

**CITY OF WILLCOX  
MAYOR AND CITY COUNCIL AGENDA**

A REGULAR MEETING OF THE MAYOR AND CITY COUNCIL  
OF WILLCOX, ARIZONA  
**July 7, 2016 AT 6:30 P.M.**  
AT THE CITY COUNCIL CHAMBERS,  
300 W. REX ALLEN DRIVE, WILLCOX, ARIZONA

Resolution 2016-14  
Ordinance NS326

**NOTICE TO PARENTS:** Valley Telecom Group records all Willcox City Council meetings. These recordings may be played and replayed on Valley Telecom Cable Channel 1. If you permit your child to participate in the Council Meeting, a recording will be made of your child's participation. If your child is seated in the audience, he or she may be recorded. If you desire, you may request that your child be seated in a designated area to avoid recording. To do so, please submit your request to the City Clerk prior to the meeting. Arizona Revised Statutes §1-602(A) (9)

**AGENDA**

The Council may discuss, consider and take possible action pertaining to the following:

**1. CALL TO ORDER**

**2. ROLL CALL**

**3. PLEDGE OF ALLEGIANCE TO THE FLAG**

**4. CALL TO THE PUBLIC**

The Call to the Public is provided as a courtesy to allow citizens an opportunity to voice any concerns or opinions they may have regarding the City of Willcox or other matters properly addressed to the Mayor and City Council. Those wishing to address the City Council are required to register by completing an individual speaker's form and filing it with the Clerk before the meeting. The speaker must be recognized by the Mayor before speaking. Time permitting; each presenter will be given approximately three (3) minutes. Organizations may be limited to one (1) speaker. In accordance with Arizona law, the City Council is not permitted to respond directly to the citizen speaking. Action will be limited to directing staff or rescheduling the matter for further consideration at a later date.

**5. DECLARATION ON CONFLICT OF INTEREST**

Council members and staff have a right to declare a conflict of interest. The declaration of a conflict of interest must be made prior to discussion of any agenda item in which Council members or staff member determine they have a conflict of interest.

**6. ADOPTION OF THE AGENDA**

The Council will either adopt the agenda as presented or may remove or table any of the agenda items. Tabled items, unless otherwise directed, will appear on the next regular agenda. Council may not add any items to the agenda at this time. Should staff have any recommendations concerning the exclusion or tabling of agenda items, they will voice these recommendations at this time.

**7. APPROVE THE JUNE 16, 2016 COUNCIL MEETING MINUTES**

Tab 1

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| 8. APPROVE THE JUNE 23, 2016 COUNCIL WORK SESSION MEETING MINUTES  | Tab 2 |
| 9. APPROVE THE JUNE 23, 2016 SPECIAL COUNCIL MEETING MINUTES   | Tab 3 |
| 10. WORKERS' COMPENSATION COVERAGE RENEWAL - ED BANTEL   | Tab 4 |
| 11. PUBLIC HEARING ON FISCAL YEAR 2016-2017 BUDGET   |       |
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| 13. RESOLUTION 2016-13 - A RESOLUTION ADOPTING THE FINAL BUDGET OF THE CITY OF WILLCOX FOR FISCAL YEAR 2016-2017 | Tab 5 |
| 14. RESOLUTION 2016-14 - A RESOLUTION RENEWING THE SOLID WASTE SERVICES CONTRACT WITH SOUTHWEST DISPOSAL         | Tab 6 |
| 15. CITY MANAGER REPORT  |       |
| 16. COMMENTS <u>NOT</u> FOR DISCUSSION FROM MAYOR AND COUNCIL MEMBERS  |       |
| 17. ADJOURN  |       |

\_\_\_\_\_  
Virginia A. Mefford, City Clerk

\_\_\_\_\_  
Date

\_\_\_\_\_  
Time

**NOTE:** Documentation, if any, for items listed on the Agenda is available for public inspection a minimum of 24 hours prior to the Council Meeting at any time during regular business hours in the Office of the City Clerk, 101 S. Railroad Avenue, Suite B, Willcox, AZ; at the Elsie S. Hogan Community Library during regular business hours; and on the City's website [www.cityofwillcox.org](http://www.cityofwillcox.org).

**NOTE:** The City Council Chambers are handicapped accessible. People with special accessibility needs may request reasonable accommodations. Requests must be made 48 hours prior to the meeting by contacting City Hall at 384-4271 during regular business hours 8:00 a.m. to 4:30 p.m., Monday through Friday.

**THE MINUTES OF THE REGULAR MEETING OF THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, AZ HELD ON THIS 16<sup>th</sup> DAY OF JUNE 2016**

**CALL TO ORDER** - Mayor Robert Irvin called the meeting to order at 6:31 p.m.

**ROLL CALL** – Recording Secretary Van Allen called the roll.

**PRESENT**

Mayor Robert A. Irvin  
Vice Mayor Earl Goolsby  
Councilman Elwood A. Johnson  
Councilman Gerald W. Lindsey  
Councilman William "Bill" Nigh  
Councilman Timothy A. Bowlby  
Councilman Michael J. Laws

**STAFF**

City Manager Ted Soltis  
Recording Secretary Sherry L. Van Allen  
City Attorney Ann P. Roberts  
Police Chief Jose Rios  
Finance Director Crystal Hadfield  
Library Director Tom Miner

**PLEDGE OF ALLEGIANCE TO THE FLAG** - Led by Mayor Irvin

**CALL TO THE PUBLIC** - Tara Morrow addressed the Council concerning her interest in serving as the promoter and booking agent for the arena at Quail Park; she proposed that she be given a six-month trial, without pay. .

**DECLARATION ON CONFLICT OF INTEREST** - None

**ADOPTION OF THE AGENDA**

**MOTION:** Vice Mayor Goolsby made a motion to adopt the agenda.

**SECONDED:** Councilmember Lindsey seconded the motion.

**MOTION CARRIED**

**APPROVAL OF MINUTES OF THE REGULAR MEETING OF JUNE 2, 2016**

**MOTION:** Councilmember Johnson made a motion to approve the minutes as presented.

**SECONDED:** Councilmember Lindsey seconded the motion.

**MOTION CARRIED**

**APPROVAL OF MINUTES OF THE WORK SESSION OF JUNE 9, 2016**

**MOTION:** Vice Mayor Goolsby made a motion to approve the minutes as presented.

**SECONDED:** Councilmember Laws seconded the motion.

**DISCUSSION:** Councilmember Johnson voiced he would like to see more work sessions.

**MOTION CARRIED**

**MEDICAL INSURANCE COVERAGE RENEWAL - AL THUNBERG**

Mr. Thunberg gave an update on the medical insurance explaining the difficulty of obtaining low renewals within the industry. He asked if any of the Councilmembers had any questions.

**DISCUSSION:** Councilmember Laws asked how the costs have decreased over the years for the City. Mr. Thunberg explained the decrease has been due to the efforts of management and the City's HRA program.

**MOTION:** Vice Mayor Goolsby made a motion to approve the Medical and Life Insurance coverage renewal.

**SECONDED:** Councilmember Bowlby seconded the motion.

**MOTION CARRIED**

**WILLCOX AGAINST SUBSTANCE ABUSE "WASA" ANNUAL REPORT - GARY HATCH**

Mr. Hatch gave the annual report on Willcox Against Substance Abuse "WASA"; he explained the WASA programs from Youth Court to summer programs. He then asked if any of the Councilmembers had questions.

**DISCUSSION:** Mayor Lindsey asked where to drop donations? Sally White responded at the WASA office.

**THE MINUTES OF THE REGULAR MEETING OF THE MAYOR AND  
CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, AZ  
HELD ON THIS 16<sup>th</sup> DAY OF JUNE 2016**

**RESOLUTION 2016-08 - A RESOLUTION APPROVING A SERVICE CONTRACT FOR THE PROVISION OF RECREATIONAL AND EDUCATIONAL SERVICES "SERVICE CONTRACT" BETWEEN THE CITY OF WILLCOX "CITY" AND WILLCOX AGAINST SUBSTANCE ABUSE "WASA"**

**MOTION:** Councilmember Bowlby made a motion to approve Resolution 2016-08 as presented.

**SECONDED:** Councilmember Laws and Lindsey seconded the motion.

**DISCUSSION:** Councilmember Lindsey requested clarification on paragraph six (6) and ten (10) in the WASA contract. Attorney Roberts addressed concerns. Further discussion was held regarding modifying the paragraphs. Councilmember Bowlby rescinded his original motion.

**AMENDED MOTION:** Councilmember Bowlby made a motion to approve Resolution 2016-08 with the addition of the word "major" to paragraph six (6) that read annual activity plan.

**SECONDED:** Vice Mayor Goolsby seconded the amended motion.

**MOTION CARRIED**

**CHAMBER OF COMMERCE UPDATE - ALAN BAKER**

Mr. Baker gave an update on the Chamber of Commerce. He gave a presentation showcasing the Chamber's accomplishments. Terri Rowden addressed the Council regarding the West Fest event. Eddie Browning gave highlights of the Ranch Rodeo event. Cheryl Moss presented the City with \$1000 in gratitude of the City's outstanding support of West Fest. All speakers thanked the City of Willcox and Public Works for their support.

**RESOLUTION 2016-09 - A RESOLUTION APPROVING AND AUTHORIZING THE RENEWAL AND EXTENSION OF THE USE, MAINTENANCE AND STIPEND AGREEMENT BETWEEN THE CITY OF WILLCOX "CITY" AND THE WILLCOX CHAMBER OF COMMERCE AND AGRICULTURE "CHAMBER"**

**MOTION:** Councilmember Lindsey made a motion to approve Resolution 2016-09.

**SECONDED:** Councilmember Bowlby seconded the motion.

**DISCUSSION:** Councilmember Laws asked Alan Baker for clarification on the Chamber's recommended fee schedule. Mr. Baker responded that the Chamber prepared the fee schedule for the City to consider.

Councilmember Lindsey requested clarification on utility payment. Manager Soltis responded that the Chamber pays their own utilities.

**MOTION CARRIED**

**RESOLUTION 2016-10 - A RESOLUTION APPROVING AND ADOPTING THE INTERGOVERNMENTAL AGREEMENT "IGA" BETWEEN THE CITY OF WILLCOX "CITY" AND THE WILLCOX UNIFIED SCHOOL DISTRICT #13 "SCHOOL" FOR THE PURPOSE OF IMPLEMENTING A SCHOOL SAFETY PROGRAM**

**MOTION:** Councilmember Bowlby made a motion to approve Resolution 2016-10.

**SECONDED:** Vice Mayor Goolsby seconded the motion.

**DISCUSSION:** Questions were asked regarding funding for the SRO officer. City Manager Soltis provided clarification.

**MOTION CARRIED**

**RESOLUTION 2016-11 - A RESOLUTION APPROVING AND AWARDED A BID CONTRACT TO ZG ENTERPRISES DBA FREEWAY TEXACO FOR PURCHASES OF UNLEADED GAS AND DIESEL**

**MOTION:** Councilmember Laws made a motion to approve Resolution 2016-11.

**SECONDED:** Vice Mayor Goolsby seconded the motion.

**MOTION CARRIED**

**RESOLUTION 2016-12 - A RESOLUTION ADOPTING THE TENTATIVE BUDGET OF THE CITY OF WILLCOX FOR FISCAL YEAR 2016-2017; AUTHORIZING AND DIRECTING PUBLICATION OF STATEMENTS AND SCHEDULES OF THE TENTATIVE BUDGET; AND SETTING THE DATES FOR PUBLIC HEARINGS ON THE BUDGET AND PROPERTY TAX LEVY BEFORE ADOPTION**

**MOTION:** Vice Mayor Goolsby made a motion to approve Resolution 2016-12.

**SECONDED:** Councilmember Lindsey seconded the motion.

**THE MINUTES OF THE REGULAR MEETING OF THE MAYOR AND  
CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, AZ  
HELD ON THIS 16<sup>th</sup> DAY OF JUNE 2016**

**DISCUSSION:** Councilman Johnson asked about increases in property taxes. Manager Soltis explained that it will be the minimum 2% increase. Finance Director Hadfield stated \$2,011.00 is the total amount of the increase.

**VOTE: AYES:** (5) Mayor Irvin, Vice Mayor Goolsby, Councilmember Lindsey, Councilmember Laws and Councilmember Nigh. **NAYS:** (2) Councilmember Johnson and Councilmember Bowlby

**MOTION CARRIED**

**EXECUTIVE SESSION PER A.R.S. §38-431.03(A)(1) REGARDING CITY MANAGER'S EMPLOYMENT**

**MOTION:** Councilmember Lindsey made a motion to approve going into Executive Session per A.R.S. §38-431.03(A)(1) regarding the City Manager's employment at & 7: 41 pm.

**SECONDED:** Vice Mayor Goolsby seconded the motion.

**MOTION CARRIED**

**RECONVENED AT 9:02 pm**

**DECISION REGARDING CITY MANAGER'S EMPLOYMENT**

**MOTION:** Councilmember Johnson made a motion to provide the City Manager with a satisfactory evaluation and directed the City Attorney to consult with Manager Soltis regarding his contract renewal. A work session is to be scheduled at 6:00 p.m. on June 23, 2016, followed by a Special Meeting at 6:30 p.m. for a decision.

**SECONDED:** Councilmember Bowlby seconded the motion.

**MOTION CARRIED**

**EXECUTIVE SESSION PER A.R.S. §38-431.03(A)(1) REGARDING CITY ATTORNEY'S EMPLOYMENT**

**MOTION:** Councilmember Johnson made a motion to approve going into Executive Session per A.R.S. §38-431.03(A)(1) regarding City Attorney's employment at 9:06 p.m.

**SECONDED:** Councilmember Bowlby seconded the motion.

**MOTION CARRIED**

**RECONVENED AT 9:43 pm**

**DECISION REGARDING CITY ATTORNEY'S EMPLOYMENT**

**MOTION:** Councilmember Johnson made a motion to provide the City Attorney with a satisfactory evaluation and directed the City Attorney to draw up a contract renewal for the work session at 6:00 p.m. on June 23, 2016, followed by an agenda item on Special Meeting at 6:30 p.m. for a decision.

**SECONDED:** Councilmember Bowlby seconded the motion.

**MOTION CARRIED**

**CITY MANAGER'S REPORT**

- Attorney Roberts gave an update on the water line court case.
- He gave an update on the waste water treatment plant (WWTP). All funding has been approved.
- He gave an update on the Community Development Block Grant (CDBG) project. The project is complete, within budget, and close-out paperwork is nearly complete.

**COMMENTS NOT FOR DISCUSSION FROM MAYOR AND COUNCIL MEMBERS**

- Councilmember Bowlby commented on the generosity of the Chamber.
- Councilmember Laws stated it was a very good meeting.
- Councilmember Lindsey stated he was pleased with the positive discussion held tonight.

**ADJOURN**

With no further business before the Mayor and Council, the meeting was adjourned at 9:49 p.m. by Mayor Irvin.

**CERTIFICATION**

**THE MINUTES OF THE REGULAR MEETING OF THE MAYOR AND  
CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, AZ  
HELD ON THIS 16<sup>th</sup> DAY OF JUNE 2016**

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the regular meeting of the City Council of the City of Willcox held on the 16<sup>th</sup> day of June 2016. I further certify that the meeting was duly called and held, and that a quorum was present.

**Dated this 16<sup>th</sup> day of June 2016**

\_\_\_\_\_  
Recording Secretary Sherry Van Allen

**PASSED, APPROVED AND ADOPTED** this 7<sup>th</sup> day of July 2016.

\_\_\_\_\_  
Mayor Robert A. Irvin

**ATTEST:**

\_\_\_\_\_  
City Clerk Virginia A. Mefford, CMC

**THE MINUTES OF THE WORK SESSION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, AZ HELD ON THIS 23<sup>rd</sup> DAY OF JUNE, 2016**

**CALL TO ORDER** - Mayor Bob Irvin called the meeting to order at 6:00 p.m.

**ROLL CALL** - City Clerk Virginia A. Mefford called the roll.

**PRESENT**

Mayor Robert A. Irvin  
Vice Mayor Earl Goolsby  
Councilman Elwood A. Johnson  
Councilman Gerald W. Lindsey  
Councilman Timothy A. Bowlby  
Councilman Michael J. Laws

**STAFF**

City Manager Ted Soltis  
City Clerk Virginia A. Mefford  
City Attorney Ann P. Roberts  
Police Chief Jose Rios  
Finance Director Crystal Hadfield

**ABSENT**

Councilman William "Bill" Nigh - Excused.

**CITY ATTORNEY CONTRACT**

The City Attorney presented her contract to Council and answered questions.

The proposed City Attorney's contract submission for approval was set for the Council Special Meeting on June 23, 2016 immediately following the work session.

**CITY MANAGER CONTRACT**

The City Manager presented his contract to Council and answered questions.

Section numbering corrections were made as well as two additional typos.

Under Section 12: Performance Evaluation, the following language was added: "The City Manager's performance shall be evaluated during the month of May of each year unless the parties mutually agree to some other time frame."

The proposed City Manager's contract submission for approval was set for the Council Special Meeting on June 23, 2016 immediately following the work session.

**ADJOURN**

Mayor Irvin adjourned the meeting at 6:35 p.m.

**CERTIFICATION**

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the budget work session of the City Council of the City of Willcox held on the 23<sup>rd</sup> day of June 2016. I further certify that the meeting was duly called and held, and that a quorum was present.

**Dated this 23<sup>rd</sup> day of June 2016**

\_\_\_\_\_  
Virginia A. Mefford, City Clerk

**PASSED, APPROVED AND ADOPTED** this 7<sup>th</sup> day of July 2016.

\_\_\_\_\_  
Robert A. Irvin, Mayor

ATTEST:

\_\_\_\_\_  
Virginia A. Mefford, City Clerk

**THE MINUTES OF THE SPECIAL MEETING OF THE MAYOR AND  
CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, AZ  
HELD ON THIS 23<sup>rd</sup> DAY OF JUNE 2016**

**CALL TO ORDER** - Mayor Bob Irvin called the Special meeting to order at 6:36 p.m. and welcomed everyone in attendance.

**ROLL CALL** - City Clerk Virginia A. Mefford called the roll:

**PRESENT**

Mayor Robert A. Irvin  
Vice Mayor Earl Goolsby  
Councilmember Gerald W. Lindsey  
Councilmember Elwood A. Johnson  
Councilmember Timothy Bowlby  
Councilmember Mike Laws

**STAFF**

City Manager Ted Soltis  
City Clerk Virginia A. Mefford  
City Attorney Ann P. Roberts  
Police Chief Jose Rios  
Finance Director Crystal Hatfield

**ABSENT**

Councilmember William "Bill" Nigh - Excused

**APPROVAL OF CITY ATTORNEY CONTRACT**

**MOTION:** Councilmember Johnson moved to approve the City Attorney's contract as presented and discussed in the Work Session for three years from July 1, 2016 through June 30, 2019.

**SECONDED:** Councilmember Laws seconded the motion.

**MOTION CARRIED**

**APPROVAL OF CITY MANAGER CONTRACT**

**MOTION:** Councilmember Johnson moved to approve the City Manager's contract as presented and discussed in the Work Session for three years from July 1, 2016 through June 30, 2019.

**SECONDED:** Councilmember Lindsey seconded the motion.

**MOTION CARRIED**

**ADJOURN** - With no further discussion, the meeting was adjourned at 6:37 pm.

**CERTIFICATION**

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the special meeting of the City Council of the City of Willcox held on the 23<sup>rd</sup> day of June 2016. I further certify that the meeting was duly called and held, and that a quorum was present.

**Dated this 23<sup>rd</sup> day of June 2016**

\_\_\_\_\_  
City Clerk Virginia A. Mefford

**PASSED, APPROVED AND ADOPTED** this 23<sup>rd</sup> day of June 2016.

\_\_\_\_\_  
Mayor Robert A. Irvin

ATTEST:

\_\_\_\_\_  
City Clerk Virginia A. Mefford

CITY OF WILLCOX  
Council Action Form

Agenda Item: 10  
Tab Number: 4

**Meeting Date:**

July 7<sup>th</sup>, 2016

**Action:**

Resolution  
 Ordinance  
 Other

**Subject:**

A.M.R.R.P 2016-2017  
Workman's Comp Renewal

**To:** Mayor and City Council

**From:** Crystal Hadfield, Finance Director

**Discussion:** The Arizona Municipal Risk Retention Pool (Pool) was started in 1986 to address the specialized insurance needs of municipalities. The City joined the Pool in 1987, and has continued to carry its liability and worker's compensation coverage with the Pool. The Board of Directors is made up of representatives from Arizona cities and towns.

The worker's compensation policy is on a fiscal year basis. The current FY17 policy will run from July 1, 2016 to June 30, 2017. The FY17 projected cost of worker's compensation coverage for the City will be \$140,192 which is a decrease of \$16,648 from last year.

The City's premiums are affected by an e-mod (experience modification) rate that is adjusted annually. For FY16 our e-mod rate was 2.01. For FY17 the e-mod is 1.97.

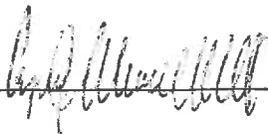
Included for your information please find the Mod Snapshot, the City's Worker's Compensation Coverage Declarations for FY17.

Mr. Ed Bantel, from Southwest Risk, the insurance agency that represents the Pool, will attend the meeting on July 7th to make a presentation to the Mayor and Council about the worker's compensation coverage and to answer questions.

**Recommendation:** Continue using Arizona Municipal Risk Retention Pool for the provision of worker's compensation insurance.

**Fiscal Impact:** \$140,192.00

**Submitted by:**



**Approved by:**





**ARIZONA MUNICIPAL RISK RETENTION POOL**  
**SCOTTSDALE, AZ 85260**

AZWCP301

AZWC012219  
 Renewal of Number

**Policy No. AZWC012220**

FEDERAL ID# 866000270  
 INTER/INTRASTATE ID# 020172711

1. The Insured/Mailing Address: **WORKERS' COMPENSATION COVERAGE DECLARATIONS**  
 CITY OF WILLCOX  
 C/O MANAGER  
 101 S RAILROAD AVENUE  
 SUITE B  
 WILLCOX AZ 85643

Individual  Partnership  Corporation or MUNICIPALITY  
 Other workplaces not shown above: (SEE EXTENSION)

2. Policy Period: The policy period is from 7/01/16 To 7/01/17 12:01 A.M. Standard Time,  
 at the insured's mailing address.

3. Coverage:  
 A. Workers' Compensation Insurance: Part One of the policy applies to the Workers' Compensation Law of the  
 states listed here:  
AZ

B. Employer's Liability Insurance: Part Two of the policy applies to work in each state listed in item 3.A. The limits  
 of our liability under Part Two are:

Bodily Injury by Accident	\$ 1,000,000	each accident
Bodily Injury by Disease	\$ 1,000,000	each employee
Bodily Injury by Disease	\$ 1,000,000	policy limit

C. Other States Insurance: Part Three of the policy applies to the states, if any, listed here: All states except Nevada,  
 North Dakota, Ohio, Washington, West Virginia, Wyoming, States designated in Item 3 of the declarations and +  
 + Absence of an entry means there are no other state exceptions.

D. This policy includes these endorsements and schedules:  
AZWCP301 AZWCP303 AZWCP301A AZWCP301B AZWCP301C AZWCP301P

4. Premium: The premium for this policy will be determined by our Manuals of Rules, Classifications, Rates and Rating  
 Plans. All information required below is subject to verification and change by audit.

Classifications	Code No.	Premium Basis Total Estimated Annual Remuneration	Rate Per \$100 of Remuneration	Estimated Annual Premium
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(SEE EXTENSION)

Experience Rating Modification Factor	Schedule Rating Factor	Premium Discount	Expense Constant	Other	Other	
(SEE AZWCP301B)					Total Estimated	
					Annual Premium	\$ 140,192.00
					Installment Premium	\$ 35,048.00
					Minimum Premium	\$ 1,000.00

Premium Adjustment Period:  Annual;  Semi-Annual;  Quarterly;  Monthly;  Other

Issued at: Scottsdale, AZ Date of issue 6/15/16

Producer/Agent: SOUTHWEST RISK SERVICES  
 Address: 14902 NORTH 73RD STREET  
SCOTTSDALE AZ 85260

**WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY INSURANCE POLICY  
INFORMATION PAGE EXTENSION**

Policy Number: AZWC012220  
 Insured: CITY OF WILLCOX  
 Policy Period From: 7/01/16 To 7/01/17

**ITEM 4.**

<b>Code No</b>	<b>Loc</b>	<b>Classifications</b>	<b>Premium Basis Total Estimated Annual Renumeration</b>	<b>Rate Per \$100 of Remunera- tion</b>	<b>Estimated Annual Premium</b>
<b>State: 02 ARIZONA</b>					
5506	001	STREET/ROAD CONST-PAV.REPAV	138,104	8.8300	12,195.00
7502	001	GAS DIST.-LPG-LOCAL DRIVERS	49,106	2.9700	1,458.00
7520	001	WATERWORKS OPERATIONS	171,018	3.4700	5,934.00
7580	001	SEWAGE DISPOSAL/PLANT OPER.	69,272	3.4400	2,383.00
7720	001	POLICE OFFICERS	504,394	4.3800	22,092.00
8380	001	AUTO SERVICE/REPAIR	71,114	2.7900	1,984.00
8411	001	VOLUNTEER POLICE/FIRE/OTHER	386,680	.8900	3,441.00
8810	001	CLERICAL OFFICE/LIBRARY/MUSE	824,740	.2400	1,979.00
8820	001	ATTORNEY-ALL EE & CLERICAL-M	88,254	.2200	194.00
8831	001	DOG POUNDS	41,470	2.2500	933.00
9015	001	BUILDINGS-NOC OPER BY OWNER/	74,328	3.6200	2,691.00
9060	001	GOLF PRO INCLUDE SHOP/CLERIC	64,842	2.0000	1,297.00
9102	001	PARKS-NOC ALL EMPLOYEES	101,126	3.1000	3,135.00
9220	001	CEMETERY OPERATIONS	15,580	4.8700	759.00
9410	001	MUNICIPAL/TOWN/COUN/STATE EE	111,346	1.7500	1,949.00
9898		EXPERIENCE MODIFICATION	1.9700	.9700	60,551.00
9889		SCHEDULE MODIFICATION-DEBIT	1.1400	.1400	17,217.00
<b>Total This Page \$</b>					<b>140,192.00</b>

# Mod Analysis and Strategy Proposal

## What Your Mod is Costing You

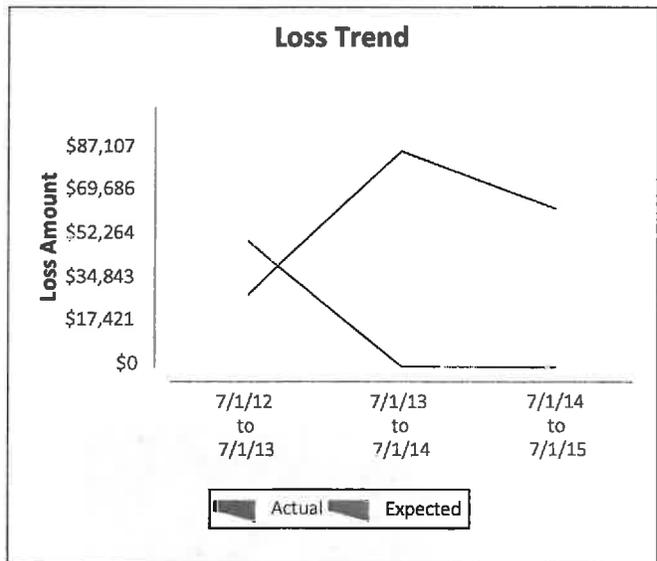
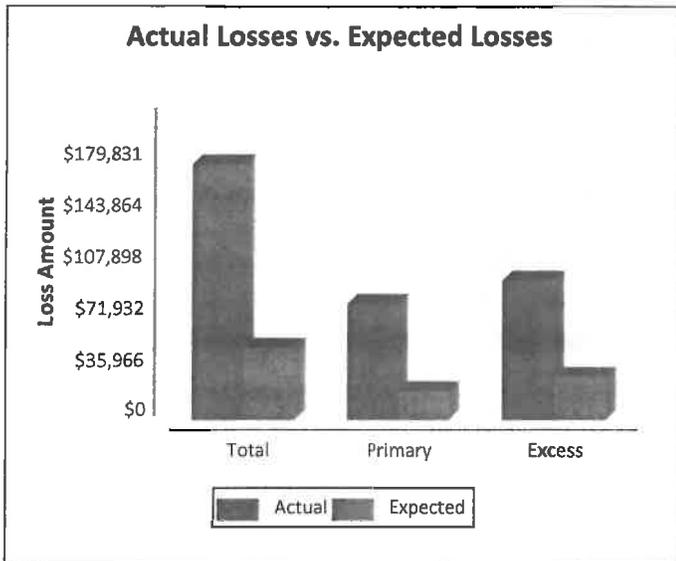
Mod value: 1.97

Mod effective date: 7/1/2016

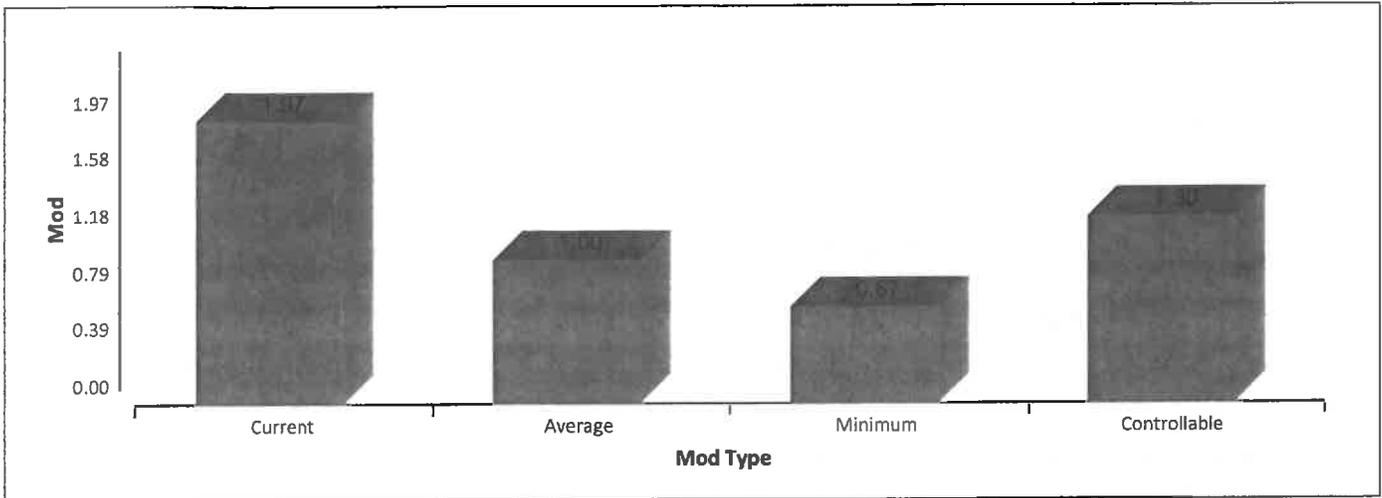
- Your minimum, or best possible mod, for the policy period included in this calculation was 0.67.
- Your controllable mod, or the amount of mod points that could have been avoided if you had no losses, was 1.30.

## How Your Company Compares to Industry Standards

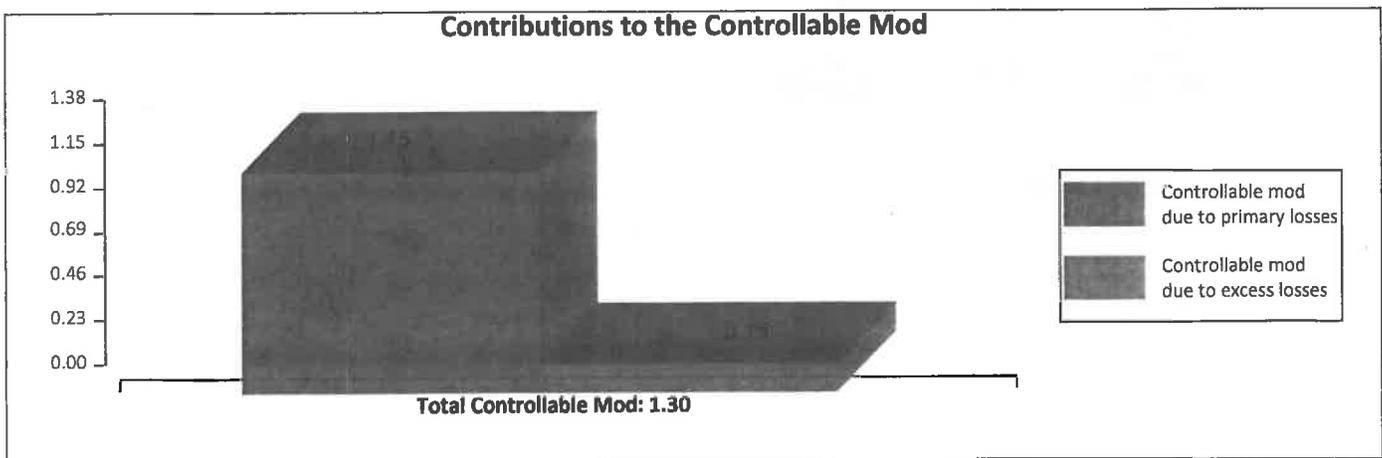
- Your company's total losses were \$179,831. The industry average, as measured by payroll, for a company of your size was \$50,788. Your losses were 354 % of expected.
- Your company's primary losses, which are a measure of loss frequency, were \$81,744. The industry average for a company of your size is \$20,414. Your primary losses were 400 % of expected.
- Your company's excess losses, which are a measure of loss severity, were \$98,086. The industry average for a company of your size is \$30,374. Your excess losses were 323 % of expected.



# Mod Impact on Premium Analysis



Mod Type	Mod Value	Description
Current	1.97	Your actual mod.
Average	1.00	The average mod is always 1.00.
Minimum	0.67	The lowest mod you could achieve if you had zero losses in the experience rating period.
Controllable	1.30	The mod points you could have saved if you had zero losses in the experience rating period.



# Loss Summary Report

State	Claim Number	Injury Date	Loss Type	Incurred Loss	Primary Loss	Mod w/o Loss	Impact on Mod
AZ	14014146	7/11/2012	MED	\$2,504	\$751	1.9556	0.0105
AZ	14014734	1/14/2013	MED	\$2,961	\$888	1.9536	0.0125
AZ	14014749	1/21/2013	MED	\$972	\$292	1.9620	0.0041
AZ	14014793	2/6/2013	MED	\$1,414	\$424	1.9601	0.0060
AZ	14014832	2/18/2013	MED	\$1,687	\$506	1.9590	0.0071
AZ	14015015	3/25/2013	FREQ	\$8,307	\$8,307	1.8424	0.1237
AZ	14015013	4/24/2013	FREQ	\$8,740	\$8,740	1.8433	0.1228
AZ	14015172	6/12/2013	FREQ	\$8,404	\$8,404	1.8481	0.1180
AZ	14015212	6/18/2013	MED	\$941	\$282	1.9621	0.0040
AZ	14015309	7/15/2013	MED	\$1,204	\$349	1.9612	0.0049
AZ	14015353	7/26/2013	MED	\$3,039	\$912	1.9533	0.0128
AZ	14015986	2/24/2014	SEV	\$7,225	\$16,000	1.7395	0.2266
AZ	14016239	5/12/2014	MED	\$1,011	\$303	1.9618	0.0043
AZ	14016238	5/14/2014	MED	\$919	\$276	1.9622	0.0039
AZ	14016267	5/20/2014	MED	\$2,231	\$669	1.9567	0.0094
AZ	14016279	5/28/2014	SEV	\$67,336	\$16,000	1.6620	0.3041
AZ	14016355	5/29/2014	MED	\$124	\$37	1.9656	0.0005
AZ	14016814	10/7/2014	MED	\$1,011	\$303	1.9618	0.0043
AZ	14017031	12/8/2014	SEV	\$1,525	\$16,000	1.6710	0.2951
AZ	14017100	1/31/2015	MED	\$202	\$201	1.9633	0.0028
AZ	14017291	2/6/2015	MED	\$4,324	\$1,297	1.9479	0.0182
AZ	14017482	4/14/2015	MED	\$281	\$84	1.9649	0.0012
AZ	14017612	5/22/2015	MED	\$124	\$37	1.9656	0.0005
AZ	14017719	6/23/2015	MED	\$607	\$182	1.9635	0.0026
<b>Grand totals:</b>				<b>\$198,021</b>	<b>\$81,744</b>		<b>1.2999</b>

## Explanation of Loss Types

ModMaster® Mod Analysis brought to you by Berkley Risk Services

Page 3

Proprietary and Confidential. ModMaster software provides for an ESTIMATE of an experience modification factor. Your official experience modification factor is issued solely by the applicable workers' compensation rating bureau. © 2016 Zywave, Inc. All Rights Reserved.

AMRRP - Willcox, City of - 7/1/2016

Mod Effective Date: 7/1/2016

- FREQ* A non-medical-only loss that falls under the primary/excess split point for the applicable state.
- SEV* A non-medical-only loss that is over the primary/excess split point for the applicable state.
- MED* A medical-only, or IJ code 6, loss.

**CITY OF WILLCOX, COCHISE COUNTY, ARIZONA**

**RESOLUTION 2016-13**

**A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, ARIZONA, ADOPTING THE FINAL BUDGET OF THE CITY OF WILLCOX FOR FISCAL YEAR 2016-2017**

**WHEREAS**, by Resolution 2016-12, the Mayor and City Council, passed and adopted the Tentative Budget for the City of Willcox, Fiscal Year 2016-2017; and,

**WHEREAS**, following due public notice, the Mayor and City Council held a public hearing on July 7, 2016 at which meetings, any taxpayer was privileged to appear and be heard in favor or against any of the proposed expenditures and expenses or tax levies and, it appears that the sums to be raised by taxation do not, as specified therein, in the aggregate exceed that amount as computed in A.R.S. §42-17051; and,

**WHEREAS**, the City estimated public expenses and estimated revenues in the amount of \$15,455,531, net of inter-fund allocations of \$596,304, as the Final Budget of the City of Willcox, Cochise County, Arizona for the Fiscal Year 2016-2017 and said amount is within the spending limitation set forth in Article IX, Section 20 of the Arizona State Constitution.

**NOW, THEREFORE, BE IT RESOLVED**, that the estimates of revenues and public expenditures and expenses as shown on the accompanying schedules, are hereby adopted as the Final Budget of the City of Willcox, Cochise County, Arizona for the Fiscal Year 2016-2017.

**PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, ARIZONA**, this 7<sup>th</sup> day of July, 2016.

**APPROVED/EXECUTED:**

\_\_\_\_\_  
**ROBERT A. IRVIN**, Mayor

**APPROVED AS TO FORM:**

\_\_\_\_\_  
**ANN P. ROBERTS**, City Attorney

**ATTEST:**

\_\_\_\_\_  
**VIRGINIA A. MEFFORD**, City Clerk

CITY OF WILLCOX  
Request for Council Action

Agenda Item: 14  
Tab Number: 6

**Meeting Date:**

July 7, 2016

**Action:**

Resolution  
 Ordinance  
 Other

**Subject:**

Resolution 2016-14 -  
Waste Connections of New  
Mexico, Inc. dba Southwest  
Disposal Contract Renewal.

**To:** Mayor and City Council

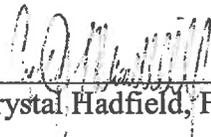
**From:** Crystal Hadfield, Finance Director

**Discussion:** The City contracts with a commercial waste services provider for solid waste collection services. On March 21, 2011 the City awarded a five year contract to Waste Connections of New Mexico dba Southwest Disposal. The contract, terminating 06/30/16, is currently renewable for three one year periods. Southwest Disposal has been our waste services provider for many years and has devoted quality service for the duration. Customer complaints are minimal. Their invoices and billing are simplified to meet our standards. Also, their handling of work orders is satisfactory. Given their reputation of service and long-standing relationship with the City, staff recommends renewing the contract.

**Recommendation:** Motion to approve Resolution 2016-14, Waste Connections of New Mexico dba Southwest Disposal Contract Renewal.

**Fiscal Impact:** N/A

**Submitted by:**

  
Crystal Hadfield, Finance Director

**Approved by:**

  
Ted Soltis, City Manager

**CITY OF WILLCOX, COCHISE COUNTY, ARIZONA**

**RESOLUTION 2016-14**

**A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, ARIZONA RENEWING THE SOLID WASTE SERVICES CONTRACT WITH SOUTHWEST DISPOSAL**

**WHEREAS**, the City signed a five year contract with Waste Connections of New Mexico DBA Southwest Disposal for the provision of solid waste services with the option to renew the Contract for three additional one year terms; and

**WHEREAS**, the initial five year term expired June 30, 2016; and

**WHEREAS**, the Mayor and Council of the City of Willcox, Cochise County, Arizona have determined that it is in the best interest of its residents to exercise the renewal option.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF WILLCOX, COCHISE COUNTY, ARIZONA, AS FOLLOWS:**

Section 1: The Mayor and Council approve the renewal of the contract with Waste Connections of New Mexico DBA Southwest Disposal for one year from July 1, 2016 to June 30, 2017.

Section 2: The Mayor is authorized and empowered to execute this Resolution.

Section 3: The City Manager is authorized and directed to take all action required and/or necessary to carry out the intent of this Resolution.

**PASSED AND ADOPTED** by the Mayor and Council of the City of Willcox, Cochise County, Arizona, this 7<sup>th</sup> day of July, 2016.

**APPROVED/EXECUTED:**

\_\_\_\_\_  
**ROBERT A. IRVIN**, Mayor

**APPROVED AS TO FORM:**

**ATTEST:**

\_\_\_\_\_  
**VIRGINIA A. MEFFORD**, City Clerk

\_\_\_\_\_  
**ANN P. ROBERTS**, City Attorney



**CITY OF WILLCOX  
2011  
REFUSE COLLECTION, TRANSPORT, AND DISPOSAL CONTRACT**

THIS AGREEMENT is made and entered into this 23 day of MARCH, 2011, by and between the City of Willcox, Cochise County, Arizona, an Arizona municipality, hereinafter referred to as "the City," and Waste Connections of New Mexico, Inc. (d.b.a. Southwest Disposal), hereinafter referred to as "the Contractor".

**I. GENERAL PROVISIONS**

Pursuant to the provisions of the Code of Ordinances of the City of Willcox, Arizona, the City does hereby grant to the Contractor authority to perform Residential and Commercial Refuse Collection, Transport and Disposal services within the City limits for the consideration and upon the terms and conditions set forth in this contract.

The City also grants the Contractor a contract for collection and transport of the City's Commercial Accounts, as set forth in this Contract and the Request for Proposals issued January 2011.

**II. DEFINITIONS**

Terms used in this contract shall have the meanings ascribed to them in the Code of Ordinances of the City of Willcox, Arizona and the Rules and Regulations of the Arizona Department of Environmental Quality, (ADEQ) and specifically R18-13-301 et seq.. The term "City Manager" shall mean the City Manager of the City of Willcox or such Manager's designated representative.

**III. EXCLUSIVE CONTRACTOR**

The Contractor is designated and appointed as the exclusive Residential Contractor/Hauler for Refuse Collection, Transport, and Disposal for the City of Willcox. During the term hereof, the City shall not engage in Residential Refuse Collection, Transport, and Disposal other than with the services of the Contractor, unless otherwise provided herein.

The Contractor is further granted the Contract as the Collector, Transporter, and Disposer of the City's refuse.

The Contractor is further Granted the Contract as the Collector, Transporter, and Disposer of Refuse for those Commercial Accounts which chose to sign up for Refuse service through the City system.

The Contractor agrees that the Refuse to be Collected, Transported, and Disposed under this contract shall be from residential and commercial units which receive utility service from the City.

Pickup/disposal service shall be provided to residential and commercial units which receive utility service from the City. There may be some users of service outside the Municipality's corporate limits, but within five miles of the corporate limits. Some fluctuations may occur causing some resident and commercial units to periodically not have Refuse service due to vacancy, enforcement issues, etc. Arrangements for disposal of construction/demolition material may be made directly with the Contractor by the commercial entity or resident. The pickup/disposal service for residential units, as well as designated days of pickup will be established by the City. In the Event any day selected falls on a legal holiday on which the Contractor will not provide pickup/disposal service, the Contractor shall, on the next business day, provide pickup/disposal service, unless otherwise agreed in writing by the City Manager.

In the event any residential or commercial units are annexed by the City in the future, the Contractor agrees to service such areas, no later than three (3) Months from the date of annexation, pursuant to the terms of this contract and upon the same terms and conditions as contained in this Contract.

#### IV. TERM

Subject to termination as herein provided, the term of this Contract shall be for the term of five (5) years, beginning July 1, 2011, and ending June 30, 2016, with the City of Willcox having the option to renew the Contract for three (3) additional one year terms. At a minimum of ninety (90) calendar days prior to the expiration of Contract term the parties will review the Contract.

Should it be determined during the ninety days that either party desires to terminate the Contract; or if the Contract is defaulted or any other form of termination; the following shall take place:

1. If requested by the City, the Contractor agrees to leave the containers, trucks and all other equipment utilized by the Contractor to provide service to customers in the City in place and permit the City to operate the Contractor's trucks and equipment for a period up to, but not to exceed, sixty (60) calendar days after expiration of the contract to permit the City time to purchase equipment or locate a new contractor to provide refuse collection and disposal. In such an event, the City shall insure the trucks and equipment for its reasonable market value, shall compensate the Contractor for the use of such equipment based on a return on the fair market value of the trucks and equipment at a reasonable interest rate for the period of such use, and shall return all trucks and equipment in the condition in which it took the trucks and equipment, less reasonable wear and tear.

2. If the City desires to purchase the containers, trucks and equipment utilized under this Contract, and the Contractor is willing to sell the containers, trucks and equipment to the City, a list of these assets will be agreed upon by the parties and the purchase price shall be current market value of these assets, if any, when such value to be determined by an independent appraiser agreed upon by both parties.

3. The parties shall work together to insure a reasonable transition in having the City take responsibility for the service, if the City determines to do so.
4. The extension of the contract must be approved by the then existing City Council upon exercise of each option to extend as specified in this section.

## **V. INDEPENDENT CONTRACTOR**

The parties acknowledge and agree that the Contractor shall carry out all the terms of this contract as an independent Contractor and not as an agent, servant, employee or partner of the City, and nothing contained herein shall be construed otherwise.

## **VI. SERVICE**

The Contractor shall:

1. Provide complete and adequate automated refuse collection and disposal service to persons and entities in the City entitled to such service under the provisions of the Code of Ordinances of the City of Willcox, Arizona and this Contract including, but not limited, to all Residential and Commercial properties upon which any individual or company resides or conducts business.
2. Furnish all labor, supervision, training, tools, apparatus, office facilities and equipment, materials and commercial/industrial and residential containers necessary to provide such automated refuse collection and disposal service in compliance with all state and local rules and regulations applicable to same. The minimum size of containers shall be designated by City.
3. Provide regularly scheduled refuse collection and disposal service to all Residential Accounts, including side yard pickup for Senior/Disabled accounts.
4. Provide pickup, transport and disposal to Commercial Accounts awarded under this contract and establish and provide frequency of collection and container capacity as are necessary to adequately affect such service;
5. Provide complete and adequate "Bulky" items and "Green Waste" collection and disposal service to all persons and entities in the City within five business days of notification. To qualify for service under this section the City shall require that all grass clippings and leaves must be bagged; all tree branches must be cut in four to six foot lengths and tied up in bundles not to exceed fifty pounds; and all white goods, appliances, refrigerators must be drained of all Freon by a licensed individual.
5. In any event, provide refuse collection and disposal service sufficiently adequate to prevent accumulation of refuse and minimize the breeding of flies, and creation of public health hazard or nuisance in the City which may constitute a nuisance or health hazard.

6. Should spillage occur in the process of providing refuse collection, the Contractor will promptly remove and clean up all debris.
7. Subject to reasonable modifications which the City may require, the Contractor shall commence residential collection no earlier than 6:00 a.m. and terminate such service no later than 6:00 p.m.
8. After removing refuse from the container and without delay, the Contractor shall cause such container to be replaced at its designated position with the lid or cover on and in place.
9. Exercise reasonable care in handling of refuse disposal bins and containers. The Contractor shall provide free service to community on designated two (2) Community Clean-Up Days with containers as may be necessary. The Contractor will provide the City with the maximum of two empties, each of the Containers provided for Cleanup Days, at no charge to the City. City will pay any tipping fees for these containers.
10. When regular pickup is on a holiday, collection shall resume on the next calendar business day, unless otherwise agreed in writing by City Manager.
11. Avoid leaving the designated roadways and alleys during the course of completing refuse pickup.
12. Require its employees and personnel to make all collections in a quiet and orderly manner, to avoid unnecessary noise and disturbances.
13. The City Manager shall have authority to notify the Contractor of any particular refuse problem as he deems necessary. The Contractor will remove the refuse in question within two business days.
14. Comply with all rules and regulations of the City, County, State and Federal environmental quality rules and regulations.
15. Provide information to the City via fax or email as to inability to access containers. Information shall state reason, return date if applicable and or other information necessary to prevent any further service interruption.
16. Respond to requests for service activation or termination in a timely matter. The City will submit a work order outlining the action, address, resident or business name, size of container, and number of pick-ups. Authorized agents of the City are the only persons able to place work orders with the Contractor and the Contractor will fill these requests within two business days or notify the City of any delay.

## **VII. COLLECTION EQUIPMENT**

The Contractor shall use only serviceable collection equipment. Packer trucks shall completely, adequately, and fully accommodate the use of approved, covered, commercial type refuse

containers for collection from commercial or large residential units. Sufficient backup equipment shall be available to the Contractor to allow complete and timely performance of all obligations herein. The Contractor agrees to meet State Air Pollution Emission Standards as they apply to equipment.

All trucks or other equipment, including refuse containers, used in collecting refuse shall be thoroughly cleaned and deodorized or disinfected when necessary to maintain such equipment in a sanitary and non-offensive condition.

All trucks and collection equipment shall be clearly identified with the Contractor's firm and the name and telephone number shall be affixed thereto. Collection trucks shall be painted uniform colors and shall be equipped with such safety devices and warning lights as required by Arizona Statutes or Willcox City Ordinances. Each collection truck shall be equipped with appropriate fire extinguishers, first aid kits and reflective safety devices.

The Contractor shall not transfer, sell, assign, lease, surrender, abandon, or permit to lapse its title or right of possession in and to any property used in the performance of this contract without replacing such property with property of comparable value for use in performance of the work required. Any attempt to do so without prior written consent of the City shall constitute a material breach of this contract.

The Contractor shall properly maintain the entire Contractor owned collection equipment, vehicles and containers including refuse containers, if any, and keep the same serviceable. When the Contractor-owned collection equipment, vehicles and refuse containers are no longer serviceable; these systems shall be replaced with collection equipment, vehicles and containers suitable for use under the terms of this agreement. At any time that a refuse container becomes unsightly, unsanitary or otherwise unserviceable, the Contractor shall replace the container with a new or properly refurbished container within five (5) business days of notification from the City of the condition or discovery of the deficiency during collection.

## **VIII. CONTRACTOR'S PERSONNEL**

The Contractor shall:

1. Employ and retain employees who are experienced and qualified to assure performance of this contract.
2. Provide adequate operation and safety training for all its employees and personnel.
3. Furnish, upon request of the City, information to the City concerning the background and experience of any supervisor, agent, or employee of the Contractor.
4. Require employees to wear clean uniforms bearing the Contractor's business name and/or logo.
5. Review or investigate, at the request of the City Manager, any employee who has been deliberately or wantonly negligent, rude or discourteous in the performance of his or her duties,

who is unnecessarily noisy, or who violates the Motor Vehicle Code or any provisions of this agreement.

6. Comply with all applicable State and Federal laws pertaining to employment.

7. Assure that each employee who drives or operates vehicles or equipment is properly trained in the operation thereof and that such employee shall be in possession of any appropriate vehicle or equipment license required for the operation thereof.

8. Assure that employees and equipment operators are courteous to the public.

## **IX. COMPLAINT PROCEDURE**

The Contractor shall be responsible for promptly addressing all valid complaints regarding refuse collection. The City will relay all service complaints to the Contractor promptly.

All complaints shall be investigated by the Contractor within two (2) business days of receipt of the complaint. The Contractor shall have a supervisor available to represent the Contractor in its relations with the City and the public. If the complaint is that Contractor missed a scheduled pick-up of a residential or commercial unit, and the complaint is validated upon investigation, the contractor will correct the complaint within one (1) business day of notification.

Any complaints against the service of the Contractor will be tracked and the information compiled for performance evaluation purposes.

The Contractor agrees to advertise in the local news media quarterly, advising residential and commercial clients in the City of the special pickup services available to the public by the Contractor to include customer service telephone number. The Contractor shall comply in full with R18-13-306 of the Arizona Department of Environmental Quality Waste Management Rules.

## **X. PERMITS AND LICENSES**

The Contractor, at its own expense, shall obtain all permits and licenses required by law or ordinance to affect the performance of this contract and maintain same in full force and effect.

## **XI. ROUTES AND SCHEDULES**

The Contractor shall provide the City with maps and schedules of collection routes and keep such information current at all times. These routes shall be detailed for commercial customers, providing the address, size of container, days of pick-up, time of day, and container number. Drivers are required to utilize forms with this detailed information when performing their routes. Notations should be on these forms of any problems or missed pick-ups so that the City is informed. In the event of changes in routes or schedules that will alter the day pickup, the Contractor shall notify the City by mail, not less than four (4) weeks prior to the change and shall comply with Department of Environmental Quality Rules and Regulations covering said change.

## **XII. NO ADDITIONAL COMPENSATION ALLOWED**

Except as specifically provided herein, the Contractor shall not, nor shall they permit any agent, employee or subcontractor employed by him to request, solicit, demand or accept either directly or indirectly any compensation or gratuity for the collection of refuse or other waste material as herein defined, including unscheduled pickup by the Contractor.

## **XIII. DISPOSAL OF REFUSE**

The Contractor shall deliver all garbage, trash, and other refuse collected under this Contract, in the corporate City limits, to the Cochise County Transfer Station located in Willcox, Arizona for refuse disposal purposes without charge to the Contractor. No other location may be used for the disposal of such refuse.

The City will pay the per ton tipping fee for any refuse collected, under this Contract, from the residential and commercial customers within the City limits by Contractor.

Brush or green waste shall be taken to the City's designated compost disposal site by the Contractor, at no additional charge, provided such compost disposal site is within five (5) miles of the City.

City routes will be segregated from any other routes performed by the Contractor for non-City customers, Commercial Accounts not under this Contract, and no other routes shall be initiated until the City refuse is weighed and deposited at the transfer station.

Should the Transfer Station or the City's designated compost disposal site be changed to a location that is more than five (5) miles from the City, Contractor will be entitled to negotiate an adjustment in the fees charged for residential and commercial accounts, under this Contract, to compensate for added fuel costs, labor, and truck variable costs.

## **XIV. BILLING, BOOKS AND RECORDS**

The City shall provide all services necessary to collect refuse collection fees from customers, under this Contract, without charge to the Contractor. The Contractor shall provide the City with all information needed to accurately bill and collect from City customers, under this Contract, for refuse collection services.

The Contractor shall submit a monthly report to the City not later than the twentieth (20th) day of each month which shall include the number of containers, address of each container, business name (if applicable), and the number of pick-ups for each container during the preceding month.

Any billing disputes shall not be deducted from the invoice, but shall be promptly provided to the Contractor in writing and the parties shall diligently work towards resolution of the issues. Credits for validated billing errors should be received no later than thirty (30) calendar days from such resolution. If a credit is not received from the Contractor within thirty (30) calendar days for a

validated deduction, the disputed amount will be withheld by the City in the subsequent month.

For the purpose of enabling the City to monitor levels of service for commercial collection, the Contractor shall utilize route lists for use in the collection of refuse from all premises not classified as "single family." A copy of each such route list currently in use by the Contractor will be issued to and maintained on file with the City, and the Contractor shall update all such route lists as of the first day of each calendar quarter and shall forthwith file copies of the same with the City. The Contractor shall furnish the City with current routes and schedules on a quarterly basis within thirty (30) calendar days after the end of each quarter.

The City reserves the right to ride along with the Contractor's drivers, without prior notice, in order to audit the routes/schedules provided by the Contractor, provided that the City shall prior to such ride along provide proof of insurance showing the City employee or representative shall have coverage as a passenger of Contractor's vehicle and showing Contractor as an additional insured.

The Contractor shall provide the City such operating information as the City may from time to time reasonably request bearing on the performance of this Contract.

#### **XV. REVIEW**

Performance of each of the provisions of the contract shall be subject to the review of the City Manager, and all reasonable orders and directions given by said City Manager with regard to the breaches of said provisions shall be obeyed by the Contractor. This provision shall not be deemed to change the legal status of the Contractor from that of independent contractor.

#### **XVI. COMPLIANCE WITH LAW**

In its performance of the terms and conditions of this contract, the Contractor shall comply with all applicable existing and future County, State and Federal laws, municipal ordinances and regulations which regulate the activities that are the subject of this contract concerning the Collection, Transport, or Disposal of garbage, refuse or other waste.

The Contractor shall stay informed of all existing and future State and Federal laws and municipal ordinances and regulations which, in any manner, affect those engaged or employed in the work, or the materials used in the work, or which in any way affect the conduct of the work and of all such orders and decrees of bodies or tribunals having any jurisdiction or authority over the same. The Contractor shall at all times observe and comply with all such existing and future laws, ordinances and regulations, orders and decrees, and shall protect and indemnify the City and all of its officers, agents and servants against violation of any such law, ordinances, regulations, orders and decrees whether by the Contractor or the Contractor's employees.

The Contractor shall comply with all Federal, State and local nondiscrimination statutes in the performance of this Refuse Collection and Disposal Contract, including State and Federal civil rights and disabilities laws. In particular, the Contractor shall ensure it has complied with the City's obligations for program, facility, and service accessibility in Title II of the Americans with Disabilities Act in all activities arising under this Refuse Collection and Disposal Contract, and

shall hold harmless the Municipality for any and all loss including, but not limited to, damages, costs or expenses, to the extent incurred or arising from any alleged violation of the Americans with Disabilities Act under the auspices of the Refuse Collection and Disposal Contract unless resulting from an intentional or negligent act or omission of the City and its employees. Failure to comply with the non-discrimination or accessibility requirements herein shall be construed as non-performance and may result in civil action.

## **XVII. INDEMNIFICATION; MINIMUM INSURANCE REQUIREMENTS**

The Contractor assumes all risks of loss for injury to property or persons arising from any of its operations under this contract, and agrees to indemnify and hold harmless the City, its elected officials, employees, and agents from all claims, demands, suits, judgments, costs or expenses arising from and to the extent of any such loss or injury unless resulting from an intentional or negligent act or omission of the City and its employees. It is expressly understood that the foregoing provisions shall not in any way limit the liability of the Contractor.

The Contractor agrees to carry insurance in the minimum amounts as follows:

Comprehensive General Liability insurance in the amount of one million dollars (\$1,000,000);

Automobile Liability Insurance in the amount of five hundred thousand dollars (\$500,000) per occurrence, and completed operation excess policy in amount of five million dollars (\$5,000,000).

Prior to the commencement of any work hereunder, the Contractor shall furnish to the City Certificate(s) of Insurance as evidence that such insurance is in full force and effect, and said Certificate(s) shall name the City of Willcox as an additional named insured.

The policies referenced above shall be issued by companies authorized to conduct business in the State of Arizona and shall name the City as an additional insured and shall insure the City in the same general terms and to the same general effect as the foregoing agreement of the Contractor to indemnify and hold harmless the City. Certificates evidencing such insurance contracts shall be deposited with the City upon execution of this contract.

The policy must contain a provision requiring the insurers to notify the City at least thirty (30) days prior to cancellation of the policy.

Contractor shall also comply with the provisions of the Workers' Compensation Act.

Contractor shall procure and maintain during the life of the contract complete workers' and employer's Liability Insurance in accordance with Arizona laws and regulations. With respect to Workers' Compensation Insurance, if the Contractor elects to be self insured, it shall comply with the applicable requirement of the law. The City, its officers and employees will not be responsible for any claims or actions occasioned by the failure of the Contractor to comply with the provisions of this paragraph.

In case any class of employee is not protected under the Workers' Compensation Act, the Contractor shall provide adequate employer's liability coverage as will protect it and the City against any claims resulting from injuries to, or death of, workers engaged in work under this contract.

Before starting the work, the Contractor shall file with the City certificates of such insurance acceptable to the City. These certificates shall contain provisions that the coverage afforded under the policies will not be cancelled or materially changed until at least thirty (30) days prior written notice has been given to the City.

### **XVIII. LITIGATION**

The Contractor shall pay any expense, loss, or judgment, including the City's costs and attorney's fees, arising from the defense of any claim brought against the City, either alone or jointly with said Contractor, for injury or damage to persons or property by reason of the performance or nonperformance by the Contractor of the terms of this contract, or resulting from any other acts or omissions of the Contractor or any alleged acts or omissions.

If the City is sued solely for such injury or damage by reason of the performance or nonperformance by the Contractor of the terms of this contract, or resulting from any other acts or omissions of the Contractor or any alleged acts or omissions, written notice shall be given to the Contractor to appear and defend such action within thirty (30) calendar days of service of said action upon the City.

In any dispute between the City and the Contractor or in any action or proceeding brought by any party under this Agreement, the prevailing party shall be entitled to recover from the other party attorneys' fees, investigating costs, and other legal expenses and court costs incurred by such prevailing party in such action or proceeding as the court may find to be reasonable.

### **XIX. CHARGES OF CONTRACTOR FOR RESIDENTIAL AND COMMERCIAL SERVICE**

The Contractor shall charge the City for each Residential or Commercial Account, under this Contract, on which any individual or company resides or conducts business; that amount set forth in the accepted bid of the Contractor for that service. Any taxes, licenses or other governmental fees and charges are the responsibility of the Contractor to be paid out of this payment and no further add-on charges will be made. The accepted bid schedule of fees and charges is attached hereto as Exhibit "A" and incorporated by reference herein.

### **XX. DUTY OF CONTRACTOR TO NOTIFY CITY OF CONDITIONS OF STREETS AND VIOLATION OF THE CODE OF ORDINANCES OF THE CITY OF WILLCOX, ARIZONA**

The Contractor agrees to cooperate with the City by notifying the City of any problem areas in its streets and alleys. The Contractor shall notify the City Manager in writing of any street or alley which is in need of repair or creates a nuisance or hazard for the general public. The Contractor

shall immediately report any violation of Title 5 of the Code of Ordinances of the City of Willcox, Arizona.

#### **XXI. PERFORMANCE BOND**

The Contractor shall furnish and keep in effect at all times from execution of the contract and throughout the term of this contract a corporate surety bond in the amount of one year's anticipated gross revenue, which shall act as a performance bond to guarantee faithful performance by the Contractor of all the Contract terms for the entire Contract period. Said bond shall be in a form and with a company approved by the City. The Contract is contingent on such bond being provided.

#### **XXII. WASTE MATERIAL AND SALVAGE**

The Title to all non-hazardous or non-toxic municipal solid waste acceptable for collection pursuant to R18-13-305 A. of the ADEQ Waste Management Rules which legally may be collected by Contractor shall be vested in the Contractor upon being placed in the Contractor's container or vehicle. The Title to the same will pass to the Cochise County when placed in the Transfer Station. The Title to all other waste which may not legally be collected by the Contractor shall remain with the customer, even if placed in Contractor's container or vehicle.

As between the parties to this Contract, the City shall have the full and exclusive right to all salvage material collected in connection with the garbage, wet garbage, rubbish and refuse, and shall have the sole right to any and all funds received from the sale of salvage materials, provided, however, this clause shall not be interpreted to give any license to sell salvage material solely to the City.

#### **XXIII. ASSIGNMENT**

Except by the express written consent of the City, which consent shall not be unreasonably withheld, conditioned or delayed, the rights authorized by this Contract are not assignable in whole or in part, either voluntarily or by the operation of law except for those salvage rights set forth in the preceding article. In the event the Contractor becomes insolvent or bankrupt, then the right authorized hereby shall be immediately cancelled and annulled, and the City shall have the right to substitute another Contractor in its place and stead in the manner provided by law. This shall be in addition to the City's right to require payment and performance under the provisions of any performance bond and any other remedies available by law.

#### **XXIV. SUBCONTRACTORS**

The Contractor shall not subcontract or assign any or all portions of the terms of the Contract without express written consent from the City Council which consent shall not be unreasonably withheld, conditioned or delayed; any such assignments without consent will be considered a material breach of the contract.

## **XXV. DEFAULT AND TERMINATION**

The parties mutually agree and recognize that for the health, safety and well being of the residents of the City of Willcox it is necessary to have an efficient regular and continuous garbage and refuse collection and disposal service. It is further recognized that diminution or cessation of such service for even a short period of time adversely and materially affects the health of the people and the sanitation of the City. It is further understood that circumstances may arise which will either prevent or materially affect the ability of the Contractor to perform its obligations under this Contract.

Neither party shall be liable for failure to perform their duties nor for any resultant damage or loss if such failure is caused by Force Majeure, which is defined as a catastrophe, riot, war, governmental order or regulation, strike, fire, accident, act of God, or other similar or different contingency beyond the reasonable control of the party who fails to perform.

In the event the Contractor fails to perform any of the provisions hereof, the City Manager shall give the Contractor written notice specifying the provisions hereof that have been breached or defaulted, and shall notify the City Council. The Contractor shall have ten (10) calendar days from receipt of such notice from the City Manager within which to correct any such breach or default.

In the event the Contractor does not make such corrections within said ten (10) calendar day period as herein provided, then the City Council may order the termination of the contract after public hearing upon the matter of the Contractor's default before the City Council following not less than five (5) calendar days notice of such hearing to the Contractor, as provided below.

Should the City, through its City Council at a public hearing, after not less than five (5) calendar days of notice to the Contractor, find and determine that the Contractor is unable or unwilling to perform its obligations under this contract, then the Council may, at its election, terminate this contract and seek all other legal remedies available to the City. Furthermore, the performance bond provided by the Contractor shall be forfeited to the City.

Except in the case of an event of Force Majeure, in the event the Contractor fails to collect and dispose of refuse, as provided in this contract for a period of seven (7) consecutive days, in order that the public health and safety shall not be endangered, the Contractor agrees that upon determination thereof made by the City Council, the City shall have the right, but is not required, to immediately take over the collection and disposal of all refuse and to take possession of all equipment owned or leased by the Contractor and used by him in the performance of this contract. Such possession by the City shall be limited to that period during which the Contractor fails to so collect and dispose of refuse as required by this contract and during said period the Contractor shall reimburse the City for all costs incurred unless the failure is due to Force Majeure, as defined herein. The City shall further have the right to charge, collect and keep all fees for that period.

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## **XXVI. RESERVATION**

This Contract is subject to the limitations now or thereafter provided by law. The City reserves the right to alter and amend the Code of Ordinances of the City of Willcox, Arizona in any manner necessary for the safety and welfare of the public, or to protect public interests. This Contract is subject to the provisions of the Constitution and laws of the State of Arizona, and all ordinances enacted by the City Council of the City of Willcox.

## **XXVII. MISCELLENEOUS PROVISIONS**

The City and the Contractor agree to the following miscellaneous provisions:

- a) The waiver by either party of a breach or violation of any provision of this Agreement shall not operate as or be construed to be a waiver of any subsequent breach hereof.
- b) No modification, amendment, addition to or termination of Agreement, nor waiver of any of its provisions, shall be valid or enforceable unless in writing and signed by all of the parties, except as herein otherwise provided.
- c) Agreement shall be binding on the parties, their distributees, legal representatives, successors and permitted assigns. Agreement is personal to each of the parties, and neither party may assign nor delegate any of its rights or obligations hereunder except as provided in this Agreement.
- d) Any and all notices required or permitted to be given under Agreement will be sufficient if furnished in writing, sent by registered mail to the address listed in this Agreement.
- e) The Agreement shall be interpreted, construed, and governed according to the laws of the State of Arizona with controlling jurisdiction in the Cochise County Superior Court.
- f) In the event that any one or more of the provisions contained in Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect other provisions hereof, and Agreement shall be construed as if such invalid, illegal or unenforceable provisions had never been contained herein.
- g) The paragraph or section headings contained in the Agreement are for convenience only and shall in no manner be construed as a part of Agreement.
- h) The Agreement constitutes the entire agreement between the parties and supersedes any prior understanding or written or oral agreements between the parties respecting the within subject matter of the scope of work contained herein.
- i) Each party which is a signatory to Agreement has full authority to enter into this Agreement.

## **XXVIII. NOTICE**

In the event of a material breach, a letter addressed and sent by certified United States mail to either party at its business address shown herein, shall be sufficient notice whenever required for any purpose in this contract. Notice shall be deemed delivered upon delivery or three (3) days after mailing, which shall first occur.

A party may notify the other party of a non-material breach by telephone, email or facsimile. The parties shall exchange and designate specific telephone, email and facsimile numbers and addresses that may be used for this purpose. If for any reason the notified party has not acknowledged notice of the non-material breach within two (2) business days from the date of notice, then in that event, the non-breaching party may either contact the other party demanding immediate corrective action or give the breaching party notice by certified mail that its failure to address the notice has elevated the matter to a material breach.

The address of the City of Willcox for the purpose of this contract is:

City of Willcox, Attn: City Clerk  
101 S. Railroad Avenue, Suite B  
Willcox, Arizona 85643  
520-384-4271  
Fax: 520-384-2590  
cwhelan@willcoxcity.org

The address of the Contractor for the purpose of this contract is:

Southwest Disposal  
ATTN: Roger Bristow  
PO Box 369  
Las Cruces NM 88004  
Phone: 575-524-8482  
Fax: 575-524-2624  
Email: rogerb@wcnx.org

Changes in the respective contact person, contact address, or other contact information to which such notices may be directed may be made from time to time by either party by written notice to the other party in accordance with the provisions of this section.

#### **XXIX. NUMBER OF COPIES**

This Contract shall be executed in a minimum of two (2) counterparts which shall have full force and effect of an original for all purposes.

#### **XXX. STATUTORY REQUIREMENTS**

E-verify requirements: To the extent applicable under Ariz. Rev. Stat. § 41-4401, CONTRACTOR warrants compliance, on behalf of itself and any and all subcontractors, with all federal immigration laws and regulations that relate to their employees and compliance with the E-verify requirements under Ariz. Rev. Stat. § 23-214(A). The CONTRACTOR'S breach of the above-mentioned warranty shall be deemed a material breach of the Agreement and the City may terminate the Agreement. The City retains the legal right to inspect the papers of the CONTRACTOR who works on the Agreement to ensure that the CONTRACTOR is complying with the above-mentioned warranty.

Scrutinized Business Operations: To the extent applicable under Ariz. Rev. Stat. Title 35, Articles 7 through 9, the CONTRACTOR certifies that it does not have a scrutinized business operation in Sudan or Iran. For the purpose of this Section the term "scrutinized business operations" shall have the meanings set forth in LAWS 2008 CH. 1 or LAWS 2008 CH. 295, as applicable. If the City determines that the CONTRACTOR submitted a false certification, the City may impose remedies as provided by law including terminating this Agreement.

**XXXI. INCORPORATION OF REQUEST FOR PROPOSAL AND RESPONSE**

The Request for Proposals and response made by Southwest Disposal are hereby incorporated by reference into this Contract as if set forth herein in full.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands the day and year first above written.

APPROVED/EXECUTED  
CITY OF WILLCOX

By Gerald W. Lindsey  
MAYOR, GERALD W. LINDSEY

ATTEST:

By Cristina G. Whelan, CMC  
City Clerk, Cristina G. Whelan, CMC

APPROVED AS TO FORM:

By Hector M. Figueroa  
City Attorney, Hector M. Figueroa, Esq.

APPROVED/EXECUTED  
WASTE CONNECTIONS OF NEW  
MEXICO, INC. d.b.a. SOUTHWEST  
DISPOSAL

By Roger Bristow  
DISTRICT MANAGER, ROGER BRISTOW

**CITY OF WILLCOX  
REFUSE COLLECTION AND DISPOSAL CONTRACT**

**EXHIBIT "A"**  
**EFFECTIVE JULY 1, 2011**

(Year 1) July 1, 2011- June 30, 2012

Each Residential Unit (96 Gallon Container)	Monthly Charge \$ 9.27 two pickup per week
Each Side yard Pickup (96 Gallon Container)	\$11.55 two pickups per week
Brushy Material Pickup (Each Truck)	<b>One pickup per month in base fee;</b>
<b>additional pickup \$57.75</b>	
Large Bulky Items (Each Truck)	<b>One pickup per month in base fee;</b>
<b>additional pickup \$57.75</b>	
	Monthly Charge/pickup
City Commercial (96 Gal container)	\$10.50 two pickups per week
City Commercial (1.5 Yd container)	\$ 4.52/pickup/week = \$19.593/month
City Commercial (3 Yd container)	\$ 8.358/pickup/week= \$36.10/month
Brushy material Pickup (Each Truck)	\$97.125 each
Large Bulky Items (Each Truck)	\$97.125 each
Other Commercial (96 Gal container)	\$10.50 two pickups per week
Other Commercial (1.5 Yd Container)	\$ 4.52/pickup/week = \$19.593/month
Other Commercial (3 Yd Container)	\$ 8.358/pickup/week=\$36.10/month
Roll Off Dumpster by Size	
1 _____	_____
2 _____	_____
3 _____	_____
Other Misc Charges – List:	
1 Brushy material pickup (Each Truck)	\$97.125 each
2 Large Bulky items (Each Truck)	\$97.125 each
3 _____	_____

The Contractor and the City shall be entitled to an annual adjustment in collection rates based upon changes (if any) in the Consumer Price Index-All Urban Consumers- U.S. City Average published by the U.S. Bureau of Labor Statistics using January 2011 as the base. Changes, if applicable, shall take effect each year the contract is in effect as of July 1, 2012.

Notification of parties shall occur prior to April 1, of each year immediately preceding any adjustments by the party requesting an adjustment. If notification is not made by April 1, no adjustment shall be made in the rates charged for the year starting July 1.