

**TOWN COUNCIL OF DEWEY-HUMBOLDT
REGULAR MEETING NOTICE**

Tuesday, December 16, 2014, 6:30 P.M.

**COUNCIL REGULAR MEETING
2735 S. HWY 69**

**COUNCIL CHAMBERS, TOWN HALL
DEWEY-HUMBOLDT, ARIZONA**

AGENDA

The issues that come before the Town Council are often challenging and potentially divisive. In order to make sure we benefit from the diverse views to be presented, the Council believes that the meeting be a safe place for people to speak. With this in mind, the Council asks that everyone refrain from clapping, heckling and any other expressions of approval or disapproval. Council may vote to go into Executive Session for legal advice regarding any matter on the open agenda pursuant to A.R.S. 38-431.03 (A) (3), which will be held immediately after the vote and will not be open to the public. Upon completion of Executive Session, the Council may resume the meeting, open to the public, to address the remaining items on the agenda. Agenda items may be taken out of order. Please turn off all cell phones. The Council meeting may be broadcast via live streaming video on the internet in both audio and visual formats. One or more members of the Council may attend either in person or by telephone, video or internet conferencing. **NOTICE TO PARENTS:** Parents and legal guardians have the right to consent before the Town of Dewey-Humboldt makes a video or voice recording of a minor child. A.R.S. § 1-602.A.9. Dewey-Humboldt Council Meetings are recorded and may be viewed on the Dewey-Humboldt website. If you permit your child to participate in the Council Meeting, a recording will be made. You may exercise your right not to consent by not permitting your child to participate or by submitting your request to the Town Clerk that your child not be recorded.

1. Call To Order.

2. Opening Ceremonies.

2.1. Pledge of Allegiance.

2.2. Invocation.

3. Roll Call. Town Council Members Arlene Alen, Mark McBrady, Dennis Repan, Doug Treadway, Nancy Wright; Vice Mayor Jack Hamilton; and Mayor Terry Nolan.

4. Announcements Regarding Current Events, Guests, Appointments, and Proclamations.

Announcements of items brought to the attention of the Mayor not requiring legal action by the Council. Guest Presentations, Appointments, and Proclamations may require Council discussion and action.

5. Town Manager's Report. Update on Current Events.

5.1 Town Fiscal Year 2013-2014 financial statement and audit report overview.

6. Consent Agenda.

7. Comments from the Public (on non-agendized items only). The Council wishes to hear from Citizens at each meeting. Those wishing to address the Council need not request permission or give notice in advance. For the official record, individuals are asked to state their name. Public comments may appear on any video or audio record of this meeting. Please direct your comments to the Council. Individuals may address the Council on any issue within its jurisdiction. At the conclusion of Comments from the Public, Council members may respond to criticism made by those who have addressed the public body, may ask Town staff to review a matter, or may ask that a matter be put on a future agenda; however, Council members are forbidden by law from discussing or taking legal action on matters raised during the Comments from the Public unless the matters are properly noticed for discussion and legal action. A **3** minute per speaker limit may be imposed. The audience is asked to please be courteous and silent while others are speaking.

8. Discussion Agenda – Unfinished Business. Discussion and Possible Action on any issue which was not concluded, was postponed, or was tabled during a prior meeting.

9. Discussion Agenda – New Business. Discussion and Possible Action on matters not previously presented to the Council.

9.1. Transaction Privilege Tax (TPT) Consulting Service Agreement with Don Zelechowski, CPA. Approve, reject or modify the agreement.

9.2. Discussion and possible action on getting RFQ’s to have a Town Attorney on retainer.
[CAARF requested by CM Wright]

9.3. [Request for attendance at the] 16th Annual Arizona Rural Transportation Summit.
[CAARF requested by Mayor Nolan]

10. Public Hearing Agenda.

THIS CONCLUDES THE LEGAL ACTION PORTION OF THE AGENDA.

11. Comments from the Public. The Council wishes to hear from Citizens at each meeting. Those wishing to address the Council need not request permission or give notice in advance. For the official record, individuals are asked to state their name. Public comments may appear on any video or audio record of this meeting. Please direct your comments to the Council. Individuals may address the Council on any issue within its jurisdiction. At the conclusion of Comments from the Public, Council members may respond to criticism made by those who have addressed the public body, may ask Town staff to review a matter, or may ask that a matter be put on a future agenda; however, Council members are forbidden by law from discussing or taking legal action on matters raised during the Comments from the Public unless the matters are properly noticed for discussion and legal action. The total time for Public Comment is **3** minutes per person. The audience is asked to please be courteous and silent while others are speaking.

12. Adjourn.

For Your Information:

Next Town Council Meeting: Tuesday, January 6, 2015, at 6:30 p.m.

Next Planning & Zoning Meeting: Thursday, January 8, 2015, at 6:00 p.m.

Next Town Council Work Session: Tuesday, January 13, 2015, at 2:00 p.m.

If you would like to receive Town Council agendas via email, please sign up at AgendaList@dhaz.gov and type Subscribe in the subject line, or call 928-632-7362 and speak with Judy Morgan, Town Clerk.

Certification of Posting

The undersigned hereby certifies that a copy of the attached notice was duly posted at the following locations: Dewey-Humboldt Town Hall, 2735 South Highway 69, Humboldt, Arizona, Chevron Station, 2735 South Highway 69, Humboldt, Arizona, Blue Ridge Market, Highway 69 and Kachina Drive, Dewey, Arizona, on the ____ day of _____, 2014, at ____ p.m. in accordance with the statement filed by the Town of Dewey-Humboldt with the Town Clerk, Town of Dewey-Humboldt.
By: _____, Town Clerk’s Office.

Persons with a disability may request reasonable accommodations by contacting the Town Hall at 632-7362 at least 24 hours in advance of the meeting.

TOWN OF DEWEY-HUMBOLDT
COMBINED CASH INVESTMENT
JUNE 30, 2014

COMBINED CASH ACCOUNTS

CASH ALLOCATION RECONCILIATION

10 ALLOCATION TO GENERAL FUND	(45,166.83)
20 ALLOCATION TO HURF FUND	(18,053.17)
22 ALLOCATION TO GRANT FUND		63,220.00

TOTAL ALLOCATIONS TO OTHER FUNDS		.00

ZERO PROOF IF ALLOCATIONS BALANCE		.00

TOWN OF DEWEY-HUMBOLDT
 BALANCE SHEET
 JUNE 30, 2014

GENERAL FUND

ASSETS

10-000-1000	DUE TO OTHER FUNDS	(45,166.83)	
10-000-1002	CASH IN CHECKING BOA		26,934.12	
10-000-1005	CHANGE FUND		150.00	
10-000-1010	MAGISTRATE COURT CHECKING		6,835.56	
10-000-1100	ACCOUNTS RECEIVABLE		174,447.50	
10-000-1600	CASH INVESTMENT ACCOUNT LGIP		3,066,302.13	
	TOTAL ASSETS			3,229,502.48

LIABILITIES AND EQUITY

LIABILITIES

10-000-2000	ACCOUNTS PAYABLE		17,898.94	
10-000-2100	ACCRUED WAGES		9,335.72	
10-000-2110	MED 125 PAYROLL LIABILITY		2,558.89	
10-000-2120	PAYROLL DEDUCTIONS CLEARING		705.41	
10-000-2200	COURT SURCHARGES		6,835.56	
	TOTAL LIABILITIES			37,334.52

FUND EQUITY

UNAPPROPRIATED FUND BALANCE:

10-000-2900	COURT RESTRICTED JCEF FUNDS	3,791.00		
10-000-2901	COURT ENHANCEMENT FUNDS	28,398.00		
10-000-2903	COURT RESTRICTED OTHER	658.00		
10-000-2910	RESERVED FOR IMPACT FEES-OTHER	13,495.00		
10-000-2995	FUND BALANCE AT START OF YEAR	2,853,324.95		
	REVENUE OVER EXPENDITURES - YTD	292,501.01		
	BALANCE - CURRENT DATE		3,192,167.96	
	TOTAL FUND EQUITY			3,192,167.96
	TOTAL LIABILITIES AND EQUITY			3,229,502.48

TOWN OF DEWEY-HUMBOLDT
 REVENUES WITH COMPARISON TO BUDGET
 FOR THE 12 MONTHS ENDING JUNE 30, 2014

		GENERAL FUND				
		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>REVENUES</u>						
10-100-3100	LOCAL SALES TAX	422,434.50	422,434.50	350,000.00	(72,434.50)	120.7
10-100-3202	BUILDING PERMITS	47,234.09	47,234.09	30,000.00	(17,234.09)	157.5
10-100-3310	INCOME TAX	434,035.68	434,035.68	434,000.00	(35.68)	100.0
10-100-3320	STATE SALES TAX	338,944.44	338,944.44	336,000.00	(2,944.44)	100.9
10-100-3330	AUTO LIEU	214,892.72	214,892.72	202,000.00	(12,892.72)	106.4
10-100-3403	PLANNING & ZONING FEES	4,228.00	4,228.00	10,000.00	5,772.00	42.3
10-100-3425	UTILITY FRANCHISE FEES	13,467.14	13,467.14	11,000.00	(2,467.14)	122.4
10-100-3501	COURT FINES	26,698.33	26,698.33	25,000.00	(1,698.33)	106.8
10-100-3504	COURT FINES - JCEF RESTRICTED	1,962.45	1,962.45	2,000.00	37.55	98.1
10-100-3505	COURT FTG DISTRIBUTION	400.81	400.81	.00	(400.81)	.0
10-100-3506	COURT ENHANCEMENT FEE - ZCENH	7,135.07	7,135.07	.00	(7,135.07)	.0
10-100-3801	INTEREST EARNINGS	39,095.31	39,095.31	30,000.00	(9,095.31)	130.3
10-100-3804	MISCELLANEOUS	9,682.71	9,682.71	1,000.00	(8,682.71)	968.3
	TOTAL REVENUES	1,560,211.25	1,560,211.25	1,431,000.00	(129,211.25)	109.0
	TOTAL FUND REVENUE	1,560,211.25	1,560,211.25	1,431,000.00	(129,211.25)	109.0

TOWN OF DEWEY-HUMBOLDT
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 12 MONTHS ENDING JUNE 30, 2014

		GENERAL FUND				
		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>TOWN COUNCIL AND MANAGEMENT</u>						
10-413-4000	SALARY AND WAGES	75,292.58	75,292.58	76,076.00	783.42	99.0
10-413-4100	ALLOWANCES	4,472.85	4,472.85	4,560.00	87.15	98.1
10-413-4110	HEALTH INSURANCE(BCBS,LIFE,HS)	7,459.22	7,459.22	8,140.00	680.78	91.6
10-413-4111	DENTAL & VISION INSURANCE	584.52	584.52	600.00	15.48	97.4
10-413-4120	RETIREMENT	8,998.12	8,998.12	9,129.12	131.00	98.6
10-413-4150	MEDICARE	1,156.07	1,156.07	1,103.10	(52.97)	104.8
10-413-4160	STATE UNEMPLOYMENT	355.44	355.44	350.00	(5.44)	101.6
10-413-4170	WORKERS COMPENSATION	171.00	171.00	200.00	29.00	85.5
10-413-5002	OSP PROFESSIONAL SERVICES	.00	.00	1,000.00	1,000.00	.0
10-413-6010	DUES & MEMBERSHIPS	9,456.83	9,456.83	11,900.00	2,443.17	79.5
10-413-6020	TRAINING AND TRAVEL	7,661.55	7,661.55	14,600.00	6,938.45	52.5
TOTAL TOWN COUNCIL AND MANAGEMENT		115,608.18	115,608.18	127,658.22	12,050.04	90.6
<u>TOWN CLERK AND PUBLIC RECORDS</u>						
10-414-4000	SALARY & WAGES	88,100.05	88,100.05	92,748.67	4,648.62	95.0
10-414-4110	HEALTH INSURANCE(BCBS,LIFE,HS)	14,399.56	14,399.56	16,100.00	1,700.44	89.4
10-414-4111	DENTAL & VISION INSURANCE	1,097.43	1,097.43	1,200.00	102.57	91.5
10-414-4120	RETIREMENT	9,997.98	9,997.98	11,129.84	1,131.86	89.8
10-414-4150	MEDICARE	1,268.13	1,268.13	1,344.86	76.73	94.3
10-414-4160	STATE UNEMPLOYMENT	728.38	728.38	350.00	(378.38)	208.1
10-414-4170	WORKERS COMPENSATION	192.00	192.00	232.00	40.00	82.8
10-414-5100	SOFTWARE IMPL:GRANICUS & AMER	11,079.96	11,079.96	16,600.00	5,520.04	66.8
10-414-6010	PROFESSIONAL MEMBERSHIPS	255.00	255.00	300.00	45.00	85.0
10-414-6020	TRAINING AND TRAVEL	357.92	357.92	1,500.00	1,142.08	23.9
10-414-6100	PUBLICAT & SUBSCR(NEWSLETTER)	15,481.18	15,481.18	16,500.00	1,018.82	93.8
10-414-6200	PRINT, PUBLISH, ADVERTISE	3,480.68	3,480.68	5,000.00	1,519.32	69.6
10-414-6380	SOFTWARE MAINT/ACQUIS-LASERFIC	2,490.90	2,490.90	17,300.00	14,809.10	14.4
10-414-7400	CAPITAL EQUIPMENT	904.40	904.40	.00	(904.40)	.0
TOTAL TOWN CLERK AND PUBLIC RECORDS		149,833.57	149,833.57	180,305.37	30,471.80	83.1
<u>FINANCE AND BUDGET</u>						
10-415-4000	SALARY & WAGES	41,655.46	41,655.46	44,433.09	2,777.63	93.8
10-415-4110	HEALTH INSURANCE(BCBS,LIFE,HS)	7,705.52	7,705.52	8,220.00	514.48	93.7
10-415-4111	DENTAL & VISION INSURANCE	607.42	607.42	600.00	(7.42)	101.2
10-415-4120	RETIREMENT	4,691.26	4,691.26	5,331.97	640.71	88.0
10-415-4150	MEDICARE	584.01	584.01	644.28	60.27	90.7
10-415-4160	STATE UNEMPLOYMENT	365.62	365.62	350.00	(15.62)	104.5
10-415-4170	WORKERS COMPENSATION	90.00	90.00	200.00	110.00	45.0
10-415-5001	OSP AUDIT SERVICES	12,500.00	12,500.00	13,000.00	500.00	96.2
10-415-5200	OSP CONTRACTS	11,314.44	11,314.44	12,000.00	685.56	94.3
10-415-6010	PROFESSIONAL MEMBERSHIPS	60.00	60.00	500.00	440.00	12.0
10-415-6020	TRAINING AND TRAVEL	165.00	165.00	1,000.00	835.00	16.5
10-415-6380	SOFTWARE MAINT AND ACQUISITION	2,148.00	2,148.00	2,500.00	352.00	85.9
TOTAL FINANCE AND BUDGET		81,886.73	81,886.73	88,779.34	6,892.61	92.2

TOWN OF DEWEY-HUMBOLDT
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 12 MONTHS ENDING JUNE 30, 2014

		GENERAL FUND				
		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>LEGAL</u>						
10-416-5001	OSP TOWN ATTORNEY	36,438.54	36,438.54	55,000.00	18,561.46	66.3
	TOTAL LEGAL	36,438.54	36,438.54	55,000.00	18,561.46	66.3
<u>INFORMATION TECHNOLOGY</u>						
10-417-5100	OSP TECHNICAL	17,197.50	17,197.50	21,600.00	4,402.50	79.6
10-417-5110	OSP I.T. & TELECOM	3,618.75	3,618.75	.00	(3,618.75)	.0
10-417-6380	SOFTWARE MAINT AND ACQUISITION	2,150.55	2,150.55	6,700.00	4,549.45	32.1
10-417-6900	EQUIPMENT - NON CAPITAL-REPAIR	1,905.50	1,905.50	3,700.00	1,794.50	51.5
10-417-6950	IT HARDWARE & EQUIPMENT ACQUIS	2,429.91	2,429.91	10,000.00	7,570.09	24.3
	TOTAL INFORMATION TECHNOLOGY	27,302.21	27,302.21	42,000.00	14,697.79	65.0
<u>HUMAN RESOURCES</u>						
10-419-6200	PRINT, PUBLISH, ADVERTISE	66.08	66.08	.00	(66.08)	.0
	TOTAL HUMAN RESOURCES	66.08	66.08	.00	(66.08)	.0
<u>MAGISTRATE COURT</u>						
10-421-4000	SALARY AND WAGES	42,892.20	42,892.20	44,287.17	1,394.97	96.9
10-421-4120	RETIREMENT	1,945.39	1,945.39	2,214.36	268.97	87.9
10-421-4150	MEDICARE	628.07	628.07	642.16	14.09	97.8
10-421-4160	STATE UNEMPLOYMENT	742.96	742.96	700.00	(42.96)	106.1
10-421-4170	WORKERS COMPENSATION	89.00	89.00	200.00	111.00	44.5
10-421-5001	OSP PUBLIC DEFENDER	924.00	924.00	2,000.00	1,076.00	46.2
10-421-5003	OSP PROSECUTOR	19,200.00	19,200.00	19,200.00	.00	100.0
10-421-5005	OSP SPECIALIZED COURT FEES	1,214.28	1,214.28	1,500.00	285.72	81.0
10-421-5303	LEASE, MAGISTRATE COURT	3,610.80	3,610.80	3,540.00	(70.80)	102.0
10-421-6010	PROFESSIONAL MEMBERSHIPS	295.00	295.00	500.00	205.00	59.0
10-421-6020	TRAINING AND TRAVEL	1,401.38	1,401.38	2,500.00	1,098.62	56.1
10-421-6300	GENERAL SUPPLIES	1,455.19	1,455.19	1,100.00	(355.19)	132.3
10-421-6301	SUPPLY:BOOKS & SUBSCRIPTIONS	338.60	338.60	500.00	161.40	67.7
10-421-6500	UTILITIES	1,950.53	1,950.53	2,620.00	669.47	74.5
10-421-6900	EQUIP SUPPLY-COMPUTER RENTAL	2,250.00	2,250.00	2,300.00	50.00	97.8
	TOTAL MAGISTRATE COURT	78,937.40	78,937.40	83,803.69	4,866.29	94.2
<u>PUBLIC SAFETY</u>						
10-425-5300	OSP SHERIFF SERVICES	357,531.00	357,531.00	357,531.00	.00	100.0
10-425-5301	OSP EMERGENCY RESPONSE	1,674.00	1,674.00	1,800.00	126.00	93.0
10-425-5501	FACILITIES SHERIFF OFFICE	9,400.32	9,400.32	9,500.00	99.68	99.0
10-425-5503	MAINTENANCE SHERIFF OFFICE	.00	.00	500.00	500.00	.0
10-425-6500	UTILITIES	2,057.93	2,057.93	1,500.00	(557.93)	137.2
	TOTAL PUBLIC SAFETY	370,663.25	370,663.25	370,831.00	167.75	100.0

TOWN OF DEWEY-HUMBOLDT
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 12 MONTHS ENDING JUNE 30, 2014

		GENERAL FUND				
		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>ENGINEERING</u>						
10-430-4000	SALARY AND WAGES-PW SUP 100%	51,201.55	51,201.55	51,235.31	33.76	99.9
10-430-4110	HEALTH INSURANCE(BCBS,LIFE,HS)	7,304.95	7,304.95	7,922.00	617.05	92.2
10-430-4111	DENTAL & VISION INSURANCE	584.52	584.52	600.00	15.48	97.4
10-430-4120	RETIREMENT	5,280.11	5,280.11	6,148.24	868.13	85.9
10-430-4150	MEDICARE	927.50	927.50	742.91	(184.59)	124.9
10-430-4160	STATE UNEMPLOYMENT	362.77	362.77	350.00	(12.77)	103.7
10-430-4170	WORKERS COMPENSATION	1,408.00	1,408.00	1,680.00	272.00	83.8
10-430-5001	OSP ENGINEERING	.00	.00	2,000.00	2,000.00	.0
10-430-6010	PROFESSIONAL MEMBERSHIPS	.00	.00	500.00	500.00	.0
10-430-6020	TRAINING AND TRAVEL	.00	.00	1,000.00	1,000.00	.0
10-430-6300	GENERAL SUPPLIES	100.02	100.02	.00	(100.02)	.0
TOTAL ENGINEERING		67,169.42	67,169.42	72,178.46	5,009.04	93.1
<u>PUBLIC WORKS</u>						
10-431-4000	SALARY & WAGES-PW OPER 100%	45,797.90	45,797.90	42,604.00	(3,193.90)	107.5
10-431-4010	OVERTIME	501.06	501.06	.00	(501.06)	.0
10-431-4110	HEALTH INSURANCE(BCBS,LIFE,HS)	9,654.78	9,654.78	7,778.00	(1,876.78)	124.1
10-431-4111	DENTAL & VISION INSURANCE	779.36	779.36	600.00	(179.36)	129.9
10-431-4120	RETIREMENT	4,437.05	4,437.05	4,152.48	(284.57)	106.9
10-431-4150	MEDICARE	650.00	650.00	617.76	(32.24)	105.2
10-431-4160	STATE UNEMPLOYMENT	744.66	744.66	700.00	(44.66)	106.4
10-431-4170	WORKERS COMPENSATION	1,266.00	1,266.00	1,120.00	(146.00)	113.0
10-431-5200	OSP JANITORIAL SERVICES	2,940.00	2,940.00	3,000.00	60.00	98.0
10-431-5500	FACILITIES, TOWN HALL	36,169.20	36,169.20	37,000.00	830.80	97.8
10-431-5503	MAINTENANCE TOWN HALL OFFICES	183.92	183.92	3,000.00	2,816.08	6.1
10-431-5900	OSP OTHER	2,459.58	2,459.58	2,300.00	(159.58)	106.9
10-431-5903	LIABILITY & AUTO INSURANCE	28,540.19	28,540.19	20,200.00	(8,340.19)	141.3
10-431-6020	TRAINING AND TRAVEL	93.79	93.79	500.00	406.21	18.8
10-431-6300	GENERAL SUPPLIES - TOWN	7,477.81	7,477.81	10,000.00	2,522.19	74.8
10-431-6500	FACILITIES, ELECTRIC UTILITIES	5,883.57	5,883.57	7,500.00	1,616.43	78.5
10-431-6510	FACILITIES, GAS UTILITIES	893.25	893.25	1,200.00	306.75	74.4
10-431-6520	FACILITIES, TELEPHONE	5,876.67	5,876.67	8,180.00	2,303.33	71.8
10-431-6530	FACILITIES, CELLULAR	220.00	220.00	1,000.00	780.00	22.0
10-431-6595	FACILITIES, VEHICLE MAINT.	.00	.00	1,000.00	1,000.00	.0
10-431-6600	FACILITIES, FUEL	.00	.00	3,000.00	3,000.00	.0
10-431-7001	ROAD / FACILITY ACQUISITION	103.50	103.50	5,000.00	4,896.50	2.1
10-431-7006	PARKS & RECREATION	4,872.50	4,872.50	12,000.00	7,127.50	40.6
TOTAL PUBLIC WORKS		159,544.79	159,544.79	172,452.24	12,907.45	92.5

TOWN OF DEWEY-HUMBOLDT
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 12 MONTHS ENDING JUNE 30, 2014

		GENERAL FUND				
		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>COMMUNITY DEVELOPMENT</u>						
10-465-4000	SALARY & WAGES	54,003.13	54,003.13	62,600.40	8,597.27	86.3
10-465-4010	OVERTIME	26.65	26.65	.00	(26.65)	.0
10-465-4110	HEALTH INSURANCE(BCBS,LIFE,HS)	7,224.25	7,224.25	8,780.00	1,555.75	82.3
10-465-4111	DENTAL & VISION INSURANCE	1,169.04	1,169.04	1,200.00	30.96	97.4
10-465-4120	RETIREMENT	5,907.20	5,907.20	7,512.05	1,604.85	78.6
10-465-4150	MEDICARE	787.11	787.11	907.71	120.60	86.7
10-465-4160	STATE UNEMPLOYMENT	748.50	748.50	700.00	(48.50)	106.9
10-465-4170	WORKERS COMPENSATION	534.00	534.00	700.00	166.00	76.3
10-465-5002	OSP PLANNING CONSULTANT	.00	.00	5,000.00	5,000.00	.0
10-465-5005	IGA LIBRARY SERVICE	36,143.00	36,143.00	36,141.00	(2.00)	100.0
10-465-5501	FACILITIES, LIBRARY	13,306.32	13,306.32	15,000.00	1,693.68	88.7
10-465-5900	OSP OTHER (IGA YAV BLDG INSP)	32,186.63	32,186.63	30,000.00	(2,186.63)	107.3
10-465-6010	PROFESSIONAL MEMBERSHIPS	192.00	192.00	500.00	308.00	38.4
10-465-6020	TRAINING AND TRAVEL	879.68	879.68	1,500.00	620.32	58.7
10-465-6100	SUPPLY: BOOK SUBSCRIPTIONS	.00	.00	500.00	500.00	.0
10-465-6950	NEIGHBORHOOD OUTREACH	27,152.56	27,152.56	25,000.00	(2,152.56)	108.6
TOTAL COMMUNITY DEVELOPMENT		180,260.07	180,260.07	196,041.16	15,781.09	92.0
<u>NON-DEPARTMENTAL</u>						
10-499-9995	COST OVERRUNS CONTINGENCY	.00	.00	511,520.00	511,520.00	.0
TOTAL NON-DEPARTMENTAL		.00	.00	511,520.00	511,520.00	.0
TOTAL FUND EXPENDITURES		1,267,710.24	1,267,710.24	1,900,569.48	632,859.24	66.7
NET REVENUE OVER EXPENDITURES		292,501.01	292,501.01	(469,569.48)	(762,070.49)	62.3

TOWN OF DEWEY-HUMBOLDT
 BALANCE SHEET
 JUNE 30, 2014

HURF FUND

ASSETS

20-000-1000	DUE FROM GENERAL FUND	(18,053.17)	
20-000-1100	ACCOUNTS RECEIVABLE		26,481.80	
20-000-1500	INVESTMENTS - LGIP		488,749.54	
				<u>497,178.17</u>
	TOTAL ASSETS			<u>497,178.17</u>

LIABILITIES AND EQUITY

LIABILITIES

20-000-2000	ACCOUNTS PAYABLE		179,069.64	
	TOTAL LIABILITIES			179,069.64

FUND EQUITY

UNAPPROPRIATED FUND BALANCE:				
20-000-2900	RESERVE FOR IMPACT FEES		36,288.00	
20-000-2995	FUND BALANCE AT START OF YEAR		336,657.50	
	REVENUE OVER EXPENDITURES - YTD	(54,836.97)	
	BALANCE - CURRENT DATE		318,108.53	
	TOTAL FUND EQUITY			<u>318,108.53</u>
	TOTAL LIABILITIES AND EQUITY			<u>497,178.17</u>

TOWN OF DEWEY-HUMBOLDT
 REVENUES WITH COMPARISON TO BUDGET
 FOR THE 12 MONTHS ENDING JUNE 30, 2014

		HURF FUND				
		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>REVENUES</u>						
20-100-3340	HURF	279,319.19	279,319.19	274,000.00	(5,319.19)	101.9
20-100-3490	IMPACT FEES	6,342.00	6,342.00	3,000.00	(3,342.00)	211.4
20-100-3600	INTEREST EARNINGS	768.96	768.96	850.00	81.04	90.5
TOTAL REVENUES		286,430.15	286,430.15	277,850.00	(8,580.15)	103.1
TOTAL FUND REVENUE		286,430.15	286,430.15	277,850.00	(8,580.15)	103.1

TOWN OF DEWEY-HUMBOLDT
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 12 MONTHS ENDING JUNE 30, 2014

		HURF FUND				
		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>ENGINEERING</u>						
20-430-5001	OSP ENGINEERING	.00	.00	1,000.00	1,000.00	.0
20-430-6380	SOFTWARE MAINT AND ACQUISITION	2,233.35	2,233.35	.00	(2,233.35)	.0
20-430-7001	ROADWAY MAINTENANCE	4,770.64	4,770.64	.00	(4,770.64)	.0
20-430-7002	CAPITAL ROAD IMPROVEMENT-ENG	6,384.92	6,384.92	10,000.00	3,615.08	63.9
TOTAL ENGINEERING		13,388.91	13,388.91	11,000.00	(2,388.91)	121.7
<u>PUBLIC WORKS</u>						
20-431-5900	OSP OTHER(ON-GOING ROAD MAINT)	43,829.44	43,829.44	47,800.00	3,970.56	91.7
20-431-6595	VEHICLE MAINTENANCE	1,515.27	1,515.27	1,000.00	(515.27)	151.5
20-431-6600	FACILITIES, FUEL	7,663.95	7,663.95	7,000.00	(663.95)	109.5
20-431-6900	HEAVY EQUIP MAINT/SM PARTS-ND	12,850.52	12,850.52	12,000.00	(850.52)	107.1
20-431-7001	IN-HOUSE ROW MAINT MATERIALS	12,997.15	12,997.15	16,000.00	3,002.85	81.2
20-431-7006	CAPITAL ROAD MAINT (OSP)	228,846.41	228,846.41	244,000.00	15,153.59	93.8
20-431-7400	CAPITAL EQUIPMENT	20,175.47	20,175.47	25,000.00	4,824.53	80.7
TOTAL PUBLIC WORKS		327,878.21	327,878.21	352,800.00	24,921.79	92.9
TOTAL FUND EXPENDITURES		341,267.12	341,267.12	363,800.00	22,532.88	93.8
NET REVENUE OVER EXPENDITURES		(54,836.97)	(54,836.97)	(85,950.00)	(31,113.03)	(63.8)

TOWN OF DEWEY-HUMBOLDT
 BALANCE SHEET
 JUNE 30, 2014

GRANT FUND

ASSETS

22-000-1000	DUE FROM GENERAL FUND	63,220.00	
	TOTAL ASSETS		<u>63,220.00</u>

LIABILITIES AND EQUITY

LIABILITIES

22-000-2000	ACCOUNTS PAYABLE	72,785.00	
	TOTAL LIABILITIES		72,785.00

FUND EQUITY

	UNAPPROPRIATED FUND BALANCE:		
	REVENUE OVER EXPENDITURES - YTD	(9,565.00)	
	BALANCE - CURRENT DATE	(9,565.00)	
	TOTAL FUND EQUITY		<u>(9,565.00)</u>
	TOTAL LIABILITIES AND EQUITY		<u>63,220.00</u>

TOWN OF DEWEY-HUMBOLDT
 REVENUES WITH COMPARISON TO BUDGET
 FOR THE 12 MONTHS ENDING JUNE 30, 2014

		GRANT FUND				
		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>REVENUES</u>						
22-100-3390	MISCELLANEOUS GRANT REVENUE	11,780.00	11,780.00	1,654,471.00	1,642,691.00	.7
22-100-3400	YAV CO FLOOD CNTRL FOOTHILL	63,220.00	63,220.00	.00	(63,220.00)	.0
TOTAL REVENUES		75,000.00	75,000.00	1,654,471.00	1,579,471.00	4.5
TOTAL FUND REVENUE		75,000.00	75,000.00	1,654,471.00	1,579,471.00	4.5

TOWN OF DEWEY-HUMBOLDT
 EXPENDITURES WITH COMPARISON TO BUDGET
 FOR THE 12 MONTHS ENDING JUNE 30, 2014

		GRANT FUND				
		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>EXPENDITURES</u>						
22-430-7800	CDBG QUALIFIED EXPENDITURES	9,565.00	9,565.00	.00	(9,565.00)	.0
22-430-7810	MISC GRANT QUALIFIED EXPENDITU	11,780.00	11,780.00	1,654,471.00	1,642,691.00	.7
22-430-7820	FLOOD CONTROL FOOTHILL	63,220.00	63,220.00	.00	(63,220.00)	.0
	TOTAL EXPENDITURES	<u>84,565.00</u>	<u>84,565.00</u>	<u>1,654,471.00</u>	<u>1,569,906.00</u>	<u>5.1</u>
	TOTAL FUND EXPENDITURES	<u>84,565.00</u>	<u>84,565.00</u>	<u>1,654,471.00</u>	<u>1,569,906.00</u>	<u>5.1</u>
	NET REVENUE OVER EXPENDITURES	<u>(9,565.00)</u>	<u>(9,565.00)</u>	<u>.00</u>	<u>9,565.00</u>	<u>.0</u>

TOWN OF DEWEY-HUMBOLDT
BALANCE SHEET
JUNE 30, 2014

CAPITAL ASSETS FUND

ASSETS

90-000-1610	RIGHT OF WAY	2,942,961.00	
90-000-1620	PAVED ROADS	3,528,941.00	
90-000-1630	IMPROVEMENTS OTHER THAN BLDGS	680,946.00	
90-000-1660	OFFICE EQUIPMENT	10,578.00	
90-000-1670	VEHICLES AND EQUIPMENT	77,440.00	
90-000-1700	ACCUMULATED DEPRECIATION	(2,386,077.02)	
	TOTAL ASSETS		<u><u>4,854,788.98</u></u>

LIABILITIES AND EQUITY

FUND EQUITY

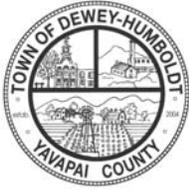
UNAPPROPRIATED FUND BALANCE:			
90-000-2996	INVESTMENT IN CAPITAL ASSETS	<u>4,854,788.98</u>	
	BALANCE - CURRENT DATE		<u>4,854,788.98</u>
	TOTAL FUND EQUITY		<u><u>4,854,788.98</u></u>
	TOTAL LIABILITIES AND EQUITY		<u><u>4,854,788.98</u></u>

TOWN OF DEWEY-HUMBOLDT
BALANCE SHEET
JUNE 30, 2014

GENERAL LONG TERM LIABILITIES

<u>ASSETS</u>			
95-000-1660	AMOUNTS TO BE PROVIDED	15,574.00	
	TOTAL ASSETS		15,574.00
<u>LIABILITIES AND EQUITY</u>			
<u>LIABILITIES</u>			
95-000-2165	COMPENSATED ABSENCES	15,574.00	
	TOTAL LIABILITIES		15,574.00
	TOTAL LIABILITIES AND EQUITY		15,574.00

[Page intentionally left blank]



TOWN OF DEWEY-HUMBOLDT
P.O. BOX 69
HUMBOLDT, AZ 86329
Phone 928-632-8562 ▪ Fax 928-632-7365

TOWN COUNCIL REGULAR MEETING

December 16, 2014, 6:30 p.m. Town Council Meeting Chambers

Agenda Item # 9.1 TPT Consulting Service Agreement with Don Zelechowski, CPA (Enhancement contract).

To: Mayor and Town Council Members

From: Yvonne Kimball, Town Manager

Date submitted: December 11, 2014

Recommendation: Approve the contract.

Summary:

Local Transaction Privilege Tax (TPT) or sales revenue accounts for over 25% of the Town's total General Fund revenues. It is a critical revenue source for the Town's operation. However, the collection of the revenue is very complicated. Along with approximately 70 cities and towns, D-H is a program city whereby the State Department of Revenue collects the taxes for us. Although the system works, Town Staff has little control over the administration and collection of the local sales tax. Further, significant changes to TPT collection are expected to occur in the coming months. The system is so complex that understanding how it works requires specialized knowledge, which town in-house staff does not possess.

At the October 14th Study Session, staff advised the Council of the complications of the TPT collection and the recommendation of proceeding with engaging a qualified individual to enhance Dewey-Humboldt's TPT collection. Council directed to proceed and staff prepared the document with Mr. Don Zelekowski, CPA for TPT auditing and enhancement services.

In speaking with Mr. Zelekowski, his practice is more of education than actual enforcement. He is an experienced Arizona TPT auditor. Staff recommends Council approve the contract. The initial term is from late December to June 30, 2016.

AGREEMENT FOR PROFESSIONAL CONSULTING SERVICES

THIS Agreement is entered into as of this ___ day of _____, 2014, by and between the Town of Dewey-Humboldt, Arizona, a municipal corporation, hereinafter referred to as “Town” and Donald E. Zelechowski, Certified Public Accountant, hereinafter referred to as the “Consultant.”

FOR THE PURPOSE of providing professional consulting services for the Town regarding Transaction Privilege Tax Audit and Accounting services, hereinafter referred to as the “Project,” Town and Consultant do hereby mutually agree to the following:

1. SERVICES AND RESPONSIBILITIES

1.1 Retention of the Consultant. In consideration of the mutual promises contained in this Agreement, Town engages the Consultant to render professional services set forth herein, in accordance with all the terms and conditions contained in this Agreement.

1.2 Scope of Services. The Consultant shall do, perform and carry out in a satisfactory and proper manner, as determined by Dewey-Humboldt, the services set forth in this Agreement, including all exhibits (“Services”). The specific scope of work for this Project is set forth in Exhibit A. In addition to those services identified in Exhibit A, Consultant shall perform all subordinate tasks not specifically referenced in Exhibit A, but reasonably necessary to the full or effective performance of the tasks referenced.

1.3 Responsibility of the Consultant.

1.3.1 Consultant shall provide sufficient qualified personnel, upon reasonable notice to perform any and all services as required herein, including but not limited to inspections, audits and preparation of reports, as reasonably requested by representatives of the Town. Consultant agrees and acknowledges that Consultant is solely responsible for the retention and payment of any subcontractors and/or material suppliers retained by Consultant pursuant to this Agreement, and that the payment for the foregoing is included within the total amount to be paid to the Consultant pursuant to Paragraph 2.

1.3.2 Consultant hereby agrees that the documents and reports prepared by Consultant will fulfill the purposes of the Project, shall meet all applicable code requirements and shall comply with applicable laws and regulations. In addition, and not as a limitation on the foregoing, such documents and reports prepared by Consultant shall be prepared in accordance with professional Consulting standards, as applicable. Any review or approval of said documents and reports does not diminish these requirements.

1.3.3 Consultant shall procure and maintain during the course of this Agreement insurance coverage required by Section 4 of this Agreement.

1.3.4 Consultant shall designate Don Zelechowski, as its Project Manager and all communications shall be directed to him. Key Consultant Personnel are set forth in Exhibit B. “Key Personnel” includes the Consultant employee who will place his license number and signature on key documents and those employees who have significant responsibilities regarding

the Services and Project. Prior to changing such designation Consultant shall first obtain the approval of Town.

1.3.5 Consultant shall obtain its own legal, insurance and financial advice regarding Consultant's legal, insurance and financial obligations under this Agreement.

1.3.6 Consultant's subcontracts are set forth in Exhibit B attached hereto and made a part hereof. Any modification to the list of subcontractors on Exhibit B, either by adding, deleting or changing subcontractors, shall require the written consent of Town.

1.3.7 Consultant shall coordinate its activities with Town's representative and submit its reports to Town's representative.

1.3.8 Consultant shall provide, pay for and insure under the requisite laws and regulations all labor, materials, equipment, and transportation, and other facilities and services necessary for the proper execution and completion of the Services. Consultant shall provide and pay for and insure for all equipment necessary for the Services.

1.3.9 Consultant shall obtain and pay for all business registrations, licenses, permits, governmental inspections and governmental fees necessary and customarily required for the proper execution and completion of Services. Consultant shall pay all applicable taxes. Consultant shall give all notices and comply with all laws, ordinances, rules, regulations and lawful orders of any public authority bearing on the performance of the Services.

1.4 Responsibility of Town.

1.4.1 Town shall cooperate with the Consultant by placing at his disposal all available information concerning the Project. Town agrees to obtain its own legal, insurance and financial advice Town may require for the Project.

1.4.2 Town designates Deni Thompson, as its Project Representative. All communications to Town shall be through its Project Representative.

1.5 Contract Term.

1.5.1 The term of this Agreement shall be from December 22, 2014 through June 30, 2016 (the "Initial Term"). All services identified herein shall be completed to the satisfaction of the Town no later than June 30, 2016.

1.5.2 At the end of the Initial Term, this Agreement shall automatically renew for one additional year from July 1, 2016 through June 30, 2017 (the "Renewal Term"). All services provided during the Renewal Term shall be completed to the satisfaction of the Town no later than June 30, 2017.

1.5.3 Notwithstanding the above, this Agreement shall not automatically renew if one party notifies the other party of its intent not to renew at least sixty (60) days prior to the termination date of the Initial Term.

2. COMPENSATION AND METHOD OF PAYMENT

2.1 Compensation. All compensation for complete and satisfactory completion of services rendered by Consultant, including its subcontractor(s), shall be set forth in Exhibit C.

2.2 Method of Payment. Method of payment shall be set forth in Exhibit C. If payment is to be made monthly, Consultant shall prepare monthly invoices and progress reports which clearly indicate the progress to date and the amount of compensation due by virtue of that progress. All invoices shall be for services completed.

3. CHANGES TO THE SCOPE OF SERVICES

3.1 Change Orders. Town may, at any time, and by written change order, make changes in the services to be performed under this Agreement. A form of change order is attached hereto as Exhibit D. If such changes cause an increase or decrease in Consultant's cost or time required for performance of any services under this Agreement, an equitable adjustment shall be made and the Agreement shall be modified in writing accordingly. Any claim of Consultant for adjustment under this clause must be submitted in writing within thirty (30) days from the date of receipt by Consultant of the notification of change. It is distinctly understood and agreed by the parties that no claim for extra services provided or materials furnished by Consultant will be allowed by Town except as provided herein; nor shall Consultant provide any services or furnish any materials not covered by this Agreement unless Town first approves in writing.

4. INSURANCE REPRESENTATIONS AND REQUIREMENTS

4.1 General. Consultant agrees to comply with all Town ordinances and state and federal laws and regulations. Without limiting any obligations or liabilities of Consultant, Consultant shall purchase and maintain, at its own expense, hereinafter stipulated minimum insurance with insurance companies duly licensed by the State of Arizona (admitted insurer) with an AM Best, Inc. rating of A-7 or above or an equivalent qualified unlicensed insurer by the State of Arizona (non-admitted insurer) with policies and forms satisfactory to Town. Failure to maintain insurance as specified may result in termination of this Agreement at Town's option.

4.2 No Representation of Coverage Adequacy. By requiring insurance herein, Town does not represent that coverage and limits will be adequate to protect Consultant. Town reserves the right to review any and all of the insurance policies and/or endorsements cited in this Agreement but has no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements set forth in this Agreement or failure to identify any insurance deficiency shall not relieve Consultant from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Agreement.

4.3 Additional Insured. All insurance coverage and self-insured retention or deductible portions, except Workers Compensation insurance and Professional Liability insurance if applicable, shall name, to the fullest extent permitted by law for claims arising out of the performance of this Agreement, Town, its representatives, officers, directors, officials and

employees as Additional Insured as specified under the respective coverage sections of this Agreement.

4.4 Coverage Term. All insurance required herein shall be maintained in full force and effect until all Services required to be performed under the terms of this Agreement are satisfactorily performed, completed and formally accepted by Town, unless specified otherwise in this Agreement. Insurance required herein shall not expire, be canceled, or materially changed without thirty (30) days prior written notice to Town.

4.5 Primary Insurance. Consultant's insurance shall be primary insurance as respects performance of this Agreement and in the protection of Town as an Additional Insured.

4.6 Claims Made. In the event any insurance policies required by this Agreement are written on a "claims made" basis, coverage shall extend, either by keeping coverage in force or purchasing an extended reporting option, for three (3) years past completion and acceptance of the Services evidenced by submission of annual Certificates of Insurance citing applicable coverage is in force and contains the provisions as required herein for the three year period.

4.7 Waiver. All policies, including Workers' Compensation Insurance, shall contain a waiver of rights of recovery (subrogation) against Town, its agents, representative, officials, directors, officers, and employees for any claims arising out of the Services of Consultant. Consultant shall arrange to have such subrogation waivers incorporated into each policy via formal written endorsement thereto.

4.8 Policy Deductibles and or Self Insured Retentions. The policies set forth in these requirements may provide coverage which contains deductibles or self-insured retention amounts. Such deductibles or self-insured retention shall not be applicable with respect to the policy limits provided to Town. Consultant shall be solely responsible for any such deductible or self-insured retention amount.

4.9 Use of Subcontractors. If any Services under this Agreement are subcontracted in any way, Consultant shall execute written agreement with Subcontractor containing the same Indemnification Clause and Insurance Requirements set forth herein protecting Town and Consultant. Consultant shall be responsible for executing the agreement with Subcontractor and obtaining Certificates of Insurance verifying the insurance requirements.

4.10 Evidence of Insurance. Prior to commencing any Services under this Agreement, Consultant shall furnish Town with Certificate(s) of Insurance, or formal endorsements as required by this Agreement, issued by Consultant's Insurer(s) as evidence that policies are placed with acceptable insurers as specified herein and provide the required coverage's, conditions, and limits of coverage specified in this Agreement and that such coverage and provisions are in full force and effect. Acceptance and reliance by Town on a Certificate of Insurance shall not waive or alter in any way the insurance requirements or obligations of this Agreement. Such Certificate(s) shall identify the Agreement and be sent to Town. If any of the above cited policies expire during the life of this Agreement, it shall be Consultant's responsibility to forward renewal Certificates within ten (10) days after the renewal date containing all the aforementioned insurance provisions. Certificates shall specifically cite the following provisions:

4.10.1 Town, its agents, representatives, officers, directors, officials and employees is an Additional Insured as follows:

- a. Commercial General Liability-Under ISO Form CG 20 10 11 85 or equivalent.
- b. Auto Liability-Under ISO Form CA 20 48 or equivalent.
- c. Excess Liability-Follow Form to underlying insurance.

4.10.2 Certificate shall cite a thirty (30) day advance notice cancellation provision. If ACORD Certificate of Insurance form is used, the phrases in the cancellation provision “endeavor to” and “but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives” shall be deleted. Certificate forms other than ACORD form shall have similar restrictive language deleted.

4.11 Required Coverage:

4.11.1 Comprehensive General Liability: Consultant shall maintain “occurrence” form Comprehensive general liability insurance, with a minimum coverage of One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) aggregate for personal injury, bodily injury and accidental death; and One Million Dollars (\$1,000,000) per occurrence and aggregate for broad form property damage; with blanket contractual coverage, including, but not limited to, the liability assumed under the indemnification provisions of the Agreement. If any Excess insurance is utilized to fulfill the requirements of this paragraph, such Excess insurance shall be “follow form” equal or broader in coverage scope than underlying insurance.

4.11.2 Professional Liability: Consultant shall maintain Professional Liability insurance covering errors and omissions arising out of the Services performed by Consultant, or anyone employed by Consultant, or anyone for whose acts, mistakes, errors and omissions Consultant is legally liable, with an unimpaired liability insurance limit of \$1,000,000 each claim and \$1,000,000 all claims.

4.11.3 Vehicle Liability: Consultant shall maintain Commercial/Business Automobile Liability Insurance with a limit of \$1,000,000 each occurrence and \$2,000,000 aggregate; and minimum coverage of \$100,000 per occurrence/aggregate for property damage on Consultant’s owned, hired, and non-owned vehicles assigned to or used in the performance of the Consultant’s Services under this Agreement. Such policies shall contain a severability of interest provision, and shall not contain a sunset provision or commutation clause, or any provision which would serve to limit third party action over claims.

4.11.4 Workers’ Compensation Insurance: Consultant shall maintain Workers’ Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Consultant’s employees engaged in the performance Services under this Agreement and shall also maintain Employer Liability Insurance of not less than \$500,000 for each accident, \$500,000 disease for each employee and \$1,000,000 disease policy limit.

5.

INDEMNIFICATION

5.1 To the fullest extent permitted by law, Consultant shall indemnify and hold harmless Town, its, officers, officials and employees from and against all demands, claims, proceedings, suits, damages, losses and expenses (including but not limited to attorney fees, court costs, and the cost of appellate proceedings), and all claim adjustment and handling expenses, relating to, arising out of, or alleged to have resulted from acts, errors, mistakes, omissions, Services caused by Consultant, its agents, employees or any tier of Consultant's subcontractors (hereinafter collectively "Consultant") related to the Services in the performance of this Agreement. Consultant's duty to hold harmless and indemnify Town, its officers, officials and employees shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property including loss of use of resulting therefrom, caused by Consultant's acts, errors, mistakes, omissions, Services in the performance of this Agreement including any employee of Consultant, any tier of Consultant's subcontractor or any other person for whose acts, errors, mistakes, omissions, Services Consultant may be legally liable including Town. Such indemnity does not extend to Town's negligence.

5.2 If any claim, action or proceeding is brought against Town by reason of any event that is the subject of this Agreement and or described herein, upon demand made by Town, Consultant shall reasonably cooperate with Town in Town's defense of those issues related to Consultant's Services. Town shall likewise cooperate with all reasonable efforts in the handling and defense of such claim. Included in the foregoing, Town may engage its own attorney to defend or assist in its defense. Any settlement of claims shall fully release and discharge the indemnified parties from any further liability for those claims. The release and discharge shall be in writing and shall be subject to approval by Town, which approval shall not be unreasonable withheld or delayed. If Consultant neglects or refuses to defend Town as provided by this Agreement, any recovery or judgment against Town for a claim covered under this Agreement shall conclusively establish Consultant's liability to Town in connection with such recovery or judgment, and if Town desires to settle such dispute, Town shall be entitled to settle such dispute in good faith and Consultant shall be liable for the amount of such settlements and all expenses connected to the defense, including reasonable attorney fees, and other investigative and claims adjusting expenses.

5.3 Insurance provisions set forth in this Agreement are separate and independent from the indemnity provisions of this paragraph and shall not be construed in any way to limit the scope and magnitude of the indemnity provisions. The indemnity provisions of this paragraph shall not be construed in any way to limit the scope and magnitude and applicability of the insurance provisions.

6. TERMINATION OF THIS AGREEMENT

6.1 Termination by Town. Town may, by written notice to Consultant, terminate this Agreement in whole or in part with seven (7) days' notice, either for Town's convenience or because of the failure of Consultant to fulfill his contract obligations. Upon receipt of such notice and payment of all fees and expenses due to Consultant for Services performed through the date of termination, Consultant shall: (1) immediately discontinue all services affected (unless the notice directs otherwise), and (2) deliver to Town copies of all data, drawings, reports, estimates, summaries, and such other information and materials by Consultant in performing this Agreement, whether completed or in process, subject to the terms of this Agreement regarding document ownership.

6.2 Termination by Consultant. This Agreement may be terminated in whole or in part by Consultant in the event of substantial failure by Town to fulfill its obligations.

6.3 Payment to Consultant upon Termination. If the Agreement is terminated, Town shall pay Consultant for the services rendered prior to the termination date.

7. ASSURANCES

7.1 Solicitations for Subcontractors, Including Procurements of Materials and Equipment. In all solicitations either by competitive bidding or negotiation made by Consultant for Services to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by Consultant of Consultant's obligations under this Agreement and any regulations relative to nondiscrimination on the grounds of race, color or national origin.

7.2 Examination of Records. Consultant agrees that duly authorized representatives of Town shall, until the expiration of three (3) years after final payment under this Agreement, have access to and the right to examine any directly pertinent books, documents, papers, and records of Consultant involving transactions related to this Agreement.

7.3 Ownership of Document and Other Data. Original documents, such as tracings, plans, specifications, maps, basic survey notices and sketches, charts, computations, and other data prepared or obtained under the terms of this Agreement or any change order are and will remain the property of Dewey-Humboldt unless otherwise agreed to by both parties. Town may use such documents for other purposes without further compensation to the Consultant; however, any reuse without written verification or adaptation by Consultant for the specific purpose intended will be at Town's sole risk and without liability or legal exposure to Consultant. Any verification or adaptation of the documents by Consultant for other purposes than contemplated herein will entitle Consultant to further compensation as agreed upon between the parties.

7.4 Litigation. Should litigation be necessary to enforce any term or provision of this Agreement, or to collect any damages claimed or portion of the amount payable under this Agreement, that all litigation and collection expenses, witness fees, court costs, and reasonable attorneys' fees incurred shall be paid to the prevailing party, as provided for by law.

7.5 Independent Contractor. This Agreement does not create an employee/employer relationship between the parties. It is the parties' intention that Consultant will be an independent contractor and not Town's employee for all purposes, including, but not limited to, the application of the Fair Labor Standards Act, Federal Insurance Contribution Act, the Social Security Act, the Federal Unemployment Tax Act, the Internal Revenue Code, the Immigration and Naturalization Act, Arizona revenue and taxation laws, Arizona Workers' Compensation Law, and Arizona Unemployment Insurance Law. Consultant agrees that it is a separate and independent enterprise from Town, that it has a full opportunity to find other business, that it has made its own investment in its business, and that it will utilize a high level of skill necessary to perform the work. This Agreement shall not be construed as creating any joint employment relationship between Consultant and Town, and Town will not be liable for any obligation incurred by Consultant, including but not limited to unpaid minimum wages and/or overtime premiums.

7.6 Immigration Law Compliance Warranty. As required by A.R.S. § 41-4401, Consultant hereby warrants its compliance with all federal immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A). Consultant further warrants that after hiring an employee, Consultant verifies the employment eligibility of the employee through the E-Verify program. If Consultant uses any subconsultants in performance of the Services, subconsultants shall warrant their compliance with all federal immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A), and subconsultants shall further warrant that after hiring an employee, such subcontractor verifies the employment eligibility of the employee through the E-Verify program. A breach of this warranty shall be deemed a material breach of the Agreement that is subject to penalties up to and including termination of the Agreement. Town at its option may terminate the Agreement after the third violation. Consultant shall not be deemed in material breach of this Agreement if the Consultant and/or subconsultants establish compliance with the employment verification provisions of Sections 274A and 274B of the federal Immigration and Nationality Act and the E-Verify requirements contained in A.R.S. § 23-214(A). Town retains the legal right to inspect the papers of any Consultant or subcontractor employee who works on the Agreement to ensure that the Consultant or subcontractor is complying with the warranty. Any inspection will be conducted after reasonable notice and at reasonable times. If state law is amended, the parties may modify this paragraph consistent with state law.

7.7 Non-Discrimination. Consultant, with regard to the work performed in accordance with this Agreement, will not discriminate on the grounds of race, color, national origin, religion, sex, disability or familial status in the selection and retention of subcontractors, including procurement of materials and leases of equipment. Consultant will not participate either directly or indirectly in the discrimination prohibited by or pursuant to Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Section 109 of the Housing and Community Development Act of 1974, the Age Discrimination Act of 1975 and Executive Order 2000-4.

7.8 Exclusive Use of Services - Confidentiality. The services agreed to be provided by Consultant within this Agreement are for the exclusive use of Town and Consultant shall not engage in conflict of interest nor appropriate Town work product or information for the benefit of any third parties without Town consent.

7.9 Sole Agreement. There are no understandings or agreements except as herein expressly stated.

7.10 Caption. Paragraph captions are for convenience only and are not to be construed as a part of this Agreement; and in no way do they define or limit the Agreement.

7.11 Time is of the Essence. The timely completion of the Project is of critical importance to the economic circumstances of Town.

7.12 Notices. Any notice to be given under this Agreement shall be in writing, shall be deemed to have been given when personally served or when mailed by certified or registered mail, addressed as follows:

TOWN:

Town Manager
Town of Dewey-Humboldt
2735 S. Hwy 69,
P.O. Box 69,
Humboldt, Arizona 86323

CONSULTANT:

Donald E. Zelechowski, CPA
11030 N. 64th Street
Scottsdale, AZ 85254

The address may be changed from time to time by either party by serving notices as provided above.

7.13 Controlling Law. This Agreement is to be governed by the laws of the State of Arizona.

8. SUSPENSION OF WORK

8.1 Order to Suspend. Town may order Consultant, in writing, to suspend all or any part of the Services for such period of time as he may determine to be appropriate for the convenience of Town.

8.2 Adjustment to Contract Fee. If the performance of all or any part of the Services is, for any unreasonable period of time, suspended or delayed by an act of Town in the administration of this Agreement, or by its failure to act within the time specified in this Agreement (or if no time is specified, within a reasonable time), an adjustment shall be made for any increase in cost of performance of this Agreement necessarily caused by such unreasonable suspension or modified in writing accordingly. However, no adjustment shall be made under this clause for any suspension or delay to the extent (1) that performance was suspended or delayed for any other cause, including the fault or negligence of Consultant, or (2) for which an equitable adjustment is provided for or excluded under any other provision of this Agreement.

9. INTERESTS AND BENEFITS

9.1 Interest of Consultant. Consultant covenants that he presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. Consultant further covenants that in the performance of this Agreement, no person having any such interest shall be employed.

9.2 Interest of Town Members and Others. No officer, member or employee of Town and no member of its governing body, who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of the services to be performed under this Agreement, shall participate in any decision relating to this Agreement which affects his personal interest or have any personal or pecuniary interest, direct or indirect, in this Agreement or the process thereof.

9.3 Notice Regarding A.R.S. § 38-511. This Agreement is subject to cancellation under Section 38-511, Arizona Revised Statutes.

10. ASSIGNABILITY

Consultant shall not assign any interest in this Agreement, and shall not transfer any interest in the same without the prior written consent of Town thereto; provided, however, that claims for money due or to become due to Consultant from Town under this Agreement may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to Town.

IN WITNESS WHEREOF, Town and Consultant have executed this Agreement as of the date first written.

TOWN OF DEWEY-HUMBOLDT

By: _____
Terry Nolan, Mayor

ATTEST:

By: _____
Judy Morgan, Town Clerk

APPROVED AS TO FORM:

By: _____
Curtis, Goodwin, Sullivan,
Udall & Schwab, P.L.C.

Town Attorneys

CONSULTANT

By: _____
Its: _____

**EXHIBIT A
SCOPE OF WORK**

- **Privilege tax auditing services**
- **Assist taxpayers in complying with the Model City Tax code as adopted by the Town of Dewey-Humboldt**
- **Conduct research and prepare reports related to privilege tax issues as requested by the Town**

EXHIBIT B
CONSULTANT'S KEY PERSONNEL AND SUBCONTRACTORS

KEY PERSONNEL:

SUBCONTRACTORS:

**EXHIBIT C
PAYMENT SCHEDULE**

A. Compensation

1. The consideration of payment to Consultant, as provided herein shall be in full compensation for all of Consultant's work incurred in the performance hereof, including offices, travel, per diem or any other direct or indirect expenses incident to providing the services.
2. Payment to Consultant shall be at an hourly rate of \$50.00 per hour, paid monthly.
3. The total amount of fees and expenses paid to Consultant pursuant to this Agreement in any given fiscal year shall not exceed \$5,000. The total fees and expenses paid to Consultant from December 22, 2014 to June 30, 2015 shall not exceed \$2,500.

B. Method of Payment

1. Invoices shall be on a form and in the format provided by Town, setting forth the hourly rate and the hours actually worked during the billing period. Invoices shall be submitted in triplicate to Town via Town's authorized representative.
2. Payment shall be made within thirty (30) days of the date of the invoice. If payment in full is not received by Consultant within forty-five (45) calendar days of the due date, invoices shall bear interest at one-and-one-half (1.5) percent (or the maximum rate allowable by law, whichever is less) of the PAST DUE amount per month, which shall be calculated from the invoice due date. Payment thereafter shall first be applied to accrued interest and then to the unpaid principal.
3. If Town objects to any portion of an invoice, Town shall so notify Consultant in writing within five (5) calendar days of receipt of the invoice. Town shall identify in writing the specific cause of the disagreement and the amount in dispute and shall pay that portion of the invoice not in dispute in accordance with the other payment terms of this Agreement. Interest as stated above shall be paid by Town on all disputed invoice amounts that are subsequently resolved in Consultant's favor and shall be calculated on the unpaid balance from the due date of the invoice.

C. Reimbursable Costs

Consultant will be reimbursed for expenses, as long as such reimbursement in addition to fees billed does not exceed \$10,000. The items allowable for reimbursement are as follows:

1. Cost of transportation. (Mileage associated with Project, but not to/from Project site at 55 cents per mile. Any out of state travel must receive prior approval of Town.)

2. Costs of printing, as required by the Agreement.
3. Cost of long distance telephone, postage, UPS, Federal Express, etc.
4. Costs of faxes at \$_____ per page.
5. Cost of other items as required, with prior approval from Town.

All reimbursable costs must be submitted with monthly bill.

**EXHIBIT D
CHANGE ORDER**

CHANGE ORDER NO. _____

Distribution:	TOWN	[]
	CONSULTANT	[]
	OTHER	[]

PROJECT: _____ DATE: _____
OWNER: Town of Dewey-Humboldt
CONSULTANT: _____
AGREEMENT DATED: _____

CHANGES: The Agreement is changed as follows:

Not valid until signed by both Town and Consultant.
Signature of Consultant indicates acceptance.

The original compensation was _____

Net change by previously authorized Change Orders _____

The compensation prior to this Change Order was _____

The compensation will be increased by this Change Order in the amount of

The new compensation under the Agreement including this Change Order will be

The Contract Time will increase by _____

ACCEPTANCE STATUS:

Consultant
By _____

Town of Dewey-Humboldt
By _____

Date _____

Date _____

[Page intentionally left blank]

[Page intentionally left blank]

