an APA payroll survey, companies that moved from partial automation to full automation achieved a 0.80 percent reduction in payroll error, while organizations that switched to a new vendor realized a 0.33 percent reduction in payroll error. Furthermore, in 2019, Nucleus Research found that companies with manual time sheets make data entry errors that result in an average overpayment of 1.2 percent of total payroll costs. Over 95 percent of this amount can be recovered using an automated time and attendance system.

Total annual payroll	$20,384,000
Estimated payroll error rate	1.20%
Reduction in manual calculation and input errors	75%
Predicted annual cost savings / avoidance	**$183,456**

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Reduced Employee Turnover: UKG Ready helps protect EBITDA and strengthen employee engagement by giving leaders and managers earlier visibility into retention risk and the tools to act sooner, reducing avoidable turnover and the productivity loss that comes with backfilling roles.

Strategic hiring and strong employee retention directly impact the overall success of your organization. When an employee leaves, the organization absorbs the cost to recruit, onboard, and train a replacement, often along with lost productivity and the departure of role-specific knowledge and relationships. Identifying retention risks early and taking action to address employee concerns before they escalate can improve continuity, stabilize operations, and reduce the financial drag of recurring backfills.

Common forms of turnover that drive cost and disruption include:

- Voluntary turnover (employees choosing to leave)
- Involuntary turnover (terminations, attendance-related separations)
- Early-tenure attrition (new hires leaving before ramping to full productivity)
- Regrettable turnover (top performers and hard-to-replace roles)

In many organizations, the challenge is not recognizing turnover after it happens, it is lacking timely, actionable visibility into where it is trending, who is most impacted, and which leading indicators (schedule instability, attendance patterns, manager hotspots, lack of recognition, limited communication) are contributing, which limits the ability to intervene before disengagement becomes an exit.

UKG Ready helps by providing real-time workforce insights that make retention trends visible earlier and easier to act on. Leaders and managers can track turnover patterns, including voluntary versus involuntary, segment results by location, department, role, or manager, and connect outcomes to operational signals like scheduling stability and attendance. UKG Ready also supports day-to-day engagement by enabling more consistent communication and recognition moments, helping employees feel informed, supported, and valued so retention efforts are not limited to annual programs.

External turnover studies estimate fully loaded cost of turnover ranging from 50 percent to 125 percent of annual pay. Research by Nucleus found that UKG customers achieved an overall increase in employee satisfaction and reduction in employee turnover, with some organizations experiencing reductions in turnover ranging from 30 to 60 percent.

# of employees	350
Average cost of turnover	$14,850
Current turnover rate	22%
Reduction in employee turnover cost	5%
Predicted annual cost savings / avoidance	**$57,173**

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Increased Payroll Productivity: UKG Ready increases administrative efficiency and strengthens compliance confidence by streamlining payroll processing through unified time, HR, and payroll data, reducing exception-driven rework and improving on-time, accurate pay.

Payroll productivity is the ability to run accurate, on-time payroll with minimal rework despite frequent changes in time, employee status, pay rules, and compliance requirements. When payroll teams spend too much time chasing exceptions, reconciling data, and correcting errors, payroll cycles slow down, administrative effort rises, and compliance risk increases.

The most common drivers of payroll productivity loss include:

- Manual data entry and re-keying across time, HR, and payroll
- High volumes of exceptions (missed punches, late approvals, retro changes, adjustments)
- Time spent auditing payroll due to inconsistent data and disconnected processes
- Compliance monitoring across changing regulations, taxes, and reporting requirements
- Reporting and reconciliation work pulled from multiple systems and formats

In many organizations, the core issue is fragmentation. Time, HR changes, and payroll inputs live in different places and arrive at different times. That creates handoffs, duplicate work, and last-minute scrambles that force payroll teams into manual checks and corrections to ensure pay is right.

UKG Ready helps improve payroll productivity by unifying payroll, time, and HR in one unified solution so data stays consistent and flows through a single process. Approved time feeds directly into payroll, and employee changes can be routed through structured workflows to reduce back-and-forth and rework. Automated calculations, validations, and configurable alerts help teams catch issues earlier, while real-time reporting supports faster reconciliation and stronger process control ahead of payroll close.

Nucleus Research found that most UKG customers can recapture more than 80 percent of the time payroll spends managing the payroll process and finalizing each pay period.

# of payroll administrators processing payroll	2
Average annual payroll admin hours spent processing payroll	520
Average hourly wage of payroll administrators	$25
Reduction in payroll processing time	60%
Predicted annual direct productivity improvement	**$15,600**

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Reduced Employee Onboarding and Benefits Administration Cost: UKG Ready increases administrative efficiency and supports compliance confidence by streamlining onboarding and benefits administration through employee self-service, workflow-driven approvals, and more consistent carrier updates with fewer handoffs.

Benefits and onboarding administration productivity is the ability to set up benefit plans, manage enrollment and life events, and bring new hires onboard efficiently while keeping elections and eligibility information accurate and secure. When these processes rely on manual forms, duplicate entry, and back-and-forth validation, HR spends more time on transactions and follow-up, which can delay coverage changes and increase compliance risk.

The most common sources of benefits administration effort include:

- Plan setup and annual open enrollment preparation
- Employee questions and corrections during enrollment windows
- Life event processing (new dependents, status changes, address changes)
- Verifying eligibility, approvals, and required documentation
- Updating carriers and reconciling changes across systems

In many organizations, time loss comes from handoffs and incomplete information. Elections arrive through multiple channels, approvals are handled outside the system, and carrier updates require extra steps. Those gaps increase follow-up work, delay changes, and create opportunities for errors.

UKG Ready Benefits provides a single place to configure benefit offerings and administer enrollments and life events, with employee self-service that enables employees to review options and manage elections electronically. Workflows and notifications help route tasks to the right approvers and prompt completion, reducing manual chasing and email-based coordination. Where carrier connectivity is used, enrollment changes can be sent more consistently and securely, reducing manual keying and reconciliation effort. Because recruiting is natively integrated with HR, once a candidate is hired, their information can carry forward into the employee record, minimizing re-entry as onboarding and benefits processes begin.

Nucleus Research found the average administrator spends between 45 and 120 minutes processing each new employee activation and up to 3 full work weeks (120 hours) to complete benefit enrollment each year. Organizations can expect to recover between 70 and 90 percent of this administrator time with UKG Benefits.

Total annual hours spent on benefits administration	160
Number of new hires per year	60
Average hourly wage of Benefits department	$30
Reduction in Benefits administration time	50%
Predicted annual direct productivity improvement	**$3,300**

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Increased Productivity from Employee Self-Service: UKG Ready increases administrative efficiency and employee engagement by giving employees always-available self-service, enhanced by Bryte AI, so routine questions are resolved faster with fewer HR touchpoints.

Employee self-service helps employees get what they need, when they need it, without waiting for business hours or relying on HR as the middleman. When employees can directly access schedules, time off, and key pay and job information, it improves responsiveness and trust while reducing the volume of routine inquiries HR must manage.

The most common forms of HR inquiry and administrative time that self-service helps reduce include:

- What is my schedule and who am I working with
- How much PTO do I have and what is the status of my request
- Where do I find my pay information
- Can you update my personal details
- What changed in my job, pay, or position history
- Basic how do I questions that otherwise become emails, calls, or tickets to HR

In many organizations, the issue is not that HR cannot answer these questions, it is that employees do not have an easy, always-available way to find answers themselves. That drives avoidable back-and-forth, delays resolution, and pulls HR into repetitive tasks that could be handled through guided self-service.

UKG Ready helps by giving employees secure, anytime access to personal information, pay-related details, job and employment history, schedules, and time-off requests from any device, including notifications and language preferences where enabled. UKG Ready also expands self-service with UKG Bryte AI, which provides instant, personalized answers and support so employees can complete everyday tasks and resolve common questions without HR needing to run reports, navigate screens, or respond manually.

HR staff can spend up to 4 hours per year per employee on transactions that can be addressed through self-service. Nucleus found that by automating employee self-service, organizations are able to eliminate over 85 percent of the costs, including both the cost for employee time and the cost for manager or human resources to address the employee inquiry.

# of employees	350
Average annual hours spent per employee on self-service addressable issues	4
Average hourly wage of HR administrators	$30
Reduction in HR hours spent on self-service addressable issues	55%
Predicted annual direct productivity	**$23,100**

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Increased HR Administration Productivity: UKG Ready helps increase administrative efficiency and strengthen compliance confidence by standardizing HR transactions, reducing manual handling, and accelerating answers to employee questions so HR and payroll teams can scale support with less effort.

Many standard HR transactions require retrieving and entering employee data in multiple places because information can originate in different tools, databases, or paper forms. Even when processes exist, multiple approval steps and manual routing can create bottlenecks. Double-entry, unnecessary verification, and manual form signatures are common sources of lost time in HR and payroll teams, and they also increase the likelihood of inconsistent records that can create audit and compliance risk.

The most common forms of HR administration inefficiency include:

- Re-keying employee changes across systems (job, pay, status, org changes)
- Manual forms and signatures (printing, scanning, chasing approvals)
- Email-driven case handling (back-and-forth to answer simple questions)
- Ad hoc reporting across multiple data sources and formats

In many organizations, the issue is not the absence of HR processes, it is that the work is fragmented across systems and channels. That fragmentation increases cycle times, creates inconsistent data, and pushes HR into reactive work (answering questions, correcting records, tracking down approvals) instead of higher-value initiatives.

UKG Ready helps improve HR administration productivity by consolidating employee data and standardizing common transactions through self-service, workflows, and automated notifications so requests route correctly, approvals are captured electronically, and changes update the system of record with fewer handoffs. It also reduces time spent responding to routine questions by making information easier to access, and with UKG Bryte AI, HR teams can get fast answers to questions about workforce data, policies, time, and pay without relying on ad hoc reports or deep system navigation.

Customer case studies by Nucleus Research of UKG customers show savings of up to 95% of HR manual tasks through automation and unification of people management systems. Results depend on the level of automation and integrations already in place.

# of HR administrators completing manual tasks	3
Average annual HR admin hours spent on manual tasks	728
Average hourly wage of HR administrators	$30
Reduction in HR manual tasks	60%
Predicted annual direct productivity improvement	**$39,312**

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Reduced IT Requirements: UKG Ready increases administrative efficiency and strengthens compliance confidence by simplifying workforce system administration and connectivity, reducing the ongoing IT effort required to support secure access, integrations, and change management.

IT productivity in the HCM space is the ability to keep workforce systems reliable, secure, integrated, and current without requiring frequent IT involvement for routine requests or ongoing maintenance. When system administration, integrations, and troubleshooting require regular IT effort, delivery to the business slows, compliance controls become harder to sustain consistently, and IT capacity is diverted from higher-value initiatives.

The most common drivers of IT effort in HR, payroll, and workforce systems include:

- Maintaining integrations and resolving breakages after changes
- Supporting user access, security roles, and audit requirements
- Managing configuration updates, testing, and release impacts
- Troubleshooting data issues across disconnected tools
- Building and maintaining custom interfaces or point solutions

In many organizations, the underlying challenge is complexity. Multiple systems and connections increase handoffs, monitoring, and maintenance, which can create incremental IT workload and slow the pace of business change.

UKG Ready can help reduce IT involvement by consolidating HR, payroll, and workforce management capabilities in one platform with centralized security, administration, and reporting so more day-to-day work can be handled through configuration rather than custom development. UKG Ready can also simplify system connectivity through the UKG Ready Solutions Exchange, which provides pre-built integrations and partner apps that organizations can deploy and manage, often reducing the need to build and maintain one-off connections. Continuous product updates and role-based controls further support reliability and security while reducing the operational burden of customer-led upgrade projects.

Discussions with UKG clients have shown that FTE requirements to support HCM solutions drop by half when the organization moves to the cloud. The benefit of shifting IT resources towards more strategic projects is challenging to assess, the calculations included below, consider the reduction in fully-burdened FTE salary for these resources. Once redeployed, other benefits of moving to the cloud are likely to occur which could be greater than the nominal benefits below. 94% of businesses report significant online security improvements after moving their data to the cloud, and 91% of businesses state cloud tech proves immense help when dealing with government compliance requirements.

Average annual IT department hours spent supporting people management	208
Average hourly wage of IT department	$40
Reduction in IT time spent on people management function	40%
Predicted annual direct productivity improvement	**$3,328**

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Increased Manager Productivity : UKG Ready helps improve operational productivity and protect EBITDA by giving managers time back and real-time visibility so they can spend more of their day coaching teams and running operations, not chasing exceptions and administrative tasks.

In any industry, supervisors provide a critical link between an organization's leadership strategy and the methods it uses to execute that strategy in the field. Their responsibility is to ensure quality products or services are delivered to customers in a safe and efficient manner, and their time is often the limiting factor in execution.

Quality, safety, and efficiency tend to improve when supervisors are present with their teams and can suffer when administrative work pulls them into back offices, forces them to chase information across systems, or requires extra hours to complete routine tasks. Detailed people-management activities like schedule building, exception cleanup, and investigating time or pay issues can also consume attention and reduce the capacity supervisors have for the work they were hired to do, which can increase operating risk and overtime pressure.

UKG's discussions with clients consistently support the view that a fully engaged supervisor, close to employees and equipped with timely visibility, can improve quality, safety, and efficiency. UKG typically sees the following connections:

- When quality goes down, efficiency goes down (rework, returns, complaints); customer engagement can decline; and labor effort goes up, often driving overtime.
- When safety issues increase, morale is affected, which can further reduce quality and efficiency; the organization also absorbs additional cost through workers' comp claims, leave, light duty, and backfill coverage.

UKG Ready helps increase manager productivity by reducing manual work and making it easier to act in the moment. Managers can approve requests, address exceptions, and respond to employee needs from anywhere using the UKG Ready mobile app, while automated rules, alerts, and workflows reduce routine follow-up for missed punches, break compliance, schedule deviations, time off, and attendance policies. UKG Ready also brings HR, payroll, and workforce management together so managers spend less time switching systems and more time using one place to view schedules, timecards, employee information, and reporting.

A recent study by Forrester Research of UKG customers found that the typical manager saves 208 hours annually. Forrester assumes that not all of the time saved is used for additional work; some of that saved time is likely repurposed for breaks, socializing with colleagues, and such. As a standard, 50% productivity realization is used.

Number of managers	35
Average annual hours saved per manager	156
Average hourly wage of managers	$35
Productivity realization factor	40%
Predicted annual direct productivity improvement	**$76,440**

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Unquantified Benefits of UKG Ready

Compliance Built In, Not Bolted On

UKG Ready embeds compliance across payroll and HR so policy enforcement is supported by the system, not left to manual oversight, which reduces risk and increases confidence every pay cycle.

Built For Real-World Complexity

UKG Ready is designed to handle the scenarios that break other systems, like complex rules, shift premiums, meal and rest breaks, retro pay, and multi-jurisdiction needs, so teams rely less on workarounds and patchwork processes.

Improved Decision Velocity

When leaders, managers, HR, and payroll operate from the same data, reporting becomes more consistent and action happens faster because teams spend less time reconciling “whose numbers are right” and more time addressing issues.

Extensibility Without The Heavy Lift

UKG Ready Solutions Exchange provides pre-built integrations and partner apps that can speed connectivity and reduce the burden of custom development and ongoing maintenance.

Improved Payroll Confidence and Employee Trust

Accurate, timely pay is one of the fastest ways to build trust, and Ready’s unified time and pay approach helps reduce the upstream issues that often lead to employee frustration, corrections, and escalations.

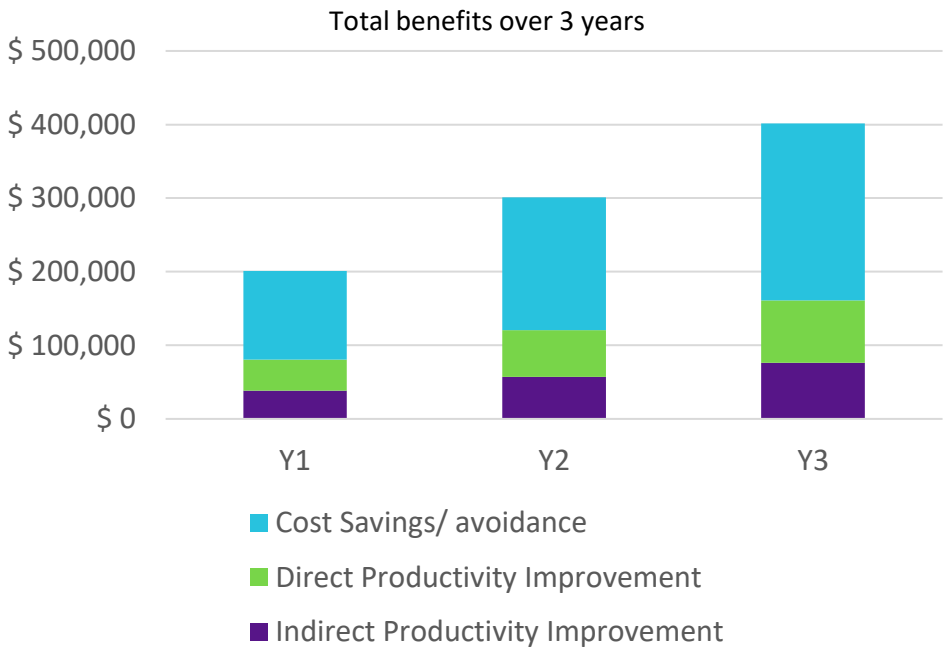
Faster Adoption and Less Training Drag

A consistent experience across HR, payroll, time, and scheduling reduces user confusion and help steams ramp faster, which supports sustained adoption without needing a large internal support bench.

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Cash Flow

Benefits



$731,854

Realized direct benefits over 3 years

$171,990

Realized indirect benefits over 3 years

$903,844.1

Total realized benefits over 3 years

Direct benefits

	Year 1	Year 2	Year 3	Total
Reduced Payroll Errors	$183,456	$183,456	$183,456	$550,368
Reduced Employee Turnover Costs	$57,173	$57,173	$57,173	$171,518
Direct Cost Savings Total	**$240,629**	**$240,629**	**$240,629**	**$721,886**
	Year 1	**Year 2**	**Year 3**	**Total**
Increased Payroll Productivity	$15,600	$15,600	$15,600	**$46,800**
Reduced Employee Onboarding / Administration Cost	$3,300	$3,300	$3,300	**$9,900**
Increased Employee Self-Service Opportunity Cost	$23,100	$23,100	$23,100	**$69,300**
Increased HR Administration Productivity	$39,312	$39,312	$39,312	**$117,936**
Increased IT Productivity	$3,328	$3,328	$3,328	**$9,984**
Direct Productivity Improvement Total	**$84,640**	**$84,640**	**$84,640**	**$253,920**
Direct Savings Total	**$325,269**	**$325,269**	**$325,269**	**$975,806**
Realization	50%	75%	100%	
Realized Direct Savings Total	**$162,634**	**$243,951**	**$325,269**	**$731,854**

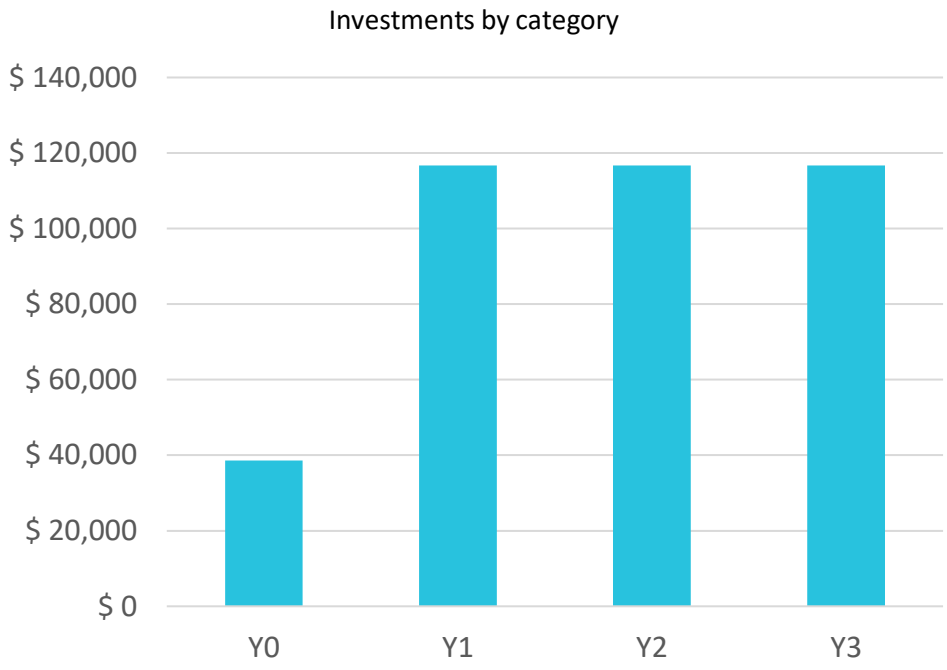
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Indirect benefits

	Year 1	Year 2	Year 3	Total
Increased Manager Productivity	$76,440	$76,440	$76,440	**$229,320**
Indirect Savings Total	**$76,440**	**$76,440**	**$76,440**	**$229,320**
Realization	50%	75%	100%	
Realized Indirect Savings Total	**$38,220**	**$57,330**	**$76,440**	**$171,990**

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Investments



$388,605
Total investment

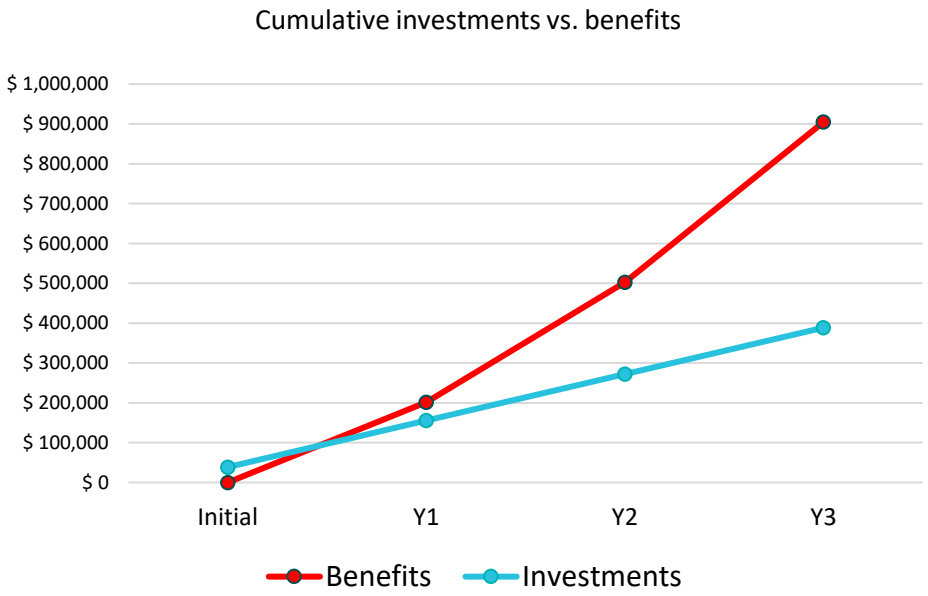
$129,535
Average annual investment

Investment

Proposal	Launch	Year 1	Year 2	Year 3	Total
Cost	$38,613	$116,664	$116,664	$116,664	$388,605

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Return on Investment



133%

ROI (over 3 years)

6

Payback Period (Months)

	Initial	Year 1	Year 2	Year 3
Total Benefits	$0	$200,854	$301,281	$401,709
Cumulative Benefits	$0	$200,854	$502,136	$903,844
Total Investments	$38,613	$116,664	$116,664	$116,664
Cumulative Investments	$38,613	$155,277	$271,941	$388,605
Total Net Benefits	**-$38,613**	**$84,190**	**$184,617**	**$285,045**
Cumulative Net Benefits	**-$38,613**	**$45,577**	**$230,195**	**$515,239**

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SaaS Support
Policies and Services

FRENCH > GERMAN > SPANISH >

Customer Support Service Level Agreement for PRO, DIMENSIONS, READY, and HRSD

UKG provides support for all customer environments on UKG Subscription Services. Configuration of new features may be subject to additional cost depending on complexity.

Priority Based Support

UKG provides support on a "priority" basis. As such, customers with the most critical request(s) will be serviced first, pursuant to the following UKG guidelines:

Evaluating UKG? Ask about products, capabilities, or demos.

1

PRIORITY LEVEL	DESCRIPTION	TARGET RESPONSE TIME
High	A critical Customer issue with no available workaround where the Subscription Services cannot be accessed, or where the Subscription Services are experiencing major system degradation, such as: • Cloud outage • Unable to sign-off time cards • Payroll data accuracy or unable to process payroll • Totals are not accurate • Unable to collect punches from terminals • Unable to access a critical function within the Subscription Services	Thirty (30) minutes or immediately via Rapid Response
Medium	A serious Customer issue which impacts ability to utilize the Subscription Services effectively, such as: • Intermittent or inconsistent functionality results or data accuracy (e.g., accrual balances not matching pay codes but balances are accurate) • Data display inaccuracies or inconsistencies across multiple tasks • Application performance is inconsistent or fluctuates	One (1) business hour or immediately via Rapid Response

PRIORITY LEVEL	DESCRIPTION	TARGET RESPONSE TIME
Low	Non-critical Customer issue generally entailing use and usability issues or "how to" questions, such as: • How do I set up a holiday pay rule? • How do I run a report?	Within two business (2) hours

Service Coverage Period

UKG provides support 24 hours a day, seven days a week, 365 days a year, for high priority issues. UKG provides support during business hours for medium and low priority issues.

Support Language

Support is provided in English and may be provided in French, German and Spanish in some regions during local business hours.

Support Exclusions

Support services do not include service to the Subscription Services resulting from, or associated with:

1. Failure to use the Subscription Services in accordance with UKG's published specifications;
2. Customer's end user computer or operating system malfunctions, including browser and internet connection, or failure of the internet;
3. Services required for Subscription Services programs or conversions from products or software not supplied by UKG; or
4. Implementation services, configuration changes, and custom reports.

Critical Outages

UKG will provide continuous effort on all high priority events through either bug identification, the development of a workaround, or problem resolution. If this effort goes beyond normal business hours, the

case may be passed to the after-hours team. On-going continuous effort may also be dependent on the customer's ability to provide a resource to work with UKG during this period.

Technical Escalation

UKG's case resolution process is a team based approach structured around specific features within the Subscription Services and staffed by UKG support engineers covering the full spectrum of skill sets and technical expertise. The teams are empowered to dynamically apply the appropriate resources to a case based on severity and complexity for the fastest resolution time possible.

The teams are also integrated with the development engineering and cloud operations staff and engage their assistance and technical guidance when necessary and/or directly escalate depending on case severity and time to resolve considerations.

For situations that contain multiple cases, an account or relationship manager may be assigned to act as a single point of contact and communication regarding case resolution status, action plan development, resource integration and implementation co-ordination. The account or relationship manager remains engaged until the situation has been successfully remediated.

Management Escalation

Customers may, at any time, ask to speak to a UKG global support manager if they experience dissatisfaction with the level of service received with respect to a specific case or service in general. To contact a UKG global support manager, please telephone your UKG support services center and ask to speak to a manager. Phone numbers are listed on the UKG Community at https://community.kronos.com/s/article/KB13193.

Remote Support

UKG utilizes a web-based screen-sharing tool of its choosing that enables UKG to support Customers by empowering our support representatives to remotely view the computer of a Customer's user. By connecting through the internet or via intranets and extranets, support representatives will work in real time

with Customer's users and quickly escalate to desktop sharing, which features mutual mouse and keyboard control and whiteboard capability.

UKG Community

UKG provides Customers with access to the UKG Community, which includes access to how-to articles and discussion boards, as well as the ability to open support cases. The UKG Community helps Customers make the most of its UKG solutions by putting tools and resources at its fingertips in a collaborative, intuitive online space — a space that makes opening a case, accessing support, and viewing all Customer's account information easier than ever. Streamlined and searchable, the information Customers need is just a click away.

Additional Support Options

As part of the Support Services, UKG may also provide:

- UKG Onboarding Experience: Step-by-step guidance to assist Customer during onboard activities
- Success Manager: A UKG resource to provide guidance on best practices in using Subscription Services
- Integration/API Support: Assistance with enhancing and updating existing APIs and integrations
- New Feature Review and Activation Assistance: Guidance on new features of Subscription Services and how to enable them
- Industry Best Practices Review: Review configuration and use of Subscription Services against industry peers and provide recommendations
- Configuration Review: Assistance with optimizing the use of Subscription Services based on your current usage patterns

UKG™



CITY OF
SAN LUIS
ARIZONA

May 27, 2026

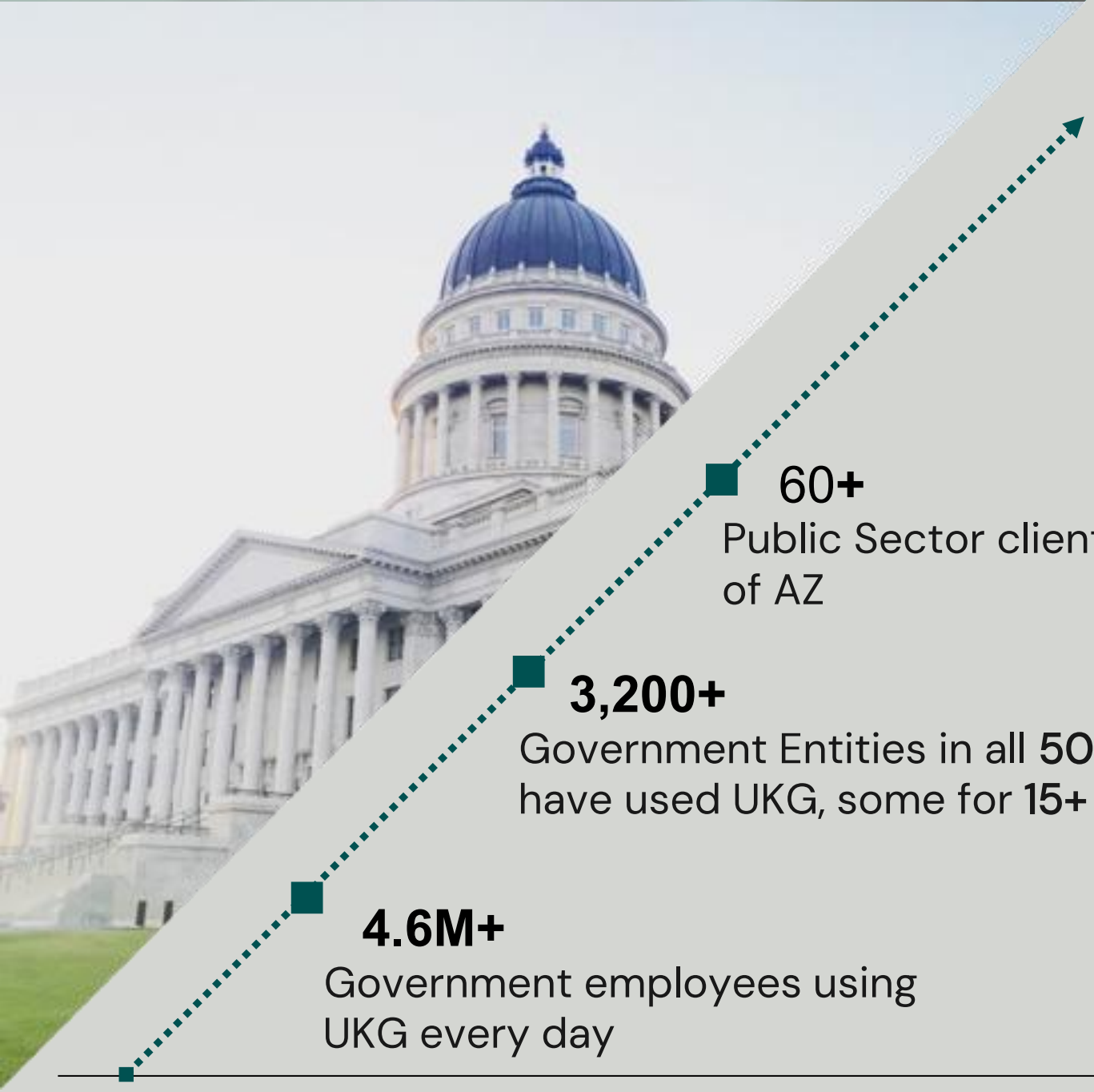
Rachel Adelberg - Account Executive
Tim Marsh – Sales Director

A Full Workforce Operating System



HR
Pay
Time
Insights

UKG



UKG IN GOVERNMENT

Deep industry expertise with over 150+ combined years of public sector experience

60+
Public Sector clients in the state of AZ

3,200+
Government Entities in all **50** US States have used UKG, some for **15+** years

4.6M+
Government employees using UKG every day

Public Safety

- Customers in 47 U.S. states — 94% national footprint
- Nearly half of the 25 largest metro areas have UKG public safety agencies

Government

- Customers in all 50 states — 100% footprint across federal, state, county, and local levels

Why UKG Ready fits San Luis

A single workforce platform addresses the City's day-to-day operational pain points and future leadership needs.

One platform

HR, payroll, time, scheduling, talent, reporting, and employee self-service connected in one place.

Payroll confidence

Unified time-to-payroll, automated rules, fewer manual handoffs, and faster exception resolution.

Compliance protection

Consistent policy enforcement, audit-ready records, alerts, and stronger visibility to reduce risk.

Workforce continuity

Succession planning and performance tools prepare future leaders and stabilize key services.

Employee experience

Mobile access, accurate pay, clear communication, and faster answers improve morale and trust.

Public-sector fit

Purpose-built for complex regulations, budgets, staffing coverage, and serving the public.

UKG Ready reduces administrative drag, improves decision velocity, and supports higher-quality, more reliable services for residents.

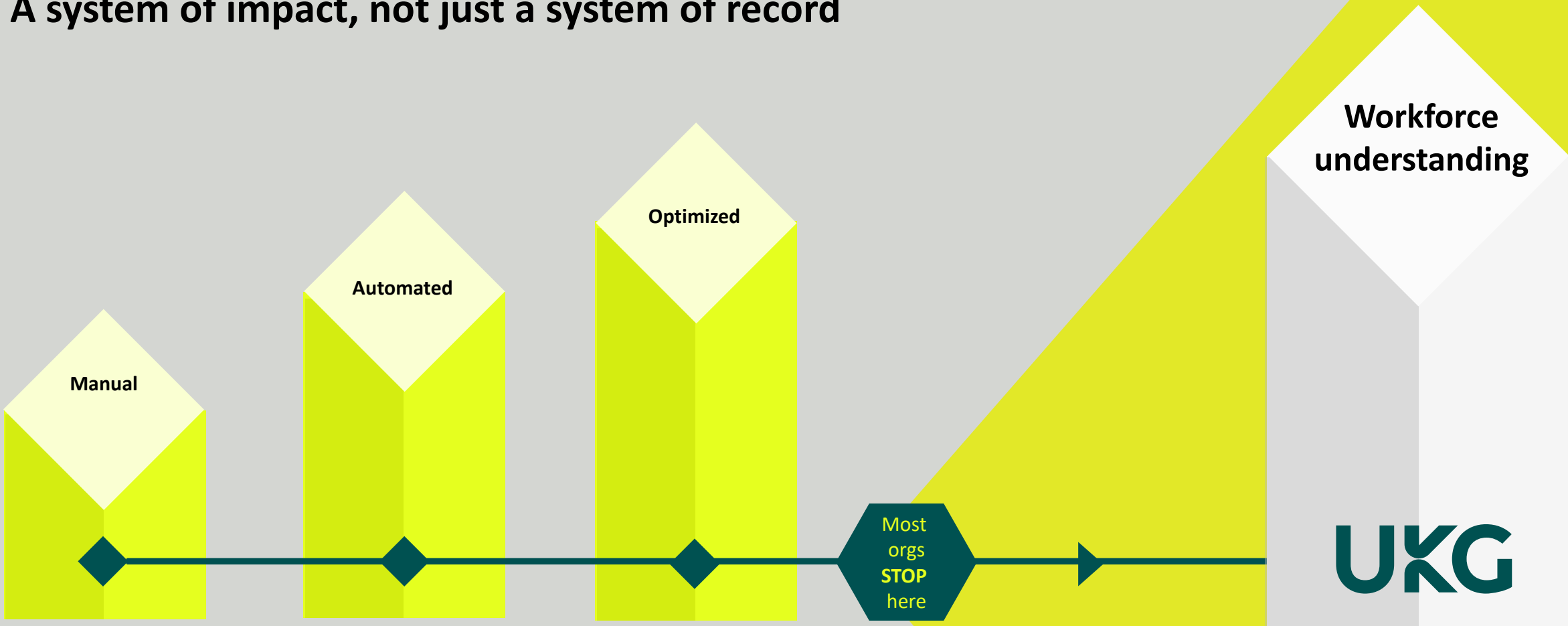
How UKG translates into better resident service

Modernize HR, payroll, scheduling, and workforce operations so City employees spend less time on paperwork and more time serving residents.

1 **Recruit with precision**	Fill police, public works, utilities, and customer service roles sooner.
2 **Onboard faster**	Get new employees productive quickly and reduce first-week paperwork.
3 **Strengthen compliance**	Automated workflows and accurate reporting improve audit readiness and protect taxpayer dollars
4 **Manage performance**	Give employees timely feedback that upskills them and strengthens service quality
5 **Report with confidence**	Give leadership cleaner data for staffing, compliance, and budget decisions.

UKG helps City staff spend more time serving the community and less time chasing forms, approvals, exceptions, and spreadsheets.

A system of impact, not just a system of record



Paper timecards and schedules

Manual payroll and open enrollment

Disconnected HR systems

Digitized recordkeeping

Automated workflows

Proactive alerts and notifications

Cross-system data integration

Labor cost optimization

Strategic workforce planning

Predictive models

Employee sentiment insights

AI-guided workforce intelligence


UKG™

AGENDA ITEM REVIEW FORM

Regular City Council Meeting **7. D.**

Meeting Date: 05/27/2026
Department Head: Tomas Sanchez, City Engineer, Engineering
Submitted By: Oscar Barnett, Project Manager, Engineering
Action Requested: Motion

ITEM:

Discussion and possible action on any and all matters regarding the City of San Luis B Street and Main Street Intersection Improvements - Paving project. **(Tomas Sanchez, City Engineer)**

SUMMARY:

The Department of Public Works, with the assistance of the Engineering Department, is seeking Mayor and Council approval to accept and award a construction contract to DPE Construction, Inc. for the B Street and Main Street Intersection Improvements, Paving Project. DPE Construction was the lowest responsible bidder for this project, at $58,258.20.

Staff evaluated and recommends awarding the contract to DPE Construction, Inc. This purchase falls under the bidding provisions of our City of San Luis Procurement Code 3.05.030, 3.05.040, and 3.05.050.

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO AWARD THE CONTRACT TO DPE CONSTRUCTION, INC. FOR THE CONSTRUCTION OF THE B STREET AND MAIN STREET INTERSECTION IMPROVEMENTS - PAVING PROJECT IN THE AMOUNT OF $58,258.20, AS PRESENTED.

Fiscal Impact

IS THERE FISCAL IMPACT ASSOCIATED WITH THIS ITEM:	Yes
CITY/STATE/FEDERAL FUNDS:	City
TOTAL:	$58,258.20
BUDGETED AMOUNT:	$600,000.00
AVAILABLE AMOUNT TO TRANSFER:	N/A
ACCT NAME & GL#/REMAINING BALANCE BEFORE PURCHASE:	Impact Fees Capital Outlay CIP 200-210-90010 Remaining Balance $355,614.86

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

For Fiscal Year 2026, the Public Works Department was approved funding for the B Street and Main Street Intersection Improvements under the Capital Improvement Project (CIP) account 200-210-90010 in the amount of $600,000.00. The paving was contemplated by staff when requesting the continued budget for FY 2026.

Attachments

Bid Documents
Paving Plan
Bid Tabulation
Contract

CITY OF SAN LUIS

REQUEST FOR PROPOSAL (RFP)

CONTRACT DOCUMENTS

FOR

CITY OF SAN LUIS

B STREET AND MAIN STREET INTERSECTION IMPROVEMENTS - PAVING

2026-RFP-00000009

SEALED REQUEST FOR PROPOSAL DEADLINE

Monday, May 11, 2026, 11:00 am

CITY OF SAN LUIS
1090 EAST UNION STREET | P.O. BOX 7740 | SAN LUIS, AZ 85349

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CITY OF SAN LUIS

undefined

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2. INSTRUCTIONS TO BIDDERS
3. SCOPE OF WORK
4. PROPOSAL KIT
5. BID SCHEDULE
6. CITY INSURANCE REQUIREMENTS
7. GENERAL CONDITIONS OF THE CONTRACT
8. ATTACHMENTS

Attachments:

A - Contractor's Affidavit Regarding Settlement of Claims

B - B St and Main St-Asphalt Paving Plan

ADVERTISEMENT FOR BIDS

NOTICE IS HEREBY GIVEN THAT sealed proposals or bids for furnishing all labor, materials, equipment, tools and performing all services required for the construction of the B Street and Main Street Intersection Improvements – Paving project and work incidental thereto.

The project consists of placing approximately 970 square yards of AC pavement on existing aggregate base course. Asphalt thickness shall be 5 inches total, placed in two lifts of 2.5 inches each (1/2" AC MAG Mix). Final grading to be completed by the Contractor. Rough aggregate base course grading and earthwork will be performed by the city prior to paving operation.

The Scope of works includes the installation of asphalt concrete (AC) paving at the intersection of B Street and Main Street. The work shall include, but is not limited to, furnishing all labor, materials, equipment, and incidentals necessary to complete the placement of asphalt paving in accordance with the applicable standards. All traffic control to be implemented and maintained by the City. The contractor shall coordinate with the City staff to schedule paving activities and implement appropriate traffic control measures. All paving operations shall be phased to maintain business access and minimize impacts to traffic circulation. Nighttime or early morning paving operations will be permitted.

Notice to proceed tentatively to be issued during the first week of June 2026, provided the contract and required bonds have been fully executed. The project shall be complete and in place within 30 calendar days from the date of Notice to Proceed and no later than June 30th, 2026.

Plans, specifications and contract documents may be obtained through the Procurement Portal at https://procurement.opengov.com/portal/sanluisaz.

No Pre-Bid meeting will be held for this project.

All bids must be submitted through the Procurement Portal and be accompanied by a certified or cashier's check or bid bond in the amount of five (5%) percent of the total amount of the bid.

Bids will be publicly opened at the City of San Luis City Hall, Pedro Julian Conference Room, 1090 E. Union St. San Luis, AZ 85349 on Monday, May 11, 2026, at 11:00 A.M. (M.S.T) and read aloud. Bid opening can also be viewed virtually via the following link: Bid Opening - B Street and Main Street Intersection Improvements - Paving Project.

The City of San Luis reserves the right to cancel this procurement, and/or to reject any or all bids, and/or to waive any informality in any bid. No bidder may withdraw their bid for a period of thirty (30) days after the date set for the bid opening thereof:

City of San Luis, Arizona

Jenny Torres, City Manager

INSTRUCTIONS TO BIDDERS

1. DEFINITIONS

1.1 All definitions set forth in the General Conditions are applicable to these Instructions to Bidders.

1.2 Bidding Documents include the Advertisement for Bids, Instructions to Bidders, Bid Form, Bid Bond Form, and the proposed Contract Documents, including any addenda issued prior to the receipt of bids.

1.3 Addenda are written or graphic instructions issued prior to the execution of the contract which modify or interpret the Bidding Documents, including Drawings, conditions of the Contract and Specifications, by additions, deletions, clarifications or corrections. Addenda will become part of the Contract Documents when the Construction Contract is executed.

1.4 The term "Owner" or "City" shall be interpreted to mean City of San Luis, Arizona.

2. BIDDER'S REPRESENTATION

2.1 Before submitting a bid, bidders shall carefully examine the Drawings, Bidding Requirements, Bid Document Contract Forms, General Conditions, Supplementary General conditions, Specifications, and Related Documents, visit the site of the work, and fully inform themselves as to all existing conditions and limitations and shall include in the bid a sum sufficient to cover the cost of all items included in the Contract. The Bidder, if awarded the Contract, shall not be allowed any extra compensation by reason of any matter or thing concerning the Project, which said Bidder might have fully informed himself prior to the building.

3. BIDDING DOCUMENTS

3.1 Bidders may obtain copies of the bidding Documents through the Procurement Portal at https://procurement.opengov.com/portal/sanluisaz.

4. INTERPRETATION OF BIDDING DOCUMENTS

4.1 Should a Bidder find discrepancies, inconsistencies or obscurities in, or omissions from the bidding documents, or should he be in doubt as to their meaning, Bidder shall submit their questions through the Procurement Portal. A written Addendum, clarifying the intent of the documents shall be issued, if needed. Addenda may not be issued less than 48 hours before the time specified for receipt of bids. Questions received less than four calendar days prior to the assigned bid date cannot be answered in writing. Should any discrepancies not be clarified by Addendum, the Contractor shall use the most expensive condition shown or specified in bid.

4.2 Prior to the receipt of bids, each person or firm recorded by the Office of the City Clerk as having received the bidding documents will be notified of any addendum. Addenda will also be available for Inspection wherever the bidding documents are kept available for that purpose.

4.3 All Addenda issued by the City during the time of bidding are to be included in the bid, and shall become a part of the bidding documents (bidder’s responsibility to check for addendums). Acknowledge receipt of Addenda through the Procurement Portal.

4.4 All questions must be submitted through the Procurement Portal no later than 6:00 pm on Tuesday, May 5, 2026.

5. SUBSTITUTIONS

5.1 When a specific manufacturer, trade name or material is specified, or indicated, it is to establish a standard of quality and shall not be construed as limiting competition. However, components of electrical systems shall be standard items and/or interchangeable with specified manufacturer to facilitate repairs and upkeep by the Owner.

5.2 It shall be the Contractor's responsibility to provide materials of equal standards to those specified. The City shall be the sole judge as to whether or not the products meet the established standards. The Contractor MUST request written approval of equal materials from the City prior to, or after the bid date.

6. BIDDING PROCEDURES

6.1 A bid is invalid if it has not been submitted through the Procurement Portal at https://procurement.opengov.com/portal/sanluisaz prior to the time and date for receipt of bids indicated in the Invitation to Submit Proposals, or prior to any extension thereof issued to the bidders.

6.5 Bid Security:

1. Each bidder is required to submit, with his bid, a certified or cashier's check upon a solvent bank, or a surety bond for five percent (5%) of the amount of the Base Bid made payable to the Owner.
    a. If more than one proposal is submitted, only one Bid Security is required for the largest base Bid amount, however, this bond shall apply to any and/or all bids submitted.
2. The Bid Security shall be given as a guarantee that the bidder will enter into a contract to perform the work, if awarded to him, and provide a satisfactory Performance Bond and Payment Bond as required under the provisions of Title 34, Chapter 2, Article 2, Arizona Revised Statutes. Bid Security shall be declared forfeited as liquidated damages if he refuses to enter into said contract upon request to do so by the Owner.
3. Bid Security will be returned to the unsuccessful bidders, and to the successful bidder upon the execution of a satisfactory Performance Bond and Payment Bond and Construction Contract.
4. Bidders may withdraw their bid at any time prior to bid opening, but may not resubmit them. No bid may be modified or withdrawn after the bid opening for a period of 30 days except where the award of the contract has been delayed at least 31 days.

7. SUBCONTRACTOR LIST FORM

7.1 Complete the Subcontractor List Form, listing a single company, firm, or organization name only for each branch of the work. Submit through the vendor PROPOSAL KIT.

7.2 The competency and responsibility of bidders and their proposed subcontractors will be considered in making the award.

7.4 The Contractor shall pay the cost of all permits, changes, meters, connections, fees, etc., directly to governmental agencies having jurisdiction to comply with the law of the place of the Project in order to complete the work. The bidders' attention is directed to the fact that all applicable state laws, municipal ordinances, and the rules and regulations of all authorities having jurisdiction shall apply to the Contract.

8. REJECTION OF BIDS

8.1 The Bidder acknowledges the right of the Owner to reject any or all bids, to waive any informality or irregularity in any bid received, or to withhold the award for any reason he determines. In addition, the Bidder recognizes the right of the Owner to reject a bid if the Bidder failed to furnish any required Bid Security or to submit the data required by the Bidding Documents, or if the bid is in any way incomplete or irregular. Bidders shall understand that the Owner will not be responsible for any errors or omissions in the preparation of the bid.

9. AGREEMENT

9.1 The form of Agreement which the successful Bidder will be required to execute in two (2) original counterparts. Progressed payments will be made to the Contractor by the Owner in an amount equal to 90% of that due until the final payment.

10. WARRANTY

10.1 The Contractor certifies by submitting his bid that he has familiarized himself with all specified products, materials, and systems which are proposed for inclusion in the required work, and that said materials, products, and systems are appropriate for the use(s) intended. He additionally certifies by submitting this bid that he shall, in fact, install said materials, products, and systems in the work properly and in rigid compliance with the terms and conditions of the Contract Documents, and shall issue his written warranty applicable to the work as required by the applicable Supplementary General Conditions. If the Bidder determines that the proposed materials, products, and/or systems are not appropriate for the use(s) intended, he shall submit his written exceptions attached to the Bid Form.

11. PERFORMANCE AND PAYMENT BONDS

11.1 The Contractor is hereby required to provide and pay for Performance and Payment Bonds. Bonds shall secure the faithful performance (100%) of the Contract and the payment of all obligations (100%) arising there under, in such form as the Owner may prescribe and with such sureties that he may approve. Both Bonds shall be active and held by the Owner for duration of the guaranty (warranty).

12. CONTRACTOR LICENSE LAW, ELIGIBILITY & PREFERENCE

12.1 The Contractor shall comply with, and require all subcontractors to comply with State of Arizona and City Contractor's License Laws. Contractor shall comply with the provisions of "an Act to Regulate the Business of Contracting", Title 32, Chapter 10, Arizona Revised Statutes with latest adopted revisions and ‘Contractor's License Laws and Regulations" dated July, 1981, published by the Arizona State

Registrar of Contractors, or the latest revision thereof adopted under the provision of AIRS title 32, chapter 10, Articles 2 and 3.

The prime Contractor shall have a State of Arizona Classification “A” Contractor’s license to perform the work. A bid submitted by any Contractor not properly licensed at the time of bid opening shall be considered non-responsive and will be rejected.

13. NONDISCRIMINATION

13.1 In connection with the performance of work under this Contract, the Contractor agrees (as prescribed in A.R.S. Section 23-373) not to discriminate against any employee or applicant for employment because of race, sex, religion, color, or national origin. The aforesaid provision shall include, but not be limited to, the following: employment upgrading, demotion, or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensations and selection for training, including apprenticeship. The Contractor agrees to post hereafter in conspicuous places, available for employees and applicants for employment, notices setting forth the provisions of the nondiscrimination clauses. The contractor further agrees to insert the foregoing provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

14. COPIES OF DOCUMENTS FURNISHED

14.1 The Contractor shall obtain Construction Documents free of charge through the Procurement Portal.

15. INSURANCE

15.1 The contractor is required to provide and pay for insurances. He shall file, with his Performance and Payment Bonds, all required Certificates of Insurance and endorsements demonstrating that the insurance policy was amended to add City of San Luis, Arizona as an additionally insured.

15.2 The Contractor shall not commence work under this Contract until he has obtained all the insurance required under this paragraph and such insurance has been approved by the Owner, nor shall the Contractor allow any Subcontractor to commence work on his subcontract until the insurance require of the subcontractor has been so obtained and approved.

15.3 The Contractor shall procure and maintain during the life of this contract, Workmen's Compensation Insurance as required by applicable State or Territorial Law for all of his employees to be engaged in work at the site of the project under this contract, and in any such work sublet, the Contractor shall require the Subcontractor similarly to provide Workmen's Compensation Insurance for all of the latter's employees to be engaged in such work unless such employees are covered by the protection afforded by the Contractors Workmen's Compensation Insurance. In case any class of the employees engaged in hazardous work on the project under this contract are not protected under the Workmen's Compensation Statute, the Contractor shall provide and shall cause each subcontractor to provide adequate employer's liability insurance for the protection of such of his employees as are not otherwise protected.

15.4 The Contractor shall provide public liability insurance and show evidence specified in the Contract Documents in the City Insurance Requirements.

16. ADDITIONAL SERVICES

16.1 Contractor agrees to pay for additional testing services, additional Engineering services, and any similar related additional costs as designated in the Contract Documents.

17. SUMMARY OF THE WORK

17.1 Refer to the Overview, Summary and Scope of Work, and Summary of the Work, for description of the work.

18. SUBSTANTIAL COMPLETION

18.1 Substantial Completion must be achieved no later than June 30, 2026.

19. LIQUIDATED DAMAGES

19.1 The liquidated damages for this project shall be determined by the Schedule of Liquidated Damages in City of San Luis Supplemental to the MAG Uniform Standard Specifications.

20. EVALUATION AND AWARD

- Bid opening will take place on Monday, May 11, 2026 immediately after the close of the bidding.
- City staff will convene in the City of San Luis City Hall, Pedro Julian Conference Room, 1090 E Unions St. San Luis, AZ 85349, open the proposals virtually, and read the bids into the record.
- Award will be made to the lowest qualified responsive bidder.
- Formal award of contract will be on the next available Regular City Council meeting.

21. PROTESTS

All responders will receive notification via e-mail regarding their status vis-a-vis the proposed contract award. Responders not selected have two days from e-mail sent date to initiate protest proceedings. To do this, a dissatisfied party must lodge a protest with Angelica Cifuentes, Procurement Coordinator, via receipted e-mail (acifuentes@sanluisaz.gov) or by certified mail (Attn: Angelica Cifuentes/City of San Luis/P.O. Box 7740/San Luis, AZ 85349). The City of San Luis will then hold a hearing within two days of the receipt of the protest and make a determination within two days of the hearing. In the absence of a successful protest, the contract will be awarded to the most responsive qualified bidder.

SCOPE OF WORK

TIMELINE

Advertisement/Release Project Date:	April 26, 2026
Advertisement/Release Project Date:	May 3, 2026
Question Submission Deadline:	May 5, 2026, 6:00pm
Question Response Deadline:	May 7, 2026, 6:00pm
Submission Deadline:	May 11, 2026, 11:00am
Bid Opening:	May 11, 2026, 11:00am
Contractor Selection Date:	May 12, 2026
Tentative Council Meeting:	May 27, 2026

PROJECT NAME, LOCATION, AND OVERVIEW

PROJECT NAME:

The name of this project is **B Street and Main Street Intersection Improvements - Paving**. All correspondence and documents are to reference "B Street and Main Street Intersection Improvements - Paving".

PROJECT LOCATION:

The Project is located in Yuma County, Arizona. The proposed work is located within the limits of the City of San Luis, Arizona, at the intersection of B Street and Main Street.

OVERVIEW:

The **B Street and Main Street Intersection Improvements - Paving** project is being undertaken by the City of San Luis, Arizona. This bid pertains to those activities described herein under the Scope of Work.

It is especially important that bidders are aware of the following:

A. This solicitation is open to general contractors and subcontractors licensed to operate in the State of Arizona.

B. Davis-Bacon wage rates **NO VALUE** apply.

SCOPE OF WORK

Scope of Work, **B Street and Main Street Intersection Improvements - Paving**.

The Scope of works includes the installation of AC paving at the intersection of B Street and Main Street. The work shall include, but is not limited to, furnishing all labor, materials, equipment, and incidentals necessary to complete the placement of asphalt paving in accordance with the applicable standards.

Project Description: Placement of approximately 970 square yards of AC pavement on existing aggregate base course. Asphalt thickness shall be 5 inches total, placed in two lifts of 2.5 inches each (1/2" AC MAG Mix). Final grading to be completed by the Contractor. Rough aggregate base course grading and earthwork will be performed by the City prior to paving operation.

Contractor shall coordinate with the City staff to schedule paving activities and traffic control.

Notice to proceed tentatively to be issued during the first week of June 2026, provided the contract and required bonds have been fully executed. All work shall be completed and ready no later than June 30th, 2026.

The lowest responsive bid under $45,000.00 will be awarded at the administrative level and will not require City Council approval.

PROPOSAL KIT

Proposal*
Project Name: B Street and Main Street Intersection Improvements - Paving

In compliance with the Advertisement for Bids:

Having examined the contract documents, site of work, and being familiar with the conditions to be met, hereby submits the following Proposal for furnishing the material, equipment, labor and everything necessary for the completion of the work listed and agrees to execute the contract documents and furnish the required CONTRACT AND LABOR AND MATERIAL surety bonds and certificates of insurance for the completion of said work, at the locations and for the prices set forth on the inside pages of this form;

Understands that construction of this project shall be in accordance with all applicable Maricopa Association of Governments (MAG) Uniform Standard Specifications and Details for Public Works Construction as adopted by the City of San Luis, the City of Yuma Construction Standard Detail Drawings – 2009 edition [details], the City of San Luis Supplemental to the MAG Uniform Standard Specifications and Details for Public Works Construction and the City of Yuma Construction Standard Detail Drawings, except as otherwise required by the Plans and Special Provisions;

Understands that this proposal for construction of this project shall be submitted with a proposal guarantee of cash, certified check, cashier's check or bid surety bond for an amount not less than 10 percent of the amount bid;

Agrees that upon receipt of Notice of Award, from the City of San Luis, Arizona, Bidder will execute the contract documents within 5 (Five) calendar days;

Understands that the work shall commence on day 1 of the Contract Time and must be completed on or before June 30, 2026.

☐ Please confirm

*Response required

Bid Surety Bond--NOTE: Attach current power of attorney*
Please download the below documents, complete, and upload.

- Bid_Surety_Bond.pdf

*Response required

Non-Collusion Affidavit*
Please download the below documents, complete, and upload.

- Non-Collusion_Affidavit.pdf

*Response required

Bidders Participation Subcontractors and Suppliers List*
Please download the below documents, complete, and upload.

- Bidders_Participation_Subco...

*Response required

Certificate of Insurance
The Certificate of Insurance is not required at the time of bid submission; it may be uploaded with contract documents.

BID SCHEDULE

Line Item	Description	Quantity	Unit of Measure	Unit Cost	Total
1	New AC Pavement 5" total (1/2" AC MAG Mix)	970	SY		
2	Final Aggregate Base Course Grading	970	SY		
3	Contingency	5	%		
TOTAL					

CITY INSURANCE REQUIREMENTS

The following are the minimum required under the Contract. Greater amounts may be required by law or regulation. Any insurance proceeds in excess of the lmits and coverage required in this Contract and which is

applicable to a given loss will be available to the City. These limits required by the Contract do not limit the Contractor's liability under the indemnification provisions of the Contract.

Contractor's Obligation

The Contractor shall secure and maintain, at the Contractor's expense, until the Final Completion of the Project, general liability and property insurance as shall protect the Contractor and the City from claims for bodily injury, personal injury, and property damage which may arise because of the nature of the work or from operations under this Contract. The Contractor's insurance coverage shall be primary insurance with respect to all other available sources. Any coverage maintained by the City shall not contribute to any claims arising from the Contractor's performance of this Contract. The Contractor shall file these certificates with City of San Luis within ten (10) days of execution of this Contract and prior to engaging in any operation or activities set forth in this AGREEMENT. The foregoing insurance policies shall provide that no cancellation, major change in coverage, or expiration by the insurance company or the insured.

General Liability Coverage

Contractor shall have general liability coverage on a per occurrence, and in comprehensive form. General liability coverage shall include Products, Completed Operations, Products Liability, Explosion, Underground and Collapse Hazard, Premises, Operations, Contractual, Independent Contractors, Broad Form Property Damage and Personal Injury. General Liability coverage shall include and eliminate the exclusion for property under the care, custody, and control of the Contractor.

Coverage Amounts

Contractor shall provide general liability and excess general liability coverage in the following amounts, at a minimum:

Employer's Liability

A. Each Accident $100,000

B. Disease for Each Employee $100,000

C. Disease Policy Limit $250,000

Contractors General Liability

A. General Aggregate $6,000,000

B. Products-Completed Operations Aggregate $2,000,000

C. Each Occurrence (Bodily Injury and Property Damage) $6,000,000

D. Personal Injury and Advertising Injury $2,000,000

    1. Property Damage liability insurance will provide Explosion, Collapse, and Underground coverages.

Automobile Liability

A. Bodily Injury:

   1. Each Person $1,000,000

   2. Each Accident $1,000,000

B. Property Damage

   1. Each Accident $1,000,000

C. Combined Single Limit $1,000,000

Contractual Liability

A. Bodily Injury:

   1. Each Accident $2,000,000

   2. Annual Aggregate $2,000,000

B. Property Damage:

   1. Each Accident $2,000,000

   2. Annual Aggregate $2,000,000

   3. Each Accident $2,000,000

   4. Annual Aggregate $2,000,000

Professional Liability Errors and Omissions $1,000,000

Additional Provisions

A. Additional Insured: Contractor shall name the **City of San Luis, Arizona (an Arizona municipal corporation) and its elected officials, officers, agents, as "Additional Insureds**" on all insurance policies, except Worker's Compensation and Errors and Omissions, and this shall be reflected on the Certificate(s) of Insurance, with corresponding endorsement relative to the additionally insured indemnification. Contractor shall name the City of San Luis as certificate holder.

B. Cancellation Notice of Material Change of Coverage: The Contractor shall keep all policies in force for the duration of the Contract and any possible extension thereof. Contractors' required insurance shall be endorsed to provide that the policies will not be canceled, reduced, discontinued, or otherwise materially altered during the period of performance without thirty (30) days prior written notice to the City of San Luis Public Workers Department.

C. Certificate(s) of Insurance: Certificates of Insurance shall be Project-specific. Prior to commencing work under the Contract, Certificates of Insurance shall be submitted and approved by the City. Contractor is responsible for obtaining Certificates of Insurance, establishing that the Contractor and

all subcontractors have complied with insurance requirements previously stated. Copies of Certificates of Insurance shall be forwarded to the City Risk Manager for review and filing. Failure of the City to demand such Certificate or other evidence of full compliance with these insurance requirements or failure of the City to identify a deficiency from the evidence that is provided shall not be construed as a waiver of the Contractor's obligation to maintain such insurance. City shall have the right, but not the obligation, to prohibit Contractor or any of its subcontractors from entering the Project Site until such certificates or other evidence that insurance has been placed in complete compliance with these requirements is received and approved by City.

D. Rating of Insurance Companies: Any and all insurance companies supplying coverage to the Contractor shall be approved to write insurance in the State of Arizona and must possess no less than an "A" rating in accordance with the A.M. Best rating guide.

E. Deductible: Contractor shall be solely responsible to satisfy any deductible or self-insured retention with respect to any of the coverages required by the Contract Documents. Such deductibles or self-insured retention shall not be applicable with respect to the policy limits provided to the City of San Luis. The City of San Luis, at its option, may require the Contractor to secure payment of such deductible or self-insured retention by a surety bond or irrevocable and unconditional Letter of Credit.

F. Rental Equipment: In the event that rental of equipment is undertaken to complete and/or perform the Work, the Contractor agrees that it shall be solely responsible for such rental equipment. Such responsibility shall include, but not be limited to, theft, fire, vandalism, and use by unauthorized persons.

G. Personal Property: In the event that materials or any other type of personal property are acquired for the Project or delivered to the Project site, the Contractor agrees that it shall be solely responsible for such property until it becomes a fixture on the Project, or otherwise is installed and incorporated as a final part of the Project. Such responsibility shall include, but not be limited to, theft, fire, vandalism, and use by unauthorized persons. Contractor shall maintain "all risk" insurance on a replacement cost basis, covering loss or damage to personal property (for which it has title and/or risk of loss), which is to become a final part of the Project, during any time such personal property is in transit and while stored or worked upon away from the Project site. City and its officials, officers, employees, and agents shall be named as additional insured under such insurance.

H. Waiver of Subrogation: City and Contractor waive all rights against each other and Architect/Engineer, and separate contractors for damages caused by fire or other perils covered by Builder's Risk or any other property insurance, except such rights as they may have to the proceeds of such insurance.

I. Right to Require Higher Limits: City reserves the right, in its sole discretion, to require higher limits of liability coverage if, in the City's opinion, operations by or on behalf of the Contractor create higher-

than-normal hazards and to require the Contractor to name additional parties in interest to be Additional Insureds.

J. Waiver of Requirements: The City Manager, in consultation with the City Risk Manager and/or City Attorney, reserves the right to waive or reduce insurance requirements should it be in the best interest of the City.

GENERAL CONDITIONS OF THE CONTRACT

SECTION 1 - Bidders Participation Subcontractors and Suppliers List

These General Conditions encompass provisions that apply and are incorporated into all construction contracts entered into by the City of San Luis unless otherwise specifically excluded in the executed Contract. Sections 2 through 14 of these General Conditions apply to all construction contracts, in whatever form, including without limitation, Fixed Price, Unit Price, Construction Manager at Risk (CM@Risk), Guaranteed Maximum Price (GMP) Cost-Based, and Job Order Contracts (JOC).

SECTION 2 - GENERAL DEFINITIONS

2.1 The Definitions in the Invitation for Bid (IFB), the Request for Proposals (RFP), the Request for Qualifications (RFQ), and/or the JOC Solicitation (JOC) giving rise to the Contract shall apply to these General Conditions and the Contract for the Project.

2.2 Change Order – A written instrument issued after execution of the Contract Documents signed by City and Contractor, stating their agreement upon all of the following: the addition, deletion, or revision in the scope of services or deliverables; the amount of the adjustment to the Contract Price, the extent of the adjustment to the Contract Time, or modifications of other contract terms. Only a Change Order allows the Contract Price or the Contract Time or both to be changed.

2.3 City – City of San Luis, Arizona, a municipal corporation, with whom the Contractor has entered into the Contract and for whom the Services and/or Work are to be provided pursuant to the Contract(s).

2.4 Contract - The written agreement executed between the City and Contractor, including all of the Contract Documents**.**

2.5 Contract Documents - The documents which together form the Contract between City and Contractor, as identified in Article 2 of the Contract, or are otherwise incorporated into the Contract, including the Contract, the exhibits and attachments to it, these General Conditions, any Notice to Proceed, and any Job Order (if applicable), the Plans and Specifications, Project Schedule, written and properly executed Change Orders, and any other documents so designated in the Contact.

2.6 Contract Price - The agreed-upon price to be paid to the Contractor for full, timely, and acceptable completion of the Services or Work under the terms of the Contract.

2.7 Contract Time(s) - The number of days or the dates related to the Final Completion as stated in Contract Documents. The Contract Time is set forth in the Contract and is based upon the Project Schedule agreed to by the City in writing.

2.8 Contractor - The person or corporation with whom the City has entered into a contract for construction-related work or services related to the Project at issue. As used in these General Conditions, the term Contractor includes CM@Risk and JOC under contract with the City to provide pre-construction and/or construction services.

2.9 Contractor Payment Request - The form that is accepted by the City and used by the Contractor in requesting progress payments or final payment and which shall include such supporting documentation as is required by the Contract Documents and/or City.

2.10 Construction Documents - The plans, specifications, and drawings prepared and issued by the Design Professional and approved by the City for construction, meaning the documents are sealed by the Contractor (as required), acceptable for permitting, and incorporated into the Contract by reference. All amendments and modifications to the Construction Documents must be approved in writing by the City prior to incorporation into the Contract.

2.11 Critical Path - The critical path is the sequence of Project network activities that add up to the longest overall duration. Once established in the Project Schedule, the Critical Path for the Project shall not be changed without prior written approval of the City.

2.12 Day - Calendar day(s) unless otherwise specifically stated in the Contract Documents.

2.13 Final Acceptance - The written notice from the City to the Contractor that Final Completion has occurred.

2.14 Final Completion - The point when all items of the Work, including punch list items, have been completed to the City's satisfaction as reflected in the written Final Acceptance.

2.15 Float - The number of Days by which an activity can be delayed without lengthening the Critical Path and extending the Contract Time. Unless otherwise expressly agreed in writing, all Float belongs to City.

2.16 MAG Specifications – The latest edition adopted by the City of the Uniform Standard Specifications for Public Works Construction published by Maricopa Association of Governments ("MAG"), or the latest revision published by MAG.

2.17 MAG Standard Details – The latest edition adopted by the City of the Uniform Standard Details for Public Works Construction published by Maricopa Association of Governments ("MAG"), or the latest revision published by MAG.

2.18 Notice to Proceed (NTP) - A written notice given by the City to the Contractor fixing the date on which the Contractor will start to perform the Contractor's obligations under the Contract. The Notice to Proceed shall not be issued until the Contract Price is approved and accepted by the City.

2.19 Project – The Project specified in the Contract (including the Job Order).

2.20 Project Manager - The Project Manager designated in Article 1 of the Contract, or any successor Project Manager the City designates. The Project Manager has the authority to act on behalf of the City, as delineated and limited by the Contract Documents and applicable law. The City shall communicate with the Contractor

through the Project Manager. However, the Project Manager has no authority to bind the City or City Council in contravention of any City code, State or Federal statute or regulation, or these General Conditions.

2.21 Project Schedule - The schedule for the completion of the Project agreed to and/or required by the City and incorporated into the Contract.

2.22 Project Specific Provisions - Additional conditions that apply to the specific Project and/or Scope of Work.

2.23 Proposal A Proposal submitted to the City by a Contractor in response to an Invitation for Bid (IFB), Request for Qualifications (RFQ), a Request for Proposals (RFP), or other solicitation or request by the City. Bids may be Fixed Price, Guaranteed Maximum Price (GMP), Unit Price, or other form as required or requested by the City in the Bid Schedule.

2.24 Requests for Information (RFIs) - Formal written request from the Contractor to the City and/or Contractor for the Project seeking clarification or additional information needed for the Contractor to properly complete the Work and/or Services under the Contract. The City may require RFI's to be submitted on a specific form or in a specified format.

2.25 Schedule of Values (SOV) - The specified document prepared by the Contractor and approved and accepted by the City, which divides the Contract Price into pay items, such that the sum of all pay items equals the Contract Price for the construction phase Work, or for any portion of the Work having a separate specified Contract Price.

2.26 Scope of Work The scope of work agreed to and/or required by the City and incorporated into the Contract as set forth in the IFB and/or an Exhibit to the Contract.

2.27 Subconsultant A person, firm, or corporation having a Contract with a Consultant/Contractor to furnish services required as its independent professional associate or consultant with respect to the Project.

2.28 Subcontractor - An individual or firm having a direct contract with the Contractor or any other individual or firm having a contract with the aforesaid contractors at any tier, who undertakes to perform a part of the pre-construction services or construction phase Work at the site for which Contractor is responsible. Subcontractors shall be selected through the Subcontractor selection process described in the Contract Documents, if any.

2.29 Supplier. Any person or entity providing materials or property for the Project.

2.30 Total Float. The number of Days by which the pre-construction services or construction phase Work or any part of the same may be delayed without necessarily extending a pertinent Contract Time or schedule milestone in the Project Schedule.

2.31 Work - The entire completion of construction or the various separately identifiable parts thereof, required to be furnished during the construction phase. Work includes and is the result of:

a. performing or furnishing labor;

b. furnishing and incorporating materials, resources, and equipment into the construction; and

c. performing or furnishing services and documents as required by the Contract Documents for the construction phase.

SECTION 3 - STANDARD SPECIFICATIONS AND DETAILS

3.1 The City operates under the 2016 City of San Luis Supplement to the 2015 MAG Uniform Standard Specifications for Public Works Construction.

3.2 The City also operates under the 2009 City of Yuma Construction Standard Detail Drawings.

3.3 The City also operates under the 2006 Yuma County Public Works Standards – Volume III – Storm Drainage Facilities.

3.4 The above standard specifications and details may be viewed and downloaded at the City of San Luis website: https//www.sanluisaz.gov/DocumentCenter/Index/268. **3.5** The City may require particular sections of the revisions of the MAG Specifications and Standard Details after the 2015 revision that the City adopted.

3.6 Current and Historical MAG Specifications and Standard Details may be viewed at the Maricopa Association of Governments website at https://azmag.gov/Programs/Public-Works/Specifications-and-Details.

3.7 The MAG Specifications and Standard Details and the City's amendments to them are incorporated into the Contract.

SECTION 4 - CONTRACTOR'S RESPONSIBILITIES FOR CONSTRUCTION SERVICES

4.1 General

4.1.1 The Contractor shall construct the Work in accordance with the Contract Documents and as outlined in the Contract Documents to the satisfaction of the City, exercising the degree of professional care, skill, diligence, quality, and judgment that a professional Contractor engaged, experienced, and specializing in the construction of facilities of similar scope, function, size, quality, complexity, and detail in urban areas throughout the United States comparable to the City would exercise at such time, under similar conditions. The Contractor shall, at all times, perform the Work in conformance with sound and generally accepted engineering principles and construction management and construction contracting practices.

4.1.2 The Contractor shall comply with, and require all Subcontractors to comply with, the Arizona Contractors' license laws, including all requirements with respect to being duly registered and licensed.

4.1.3 Pursuant to A.R.S. § 41-4401, the Contractor warrants to the City that the Contractor and all its Subcontractors are in compliance and will comply with all Federal Immigration laws and regulations that relate to their employees and with the E-Verify Program under A.R.S. § 23-214(A). The Contractor acknowledges that a breach of this warranty by the Contractor or any of its Subcontractors is a material breach of this Contract subject to penalties up to and including termination of the Contract or any subcontract. The City retains the legal right to inspect the papers of any employee related to this statute and of the Contractor or any Subcontractor who works on this Contract to ensure compliance with this warranty. The City may conduct random verification of the Contractor's employment records and any of

its Subcontractors' employment records to ensure compliance with this warranty. The City will not consider the Contractor or any of its Subcontractors in material breach of the foregoing warranty if the Contractor and its Subcontractors establish that they have complied with the employment verification provisions prescribed by 8 USCA §1324(a) and (b) of the Federal Immigration and Nationality Act and the e-verify requirements prescribed by Arizona Revised Statutes § 23-214(A). The provisions of this Section must be included in any agreement the Contractor enters into with its Subcontractors who provide services under this Contract or any subcontract. "Services" are defined as furnishing labor, time, or effort in the State of Arizona by a contractor or Subcontractor. Services include construction or maintenance of any structure, building, or transportation facility or improvement to real property. Breach of this warranty shall constitute a material breach of the contract and shall subject the Contractor to penalties, including termination of the Contract at the sole discretion of the City.

4.1.4 The Contractor further understands and acknowledges the applicability of the Americans with Disabilities Act, the Immigration Reform and Control Act of 1986, and the Drug-Free Workplace Act of 1989 to the Contract. The Contractor understands and acknowledges that it must also comply with A.R.S. § 34-301, "Employment of Aliens on Public Works Prohibited," and A.R.S. § 34-302, as amended, "Residence Requirements for Employees," and A.R.S. § § 12-2701 through 12-704 "Immigration and Nationality Law Practice Act" as amended.

4.2 Contractor's Pre-Contract and Pre-Work Deliverables

4.2.1 Before beginning any Work under the Contract, the Contractor shall execute the Contract and deliver to the City the items listed in Section 4-2.2 below within seven (7) days after the award of the Contract, and the City must execute the Contract. Failure to do so will be a material breach of the Contract, entitling the City to terminate the Contract for Cause.

4.2.2 When the Contractor delivers the executed Contract to the City, the Contractor shall also deliver to the City such bonds and certificates of insurance with endorsements in such amounts (and other evidence of insurance requested by the City) required under Section 11 - of these General Conditions, and as the Contract requires.

4.2.3 The Contractor shall obtain all necessary permits for the Work and pay all applicable fees unless otherwise noted on the plans and in the specifications. The Contractor is specifically notified of the need to obtain traffic control permits from the Arizona Department of Transportation (ADOT) and the necessary environmental permits or file the necessary environmental and regulatory permit notices. Copies of all permits and the associated notices must be provided to the City prior to starting the permitted activity.

4.3 Pre-Construction Conference

4.3.1 Prior to the commencement of any Work, the City may schedule a Pre-Construction Conference.

4.3.2 Prior to the Pre-construction Conference, the Contractor shall provide the Project Manager with a Schedule of Values reflecting the subcontracts and other categories that will be used to submit pay applications for the Work. The total amount of the Schedule of Values shall not be greater than the

Contract Price. The Schedule of Values shall be reviewed at the Pre-Construction Conference and revised in response to comments and questions from the City. Once accepted by the City in writing, the Schedule of Values for the Project will not be changed without the City's prior written approval.

4.4 Performance of the Work (Including Field Measurements, Subcontractors, and Suppliers)

4.4.1 Unless otherwise provided in the Contract Documents to be the responsibility of the City or a separate Contractor, the Contractor shall provide through itself or its Subcontractors the necessary supervision, labor, inspection, testing, start-up, material, equipment, machinery, temporary utilities, and other temporary facilities to permit Contractor to complete the Work consistent with the Contract Documents.

4.4.2 The Contractor's Superintendent shall be present at the Project site at all times that material Work under this Contract is taking place. The Contractor's Superintendent or designee shall be present at the Project site at all times any other Work under this Contract is taking place. All elements of the Work shall be under the direct supervision of a foreman or his designated representative on the Project site, who shall have the authority to take actions required to carry out that particular element of the Work properly.

4.4.3 Before ordering materials or doing work, the Contractor and each Subcontractor shall verify measurements at the Project site and shall be responsible for the correctness of such measurements. No extra charge or compensation will be allowed because of differences between the actual dimensions and the dimensions indicated on the Contract Documents, including the drawings.

4.4.4 If the Contractor observes errors, discrepancies, or omissions in the Contract Documents, it shall promptly notify the Contractor and City and request clarification. The Contractor shall be liable to the City for damages resulting from errors, inconsistencies, or omissions in the Contract Documents or for differences between field measurements or conditions in the Contract Documents. If the Contractor, with the exercise of reasonable care, should have recognized such error, inconsistency, omission, or difference and fails to report it to the City, and if the Contractor proceeds with the Work affected by such observed errors, discrepancies, or omissions, without receiving such clarifications, it does so at its own risk.

4.4.5 In all cases of interconnection of its Work with existing or other work, the Contractor shall verify at the Project site all dimensions relating to such existing or other work. Any errors due to the Contractor's failure to so verify all such grades, elevations, locations, or dimensions shall be promptly rectified by the Contractor without any increase in the Contract Price. Any design errors or omissions noted by the Contractor during this review shall be reported promptly to the City.

4.4.6 The Contractor shall be responsible for the proper performance of the Work of Subcontractors and any acts and omissions in connection with such performance. Nothing in the Contract Documents is intended or deemed to create any legal or contractual relationship between the City and any Subcontractor or Sub-Subcontractor, including but not limited to any third-party beneficiary rights.

4.4.7 The Contractor will not substitute or change any Subcontractor or Supplier without the City's prior written approval. Any substitute or replacement Subcontractor or Supplier shall be required to meet the same qualifications and selection criteria and process as the original Subcontractor or supplier. If a Subcontract or Supplier selection plan has been approved by the City, the Contractor will follow that plan unless otherwise approved by the City in writing.

4.4.8 The Contractor shall not change or replace the Contractor's Project Manager or Superintendent on this Project without an explanation for the change being given to the City and receiving prior written approval of the change from the City, which approval will not be unreasonably withheld.

4.4.9 Subcontractors whose scope of work has a value greater than fifteen percent (15%) of the total Contract Price may be required to furnish performance and payment bonds to the Contractor if directed in writing by the City.

4.5 Control of the Project Site

Throughout all phases of construction, including suspension of Work, the Contractor shall keep the Project site reasonably free from debris, trash, and construction wastes to permit the Contractor to perform its construction services efficiently, safely, and without interfering with the use of adjacent land areas. Prior to the Final Acceptance of the Work, or a portion of the Work, the Contractor shall remove all debris, trash, construction wastes, materials, equipment, machinery, and tools arising from the Work or applicable portions thereof to permit the City to occupy the Project or a portion of the Project for its intended use.

4.5.1 The Contractor shall take whatever steps, procedures, or means necessary to prevent dust nuisance due to construction operations. The dust control measures shall be maintained at all times to the satisfaction of the City and in accordance with the requirements of the Yuma County dust control regulations.

4.5.2 The Contractor shall be responsible to the City for the acts and omissions of the Contractor's employees, Subcontractors and their agents and employees, and any other person performing any of the Work under a contract with Contractor, or claiming by, through, or under Contractor, for all damages, losses, costs, and expenses resulting from such acts or omissions.

4.6 Project Safety

4.6.1 The Contractor is responsible for the safety of the job site for the Contractor's employees as well as for members of the general public and others who may drive or walk through or be at the Project site.

4.6.2 The Contractor assumes responsibility for implementing and monitoring all safety precautions and programs related to the performance of the Work.

4.6.3 The Contractor shall provide a "competent person" as required by O.S.H.A. regulations. The "competent person" shall be identified at the Pre-Construction Conference, and the City will be advised in writing of any changes.

4.6.4 The Contractor and Subcontractors shall comply with all legal and regulatory requirements relating to safety, as well as any City-specific safety requirements set forth in the Contract Documents, provided that such City-specific requirements do not violate any applicable legal and regulatory requirements.

4.6.5 As between the City and the Contractor, the Contractor is responsible to the City for any and all the safety issues relating to the Work on the Project. The Contractor shall administer and manage the safety program. The safety program will include, but not necessarily be limited to, reviews of the safety programs of each Subcontractor. The Contractor shall monitor the establishment and execution of compliance with all applicable regulatory and advisory agency construction safety standards.

4.6.6 The Contractor shall maintain and have sole responsibility for safety on the job site.

4.7 Materials Quality, Substitutions, and Shop Drawings

4.7.1 All construction materials to be used or incorporated in the Project are subject to inspection, quality control and quality assurance testing, and approval or rejection by the City. Any material rejected by the City shall be removed immediately and replaced in an acceptable manner to the City at no additional cost to the City. When quality control and quality assurance tests indicate noncompliance with the Contract Documents, retesting shall be performed by the same testing laboratory that performed the tests that indicated noncompliance.

4.7.2 A schedule of shop drawing submissions shall be submitted with the Project Schedule for City approval that avoids bulk submissions to the extent reasonably possible. Unless otherwise noted, shop drawings will not be required for items specified or detailed in the Uniform Standard Specifications and Details or the Technical Specifications. The schedule of shop drawing submissions shall include all of the items for which shop drawings are required by the Contract Documents, including the specifications.

4.7.3 Long Lead Time Items. The Contractor shall submit shop drawings, as required by the Project Engineer, on all long lead items to be furnished and installed as part of the Project within ten (10) days after execution of the Contract. In addition, the Contractor shall order all long lead items to be furnished and installed as part of this Project within (3) days after receiving approved shop drawings. For all long lead times for which shop drawings are not required, the Contractor shall order said long lead items within fifteen (15) days after execution of the Contract. Within two (2) days after ordering long lead items, the Contractor shall supply copies of all purchase orders, along with an accurate delivery schedule from the supplier.

4.8 Project Record Documents

The Contractor shall ensure that any and all changes or modifications done as a result of field changes are accurately reflected in red-lined markings. At the completion of construction, all red lines and markings shall be compiled to aid in the creation of “as-built” plans.

4.9 Warranty and Correction of Defect Work

4.9.1 The Contractor warrants to the City that the construction of the Work shall be of good and workmanlike quality and completed in strict conformance with all applicable laws, rules, and regulations

and the plans and specifications and all other terms and conditions of the Contract Documents, including all materials and equipment furnished as part of the construction, shall be new unless otherwise specified in the Contract Documents, of good quality, in conformance with the Contract Documents and free of defects in materials and workmanship.

4.9.2 The date of Final Completion shall be the beginning of the Warranty period, regardless of early completion by some Subcontractors of their work.

4.9.3 Unless otherwise specified in the Contract Documents, the Contractor and Subcontractors shall provide to the City all of the following written warranties that apply to the Work in a form acceptable to the City.

(i) General Warranty — Two (2) years
(ii) Mechanical Contractor — Two (2) years
(iii) Plumbing Contractor — Two (2) years
(iv) Electrical Contractor — Two (2) years
(v) Caulking — One (1) year
(vi) Steel Joists, Certificate of Manufacturer
(vii) Exterior Metal Wall System — Five (5) years
(viii) Painting — One (1) year
(ix) Termite — Five (5) years
(x) Sheet Metal: Zinc coating thickness on hot-dipped galvanized Metals — One (1) year

4.9.4 Nothing in the warranties contained in the Contract Documents are intended to limit any manufacturer's warranty, which provides the City with greater warranty rights than set forth in this Section or the Contract Documents. The Contractor will provide the City with all manufacturers' warranties prior to Final Acceptance.

4.9.5 A progress payment, or partial or entire use or occupancy of the Project by the City, shall not constitute Acceptance of Work not in accordance with the Contract Documents.

4.9.6 Without limiting the foregoing or anything in these General Conditions or the Contract to the contrary, the Contractor shall obtain and provide to the City all warranties for any portion of the Project offered by the manufacturer, installer, or provider thereof. The City and the user of the facility shall have the right to the full value and benefit of all such warranties. The Contractor will ensure all such warranties are fully transferrable to facilitate the full value of this Section.

SECTION 5 - CITY'S RESPONSIBILITIES

5.1 **City Project Manager** The Project Manager is responsible for providing City-supplied information and approvals in a timely manner to assist the Contractor to fulfill its obligations under the Contract Documents.

5.2 **Contract Services** The City may contract separately with one or more contractors to provide construction administration of the Project. The Contractor's Contract, as well as other firms hired by the City, shall be furnished to the Contractor. The contractor shall not have the right to limit, restrict, or reject any Contract modifications that are mutually acceptable to the City and the Contractor.

SECTION 6 - CONTRACT TIME

6.1 Contract Time

6.1.1 The Contract Time shall start with the Notice to Proceed ("NTP") and end with Final Acceptance, as set forth in Section 6.3 below.

6.1.2 The Contract Time shall be as set forth in the Project Schedule. The Contractor agrees that it will commence the performance of the Work and complete the Project within the Contract Time.

6.1.3 Time is of the essence of this Contract, for the Project, for the Work, and for each phase and/or designated milestone of the Project.

6.2 Project Schedule

6.2.1 The Project Schedule shall be updated and maintained throughout the Contract Time.

6.2.2 The Project Schedule shall be revised as required by conditions and progress of the Work. However, such revisions shall not relieve the Contractor of its obligations to complete the Work within the Contract Time, as adjusted in accordance with the Contract Documents. No modification to the Contract Documents or the Contract Time shall be effective unless approved in advance by the City.

6.2.3 An updated Project Schedule shall be submitted monthly to the City as part of the Payment Request.

6.2.4 The Contractor shall provide the City with a monthly status report with each Project Schedule detailing the progress of the Work, including:

6.2.5 Acceptance of a submitted schedule by the City should in no way be construed as an affirmation or admission that the schedule is reasonable or workable by the Contractor. The responsibility for completing the Work on the Project within the Contract Time remains the obligation of the Contractor. The City's review shall not relieve the Contractor from compliance with the requirements of the Contract Documents or be construed as relieving the Contractor of its complete and exclusive control over the means, methods, sequences, and techniques for executing the Work.

6.2.6 Critical Path Method (CPM)

6.2.6.1 Unless otherwise specified in the Contract, the Project Schedule shall include a Critical Path Method (CPM) diagram schedule showing the sequence of activities, the interdependence of each activity, and identifying the Critical Path.

6.2.6.2 The CPM diagram schedule shall be in calendar Days and indicate duration, earliest and latest start and finish dates for all activities, and total Float Times for all activities except critical activities. The CPM diagram shall be presented in a time-scaled graphical format for the Project as a whole.

6.2.7 Float Time

6.2.7.1 The total Float time within the overall schedule is for the exclusive use of the City. However, the City may approve the Contractor's use of Float time as needed to meet contract milestones and the Project completion date.

6.2.7.2 The Contractor shall not be allowed to sequence, hide, or reallocate Float time through such strategies as extending activity duration estimates to consume available Float, using preferential logic, or using extensive crew or resource sequencing. No time extensions will be granted nor delay damages paid until a delay occurs which extends the Work beyond the Contract Time.

6.2.7.3 Rain-Related Delays. In preparing the Project Schedule, The Contractor is required to take into account all relevant weather conditions, including normal rainfall and distribution. No additional Compensation shall be given for any rain-related delays or impacts on the Work or the Project Schedule. The burden of documenting normal rainfall, excessive rainfall, and the impact on Critical Path activities is on the Contractor.

6.3 Final Completion and Final Acceptance

6.3.1 Unless otherwise expressly agreed to in writing by the City, Final Completion must be achieved no later than June 30, 2026. Failure to meet this deadline will constitute a material breach of the Contract.

6.3.2 Upon receipt of written notice that the Work is ready for final inspection and Acceptance, the City and the Contractor will jointly inspect to verify that the remaining items of Work have been completed. There shall be no partial acceptance. Final Acceptance shall not be issued, and Final Completion shall not occur until all items of Work, including punch list items, have been completed to the City's satisfaction as reflected in the written Final Acceptance.

6.3.3 Final Payment under Section 8.2 below shall not be due, owing, or paid by the City until the Final Completion is obtained.

6.4 Liquidated Damages

6.4.1 The Contractor acknowledges and agrees that if the Contractor fails to obtain Final Completion of the Work within the Contract Time, the City will sustain extensive damages and serious loss as a result of such failure. The exact amount of such damages will be extremely difficult to ascertain. Therefore, the City and the Contractor agree that if Contractor fails to achieve Final Completion of the Work within the Contract Time, the City shall be entitled to retain or recover from the Contractor, as liquidated damages and not as a penalty, the applicable dollar sum amount in Subsection 108.9 of the 2016 City of San Luis Supplement to the 2015 MAG Uniform Standard Specification for Public Works Construction per calendar day, commencing from the Completion Date required under the Contract until the actual date of the Final Completion of the Work.

6.4.2 The City may deduct liquidated damages described in this Section 6.4 from any unpaid amounts then or thereafter due Contractor under this Contract. Any liquidated damages not so deducted from any unpaid amounts due to the Contractor shall be payable to the City at the demand of the City,

together with interest from the date of the demand at the highest lawful rate of interest payable by the Contractor.

6.4.3 Nothing herein shall be deemed to constitute a waiver of any other remedy available to the City in the event of Contractor's default under this Contract prior to the full performance of the Work, including, as applicable, specific performance or completion of the Work on behalf of Contractor, the cost and expense of which shall be offset against any monies then or thereafter due to Contractor (if any) and otherwise immediately reimbursed to City by Contractor.

SECTION 7 - CONTRACT PRICE

7.1 Fixed Price Contracts The Contract Price shall be the amount set forth in the Contract.

7.2 City Sales Tax The Contractor is required to pay Sales Taxes on any contracting activity done for the City, and this cost shall be included in all Contract Prices.

SECTION 8 - PAYMENT

8.1 Payment for Construction Services

8.1.1 Monthly progress payments for certified work and material delivered to the Project site for the preceding month shall be paid on or before fourteen (14) business days after the estimate of the Work is certified and approved. The submittal estimate shall be deemed certified and approved for payment after seven (7) days from the date of submission unless the City's Project Manager issues a written finding setting forth items not approved for payment.

8.1.2 The City shall retain ten percent (10%) of all progress payments as insurance of proper performance of the Contract or, at the option of the Contractor, a substitute security may be provided by the Contractor in an authorized form approved by the City. The Contractor is entitled to all interest from any such substitute security.

8.1.3 When the Contract is fifty percent (50%) completed, one-half of the amount retained or securities substituted shall be paid to the Contractor upon the Contractor's request, provided the Contractor is making satisfactory progress on the Contract. There is no specific cause or claim requiring a greater amount to be retained. After the Contract is fifty percent (50%) completed, no more than five percent (5%) of the amount of any subsequent progress payments made under the Contract shall be retained, providing the Contractor is making satisfactory progress on the Project. If at any time the City determines satisfactory progress is not being made, ten percent (10%) retention shall be reinstated for all progress payments made under the Contract subsequent to the determination.

8.1.4 . Unless the City Project Manager delivers specific written findings of deficiencies and expected cost to cure, any retention shall be paid, or substitute security shall be returned to the Contractor within sixty (60) Days after Final Completion and Acceptance of Work under the Contract. The City may withhold an amount from the progress payment sufficient to pay the expenses the City's Project Manager reasonably expects to incur in correcting the deficiency set forth in the written finding.

8.1.5 The Contractor, and all Subcontractors, shall pay to Subcontractors or material Suppliers within seven (7) days of receipt of each progress payment unless otherwise agreed in writing by the parties, the respective amounts allowed the Contractor or Subcontractor on account of the Work performed or materials delivered to the extent of each such Subcontractor's or material Supplier's interest therein. No agreement for construction may materially alter the rights of any Contractor, Subcontractor, or material Supplier to receive prompt and timely payment as provided under this Section. These monthly progress payments to Subcontractors or material Suppliers shall be passed on payments received pursuant to this Section. Any diversion by the Contractor or Subcontractor of payments received for Work performed or failure to reasonably account for the application or use of such payments constitutes grounds for disciplinary action by the Registrar of Contractors. The Subcontractor or material Supplier shall notify the Registrar of Contractors and the City in writing of any payment less than the amount or percentage approved for the class or item of work as set forth in this Section. The Subcontractor may notify the City's Project Manager in writing, requesting that the City notify the Subcontractor in writing within five (5) days from payment of each progress payment made to the Contractor. The Subcontractor's request remains in effect for the duration of the Subcontractor's work on the Project.

8.1.6 Nothing in this Section 8.1 prevents the Contractor at the time of application/certification to the City from withholding application or certification to the City for payment to the Subcontractor or material Supplier for unsatisfactory job progress, defective work, or materials not remedied, disputed work or materials, third party claims filed or reasonable evidence that claim will be filed, failure of a Subcontractor to make timely payment for labor, equipment and materials.

8.2 Final Payment Subject to all of the City's rights to withhold or offset payment and other rights under the Contract, Final Payment, including remaining retainage, shall be paid only after:

(i) The Work has been fully completed (including completion of all incorrect or incomplete work items), and the City has issued the written Final Acceptance;
(ii) necessary operating manuals, any excess materials and supplies necessary for matching materials and supplies incorporated into the Work, and complete "as-built" drawings (including the Building Information Model, if required by the Contract Documents), plans, and specifications have been delivered to City;
(iii) full and unconditional lien waivers and releases by Contractor and any person performing labor or supplying material, machinery, fixtures, or tools for the Work have been delivered to the City;
(iv) all conditions and requirements imposed by the City or any financing entity for the corresponding disbursement have been met; and
(v) the Contractor delivers to the City a Contractor Payment Request Form requesting Final Payment.

8.3 The City's Right to Withhold Payment The City may withhold payment to such extent as may be necessary in the City's opinion to protect the City from loss for which the Contractor is responsible, including, without limitation:

(i) Defective Work not remedied;
(ii) Third-party claims filed or reasonable evidence indicating probable filing of such claims unless Contractor provides security acceptable to the City;
(iii) Failure of Contractor to make payments properly to Subcontractors or for labor, materials, or equipment;
(iv) Reasonable evidence that the Work cannot be completed for the unpaid balance of the Contract Price;
(v) Damage to the City or another Contractor or any third party for which the Contractor may have an obligation under Article 12 of the General Conditions;
(vi) Reasonable evidence that the Work will not be completed within the Contract Time and that the unpaid balance would not be adequate to cover actual or liquidated damages for the anticipated delay; or
(vii) Persistent failure to carry out the Work in accordance with the Contract Documents.

8.4 Joint/Direct Checks Payments to the Contractor may be made by checks payable jointly to the Contractor and its employees, agents, Subcontractors, and Suppliers, or any of them. When in the sole opinion of the City, it is advisable, payments may be made directly to the Contractor's Subcontractors. Any amount so paid shall be deducted from the amounts owed to the Contractor under this Contract.

8.5 Payment Not A Waiver No payment (nor use or occupancy of the Project by the City) shall be deemed Acceptance or approval of the Work or as a waiver of any claims, rights, or remedies of the City.

8.6 Liens and Bond Claims The Contractor shall make all payments, in the time required, of all labor and materials furnished to the Contractor in the course of the Work and shall promptly furnish evidence of such payments as the City may require. The Contractor shall pay when due all claims arising out of the performance of the Work covered by this Contract for which a lien may be filed either against the real estate or leasehold interest of City, or against payments due from City to Contractor, or for which a claim may be made against any payment or performance bond or both. To the fullest extent permitted by law, Contractor agrees that no liens or other claims in the nature of a lien against the real estate, leasehold, or other interest of City, against payment due from City to Contractor, or against any payment or performance bond, shall be filed or made in connection with the Work by any party who has supplied professional services, labor, materials, machinery, fixtures, tools, or equipment used in or in connection with the performance of this Contract. The Contractor agrees to remove or to cause to be removed any such liens or claims in the nature of a lien or bond claim within ten (10) days upon receiving notice or obtaining actual knowledge of the existence of such liens or claims. In addition, the Contractor agrees to defend, indemnify, and hold harmless the City from and against any and all such liens and claims. This paragraph does not apply to claims and liens of Contractor due to non-payment for work performed by Contractor. The obligations under this Section 8.4 survive termination of this Contract.

8.7 Financial Record Keeping and City's Audit Right

8.7.1 Records for all Contracts between the City and the Contractor shall, upon reasonable notice, be open to inspection and subject to audit, scanning, and/or reproduction during normal business working

hours. The City or its designee may conduct such audits or inspections throughout the term of this Contract and for a period of three years after Final Payment or longer if required by law.

8.7.2 The City, its authorized representative, and/or the appropriate agency reserve the right to audit the Contractor's records in compliance with local, state, or federal policies, statutes, or at the City's discretion within three (3) years of Final Acceptance of the Work.

SECTION 9 - CHANGES TO THE CONTRACT

9.1 Extra Work/Changes in the Work

9.1.1 The City reserves the right to make such changes in the plans and specifications for the Work as it may deem appropriate. Any such change as set forth in a written Change Order or Extra Work Order shall be deemed a part of this Contract as if originally incorporated into this Contract.

9.1.2 The Contractor shall not be entitled to payment for additional work unless a written Change Order or Extra Work Order, in form and content prescribed by the City, has been executed by the City prior to starting the additional work.

9.1.3 Any agreement that modifies the terms of the Contract (including Change Orders) shall be approved in writing by the Project Manager and approved by the San Luis City Council if necessary. Once properly executed by both Parties, these modifications to the Contract shall have the same effect as if they had been included in the original Contract.

9.2 Accuracy of Change Order Pricing Information Signature by the contracting Parties shall constitute full accord and satisfaction between the City and the Contractor for all costs, damages, and expenses of whatever kind of nature, including delay, impact, or acceleration damages, which may be occasioned by a Change Order or other modification of the Contract, the Parties agreed to in writing.

SECTION 10 - TERMINATION

10.1 Termination by the City for Cause

10.1.1 If, for any reason, the Contractor fails to fulfill in a timely and proper manner its obligations under the Contract Documents, or if the Contractor violates any of the covenants, agreements, or stipulations of this Contract, the City shall thereupon have the right to terminate the Contract by giving written notice to the Contractor of such termination and specifying the effective date of the termination. In such event, all finished or unfinished site or structural improvements, as well as all materials or equipment acquired or stored by the Contractor under this Contract, shall, at the option of the City, become the City's property. The Contractor shall be entitled to receive just and equitable compensation for any Work satisfactorily completed under this Contract.

10.1.2 Notwithstanding Section 10.1.1, the Contractor shall not be relieved of liability to the City for damages sustained by the City by virtue of any breach of this Contract by the Contractor, and the City may withhold any payments to the Contractor for the purpose of set-off until such time as the exact amount of damages due the City from the Contractor is determined.

10.2 Termination by the City for Convenience The City may also terminate the Contract at any time for its convenience upon seven (7) business days' written notice to the Contractor specifying the termination date. In the event of termination, which is not the fault, in whole or in part, of the Contractor, the City shall pay to the Contractor only such compensation, including reimbursable expenses, due for Work properly performed on the Project prior to the termination date. Upon any termination of the Contract, no further payments shall be due from the City to the Contractor.

10.3 A.R.S. § 38-511 and Other Statutory Requirements This Contract is subject to and may be terminated by the City in accordance with the conflict provisions of A.R.S. § 38-511. The Contractor certifies, to the extent permitted by law, that it is not currently engaged in and agrees that for the duration of this Contract, it will not engage in a boycott of Israel, as that term is defined in A.R.S. § 35- 393. The Contractor certifies, to the extent permitted by law, that it does not currently, and agrees for the duration of this Contract, it will not use the forced labor of the ethnic Uyghurs in the People's Republic of China, nor use any goods or services produced by them, nor use any Contractors, Subcontractors, or Suppliers that use them. If the Contractor becomes aware during the term of this Contract that the Contractor is not in compliance with this certification, it shall follow the notice procedures in A.R.S. § 35- 393.

10.4 Non-Appropriation The City is a government agency that relies upon the appropriation of funds by its governing body to satisfy its obligations. If the City determines that it does not have funds to meet its obligations under the Contract, the City shall have the right to terminate the Contract without penalty on the last day of the fiscal period for which funds were legally available for the Project.

10.5 Limited Liability Under no circumstances shall the City have any liability for any costs, expenses, overhead, or profits in relation to any work not actually performed or for any future or anticipated profits, recovery, damages, expenses, or losses.

SECTION 11 - BONDS

11.1 Bonds and Other Performance Security

11.5.1 Prior to the execution of the Contract, the Contractor shall provide a Performance Bond and a Payment Bond, each in an amount equal to the full amount of the Contract Price.

11.5.2 Each such bond shall be executed by a surety company or companies holding a Certificate of Authority to transact surety business in the State of Arizona, issued by the Director of the Arizona Department of Insurance. A copy of the Certificate of Authority shall accompany the bonds.

11.5.3 The bonds shall be made payable and be acceptable to the City. The bond forms for the performance and payment bonds shall be in the forms required under A.R.S. § 34-221, et seq.

11.5.4 All bonds submitted for this Project shall be provided by a company that has been rated AM Best rating of B++6 or better for the prior four (4) quarters by the latest edition of the *Results Best's Key Rating Guide (Property/Casualty)*" published by the A.M. Best Company.

11.5.5 Personal or individual bonds are not acceptable.

SECTION 12 - INDEMNIFICATION

12.1 To the fullest extent permitted by law, the Contractor, its successors, and assigns shall defend, indemnify, and hold harmless the City and its elected officials, officers, employees, and agents from all demands, proceedings, suits, actions, claims, damages, or losses relating to, arising out of, resulting from or alleged to have resulted from the performance of the Work or failure to comply with Contractor's obligations under the Contract Documents or any laws, regulations, or legal requirements. The Contractors' duty to defend, indemnify, and hold harmless the City and its agents, representatives, officers, elected officials, and employees shall arise in connection with all demands, proceedings, suits, actions, claims, workers' compensation claims, unemployment claims, damages, losses or expenses (including but not limited to attorney's fees, expert fees, court costs, and the cost of appellate proceedings) that are attributable to personal or bodily injury, sickness, disease, death or injury to, impairment or destruction of property including loss of use resulting therefrom, caused by any act or omission of Contractor, a Subcontractor, anyone directly or indirectly employed by them or anyone for whose acts they may be liable.

12.2 The Contractor shall also defend, indemnify, and hold harmless the City, any jurisdiction or agency issuing permits for any work involved in the Project and their consultants and each of their officers, officials, employees, representatives, directors, and agents from and against all losses, expenses, damages (including damages to the Work itself), attorney's fees and other costs including costs of defense, which any of them may incur with respect to the failure, neglect, or refusal of Contractor to faithfully perform the Work and all of the Work and all of Contractor's obligations under the Contract. Such costs, expenses, and damages shall include all costs, including attorney's fees, incurred by the indemnified parties in any lawsuit to which they are a party.

12.3 The indemnified party shall have the right to approve the legal counsel selected by the Contractor or the insurer of the liability, which approval shall not be unreasonably withheld.

12.4 The defense, indemnification, hold harmless provisions, and City's Liability Insurance set forth herein shall survive any termination of the Contract.

SECTION 13 - DISPUTE RESOLUTION

13.1 **Informal Dispute Resolution** The Parties to the Contract agree that time is of the essence in relation to the performance of the Contract and completion of the Project. Therefore, any and all disputes in relation to the Contract will initially be referred to the City Project Manager and Contractor Project Manager, as applicable to the dispute, for immediate resolution. If, after good faith efforts to reach a resolution, none is reached, any party to the dispute may submit the dispute to the Dispute Resolution Representative ("DRR") process set forth below, which is intended to be an expedited process.

13.2 **Dispute Resolution Representative (DRR) Process** 1.2.1 The Parties under the Contract agree that all claims and disputes in relation to the Project that are not resolved in the ordinary course of the Project ("Claim or Claims") shall, as a prerequisite to any mediation or litigation of the Claim, first be submitted for resolution between the designated Dispute Resolution Representatives of the Parties as set forth herein (the "DRR Process").

13.2.2 The DRR Process shall be initiated through the service of a DRR Notice as set forth below:

(i) For claims by the Contractor, the DRR Process shall be initiated by the party asserting the claim serving written notice on the City setting forth in detail:

(a) the basis for the claim;
(b) the effect of the Claim upon the construction of, and/or Project Schedule for, the Project;
(c) the specific relief requested, the amount thereof, and how such was calculated;
(d) the parties involved in the Claim and how they are involved;
(e) the specific contract provisions in the Contract Documents (including, if applicable, drawings and specifications) which apply; and
(f) efforts made to date to resolve the Claim.

(ii) For claims by the City, the DRR process will be initiated by the City providing written notice to the other parties of the basis and amount of its claim, the parties involved in the Claim, and how they are involved, the provisions in the Contract Documents that apply, and the relief requested. (iii) The DRR Notice shall be hand-delivered and e-mailed to the other parties' designated Dispute Resolution Representatives.

13.2.3 The other parties shall respond in writing to the DRR Notice ("DRR Response") within ten (10) calendar days of receipt of the DRR Notice, setting forth those items set forth in the DRR Notice that they agree with, dispute, and/or have questions concerning. The DRR Response shall be hand-delivered and e-mailed to the other parties' Dispute Resolution Representatives.

13.2.4 The designated Dispute Resolution Representatives for the parties to the claim shall then meet as soon as possible and, in any event, within twenty (20) calendar Days of submission of the DRR Notice (regardless of whether a DRR Response has been submitted by all parties involved in the dispute), at a mutually agreed upon time and place, to attempt to resolve the Claim based upon the DRR Notice and DRR Response.

13.2.5 At any time after the first meeting required above, either party may terminate the DRR Process by written notice to the other party.

13.2.6 The parties may agree, in writing, to extend or modify the time limits or other provisions of the DRR process in relation to a specific pending Claim.

13.2.7 Unless otherwise designated in a written notice to the other parties, the Project Manager, the representatives of the Contractor, and of the Design Professional shall act as the parties' designated Dispute Resolution Representatives.

13.2.8 If a resolution of the Claim is reached, that resolution shall be set forth in writing. The resolution shall be signed by the Parties' designated Dispute Resolution Representatives. If the resolution involves a change in any Contract Documents, the Contract Price, the Project Schedule, or any other change requiring a written Change Order or Amendment, the parties shall execute an appropriate written Change Order or Amendment pursuant to the terms of the Contract Documents.

13.3 <u>Mediation</u>

13.3.1 Unless extended by written agreement of the parties involved in the dispute, any Claim not resolved through the DRR process set forth above within five (5) calendar days after the meeting required under 13.2.4 or after the DRR is terminated pursuant to 13.2.5 above, whichever is earlier, shall be submitted to mediation as a condition precedent to litigation by either party.

13.3.2 The mediation shall be commenced by written demand upon the other party for mediation. If the parties cannot agree upon a mediator within ten (10) calendar Days of the written demand, either party may make a request to the Civil Presiding Judge of the Yuma County Superior Court to appoint a mediator. The mediation shall occur within forty (40) calendar Days of the written demand for mediation unless the parties agree, in writing, to a longer period of time.

13.3.3 The qualifications for the mediator shall be that the mediator be:

(i) an experienced mediator, arbitrator, or litigator of construction disputes; and
(ii) having engaged a significant portion of their time involving and/or resolving construction disputes for at least the past five (5) years.

13.3.4 Each party shall provide to the other party and the mediator all of the information and documentation required under 13.2.2 and 13.2.3 above, together with any additional information and documentation that the party believes relevant. In addition, the parties shall exchange and provide to the mediator such additional memoranda, information, and/or documentation, as the mediator may request, and in the form and at such times as the mediator may direct.

13.3.5 The parties shall share the mediator's fee and any filing fees equally. The mediation shall be held in San Luis, Arizona unless another location is mutually agreed upon. Agreements reached in mediation shall be specifically enforceable in any court having jurisdiction over the dispute.

13.4 Arbitration

13.4.1 If the mediation is unsuccessful, the parties shall submit the dispute and/or claim to be resolved through binding arbitration conducted according to the then-current Construction Industry Arbitration Rules of the American Arbitration Association ("AAA") but not administrated or conducted by the AAA. The arbitration shall be held in Yuma County, Arizona, utilizing a single arbitrator selected by the parties unless the parties agree, in writing, to an alternative arbitration procedure.

13.4.2 If: (a) the parties cannot agree on a single arbitrator within two (2) weeks of the demand for arbitration; or (b) the parties at any time prior to the arbitrator being appointed or before the arbitrator has accepted the appointment, cannot agree upon any significant aspect of the arbitration, not already addressed herein, either party may submit the Claim directly to the AAA to select the arbitrator, and thereafter the arbitration shall be administered by the AAA.

13.4.3 The arbitrator shall be an attorney with at least fifteen (15) years of experience in construction-related practice and whose practice, for at least the last five (5) years, consists of at least 50% construction law.

13.4.4 At the request of either party, the arbitration may include as parties, through joinder, consolidation, or otherwise, additional persons or entities involved in the Project, involving claims and/or disputes with common issues and/or facts. The arbitrator shall promptly rule upon any request for joinder or consolidation.

13.4.5 In relation to claims in which the amount in controversy is less than $250,000, no discovery other than the exchange of documents, designation of witnesses, and detailed disclosure of claims and defenses (including specifically a detailed basis for calculating all claims) and no more than three (3) depositions and one (1) expert per issue per side, shall be allowed, subject to disclosure of such other information as approved by the arbitrator. Otherwise, discovery shall be allowed and/or limited as decided by the arbitrator.

13.4.6 The prevailing party in any arbitration or court proceeding under this Contract shall be entitled to an award of its attorneys' fees, costs, and expenses (including expert witness fees) incurred.

13.4.7 A demand for arbitration shall be made within the time limits specified in the Contract Documents as applicable, and in other cases within a reasonable time after the Claim has arisen, and in no event shall it be made after the date when the applicable statute of limitations would bar institution of legal or equitable proceedings based on such Claim.

13.4.8 The Parties agree to participate as a party, by joinder and/or consolidation, in any arbitration, litigation, or other dispute resolution involving as an issue, claim, or defense, any action, inaction, or service provided under this Contract or in relation to the Project or the Work, or any defect or deficiency in the Work.

13.4.9 The party filing a notice of demand for arbitration, or a counterclaim, must assert in the demand or counterclaim all Claims then known to that party on which arbitration is permitted to be demanded.

13.4.10 Any award by the arbitrator shall not include any consequential or punitive damages.

13.4.11 The award entered by the arbitrator shall be a reasoned award.

13.4.12 The award entered by the arbitrator shall be final, and judgment may be entered upon the award in the Arizona Superior Court.

SECTION 14 - MISCELLANEOUS PROVISIONS

14.1 Assignment Neither the Contractor nor the City shall, without the written consent of the other, assign, transfer, or sublet any portion of this Contract or part of the Work or the obligations required by the Contract Documents. Any such assignment will be void, will transfer no rights to the purported assignee, and would be a material breach of the Contract.

14.2 Governing Law and Venue. In the performance of the Contract, Contractor shall abide by and conform to any and all laws of the United States, State of Arizona, Yuma County, and the City, including but not limited to federal and state executive orders providing for equal opportunities, the Federal Occupational Safety and Health Act and any other federal, state, county, or local laws applicable to the Contract. This Contract shall be governed by and construed in accordance with the substantive and procedural laws of the State of Arizona,

including choice of law and conflict of laws and principles. Exclusive jurisdiction and venue for any action brought to enforce or construe any provision of this Contract shall be proper in the Superior Court of Yuma County, Arizona. Both Parties consent to jurisdiction and venue in such court for such purposes. The Party prevailing in any such action or other proceeding to resolve a dispute shall be paid all reasonable costs, reasonable expert services fees, and reasonable attorney's fees by the other Party. In the event any judgment is secured by said prevailing Party, all such costs, expert fees, and attorney's fees shall be included in the judgment, such fees to be set by the court and not by jury.

14.3 San Luis Business License The General Contractor and sub-contractors shall obtain a San Luis Business License before commencing Work.

14.4 Survival All warranties, representations, and indemnifications by Contractor shall survive the completion or termination of this Contract.

14.5 No Waiver The failure of either Party to enforce any of the provisions of the Contract Documents or to require the performance of the other Party of any of the provisions under this Contract shall not be construed to be a waiver of such provisions, nor shall it affect the validity of the Contract Documents or any part of them, or the right of either Party to thereafter enforce each and every provision. Unless otherwise specifically agreed to in writing by both Parties, any consent to delay in the Contractor's performance of its obligation is applicable only to the particular transaction to which it relates and is not applicable to any other obligation or transaction.

14.6 Project Communications

14.6.1 All communications concerning the performance of the Work or the Project shall be provided to the designated Project Manager and Contractor’s Representative set forth in Article 1 of the Contract.

14.6.2 Project communications may be exchanged by e-mail upon the written agreement of the Project Manager and Contractor Representative. However, e-mail communications are not binding upon the City. E-mail communications cannot change the terms of the Contract or the scope of work or effectuate any change that requires a written change order. The use of e-mails is for information only, and e-mails will have no legal or binding effect.

14.7 Independent Contractor The parties intend that this Contract will create an independent contractor relationship and not an employer-employee relationship. The City is interested only in the results to be achieved, and the conduct and control of the performance of the services contemplated under this Contract will be solely with the Contractor. Contractor’s employees, agents, and Subcontractors shall not be considered to be employees or agents of the City for any purpose. They shall not be entitled to any of the benefits the City provides for its employees. The Contractor shall furnish at its own expense all materials and equipment necessary to carry out the terms of this Contract.

14.8 No Partnership Nothing in this Contract constitutes a partnership, joint venture or similar arrangement between the Parties. Neither Party is the principal or agent of the other.

14.9 No Third-Party Beneficiaries There are no third-party beneficiaries to this Contract and no person or entity, not a Party, shall have any right or cause of action under this Contract.

14.10 ***Force Majeure*** If the Contractor or the City or both are prevented or materially restricted from performing any of their obligations under this Contract 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. *Force majeure* events include but are not limited to natural disasters, fire, flood, explosions, strikes (or labor disputes) over which the affected Party has no control, sabotage, riots, civil commotion, acts of civil or military authority, wars, public health emergencies, or material changes in applicable business laws (including but not limited to through statutes, regulations, executive orders, or emergency declarations and proclamations).

14.11 **Notices** The notices under this Contract shall be validly given and fully received when in compliance with all of the following:

(i) In writing,
(ii) Delivered or refused delivery,
(iii) By personal delivery, or by major commercial delivery courier service which requires a signature of the recipient, or by registered or certified United States Postal Service mail, return receipt requested with the signature of the recipient, postage prepaid to the addresses in the first paragraph of this Contract.

14.11.2 Either Party may designate in writing and deliver notice of a different address in the same way as above. Any such change of address notice shall be delivered at least ten (10) Days before the date on which the change is to become effective.

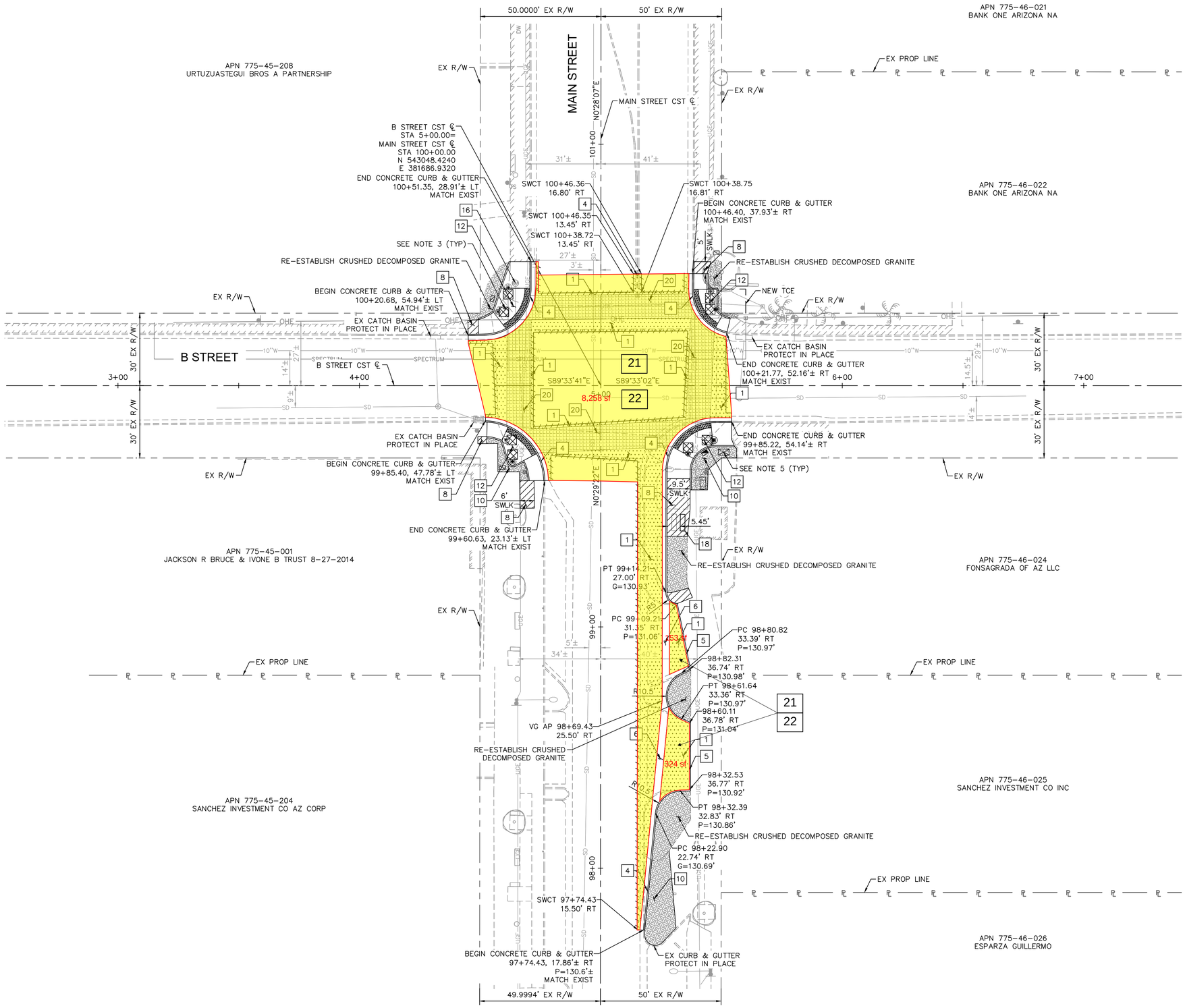
14.11.3 Notices for delivery to the City shall be to the attention of the Public Works Director, copies to the City Manager, City Attorney, and City Clerk.

14.12 **Severability** If any terms, parts, or provisions of this Contract are for any reason invalid or unenforceable, the remaining terms, parts, or provisions are nevertheless valid and enforceable.

14.13 **Entire Agreement** This Contract (including the incorporated documents) contains the entire agreement between the Parties, and no oral or written statement, promise, or inducement made by either Party or its agents not contained or specifically referred to in this Contract is valid or binding. All modifications to this Contract must be in writing, signed, and endorsed by the Parties.

14.14 **Headings** The headings of this Contract are solely for the convenience of the Parties and shall not be used to explain, modify, simplify, or aid in the interpretation of the provisions of this Contract.

14.15 **Further Acts** Each of the Parties shall execute and deliver all such documents and perform all such acts as reasonably necessary, from time to time, to carry out the matters contemplated by this Contract.



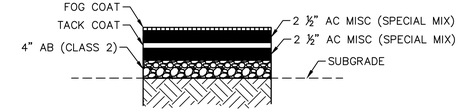
Kimley»Horn

1001 W. SOUTHERN AVENUE, UNIT 131, MESA, AZ 85210
PHONE: 480-207-2666 | WWW.KIMLEY-HORN.COM

CONSTRUCTION NOTES

NO	DESCRIPTION	UNIT	QTY
1	NEW AC PAVEMENT, MATCH EXIST PAVEMENT SECTION, SEE PAVEMENT STRUCTURAL SECTION NO.1, SHEET 4	SY	361
4	NEW CONCRETE CURB & GUTTER, PER MAG DET 220-1, TYPE A, H=6"	LF	264
5	NEW CONCRETE SINGLE CURB, PER MAG DET 222, TYPE A	LF	108
6	NEW VALLEY GUTTER, PER DTL A, SEE SHEET 4	LF	99
8	NEW CONCRETE SIDEWALK, PER MAG DET 230	SF	484
10	NEW CRUSHED DECOMPOSED GRANITE	SY	28
12	NEW CONCRETE SIDEWALK RAMP, PER SPECIAL DETAIL, SHEET 7	EA	4
16	ADJUST WATER METER TO GRADE	EA	1
18	RELOCATE EX CONCRETE BENCH AS SHOWN	EA	1
20	CONCRETE CROSSWALK, PER DTL B, SEE SHEET 4	SY	235

NO	DESCRIPTION	UNIT	QTY
21	NEW AC PAVEMENT 5" TOTAL (1/2" AC MAG MIX)	SY	970
22	FINAL AGGREGATE BASE COURSE GRADING	SY	970



PAVEMENT STRUCTURAL
SECTION NO. 1
TOTAL THICKNESS = 9"

NOTES:
1. ALL STATION/OFFSET REFERENCE THE MAIN STREET CONSTRUCTION CENTERLINE, AND REFERENCE THE FACE OF CURB.
2. SEE SHEET 5 FOR DEMOLITION PLAN.
3. SEE SHEET 7 FOR SIDEWALK RAMP DETAILS.
4. SEE SHEET 8 FOR SIGNING & MARKING PLAN.
5. SEE SHEET 11 FOR TRAFFIC SIGNAL PLAN.

NORTH

GRAPHIC SCALE IN FEET
0 10 20 40

UTILITY DISCLAIMER

WARNING!!! THE UNDERGROUND UTILITIES SHOWN HAVE BEEN LOCATED FROM FIELD SURVEY INFORMATION AND EXISTING DRAWINGS. THE ENGINEER MAKES NO GUARANTEE THAT THE UNDERGROUND UTILITIES SHOWN COMPRISE ALL SUCH UTILITIES IN THE AREA, EITHER IN SERVICE OR ABANDONED. THE ENGINEER DOES NOT WARRANT THAT THE UNDERGROUND UTILITIES SHOWN ARE IN THE EXACT LOCATION INDICATED ALTHOUGH HE DOES CERTIFY THAT THEY ARE LOCATED AS ACCURATELY AS POSSIBLE FROM INFORMATION AVAILABLE. THE ENGINEER HAS NOT PHYSICALLY LOCATED THE UNDERGROUND UTILITIES. IT IS THE CONTRACTORS RESPONSIBILITY TO LOCATE ALL UTILITIES, BOTH VERTICALLY AND HORIZONTALLY, AND IMMEDIATELY NOTIFY THE ENGINEER OF ANY DISCREPANCIES.

Contact Arizona 811 at least two full working days before you begin excavation
ARIZONA811 BLUE STAKE, INC.
Call 811 or click Arizona811.com

Registered Professional Engineer (Civil)
CERTIFICATE NO. 69633
VANESSA RODRIGUEZ
Date Signed 11/17/25
ARIZONA, U.S.A.
Vanessa Rodriguez

CITY OF SAN LUIS
PUBLIC WORKS

HORIZONTAL SCALE: 1"=20'	APPROVED BY: VR	DRAWN BY: MES
		CIP NO: 0032-ROAD11

B STREET AND MAIN STREET
TRAFFIC SIGNAL IMPROVEMENTS

ROADWAY PLAN
PAVING PLAN

SHEET NO.
PL01

B ST Paving Bid Evaluation

DPE Construction

Item	Description	Quantity	Unit of Measure	Unit Cost	Total
1	New AC Pavement 5" total (1/2" AC MAG Mix)	970	SY	$50.00	$48,500.00
2	Final Aggregate Base Course Grading	970	SY	$7.20	$6,984.00
				Subtotal	**$55,484.00**
				5% Contingency	**$2,774.20**
				Total	**$58,258.20**

Gutierrez Canales Engineering

Item	Description	Quantity	Unit of Measure	Unit Cost	Total
1	New AC Pavement 5" total (1/2" AC MAG Mix)	970	SY	$64.14	$62,215.80
2	Final Aggregate Base Course Grading	970	SY	$19.66	$19,070.20
				Subtotal	**$81,286.00**
				5% Contingency	**$4,064.30**
				Total	**$85,350.30**

DPE total: $58,258.20 | Gutierrez Canales Engineering total: $85,350.30

Comments: DPE Construction is the lowest responsive bidder on total base bid received

CITY OF SAN LUIS

AGREEMENT
FOR THE CONSTRUCTION OF
CITY OF SAN LUIS
B Street and Main Street Intersection Improvements - Paving

This agreement ("Contract") is made on Wednesday, May 27, 2026, by and between:

DPE Construction 1636 E 20th Street Yuma, AZ 85365 C Corporation ("Contractor") and	City of San Luis 1090 East Union Street [physical address] P.O. Box 7740 [mailing address] San Luis, Arizona 85349 an Arizona municipal corporation ("City" or "City of San Luis")

The Contractor and City may be referred to individually as the "Party" and collectively as the "Parties." All defined words in the document titled "General Conditions of the Contract" ("General Conditions"), which was provided in the City's Request for Proposals ("RFP"), B Street and Main Street Intersection Improvements - Paving, 2026-RFP-00000009, shall have the same meaning in this Contract unless otherwise specified in this Contract. Any term defined in the General Conditions and used in this Contract shall be interpreted as per the definition provided in the General Conditions.

WHEREAS, the Scope of Work requires the Contractor to furnish any and all labor, materials, equipment, transportation, utilities, services, and facilities required to perform all work for the City of San Luis – B Street and Main Street Intersection Improvements - Paving ("Project"), per the Contractor's bid of May 11, 2026 ("Proposal") and to completely and totally remove and install the materials therein for the City, in a good workmanlike and substantial manner and to the satisfaction of the City through its engineers ("ENGINEERS"), or the ENGINEERS' properly authorized agents and strictly pursuant to and in conformity with the plans and specification prepared by the ENGINEERS, and with such modifications of the same and other documents that the City may make through the ENGINEERS or the ENGINEERS' properly authorized agents, as provided herein; and

WHEREAS, San Luis City Council, at a properly noticed open meeting, awarded the bid to the Contractor on May 27, 2026;

NOW, THEREFORE, the above recitals are incorporated into this Contract. In consideration of the City paying the sum of $58,258.20 to the Contractor and the Contractor constructing B Street and Main Street Intersection Improvements - Paving and other work incidental in the manner and at the

time provided in this Contract, and in consideration of the other mutual benefits and obligations contained in this Contract, the Parties agree as follows:

ARTICLE 1 - PARTICIPANTS AND PROJECT

CITY:	Jenny Torres, City Manager City of San Luis, Arizona Telephone: (928) 341-8520 E-mail: jtorres@sanluisaz.gov
CITY PROJECT MANAGER:	Oscar Barnett, Project Manager City of San Luis Telephone: (928) 341-8577 E-mail: obarnett@sanluisaz.gov
CONTRACTOR:	DPE Construction 1636 E 20th Street Yuma, AZ 85365 Telephone: (928) 783-7885 E-mail: estebanh@dpeyuma.com
CONTRACTOR MANAGER:	Esteban Hernandez DPE Construction Telephone: (928) 783-7885 E-mail: estebanh@dpeyuma.com
PROJECT ENGINEER / DESIGNER:	Erin Lansey, Senior Project Manager Kimley-Horn & Associates, Inc. Telephone: (520) 245-6290 E-mail: erin.lansey@kimley-horn.com
PROJECT DESCRIPTION:	City of San Luis, B Street and Main Street Intersection Improvements - Paving
PROJECT LOCATION:	City of San Luis, Arizona, at the intersection of B Street and Main Street.

ARTICLE 2 - CONTRACT DOCUMENTS

The Contract between the City and the Contractor shall consist of the following items, collectively the "Contract Documents:"

1. Change Orders, written and properly executed (if any), as defined in the General Conditions;

2. Performance bond and payment bond (required by A.R.S. § 41-2574, also known as contract bond and labor & materials bond), warranty bond, bid bond, and other bonds;
3. Project specifications;
4. Construction Documents, as defined in the General Conditions;
5. General Conditions;
6. Special Conditions provided in the RFP Pages SP-1 through SP-8 (which amend Part 100 of the 2016 City of San Luis Supplemental to the 2015 MAG Uniform Standard Specifications);
7. 2016 City of San Luis Supplemental to the 2015 MAG Uniform Standard Specifications and Details for Public Works Construction and City of Yuma Construction Standard Detail Drawings, MAG Uniform Standard Specifications and Details for Public Works Construction, City of Yuma Construction Standard Detail Drawings – Edition 2019;
8. Bid documents {including but not limited to the advertisement for bids, bid schedule, addenda (if any), additive bid items (if any), and the Proposal;
9. Certificates of Insurance;
10. Notice to Proceed, as defined in the General Conditions; and
11. Project Schedule, as defined in the General Conditions

By this reference, the above Contract Documents are incorporated into and made a part of this Contract to the same extent as if set forth in full here.

In the event of a conflict of language between the items listed above, they shall govern in the order listed. The Contract Documents shall govern in all other matters not otherwise specified by the Contract between the Parties. All previous contracts between the Contractor and City are not applicable to this Contract or other resultant contracts.

ARTICLE 3 - CONSTRUCTION SERVICES

4-1 General.

4-1.01 The Contractor agrees, at its own cost and expense, to do all Work (as defined in the General Conditions) necessary and required to fully, timely, and properly complete the construction of the Project in strict accordance with the Contract Documents in a good and workmanlike manner, free and clear of all claims, liens, and charges whatsoever, in the manner and under the conditions specified, within the Project Schedule.

4-1.02 The Contractor shall provide all the labor and materials and perform the Work in accordance with Section 4 of the General Conditions, including but not limitd to the following major components of the construction services and the corresponding subsections of Section 4 of the General Conditions.

4-1.03 At all times relevant to this Contract and performance of the Work, the Contractor shall fully comply with all laws, regulations, or legal requirements applicable to the City, the Project, and the Contract, including, without limitation, those set forth in the General Conditions.

4-1.04 The Contractor shall perform the Work under this Contract using only those firms, team members, and individuals designated by Contractor consistent with the Contractor's accepted bid, or otherwise, approved by the City pursuant to the General Conditions. No other entities or individuals may be used without the prior written approval of the Project Manager.

4-1.05 The Contractor shall comply with all terms and conditions as set forth within the General Conditions.

4-1.06 The terms of this Contract shall govern in the event of a conflict between it and the General Conditions including any exhibit to the Contract or appendix to the General Conditions.

4-1.07 For purposes of this provision, "Work Product" shall include all designs, drawings, plans, specifications, ideas, renderings, and other information or matter in whatever form created (e.g., electronic or printed) and in all media now known or in the future created. All Work Product shall be considered Work Made for Hire as defined in the United States Copyright Act 17 U.S.C. § 101 (Copyright Act). If, for any reason, any such Work is found not to be a Work Made for Hire, the Contractor, by entering into this Contract, transfers and assigns ownership of the copyright in such Work to the City. Notwithstanding anything to the contrary in this Contract, all Work Product prepared or otherwise created in connection with the performance of this Contract, including the Work, are to be and remain the property of the City. The rights in this Section are exclusive to the City in perpetuity.

4-2 The Contractor's Pre-Contract and Pre-Work Deliverables. The Contractor shall provide the deliverables in accordance with Section 4.2 of the General Conditions.

4-3 Pre-Construction Conference. The Contractor shall attend the pre-construction conference in accordance with Section 4.3 of the General Conditions.

4-4 Performance of the Work (Including Field Measurements, Subcontractors, and Suppliers). The Contractor shall control and maintain the Project site in accordance with Section 4.4 of the General Conditions.

4-5 Control of the Project Site. The Contractor shall control and maintain the Project site in accordance with Section 4.5 of the General Conditions.

4-6 Project Safety. The Contractor shall implement and enforce Project safety in accordance with Section 4.6 of the General Conditions.

4-7 Materials Quality, Substitutions, and Shop Drawings. The Contractor shall provide materials testing and submit substitute materials and shop drawings in accordance with Section 4.7 of the General Conditions.

4-8 Project Record Documents. The Contractor shall maintain and make available the Project Record Document in accordance with Section 4.8 of the General Conditions.

4-9 Warranty and Correction of Defect Work. The Contractor shall provide warranties and correct defective Work in accordance with section 4.9 of the General Conditions.

ARTICLE 4 - CITY'S RESPONSIBILITIES

The City shall have the responsibilities and provide the information specified in, and subject to, the conditions set forth in Section 5 of the General Conditions.

ARTICLE 5 - CONTRACT TIME

6-1 Contract Time.

The Contract Time shall start with the Notice to Proceed and end with Final Acceptance, as set forth in Section 6-4 below. The Notice to Proceed cannot be issued prior to the City's approval and acceptance of the Contractor's bid.

6-1.01 The Contract Time shall be as set forth in the Project Schedule. The Contractor agrees that it will commence the performance of the Work and complete the Project within the Contract Time.

6-1.02 Time is of the essence of this Contract, for the Project, and for each phase and designated milestone of the Contract.

6-1.03 Failure on the part of the Contractor to adhere to the approved Project Schedule will be deemed a material breach and sufficient grounds for the City to terminate this Contract.

6-2 Project Schedule. The Project Schedule, as required by Section 6.2 of the General Conditions, shall be updated and maintained throughout the Contractor's performance under this Contract in accordance with Section 6.2 of the General Conditions.

6-3 Final Completion and Final Acceptance.

6-3.01 The Parties expressly agree by this writing that Final Completion (as defined in Section 2.14 of the General Conditions) must be obtained by **no later than thirty (30) days** (calendar days, as defined in Section 2.12 of the General Conditions) **after the date of Notice to Proceed and no later than June 30th, 2026.** . Final Completion will be determined, and Final Acceptance will be issued pursuant to Sections 6.3 and 6.4 of the General Conditions.

6-4 Liquidated Damages.

6-4.01 The Contractor acknowledges and agrees that if the Contractor fails, neglects, or refuses to obtain the Final Completion of the Work within thirty (30) days, the City will sustain extensive damages and serious loss as a result of such failure. The Contractor agrees to pay the City liquidated damages for delay in the sum of **$350.00** for each consecutive calendar Day after the thirty (30) days have expired and the Final Completion of Work is not achieved. The Parties agree that the stated liquidated damages are reasonable to compensate the City and not as punitive damages. (The sum of $350.00 per day is consistent with Section 6.4 of the General Conditions and its reference to Subsection 108.9 of the 2016 City of San Luis Supplement to the 2015 MAG Uniform Standard Specification for Public Works Construction.)

6-4.02 The City may deduct liquidated damages described in Subsection 6-4.01 from any unpaid amounts then or thereafter due to the Contractor under this Contract. Any liquidated damages not so deducted from any unpaid amounts due the Contractor shall be payable to the City at the demand of the City, together with interest from the date of the demand at the highest lawful rate of interest payable by the Contractor.

6-4.03 Nothing in this Contract shall be deemed to constitute a waiver of any other remedy available to the City in the event of the Contractor's default under this Contract prior to full performance of the Work, including, as applicable, specific performance or completion of the Work on behalf of the Contractor, the cost and expense of which shall be offset against any monies then or thereafter due to Contractor (if any) and otherwise immediately reimbursed to City by the Contractor.

ARTICLE 6 - CONTRACT PRICE

7-1 Contract Price.

7-1.01 In exchange for the Contractor's full, timely, and acceptable performance and construction of the Work under this Contract, and subject to all of the terms of this Contract, the City will pay the Contractor the Contract Price (as defined by Section 2.6 of the General Terms), which is $58,258.20.

7-1.02 The Contract Price is all-inclusive and specifically includes all fees, costs, insurance and bond premiums, and taxes of any type necessary to fully, properly, and timely perform and construct the Work.

ARTICLE 7 - PAYMENT

Payments shall be made to the Contractor in accordance with Section 8 of the General Conditions.

ARTICLE 8 - CHANGES TO THE CONTRACT

Changes to the Contract may be made in strict accordance with Section 9 of the General Conditions.

ARTICLE 9 - TERMINATION

The Contract may be terminated in accordance with Section 10 of the General Conditions.

ARTICLE 10 - INSURANCE AND BONDS

11-1 The Contractor shall provide Insurance as provided in the Insurance Requirements and in accordance with Section 11.1 of the General Conditions. The Contractor shall provide proof of such Insurance and all required endorsements in forms acceptable to the City prior to commencing any Work under this Contract.

11-2 The Contractor shall provide performance, payment, and warranty bonds to the City in accordance with Section 11.2 of the General Conditions and A.R.S. § 34-222.

11-3 The Contractor's failure to provide proof of insurance and the required endorsements, or the required bonds, in forms acceptable to the City will be a material breach and grounds for termination for cause under this Contract.

ARTICLE 11 - INDEMNIFICATION

The Contractor shall have and assume the indemnity obligations set forth in Section 12 of the General Conditions.

ARTICLE 12 - DISPUTE RESOLUTION

Any claims or disputes relating to this Contract shall be resolved according to the dispute resolution process set forth in section 13 of the General Conditions.

ARTICLE 13 - MISCELLANEOUS PROVISIONS

14-1 The miscellaneous provisions set forth in section 14 of the General Conditions shall apply to this Contract.

14-2 The Contractor and any subcontractors or agents of the Contractor shall abide by the federal regulations prohibiting discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity, national origin, or for inquiring about, discussing, or disclosing compensation, and take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity or national origin.

ARTICLE 14 - COUNTERPARTS

This Contract may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The signature pages from one or more counterparts may be removed from such counterparts. Such signature pages may all be attached to a single instrument so that the signatures of all Parties may be physically attached to a single document.

ARTICLE 15 - AUTHORITY

Each Party represents and warrants to the other Party: (i) that such Party is duly organized and validly existing under the laws of the State of Arizona and has full corporate power and authority to enter into this Contract and to carry out the provisions of this Contract; (ii) such Party is duly authorized to execute and deliver this Contract and to perform its obligations under this Contract; (iii) the person executing this Contract on such Party's behalf has been duly authorized to do so by all requisite corporate action, and (iv) this Contract is a legal and valid obligation binding upon the Parties and enforceable in accordance with its terms.

The Parties have executed and made effective this Contract in Yuma County, Arizona, on the day and year set forth below, which is the day the last Party signed this Contract. The original Contract will be filed with the City of San Luis Clerk.

Attest:

SIGNATURE

Sonia Cornelio, City Clerk

FULL NAME, TITLE

DATE SIGNED

City of San Luis, Arizona

SIGNATURE

Nieves Riedel, Mayor

FULL NAME, TITLE

DATE SIGNED

Approved As to Form

SIGNATURE

Joseph D. Estes, City Attorney

FULL NAME, TITLE

DATE SIGNED

General Contractor

SIGNATURE

Esteban Hernandez

FULL NAME

DATE SIGNED

AGENDA ITEM REVIEW FORM

Regular City Council Meeting **7. E.**

Meeting Date: 05/27/2026

Department Head: Eulogio Vera, Director of Public Works, Public Works Department

Submitted By: Jorge Perez, Assistant Director of Public Works, Public Works Department

Action Requested: Motion

ITEM:

Discussion and possible action on any and all matters regarding acceptance of a proposal from Haydon Companies, LLC for sewer manhole rehabilitation services. **(Eulogio Vera, Director of Public Works)**

SUMMARY:

The Department of Public Works is requesting the Mayor and City Council to accept a proposal from Haydon Companies, LLC for the rehabilitation of sewer manholes at various locations throughout the City.

The proposed work will be performed utilizing a cooperative Job Order Contract (JOC) between Haydon Companies, LLC, and the City of Glendale. The use of this cooperative procurement method allows the City to expedite project delivery by leveraging pre-established unit pricing, competitively procured by the City of Glendale, while remaining compliant with applicable procurement requirements.

Haydon Companies, LLC has submitted a proposal in the amount of $58,575.32 for the rehabilitation of seven (7) sewer manholes located along Piceno Drive and San Luis Plaza Drive. The project consists of the rehabilitation and repair of existing sewer manholes, including structural restoration, lining, sealing, and associated improvements necessary to extend the service life of the assets and reduce inflow and infiltration.

Staff recommends acceptance of the proposal from Haydon Companies, LLC, and authorization for the City Manager to execute all necessary documents.

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO APPROVE AND ACCEPT HAYDON COMPANIES, LLC'S PROPOSAL IN THE AMOUNT OF $58,575.32, AS PRESENTED.

Fiscal Impact

IS THERE FISCAL IMPACT ASSOCIATED WITH THIS ITEM:	Yes
CITY/STATE/FEDERAL FUNDS:	City
TOTAL:	$58,575.32
BUDGETED AMOUNT:	$250,000.00
AVAILABLE AMOUNT TO TRANSFER:	N/A
ACCT NAME & GL#/REMAINING BALANCE BEFORE PURCHASE:	See fiscal impact statement

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

This is a budget project for FY26.
Budgeted Amount: $250,000
Account: 310-311-89000
Project No.: 2026-057

Attachments

Cooperative Purchasing Agreement - Haydon

AGREEMENT TO PROVIDE SERVICE PURSUANT TO A COOPERATIVE PURCHASING CONTRACT

This Agreement is made and entered into by and between the City of San Luis, an Arizona municipal corporation, hereinafter designated as the "City" and Haydon Companies, LLC, an Arizona limited liability company, hereinafter designated as the "Contractor." City and Contractor may hereinafter be referred to individual as a “Party” or collectively as the “Parties.”

Recitals

A. Contractor has contracted with City of Glendale, Arizona pursuant to Contract No. C26-0281 (the “Cooperative Purchasing Contract”), attached hereto as **Exhibit “A”** and incorporated herein; and; and

B. Pursuant to A.R.S. § 41-2631 et seq. and City Code § 3.05.909, the City has authority to utilize cooperative purchasing contracts and engage Contractors under the terms thereof.

C. The City and the Contractor desire to enter into this Agreement for the purpose of (i) acknowledging their cooperative contractual relationship under the Cooperative Purchasing Contract and this Agreement, and (ii) establishing the terms and conditions by which the Contractor may provide the City with the services, materials and/or equipment as more particularly set forth below (the “Services”).

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

Agreement

1. Scope of Work. Contractor shall provide the Services as detailed and described in the City of San Luis JOC Proposal (the “Quote”), attached hereto as **Exhibit B**, and in the City of San Luis Manhole Rehabilitation and Coating Proposal (the “Quotation”), attached hereto as **Exhibit C**, which are incorporated herein by reference. As used in this Contract, all references in the Cooperative Purchasing Contract to City of Glendale shall mean the City.

2. Completion of Work. The Contractor shall provide the Services as provided for in the Quote.

3. Payment. The Contract Price is $58,575.32. Payment to the Contractor for the Services provided, shall be made in accordance with the terms set forth in the Quotes and Cooperative Purchasing Contract.

4. Terms of Cooperative Purchasing Contract Apply. All provisions of the Cooperative Purchasing Contract documents are incorporated in and shall apply to this

Contract as though fully set forth herein, except as otherwise provided for in this Agreement.

5. Conflict of Interest. The Agreement is subject to the provisions of A.R.S. § 38-511. The City may cancel this Agreement without penalty or further obligations by the City or any of its departments or agencies if any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of the City or any of its departments or agencies is, at any time while this Agreement or any extension of this Agreement is in effect, an employee or agent of any other party to this Agreement in any capacity or a consultant to any other party of this Agreement with respect to the subject matter of this Agreement.

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

7. Boycott of Israel. To the extent A.R.S. § 35-393 through § 35-393.03 are applicable, the Parties hereby certify that they are not currently engaged in, and agree for the duration of this Agreement to not engage in, a boycott of goods or services from Israel, as that term is defined in A.R.S. § 35-393.

8. Forced Labor Of Ethnic Uyghurs Prohibited. Pursuant to A.R.S. § 35-394, by entering into this Agreement, Contractor certifies and agrees Contractor does not currently use and will not use for the term of this Agreement: (i) the forced labor of ethnic Uyghurs in the People's Republic of China; or (ii) any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China; or (iii) any contractors, subcontractors or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China.

9. Conflicting Terms. In the event of any inconsistency, conflict or ambiguity between this Agreement and the Cooperative Purchasing Contract, this Agreement shall govern.

10. **<u>Counterparts.</u>** 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 said counterparts shall be deemed original hereof.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this ____ day of May, 2026.

CITY OF SAN LUIS:

By: _____
Nieves Riedel, Mayor

CONTRACTOR:

By: _____
(*Signature)*

_____
(*Printed Name & Title)*

ATTEST:

_____
Sonia Cornelio, City Clerk

APPROVED AS TO FORM:

_____
Joseph D. Estes, Interim City Attorney

EXHIBIT A
CONTRACT OF COOPERATIVE PURCHASING ENTITY

Attached:

- City of Glendale, Arizona pursuant to Contract No. C26-0281

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HAYDON COMPANIES, LLC

JOB ORDER MASTER CONTRACT

CONTRACT NO.

C26-0281

Docusign Envelope ID: D38C2A2A-A782-4CBA-A54B-BE60BCAFBF48

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JOB ORDER MASTER CONTRACT

This Job Order Master Contract ("Contract") is entered into and effective between City of Glendale, an Arizona municipal corporation ("City") and Haydon Companies, LLC, an Arizona limited liability company, ("Contractor") as of the **24th day of March, 2026** ("Effective Date").

CITY and CONTRACTOR agree as follows:

Article I. PARTICIPANTS AND JOB ORDER CONTRACTING AGREEMENT

Section 1.01 PARTIES

CITY: City of Glendale
Project Manager: John Murphey
Address: 5850 W. Glendale Ave., Glendale AZ 85301
Telephone: (623) 930-3623
E-mail: JMurphey@Glendaleaz.com

CONTRACTOR: Haydon Companies, LLC
Project Manager: Dean Marten
Address: 4640 E. Cotton Gin Loop, Phoenix, AZ 85040
Arizona ROC No.: 330372 & 330740
Telephone: (602) 296-1496
E-mail: dmarten@haydon.com

(Prior to execution of the Contract, Contractor must provide to City's Engineering Department its Contractor's License Classification and current job appropriate insurance certificate.)

Section 1.02 OVERVIEW OF JOB ORDER CONTRACTING UNDER THIS CONTRACT

(a) This Contract establishes an indefinite delivery, indefinite quantity, Job Order Contract for such Construction services within the scope of this Contract as City may request from time to time by issuance of an individual Job Order for each Project. There will be a separate Job Order for each Project that will describe the Work to be provided by Contractor for that Project. There may be multiple Projects and therefore multiple Job Orders under this Contract.

(b) The amount to be paid by the City for the Project under each Job Order is the Contract Price for the Job Order. The Contract price includes the Contract price for the Work. The Contract Price for any Job Order may be either a Fixed Price or a Guaranteed Maximum Price (GMP), subject to the following.

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(c) The Contract Price for each Job Order shall not exceed $5,000,000, including any Change Orders.

(d) The cumulative sum of the Job Orders performed by Contractor during the term of the agreement shall not exceed $5,000,000.

(e) There is no limit nor minimum on the number of Job Orders that City may issue to Contractor during any twelve (12) month term of this Contract or during the entire period this Contract is in effect.

(f) Contractor may refuse any Job Order under this Contract.

(g) This Contract does not obligate or require City to offer any Job Order Agreement to Contractor, no Contract in relation to any specific Work being entered into until a Job Order Agreement therefore has been fully executed by City and Contractor which shall enable work to begin.

Section 1.03 SCOPE OF WORK UNDER THIS JOC CONTRACT

This Contract is for a broad range of maintenance, repair and construction work on real property, or within the public right-of-way. The scope of this Contract will be to provide construction services for a broad range of City pavement management projects such as but not limited to the following:

A. The following work activities are general in nature and may be included in individual projects. The successful contractor(s) shall have experience, knowledge, and the ability to accomplish the following tasks related to the rehabilitation and replacement activities of wet utilities.

- Water, reclaimed water, wastewater, and stormwater pipelines, including all sizes.
- Water valves, fire hydrants and fittings.
- Water services and meters.
- Valve assemblies and vaults, including PVR's.
- Hydrostatic testing and disinfecting.
- Wastewater manholes and cleanouts.
- Wastewater service pipe and connections.
- Stormwater inlets and catch basins.
- Trench excavation, backfilling, and compaction.
- Placing asphalt and concrete pavements to restore areas damaged by construction.

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- Placing concrete curb and gutter, driveways, sidewalks to restore areas damaged by construction.
- Installation of landscaping to restore areas damaged by construction.
- Utility relocation underground utilities and obstructions.
- Traffic control.
- Obtaining all required permits to complete the project.
- Public involvement including public notices, attending public meetings, and maintaining construction hotlines.

Article II. CONTRACT DOCUMENTS

Section 2.01 CONTRACT DOCUMENTS

(a) The Contract between City and Contractor shall consist of the following Contract Documents:

(i) This Contract (including Exhibits thereto):

(ii) Supplemental General Conditions
Design and Construction Documents and Forms - City of Glendale (glendaleaz.com)

(iii) For each individual Project, the Job Order therefore, including the Exhibits thereto:

1) Standard Job Order Agreement Form
2) Scope of Work
3) Unique Insurance and/or Bond Requirements (if any);
4) Unique Government Provisions Compliance (if any).

(b) Conflicts**.** In the event of conflicts in terms between a specific Job Order, this Contract and/or the Supplemental General Conditions or appendix thereto, the specific Job Order Agreement, and then this Contract shall control.

Section 2.02 DEFINITIONS

The definitions in Section 2 of the Supplemental General Conditions apply to all the Contract Documents, including this Job Order Master Contract. Additional definitions or defined terms applicable to all the Contract Documents for a specific Project, if any, will be included in each Job Order Agreement.

Section 2.03 JOB ORDER PROCESS

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(a) When the City identifies the need for performance from a Job Order Contract, the City will issue an individual Job Order proposal request to Contractor.

(b) Within seven (7) business days of receipt of this request, the Contractor shall arrange to visit the site with the City designated representatives and arrange with the City to further scope the project.

(c) Contractor shall respond within ten (10) business days of the Job Order proposal request or site visit, whichever is later or as otherwise indicated on a case-by-case basis, by submitting Contractor's Job Order Proposal to the City representative.

(d) The City and Contractor shall enter negotiations for scope and price. Should City and Contractor fail to reach agreement during the negotiation period, the City will cancel the negotiations and request a proposal from another Job Order Contractor or solicit construction services via another means. The City agrees not to use the proposal as a bargaining tool (i.e. "bid shop") with other vendors.

(e) Upon agreement, the City will draft a Job Order Agreement. Each Job Order shall be in the form attached as Exhibit A hereto and shall not be effective or binding until fully executed by all parties.

Section 2.04 JOB ORDER PROPOSAL

(a) Contractor will not be reimbursed for any Pre-Job Order costs, including proposal preparation, attendance during negotiations, or site visits.

(b) Unless otherwise required under the terms of the Job Order proposal request, Contractor's Job Order proposal shall include the following:

(i) Contractor's Price Proposal in PDF and electronic format (as directed by the City);

(ii) A project schedule and schedule of values that reflects the costs of each work element on the schedule. The schedule must show all milestones (e.g. permits, submittals, ordering materials, demolition, work phases, closeout, and completion date, 2-year warranty affirmation);

(iii) Necessary documentation will be required to indicate that adequate scoping, layout, setup and planning to accomplish the work has been done.

(c) The City may require either a unit cost proposal or a lump sum Job Order proposal. Should the lump sum proposal methodology be accepted, the City and Contractor agree that the schedule of values is provided to demonstrate proper understanding of the project and that individual lines/items will not be added at the end of the Job Order.

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(d) Direct job costs shall be based upon firm price quotes for Subcontractors on Contractors approved Subcontractor lists. To the extent possible, Contractor shall obtain firm price quotes from three (3) subcontractors for each discipline applicable to the project. Should the Contractor self-perform the work, quotes are not required.

(e) The City may reject any Subcontractor without cause. Contractor shall use the City of Glendale Subcontractor listing form.

Section 2.05 ISSUANCE OF JOB ORDER AGREEMENTS ("JOA")

(a) Upon award of a Job Order, a signed copy of the Job Order will be electronically forwarded to Contractor. Failure by Contractor receive the electronic orders shall not relieve Contractor from the obligation to complete the Work under the Job Order in accordance with the Job Order.

(b) The Project duration starts with the date on the Notice to Proceed.

Article III. PRE-CONSTRUCTION SERVICES

Section 3.01 PRE-CONSTRUCTION SERVICES

(a) Costs for Pre-Construction Services are included in Contractor's overhead Job Orders unless additional Pre-Construction Services are requested and contracted as a separate Job Order for specific Work as requested and approved by the City.

Article IV. CONSTRUCTION SERVICES

Section 4.01 GENERAL

(a) Contractor agrees at its own cost and expense, to do all work necessary and required to fully, timely and properly complete the construction of the Project in strict accordance with the Contract Documents in a good and workmanlike manner, free and clear of all claims, liens, and charges whatsoever, in the manner and under the conditions specified, and within the Project Schedule.

(b) Contractor shall provide quality control for all work under this contract. Quality control is considered part of the required work in each job order and separate payment shall not be made for this effort.

(c) At all times relevant to this Contract and performance of the Work, Contractor shall fully comply with all Laws, Regulations, or Legal Requirements applicable to City, the Project and the Contract, including, without limitation, those set forth in the Exhibits to this Contract and each Job Order Agreement.

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Section 4.02 CONTRACTOR'S PRE-CONTRACT AND PRE-WORK DELIVERABLES

(a) The Contractor will provide the Deliverables in accordance with the Supplemental General Conditions.

(b) Any additional items which Contractor must deliver to City prior to commencing the Work in the Job Order, if any, shall be set forth in the Job Order Agreement.

Section 4.03 PRE-CONSTRUCTION CONFERENCE

(a) Contractor shall attend the Pre-Construction Conference in accordance with Section 26 of the Supplemental General Conditions. Other Pre-Construction Conference requirements for a specific Job Order shall be set forth in each Job Order Agreement.

(b) The City shall issue a notice to proceed at the pre-construction conference, however, this may be waived if determined to be in the City's best interest.

Article V. CITY RESPONSIBILITIES

(a) City shall have the responsibility, and provide, where possible, as-built documents of existing facilities and site plan information.

(b) Additional services to be provided or responsibilities assumed, by City, if any, shall be listed in the Job Order Agreement.

(c) Additional information to be provided by City, if any, shall be listed in the Job Order Agreement.

Article VI. CONTRACT TIME

Section 6.01 CONTRACT TERM

This Contract has a base period of one (1) year and two (2) option or renewal periods of one (1) year each that may be exercised if it is in the best interest of City to do so. Any exercise of any option to renew this Contract beyond the base period will only be effective upon written notice from the City followed by contractor written assent within 5 business days of City notice.

Section 6.02 CONTRACT TIME FOR SPECIFIC JOB ORDERS

(a) The Contract Time for each Job Order shall start with date listed on the Notice to Proceed and end with a Letter of Acceptance (LOA), as set forth in Section 6.5 below. The Notice to Proceed will not be issued until prior approval and acceptance by City of the Job Order.

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(b) The Contract Time is identified in the Job Order as the Contract Duration in terms of calendar days. Contractor agrees that it will commence performance of the Work after receiving an official NTP letter and complete the Project through Final Acceptance (Letter of Acceptance) within the Contract Time.

(c) Time is of the Essence of this Contract, and each Job Order issued hereunder, for each Project.

(d) Failure to the part of Contractor to adhere to the approved Project Schedule will be considered for cause to receive no additional Job Orders and / or any contract extensions.

Section 6.03 PROJECT SCHEDULE

The Project Schedule shall be updated and maintained throughout Contractor's performance under a Job Order in accordance with Section 28 of the Supplemental General Conditions.

(a) For job orders in excess of forty-five (45) days in duration, Contractor shall submit a Critical Path Method (CPM) schedule using Microsoft Project or equivalent software acceptable to the City.

Section 6.04 SUBSTANTIAL COMPLETION

Substantial Completion shall be achieved no later than the Substantial Completion Date set forth in the Project Schedule. Substantial Completion shall be determined in accordance with Paragraph 31.3 of the Supplemental General Conditions.

(a) Failure to complete Job Orders within the Job Order time may result in the City issuing no additional requests for Job Order proposals.

(b) Paragraphs 31.1 and 31.2 of the Supplemental General Conditions regarding liquidated damages do not apply to Job Order Agreements.

Section 6.05 FINAL ACCEPTANCE

(a) Final Acceptance will be obtained within the time period set forth in the Project Schedule.

(b) Final Acceptance will be issued pursuant to Paragraphs 31.4 and 32 of the Supplemental General Conditions.

Section 6.06 MUTUAL WAIVER OF CONSEQUENTIAL DAMAGES

Docusign Envelope ID: D38C2A2A-A782-4CBA-A54B-BE60BCAFBF48

(a) Subject to the provisions in Section 10.02, Contractor and City waive claims against each other for consequential damages arising out of or relating to this Contract. This mutual waiver includes:

(i) Damages incurred by City for rental expenses, for losses of use, income, profit, financing, business and reputation, and for loss of management or employee productivity or of the services of such persons; and

(ii) Damages incurred by Contractor for principal office expenses including the compensation of personnel stationed there, for losses of financing, business and reputation, and for loss of profit except anticipated profit arising directly from the Work.

(b) This mutual waiver is applicable, without limitation, to all consequential damages due to either party's termination of this Contract.

(c) Nothing herein shall be deemed to constitute a waiver of any other remedy available to City in the event of Contractor's default under this Contact prior to full performance of the Work including, as applicable, specific performance or completion of the Work on behalf of Contractor, the cost and expense of which shall be offset against any monies then or thereafter due to Contractor (if any) and otherwise immediately reimbursed to City by Contractor.

Article VII. CONTRACT PRICE

Section 7.01 CONTRACT PRICE

(a) In exchange for Contractor's full, timely, and acceptable performance and construction of the Work under a specific Job Order, and subject to all the terms of this Contract, City will pay Contractor the Contract price, agreed to in each Job Order.

(b) The Contract Price for each Job Order is all inclusive and specifically includes all fees, costs, overhead, profit, insurance and bond premiums, and taxes of any type necessary to fully, properly and timely perform and construct the Work.

Section 7.02 COSTS

(a) For any portion of the Work which, either through this Contract, specific Job Order, Change Order or otherwise, is performed and paid for on a cost, or time and materials basis, the costs which may be reimbursed to Contractor and/or chargeable against the Contract price shall be determined as set forth in Section 32 of the Supplemental General Conditions.

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Section 7.03 Section 7.03 FEE AND OVERHEAD CALCULATIONS FOR CONSTRUCTION COSTS

Overhead must be all inclusive and include all "costs of doing business". The city will not pay separately for items such as, but not limited to warranty, project closeout, home office expense, personal safety equipment, safety personnel, unless safety personnel is specifically required for the work being performed and approved by the city. The Job Order Contractor agrees to the combined overhead and profit shall be no more than shown in the following table:

CONTRACT VALUE	FEE PERCENTAGE
$0-$750,000	12%
$750,001-$2,000,000	10%
$2,000,001-$5,000,000	8%

Article VIII. PAYMENT

(a) If the Work under a specific Job Order is to be completed in less than forty-five (45), Contractor shall submit a single invoice, and payment thereon shall be made in a single lump sum payment, to the extent payment is actually and currently owed, in accordance with. A.R.S. § 34-609.

(b) If the Work under a specific Job Order is to be completed in forty-five (45) days or more, payments shall be made to Contractor monthly and in accordance with Section 32 of the Supplemental General Conditions.

Article IX. CHANGES TO THE CONTRACT

Changes to the Contract and/or Job Orders may be made in mutual agreement by the Contractor and the City.

Article X. SUSPENSION AND TERMINATION

Section 10.01 FOR CONVENIENCE

(a) City may terminate this Contract for convenience, without cause, by delivering a written termination notice stating the effective termination date, which may not be less than fifteen (15) days following the date of delivery.

(b) Contractor will be equitably compensated any services and materials furnished prior to receipt of the termination notice and for reasonable costs incurred.

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(c) Contractor will also be similarly compensated for any approved effort expended and approved costs incurred that are directly associated with Project closeout and delivery of the required items to the City.

Section 10.02 FOR CAUSE

(a) City may terminate this Contract for cause if Contractor fails to cure any breach of this Agreement within seven days after receipt of written notice specifying the breach.

(b) Contractor will not be entitled to further payment until after City has determined its damages. If City's damages resulting from the breach, as determined by City, are less than the equitable amount due but not paid Contractor for Service and Repair furnished, City will pay the amount due to Contractor, less City's damages.

(c) If City's direct damages exceed amounts otherwise due to Contractor, Contractor must pay the difference to City immediately upon demand; however, Contractor will not be subject to consequential damages more than $2,000,000 or the amount of this Contract, whichever is greater.

Article XI. INSURANCE AND BONDS

(a) Contractor shall provide insurance as provided on the Exhibits attached hereto, and such additional insurance as may be applicable under each Job Order Agreement. Contractor shall provide proof of such insurance and all required endorsements in forms acceptable to City prior to commencing any Work under this Contract.

(b) Contractor shall provide performance and payment bonds to City, in accordance with A.R.S. § 34.610(A), to cover Job Orders issued under this Contract, for the full amount of each Job Order Agreement, however, this may be waived if determined to be in the City’s best interest.

(c) Failure to provide proof of insurance and the required endorsements (including a current insurance Certificate of Liability, Section 11.01), or the required bonds, in forms acceptable to City will be a material breach and grounds for termination for cause of this specific Job Order and/or this Contract.

Section 11.01 INSURANCE REQUIREMENTS

The City only accepts the most recent version of ACORD® Certificate of Liability Insurance form with additional insured endorsements. The Builder’s Risk policy (if required) and the Owners and Contractors Protective Liability (OCP) policy shall remain in effect during construction through the date of project Final Acceptance. The remainder of the insurance policies shall remain in effect during construction and through the one-year warranty period that follows project Final Acceptance, unless otherwise specified in contract documents. Proof of all required coverage(s) shall be provided by the Contractor.

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Commercial General Liability Policy forms must include:

(a) Premises and Operations coverage with no explosion, collapse or underground damage (XCU) exclusions;

(b) Products and Completed Operations coverage. Contractor agrees to maintain this coverage for a minimum of ten (10) years following completion of the Contractor Work and to continue to name City as an Additional Insured for the entire 10-year period;

(c) Blanket contractual coverage for the indemnity/hold harmless agreements assumed in this Subcontract and in the Prime Contract. Any Employee Exclusion will be deleted;

(d) Broad Form Property Damage coverage, including completed operations or its equivalent;

(e) An endorsement in a form acceptable to the City, naming City, any other party required to be named as an additional insured under the Contract Documents, and any other parties in interest as Additional Insured(s) under the coverage specified under Commercial General Liability. Any form that does not grant additional insured status for both the ongoing operations and products/completed operations coverages IS NOT ACCEPTABLE;

(f) An endorsement in a form acceptable to the City, stating: "Such coverage as is afforded by this policy for the benefit of the additional insured(s) is primary and noncontributory except for any builder's risk property insurance coverage that may be purchased and maintained by City in connection with the Project, any other coverage maintained by such additional insured(s) shall be non-contributing with the coverage provided under this policy;"

(g) Coverage SHALL BE on an "Occurrence" form. **"Claims Made"** and **"Modified Occurrence"** forms are not acceptable;

(h) Coverage to include general aggregate limits on a "per project" basis;

1) Workers' Compensation (required for both Contractors):

a) Coverage A. Statutory Benefits Coverage B. Employer's Liability
b) Bodily Injury by accident: $2,000,000 each accident
c) Bodily Injury by disease: $2,000,000 policy limit
d) Bodily Injury by disease: $2,000,000 each employee

2) Commercial Auto Coverage (required for Contractors):

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a) Auto Liability limits of not less than $2,000,000 Combined Single Limit (Each Accident), combined Bodily Injury and Property Damage Liability insurance. Certificate to reflect coverage for "Any Auto, All Owned, Scheduled, Hired, or Non-Owned."

3) Commercial General Liability (required for both Contractors):

a)	Each Occurrence Limit:	$2,000,000
b)	Personal Injury/Advertising Injury Limit:	$2,000,000
c)	Products/Completed Operations Aggregate Limit:	$4,000,000
d)	General Aggregate Limit: (other than Products/Completed Operations)	$2,000,000

4) Excess Liability:

Umbrella or Excess Liability may be used to satisfy the above Auto and General Liability coverage requirements and limits to reach a total combined limit of:

Auto:	Amount sufficient to cover difference in limits when compared to minimum coverage required.
Each Occurrence:	Amount sufficient to cover difference in limits when compared to minimum coverage required.
Aggregate:	Amount sufficient to cover difference in limits when compared to minimum coverage required.

5) Builders Risk (if required, will be required for Contractors only):

a) Contractor shall include in its Cost Proposal the cost to obtain builders risk or “all risk” or equivalent policy form coverage in the amount of the initial Construction Costs (Hard Costs). This required insurance coverage is required on projects that are typically outside the public rights-of-way whereby the City is constructing or modifying a public building.

b) The City may, at the City’s sole option, purchase and maintain, in a company or companies lawfully authorized to do business in the jurisdiction in which the Project is located, property insurance written on a builders risk "all-risk" or equivalent policy form in the amount of the initial Construction Costs (Hard Costs), plus value of subsequent contract modifications and cost of materials supplied or installed by others, comprising total value for the entire Project at the site on a replacement cost basis.

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c) This insurance shall include interests of the City, Contractor and its subcontractors in the Project, and shall include, without limitation, insurance against the perils of fire and physical loss or damage including, without duplication of coverage, theft, vandalism, malicious mischief, collapse, earthquake, flood, windstorm, falsework, testing and startup, temporary buildings and debris removal, including demolition occasioned by enforcement of any applicable legal requirements.

d) City shall bear the responsibility for the deductible for such coverage when a loss affects the Work, provided, however, to the extent such loss is attributable to the negligent or wrongful acts or omissions of Contractor or someone for whom Contractor is responsible, Contractor shall bear the responsibility of the deductible. Such property insurance will not cover any tools or equipment owned or rented by Contractor that will not be incorporated into the Project, including trailers, excavators, scaffoldings, or forms. Contractor is responsible for providing insurance coverage for such items.

6) Owners and Contractors Liability Policy (OCP) (required for Contractors only):

a) Owners and Contractors Liability Policy: Prior to the execution of the Contract the Contractor shall provide a separate policy of insurance in the amount of $2,000,000, per occurrence, at its sole cost and expense, naming the City of Glendale, a Municipal Corporation and all its agents, representatives, officers, directors, officials and employees as the insured. The Policy shall be primary and not contributory to any insurance or self-insurance maintained by the City of Glendale and shall remain in effect through date of Final Acceptance.

7) Other Requirements:

a) If the Contractor maintains broader coverage and/or higher limits than the minimums shown above, the City requires and shall be entitled to the broader coverage and/or the higher limits maintained by the contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

b) All policies must be written by insurance companies whose rating, in the most recent AM Best's Rating Guide, is not less than A-VII. All coverage forms must be acceptable to City.

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c) ACORD® Certificate of Liability Insurance form with the required endorsements evidencing the required coverages must be PROVIDED to the City prior to commencement of any Work. Failure of City to demand such certificate or other evidence of full compliance with these insurance requirements or failure of City to identify a deficiency from evidence that is provided shall not be construed as a waiver of Contractor's obligation to maintain such insurance. City shall have the right, but not the obligation, to prohibit Contractor or any of its subcontractors from entering the Project site until such certificates or other evidence that insurance has been placed in complete compliance with these requirements is received and approved by City.

d) The policies shall provide waivers of subrogation by endorsement or otherwise in favor of the City. A waiver of subrogation shall be effective as to a person or entity even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, did not pay for the insurance premium directly or indirectly, and whether or not the person or entity had an insurable interest in the property damaged.

e) The following policies shall include Waiver of Subrogation endorsements:

   i) Workers' Compensation

f) The following policies shall include Additional Insured endorsements:

   i) Commercial Auto Coverage
   ii) Commercial General Liability
   iii) Excess Liability
   iv) Builders Risk, and as loss payee

g) Contractor shall be responsible for satisfying any deductible or self-insured retention with respect to any of the coverages required by the Contract Documents to be provided by Contractor.

h) City reserves the right, in its sole discretion, to require higher limits of liability coverage if, in City's opinion, operations by or on behalf of Contractor create higher than normal hazards and, to require Contractor to name additional parties in interest to be Additional Insureds.

i) In the event that rental of equipment is undertaken by Contractor or any Subcontractor to complete and/or perform the Work, Contractor agrees that it shall be solely responsible for such rental equipment. Such responsibility shall include, but not be limited to protection against theft, fire, vandalism and use by unauthorized persons.

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j) In the event that materials or any other type of personal property ("personal property") is acquired for the Project or delivered to the Project site, Contractor agrees that it shall be solely responsible for such property until it becomes a fixture on the Project, or otherwise is installed and incorporated as a final part of the Project. Such responsibility shall include, but not be limited to protection against theft, fire, vandalism and use by unauthorized persons.

k) If City elects to utilize an Owner Controlled Insurance Program ("OCIP") which provides coverage for the Work, the Contractor shall comply with all provisions of any such OCIP.

l) Any additional provisions specific to the Project are attached. In the event of any conflict between the attached terms and the terms of this Exhibit, Contractor shall comply with the more stringent provisions.

m) If a policy does expire, a renewal certificate of the required coverage shall be sent to the City of Glendale not less than five (5) days prior to the expiration date or, if a policy is to be cancelled, changed or not renewed, a proper notice of such action shall be sent to the City not less than ten (10) days prior to any such action by the insurance company.

NOTICES SHALL BE SENT TO:

City of Glendale
Engineering Department
5850 W. Glendale Avenue
Glendale, AZ 85301

Article XII. INDEMNIFICATION

(a) To the fullest extent permitted by law, Contractor must defend, indemnify, and hold harmless City and its elected officials, officers, employees and agents (each, an "Indemnified Party," collectively, the "Indemnified Parties"), for, from, and against any and all claims, demands, actions, damages, judgments, settlements, personal injury (including sickness, disease, death, and bodily harm), property damage (including loss of use), infringement, governmental action and all other losses and expenses, including attorneys' fees and litigation expenses (each, a "Demand or Expense"; collectively, "Demands or Expenses") asserted by a third-party (i.e. a person or entity other than City or Contractor) and that arises out of or results from the breach of this Agreement by the Contractor or the Contractor's negligent actions, errors or omissions (including any Subcontractor or other person or firm employed by Contractor), whether sustained before or after completion of the Project.

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(b) This indemnity and hold harmless provision applies even if a Demand or Expense is in part due to the Indemnified Party's negligence or breach of a responsibility under this Agreement, but in that event, Contractor shall be liable only to the extent the Demand or Expense results from the negligence or breach of a responsibility of Contractor or of any person or entity for whom Contractor is responsible.

(c) Contractor is not required to indemnify any Indemnified Parties for, from, or against any Demand or Expense resulting from the Indemnified Party's sole negligence or other fault solely attributable to the Indemnified Party.

Article XIII. DISPUTE RESOLUTION

Section 13.01 DISPUTES

(a) Commitment. The parties commit to resolving all disputes promptly, equitably, and in a good-faith, cost effective manner.

(b) Application. The provisions of this Exhibit will be used by the parties to resolve all controversies, claims, or disputes ("Dispute") arising out of or related to this Agreement-including Disputes regarding any alleged breaches of this Agreement.

(c) Initiation. A party may initiate a Dispute by delivery of written notice of the Dispute, including the specifics of the Dispute, to the Representative of the other party as required in this Agreement.

(d) Informal Resolution. When a Dispute notice is given, the parties will designate a member of their senior management who will be authorized to expeditiously resolve the Dispute.

(i) The parties will provide each other with reasonable access during normal business hours to any and all non-privileged records, information and data pertaining to any Dispute in order to assist in resolving the Dispute as expeditiously and cost effectively as possible;

(ii) The parties' senior managers will meet within ten (10) business days to discuss and attempt to resolve the Dispute promptly, equitably, and in a good faith manner, and

(iii) The Senior Managers will agree to subsequent meetings if both parties agree that further meetings are necessary to reach a resolution of the Dispute.

Section 13.02 ARBITRATION

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(a) Rules. If the parties are unable to resolve the Dispute by negotiation within thirty (30) days from the Dispute notice, and unless otherwise informal discussions are extended by the mutual agreement, the Dispute will be decided by binding arbitration in accordance with Construction Industry Rules of the AAA, as amended herein. Although the arbitration will be conducted in accordance with AAA Rules, it will not be administered by the AAA, but will be heard independently.

(i) The parties will exercise best efforts to select an arbitrator within five (5) business days after agreement for arbitration. The parties will equally share the fees and costs incurred in the selection of the arbitrator.

(ii) The arbitrator selected must be an attorney with at least fifteen (15) years experience with commercial construction legal matters in Maricopa County, Arizona, be independent, impartial, and not have engaged in any business for or adverse to either Party for at least 10 years.

(b) Discovery. The extent and the time set for discovery will be as determined by the arbitrator. Each Party must, however, within ten (10) days of selection of an arbitrator deliver to the other Party copies of all documents in the delivering party's possession that are relevant to the dispute.

(c) Hearing. The arbitration hearing will be held within ninety (90) days of the appointment of the arbitrator. The arbitration hearing, all proceedings, and all discovery will be conducted in Glendale, Arizona unless otherwise agreed by the parties or required as a result of witness location. Telephonic hearings and other reasonable arrangements may be used to minimize costs.

(d) Award. At the arbitration hearing, each Party will submit its position to the arbitrator, evidence to support that position, and the exact award sought in this matter with specificity. The arbitrator must select the award sought by one of the parties as the final judgment and may not independently alter or modify the awards sought by the parties, fashion any remedy, or make any equitable order. The arbitrator has no authority to consider or award punitive damages.

(e) Final Decision. The Arbitrator's decision should be rendered within fifteen (15) days after the arbitration hearing is concluded. This decision will be final and binding on the Parties.

(f) Costs. The prevailing party may enter the arbitration in any court having jurisdiction in order to convert it to a judgment. The non-prevailing party shall pay all of the prevailing party's arbitration costs and expenses, including reasonable attorney's fees and costs.

Section 13.03 SERVICES TO CONTINUE PENDING DISPUTE

Docusign Envelope ID: D38C2A2A-A782-4CBA-A54B-BE60BCAFBF48

(a) Unless otherwise agreed to in writing, Contractor must continue to perform and maintain progress of required services during any Dispute resolution or arbitration proceedings, and City will continue to make payment to Contractor in accordance with this Agreement.

Section 13.04 EXCEPTIONS

(a) Third Party Claims. City and Contractor are not required to arbitrate any third-party claim, crossclaim, counter claim, or other claim or defense of a third-party who is not obligated by contract to arbitrate disputes with City and Contractor.

(b) Liens. City or Contractor may commence and prosecute a civil action to contest a lien or stop notice, or enforce any lien or stop notice, but only to the extent the lien or stop notice the Party seeks to enforce is enforceable under Arizona Law, including, without limitation, an action under A.R.S. § 33-420, without the necessity of initiating or exhausting the procedures of this Exhibit.

(c) Governmental Actions. This Exhibit does not apply to, and must not be construed to require arbitration of, any claims, actions or other process filed or issued by City of Glendale Building Safety Department or any other agency of City acting in its governmental permitting or other regulatory capacity.

Article XIV. MISCELLANEOUS PROVISIONS

Section 14.01 MISCELLANEOUS PROVISIONS

(a) The miscellaneous provisions set forth in Section 14 of the Supplemental General Conditions shall apply to the Contract.

Section 14.02 PERFORMANCE MEASUREMENT

(a) Contractor's performance under each individual Job Order and this Contract shall be evaluated under the following measures:

(i) Quality of work performed
(ii) Conformance with contract and/or job order
(iii) Timely and complete communication
(iv) Safety record

(b) Failure to maintain a good performance record may result in the City no longer requesting Job Order proposals or extending the term of the Contract.

Section 14.03 COOPERATIVE USE OF CONTRACT

Docusign Envelope ID: D38C2A2A-A782-4CBA-A54B-BE60BCAFBF48

(a) This agreement may be extended for use by other governmental agencies and political subdivisions of the State. Any such usage by other entities must be in accord with the ordinances, charter, rules and regulations of the respective entity and the approval of the Contractor and City. For a list of SAVE members, click on the following link: http://www.mesaaz.gov/business/purchasing/save.

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Docusign Envelope ID: D38C2A2A-A782-4CBA-A54B-BE60BCAFBF48

Article XV. SIGNATURE PAGE

The parties enter into this Agreement as of the date shown above.

City of Glendale,
an Arizona municipal corporation

DocuSigned by:
Jamshed Mehta 3/25/2026
2CC65F425D2842B...

By: Patrick S. Banger
Its: City Manager

ATTEST:

Signed by:
Julie K. Bower 3/25/2026
98B85C8F0FAE4FC...

Julie K. Bower (Seal)
City Clerk

APPROVED AS TO FORM:

Signed by:
Michael D. Bailey 3/25/2026
F91E94D8DCF046C...

Michael D. Bailey
City Attorney

Haydon Companies, LLC.
an Arizona Limited Liability Company

By: Matt Carpenter
Its: President & COO

DS
CC

Docusign Envelope ID: D38C2A2A-A782-4CBA-A54B-BE60BCAFBF48

Article XVI. EXHIBITS

Section 16.01 STANDARD JOB ORDER AGREEMENT FORM

Project Names: _____
Job Order Contract No.: _____ Project No.: _____
THIS JOB ORDER is made and entered into on the ___ day of_____, 20 ___, by and between the City of Glendale, an Arizona municipal corporation ("City") and the "Contractor" designated below. This Job Order is entered into pursuant to and incorporates herein the terms and provisions of the Job Order Master Contract. This Job Order, including all of the Contract Documents and Exhibits, shall be the Contract between the parties for the Work.
City and Contractor agree as follows:
CITY: City of Glendale
Project Manager:
Telephone:
E-mail:

CONTRACTOR: (Name)
(Address)
Arizona ROC No.:
Contractor Representative:
Telephone:
E-mail:

PROJECT DESCRIPTION:

PROJECT SITE ADDRESS/LOCATION:

SCOPE OF WORK: Attached Exhibit A

JOB ORDER DURATION:___ (Calendar Days)
JOB ORDER PRICE FOR WORK: Guaranteed Maximum Price/GMP of $_____.
SUBSTANTIAL COMPLETION: ☐APPLIES ☐DOES NOT APPLY
Substantial Completion shall be achieved no later than the Substantial Completion Date set forth in the Project Schedule. Substantial Completion shall be determined in accordance with Section 6.3 of the General Conditions.
ADDITIONAL GOVERNMENT PROVISIONS: ☐APPLIES AND IS ATTACHED ☐DOES NOT APPLY
The parties hereto have executed this Job Order through their duly authorized representatives and bind their respective entities as of the effective date.

"CITY"
CITY OF GLENDALE

Signature _____

Name_____ Title_____

"CONTRACTOR"
COMPANY NAME

Signature _____

Name_____ Title _____

SAMPLE

EXHIBIT B

SPECIFIC REQUIREMENTS/OPTIONS OF CITY

Attached: City of San Luis JOC Proposal

HAYDON

46440 E. Cotton Gin Loop
Phoenix, AZ. 85040

April 14, 2026

To: City of San Luis - Attn: Rudy

RE: Proposal JOC

Project: Citywide Manhole Rehab

Note: THE COST QUOTATIONS CONTAINED HEREIN ARE CONFIDENTIAL AND INTENDED FOR USE ONLY BY THE ADDRESSEE.DISCLOSURE TO THIRD PARTIES IS NOT AUTHORIZED IN WHOLE OR IN PART.

Proposal

MH ID	Description	Traffic	Qty	Unit	Unit Price	Total Price
SSMH1	4 FT MH Rehab - Cone (Concrete)	Low	1.0	Each	$1280.00	$1280.00
	4 FT MH Rehab - Wall (Concrete)	Low	12.0	FT	$335.00	$4020.00
	4 FT MH Rehab - Bench (concrete)	Low	1.0	Each	$750.00	$750.00
	F/I New Ring, Cover, and Collar	Low	0.0	NA	$0.00	$0.00

$6050.00

MH ID	Description	Traffic	Qty	Unit	Unit Price	Total Price
SSMH2	4 FT MH Rehab - Cone (Concrete)	Low	1.0	Each	$1280.00	$1280.00
	4 FT MH Rehab - Wall (Concrete)	Low	11.66	FT	$335.00	$3906.10
	4 FT MH Rehab - Bench (concrete)	Low	1.0	Each	$750.00	$750.00
	F/I New Ring, Cover, and Collar	Low	0.0	RA	$0.00	$0.00

$5936.10

MH ID	Description	Traffic	Qty	Unit	Unit Price	Total Price
SSMH3	4 FT MH Rehab - Cone (Concrete)	Low	1.0	Each	$1280.00	$1280.00
	4 FT MH Rehab - Wall (Concrete)	Low	10.50	FT	335.00	$3517.50
	4 FT MH Rehab - Bench (concrete)	Low	1.0	Each	$750.00	$750.00
	F/I New Ring, Cover, and Collar	Low	0.0	RA	$0.00	$0.00

$5547.50

MH ID	Description	Traffic	Qty	Unit	Unit Price	Total Price
SSMH4	4 FT MH Rehab - Cone (Concrete)	Low	1.0	Each	$1280.00	$1280.00
	4 FT MH Rehab - Wall (Concrete)	Low	9.33	FT	$335.00	$3125.50
	4 FT MH Rehab - Bench (concrete)	Low	1.0	Each	$750.00	$750.00
	F/I New Ring, Cover, and Collar	Low	0.0	RA	$0.00	$0.00

$5155.55

Continued

MH ID	Description	Traffic	Qty	Unit	Unit Price	Total Price
SSMH5	4 FT MH Rehab - Cone (Concrete)	Low	1.0	Each	$1280.00	$1280.00
	4 FT MH Rehab - Wall (Concrete)	Low	7.0	FT	$335.00	$2345.00
	4 FT MH Rehab - Bench (concrete)	Low	1.0	Each	$750.00	$750.00
	F/I New Ring, Cover, and Collar	Low	0.0	RA	$0.00	$0.00

$4375.00

Mobilization	**$4059.62**
Sub total	**$31,123.77**
Tax 6.96%	**$2166.21**
TOTAL	**$33,289.98**

Excludes: Bypass pumping, Traffic control, MH Adjustment, MH Grouting, Tax, Bonds, Mfg. inspection, Flo-Thru Plugging greater than 12"dia., Infiltration, Permits, OCIP or CCIP Programs, Engineering, As-builts, Licenses, Water Meter, Dirt/Debris/Sewage removal, and Infiltration Repair.

We propose to mobilize, furnish labor, equipment, and materials – complete in accordance with plans, technical Specifications, and MAG Standards. This project based on a 40hr work week. This proposal is based on our industry standard insurance coverage. All material is guaranteed to be as specified. All work will be completed in a workmanlike manner according to standard practices. Any alterations or deviations or excessive requirements from the above specifications involving extra costs will be executed only upon written orders and will become an extra charge over and above the proposal.

Submitted by: Haydon/DIS Estimating Department - **estimating@desertis.us**

RAVEN CERTIFIED APPLICATOR

CERTIFIED INSTALLER FOR Structure Guard® BY VORTEX

ARMOROCK

EXHIBIT C

SPECIFIC REQUIREMENTS/OPTIONS OF CITY

Attached: Manhole Rehabilitation and Coating Proposal

Piceno Drive 2 Manholes

HAYDON

City of San Luis Engineering Dept.

Re: Quotation
Project: Manhole Rehabilitation and Coating
Location: Hospital- San Luis, AZ.

Note: THE COST QUOTATIONS CONTAINED HEREIN ARE CONFIDENTIAL AND INTENDED FOR USE ONLY BY THE ADDRESSEE.DISCLOSURE TO THIRD PARTIES IS NOT AUTHORIZED IN WHOLE OR IN PART.

MH ID	Description	Traffic	Qty	Unit	Unit Price	Total Price
Hospital SSMH1	4 FT MH Rehab - Cone (Lined)	No	1.0	Each	$1785.00	$1785.00
	4 FT MH Rehab - Wall (Lined)	No	19.0	FT	$475.00	$9025.00
	4 FT MH Rehab - Bench (Lined)	No	1.0	Each	$1010.00	$1010.00
	F/I New Ring, Cover, and Collar	No	0.0	RA	$0.00	$0.00
	$11,820.00					

MH ID	Description	Traffic	Qty	Unit	Unit Price	Total Price
Hospital SSMH2	4 FT MH Rehab - Cone (Lined)	No	1.0	Each	$1785.00	$1785.00
	4 FT MH Rehab - Wall (Lined)	No	11.66	FT	$475.00	$9025.00
	4 FT MH Rehab - Bench (Lined)	No	1.0	Each	$1010.00	$1010.00
	F/I New Ring, Cover, and Collar	No	0.0	RA	$0.00	$0.00
	$11,820.00					

Sub Total	$23,640.00
TAX 6.96%	$1645.34
Sub-Total	$25,285.34

We propose to mobilize, furnish labor, equipment, and materials – complete and in accordance with plans and technical specifications of the Glendale JOC Contract based on a 40hr work week. This proposal is based on our industry's standard insurance coverage. All material is guaranteed to be as specified. All work will be completed in a workmanlike manner according to standard practices. Any alterations or deviations or excessive requirements from the above specifications involving extra costs will be executed only upon written orders and will become an extra charge over and above the proposal.

Excludes unless no0ted: Excavation/Protection, Traffic control, Backfill, Paving, Bypass pumping, MH Setting, P&P Bonds, Mfg. inspection, Bypass pumping, Flo-Thru Plugging greater than 24"dia., Permits, OCIP or CCIP Programs, Engineering, Licenses, Water Meter, Dirt/Debris/Sewage removal, and Infiltration Repair.

Submitted by: DIS Estimating Department

AGENDA ITEM REVIEW FORM

Regular City Council Meeting **7. F.**

Meeting Date: 05/27/2026

Department Head: Maria Angelica Roldan, Director of Parks & Recreation, Parks & Recreation Department

Submitted By: Crystal Ochoa, Administrative Coordinator, Parks & Recreation Department

Action Requested: Motion

ITEM:

Public Hearing followed by discussion and possible action on any and all matters regarding the recommendation of a Special Event Liquor License Application to the Arizona Department of Liquor Licenses and Control to authorize the San Luis FRONTERA Rotary Club to sell alcohol at the Fourth of July Freedom Celebration on Saturday, July 4, 2026. **(Marcos Ramirez, San Luis Frontera Rotary Club)**

A. Staff and/or Applicant Presentation
B. Open Public Hearing
C. Call to the public on this item
D. Close Public Hearing
E. Action on Special Event Liquor License Application to the Arizona Department of Liquor Licenses & Control

SUMMARY:

The San Luis FRONTERA Rotary Club wishes to sell alcohol at the Fourth of July Freedom Celebration on Saturday, July 4, 2026, from 12:00 p.m. to 12:00 a.m. at the San Luis Joe Orduño Park.

RECOMMENDATION / SUGGESTED MOTION:

A. STAFF AND/OR APPLICANT PRESENTATION
B. MAYOR NIEVES RIEDEL TO OPEN THE PUBLIC HEARING
C. MAYOR NIEVES RIEDEL TO CALL THE PUBLIC ON THIS ITEM
D. MAYOR NIEVES RIEDEL TO CLOSE THE PUBLIC HEARING
E. I MOVE TO RECOMMEND APPROVAL TO THE ARIZONA DEPARTMENT OF LIQUOR LICENSES AND CONTROL FOR THE SPECIAL EVENT LIQUOR LICENSE APPLICATION FOR THE SAN LUIS FRONTERA ROTARY CLUB, AS PRESENTED.

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 is no associated fiscal impact with this item.

Attachments

Special Event Liquor License Application - 2026 Fourth of July Freedom Celebration

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Arizona Department of Liquor Licenses and Control
https://www.azliquor.gov
(602) 542-5141

DLLC USE ONLY
Job #:
Date Accepted:
LC:
License #:

SPECIAL EVENT LICENSE

APPLICATION FEE $25.00 PER DAY

MUST be submitted to the Department of Liquor 10 days prior to the event.

SECTION 1

Name of Non-Profit Organization, Candidate or Political Party: SAN LUIS FRONTERA ROTARY CLUB

If the event will be held on an unlicensed premises, it MUST be approved and signed by the Local Governing Body Before submitting to the Arizona Department of Liquor.

LOCAL GOVERNING BODY

Date Received: _____

I, _____ _____ ☐ APPROVAL ☐ DISAPPROVAL
Government Official Title

On behalf of _____ _____ _____
City, Town, County Signature Date

SECTION 2

Will the event be at a location with a current liquor license and within the approved and licensed area?

☐ Yes ☑ No

If yes, MUST attach a letter of explanation/permission from the licensed location and choose ONE option below.

Name of Licensed Location _____ **Liquor License Number** _____

☐ Suspend license for the duration of the Special Event; Licensee selling all alcohol without retailer involvement.

☐ Dispense and serve all spirituous liquors under retailer's license – Business operates normally, minimum of 25% of gross revenue from alcohol sales will be donated to licensee.

☐ Dispense and serve all spirituous liquors under special event - The special event licensee is in charge of selling alcohol that was purchased or donated by the special event licensee. The retailers existing alcohol inventory must be kept separate from any alcohol used during the special event.

☐ Split premises between special event and licensed location - Both the special event licensee and the licensed location will conduct sales of alcohol. (These sales must be done in separate areas. If alcohol is donated or purchased by the special event licensee, it must be in a separate area from the alcohol that is dispensed by the licensed location.)

☐ **Off Sale only - Wine/Distilled Spirits Pull, Live or Silent Auctions** – Retailer will be permitted to conduct all normal sales and service of alcohol.

SECTION 3

Applicant MUST be a member of a qualifying nonprofit organization, political party, or Government entity and authorized by an Officer, Director, or Chairperson of the Organization.

1. Applicant: RAMIREZ (Last) MARCOS (First) (Middle)
2. Applicant's mailing address: PO BOX 13926 (Street) SAN LUIS (City) ARIZONA (State) 85349 (Zip)
3. Applicants home/cell phone: 928-285-3532 Non-profit organization phone: _____
4. Applicant's email address: MARCOSRAMIREZ5550@GMAIL.COM
5. Has the applicant been convicted of a felony, or had a liquor license revoked within the last five (5) years?
   ☐ **Yes (if yes, attach letter of explanation)** ☑ **No**
6. Name of non-profit organization: SAN LUIS FRONTERA ROTARY CLUB
7. Non-Profit/IRS Tax Exempt Number: 86-0734186 **Required** Arizona Corporation Commission File #: 23077310 **Required**
8. If Out Of State, specify State **(Attach letter of good standing)**: _____
9. Special Event Name: 4TH OF JULY FREEDOM CELEBRATION
10. Event Location Name: JOE ORDUNO PARK
11. Event Address: 965 PARK AVENUE, SAN LUIS, ARIZONA 85349

SECTION 4

Must list type of security and control measures will you take to prevent violations of liquor laws at this event.

2 Number of Police 3 Number of Security Personnel ☑ Fencing ☑ Barriers

Must explain security measures: SECURITY WILL BE AT ENTRANCES. FENCING WILL BE AT ENTIRE EVENT. THEY WILL BE CHECKING ID'S

1. How is this special event going to conduct all dispensing, serving, and selling of spirituous liquors?
   Check **one** of the following boxes. (R-19-318)

☑ **On-site consumption** ☐ **Off-site (auction/wine/distilled spirits pull)** ☐ **Both**

2. How many special event days have already been issued to this organization during the current year? 3

Licensed location diagram. The licensed premises for your special event is the area in which you are authorized to sell, dispense, or serve alcoholic beverages under the provisions of your license.

Must attach a diagram of your special event showing the area where alcohol will be sold, served, and consumed. *Must include dimensions of event area, fencing, barricades, or other control measures, and positions of security personnel.*



NO ALCOHOLIC BEVERAGES SHALL LEAVE A SPECIAL EVENT UNLESS THEY ARE IN SEALED CONTAINERS FOR AN AUCTION OR WINE/DISTILLED SPIRITS PULL, OR THE SPECIAL EVENT LICENSE IS STACKED WITH A WINE /CRAFT DISTILLERY FESTIVAL LICENSE.

Park Ave
SLPD
Security
fencing
fencing
Beer Booth
fencing
Event Entrance
Music Stage
US HIGHWAY 95—Main Street

SECTION 5

Dates and Hours of Event - Days must be consecutive and may not exceed 10 days per year.

DAYS	DATE	DAY OF WEEK	EVENT START TIME AM/PM	EVENT END TIME AM/PM
DAY 1	07/04/2026	SATURDAY	12:00 PM	12:00 AM
DAY 2				
DAY 3				
DAY 4				
DAY 5				
DAY 6				
DAY 7				
DAY 8				
DAY 9				
DAY 10				

SECTION 6

3. **Is the Organization using the services of a DLLC approved Special Event Contractor from the list on our website?**

☐ **Yes** ☑ **No** If yes, please provide the Name of the Special Event Contractor: _____

Special Event Contractor Signature: _____

4. Is the organization using the services of a series **6, 7, 11**, or **12** licensee to manage the sale or service of alcohol? (Licensees who hold a series **6, 7, 11,** or **12** license are automatically qualified to be a special event contractor)

☐ **Yes** ☑ **No** if yes, Name of Licensee: _____ Liquor License #: _____

1. List the name of the Organization/individual that will receive revenues:
MUST EQUAL 100 PERCENT, APPLYING NON-PROFIT MUST RECEIVE A MINIMUM OF 25% OF THE PROCEEDS.

2. Name: SAN LUIS FRONTERA ROTARY CLUB Percentage: 100%

Address: PO BOX 13926 (Street) SAN LUIS (City) ARIZONA (State) 85349 (Zip)

Name: _____ Percentage: _____

Address: _____ (Street) _____ (City) _____ (State) _____ (Zip)

Please read A.R.S. § 4-203.02 and R19-1-205 Special event license rules and Requirements.

Declaration:

I, (Print Name) MARCOS RAMIREZ, declare under penalty of perjury that I am authorized to submit this application. I have read the contents and to the best of my knowledge believe all statements made on this application to be true, correct, and complete.

Signature: _____

Arizona Corporation Commission - RECEIVED: 4/2/2025
Arizona Corporation Commission - FILED: 4/2/2025

25040214405572

2025 ANNUAL REPORT

ENTITY INFORMATION

ENTITY NAME: SAN LUIS FRONTERA ROTARY CLUB, INC.
ENTITY ID: 23077310
ENTITY TYPE: Domestic Nonprofit Corporation
CHARACTER OF BUSINESS: Any legal purpose
AUTHORIZED SHARES:
ISSUED SHARES:

STATUTORY AGENT INFORMATION

STATUTORY AGENT NAME: BENESCH, SHADLE & WHITE, PLC
PHYSICAL ADDRESS: 833 E. PLAZA CIRCLE STE 100, YUMA, AZ 85365
MAILING ADDRESS:

KNOWN PLACE OF BUSINESS

412 HENRY CHAVEZ CT., SAN LUIS, AZ 85349

PRINCIPAL OFFICE ADDRESS

PRINCIPAL INFORMATION

Director: Juan Manuel Guerrero - PO Box 3960, SOMERTON, AZ, 85350, USA - - Date of Taking Office: 06/30/2022

Incorporator: MARIO SIXTO JAUREGUI - 412 HENRY CHAVEZ CT., P.O. BOX 159, SAN LUIS, AZ, 85349, USA - - Date of Taking Office:

President: Juan Manuel Guerrero - PO Box 3960, SOMERTON, AZ, 85350, USA - - Date of Taking Office: 06/30/2022

Secretary: Marcos Ramirez - 269 E. Aquila St., SAN LUIS, AZ, 85349, USA - - Date of Taking Office: 07/01/2021

Treasurer: Georgina Gonzalez - 1385 E. San Pedro St., SAN LUIS, AZ, 85349, USA - - Date of Taking Office: 07/01/2021

SIGNATURE

Secretary: Marcos Ramirez - 04/02/2025

Form **990-N**

Electronic Notice (e-Postcard)

OMB No. 1545-2085

Department of the Treasury
Internal Revenue Service

for Tax-Exempt Organization not Required to File Form 990 or 990-EZ

2024

Open to Public Inspection

A For the **2024** Calendar year, or tax year beginning **2024-07-01** and ending **2025-06-30**

B Check if available

- ☐ **Terminated for Business**
- ☑ **Gross receipts are normally $50,000 or less**

C Name of Organization: **SAN LUIS FRONTERA ROTARY CLUB**
PO Box 13926, San Luis, AZ, US, 85349

D Employee Identification Number **86-0734186**

E Website:

F Name of Principal Officer: **Martha Huizar**
16752 S Avenue 2 East, Yuma, AZ, US, 85365

Information Copy. Do not send to IRS

Privacy Act and Paperwork Reduction Act Notice: We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws.

The organization is not required to provide information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. The rules governing the confidentiality of the Form 990-N is covered in code section 6104.

The time needed to complete and file this form and related schedules will vary depending on the individual circumstances. The estimated average times is 15 minutes.

Note: This image is provided for your records only. Do Not mail this page to the IRS. The IRS will not accept this filing via paper. You must file your Form 990-N (e-Postcard) electronically.

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 5/07/2026

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Hylant Group Inc. 811 Madison Ave. Toledo, OH 43604	CONTACT NAME: Sara Humphries / Macy Gorrell PHONE (A/C, No, Ext): (419) 259-2710 FAX (A/C, No): (419) 255-7557 E-MAIL ADDRESS: Rotary@hylant.com
	INSURER(S) AFFORDING COVERAGE — NAIC #
	INSURER A : Westchester Surplus Lines Ins — 10172
INSURED All Active U.S. Rotary Clubs & Districts San Luis Frontera Rotary, District 5500 ATTN: Risk Management Dept. 1560 Sherman Avenue Evanston, IL 60201	INSURER B : INSURER C : INSURER D : INSURER E : INSURER F :

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY						EACH OCCURRENCE	$ 2,000,000
	CLAIMS-MADE X OCCUR	X		G73578917 004	7/1/2025	7/1/2026	DAMAGE TO RENTED PREMISES (Ea occurrence)	$ 500,000
	X Liquor Liability						MED EXP (Any one person)	$
							PERSONAL & ADV INJURY	$ 2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$ 4,000,000
	X POLICY PRO-JECT LOC						PRODUCTS - COMP/OP AGG	$ 4,000,000
	OTHER:							$
A	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	$ 2,000,000
	ANY AUTO	X		G73578917 004	7/1/2025	7/1/2026	BODILY INJURY (Per person)	$
	OWNED AUTOS ONLY / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	X HIRED AUTOS ONLY / X NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$
								$
	UMBRELLA LIAB OCCUR						EACH OCCURRENCE	$
	EXCESS LIAB CLAIMS-MADE						AGGREGATE	$
	DED RETENTION $							$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N						PER STATUTE / OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	N/A					E.L. EACH ACCIDENT	$
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$
							E.L. DISEASE - POLICY LIMIT	$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
The Certificate Holder is included as an additional insured where required by written contract or permit subject to the terms and conditions of the general liability policy, but only to the extent bodily injury or property damage is caused in whole or in part by the acts or omissions of the insured.

CERTIFICATE HOLDER

City of San Luis
Joe Orduno Park
965 Park Avenue, San Luis, Arizona 85349
4th of July Freedom Celebration event held in San Luis, Arizona on 07/04/2026. We will be selling alcohol

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Judy K. Wilson

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AGENDA ITEM REVIEW FORM

Regular City Council Meeting **7. G.**

Meeting Date: 05/27/2026

Department Head: Nigel Reynoso, Chief of Police, Police Department

Submitted By: Michelle Boucher, Police Administrator, Police Department

Action Requested: Motion
Order

ITEM:

Discussion and possible action on any and all matters regarding the approval and adoption of Order No. 2026-04. An Order of the Mayor and City Council of the City of San Luis, Arizona, to authorize the City of San Luis Police Department to receive funding for overtime and mileage by approving an Intergovernmental Agreement and authorizing execution of Subrecipient Agreement Operation Stonegarden Grant Program; 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. **(Damian Miller, Police Lieutenant)**

SUMMARY:

The City of San Luis Police Department has been awarded $880,000 for overtime and $30,000 for mileage under the Fiscal Year 2025 Operation Stonegarden Program Award Number 25-AZDOHS-OPSG-250431-01. The grant performance period is May 11, 2026, to April 30, 2027. The total awarded grant-funded amount is $910,000.

The adoption of this order will support the United States Border Patrol's mission by allowing police officers the ability to prevent or stop the ingress of drugs, the smuggling of undocumented persons, and the nexus to terrorism.

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO APPROVE AND ADOPT ORDER NO. 2026-04 APPROVING THE INTERGOVERNMENTAL AGREEMENT AND GRANT, AS PRESENTED.

Fiscal Impact

IS THERE FISCAL IMPACT ASSOCIATED WITH THIS ITEM:	Yes
CITY/STATE/FEDERAL FUNDS:	Federal
TOTAL:	Yes
BUDGETED AMOUNT:	$1,100,000
AVAILABLE AMOUNT TO TRANSFER:	See fiscal Impact Statement
ACCT NAME & GL#/REMAINING BALANCE BEFORE PURCHASE:	See fiscal Impact Statement

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

The City of San Luis budgeted in FY27 for this item. The San Luis Police Department will receive $910,000 in overtime and mileage as reimbursements for this grant cycle over multiple fiscal years. During FY27 the city budgeted $1,100,000 in the following accounts.

Account numbers:
250-181-50010.194 Special Revenue-Public Safety, Police Department-Overtime DOHS OPSG 250431-01
250-181-70005.190 Special Revenue-Public Safety, Police Department-Gas/Oil DOHS OPSG 250431-01

Attachments

Order No. 2026-04
Subrecipient Agreement
Award Letter

OFFICE OF THE
MAYOR
CITY OF SAN LUIS

Order
No. 2026-04

AN ORDER OF THE MAYOR AND CITY COUNCIL OF THE CITY OF SAN LUIS, ARIZONA TO AUTHORIZE THE CITY OF SAN LUIS POLICE DEPARTMENT TO RECEIVE FUNDING FOR OVERTIME AND MILEAGE BY APPROVING AN INTERGOVERNMENTAL AGREEMENT AND AUTHORIZING EXECUTION OF SUBRECIPIENT AGREEMENT OPERATION STONEGARDEN GRANT PROGRAM-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; REPEALING CONFLICTING PROVISIONS; AND PROVIDING FOR SEVERABILITY.

WHEREAS, the City of San Luis desires to increase police presence within our city limits to support the United States Border Patrol mission by allowing police officers to stop or prevent the egression of drug, undocumented persons smuggling, and the nexus to terrorism;

WHEREAS, the Arizona Department of Homeland Security has approved OPSG Overtime and Mileage and Employee Related Expenses to enhance border security throughout the City of San Luis;

WHEREAS, the Arizona Department of Homeland Security has prepared an Intergovernmental Agreement which provides for all the funds including that these funds shall not be used to supplant other funding of the San Luis Police Department.

[Intentionally left blank. Signature page follows]

BE IT ORDERED by the Mayor and City Council of the City of San Luis, Arizona:

Section 1: That the Intergovernmental Agreement titled "SUBRECIPIENT AGREEMENT 25-AZDOHS-OPSG-250431-01" and the grant application titled "OPSG Overtime and Mileage" both Attached to this order are approved.

Section 2: If a conflict arises between the provisions of this Order and any other ordinance, resolution, order, regulation, or policy of the City of San Luis, the conflicting provisions are amended, superseded, and replaced, and this Order shall govern.

Section 3: If any section, subsection, paragraph, sentence, clause, phrase, or portion of this Order is held to be invalid or unconstitutional by the final decision of any court of competent jurisdiction or controlling legislation, such decision or law shall not affect the validity of the remaining portion of this Order.

Section 4: The city officers and employees are authorized and directed to perform all acts necessary or desirable to give effect to this Order.

PASSED, ADOPTED, and APPROVED by the Mayor and City Council of the City of San Luis, Yuma County, Arizona, this ____ day of May, 2026.

City of San Luis, Arizona

_____
Nieves Riedel, Mayor

ATTEST:

_____
Sonia Cornelio, City Clerk

APPROVED AS TO FORM:

_____
Joseph Estes, City Attorney

SUBRECIPIENT AGREEMENT
25-AZDOHS-OPSG- 250431-01
Between

The Arizona Department of Homeland Security ("AZDOHS")

And

San Luis Police Department

UEI Number: DJ1FMTLJL4V6

WHEREAS, A.R.S. §41-4254 makes the Arizona Department of Homeland Security (AZDOHS) responsible for administering the funds covered by this agreement ("Agreement"), the parties hereby agree to the following terms:

1. **Purpose of Agreement** This Agreement is to specify the rights and responsibilities of AZDOHS in administering the distribution of homeland security grant funds to Subrecipient, and to specify the rights and responsibilities of Subrecipient as the recipient of these funds.

2. **Period of Performance** This Agreement shall become effective on **May 11, 2026** and shall terminate on **April 30, 2027** (the "Period of Performance"). The obligations of Subrecipient herein survive termination of this Agreement.

3. **Description of Services** Subrecipient must fulfill all obligations set forth in Subrecipient's approved grant application titled: **"OPSG OVERTIME-MILEAGE"** and funded at **$910,000** (as may have been modified by the award letter).

4. **Financing and Fiscal Responsibility** Under the U.S. Department of Homeland Security ("DHS") grant #EMW-2025-SS-05003 and Catalog of Federal Domestic Assistance ("CFDA") #97.067, AZDOHS shall provide up to **$910,000** to Subrecipient under this Agreement.
   Payment to Subrecipient must be on a reimbursement basis only, conditioned upon Subrecipient providing AZDOHS with proof of payment and applicable, accurate and complete reimbursement documents, as deemed necessary by AZDOHS. A list of acceptable documentation is at www.azdohs.gov. Payments are contingent on Subrecipient performing all its obligations under this Agreement. Subrecipient may use the funds provided under this Agreement only as provided in the application and award documentation. If Subrecipient does not complete all its obligations, Subrecipient must immediately reimburse all previously provided funds to AZDOHS. If Subrecipient completes its obligations at a lower than the budgeted cost, the amount reimbursed to Subrecipient will be only the amount actually spent by Subrecipient in accordance with the approved application. For any expenditure disallowed after or otherwise by AZDOHS, or the State or Federal government, Subrecipient must immediately reimburse such funds to AZDOHS.

5. **Reporting Requirements** Subrecipient must submit quarterly programmatic reports to AZDOHS as follows:

January 15 (for the period from October 1– December 31)
April 15 (for the period from January 1 – March 31)
July 15 (for the period from April 1 – June 30)
October 15 (for the period from July 1 – September 30)

Subrecipient must use the Quarterly Programmatic Report form (https://azdohs.gov/grant-program-forms) for these reports. Subrecipient must provide detailed information on the status of completion of the planned activities in the approved application satisfactory to AZDOHS in its sole discretion. Failure to adequately provide such information will result in the Quarterly Programmatic Report being rejected by AZDOHS and resubmission will be required. If the program has been fully completed so that there will be no further updates, then the quarterly report for the quarter in which the program was completed will be the final report; the report should be marked as "final" and must include all pertinent information regarding the program as determined solely by AZDOHS.

Final Quarterly Programmatic Report: The final quarterly programmatic report is due no more than **15** calendar days after the end of the performance period. Subrecipient may submit a final quarterly report prior to the end of the performance period if the scope of the project has been fully completed and implemented. The Property Control Form is due with the final quarterly report (if applicable).

6. **Reimbursements** Subrecipient must provide AZDOHS with requests for reimbursement as frequently as monthly but not less than quarterly; submissions must be made via US Mail, delivery service (FedEx, UPS, etc.) or in person; **submissions via fax or by any electronic means will not be accepted**. Reimbursement requests shall be submitted with the Reimbursement Form provided by AZDOHS staff. AZDOHS has the right to require Subrecipient to provide any documentation and/or information AZDOHS deems necessary to process submissions.

Reimbursement requests are only required when expenses have been incurred. The Subrecipient shall submit a final reimbursement request, marked as such, for expenses received and invoiced prior to the end of the period of performance. The final reimbursement must be **received** by AZDOHS no more than **45** calendar days after the end of the period of performance. Requests for reimbursement received by AZDOHS later than 45 calendar days after the end of the period of performance will not be paid.

Subrecipients will only be reimbursed for expenses that have been obligated, expended and received within the authorized Period of Performance as identified in Paragraph 2 of this Agreement. Subrecipients are not authorized to obligate or expend funds prior to the start date of the Period of Performance. Any expenses obligated or expended prior to the Period of Performance start date will be deemed unallowable and will not be reimbursed. Any expenses/services that occur beyond the Period of Performance (e.g. cell phone service) will be deemed unallowable and will not be reimbursed.

7. **Environmental Planning and Historic Preservation** Subrecipient **must** comply with Federal, State, and Local environmental and historical preservation (EHP) regulations,

laws and Executive Orders as applicable. *See* https://www.fema.gov/emergency-managers/practitioners/environmental-historic/laws/ehp-directive-instruction and https://azdohs.gov/environmental-and-historic-preservation-ehp. Subrecipients proposing programs with potential environmental impact **must** participate in the DHS/Federal Emergency Management Agency (FEMA) EHP review process. Subrecipient **must** complete the EHP review process before funds will be released by AZDOHS. If Subrecipient engages in ground disturbing activities, Subrecipient must monitor ground disturbance. If archeological resources are discovered, Subrecipient must immediately (a) cease construction and (b) notify FEMA, AZDOHS, and the Arizona State Historic Preservation Office. AZDOHS/DHS/FEMA **will not fund or reimburse** projects that are initiated without the required EHP review.

8. **Procurement (including Noncompetitive Procurement)** Subrecipient must comply with its procurement rules/policies, all Federal procurement rules/policies, including provisions of 2 CFR Part 200, which were updated by OMB in April of 2024, and all Arizona Procurement Code provisions and rules, the most restrictive of which will apply. Subrecipient **must not** enter into a noncompetitive procurement unless AZDOHS grants **prior written approval** via the Noncompetitive Procurement Request form at https://azdohs.gov/grant-program-forms.

9. **Property Control** Subrecipient must safeguard and maintain control and accountability for all property/equipment purchased under this Agreement, and Subrecipient must assure that it is used only for purposed authorized under this Agreement and maintained as provided in 2 CFR 200.313. Such property/equipment shall be used by Subrecipient in the program for which it was acquired as long as needed, whether or not the program continues to be supported by Federal grant funds. Subrecipient must immediately investigate and report to AZDOHS any loss, damage, or theft. Subrecipient must replace any property/equipment lost, damaged or stolen at Subrecipient's expense, and must immediately submit an updated Property Control Form (https://azdohs.gov/grant-program-forms) to AZDOHS.

   "Nonexpendable Property/Equipment" is property that has a continuing use, is not consumed in use, has an expected life of one year or more, costs $10,000 or more per unit, and does not become a fixture or lose its identity as a component of other equipment/systems, while a "Capital Asset" is personal or real property or a fixture costing $10,000 or more per unit with an expected life of one year or more. Subrecipient is solely responsible for the proper maintenance of all Nonexpendable Property/Equipment and Capital Assets acquired under this Agreement Subrecipient must take a physical inventory of all such Nonexpendable Property/Equipment and Capital Assets and reconcile the results with the Property Control Form at least once every two years. Subrecipient must maintain a control system to prevent loss, damage, or theft of such Nonexpendable Property/Equipment and Capital Assets, and Subrecipient must immediately report any loss, damage, or theft to AZDOHS. A Property Control Form (if applicable) shall be maintained for the entire scope of the program or project for which property was acquired through the end of its useful life and/or disposition. All Nonexpendable Property and Capital Assets must be included on the Property Control Form. **The Subrecipient, if applicable, shall provide AZDOHS a copy of the Property Control Form with the final quarterly programmatic report**. The Property Control Form can be located at https://azdohs.gov/grant-program-forms. The Subrecipient agrees to be subject to equipment monitoring and auditing by state or federal authorized representatives to verify information.

When Nonexpendable Property/Equipment and/or Capital Assets acquired under this Agreement are no longer needed by the Subrecipient for the original program or for other activities currently or previously supported by a federal awarding agency, Subrecipient must immediately submit an updated Property Control Form to AZDOHS, and any disposition must be in compliance with AZDOHS Disposition Guidance (https://azdohs.gov/grant-program-forms) and 2 CFR Part 200, including specifically 2 CFR 200.313. If Subrecipient seeks disposition of such Nonexpendable Property/Equipment or Capital Assets for any reason other than theft, destruction, or loss, Subrecipient must submit an Equipment Disposition Request Form (https://azdohs.gov/grant-program-forms) to AZDOHS and receive approval from AZDOHS prior to disposition. Subrecipient must update the Property Control Form and provide a copy to AZDOHS within 45 calendar days after disposition. Per 2 CFR 200.333(c), Subrecipient must retain all records relating to such Nonexpendable Property/Equipment and Capital Assets for 3 years after disposition.

10. **Training and Exercise** All training and/or exercise events must be included in Subrecipient's application. Alternate/additional training/exercise requests must be approved in advance by AZDOHS. Subrecipient must submit a Project Modification Request Form (https://azdohs.gov/grant-program-forms) for review and approval by AZDOHS prior to scheduling alternate/additional training/exercise events. For those projects that are managed by DEMA, alternate/additional training requests must be approved in advance by DEMA and AZDOHS using the Pre-approval form (https://dema.az.gov/emergency-management/preparedness/training-branch). All exercises must comply with FEMA Homeland Security Exercise and Evaluation Program (https://www.fema.gov/emergency-managers/national-preparedness/exercises/hseep; "HSEEP") guidance. Subrecipient will (a) Submit an exercise summary and attendance/sign-in roster; and (b) Email the After Action Report/Improvement Plan to the local County Emergency Manager, AZDOHS, and the DEMA Exercise Branch, within 90 days of completion of an exercise or as prescribed by HSEEP.

11. **Consultants/Trainers/Training Providers** Invoices for consultants/trainers/training providers must include: a description of services; dates of services; number of hours for services performed; rate charged; and the total cost of services. Rates must be within the prevailing rates; must be consistent with Subrecipient's procurement policies and 2 CFR Part 200; and shall not exceed **$650** per day per consultant/trainer/training provider unless AZDOHS grants prior written approval. This includes internal personnel hired on backfill/overtime to deliver training. Subrecipient will not be reimbursed costs other than travel, lodging, meals, and incidentals on travel days for consultants/trainers/training providers, at rates not to exceed State rates, and itemized receipts are required. See Travel Costs below, at Paragraph 12.

12. **Travel Costs** All grant funds expended for travel, lodging, meals and incidentals are subject to the standards of Subrecipient's policies and procedures, and the State of Arizona Accounting Manual (https://gao.az.gov/publications/saam), which Subrecipient must apply uniformly to both Federally financed and its other activities. AZDOHS will reimburse at the most restrictive allowability and rates. At no time will Subrecipient's reimbursements exceed the State rates established by the Arizona Department of Administration: https://gao.az.gov/travel.

13. **Contractors/Subcontractors** Subrecipient may enter into written subcontract(s) in accordance with 2 CFR Part 200 and the NOFO. No subcontract that the Subrecipient enters into relieves Subrecipient of any responsibilities under this Agreement. Subrecipient must give AZDOHS immediate notice in writing of any action filed or claim made against Subrecipient by any subcontractor or vendor.

14. **Allowable Costs** The allowability of costs incurred under this Agreement shall be determined by AZDOHS in its sole discretion and in accordance with the general principles and standards set forth in the CFR, FEMA Authorized Equipment List (https://www.fema.gov/grants/tools/authorized-equipment-list), and guidance documents (i.e. NOFO, Preparedness Grants Manual, Information Bulletins). Subrecipient's use of grant funds for indirect costs must be in accordance with 2 CFR Part 200, including 2 CFR 200.211(b)(16) and the NOFO. Subrecipient must apply to AZDOHS for its written approval of indirect costs prior to expenditure. Subrecipient may not expend grant funds for Management and Administrative costs for administering such funds without prior written approval of AZDOHS.

15. **Amendments** Any change in this Agreement including but not limited to the Description of Services, Period of Performance and budget described herein, whether by modification or supplementation, must be accomplished by a formal Agreement amendment signed and approved by and between the duly authorized representatives of the Subrecipient and the AZDOHS. Any such amendment shall specify: 1) an effective date; 2) any increases or decreases in the amount of the Subrecipient's reimbursement, if applicable; 3) be titled as an "Amendment," and 4) be signed by the parties identified in the preceding paragraph. The Subrecipient expressly and explicitly understands and agrees that no other method of communication, including any other document, correspondence, act, or oral communication by or from any person, shall be used or construed as an amendment or modification or supplementation to this Agreement.

16. **Audit/Monitoring**

a. Subrecipient must comply with the record-keeping and other requirements of ARS 35-214 and 35-215, and shall ensure that its contractors and subcontractors at all tiers also comply.

b. Under 31 USC 7501-7507and 2 CFR 200.501, Subrecipient will be subject to audit per 2 CFR Part 200, if Subrecipient expended $1,000,000 or more in Federal awards in its previous fiscal year. If Subrecipient has met or exceeded this threshold, Subrecipient must submit to AZDOHS a copy of Subrecipient's single audit or program specific audit report for the previous fiscal year (and for subsequent fiscal years that fall within the Period of Performance) annually, within 9 months of Subrecipient's fiscal year end. Subrecipients not subject to this requirement must submit to AZDOHS via audits@azdohs.gov a statement that they do not meet the threshold and therefore do not have to complete a single audit or program specific audit.

c. Failure of Subrecipient to comply with any requirements resulting from an audit will suspend reimbursement by AZDOHS to Subrecipient and Subrecipient will not be eligible for any new award, until Subrecipient is in complete compliance.

AZDOHS will monitor Subrecipient to ensure that program goals, objectives, performance requirements, timelines, planned objectives, budgets, and all other related program criteria are being met. Subrecipient must comply with applicable provisions governing DHS

access to records, accounts, documents, information, facilities, and staff and must require any contractors, successors, transferees, and assignees to comply with these same provisions pursuant to 2 CFR § 200.337. Subrecipient must cooperate with any review or investigation conducted by DHS and/or AZDOHS. Subrecipient must give DHS and AZDOHS access to and the right to copy records, accounts, and other documents and sources of information related to the grant and permit access to facilities, personnel, and other individuals and information as deemed necessary by DHS or AZDOHS. Subrecipient must submit timely, complete, and accurate reports to the appropriate DHS and AZDOHS officials and maintain appropriate backup documentation. Subrecipient must comply with all other reporting, data collection, and evaluation requirements prescribed by law or in program guidance.

17. **NOFO, DHS Standard Terms, Agreement Articles, and PGM** Subrecipient must comply with all applicable terms within the Notice of Funding Opportunity (NOFO), the FY 2025 DHS Standard Terms and Conditions, the Agreement Articles attached to the FEMA Award Letter to AZDOHS, and the Preparedness Grant Manual (PMG). The applicable terms of each of the NOFO, FY 2025 DHS Standard Terms and Conditions, Agreement Articles, and PMG are hereby incorporated into this Agreement, and many, but not all, of the applicable terms are also included or restated within this Agreement. If a condition in the NOFO is inconsistent with FY 2025 DHS Standard Terms and Conditions, the condition shall be invalid to the extent of the inconsistency.

However;

Notwithstanding their inclusion in the Agreement Articles and 2025 DHS Standard Terms and Conditions, the following terms and Agreement Articles do not apply: (1) paragraph C.IX (Communication and Cooperation with the Department of Homeland Security and Immigration Officials) of the 2025 DHS Standard Terms and Conditions and the Agreement Article titled “Communication and Cooperation with the Department of Homeland Security and Immigration Officials”; and (2) paragraph C.XVII(2)(a)(iii) (Anti-Discrimination Grant Award Certification regarding immigration) of the 2025 DHS Standard Terms and Conditions and paragraph (2)(a)(iii) of the Agreement Article titled “Anti-Discrimination.”

AND

In regard to SHSP and UASI Programs, Pursuant to the memorandum and order issued on September 24, 2025, in State of Illinois, et al. v. Federal Emergency Management Agency, et. al, No. 25-206 (D.R.I.) and the preliminary injunction order issued on August 22, 2025, in City and County of San Francisco, et al. v. Trump, et al., No. 3:25-cv-01350 (N.D. Cal.), the following terms and conditions do not apply to awards or subawards subject to the orders while the orders remains in effect: (1) paragraph C.IX (Communication and Cooperation with the Department of Homeland Security and Immigration Officials) of the DHS Standard Terms and Conditions and the Agreement Article titled “Communication and Cooperation with the Department of Homeland Security and Immigration Officials” in this award package; (2) paragraph C.XVII(2)(a)(iii) (Anti-Discrimination Grant Award Certification regarding immigration) of the DHS Standard Terms and Conditions and paragraph (2)(a)(iii) of the Agreement Article titled “Anti-Discrimination” in this award package; and (3) the “State Homeland Security Program: Compliance with Federal Immigration Law” Agreement Article. If

memorandum and order or preliminary injunction in either of these matters are stayed, vacated, or extinguished, the "State Homeland Security Program: Compliance with Federal Immigration Law" Agreement Article (Article 61) will immediately become effective.

18. **National Incident Management System** Subrecipient must remain in compliance with National Incident Management System implementation initiatives as provided in the NOFO.

19. **Communications Equipment** All Land Mobile Radio equipment purchased must comply with: (a) P25 (Project 25) standards (https://www.cisa.gov/safecom); (b) SAFECOM Guidance (https://www.cisa.gov/safecom); (c) Land Mobile Radio Minimum Equipment Standards as approved by the Statewide Interoperability Executive Committee (https://www.azdps.gov/content/basic-page/127); and (d) Arizona's State Interoperable Priority Programming Guide (https://www.azdps.gov/content/basic-page/127).

20. **Nonsupplanting Agreement** Subrecipient must not use funds received under this Agreement to supplant Federal, State, Tribal or Local funds or other resources, and may be required to document this. If a position created by this Agreement is filled from within, the resulting vacancy must be filled within 30 days, and if not, Subrecipient must stop charging the grant for the new position; upon filling the vacancy, Subrecipient may resume charging for the position. A cost allocable to a particular Federal award provided for in 2 CFR Part 200 Subpart E may not be charged to other Federal awards to overcome fund deficiencies, to avoid restrictions imposed by Federal statutes, regulations, or terms and conditions of the Federal award(s), or any other reason. However, Subrecipient from may shift costs allowable under two or more Federal awards if allowed by Federal statute, regulation, or the terms of the Federal award(s).

21. **E-Verify** Subrecipient must comply with all State and Federal immigration laws and regulations relating to its employees and to employees of any contractor or subcontractor retained through Subrecipient to provide goods or services related to this Agreement, including but not limited to ARS 23-214(A) and ARS 41-4401. A breach of this obligation is a material breach of this Agreement and Subrecipient may be subject to penalties to be determined at AZDOHS's discretion, up to and including termination of this Agreement. AZDOHS will have the right to inspect the papers of any Subrecipient employee who works on this Agreement, and to those of any employee of any contractor or subcontractor retained through Subrecipient.

22. **Research and Development** Subrecipient may not use funds obtained under this Agreement for research/development.

23. **Funds Management** Subrecipient must maintain funds received under this Agreement in separate accounts and cannot mix these funds with funds from other sources. Subrecipient must manage funds according to all applicable Federal regulations, including 2 CFR Part 200 and specifically 2 CFR 200.302. Subrecipient must maintain the following business systems:

- Financial Management
- Procurement
- Personnel

- Property
- Travel

To be adequate, a business system must be 1) complete and in writing; and 2) consistently followed – Subrecipient must apply it in all circumstances, regardless of funding source.

24. **Reporting of Matters Related to Recipient Integrity and Performance** If the total of Subrecipient's currently active grants, cooperative agreements, and procurement contracts from all Federal assistance offices exceeds $10,000,000 at any time during the Period of Performance, Subrecipient must comply with Appendix XII to 2 CFR Part 200.

25. **Mandatory Disclosures** Subrecipient must disclose, in a timely manner and in writing, to AZDOHS all violations of federal criminal law involving, fraud, bribery, or gratuity violations potentially affecting the Federal award, as required by 2 CFR 200.113.

26. **Nondiscrimination** Subrecipient must comply with the following that apply to this Federally-funded program:

a. 29 USC 794, which bars discrimination against qualified handicapped individuals solely by reason of the handicap;

b. 42 USC 2000d *et seq.*, 6 CFR Part 21, and 44 CFR Part 7, which bar discrimination on grounds of race, color, or national origin (which requires Subrecipient to take reasonable steps to provide accommodation to persons with Limited English Proficiency; Subrecipient must refer to the DHS Guidance at https://www.dhs.gov/guidance-published-help-department-supported-organizations-provide-meaningful-access-people-limited and the resources at http://www.lep.gov);

c. All State and Federal equal opportunity and non-discrimination requirements and conditions of employment, including but not limited to Arizona Executive Order 2023-01 (https://azgovernor.gov/office-arizona-governor/executive-order/1-0) and 42 USC 12101-12213 (which bar discriminating on the basis of disability;

d. 42 USC 6101 *et seq.*, which prohibits discrimination on the basis of age;

e. The equal treatment policies and requirements contained in 6 CFR Part 19 and other applicable statutes, regulations, and guidance governing faith-based organizations;

f. 20 USC 1681 *et seq.* and 6 CFR Part 17 and 44 CFR Part 19, which bars discrimination on the basis of sex; and

g. 42 USC 3601 *et seq.* and 24 CFR Part 100, which prohibit discrimination in the sale, rental, financing, and advertising of dwellings, or in the provision of related services, on the basis of race, color, national origin, religion, disability, familial status, and sex.

27. **Anti-discrimination** Subrecipient must comply with all applicable Federal anti-discrimination laws material to the government's payment decisions for purposes of 31 U.S.C. 3729(b)(4).

(1) Definitions. As used in this clause;

(a) DEI means “diversity, equity, and inclusion.”

(b) DEIA means “diversity, equity, inclusion, and accessibility.”

(c) Discriminatory equity ideology has the meaning set forth in Section 2(b) of Executive Order 14190 of January 29, 2025.

(d) Federal anti-discrimination laws mean Federal civil rights law that protect individual Americans from discrimination on the basis of race, color, sex, religion, and national origin.

(2) Grant award certification.

(a) By accepting the grant award, recipients are certifying that:

(i) They do not, and will not during the term of this financial assistance award, operate any programs that advance or promote DEI, DEIA, or discriminatory equity ideology in violation of Federal anti-discrimination laws; and

(ii) They do not engage in and will not during the term of this award engage in, a discriminatory prohibited boycott.

(3) DHS reserves the right to suspend payments in whole or in part and/or terminate financial assistance awards if the Secretary of Homeland Security or her designee determines that the recipient has violated any provision of subsection (2).

(4) Upon suspension or termination under subsection (3), all funds received by the subrecipient shall be deemed to be in excess of the amount that the subrecipient is determined to be entitled to under the Federal award for purposes of 2 CFR § 200.346. As such, all amounts received will constitute a debt to the Federal Government that may be pursued to the maximum extent permitted by law.

28. **Intellectual Property** Subrecipient must affix the copyright notices required by 17 USC 401 and 402 and include an acknowledgement of Government sponsorship (including award number) to any work first produced under this Agreement. Unless otherwise provided by law, Subrecipient is subject to 35 USC 200-212 and is subject to the specific requirements governing the development, reporting, and disposition of rights to inventions and patents resulting from financial assistance awards that are in 37 CFR Part 401, including specifically 37 CFR 401.14. Subrecipient must obtain DHS’s approval prior to using the DHS seal(s), logos, crests or reproductions of flags or likenesses of DHS agency officials. Subrecipient agrees that DHS and AZDOHS have a royalty-free, non-exclusive, and irrevocable license to reproduce, publish, or otherwise use, and authorize others to use: (a) the copyright in any work developed under an award or sub-award; and (b) any rights of copyright to which Subrecipient purchases ownership with Federal support. Subrecipient must acknowledge its use of Federal funding when issuing statements, press releases, requests for proposals, bid invitations, and other documents describing programs funded in whole or in part with Federal funds. Subrecipient must not advertise or publish information for commercial benefit concerning this Agreement without the prior written approval of AZDOHS.

29. **Activities Conducted Abroad** Subrecipient must ensure that program activities carried on outside the United States are coordinated as necessary with appropriate government authorities and that appropriate licenses, permits, or approvals are obtained.

30. **Federal Debt Status** Subrecipient must not be delinquent on any Federal obligations, including but not limited to payroll and other taxes, audit disallowances, and benefit overpayments. See OMB Circular A-129 (https://www.whitehouse.gov/wp-content/uploads/legacy_drupal_files/omb/circulars/A129/a-129.pdf)

31. **Required Use of American Iron, Steel, Manufactured Products, and Construction Materials** Subrecipients must comply with 2 CFR Part 184, which codifies the Build America, Buy America Act (BABAA) Preference applicable to Federal financial assistance programs for infrastructure projects.

In addition to the DHS Standard Terms and Conditions regarding Required Use of American Iron, Steel, Manufactured Products, and Construction Materials, recipients and subrecipients of FEMA financial assistance for programs that are subject to BABAA must include a Buy America preference contract provision as noted in 2 CFR§ 184.4 and a self-certification as required by the FEMA BABAA Preference in FEMA Financial Assistance Programs for Infrastructure (FEMA Interim Policy #207-22-0001). This requirement applies to all subawards, contracts, and purchase orders for work performed, or products supplied under the FEMA award subject to BABAA.

32. **Compliance with Certain Federal Statutes, Regulations, and Requirements**

a. Subrecipient must comply with the 31 USC 3729-3733, which prohibits the submission of false or fraudulent claims for payment to the Federal government; 31 USC 3801-3812 detail the remedies for false or fraudulent claims made.

b. Subrecipient must comply with the Energy Policy and Conservation Act, 42 USC 6201 *et seq.*, which contain policies relating to energy efficiency that are defined in the State energy conservation plan issued in compliance with this Act.

c. Subrecipient must comply with the drug-free workplace requirements in 2 CFR Part 3001 and 41 USC 8101-8106.

d. Subrecipient, and any contractors or subcontractors of Subrecipient are subject to the prohibitions described in section 889 of the John S. McCain National Defense Authorization Act for Fiscal Year 2019, Pub. L. No. 115-232 (2018) and 2 CFR §§200.216, 200.327, 200.471, and Appendix II to 2 CFR Part 200. The statute prohibits obligating or expending federal award funds on certain telecommunications and video surveillance products and contracting with certain entities for national security reasons.

e. If grant funds are used for construction, Subrecipient and its contractors and subcontractors at all tiers must comply with the Davis-Bacon Act (40 USC 3141 *et seq.*). Subrecipients must obtain AZDOHS' written approval before using Homeland Security Grant Program ("HSGP") funds for construction/renovation per https://www.dol.gov/whd/govcontracts/dbra.htm.

f. Subrecipient must maintain insurance coverage as provided in 2 CFR § 200.310. Subrecipient must provide at least the equivalent insurance coverage for real property and equipment acquired or improved under this Agreement as provided to property owned by Subrecipient.

g. Subrecipient must comply with 42 USC 6962 and 2 CFR § 200.323, including procuring only items designated in the Environmental Protection Agency ("EPA") guidelines at 40 CFR Part 247 as containing the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition.

h. Subrecipient must comply with all Federal whistleblower protections, including 41 USC 4712.

i. Subrecipient must comply with the USA PATRIOT Act, Pub. L. 107-56, Section 817 and 18 USC 175-175c.

j. Subrecipient must comply with the System for Award Management and Universal Identifier Requirements in 2 CFR, Appendix A to Part 25.

k. Subrecipient must comply with the Trafficking Victims Protection Act, 22 USC 7101 *et seq.*, as required by 2 CFR § 175.105.

l. Subrecipient must comply with US Executive Order 13224 (https://www.state.gov/executive-order-13224/) and all US laws that prohibit transactions with, and the provision of resources and support to, individuals and organizations associated with terrorism.

m. Subrecipient must comply with the requirements on Reporting Subawards and Executive Compensation in Appendix A to 2 CFR Part 170 for Federal awards that total or exceed $30,000.

n. Subrecipient is subject to the debarment and suspension regulations in US Executive Order 12549 (https://www.archives.gov/federal-register/codification/executive-order/12549.html), US Executive Order 12689 (https://www.federalregister.gov/executive-order/12689), 2 CFR Part 180, including 2 CFR §180.335, and 2 CFR Part 3000. These restrict Federal awards, subawards, and contracts with parties debarred, suspended, or otherwise excluded from or ineligible for Federal programs or activities.

o. If Subrecipient collects Personally Identifiable Information ("PII"), it must have a publicly-available privacy policy stating its standards for the usage and maintenance of PII. PII is any information that permits the identity of an individual to be directly or indirectly inferred, including information linked or linkable to that individual. Subrecipient must follow DHS guidance (https://www.dhs.gov/publication/privacy-impact-assessment-guidance).

p. Subrecipient must complete either the Office of Management and Budget (OMB) Standard Form 424B Assurances - Non-Construction Programs (https://omb.report/icr/202011-0560-005CF), or OMB Standard Form 424D Assurances - Construction Programs (https://omb.report/icr/200906-4040-008), as applicable. The DHS financial assistance office (DHS FAO) may determine that

certain assurances in these documents may not apply, or may require additional assurances; Subrecipient must contact the DHS FAO with any questions. Subrecipient must follow the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in 2 CFR Part 200 and 2 CFR Part 3002.10. By entering into this Agreement, Subrecipient and its executives, as defined in 2 CFR § 170.315, certify that Subrecipient's policies comply with 2 CFR Part 200, all applicable Federal laws, and applicable guidance.

q. Subrecipient must comply with the National Environmental Policy Act ("NEPA") 42 USC 4321 *et seq.*, and Council on Environmental Quality regulations (40 CFR Parts 1500-1508) regarding NEPA.

r. Subrecipient must comply with 31 USC 1352 and 6 CFR Part 9, and may not use funds provided under this Agreement to pay any person to influence or attempt to influence an officer or employee of any government agency, Member of Congress, officer or employee of Congress, or an employee of a Member of Congress, relating in any way to a Federal award or contract. Per 6 CFR Part 9, recipients must file a lobbying certification form and a lobbying disclosure form, which are available on Grants.gov as the Disclosure of Lobbying Activities (SF-LLL).

s. In accordance with 15 USC 2201 *et seq.* and 15 USC 2225a in particular, Subrecipient must ensure that all conference, meeting, convention, or training space funded in whole or in part with Federal funds complies with all applicable fire prevention and control guidelines.

t. Subrecipient must comply with the International Air Transportation Fair Competitive Practices Act (IATFCPA) of 1974, 49 USC 40118, and the interpretative guidelines in Comptroller General Decision B-138942 (https://www.gao.gov/products/b-138942). International travel, however, is not an allowable cost unless approved in advance by DHS/FEMA.

u. Subrecipient must comply with the requirements of Presidential Executive Orders related to grants (also known as federal assistance and financial assistance), the full text of which are incorporated by reference.

v. Subrecipient must include in all contracts and purchase orders for work or product a contract provision encouraging domestic preference for procurements.

33. **Applicability of DHS Standard Terms and Conditions to Tribal Nations** The DHS Standard Terms and Conditions are a restatement of general requirements imposed upon recipients and flow down to subrecipients as a matter of law, regulation, or Executive Order. If the requirement does not apply to Tribal Nations, or there is a federal law or regulation exempting its application to Tribal Nations, then the acceptance by Tribal Nations, or acquiescence to DHS Standard Terms and Conditions does not change or alter its inapplicability to a Tribal Nation. The execution of grant documents is not intended to change, alter, amend, or impose additional liability or responsibility upon the Tribal Nations where it does not already exist.

34. **Cancellation for Conflict of Interest** AZDOHS may, by written notice to Subrecipient, immediately cancel this Agreement without penalty or further obligation pursuant to ARS

38-511 if any person significantly involved in initiating, negotiating, securing, drafting, or creating this Agreement for AZDOHS is an employee or agent of Subrecipient in any capacity, or a consultant to Subrecipient with respect to this Agreement's subject matter. Cancellation shall be effective when Subrecipient receives AZDOHS' written notice, unless the notice specifies a later time.

35. **Assignment and Delegation** Subrecipient may not assign any rights hereunder without an express written agreement signed by authorized representatives of both parties.

36. **Third Party Antitrust Violations** Subrecipient hereby assigns to the State of Arizona any claim for overcharges resulting from antitrust violations, to the extent that such violations concern materials or services supplied by third parties to Subrecipient toward fulfilling this Agreement.

37. **Availability of Funds** AZDOHS' payment obligations under this Agreement are conditioned on the availability of funds appropriated or allocated for this purpose, per ARS 35-154. If funds are not allocated and available, AZDOHS may terminate this Agreement at the end of the period for which funds are available. No liability shall accrue to AZDOHS in the event this provision is exercised, and AZDOHS shall not be obligated or liable for any future payments or for any damages as a result of termination under this Paragraph, including purchases and/or contracts entered into by Subrecipient in the execution of this Agreement.

38. **Force Majeure** If either party is delayed or prevented from the performance of any act required in this Agreement by reason of acts of God, strikes, lockouts, labor disputes, civil disorder, or other causes without fault and beyond the control of the party obligated, performance of such act will be excused for the period of the delay.

39. **Dispute Resolution** In the event of a dispute regarding this Agreement, written notice must be provided to the other party within 30 calendar days of the relevant events. Any claim made by or against AZDOHS relating to this Agreement shall be resolved through the administrative claims process. The parties agree to resolve all disputes relating to this Agreement through arbitration, after exhausting applicable administrative review, to the extent required by ARS 12-1518 except as may be required by other applicable statutes. The forum for any dispute arising out of this Agreement shall be Maricopa County, Arizona.

40. **Governing Law and Interpretation of This Agreement** This Agreement is governed by the laws of the State of Arizona, without regard to its conflict of laws provisions. This Agreement is the parties' complete agreement and replaces the parties' prior and contemporaneous agreements, representations, and understandings pertaining to its subject matter, whether oral or written. No course of dealings or usage of the trade supplements or explains any terms. A party's failure to insist on strict performance of any term is not a waiver of that term, even if the party accepting or acquiescing in the nonconforming performance knows the nature of the performance and fails to object. If any new legislation, laws, ordinances, or rules affect this Agreement, this Agreement automatically incorporates the terms of such legislation, laws, ordinances, or rules. Any term of this Agreement that is declared contrary to any current or future law, order, regulation, or rule, or that is otherwise invalid, shall be deemed stricken without impairing the validity of the remainder of this Agreement. In the event FEMA determines that changes are necessary to this Agreement after it has been entered into, including changes to Period of Performance or other terms, Subrecipient will be notified of the changes in

writing; once notification is made, any subsequent request for funds by Subrecipient will constitute Subrecipient's acceptance of the changes and will incorporate the changes into this Agreement. Except as expressly provided in this Paragraph, any amendment to or extension of this Agreement may be made only in a writing signed by authorized representatives of both parties. Any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in interpreting this Agreement.

41. **Licensing** Unless otherwise exempted by law, Subrecipient must obtain and maintain all licenses, permits, and authority necessary to perform its obligations under this Agreement.

42. **Sectarian Requests** Funds disbursed under this Agreement may not be used for any sectarian purpose or activity, including worship or instruction in violation of the US or Arizona Constitutions.

43. **Closed-Captioning of Public Service Announcements** Any television public service announcement funded in whole or in part by this Agreement must include closed captioning.

44. **Indemnification** Each party (as "Indemnitor") agrees to defend, indemnify, and hold harmless the other party (as "Indemnitee") from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as "Claims") arising out of bodily injury to any person (including death) or property damage, but only to the extent 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. The State of Arizona and AZDOHS are self-insured per ARS 41-621. If Subrecipient utilizes contractor(s) and/or subcontractor(s), the indemnification clause between Subrecipient and contractor(s) and subcontractor(s) shall include the following:

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

universities, officers, officials, agents, and employees as an additional insured and also include a waiver of subrogation in favor of the State.

45. **Termination** Each party has the right to terminate this Agreement if the other party fails to comply with this Agreement. A party invoking the right to terminate shall provide written 30 day advance notice of all reasons for the termination. If Subrecipient chooses to terminate this Agreement before all deliverables have been delivered, AZDOHS has the right to recover all reimbursements made to Subrecipient. On termination, AZDOHS may procure, on terms that it deems appropriate, materials or services to replace those that otherwise would have been provided by Subrecipient, and Subrecipient will be liable to AZDOHS for all excess costs incurred by AZDOHS in procuring such materials or services. Subrecipient must continue to perform this Agreement until the date of termination, as directed in the termination notice. If AZDOHS reasonably believes Subrecipient does not intend to, or is unable to fully perform this Agreement, AZDOHS may demand in writing that Subrecipient give written assurance of its intent and ability to perform. If Subrecipient fails to provide written assurance within the time specified in the demand, AZDOHS may terminate this Agreement.

46. **Termination of the Federal Award** In addition to the "Termination" clause above, Subrecipients agree to be bound by the Termination of the Federal Award provisions contained in the NOFO, to the extent such provisions apply to subrecipients. Note that subrecipients are *not* bound by Term XL ("Termination of a Federal Award") of the FY 2025 DHS Standard Terms and Conditions or Article 42 of the Agreement Articles.

47. **Paragraph Headings** Paragraph headings in this Agreement are for convenience of reference only and do not define, limit, enlarge, or otherwise affect the interpretation of this Agreement.

48. **Counterparts** This Agreement may be executed in any number of counterparts, copies, or duplicate originals. Each such counterpart, copy, or duplicate original shall be deemed an original, and collectively they shall constitute one Agreement.

49. **Authority to Execute This Agreement** The person executing this Agreement on behalf of Subrecipient represents and warrants that he/she is duly authorized to do so.

50. **Transfer of Funds Prohibition** Subrecipient may not transfer funds between programs (*e.g.*, State Homeland Security Program, Urban Area Security Initiative, and Operation Stonegarden).

51. **Parties** This Agreement is for the benefit of AZDOHS and Subrecipient as the only parties to this Agreement, and to their respective successors, assigns, executors and legal representatives. Except as expressly provided in this Agreement, nothing in this Agreement confers on any person other than the parties and their respective successors and assigns, any rights, remedies, obligations, or liabilities.

52. **Respective Responsibilities** Except as expressly provided in this Agreement, each party agrees that, to the extent authorized by law, it will be responsible for its own acts or omissions and the results thereof and will not be responsible for the acts or omissions of the other party and the results thereof. In the event that either party becomes aware of any claim made by or expected from a claimant against a party to this Agreement, which

claim relates to the subject matter of this Agreement, that party will immediately notify the other party, and the parties will share all information regarding such matter and cooperate with each other in addressing the matter. The parties are independent contractors, and nothing contained in this Agreement will create the relationship of partnership, joint venture, agency, or employment between the parties or any of their employees, officers, agents, or contractors. Each party hereby agrees to perform any further acts and to execute and deliver any documents that may be reasonably necessary to carry out the provisions of this Agreement.

53. **Publicity** Neither party shall use or mention in any publicity, advertising, promotional materials or news release the name or service mark(s) of the other party without the prior written consent of that party.

54. **Notices** All communications by either party to this Agreement, shall be in writing, be delivered in person, or shall be sent to the respective parties at the following addresses:

Arizona Department of Homeland Security
1802 West Jackson Street, #117
Phoenix, AZ 85007

Subrecipient must address all notices relative to this Agreement to the appropriate AZDOHS staff; contact information is at www.azdohs.gov.

AZDOHS shall address all notices relative to this Agreement to:

Chief of Police, Nigel Reynoso
Enter Title, First and Last Name Above
The City of San Luis
Enter Agency Name Above
1030 E Union Street/PO Box 3720
Enter Mailing Address Above
San Luis, AZ 85349
Enter City, State, ZIP Above

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto agree to execute this Agreement.

FOR AND BEHALF OF THE	**FOR AND BEHALF OF THE**
The City of San Luis Enter Agency Name Above	Arizona Department of Homeland Security
Authorized Signature Above	
Jenny Torres, City Manager Print Name and Title Above	Susan Dzbanko, Deputy Director
Enter Date Above	Date

(Complete and mail two original documents to the Arizona Department of Homeland Security.)

ARIZONA
DEPARTMENT OF
HOMELAND SECURITY

1802 W. Jackson Street
#117, Phoenix, AZ 85007
602.542.7013

KATIE HOBBS
GOVERNOR
KIM O'CONNOR
DIRECTOR

May 8, 2026

Chief Nigel Reynoso
San Luis Police Department
P.O. Box 3720
San Luis, AZ 85349

Subject: FFY 2025 Operation Stonegarden Grant Program Award
Subrecipient Agreement Number: **250431-01**
Project Title: **OPSG OVERTIME-MILEAGE**

Dear Chief Reynoso:

The OPSG Budget/Narrative Application that your agency submitted to the Arizona Department of Homeland Security (AZDOHS) for consideration under the Operation Stonegarden Grant Program (OPSG) has been awarded. The project titled "**OPSG OVERTIME-MILEAGE"** has been funded under the Operation Stonegarden Grant Program for **$910,000.00.** The grant performance period is **May 11, 2026 through April 30, 2027.** This grant program is part of the U.S. Department of Homeland Security Grant Program and specifically is awarded under CFDA #97.067 (Catalog of Federal Domestic Assistance). The FFY 2025 federal award date as indicated in the U.S. DHS award package is 1/30/2026 with a total amount of funding of $30,153,562. The Federal Award Identification Number is EMW-2025-SS-05003.

To initiate the award process, the following action items must be completed, signed and returned to AZDOHS.

1. Two Subrecipient Agreements - Download two original OPSG Subrecipient Agreements **(email attachment)**
    a. Overtime/Mileage Subrecipient Agreement for an Overtime/Mileage grant
    b. Equipment Subrecipient Agreement for an Equipment grant
2. OPSG Budget Detail **(email attachment)**
3. Environmental and Historic Preservation (EHP) required documentation (if applicable, see attached EHP Designation Letter). **(email attachment)**

Hard copies of the Award Letter, Budget Detail, EHP letter and Subrecipient Agreements will **not** be mailed to you. These items must be completed and on file at AZDOHS in order for your agency to be eligible for reimbursement. **If all documentation listed in numbers 1, 2, and 3 above (if applicable) is not signed and received by AZDOHS on or before July 31, 2026 this award is rescinded and the funds will be reallocated.**

ARIZONA
DEPARTMENT OF
HOMELAND SECURITY

1802 W. Jackson Street
#117, Phoenix, AZ 85007
602.542.7013

KATIE HOBBS
GOVERNOR
KIM O'CONNOR
DIRECTOR

This letter does not serve as authorization to obligate or begin spending funds toward this award. Obligations and expenditures cannot take place until **May 11, 2026**. If your project requires an Environmental and Historic Preservation (EHP) review, this must be completed, submitted and approved by FEMA/AZDOHS prior to any obligation/expenditure of funds. Additionally, all actions associated with this project must be completed, invoiced and received by the end of the period of performance. Reimbursements are limited to approved quantities and funding thresholds. You will not be reimbursed for quantities in excess of what you have been authorized to purchase. AZDOHS reserves the right to request additional documentation at any time.

If you should have any questions, please do not hesitate to contact your Strategic Planner.

Congratulations on your Operation Stonegarden Grant Program award.

Sincerely,

Kim O'Connor

Kim O'Connor
Director

Attachments to email: Subrecipient Agreement, OPSG Budget Detail, EHP Designation Letter

AGENDA ITEM REVIEW FORM

Regular City Council Meeting **7. H.**

Meeting Date: 05/27/2026

Department Head: Nigel Reynoso, Chief of Police, Police Department

Submitted By: Michelle Boucher, Police Administrator, Police Department

Action Requested: Motion
Order

ITEM:

Discussion and possible action on any and all matters regarding the approval and adoption of Order No. 2026-05. An Order of the Mayor and City Council of the City of San Luis, Arizona, to authorize the City of San Luis Police Department to receive funding for overtime and mileage by approving an Intergovernmental Agreement and authorizing execution of Subrecipient Agreement Operation Stonegarden Grant Program; 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. **(Damian Miller, Police Lieutenant)**

SUMMARY:

The City of San Luis Police Department has been awarded $81,000 for overtime and employee related expenses under the Reallocated Fiscal Year 2023 Operation Stonegarden Program Award Number 23AZDOHS-OPSG-230432-02. The grant performance period is May 14th, 2026 to July 31, 2026.

The adoption of this order will support the United States Border Patrol's mission by allowing police officers the ability to prevent or stop the ingress of drugs, the smuggling of undocumented persons, and the nexus to terrorism.

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO APPROVE AND ADOPT ORDER NO. 2026-05 APPROVING THE INTERGOVERNMENTAL AGREEMENT AND GRANT, AS PRESENTED.

Fiscal Impact

IS THERE FISCAL IMPACT ASSOCIATED WITH THIS ITEM:	Yes
CITY/STATE/FEDERAL FUNDS:	Federal
TOTAL:	Yes
BUDGETED AMOUNT:	$1,100,000
AVAILABLE AMOUNT TO TRANSFER:	See fiscal Impact Statement
ACCT NAME & GL#/REMAINING BALANCE BEFORE PURCHASE:	See fiscal Impact Statement
FISCAL IMPACT STATEMENT (IF THIS IS A BUDGET TRANSFER, YOU MUST ATTACH THE BUDGET ADJUSTMENT FORM):	

The City of San Luis budgeted in FY27 for this item. The San Luis Police Department will receive $81,000 in overtime as reimbursements for this grant cycle over multiple fiscal years.
During FY27 the city budgeted $1,100,000 in the following accounts.

Account numbers:
250-181-50010.194 Special Revenue-Public Safety, Police Department-Overtime DOHS OPSG 230432-02

Attachments

Order No. 2026-05
Subrecipient Agreement
Budget Detail

OFFICE OF THE
MAYOR
CITY OF SAN LUIS

Order
No. 2026-05

AN ORDER OF THE MAYOR AND CITY COUNCIL OF THE CITY OF SAN LUIS, ARIZONA TO AUTHORIZE THE CITY OF SAN LUIS POLICE DEPARTMENT TO RECEIVE FUNDING FOR OVERTIME AND MILEAGE BY APPROVING AN INTERGOVERNMENTAL AGREEMENT AND AUTHORIZING EXECUTION OF SUBRECIPIENT AGREEMENT OPERATION STONEGARDEN GRANT PROGRAM-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; REPEALING CONFLICTING PROVISIONS; AND PROVIDING FOR SEVERABILITY.

WHEREAS, the City of San Luis desires to increase police presence within our city limits to support the United States Border Patrol mission by allowing police officers to stop or prevent the egression of drug, undocumented persons smuggling, and the nexus to terrorism;

WHEREAS, the Arizona Department of Homeland Security has approved OPSG Overtime and Employee Related Expenses to enhance border security throughout the City of San Luis;

WHEREAS, the Arizona Department of Homeland Security has prepared an Intergovernmental Agreement which provides for all the funds including that these funds shall not be used to supplant other funding of the San Luis Police Department.

[Intentionally left blank. Signature page follows]

BE IT ORDERED by the Mayor and City Council of the City of San Luis, Arizona:

Section 1: That the Intergovernmental Agreement titled "SUBRECIPIENT AGREEMENT 23-AZDOHS-OPSG-230432-02" and the grant application titled "OPSG Overtime and Mileage" both Attached to this order are approved.

Section 2: If a conflict arises between the provisions of this Order and any other ordinance, resolution, order, regulation, or policy of the City of San Luis, the conflicting provisions are amended, superseded, and replaced, and this Order shall govern.

Section 3: If any section, subsection, paragraph, sentence, clause, phrase, or portion of this Order is held to be invalid or unconstitutional by the final decision of any court of competent jurisdiction or controlling legislation, such decision or law shall not affect the validity of the remaining portion of this Order.

Section 4: The city officers and employees are authorized and directed to perform all acts necessary or desirable to give effect to this Order.

PASSED, ADOPTED, and APPROVED by the Mayor and City Council of the City of San Luis, Yuma County, Arizona, this ____ day of May, 2026.

City of San Luis, Arizona

_____
Nieves Riedel, Mayor

ATTEST:

_____
Sonia Cornelio, City Clerk

APPROVED AS TO FORM:

_____
Joseph Estes, City Attorney

SUBRECIPIENT AGREEMENT- REALLOCATION
OPERATION STONEGARDEN GRANT PROGRAM
OVERTIME-MILEAGE

23-AZDOHS-OPSG- 230432-02
(Enter Subrecipient Agreement number above (e.g., 230XXX-XX)

Between

The Arizona Department of Homeland Security
And
San Luis Police Department
(Enter the name of the Subrecipient Agency above)

UEI Number DJ1FMTLJL4V6

WHEREAS, ARS 41-4254 makes AZDOHS responsible for administering the funds covered by this agreement ("Agreement"), the parties hereby agree to the following terms:

1. **Purpose of Agreement** This Agreement is to specify the rights and responsibilities of AZDOHS in administering the distribution of homeland security grant funds to Subrecipient, and to specify the rights and responsibilities of Subrecipient as the recipient of these funds.

2. **Period of Performance** This Agreement shall become effective on **May 14, 2026 and shall terminate on July 31, 2026** (the "Period of Performance"). The obligations of the Subrecipient as described herein will survive termination of this agreement.

3. **Description of Services** The Subrecipient shall provide the services for AZDOHS as set forth in writing in Subrecipient's grant application titled: "**OPSG Overtime-Mileage"** and funded at **$81,000**(as may have been modified by the award letter).
(Enter funded award amount above)

4. **Financing and Fiscal Responsibility** Under US Department of Homeland Security ("USDHS") grant EMW-2023-SS-00018-S01 and Catalog of Federal Domestic Assistance ("CFDA") #97.067, AZDOHS shall provide up to **$81,000** to Subrecipient under this Agreement.

   Payment to Subrecipient must be on a reimbursement basis only, conditioned upon Subrecipient providing AZDOHS with proof of payment and applicable, accurate and complete reimbursement documents, as deemed necessary by AZDOHS. A list of acceptable documentation is at www.azdohs.gov. Payments are contingent on Subrecipient performing all its obligations under this Agreement. Subrecipient may use the funds provided under this Agreement only as provided in the application and award documentation. If Subrecipient does not complete all its obligations, Subrecipient must immediately reimburse all previously-provided funds to AZDOHS. If Subrecipient completes its obligations at a lower than the budgeted cost, the amount reimbursed to Subrecipient will be only the amount actually spent by Subrecipient in accordance with the approved application. For any expenditure disallowed after or otherwise by AZDOHS, or the State or Federal government, Subrecipient must immediately reimburse such funds to AZDOHS.

5. **Reporting Requirements** Subrecipient must submit quarterly programmatic reports to AZDOHS as follows:

   January 15 (for the period from October 1– December 31)
   April 15 (for the period from January 1 – March 31)
   July 15 (for the period from April 1 – June 30)
   October 15 (for the period from July 1 – September 30)

   Subrecipient must use the Quarterly Programmatic Report form (https://azdohs.gov/grant-program-forms) for these reports. Subrecipient must provide detailed information on the status of completion of the planned activities in the approved application satisfactory to AZDOHS in its sole discretion. Failure to adequately provide such information will result in the Quarterly Programmatic Report being rejected by AZDOHS and resubmission will be required. If the program has been fully completed so that there will be no further updates, then the quarterly report for the quarter in which the program was completed will be the final report; the report should be marked as "final" and must include all pertinent information regarding the program as determined solely by AZDOHS.

   Final Quarterly Programmatic Report: The final quarterly programmatic report is due no more than **15** calendar days after the end of the performance period. Subrecipient may submit a final quarterly report prior to the end of the performance period if the scope of the project has been fully completed and implemented. The Property Control Form is due with the final quarterly report (if applicable).

6. **Reimbursements** Subrecipient must provide AZDOHS with requests for reimbursement as frequently as monthly but not less than quarterly; submissions must be made via US Mail, delivery service (FedEx, UPS, etc.) or in person; **submissions via fax or by any electronic means will not be accepted**. Reimbursement requests shall be submitted with the Reimbursement Form provided by AZDOHS staff. AZDOHS has the right to require Subrecipient to provide any documentation and/or information AZDOHS deems necessary to process submissions.

   Reimbursement requests are only required when expenses have been incurred. The Subrecipient shall submit a final reimbursement request, marked as such, for expenses received and invoiced prior to the end of the period of performance. The final reimbursement must be **received** by AZDOHS no more than **45** calendar days after the end of the period of performance. Requests for reimbursement received by AZDOHS later than 45 calendar days after the end of the period of performance will not be paid.

   Subrecipients will only be reimbursed for expenses that have been obligated, expended and received within the authorized Period of Performance as identified in Paragraph 2 of this Agreement. Subrecipients are not authorized to obligate or expend funds prior to the start date of the Period of Performance. Any expenses obligated or expended prior to the Period of Performance start date will be deemed unallowable and will not be reimbursed. Any expenses/services that occur beyond the Period of Performance (e.g. cell phone service) will be deemed unallowable and will not be reimbursed.

7. **Environmental Planning and Historic Preservation** Subrecipient **must** comply with Federal, State and Local environmental and historical preservation (EHP) regulations, laws and Executive Orders as applicable. *See* https://www.fema.gov/media-library-data/1533321728657-592e122ade85743d1760fd4747241776/GPD_EHP_Policy_Final Amendment_GPD_final_508.pdf and https://azdohs.gov/environmental-and-historic-preservation-ehp. Subrecipients proposing programs with potential environmental impact **must** participate in the USDHS/Federal Emergency Management Agency (FEMA) EHP review process. Subrecipient **must** complete the EHP review process before funds will be released by AZDOHS. If Subrecipient engages in ground disturbing activities, Subrecipient must monitor ground disturbance. If archeological resources are discovered, Subrecipient must immediately (a) cease construction and (b) notify FEMA, AZDOHS, and the Arizona State Historic Preservation Office. AZDOHS/DHS/FEMA **will not fund or reimburse** projects that are initiated without the required EHP review.

8. **Procurement (including Noncompetitive Procurement)** Subrecipient must comply with its procurement rules/policies, all Federal procurement rules/policies, and all Arizona Procurement Code provisions and rules, the most restrictive of which will apply. Subrecipient **must not** enter into a noncompetitive procurement unless AZDOHS grants **prior written approval** via the Noncompetitive Procurement Request form at https://azdohs.gov/grant-program -forms.

9. **Property Control** Subrecipient must safeguard and maintain control and accountability for all property/equipment purchased under this Agreement, and Subrecipient must assure that it is used only for purposed authorized under this Agreement and maintained as provided in 2 CFR 200.313. Such property/equipment shall be used by Subrecipient in the program for which it was acquired as long as needed, whether or not the program continues to be supported by Federal grant funds. Subrecipient must immediately investigate and report to AZDOHS any loss, damage, or theft. Subrecipient must replace any property/equipment lost, damaged or stolen at Subrecipient's expense, and must immediately submit an updated Property Control Form (https://azdohs.gov/grant-program-forms) to AZDOHS.

   "Nonexpendable Property/Equipment" is property that has a continuing use, is not consumed in use, has an expected life of one year or more, costs $5,000 or more per unit, and does not become a fixture or lose its identity as a component of other equipment/systems, while a "Capital Asset" is personal or real property or a fixture costing $5,000 or more per unit with an expected life of one year or more. Subrecipient is solely responsible for the proper maintenance of all Nonexpendable Property/Equipment and Capital Assets acquired under this Agreement Subrecipient must take a physical inventory of all such Nonexpendable Property/Equipment and Capital Assets and reconcile the results with the Property Control Form at least once every two years. Subrecipient must maintain a control system to prevent loss, damage, or theft of such Nonexpendable Property/Equipment and Capital Assets, and Subrecipient must immediately report any loss, damage, or theft to AZDOHS. A Property Control Form (if applicable) shall be maintained for the entire scope of the program or project for which property was acquired through the end of its useful life and/or disposition. All Nonexpendable Property and Capital Assets must be included on the Property Control Form. **The Subrecipient, if applicable, shall provide AZDOHS a copy of the Property Control Form with the final quarterly programmatic report**. The Property Control Form can be located at https://azdohs.gov/grant-program-forms. The Subrecipient agrees to be subject to equipment monitoring and auditing by state or federal authorized representatives to verify information.

   When Subrecipient is no longer using Nonexpendable Property/Equipment and/or Capital Assets acquired under this Agreement on the program, Subrecipient must immediately submit an updated Property Control Form to AZDOHS, and any disposition must be in compliance with AZDOHS Disposition Guidance (https://azdohs.gov/grant-program-forms) and 2 CFR Part 200, including specifically 2 CFR 200.313. If Subrecipient seeks disposition of such Nonexpendable Property/Equipment or Capital Assets for any reason other than theft, destruction, or loss,

Subrecipient must submit an Equipment Disposition Request Form (https://azdohs.gov/grant-program-forms) to AZDOHS and receive approval from AZDOHS prior to disposition. Subrecipient must update the Property Control Form and provide a copy to AZDOHS within 45 calendar days after disposition. Per 2 CFR 200.333(c), Subrecipient must retain all records relating to such Nonexpendable Property/Equipment and Capital Assets for 3 years after disposition.

10. **Training and Exercise** All training and/or exercise events must be included in Subrecipient's application. Alternate/additional training/exercise requests must be approved in advance by AZDOHS. Subrecipient must submit a Project Modification Request Form (https://azdohs.gov/grant-program-forms) for review and approval by AZDOHS prior to scheduling alternate/additional training/exercise events. For those projects that are managed by DEMA, alternate/additional training requests must be approved in advance by DEMA and AZDOHS using the Pre-approval form (https://dema.az.gov/emergency-management/preparedness/training). All exercises must comply with FEMA Homeland Security Exercise and Evaluation Program (https://www.fema.gov/emergency-managers/national-preparedness/exercises/hseep; "HSEEP") guidance. Subrecipient will (a) Submit an exercise summary and attendance/sign-in roster; and (b) Email the After Action Report/Improvement Plan to the local County Emergency Manager, AZDOHS, and the DEMA Exercise Branch, within 90 days of completion of an exercise or as prescribed by HSEEP.

11. **Consultants/Trainers/Training Providers** Invoices for consultants/trainers/training providers must include: a description of services; dates of services; number of hours for services performed; rate charged; and the total cost of services. Rates must be within the prevailing rates; must be consistent with Subrecipient's procurement policies and 2 CFR Part 200; and shall not exceed **$650** per day per consultant/trainer/training provider unless AZDOHS grants prior written approval. This includes internal personnel hired on backfill/overtime to deliver training. Subrecipient will not be reimbursed costs other than travel, lodging, meals, and incidentals on travel days for consultants/trainers/training providers, at rates not to exceed State rates, and itemized receipts are required. See Travel Costs below, at Paragraph 12.

12. **Travel Costs** All grant funds expended for travel, lodging, meals and incidentals are subject to the standards of Subrecipient's policies and procedures, and the State of Arizona Accounting Manual (https://gao.az.gov/publications/saam), which Subrecipient must apply uniformly to both Federally financed and its other activities. AZDOHS will reimburse at the most restrictive allowability and rates. At no time will Subrecipient's reimbursements exceed the State rates established by the Arizona Department of Administration: https://gao.az.gov/travel.

13. **Contractors/Subcontractors** Subrecipient may enter into written subcontract(s) in accordance with 2 CFR Part 200 and the NOFO. No subcontract that the Subrecipient enters into relieves Subrecipient of any responsibilities under this Agreement. Subrecipient must give AZDOHS immediate notice in writing of any action filed or claim made against Subrecipient by any subcontractor or vendor.

14. **Allowable Costs** The allowability of costs incurred under this Agreement shall be determined by AZDOHS in its sole discretion and in accordance with the general principles and standards set forth in the CFR, FEMA Authorized Equipment List (https://www.fema.gov/grants/tools/authorized-equipment-list), and guidance documents (i.e. NOFO, Preparedness Grants Manual, Information Bulletins). Subrecipient's use of grant funds for indirect costs must be in accordance with 2 CFR Part 200 and the NOFO. Subrecipient must apply to AZDOHS for its written approval of indirect costs prior to expenditure. Subrecipient may not expend grant funds for Management and Administrative costs for administering such funds without prior written approval of AZDOHS.

15. **Amendments** Any change in this Agreement including but not limited to the Description of Services, Period of Performance and budget described herein, whether by modification or supplementation, must be accomplished by a formal Agreement amendment signed and approved by and between the duly authorized representatives of the Subrecipient and the AZDOHS. Any such amendment shall specify: 1) an effective date; 2) any increases or decreases in the amount of the Subrecipient's reimbursement, if applicable; 3) be titled as an "Amendment," and 4) be signed by the parties identified in the preceding paragraph. The Subrecipient expressly and explicitly understands and agrees that no other method of communication, including any other document, correspondence, act, or oral communication by or from any person, shall be used or construed as an amendment or modification or supplementation to this Agreement.

16. **Audit/Monitoring**

a. Subrecipient must comply with the record-keeping and other requirements of ARS 35-214 and 35-215, and shall ensure that its contractors and subcontractors at all tiers also comply.

b. Under 31 USC 7501-7507and 2 CFR 200.501, Subrecipient will be subject to audit per 2 CFR Part 200, if Subrecipient expended $750,000 or more in Federal awards in its previous fiscal year. If Subrecipient has met or exceeded this threshold, Subrecipient must submit to AZDOHS a copy of Subrecipient's single audit or program specific audit report for the previous fiscal year (and for subsequent fiscal years that fall within the Period of Performance) annually, within 9 months of Subrecipient's fiscal year end. Subrecipients not subject to this requirement must submit to AZDOHS via audits@azdohs.gov a statement that they do not meet the threshold and therefore do not have to complete a single audit or program specific audit.

c. Failure of Subrecipient to comply with any requirements resulting from an audit will suspend reimbursement by AZDOHS to Subrecipient and Subrecipient will not be eligible for any new award, until Subrecipient is in complete compliance.

AZDOHS will monitor Subrecipient to ensure that program goals, objectives, performance requirements, timelines, planned objectives, budgets, and all other related program criteria are being met. Subrecipient must comply with applicable provisions governing USDHS access to records, accounts, documents, information, facilities, and staff and must require any contractors, successors, transferees, and assignees to comply with these same provisions. Subrecipient must cooperate with any review or investigation conducted by USDHS and/or AZDOHS. Subrecipient must give USDHS and AZDOHS access to and the right to copy records, accounts, and other documents and sources of information related to the grant and permit access to facilities, personnel, and other individuals and information as deemed necessary by USDHS or AZDOHS. Subrecipient must submit timely, complete, and accurate reports to the appropriate USDHS and AZDOHS officials and maintain appropriate backup documentation. Subrecipient must comply with all reporting, data collection, and evaluation requirements prescribed by law or in program guidance.

17. Notice of Funding Opportunity (NOFO) Subrecipient must comply with the Notice of Funding Opportunity (NOFO). The terms of the NOFO are hereby incorporated into this Agreement.

18. National Incident Management System Subrecipient must remain in compliance with National Incident Management System implementation initiatives as provided in the NOFO.

19. Communications Equipment All Land Mobile Radio equipment purchased must comply with: (a) P25 (Project 25) standards (https://www.cisa.gov/safecom); (b) SAFECOM Guidance (https://www.cisa.gov/safecom); (c) Land Mobile Radio Minimum Equipment Standards as

approved by the Statewide Interoperability Executive Committee (https://www.azdps.gov/services/government/swic); and (d) Arizona's State Interoperable Priority Programming Guide (https://www.azdps.gov/services/government/swic).

20. Nonsupplanting Agreement Subrecipient must not use funds received under this Agreement to supplant Federal, State, Tribal or Local funds or other resources, and may be required to document this. If a position created by this Agreement is filled from within, the resulting vacancy must be filled within 30 days, and if not, Subrecipient must stop charging the grant for the new position; upon filling the vacancy, Subrecipient may resume charging for the position. A cost allocable to a particular Federal award provided for in 2 CFR Part 200 Subpart E may not be charged to other Federal awards to overcome fund deficiencies, to avoid restrictions imposed by Federal statutes, regulations, or terms and conditions of the Federal award(s), or any other reason. However, Subrecipient from may shift costs allowable under two or more Federal awards if allowed by Federal statute, regulation, or the terms of the Federal award(s).

21. E-Verify Subrecipient must comply with all State and Federal immigration laws and regulations relating to its employees and to employees of any contractor or subcontractor retained through Subrecipient to provide goods or services related to this Agreement, including but not limited to ARS 23-214(A) and ARS 41-4401. A breach of this obligation is a material breach of this Agreement and Subrecipient may be subject to penalties to be determined at AZDOHS's discretion, up to and including termination of this Agreement. AZDOHS will have the right to inspect the papers of any Subrecipient employee who works on this Agreement, and to those of any employee of any contractor or subcontractor retained through Subrecipient.

22. Research and Development Subrecipient may not use funds obtained under this Agreement for research/development.

23. Funds Management Subrecipient must maintain funds received under this Agreement in separate accounts and cannot mix these funds with funds from other sources. Subrecipient must manage funds according to all applicable Federal regulations, including 2 CFR Part 200 and specifically 2 CFR 200.302. Subrecipient must maintain the following business systems:

- Financial Management
- Procurement
- Personnel
- Property
- Travel

To be adequate, a business system must be 1) complete and in writing; and 2) consistently followed – Subrecipient must apply it in all circumstances, regardless of funding source.

24. Reporting of Matters Related to Recipient Integrity and Performance If the total of Subrecipient's currently active grants, cooperative agreements, and procurement contracts from all Federal assistance offices exceeds $10,000,000 at any time during the Period of Performance, Subrecipient must comply with Appendix XII to 2 CFR Part 200.

25. Nondiscrimination Subrecipient must comply with the following that apply to this Federally-funded program:

a. 29 USC 794, which bars discrimination against qualified handicapped individuals solely by reason of the handicap;

b. 42 USC 2000d *et seq.*, 6 CFR Part 21, and 44 CFR Part 7, which bar discrimination on grounds of race, color, or national origin (which requires Subrecipient to take reasonable steps to provide accommodation to persons with Limited English Proficiency; Subrecipient

must refer to the USDHS Guidance at *https://www.dhs.gov/guidance-published-help-department-supported-organizations-provide-meaningful-access-people-limited* and the resources at *http://www.lep.gov*);

c. All State and Federal equal opportunity and non-discrimination requirements and conditions of employment, including but not limited to Arizona Executive Order 2009-9 (https://azgovernor.gov/governor/executive-order/2020-09) and 42 USC 12101-12213 (which bar discriminating on the basis of disability;

d. 42 USC 6101 *et seq.*, which prohibits discrimination on the basis of age;

e. The equal treatment policies and requirements contained in 6 CFR Part 19 and other applicable statutes, regulations, and guidance governing faith-based organizations;

f. 20 USC 1681 *et seq.* and 6 CFR Part 17 and 44 CFR Part 19, which bars discrimination on the basis of sex; and

g. 42 USC 3601 *et seq.* and 24 CFR Part 100, which prohibit discrimination in the sale, rental, financing, and advertising of dwellings, or in the provision of related services, on the basis of race, color, national origin, religion, disability, familial status, and sex.

26. Intellectual Property Subrecipient must affix the copyright notices required by 17 USC 401 and 402 and include an acknowledgement of Government sponsorship (including award number) to any work first produced under this Agreement. Unless otherwise provided by law, Subrecipient is subject to 35 USC 200-212 and is subject to the specific requirements governing the development, reporting, and disposition of rights to inventions and patents resulting from financial assistance awards that are in 37 CFR Part 401, including specifically 37 CFR 401.14. Subrecipient must obtain USDHS's approval prior to using the USDHS seal(s), logos, crests or reproductions of flags or likenesses of USDHS agency officials. Subrecipient agrees that USDHS and AZDOHS have a royalty-free, non-exclusive, and irrevocable license to reproduce, publish, or otherwise use, and authorize others to use: (a) the copyright in any work developed under an award or sub-award; and (b) any rights of copyright to which Subrecipient purchases ownership with Federal support. Subrecipient must acknowledge its use of Federal funding when issuing statements, press releases, requests for proposals, bid invitations, and other documents describing programs funded in whole or in part with Federal funds. Subrecipient must not advertise or publish information for commercial benefit concerning this Agreement without the prior written approval of AZDOHS.

27. Activities Conducted Abroad Subrecipient must ensure that program activities carried on outside the United States are coordinated as necessary with appropriate government authorities and that appropriate licenses, permits, or approvals are obtained.

28. Federal Debt Status Subrecipient must not be delinquent on any Federal obligations, including but not limited to payroll and other taxes, audit disallowances, and benefit overpayments. See OMB Circular A-129 (https://fiscal.treasury.gov/files/dms/circ-a129-upd-0113.pdf).

29. Required Use of American Iron, Steel, Manufactured Products, and Construction Materials Subrecipients must comply with the Office of Management and Budget (OMB), Memorandum M-22-11 (https://www.whitehouse.gov/wp-content/uploads/2022/04/M-22-11.pdf), which provides Initial Implementation Guidance on Application of Buy America Preference in Federal Financial Assistance Programs for Infrastructure.

30. Compliance with Certain Federal Statutes, Regulations, and Requirements

a. Subrecipient must comply with the 31 USC 3729-3733, which prohibits the submission of false or fraudulent claims for payment to the Federal government; 31 USC 3801-3812 detail the remedies for false or fraudulent claims made.

b. Subrecipient must comply with 42 USC 6201 *et seq.*, which contain policies relating to energy efficiency that are defined in the State energy conservation plan issued

c. Subrecipient must comply with the drug-free workplace requirements in 2 CFR Part 3001 and 41 USC 8101-8106.

d. Subrecipient is prohibited from acquiring certain Chinese and Russian telecommunications equipment, systems, and services as provided in FEMA Policy #405-143-1(https://www.fema.gov/sites/default/files/documents/fema_policy-405-143-1-prohibition-covered-services-equipment-gpd.pdf) ; 2 C.F.R. sections 200.216, 200.327, 200.471 and Appendix II to 2 C.F.R. Part 200; 48 CFR 4.2100 *et seq.*; 48 CFR 52.204-25; 48 CFR 52.212-3; 48 C.F.R. 204.2100 *et seq.*; and 48 C.F.R. 252.204-7018 1.

e. If grant funds are used for construction, Subrecipient and its contractors and subcontractors at all tiers must comply with the Davis-Bacon Act (40 USC 3141 *et seq.*). Subrecipients must obtain AZDOHS' written approval before using Homeland Security Grant Program ("HSGP") funds for construction/renovation per https://www.dol.gov/whd/govcontracts/dbra.htm.

f. Subrecipient must maintain insurance coverage as provided in 2 CFR 200.310. Subrecipient must provide at least the equivalent insurance coverage for real property and equipment acquired or improved under this Agreement as provided to property owned by Subrecipient.

g. Subrecipient must comply with 42 USC 6962, including procuring only items designated in the Environmental Protection Agency ("EPA") guidelines at 40 CFR Part 247 as containing the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition.

h. Subrecipient must comply with all Federal whistleblower protections, including 41 USC 4712.

i. Subrecipient must comply with the PATRIOT Act, P.L. 107-56), including 18 USC 175-175c.

j. Subrecipient must comply with the System for Award Management and Universal Identifier Requirements in 2 CFR, Appendix A to Part 25.

k. Subrecipient must comply with the Trafficking Victims Protection Act, 22 USC 7101 *et seq.*, as required by 2 CFR 175.15.

l. Subrecipient must comply with US Executive Order 13224 (https://www.state.gov/executive-order-13224/) and all US laws that prohibit transactions with, and the provision of resources and support to, individuals and organizations associated with terrorism.

m. Subrecipient must comply with the requirements on Reporting Subawards and Executive Compensation in Appendix A to 2 CFR Part 170.

n. Subrecipient is subject to the debarment and suspension regulations in US Executive Order 12549 (https://www.archives.gov/federal-register/codification/executive-order/12549.html) and US Executive Order 12689 (https://www.gadoe.org/School-Improvement/Teacher-and-Leader-Effectiveness/Documents/Title%20II,%20Part%20A%20Documents/Guidance/WHEO%2012689%20Debarment%20and%20Suspension.pdf) and 2 CFR Part 180 and 2 CFR Part

3000. These restrict Federal awards, subawards, and contracts with parties debarred, suspended, or otherwise excluded from or ineligible for Federal programs or activities.

o. If Subrecipient collects Personally Identifiable Information ("PII"), it must have a publically-available written policy stating its standards for the usage and maintenance of PII. PII is any information that permits the identity of an individual to be directly or indirectly inferred, including information linked or linkable to that individual. Subrecipient must follow USDHS guidance (https://www.dhs.gov/publication/privacy-impact-assessment-guidance).

p. Subrecipient must complete either the Standard Form 424B Assurances - Non-Construction Programs (https://omb.report/icr/202011-0560-005CF), or Standard Form 424D Assurances - Construction Programs (https://omb.report/icr/200906-4040-008), as applicable. The USDHS financial assistance office ("USDHS FAO") may determine that certain assurances in these documents may not apply, or may require additional assurances; Subrecipient must contact the USDHS FAO with any questions. Subrecipient must follow the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in 2 CFR Part 200 and 2 CFR Part 3002. By entering into this Agreement, Subrecipient and its executives, as defined in 2 CFR 170.315, certify that Subrecipient's policies comply with 2 CFR Part 200, all applicable Federal laws, and applicable guidance.

q. Subrecipient must comply with the National Environmental Policy Act ("NEPA") 42 USC 4321 *et seq.*, and Council on Environmental Quality regulations (40 CFR Parts 1500-1508) regarding NEPA.

r. Subrecipient must comply with 31 USC 1352, and may not use funds provided under this Agreement to pay any person to influence or attempt to influence an officer or employee of any government agency, Member of Congress, officer or employee of Congress, or an employee of a Member of Congress, relating in any way to a Federal award or contract.

s. In accordance with 15 USC 2201 *et seq.* and 15 USC 2225a in particular, Subrecipient must ensure that all conference, meeting, convention, or training space funded in whole or in part with Federal funds complies with all applicable fire prevention and control guidelines.

t. Subrecipient must comply with the International Air Transportation Fair Competitive Practices Act of 1974, 49 USC 40118, and the interpretative guidelines in Comptroller General Decision B-138942 (https://www.gao.gov/products/b-138942).

u. Subrecipient law enforcement agencies must comply with the requirements of section 12(c) of E.O. 14074. Recipient State, Tribal, local, or territorial law enforcement agencies are also encouraged to adopt and enforce policies consistent with E.O. 14074 to support safe and effective policing.

31. Applicability of Terms of this Agreement to Tribes If a term in this Agreement does not apply to Indian Tribes, or there is a Federal law or regulation exempting Indian Tribes, if Subrecipient is an Indian Tribe, this Agreement does not change or alter the inapplicability of such requirements.

32. Cancellation for Conflict of Interest AZDOHS may, by written notice to Subrecipient, immediately cancel this Agreement without penalty or further obligation pursuant to ARS 38-511 if any person significantly involved in initiating, negotiating, securing, drafting, or creating this Agreement for AZDOHS is an employee or agent of Subrecipient in any capacity, or a consultant to Subrecipient with respect to this Agreement's subject matter. Cancellation shall be effective when Subrecipient receives AZDOHS' written notice, unless the notice specifies a later time.

33. Assignment and Delegation Subrecipient may not assign any rights hereunder without an express written agreement signed by authorized representatives of both parties.

34. Third Party Antitrust Violations Subrecipient hereby assigns to the State of Arizona any claim for overcharges resulting from antitrust violations, to the extent that such violations concern materials or services supplied by third parties to Subrecipient toward fulfilling this Agreement.

35. Availability of Funds AZDOHS' payment obligations under this Agreement are conditioned on the availability of funds appropriated or allocated for this purpose, per ARS 35-154. If funds are not allocated and available, AZDOHS may terminate this Agreement at the end of the period for which funds are available. No liability shall accrue to AZDOHS in the event this provision is exercised, and AZDOHS shall not be obligated or liable for any future payments or for any damages as a result of termination under this Paragraph, including purchases and/or contracts entered into by Subrecipient in the execution of this Agreement.

36. Force Majeure If either party is delayed or prevented from the performance of any act required in this Agreement by reason of acts of God, strikes, lockouts, labor disputes, civil disorder, or other causes without fault and beyond the control of the party obligated, performance of such act will be excused for the period of the delay.

37. Dispute Resolution In the event of a dispute regarding this Agreement, written notice must be provided to the other party within 30 calendar days of the relevant events. Any claim made by or against AZDOHS relating to this Agreement shall be resolved through the administrative claims process. The parties agree to resolve all disputes relating to this Agreement through arbitration, after exhausting applicable administrative review, to the extent required by ARS 12-1518 except as may be required by other applicable statutes. The forum for any dispute arising out of this Agreement shall be Maricopa County, Arizona.

38. Governing Law and Interpretation of This Agreement This Agreement is governed by the laws of the State of Arizona, without regard to its conflict of laws provisions. This Agreement is the parties' complete agreement and replaces the parties' prior and contemporaneous agreements, representations, and understandings pertaining to its subject matter, whether oral or written. No course of dealings or usage of the trade supplements or explains any terms. A party's failure to insist on strict performance of any term is not a waiver of that term, even if the party accepting or acquiescing in the nonconforming performance knows the nature of the performance and fails to object. If any new legislation, laws, ordinances, or rules affect this Agreement, this Agreement automatically incorporates the terms of such legislation, laws, ordinances, or rules. Any term of this Agreement that is declared contrary to any current or future law, order, regulation, or rule, or that is otherwise invalid, shall be deemed stricken without impairing the validity of the remainder of this Agreement. In the event FEMA determines that changes are necessary to this Agreement after it has been entered into, including changes to Period of Performance or other terms, Subrecipient will be notified of the changes in writing; once notification is made, any subsequent request for funds by Subrecipient will constitute Subrecipient's acceptance of the changes and will incorporate the changes into this Agreement. Except as expressly provided in this Paragraph, any amendment to or extension of this Agreement may be made only in a writing signed by authorized representatives of both parties. Any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in interpreting this Agreement.

39. Licensing Unless otherwise exempted by law, Subrecipient must obtain and maintain all licenses, permits, and authority necessary to perform its obligations under this Agreement.

40. Sectarian Requests Funds disbursed under this Agreement may not be used for any sectarian purpose or activity, including worship or instruction in violation of the US or Arizona Constitutions.

41. Closed-Captioning of Public Service Announcements Any television public service announcement funded in whole or in part by this Agreement must include closed captioning.

42. Indemnification Each party (as "Indemnitor") agrees to defend, indemnify, and hold harmless the other party (as "Indemnitee") from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as "Claims") arising out of bodily injury to any person (including death) or property damage, but only to the extent 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. The State of Arizona and AZDOHS are self-insured per ARS 41-621. If Subrecipient utilizes contractor(s) and/or subcontractor(s), the indemnification clause between Subrecipient and contractor(s) and subcontractor(s) shall include the following:

Contractor shall defend, indemnify, and hold harmless the Arizona Department of Homeland Security and the State of Arizona, and any jurisdiction or agency issuing any permits for any work arising out of this Agreement, and their departments, agencies, boards, commissions, universities, officers, officials, agents, and employees (hereinafter, "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of the contractor or any of the directors, officers, agents, or employees or subcontractors of such contractor. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such contractor to conform to any Federal, State or Local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by such contractor from and against any and all claims. It is agreed that such contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. Additionally on all applicable insurance policies, contractor and its subcontractors shall name the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as an additional insured and also include a waiver of subrogation in favor of the State.

43. Termination Each party has the right to terminate this Agreement if the other party fails to comply with this Agreement. A party invoking the right to terminate shall provide written 30 day advance notice of all reasons for the termination. If Subrecipient chooses to terminate this Agreement before all deliverables have been delivered, AZDOHS has the right to recover all reimbursements made to Subrecipient. On termination, AZDOHS may procure, on terms that it deems appropriate, materials or services to replace those that otherwise would have been provided by Subrecipient, and Subrecipient will be liable to AZDOHS for all excess costs incurred by AZDOHS in procuring such materials or services. Subrecipient must continue to perform this Agreement until the date of termination, as directed in the termination notice. If AZDOHS reasonably believes Subrecipient does not intend to, or is unable to fully perform this Agreement, AZDOHS may demand in writing that Subrecipient give written assurance of its intent and ability to perform. If Subrecipient fails to provide written assurance within the time specified in the demand, AZDOHS may terminate this Agreement.

44. Paragraph Headings Paragraph headings in this Agreement are for convenience of reference only and do not define, limit, enlarge, or otherwise affect the interpretation of this Agreement.

45. Counterparts This Agreement may be executed in any number of counterparts, copies, or duplicate originals. Each such counterpart, copy, or duplicate original shall be deemed an original, and collectively they shall constitute one Agreement.

46. Authority to Execute This Agreement The person executing this Agreement on behalf of Subrecipient represents and warrants that he/she is duly authorized to do so.

47. Transfer of Funds Prohibition Subrecipient may not transfer funds between programs (*e.g.*, State Homeland Security Program, Urban Area Security Initiative, Operation Stonegarden).

48. Parties This Agreement is for the benefit of AZDOHS and Subrecipient as the only parties to this Agreement, and to their respective successors, assigns, executors and legal representatives. Except as expressly provided in this Agreement, nothing in this Agreement confers on any person other than the parties and their respective successors and assigns, any rights, remedies, obligations, or liabilities.

49. Respective Responsibilities Except as expressly provided in this Agreement, each party agrees that, to the extent authorized by law, it will be responsible for its own acts or omissions and the results thereof and will not be responsible for the acts or omissions of the other party and the results thereof. In the event that either party becomes aware of any claim made by or expected from a claimant against a party to this Agreement, which claim relates to the subject matter of this Agreement, that party will immediately notify the other party, and the parties will share all information regarding such matter and cooperate with each other in addressing the matter. The parties are independent contractors, and nothing contained in this Agreement will create the relationship of partnership, joint venture, agency, or employment between the parties or any of their employees, officers, agents, or contractors. Each party hereby agrees to perform any further acts and to execute and deliver any documents that may be reasonably necessary to carry out the provisions of this Agreement.

50. Publicity Neither party shall use or mention in any publicity, advertising, promotional materials or news release the name or service mark(s) of the other party without the prior written consent of that party.

51. Notices All communications by either party to this Agreement, shall be in writing, be delivered in person, or shall be sent to the respective parties at the following addresses:

Arizona Department of Homeland Security
1802 West Jackson Street, #117
Phoenix, AZ 85007

Subrecipient must address all notices relative to this Agreement to the appropriate AZDOHS staff; contact information is at www.azdohs.gov.

AZDOHS shall address all notices relative to this Agreement to:

Chief of Police, Nigel Reynoso
Enter Title, First & Last Name Above
The City of San Luis
Enter Agency Name Above
1030 E Union Street/PO Box 3720
Enter Street Address Above
San Luis, AZ 85349
Enter City, State, ZIP Above

IN WITNESS WHEREOF, the parties hereto agree to execute this Agreement.

FOR AND BEHALF OF THE	**FOR AND BEHALF OF THE**
The City of San Luis	Arizona Department of Homeland Security
Enter Agency Name Above	
Authorized Signature Above	
Jenny Torres, City Manager	Susan Dzbanko, Deputy Director
Print Name & Title Above	
Enter Date Above	Date

(Complete and mail two original documents to the Arizona Department of Homeland Security.)

FY 2023 Operation Stonegarden Grant Program-REALLOCATION
Overtime/ERE/Mileage - Budget Detail
Agency: San Luis Police Department
Subrecipient Agreement #: 230432-02

The signatures below verify the submission/approval process. All parties signify that all aspects of this project are allowable, reasonable and justifiable in accordance with published federal grant guidelines. Subrecipient agrees to the funding shown here:

OVERTIME	ERE	MILEAGE	TOTAL AWARD
$66,090	$14,910	$0	
			$81,000

Project Point of Contact

Print Name | Signature | Date

AZDOHS Staff: **Kim Brooks**

Print Name | Signature | Date

This form is to be signed and returned.

AGENDA ITEM REVIEW FORM

Regular City Council Meeting **7. I.**

Meeting Date: 05/27/2026
Department Head: Joe Estes, City Attorney, Attorney's Office
Submitted By: Justin Neuman, Paralegal, Attorney's Office
Action Requested: Motion
Ordinance

ITEM:

Discussion and possible action on any and all matters regarding Ordinance No. 484. An Ordinance of the Mayor and City Council of the City of San Luis, Arizona, adding San Luis City Code Section 7.05.040, Dog Parks; adopting the City of San Luis Dog Park Policy & Rules, repealing and conflicting provisions; and providing for severability. **(Angelica Roldan, Director of Parks and Recreation)**

A. Action on reading of Ordinance No. 484 by title only
B. Action on Ordinance No. 484

SUMMARY:

On February 12, 2026, the City of San Luis opened it's first park catered exclusively to dogs ("Dog Park"). To support the safety of residents and pets while using the Dog Park, staff, through a collaborative effort among various departments, has developed the City of San Luis Dog Park Policy & Rules to implement a standard of use. This Policy and Rules intend to educate residents on the proper use of the Dog Park while providing guidelines on when a pet wouldn't be permitted to use the facility. Staff intends to have these rules posted at the Dog Park with a link to allow residents to access the full policy online.

In order to adopt the Dog Park Policy & Rules, this ordinance also adds section 7.05.040; Dog Parks to the City Code that defines this type of park and allows for Council amendments to the Policy and Rules by resolution.

RECOMMENDATION / SUGGESTED MOTION:

A. I MOVE TO APPROVE THE READING OF ORDINANCE NO. 484 BY TITLE ONLY.
(CITY CLERK TO READ ORDINANCE NO. 484 BY TITLE ONLY)
B. I MOVE TO APPROVE AND ADOPT ORDINANCE NO. 484, AS PRESENTED.

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 is no fiscal impact associated with this item.

Attachments

Ordinance No. 484

OFFICE OF THE
MAYOR
CITY OF SAN LUIS

Ordinance

No. 484

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF THE CITY OF SAN LUIS, ARIZONA, ADDING SAN LUIS CITY CODE SECTION 7.05.040, DOG PARKS; ADOPTINGTHE CITY OF SAN LUIS DOG PARK POLICY & RULES; REPEALING ANY CONFLICTING PROVISIONS; AND PROVIDING FOR SEVERABILITY.

WHEREAS, the City finds it is in the best interest of the citizens of the City of San Luis to adopt this ordinance and establish a written policy for the City's Dog Parks; and

NOW, THEREFORE, BE IT ORDAINED by the Mayor and City Council of the City of San Luis, Arizona:

Section 1: Section 7.05.040 of the San Luis City Code is to read:

"(A) Dog parks are designated, fenced, off-leash dog areas which allow dogs to run freely and socialize with other dogs while being supervised by their owners/handlers.

(B) In addition to the provisions of this chapter, Dog parks shall have additional polices and rules as set by resolution of City Council from time to time."

Section 2: The document titled "The City of San Luis Dog Park Policy & Rules" which is attached to this Ordinance as Exhibit A, is hereby declared to be a public record of the City of San Luis, Arizona with three (3) copies of which on file with the City Clerk.

Section 3: The City Council authorizes and directs the appropriate City officers and employees to perform all necessary or desirable acts to give effect to this Ordinance.

Section 4: If a conflict arises between the provisions of this ordinance and any resolution, other ordinance, regulation, or policy of the City of San Luis, the conflicting provisions are repealed, amended, superseded, and replaced, and this Ordinance shall govern.

Section 5: If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is held to be invalid or unconstitutional by the final decision of any court of competent jurisdiction or operation of law by legislation, such decision or law shall not affect the validity of the remaining portion of this Ordinance.

PASSED, ADOPTED, and APPROVED by the Mayor and City Council of the City of San Luis, Yuma County, Arizona, this ____ day of May 2026.

Nieves Riedel, Mayor

ATTEST:

Sonia Cornelio, City Clerk

APPROVED AS TO FORM:

Joe Estes, Interim City Attorney

Exhibit

A

The City of San Luis
DOG PARK POLICY & RULES

Background

Dog parks are designated areas, typically fenced, wherein unleashed dogs are exempt for San Luis City Code 6.05.010. Dog owners/handlers that comply with this policy are allowed to use City of San Luis dog parks.

Authority

The City of San Luis is authorized to enact or adopt this policy pursuant to San Luis City Code Title 7.

Purpose

The purpose of this policy is to regulate the use of dog parks owned and operated by the City of San Luis.

Policy and Rules

Dog parks are open seven (7) days a week from sunrise till 8:00 p.m. and closed daily between the hours of 10:00 a.m. to 11:00 a.m. for maintenance. These hours may be adjusted from time to time upon approval by the City Manager and Director of Parks and Recreation. All posted signage displayed in City dog parks must be updated to reflect the adjusted time in order to be effective. These hours may differ due to weather, flooding, or other unsafe conditions that may impact the dog park.

The dog parks are for dogs only; other animals are not allowed. Each Owner/handler is expected to supervise and control all dogs under their care at the dog park, up to a limit of three (3) dogs at a time per visit.

Dogs under four (4) months old, female dogs in season, and dogs that are ill or recovering from surgery are prohibited.

Service animals as defined by the ADA are permitted within the Dog Parks.

All dogs must be on a leash outside of the gated, fenced dog park. All Dogs must have current vaccinations, licensing and wear their registration tag pursuant to San Luis City Codes 6.05.031 and 6.05.032.

City dog parks are not supervised facilities. Any use of the dog parks is at the owner/handlers own risk.

Dog owners/handlers are responsible for the actions of their dogs and must remain in the fenced area with their dog, maintain line of sight and voice control, keep a leash in hand, and remove their dogs when showing signs of aggression. Dog fighting is

prohibited. Vicious, destructive or dangerous dogs are prohibited. Any dog bites resulting in injury that occur at the dog park should be reported to San Luis animal control.

Owners/handlers are to immediately fill any holes their dogs dig and must pick up and dispose of pet waste. Owners/handlers are responsible for providing their own bags and facilities for pet waste disposal if not provided by the City.

Children fourteen (14) and younger must be accompanied by an adult and be kept under adult supervision.

Glass containers are not allowed in the dog park. Bicycles, skateboards, rollerblades, and similar items are not allowed in the dog park.

Owners/handlers shall remove all personal items such as chairs, toys, leashes or water dishes upon leaving the dog park. The City of San Luis is not responsible for any damage, loss or storage of any items brought into the dog parks. The use of dog toys is at your own risk and should be avoided if they cause conflict between dogs.

Compliance

These policies and rules are in effect twenty-four (24) hours a day for all City of San Luis dog parks and enforceable by Parks and Recreation personnel, City Police and Animal Control.

AGENDA ITEM REVIEW FORM

Regular City Council Meeting **7. J.**

Meeting Date: 05/27/2026

Department Head: Armando Esparza, Director of Economic Development, Economic Development

Submitted By: Humberto Arcos, Grants Coordinator, Economic Development

Action Requested: Motion
Public Hearing
Resolution

ITEM:

Public Hearing followed by discussion and possible action on any and all matters regarding Resolution No. 2399. A Resolution of the Mayor and City Council of the City of San Luis authorizing the submission of an application for FY 2027 Community Development Block Grant (CDBG) State Special Projects (SSP) funds, certifying that said application meet the community's previously identified housing and community development needs and the requirements of the Arizona Department of Housing (ADOH) Community Development Block Grant Program, and authorizing all actions necessary to implement and complete the activities outlined in said application. **(Humberto Arcos, Grants Coordinator)**

A. Staff Presentation
B. Open Public Hearing
C. Call to the public on this item
D. Close Public Hearing
E. Action on Resolution No. 2399

SUMMARY:

The Arizona Department of Housing Community Development Block Grant (CDBG) requires that a public hearing be held at a regular meeting of the local governing body to allow citizens to comment on the proposed projects to be funded with CDBG funds and adopt a resolution selecting the project(s) for application(s) advancing for CDBG funding.

Staff is recommending Rancho Los Oros Improvements Phase II for the Community Development Block Grant State Special Projects funding. The project ranked as a having a highest potential for advancement to the Arizona Department of Housing. This project includes the reconstruction and rehabilitation of roadway infrastructure along Los Valles Street, Los Portales Street, and El Chamizal Street within the Rancho Los Oros subdivision. Improvements consist of asphalt removal and replacement, grading, utility adjustments, traffic control, and associated construction activities.

RECOMMENDATION / SUGGESTED MOTION:

A. STAFF PRESENTATION
B. MAYOR NIEVES RIEDEL TO OPEN THE PUBLIC HEARING
C. MAYOR NIEVES RIEDEL TO CALL THE PUBLIC ON THIS ITEM
D. MAYOR NIEVES RIEDEL TO CLOSE THE PUBLIC HEARING
E. I MOVE TO APPROVE AND ADOPT RESOLUTION NO. 2399

Fiscal Impact

IS THERE FISCAL IMPACT ASSOCIATED WITH THIS ITEM:	YES
CITY/STATE/FEDERAL FUNDS:	State
TOTAL:	$985,488.00
BUDGETED AMOUNT:	See Fiscal Impact Statement
AVAILABLE AMOUNT TO TRANSFER:	See Fiscal Impact Statement
ACCT NAME & GL#/REMAINING BALANCE BEFORE PURCHASE:	See Fiscal Impact Statement

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

This grant application is for an award of approximately $500,000.00 CDBG SSP Funds. This application requires the City of San Luis to provide matching funds in the amount of $485,488.00 for a total scope project of $985,488.00. The commitment of the matching funds are included in the presentation of Resolution 2399. If approved the City of San Luis will make sure these funds are allocated in the budget for the next fiscal year of 2028.

Attachments

Resolution No. 2399

Cost Estimate

Public Hearing Presentation

Rancho Los Oros Improvements Phase III & IV Map

OFFICE OF THE
MAYOR
CITY OF SAN LUIS

Resolution

No. 2399

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF SAN LUIS, ARIZONA, AUTHORIZING THE SUBMISSION OF AN APPLICATION FOR FY 2026 STATE SPECIAL PROJECT FUNDS (CDBG-SSP), CERTIFYING THAT SAID APPLICATION MEETS THE COMMUNITY'S PREVIOUSLY IDENTIFIED HOUSING AND COMMUNITY DEVELOPMENT NEEDS AND THE REQUIREMENTS OF THE STATE CDBG PROGRAM, AND AUTHORIZING ALL ACTIONS NECESSARY TO IMPLEMENT AND COMPLETE THE ACTIVITIES OUTLINED IN SAID APPLICATION

WHEREAS, the City of San Luis, Arizona, is desirous of undertaking community development activities; and

WHEREAS, the State of Arizona is administering the Community Development Block Grant Program; and

WHEREAS, the state SSP Program requires that CDBG funds requested address one of the three Congressionally mandated National Objectives; and

WHEREAS, the activities within these applications address the community's identified housing and community development needs, including the needs of slow-and moderate-income persons; and

WHEREAS, an Applicant for State CDBG-SSP funds are required to comply with the program guidelines and federal statutes and regulations

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Council of the City of San Luis, Arizona, County of Yuma, authorize this application to be made to the State of Arizona, Department of Housing for FY 2027 CDBG – SSP (State Special Projects) funds, and authorize the Mayor to sign the application, contract or grant documents for receipt of use of these funds for Rancho Los Oros Phase III, and authorize the Mayor to take all actions necessary to implement and complete the activities submitted in said applications; and

THAT, this application for State CDBG funds meets the requirement of low-and moderate-income benefit for activities justified as benefiting low-and moderate-income persons, aids in the prevention or elimination of slum and blight or addresses an urgent need which poses a threat to health; and

THAT, the City of San Luis, Arizona will comply with all State CDBG Program guidelines, federal statutes, and regulations applicable to the CDBG- SSP Program and the certifications contained in these applications.

PASSED, ADOPTED AND APPROVED by the Mayor and City Council of the City of San Luis, Arizona, this _____ day of May 2026.

_____
Nieves Riedel, Mayor

ATTEST:

_____
Sonia Cornelio, City Clerk

APPROVED AS TO FORM:

_____
Joe Estes, Interim City Attorney

CITY OF SAN LUIS
RANCHO LOS OROS ROADWAY IMPROVEMENTS - PHASE 3
(Los Valles St., Los Portales St., El Chamizal St.)

Pre-Design Engineer's Opinion of Probable Construction Cost

Bid No.	*Description*	*Unit*	*Unit Price*	*Estimated Quantities*	*Total*
1	Remove Existing Asphalt (Any thickness)	SY	$ 15.00	12675	$ 190,125.00
2	Pavement Structural Section No. 1 (3" AC / 8" ABC)	SY	$ 42.00	12675	$ 532,350.00
3	Grading for Pavement	SY	$ 6.00	12675	$ 76,050.00
4	Adjust Ex Sewer Manhole with new Frame & Cover (City of Yuma Std 6-040)	EA	$ 1,200.00	9	$ 10,800.00
5	Adjust Existing Water Valve with new Frame and Cover (City of Yuma Std 5-075)	EA	$ 575.00	21	$ 12,075.00
6	Survey Monument (City of Yuma Std 4-030)	EA	$ 750.00	6	$ 4,500.00
7	Mobilization	LS	$ 10,000.00	1	$ 10,000.00
8	Storm Water Pollution Prevention Plan	LS	$ 10,000.00	1	$ 10,000.00
9	Maintenance and Protection of Traffic	LS	$ 17,000.00	1	$ 17,000.00
10	Construction Staking	LS	$ 17,000.00	1	$ 17,000.00

TOTAL = $ 879,900.00

5% CONTINGENCY SUBTOTAL = $ 43,995.00

7% CONSTRUCTION ADMISTRATION $ 61,593.00

TOTAL ESTIMATED PROJECT COST = $ 985,488.00

CDBG

COMMUNITY DEVELOPMENT BLOCK GRANT



ECONOMIC DEVELOPMENT



PUBLIC FACILITIES & IMPROVEMENTS

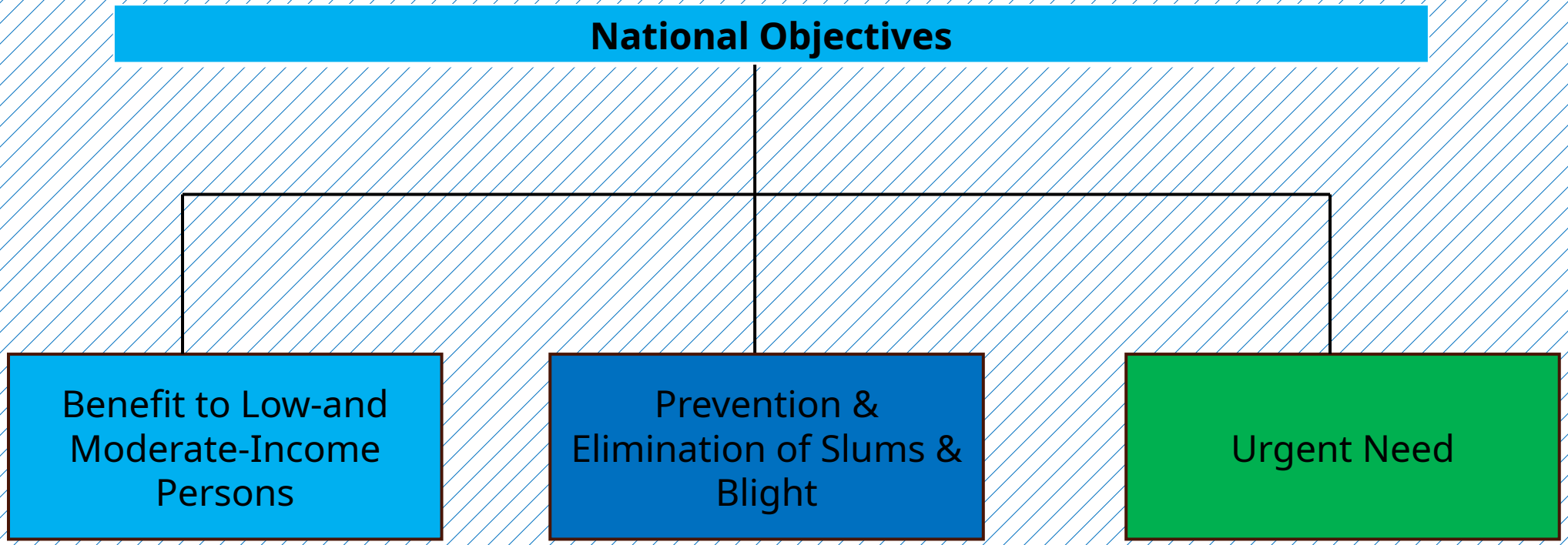


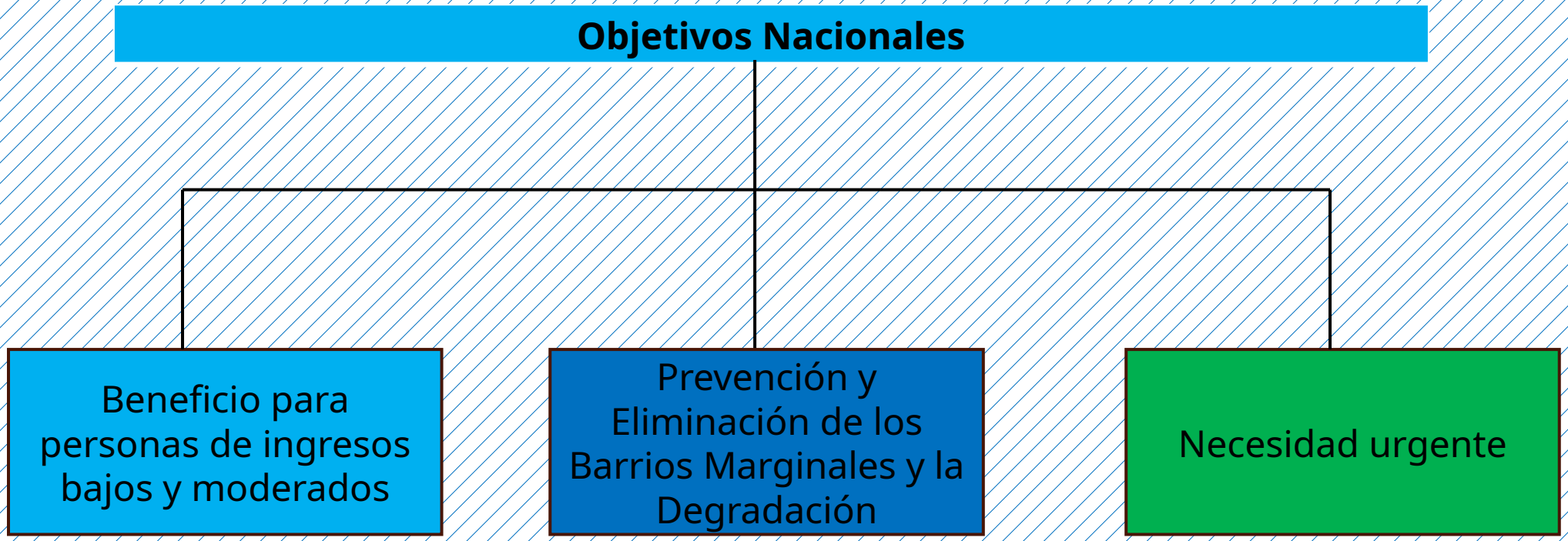
HOUSING



PUBLIC SERVICES




National Objectives
Benefit to Low-and Moderate-Income Persons
Prevention & Elimination of Slums & Blight
Urgent Need


Objetivos Nacionales
Beneficio para personas de ingresos bajos y moderados
Prevención y Eliminación de los Barrios Marginales y la Degradación
Necesidad urgente

Benefit to Low-and Moderate-Income Persons

- **Direct Housing Assistance:** CDBG funds can be used for the construction or rehabilitation of housing, directly benefiting LMI individuals by improving their living conditions and making housing more affordable.
- **Job Creation & Retention:** CDBG supports the creation and retention of jobs, particularly through the development of community facilities and services, which can lead to increase employment opportunities for LMI persons.
- **Public Services & Facilities:** CDBG funds may be used to provide public services (like health care, childcare, education and more) and to improve public facilities, which are accessible to and benefit LMI persons.

Beneficio para personas de ingresos bajos y moderados

- **Asistencia directa para la vivienda:** Los fondos de la CDBG pueden utilizarse para la construcción o rehabilitación de viviendas, beneficiando directamente a las personas con LMI al mejorar sus condiciones de vida y hacer la vivienda más asequible.
- **Creación y retención de empleo:** CDBG apoya la creación y retención de empleos, especialmente mediante el desarrollo de instalaciones y servicios comunitarios, lo que puede aumentar las oportunidades de empleo para las personas con LMI.
- **Servicios e instalaciones públicas:** Los fondos de la CDBG pueden utilizarse para proporcionar servicios públicos (como sanidad, cuidado infantil, educación y más) y para mejorar las instalaciones públicas, que son accesibles y benefician a las personas con LMI.

Prevention & Elimination of Slums & Blight

- **Property Improvement:** CDBG funds can be used for the rehabilitation, preservation, and demolition of properties in slum or blighted areas, leading to improved neighborhood conditions.
- **Public Infrastructure:** CDBG Supports the development and repair of public infrastructure in deteriorated areas, which can stimulate further investment and revitalization.
- **Spot Blight Elimination:** CDBG allows for the clearance of specific blighted properties that may be detrimental to public health and safety, contributing to the overall betterment of the community.

Prevención y Eliminación de los Barrios Marginales y la Degradación

- **Mejora de la propiedad:** Los fondos de la CDBG pueden utilizarse para la rehabilitación, preservación y demolición de propiedades en zonas degradadas o degradadas, lo que conduce a una mejora de las condiciones del barrio.
- **Infraestructura Pública:** CDBG Apoya el desarrollo y reparación de infraestructuras públicas en zonas deterioradas, lo que puede estimular una mayor inversión y revitalización.
- **Eliminación de manchas puntuales**: El CDBG permite la limpieza de propiedades deterioradas específicas que puedan ser perjudiciales para la salud y seguridad públicas, contribuyendo a la mejora general de la comunidad.

Urgent Need

- **Immediate Threat Alleviation:** CDBG funds are used for activities that alleviate conditions posing a serious and immediate threat to the health or welfare of the community.
- **Lack of Alternative Resources:** The activities under this objective are essential when the recipient demonstrates an inability to finance the activity on its own and other sources of funding are not available.
- **Time-Sensitive Response:** The urgent need objective is designed for situations that require a quick response, ensuring that the community's critical needs are met promptly and effectively.

Necesidad urgente

- **Alivio inmediato de amenazas**: Los fondos de la CDBG se utilizan para actividades que alivian condiciones que suponen una amenaza seria e inmediata para la salud o el bienestar de la comunidad.
- **Falta de recursos alternativos:** Las actividades bajo este objetivo son esenciales cuando el beneficiario demuestra incapacidad para financiar la actividad por sí mismo y no hay otras fuentes de financiación disponibles.
- **Respuesta urgente:** El objetivo de necesidad urgente está diseñado para situaciones que requieren una respuesta rápida, asegurando que las necesidades críticas de la comunidad se atan de forma rápida y eficaz.

Anti-Displacement Policy

- **Inclusive Development:** These policies aim to foster inclusive development, ensuring that investments in communities benefit current residents without displacing them, especially in historically marginalized neighborhoods.
- **Housing Affordability:** They address housing affordability by planning for rising rents and home prices, protecting the ability of low-and moderate-income households to continue living in their communities.
- **Preservation of Housing:** Anti-displacement strategies including preserving existing affordable housing stock and ensuring that the housing supply meets the demand of the community.

Política Antidesplazamiento

- **Desarrollo Inclusivo:** Estas políticas buscan fomentar un desarrollo inclusivo, asegurando que las inversiones en comunidades beneficien a los residentes actuales sin desplazarlos, especialmente en barrios históricamente marginados.
- **Asequibilidad de la vivienda:** abordan la asequibilidad de la vivienda planificando el aumento de los alquileres y los precios de la vivienda, protegiendo la capacidad de los hogares de ingresos bajos y moderados para seguir viviendo en sus comunidades.
- **Preservación de la vivienda:** Las estrategias anti-desplazamiento incluyen preservar el parque de viviendas asequibles existentes y asegurar que la oferta de viviendas satisfaga la demanda de la comunidad.

CDBG Notice of Funding Available (Statewide)
SSP Estimate: $500,000.00

CDBG City Match:$485,488.00
Total: $985,488.00

Application Deadline: 60 Days After NOFO Release (NOFO DATE Release Pending)

Aviso de financiación disponible del CDBG (a nivel estatal) Estimación SSP: 500.000,00 $
CDBG City Match: $485,488.00
Total: $985.488,00

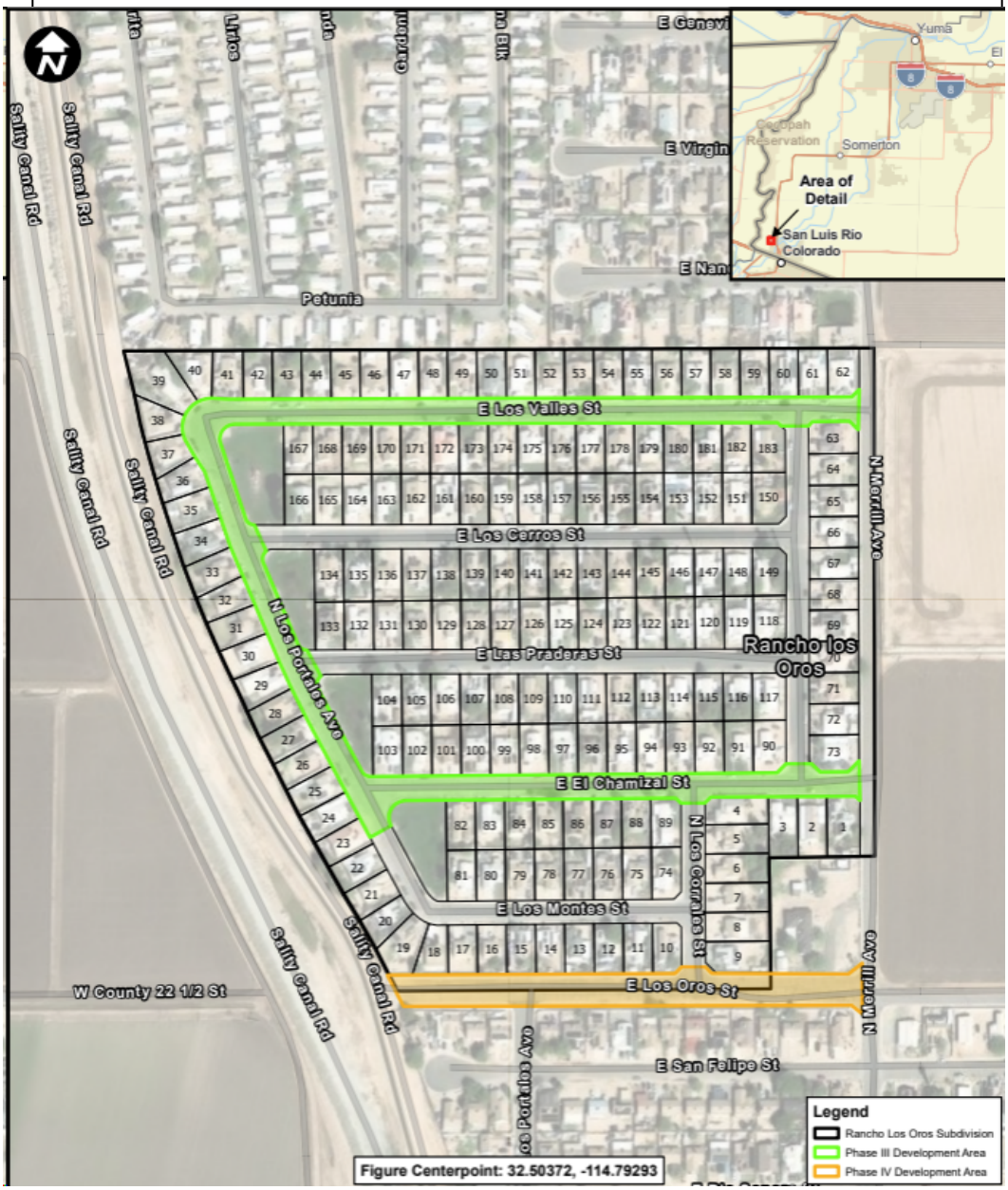
Fecha límite de solicitud: 60 días después de la publicación de NOFO (fecha de lanzamiento de NOFO pendiente)

Thank You!

Humberto Arcos
Grants Coordinator
City of San Luis

¡Gracias!
Humberto Arcos
Coordinador de Subvenciones
Ciudad de San Luis

Rancho Los Oros Street Improvements Phase III and IV



AGENDA ITEM REVIEW FORM

Regular City Council Meeting **7. K.**

Meeting Date: 05/27/2026

Department Head: Sonia Cornelio, City Clerk, City Clerk's Office

Submitted By: Sonia Cornelio, City Clerk, City Clerk's Office

Action Requested: Motion
Resolution

ITEM:

Discussion and possible action on any and all matters regarding Resolution No. 2400. A Resolution of the Mayor and City Council of the City of San Luis, Arizona, reducing the City Council Members' pay by fifty percent and amending the City of San Luis Personnel Policies to remove City Council Members from dental and vision care coverage paid by the city; establishing an effective date; repealing any conflicting provisions; and providing for severability. **(Mayor Nieves Riedel)**

SUMMARY:

This item was requested by Mayor Nieves Riedel for the meeting on May 27, 2026

This item proposes to reduce the City Council Members' pay by fifty percent (50%) and remove the City Council Members' dental and vision care benefits paid by the city.

Under Arizona Constitution Article 4, Part 2, Section 17, these changes will not take place until those elected to City Council in the 2026 election take their oaths of office. (The Constitutional section is attached). This constitutional provision, as applied to City Councils, is intended to ensure that all City Council Members "doing, in substance, the same work, should at all times receive the same salaries." (See the penultimate paragraph in Arizona Attorney General Opinion No.I 90-135 dated October 22, 1990, attached).

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO APPROVE AND ADOPT RESOLUTION NO. 2400.

Fiscal Impact

IS THERE FISCAL IMPACT ASSOCIATED WITH THIS ITEM:	Yes
CITY/STATE/FEDERAL FUNDS:	City
TOTAL:	Reduction in Cost to the City starting January 1, 2027
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):

If passed there will be a reduction in costs to the city starting January 1, 2027.

Attachments

Resolution No. 2400
Arizona Constitution Provision
Ariz AG Opinion

OFFICE OF THE
MAYOR
CITY OF SAN LUIS

Resolution

No. 2400

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF SAN LUIS, ARIZONA, REDUCING THE CITY COUNCIL MEMBERS' PAY BY FIFTY PERCENT AND AMENDING THE CITY OF SAN LUIS PERSONNEL POLICIES TO REMOVE CITY COUNCIL MEMBERS FROM DENTAL AND VISION CARE COVERAGE PAID BY THE CITY; ESTABLISHING AN EFFECTIVE DATE; REPEALING ANY CONFLICTING PROVISIONS; AND PROVIDING FOR SEVERABILITY.

WHEREAS, by resolution or ordinance, A.R.S. § 9-232.01 allows city councils to prescribe salaries for the Mayor and Council Members for the performance of official duties; and

WHEREAS, the San Luis City Code § 2.05.240 states: The compensation of elective officers of the city shall be fixed from time to time by resolution of the Council; and

WHEREAS, the last time the Council passed a resolution on its salary was June 24, 2014 through Resolution No. 1062; and

WHEREAS, the Council desires to reduce its salary; and

WHEREAS, the Council passed Resolution No. 750 adopting the City of San Luis Personnel Policies dated July 1, 2008; and

WHEREAS, the Council desires to remove city-paid benefits for dental and vision care for the City Council.

WHEREAS, under Arizona Constitution Article 4, Part 2, Section 17, as interpreted by the case of Davis v. Hale, 96 Ariz 219, 225, 393 P.2d 912, 916 (1964) the compensation of a Council Member cannot be increased or diminished before the next election so that that Council Members doing in substance, the same work, should at all times receive the same salaries.

NOW THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of San Luis, Arizona:

Section 1: The monthly salary to be paid to the Mayor, the Vice Mayor, and Members of the San Luis City Council shall be reduced by fifty percent (50%) from the salary set by Resolution 1062 to be as follows:

The Office of the Mayor shall be paid the sum of $875.00 per month.
The Office of the Vice Mayor shall be paid the sum of $650.00 per month.
The Office of Council Member shall be paid the sum of $450.00 per month.

Section 2: The City of San Luis Personnel Policies Section **HR-4-13(D)** is amended and restated to read:

(1) As listed in HR-4-13(A), the City Council Members may participate in the City of San Luis' qualifying health care medical insurance plan. If they choose to participate in the qualifying health care, dental, and vision insurance plans, they may do so if the premiums are paid by the City Council Members and at no cost to the city.

(2) As listed in HR-4-13(B), the City Council Members may participate in supplemental insurance plans or other qualifying insurance plans if the premiums are paid by the City Council Members and at no cost to the city.

Section 3: The City of San Luis Personnel Policies Section **HR-4-14(A)** is amended and restated to read:

A. Eligibility.

1. City Council Members are treated in subsection (3). All city employees, except those employees listed in subsection (2), and their eligible dependents may participate in the health benefit plan if they comply with the contractual requirements of the selected health benefit plan. An eligible employee may enroll in a health benefit plan at any time within the first 30 days of employment or during an open enrollment period specified by the Plan. An eligible employee may submit an application for enrollment within 31 days of a family status event.

2. The following categories of employees are not eligible to participate in the health benefit plan:
   a. An employee who works fewer than 31 hours per week;
   b. An employee in a temporary, emergency, or seasonal position.

3. City Council Members and their eligible dependents may participate in a qualifying health care plan for Medical Insurance if they comply with the contractual requirements of the selected health benefit plan. A Council Member may enroll in a health benefit plan at any time within the first 30 days of their oath of office or during an open enrollment period specified by the Plan. A Council Member may submit an application for enrollment within 31 days of a family status event. City Council Members may choose to participate in the qualifying health care, dental, and vision insurance plans; they may do so if the premiums are paid by the City Council Members and at no cost to the city.

Section 4: This Resolution shall take effect on January 1, 2027, provided the Mayor and City Council Members elected in the 2026 election have taken their oaths of office.

Section 5: If a conflict arises between the provisions of this resolution and any other ordinance, resolution, order, regulation, or policy of the City of San Luis, the conflicting provisions are amended, superseded, and replaced, and this Resolution shall govern.

Section 6: If any section, subsection, paragraph, sentence, clause, phrase, or portion of this Resolution is held to be invalid or unconstitutional by the final decision of any court of competent jurisdiction or controlling legislation, such decision or law shall not affect the validity of the remaining portion of this Resolution.

Section 7: The city officers and employees are authorized and directed to perform all acts necessary or desirable to give effect to this Resolution.

PASSED, ADOPTED, and APPROVED by the Mayor and City Council of the City of San Luis, Arizona, this _____ day of May 2026.

CITY OF SAN LUIS, ARIZONA

_____
Nieves Riedel, Mayor

ATTEST:

_____
Sonia Cornelio, City Clerk

APPROVED AS TO FORM:

_____
Joseph D. Estes, City Attorney

A.R.S. Const. Art. 4 Pt. 2 § 17

§ 17. Extra compensation prohibited; increase or decrease of compensation during term of office

Currentness

Section 17. The legislature shall never grant any extra compensation to any public officer, agent, servant or contractor, after the services shall have been rendered or the contract entered into, nor shall the compensation of any public officer, other than a justice of the peace, be increased or diminished during his term of office; provided, however, that when any legislative increase or decrease in compensation of the members of any court or the clerk thereof, or of any board or commission composed of two or more officers or persons whose respective terms of office are not coterminous, has heretofore or shall hereafter become effective as to any member or clerk of such court, or any member of such board or commission, it shall be effective from such date as to each thereof.

Credits

Amendment approved by election Nov. 4, 1930, eff. Dec. 1, 1930; election Sept. 29, 1953, eff. Oct. 31, 1953.

A. R. S. Const Art. 4 Pt. 2 § 17, AZ CONST Art. 4 Pt. 2 § 17
Current through legislation of the Second Regular Session of the Fifty-Sixth Legislature (2024), and includes Election Results from the November 5, 2024 General Election.

End of Document

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Editor's and Revisor's Notes (1)

HISTORICAL NOTES

The governor, on December 1, 1930, proclaimed that the amendment of this section, as proposed by Laws 1929, Ch. 71, § 1, filed March 16, 1929, had been approved by a majority of the electors in the November 4, 1930 general election and had become law.

The governor, on October 31, 1953, proclaimed that the amendment of this section, as proposed by Laws 1953, S.C.R. No. 4, § 1, filed March 28, 1953, had been approved by a majority of the electors in the September 29, 1953 special election and had become law.

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Validity

There are no Validity results for this citation.

Bill Drafts

There are no Bill Drafts for this citation.

Legislative History Materials

There are no Legislative History Materials for this citation.

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1990 Ariz. Op. Atty. Gen. 150 (Ariz.A.G.), Ariz. Op. Atty. Gen. No. I90-094, 1990 WL 484106

Office of the Attorney General

State of Arizona

I90-094 (R90-135)

October 22, 1990

***1** The Honorable Bob Denny
Arizona State Senator
State Capitol—Senate Wing
Phoenix, Arizona 85007

Dear Senator Denny:
You asked whether article 4, part 2, section 17 of the Arizona Constitution permits a sitting member of a city council to receive a salary increase approved prior to the beginning of a new term.

Article 4, part 2, section 17 in relevant part provides:
nor shall the compensation of any public officer, other than a justice of the peace, be increased or diminished during his term of office; ...

Accordingly, on its face, Article 4, part 2, section 17 permits a sitting city council member to receive a salary increase at the beginning of a new term.

Also, we conclude that city council members who are in the middle of their terms may receive an increase of salary if the following provisions of article 4, part 2, section 17 apply:
provided, however, that when any legislative increase or decrease in compensation of the members of any court or the clerk thereof, or of any board or commission composed of two or more officers or persons whose respective terms of office are not coterminous, has heretofore or shall hereafter become effective as to any member or clerk of such court, or any member of such board or commission, it shall be effective from such date as to each thereof.

The Arizona Supreme Court has said that this constitutional provision added in 1930 was adopted "for the express purpose of insuring that all members of a court, board, or commission composed of more than one person, who were doing in substance, the same work, should at all times receive the same salaries." County of Maricopa v. Rodgers, 52 Ariz. 19, 25, 78 P.2d 989, 991–992 (1938). The provisions of article 4, part 2, section 17 have been applied to the acts of a city council. See Davis v. Hale, 96 Ariz. 219, 225, 393 P.2d 912, 916 (1964).

Therefore, we conclude that a city council member may receive a salary increase in the middle of the council member's term, provided the increase meets the conditions of article 4, part 2, section 17 of the Arizona Constitution, or at the beginning of a new term.
Very truly yours,

BOB CORBIN

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Attorney General

1990 Ariz. Op. Atty. Gen. 150 (Ariz.A.G.), Ariz. Op. Atty. Gen. No. I90-094, 1990 WL 484106

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