



NORTHWEST FIRE DISTRICT NOTICE REQUEST FOR PROPOSAL (RFP)

RFP Number: 0108 Title: Professional Auditing Services

DUE IN AND OPENS: MARCH 21, 2008 AT 10:30 AM MST

Submit Proposal to:

Contact: David Gephart, Finance Director Phone: 520-887-1010 ext. 2915

Location: Administration Building

Mailing Address: 5225 W. Massingale Road, Tucson, Arizona 85743

Prospective respondents may pick up a full copy of the solicitation, Monday through Friday, 8 am to 5 pm MST, at the address listed above. Proposals must be submitted as defined in the Part II Instructions to Offeror, in accordance with the Terms and Conditions. Failure to do so may be cause for rejection as **non-responsive**. **Proposals shall be submitted in a sealed envelope with the Request for Proposal description and the Offeror's name and address clearly indicated on the front of the envelope.** All proposals shall be completed in ink or typewritten.

OFFER

To Northwest Fire District: The undersigned on behalf of the entity, firm, company, or other legal entity listed below offers on its behalf to the District a proposal containing all terms, conditions, specifications and amendments in the Notice of Request for Proposal issued by the District. Any exception to the terms contained in the Notice of Request for Proposal must be specifically indicated in writing and are subject to the approval of the District prior to acceptance. The signature below certifies your understanding and compliance with the terms and conditions contained in this Request for Proposal package issued by the District.

Federal Employer Identification Number: _____ Telephone: _____

Company Name: _____ Address: _____

City: _____ State: _____ Authorized Signature for Offer: _____

Printed Name: _____ Title: _____

ACCEPTANCE OF OFFER AND CONTRACT AWARD (For Northwest Fire District Use Only)

Your offer is accepted by the District, subject to approval of each written exception that your request contained. The contract consists of the following documents: 1) Request for Proposal issued by the District; 2) Your offer in Response to the District's Request for Proposal; 3) This written acceptance and contract award.

As the contractor, you are now legally bound to sell the materials and/or services listed by the attached award notice, based on the solicitation of proposals, including terms, conditions, specifications, amendments and your offer as now accepted by the District. The Contractor shall not commence any billable work or provide any material or service under this contract until the Contractor receives written Notice to Proceed.

Effective Date: _____ Approved as to form: _____
Thomas Benavidez, District Attorney

Contract Award Date: _____
Pat Jacobs, Board Chair

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PART I GENERAL INFORMATION

1-1 SOLICITATION:

Northwest Fire District, herein referred to as the District, is soliciting proposals from qualified firms of Certified Public Accountants to audit its basic financial statements for the fiscal years ending June 30, 2008 through June 30, 2010, with the option of auditing its basic financial statements for two subsequent fiscal years. These audits are to be performed in accordance with the following:

- 1) U.S. generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants
- 2) Standards for financial audits as set forth in the U.S. Government Accountability Office's *Government Auditing Standards*, known as the Yellow Book
- 3) Provisions of the *Single Audit Act Amendments of 1996* and the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*
- 4) Arizona Revised Statutes

1-2 INTRODUCTION:

Northwest Fire District was formed in 1983 by residents of the northwest metropolitan Tucson area to ensure that the community received consistent, high quality emergency services at a reasonable cost. Since its inception, the District has provided increasingly higher levels of fire protection and emergency medical services to a rapidly growing population.

The District currently provides emergency and community services to 114,000 residents and 1,900 commercial occupancies over a 140 square mile area. Eight strategically located stations are staffed 365 days a year with over 100 full-time state certified firefighters that are Paramedics or Emergency Medical Technicians. Despite explosive growth, the District's ratio of Paramedics to residents remains one of the best in the state at 1:9000.

The District is a state political subdivision, funded primarily through secondary assessed value property taxes. Additional revenue sources include grants, bond proceeds, lease proceeds, fee for services and miscellaneous donations. The District is required to comply with Governmental Accounting Standards Board (GASB), as a special purpose district under the Arizona Revised Statutes. The organization captures all transactions using fund accounting methodology, and current funds include: General Fund, Capital Projects Fund, Debt Service Fund, Grants Fund and a Wildland Fund. Per GASB 34, the District is required to present financial information on both a modified and full accrual basis. Additionally, per Arizona Revised Statutes, the District is required to produce an annual balanced budget for both operational and capital needs.

The District is governed by a five member Board, whose members are elected in even numbered years during the November general election. Board members live within the District and serve four-year terms. The Board establishes policy, sets the levy, and makes decisions regarding budget, operations, and other issues concerning the District. The primary goal of the current board is to provide service for the District residents at a continued low tax rate. Monthly meetings of the Board are held on the 2nd and 4th Tuesday of each month and are open to the public.

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PART II INSTRUCTIONS TO OFFEROR

2-1 PREPARATION OF PROPOSAL:

- 1) All proposals shall be on the forms provided in the *Request for Proposal* package. It is permissible to copy these forms if required. Telephonic (facsimile) or mailgram proposals **will not** be considered.
- 2) The Offer shall be submitted with an original ink signature by a person authorized to sign the offer.
- 3) If price is a consideration and in case of error in the extension of prices in the proposal, the unit price shall govern. No proposal shall be altered, amended, or withdrawn after the specified proposal due date and time.
- 4) Periods of time, stated as a number of days, shall be calendar days.
- 5) It is the responsibility of all Offerors to examine the entire *Request for Proposal* package and seek clarification of any item or requirement that may not be clear and to check all responses for accuracy before submitting a bid. Negligence in preparing a Proposal confers no right of withdrawal after proposal due date and time.

2-2 INQUIRIES:

Any question related to the *Request for Proposal* shall be directed to the Finance Director.

2-3 LATE PROPOSALS:

Late proposals will not be considered. An Offeror submitting a late proposal shall be so notified.

2-4 WITHDRAWAL OF PROPOSAL:

At any time prior to the specified proposal due date and time, an Offeror (or designated representative) may withdraw the proposal. Telephonic (facsimile) or mailgram proposal withdrawals will not be considered.

2-5 AMENDMENT OF PROPOSAL:

At any time prior to the specified proposal due date and time, an Offeror (or designated representative) may amend the proposal. Telephonic (facsimile) or mailgram proposal amendments will not be considered.

2-6 COST OF BID/PROPOSAL PREPARATION:

The District shall not reimburse the cost of developing, presenting or providing any response to this solicitation. Offers submitted for consideration should be prepared simply and economically, providing adequate information in a straightforward and concise manner.

2-7 PUBLIC RECORD:

All offers submitted in response to this solicitation shall become the property of the District and shall become a matter of public record available for review, subsequent to the award notification.

2-8 PROPOSAL FORMAT:

Proposals shall be submitted with one (1) original and two (2) copies on the forms and in the format as contained in the Request for Proposal. Proposals shall be on 8 ½ x 11 paper with the text on one side only. All submittal information must contain data for only the local office(s) which will be performing the work.

The following items shall be addressed in the proposal submission:

- 1) Title page showing the request for proposal subject; the firm's name; the name, address and telephone number of the contact person; and the date of the proposal.
- 2) A signed transmittal letter briefly stating the proposer's understanding of the work to be done, the commitment to perform the work within the time period, a statement why the firm believes itself to be best qualified to perform the engagement and a statement that the proposal is a firm and irrevocable offer for 60 days.
- 3) The detailed proposal should include all the requirements included in this *Request for Proposal*.

- 4) References for which your firm has provided similar services within the last three (3) years.
- 5) A copy of the firm's most recent peer review report.

2-9 EVALUATION:

In accordance with the District's purchasing policy, awards shall be made to the responsible offeror whose proposal is determined in writing to be the most advantageous to the District, based upon the evaluation criteria listed below:

- 1) Understanding of District auditing needs & approach/ability to provide required services
- 2) Cost of auditing service
- 3) Staff experience and stability
- 4) Conformance to Request for Proposal

2-10 INDEPENDENCE:

The firm should provide an affirmative statement that it is independent of the District as defined by generally accepted auditing standards/the U.S. General Accounting Office's *Government Auditing Standards*.

2-11 LICENSE TO PRACTICE IN ARIZONA:

An affirmative statement should be included that the firm and all assigned key professional staff are properly licensed to practice in Arizona.

2-12 FIRM QUALIFICATIONS AND GOVERNMENTAL EXPERIENCE:

The proposer should state the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this engagement is to be performed, and the number and nature of the professional staff to be employed in this engagement on a full-time and/or part-time basis. Proposal should also include detailed resumes of the professional staff assigned to this engagement.

The proposer should state the firm's experience in assisting clients preparing a comprehensive annual financial report (CAFR) for submission to the Government Finance Officers Association (GFOA) Certificate of Achievement Program for Excellence in Financial Reporting, including the current number of audit clients in which a CAFR has been submitted to the GFOA and awarded the Certificate of Achievement award.

The proposer should include participation in any Government Finance Officers Association programs and/or seminars.

2-13 DOLLAR COST BID:

The dollar cost bid should contain all pricing information relative to performing the audit engagement as described in this request for proposal. The total all-inclusive maximum price to be bid is to contain all direct and indirect costs including all out-of-pocket expenses.

2-14 PROPOSAL OPENING:

Proposals shall be opened at the time and place designated on the cover page of this document. The name of each offeror and the identity of the Request for Proposals for which the proposal was submitted shall be publicly read and recorded in the presence of witnesses. Proposals, modifications and all other information received in response to this Request for Proposal shall be shown only to District personnel having a legitimate interest in the evaluation. **PRICES SHALL NOT BE READ.** After contract award, the successful proposal and the evaluation documentation shall be open for public inspection.

2-15 AWARD OF CONTRACT:

Notwithstanding any other provision of this *Request for Proposal*, the District expressly reserves the right to:

- 1) Waive any immaterial defect or informality
- 2) Reject any or all proposals, or portions thereof
- 3) Reissue a *Request for Proposal*

A response to a *Request for Proposal* is an offer to contract with the District based upon the terms, conditions and specifications contained in the District's *Request for Proposal* and the written amendments thereto, if any. Proposals do not become contracts unless and until they are accepted by the Governing Board. A contract is formed when written notice of award(s) is provided to the successful Offeror(s). The contract has its inception in the award document, eliminating a formal signing of a separate contract. For that reason, all of the terms and conditions of the contract are contained in the *Request for Proposal*.

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PART III SCOPE OF WORK

3-1 NATURE OF SERVICE REQUIRED:

The District desires the auditor to express an opinion on the fair presentation of its basic financial statements in conformity with U.S. generally accepted accounting principles. Specific deliverables should include the following:

- 1) An expression of an audit opinion in conjunction with the full-scope audit of a comprehensive annual financial report (CAFR)
- 2) Single audit report relative to state and/or federal financial assistance programs (if necessary)
- 3) Management letter indicating deficiencies or opportunities for accounting and reporting improvements, specifically identifying any reportable condition or material weakness
- 4) Disclosure of irregularities and illegal acts

3-2 SPECIAL CONSIDERATIONS:

The District will submit its CAFR to the Government Finance Officers Association of the United States and Canada (GFOA) for review in their Certificate of Achievement for Excellence in Financial Reporting program no later than December 31. It is anticipated the auditor will be required to provide assistance requested by the District to ensure conformity with program requirements. District staff will draft the CAFR, and the Schedule of Expenditures of Federal Awards (if necessary).

When completed, the CAFR will be displayed for public inspection on the District's web page.

3-3 WORKING PAPER RETENTION AND ACCESS TO WORKING PAPERS:

All working papers and reports must be retained, at the auditor's expense, for a minimum of three (3) years, unless the firm is notified in writing by the District of the need to extend the retention period. The auditor will be required to make working papers available, upon request, to the following parties or their designees:

- 1) Northwest Fire District
- 2) U.S. Department of Justice
- 3) U.S. General Accounting Office
- 4) Parties designated by the federal or state government, or by the District as part of an audit quality review process
- 5) Auditors of entities of which the District is a subrecipient of grant funds
- 6) U.S. Office of Management and Budget
- 7) Arizona Auditor General

In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

3-4 ORGANIZATIONAL CHART AND KEY PERSONNEL:

The auditor's principal contact with the District will be David Gephart, Finance Director and/or Phyllis Schumacher, Finance Supervisor who will coordinate the assistance to be provided by the District.

An organization chart (Appendix A) and a list of key personnel (Appendix B) are attached.

3-5 BACKGROUND INFORMATION:

The District serves an area of approximately 140 square miles with a population estimated at 114,000. The District's fiscal year begins July 1 and ends on June 30.

The District is a multi-service government providing services and programs tailored to meet the needs of the community. Educational programs and community services offered to District residents include the following:

- 1) Fire suppression
- 2) CPR classes
- 3) Desert pest removals

- 4) Blood pressure checks
- 5) Juvenile fire setter intervention
- 6) School prevention programs
- 7) Home inspections
- 8) Fire extinguisher demonstrations
- 9) Bike safety programs
- 10) Drowning prevention programs
- 11) Brush fire preventions programs
- 12) Educational station tours

At June 30, 2007, the District had a total payroll of \$12.65 million covering approximately 250 employees. Its operating budget is approximately \$25 million, with a total budget in excess of \$52 million.

The District is organized into 10 departments and divisions. The accounting and financial reporting functions of the District are centralized.

More detailed information on the District and its finances can be found in the following:

- 1) Fiscal year 2007-2008 Annual Budget
- 2) Fiscal year 2006-2007 Comprehensive Annual Financial Report
- 3) Northwest Fire District Financial Management Policy Statement

These documents can be obtained by contacting Phyllis Schumacher at 520-887-1010 ext.2907 and/or downloading from the District's website at <http://www.northwestfire.org>.

3-6 FUND STRUCTURE:

Northwest Fire District uses the following fund types in its financial reporting for fiscal year 2007-2008:

Fund Type	Number of Individual Funds
General Fund	1
Special Revenue Funds	2
Debt Service Funds	1
Capital Project Funds	2

3-7 BUDGETARY BASIS OF ACCOUNTING:

Northwest Fire District prepares its budget on a basis consistent with generally accepted accounting principles.

3-8 MAGNITUDE OF FINANCE OPERATIONS:

The finance department is headed by David Gephart, Finance Director and consists of five employees. The principal functions performed and the number of employees assigned to each is as follows:

Payroll	1
Accounts Payable/Purchase Orders	1
Accounts Receivable	1
General Ledger	2
Budget	2
Financial Reporting	2
Risk Management	1

3-9 PENSION PLANS:

Northwest Fire District participates in the following pension plans:

- 1) Arizona State Retirement System
- 2) Arizona Public Safety Personnel Retirement System

3-10 AVAILABILITY OF PRIOR AUDIT REPORTS AND WORKING PAPERS:

Interested proposers who wish to review prior years' audit reports should contact Phyllis Schumacher, Finance Supervisor, 5225 W. Massingale Road, Tucson, AZ 85743-8416, 520-887-1010 ext.2907. The District will use its best efforts to make prior audit reports and supporting working papers available to proposers to aid in their response of this request for proposals.

3-11 TIME REQUIREMENTS:

The following is a list of key dates up to and including the date of audit completion:

Request for Proposals Issued	Week of February 18, 2008
Pre-bid Conference (Questions regarding RFP)	March 7, 2008
Request for Proposals Due	March 21, 2008
Evaluate Request for Proposals	March 24-26, 2008
Interviews (Top 3 Audit Firms, if necessary)	March 27-28, 2008
Staff recommendation/Board Approval of Audit Firm	April 8, 2008
Final CAFR Completion Date	October 31, 2008

Schedule for the 2007-2008 Fiscal Year Audit: (a similar time schedule will be developed for audits of future fiscal years if the District exercises its option for additional audits).

May 16, 2008 – Entrance Conference

The purpose of this meeting will be to provide a preliminary review of the District's operations and to discuss issue relating to the audit and interim work to be performed. This meeting will also be used to establish an overall liaison for the audit and to make arrangements for work space and other needs of the auditor. At this meeting the auditor shall provide a list of audit staff and their qualifications and a list of all interim schedules to be prepared by the District.

May 30, 2008 – Engagement Letter

The auditor shall provide the District with an Engagement Letter. The District will review, sign and return the letter to the auditor within one week.

June 9, 2008 – Interim Work

The auditor may begin interim work on or after this date. All interim schedules to be prepared by District staff will be available on this date.

June 30, 2008 – Interim Work and Progress Conference

The auditor shall complete interim work by this date. The purpose of the Progress Conference will be to summarize the results of the interim work, and to identify the key internal controls or other matters to be tested.

June 30, 2008 – Detailed Audit Plan

The auditor shall provide the District with a detailed audit plan and a list of all year-end schedules, including audit confirmation letters, to be prepared by the District.

September 2, 2008 – Fieldwork

The auditor may begin fieldwork after this date.

September 30, 2008 – Fieldwork/Exit Conference

The auditor shall complete all fieldwork by this date and summarize the results of fieldwork, reviewing any significant findings.

October 17, 2008 – Draft CAFR

The District shall submit a draft CAFR to the auditor for review.

October 24, 2008 – Draft CAFR Auditor Review and Comments

The auditor shall provide any comments/changes relating to the draft CAFR to the District.

October 31, 2008 – Final Reports

The District shall submit final CAFR and all other required reports, including responses to GFOA CAFR review comments from previous year, no later than October 31, 2008.

3-12 ASSISTANCE TO BE PROVIDED TO THE AUDITOR:

The finance department staff and responsible management personnel will be available during the audit to assist the firm by providing information, documentation and explanations. The preparation of confirmations will be the responsibility of the District.

The District will provide the auditor with reasonable work space, desks and chairs. The auditor will also be provided with access to telephone lines, photocopying facilities, Facsimile machines, and email.

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PART IV TERMS AND CONDITIONS

4-1 PURPOSE:

Pursuant to provisions of the District's Purchasing Policy, the Northwest Fire District Finance Department intends to establish a contract for Auditing Services.

4-2 AUTHORITY:

This solicitation as well as any resultant contract is issued under the authority of the District. No alteration of any resultant contract may be made without the express written approval of the District in the form of an official contract amendment. Any attempt to alter any contract without such approval is a violation of the contract. Any such action is subject to the legal and contractual remedies available to the District inclusive of contract cancellation.

4-3 OFFER ACCEPTANCE PERIOD:

In order to allow for an adequate evaluation, the District requires an offer in response to this Solicitation to be valid and irrevocable for sixty (60) days after the opening time and date.

4-4 ELIGIBLE AGENCIES:

Any contract resulting from this Solicitation shall be for the exclusive use of the Northwest Fire District.

4-5 CONTRACT TYPE:

Fixed price.

4-6 TERM OF CONTRACT:

The term of any resultant contract shall commence on the first day of the month following date of award and shall continue for a period of three (3) years thereafter, unless terminated, cancelled or extended as otherwise provided herein.

4-7 TERMINATION OF CONTRACT:

This contract may be terminated by an authorized agent of either the District or the Contractor for cause with ninety (90) days written notice of such intent to terminate. The notice shall specify the cause for termination. Moreover, the notice shall not be effective until received. Notice shall be made as follows:

1) Notice to the District

David G. Gephart, District Finance Director
5225 W. Massingale Road
Tucson, AZ 85743-8416
And
Thomas Benevidez, District Attorney
5225 W. Massingale Road
Tucson, AZ 85743-8416

2) Notice to Contractor

4-8 CONTRACT EXTENSION:

By mutual written contract amendment, any resultant contract may be extended for supplemental periods of up to a maximum of two (2) years. If all contract extensions were to be exercised, the total term of this contract would be five (5) years.

4-9 CONTRACT:

The contract between the District and the Contractor shall consist of 1) the Solicitation, including instructions of all terms and conditions, specifications, scopes of work, attachments, and any amendments thereto, and 2) the offer submitted by the Vendor in response to the solicitation. In the event of a conflict in language between the Solicitation and the Offer, the provisions and requirements in the Solicitation shall govern. However, the District reserves the right to clarify, in writing, any contractual terms with the concurrence of the Contractor, and such written contract shall govern in case of conflict with the applicable requirements stated in the Solicitation or the Vendor's offer. The Solicitation shall govern in all other matters not affected by the written contract.

4-10 CONTRACT AMENDMENTS:

This contract may be modified only by a written amendment to the contract signed by persons duly authorized to enter into contracts on behalf of the District and Contractor.

4-11 CONTRACT APPLICABILITY:

The Offeror shall substantially conform to the terms, conditions, specifications and other requirements found within the text of this specific Solicitation. All previous agreements, contracts, or other documents, which have been executed between the Offeror and the District are not applicable to this Solicitation or any resultant contract.

4-12 PAYMENTS:

Progress payments will be made on the basis of hours of work completed during the course of the engagement and out-of-pocket expenses incurred in accordance with the firm's pricing section of the proposal. The first interim billing shall cover the auditor's interim work and should not be billed until after June 30, 2008. The second interim billing shall cover the auditor's fieldwork. Final billing shall cover the auditor's final review of all reports, schedules, and financial statements.

4-13 PRICE ADJUSTMENT:

The District's Finance Department will review fully documented requests for price increases after the contract has been in effect for three (3) years. Any price increase adjustment will only be made at three (3) years and only at the time of contract extension. Any price increases will be a factor in the extension review process. The District's Finance Department will determine whether the requested price increase, or an alternative option, is in the best interest of the District. Any price adjustment will be effective upon the effective date of the contract extension or amendment date. Advanced thirty (30) day written notification by the Contractor is required for any price changes.

4-14 ADDITIONAL SERVICES:

Any additional services added during the term of this contract will not exceed the published price for those services.

4-15 LICENSES:

Contractor shall maintain in current status all Federal, State and Local licenses and permits required for the operation of the business operated by the Contractor as applicable to this Contract.

4-16 APPLICABLE LAW:

In the performance of this agreement, contractors shall abide by and conform to any and all laws of the United States and State of Arizona, including but not limited to federal and state executive orders providing for equal employment and procurement opportunities, the Federal Occupational Safety and Health Act, and any other federal or state laws applicable to this agreement.

This contract shall be governed by the District and the Contractor shall have all remedies afforded each by the Uniform Commercial Code, as adopted by the State of Arizona, except as otherwise provided in this contract or in statutes pertaining specifically to the District. This contract shall be governed by the laws of the State of Arizona and suit pertaining to this contract may be brought only in courts in the State of Arizona.

This contract is subject to the provisions of ARS 38-511; the District may cancel this contract without penalty or further obligations by the District or any of its departments if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the District or any of its departments is at any time while the contract or any extension of the contract is in effect, an employee of any other party to the contract in any capacity or a consultant to any other party of the contract with respect to the subject matter of the contract.

4-17 PROVISIONS REQUIRED BY LAW:

Each and every provision of law and any clause required by law to be in the contract will be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party, the contract will forthwith be physically amended to make such insertion or correction.

4-18 ASSIGNMENT - DELEGATION:

No right or interest in this contract shall be assigned by Contractor without prior written permission of the District and no delegation of any duty of Contractor shall be made without prior written permission of the District.

4-19 SUBCONTRACTS:

No subcontract shall be entered into by the contractor with any other party to furnish any of the material or services specified herein without the advance written approval of the District. All subcontracts shall comply with Federal and State laws and regulations which are applicable to the services covered by the subcontract and shall include all the terms and conditions set forth herein which shall apply with equal force to the subcontract and if the Subcontractor were the Contractor referred to herein. The Contractor is responsible for contract performance whether or not Subcontractors are used.

4-20 RIGHTS AND REMEDIES:

No provision in this document or in the vendor's offer shall be construed, expressly or by implication, as waiver by the District of any existing or future right and/or remedy available by law in the event of any claim of default or breach of contract. The failure of the District to insist upon the strict performance of any term or condition of the contract or to exercise or delay the exercise of any right or remedy provided in the contract, or by law, or the District's acceptance of and payment for materials or services, shall not release the Contractor from any responsibilities or obligations imposed by this contract or by law, and shall not be deemed a waiver of any right of the District to insist upon the strict performance of the Contract.

4-21 INDEMNIFICATION:

To the fullest extent permitted by law, the Contractor shall defend, indemnify and hold harmless the District, its agents, representatives, officers, directors, officials and employees from and against all claims, damages, losses and expenses (including but not limited to attorney fees, court costs, and the cost of appellate proceedings), relating to, arising out of, alleged to have resulted from the acts, errors, mistakes, omissions, work of services of the Contractor, its employees, agents, or any tier of subcontractors in the performance of this Contract. Contractor's duty to defend, hold harmless and indemnify the District, its agents, representatives, officers, directors, 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 resulting there from, caused by any acts, errors, mistakes, omissions, work or services in the performance of this Contract including any employee of the Contractor or any tier of subcontractor or any other person for whose acts, errors, mistakes, omissions, work or services the Contractor may be legally liable.

The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

4-22 INSURANCE REQUIREMENTS:

The Contractor, at Contractor's own expense, shall purchase and maintain the herein stipulated minimum insurance with companies duly licensed.

All insurance required herein shall be maintained in full force and effect until all work or service required to be performed under the terms of the Contract is satisfactorily completed and formally accepted; failure to do so may, at the sole discretion of the District, constitute a material breach of this Contract.

The Contractor's insurance shall be primary insurance as required by the District, and any insurance or self-insurance maintained by the District shall not contribute to it.

Any failure to comply with the claim reporting provisions of the insurance policies or any breach of an insurance policy warranty shall not affect coverage afforded under the insurance policies to protect the District.

The insurance policies, except Worker's Compensation, shall contain a waiver of transfer rights of recovery (subrogation) against the District, its agents, representatives, directors, officers, and employees for any claims arising out of the Contractor's acts, errors, mistakes, omissions, work or service.

The insurance policies may provide coverage which contain deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall not be applicable to the coverage provided to the District under such policies. The Contractor shall be solely responsible for the deductible and/or self-insured retention and the District, at its option, may require the Contractor to secure payment of such deductibles or self-insured retentions by a Surety Bond or an irrevocable and unconditional letter of credit.

The District reserves the right to request and receive, within 10 working days, certified copies of any or all of the herein required insurance policies and/or endorsements. The District shall not be obligated, however, to review same or to advise Contractor of any deficiencies in such policies and endorsements, and such receipt shall not relieve Contractor from, or be deemed a waiver of the District's right to insist on, strict fulfillment of Contractor's obligations under this Contract.

4-23 REQUIRED INSURANCE COVERAGE:

Contractor shall obtain and maintain at its own expense, during the entire term of this Contract the following type(s) and amounts of insurance:

- a) Commercial General Liability in the amount of \$1,000,000.00 combined single limit Bodily Injury and Property Damage. Northwest Fire District is to be named as an additional insured for all operations performed within the scope of the Contract between Northwest Fire District and Contractor;
- b) Commercial or Business automobile liability coverage for owned, non-owned and hired vehicles used in the performance of this Contract with limits in the amount of \$1,000,000.00 combined single limit or \$1,000,000.00 Bodily Injury, \$1,000,000.00 Property Damage;
- c) If this Contract involves professional services, professional liability insurance in the amount of \$1,000,000.00; and,
- d) If required by law, workers' compensation coverage including employees' liability coverage.

4-24 CERTIFICATES OF INSURANCE:

Contractor shall provide DISTRICT with current certificates of insurance. All certificates of insurance must provide for guaranteed thirty (30) days written notice to the DISTRICT of cancellation, non-renewal or material change.

PART V MANDATORY SUBMITTALS

WORKER'S COMPENSATION CERTIFICATE
(AS REQUIRED BY Title 23-901
OF THE ARIZONA LABOR CODE)

I am aware of the provisions of the Arizona Labor Code which requires every employer to be insured against liability for worker's compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.

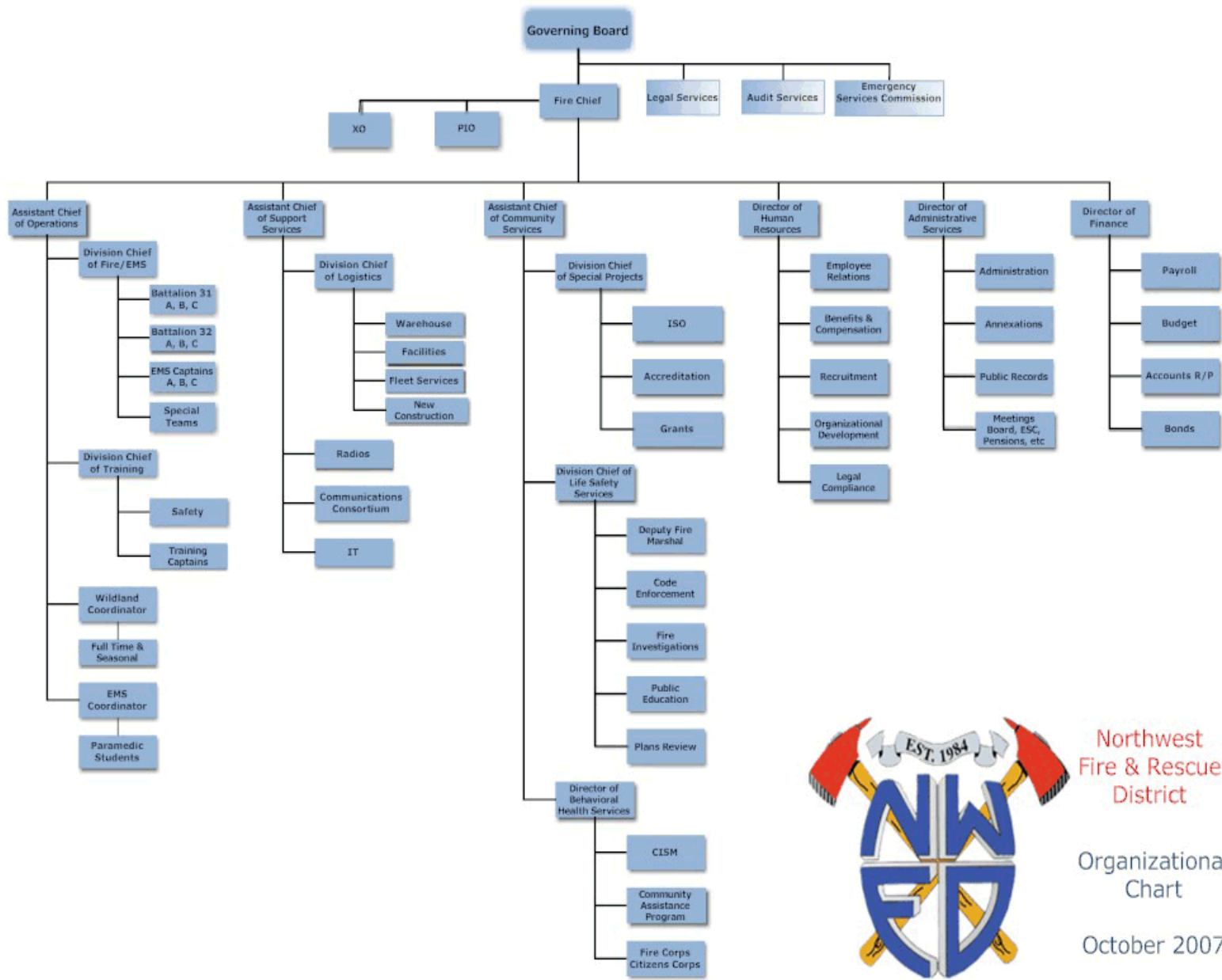
Contractor: _____

By: _____

Title: _____

Date: _____

PART VI APPENDICES



Northwest
Fire & Rescue
District

Organizational
Chart

October 2007

List of Key Personnel

- | | |
|----------------------------|----------------------------------|
| 1) Pat Jacobs | Board Chair |
| 2) James Doyle | Vice Board Chair |
| 3) Lee Mellor | Board Clerk |
| 4) Richard Nassi | Board Member |
| 5) Terri Winger | Board Member |
| 6) S. Jeff Piechura | Fire Chief |
| 7) Albert Pesqueira | Assistant Chief |
| 8) Mike Brandt | Assistant Chief |
| 9) Jayme Kahle | Assistant Chief |
| 10) Georgeann Hackenbracht | Administrative Services Director |
| 11) Patricia Aguilar | Human Resources Director |
| 12) David Gephart | Finance Director |
| 13) Phyllis Schumacher | Finance Supervisor |
| 14) Dale Voight | Budget Analyst |