



VERNON FIRE DISTRICT
Temporary Administrator Services

This Agreement to perform services as a Temporary Administrator is entered into between the Vernon Fire District acting by and through the Board of Supervisors of Apache County (“County”) and _____ (“Contractor”) as follows:

RECITALS:

1. The Vernon Fire District (“District”) is currently under the administration of County subsequent to the resignation of all District governing board members. The District is experiencing unknown financial and operational management difficulties. The District is currently unable to enter into contractual agreements or otherwise take any official action and, thus, is unable to provide adequate services to property owners or citizens within its’ jurisdictional boundaries.
2. Certain unsubstantiated allegations have been made that District funds may have been misappropriated and/or misplaced. Additionally there have been unsubstantiated allegations of potential operational policy violations, forcing the County to investigate such allegations with the assistance of a qualified administrator.
3. The County wishes to appoint a District Administrator with the same duties and obligations of an elected board pursuant to Arizona Revised Statute Section 48-803(B). Such District Administrator the County seeks to appoint is _____ (“Contractor”) to serve as District Administrator.
4. The Contractor is competent to provide these services on behalf of the County, has sufficient understanding of special taxing districts, business management principles and other rules and regulations applicable to the review and administration of the District’s finances and human resources.

NOW THEREFORE, the County and the Contractor agree on the following terms and conditions.

SERVICES

1. Contractor shall assume “the same duties and obligations of the elected board” of the District pursuant to A.R.S. 48-803(B), including all obligations set forth in A.R.S. 48-805.
2. Contractor shall hold at a minimum one public meeting every month to discuss fire district business and issues. During the first two months of this agreement, Contractor agrees to hold at least two public meetings every month in order to familiarize himself with the District and concerns of the members of the community.

3. Contractor shall review all complaints and allegations relating to mismanagement of the District and shall determine the validity of such allegations. Contractor shall submit full and accurate reports to County relating to his or her findings. Contractor shall also determine and recommend appropriate responsive action to any such allegation and, with input by County, implement such responsive actions.
4. Contractor shall be responsible for the financial administration of the District. Such responsibilities shall include, preparing an annual budget for the District consistent with the provisions of A.R.S. 48-805(A)(2) and drafting short and long term financial plans for the District.
5. Contractor shall provide oversight of all District affairs, including attendance at all meetings, submitting monthly reports to the County in regards to the overall health of the District and progress in investigating the allegations discussed above, and providing monthly financial reports to the County.
6. Contractor shall work with County to establish tax liability for the District and assist the District in transitioning to an elected board.
7. Contractor shall review existing policy manual and operational manuals for clarity and consistency with applicable Arizona Fire District Policies and Procedures and Arizona Law and assure that recently made and ongoing decisions and operational practices both prior to and during Contractor's tenure comply with same.

FINANCIAL

As full and complete salary compensation for the services to be provided by Contractor, the County shall pay to the Contractor a fixed rate fee of \$500.00 dollars per month or any part of a month, not to exceed a total annual amount of **\$ 6,000.00 per year along with pre-approved by County Board and reasonable expenses incurred**, an amount agreed upon by all parties. This Agreement shall remain in full force and effect month to month with an automatic renewal for additional terms of equal length unless earlier terminated by one of the parties or an election is held and a new governing board seated.

The monthly rate described above, in addition to any pre-approved and reasonable expense incurred, is full and fair compensation to Contractor and County shall not be responsible for any costs or additional payments unless agreed to in writing. Such pre-approved reimbursable expenses may include, travel, lodging and related expenses when incurred for District business.

At the end of the first month that this Agreement is in effect and at the end of each month when services are provided, the Contractor will submit to the District and to the County a record of expenses incurred. Payments shall be made at least within 30 days of the receipt of the County approved invoices. Payments shall be made by County, but all payments to Contractor pursuant to this Agreement shall be District costs, and shall be reimbursed to the County by District.

GENERAL REQUIREMENTS

1. General Requirements
 - a. This Agreement is entered into in accordance with Arizona Revised Statutes §11-251.
 - b. The Contractor shall comply with all federal and state statutes, regulations and

orders applicable to the services provided hereunder. All federal and state laws, required to be incorporated into this Agreement, shall be enforced as though fully set forth herein.

2. Disputes

- a. In the event of a dispute under this contract, the parties agree to make a good faith attempt to resolve the dispute prior to taking formal action.
- b. The parties agree to make use of arbitration in all contracts subject to mandatory arbitration pursuant to rules adopted under A.R.S. §12-133.
- c. This contract shall be construed in accordance with Arizona law and any legal action thereupon shall be initiated in an appropriate court of the State of Arizona.

3. Termination of Contract

The County and the Contractor may terminate this contract under the following conditions:

- a. The County may terminate this contract in whole or in part without cause effective thirty (30) days after mailing written notice of termination by certified mail, return receipt requested to the Contractor.
 1. In the event of termination as provided in this Section, the Contractor shall stop all work as specified in the notice of termination.
 2. The Contractor shall be paid the contract price for all services and terms completed. Upon such termination, the Contractor shall deliver to the County a complete set of all documents, programs and other information created pursuant to this contract.
- b. Contractor may terminate this contract at any time with thirty (30) days' notice in writing to the County. Such notice shall be given by personal delivery or by certified mail, return receipt requested.
- c. This contract may be terminated by mutual written Agreement of the parties specifying the termination date therein.
- d. Contractor agrees to return any unused materials, purchased under this contract, to the County in case of contract termination.
- e. Upon termination of this Agreement, whether by action of the parties or expiration of the term of this Agreement, Contractor shall turn over financial records of the District, as well as all District property in Contractor's possession or control, the governing Board of the District if it is then operating, or to Apache County in the event the District shall has no functioning governing board. All work product of Contractor shall become the property of the District upon termination, and shall be turned over to the District at that time.

4. Default

- a. The County, in addition to other rights set forth elsewhere in the contract, may at any time terminate this contract in whole or in part if the County determines that the Contractor has failed to perform any requirement.

- b. The Contractor shall continue the performance of this contract to the extent not terminated.
- c. If this contract is terminated as provided herein, the County, in addition to any other rights provided in this Section, may require the Contractor to transfer title and deliver to the county, in the manner and to the extent directed by the County, such partially completed reports or other documentation as the Contractor has specifically produced or specifically acquired for the performance of such part of this contract which has been terminated.
- d. The rights and remedies of the County enumerated in this Section shall be in addition to any other rights and remedies provided by or under this contract by law.

5. Independent Contractor

The status of the Contractor shall be that of an independent contractor. Neither Contractor, nor Contractor's officers, agents or employees, shall be considered an employee of County or District or be entitled to receive any employment-related fringe benefits under the Apache County Human Resources Policy Manual. Taxes, Social Security and other amounts customarily withheld from the earnings of employees shall not be withheld from the compensation paid to the Contractor. Contractor shall be responsible for payment of all federal, state and local taxes associated with the compensation received pursuant to this Contract and shall indemnify and hold County harmless from any and all liability which County may incur because of Contractor's failure to pay such taxes.

6. Non-Discrimination

Contractor agrees to comply with all Federal and State laws that deal with civil rights and discrimination and are applicable to the services provided under this Agreement.

7. Record Retention

The County and Contractor shall preserve and make available all records for a period of five years from the date of final payment under this contract or until resolution of any audit that may be performed on the County, whichever shall last occur, and for such period as is required by any other paragraph of contract including the following:

- a. If this contract is completely or partially terminated, the records relating to the work terminated shall be preserved and made available for a period of five years from the date of any such termination.
- b. Records which relate to disputes, litigations or the settlement of claims arising out of the performance of this contract, or to cost and expenses of the contract as to which exceptions have been taken by the County, shall be retained by the Contractor until such appeals, litigation, claims or exceptions have been resolved.

8. Insurance and Indemnification

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. Automobile liability coverage for owned, non-owned and hired vehicles used in the performance of this Contract with limits in an amount deemed sufficient by County;
- b. If required by law, workers' compensation coverage including employees' liability coverage.
- c. Public Officials Professional Liability insurance policy that covers Contractor through the term of the appointment with an aggregate limit of not less than \$1,000,000.

Contractor shall provide County with current certificates of insurance. Contractor shall provide to the County written guarantee of thirty (30) days written notice to the County of cancellation, non-renewal or material change.

To the fullest extent allowed by law, Contractor shall indemnify, defend and hold harmless County and its agents, representatives, officers, officials and employees from and against any and all claims, damages, losses and expenses (including, but not limited to attorney fees, court costs and the costs of appellate proceedings) relating to, arising out of or resulting from the Contractor's negligent acts, errors mistakes or omissions in the performance of this Agreement. The Contractor's duty to defend, hold harmless and indemnify the County shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death or injury to any person, or impairment or destruction of property including loss of use resulting therefrom, caused in whole or in part by any negligent act, error, mistake or omission in the performance of this Agreement (including those by any person for whose negligent acts errors, mistakes or omissions the Contractor may be liable).

9. Cancellation for Conflict of Interest

The parties hereby acknowledge notice of A.R.S. §38-511 which provides for the cancellation of contracts for violation of the conflict of interest statute.

10. Assignment

The Contractor shall not assign any right or interest in this Agreement without the County's prior written approval, nor shall the Contractor delegate or subcontract any duty hereunder without the County's prior written approval. Any purported assignment, delegation or subcontract without the County's prior written approval shall be void.

Effective Date: August ____, 2013

Expiration Date: _____, 2013

In witness whereof, the parties hereto have executed this contract on the day and year specified below.

For and on behalf of the County:

Tom White, Apache County
Chairman of the Board of Supervisors

Date _____

Contractor:

[Name]

Date _____