

INTERGOVERNMENTAL AGREEMENT

**Between
CITY OF DOUGLAS
And
SOUTHEASTERN ARIZONA GOVERNMENTS ORGANIZATION
For
TECHNICAL ASSISTANCE – WEST EXPANSION UTILITIES PROJECT**

THIS AGREEMENT made and entered into by and between the City of Douglas, an Arizona municipal corporation (hereinafter, “Douglas”), and the SouthEastern Arizona Governments Organization, the regional Council of Governments for Cochise, Graham, Greenlee, and Santa Cruz Counties (hereinafter, “SEAGO”).

SECTION 1: RECITALS

WHEREAS, Douglas is implementing the West Expansion Utilities Project that will extend water from Douglas City limits to Cochise College and sewer from Douglas City limits to Kings Highway; and

WHEREAS, Douglas is in need of technical assistance to ensure compliance with all Davis-Bacon Labor Standards requirements for construction projects; and

WHEREAS, SEAGO possesses professional expertise, staffing, organizational capacity, and the intent to assist Douglas in performing specific activities and services relating to Davis-Bacon Labor Standards Compliance; and

WHEREAS, SEAGO is agreeable to provide such assistance; and

WHEREAS, Douglas is agreeable to purchasing such technical assistance; and

WHEREAS, SEAGO has submitted a budget proposal included in this AGREEMENT (hereinafter, “Exhibit B”), for the scope of services to be completed consistent with the deliverables identified in Exhibit A; and

NOW, THEREFORE, pursuant to Arizona Revised Statutes §11-952, authorizes contracts and agreements between public agencies or public procurement units for cooperative actions, and pursuant to 2 CFR §200.318(e), encouraging state and local intergovernmental agreements or inter-entity agreements for procurement of common goods and services, in consideration of the mutual promises contained in this AGREEMENT, and of the mutual benefits to result therefrom, the parties agree as follows:

SECTION 1: RECITALS

The above recitals are incorporated herein and are a material part of this AGREEMENT.

SECTION 2: TERM

The term of this AGREEMENT shall be from **November 21, 2025, to May 21, 2026**, or project completion whichever comes first, unless otherwise terminated in accordance with this Agreement.

SECTION 3: PURPOSE AND SCOPE

The purpose of this AGREEMENT is to secure the expertise of SEAGO to perform activities and services necessary to assist Douglas in ensuring that the project contractor and subcontractors comply with all Davis-Bacon Labor Standards requirements. SEAGO shall perform the services described in Exhibit A of this Agreement consistent with the Parties' Recitals in Section 1, above.

SECTION 4: FINANCING AND COMPENSATION

Douglas will compensate SEAGO for its performance, and SEAGO agrees to accept as complete payment for such full performance, the sum of **ten thousand, five hundred and forty-three dollars (\$10,543.00)** over the six (6) month term of this AGREEMENT. Charges for additional services that constitute a requested increase in scope of services may be negotiated. Such additional work shall be requested in writing by SEAGO or Douglas and must be approved, in writing, by the Douglas City Manager and the SEAGO Executive Director pursuant to SECTION 14 of this AGREEMENT.

SECTION 5: TERMINATION

Either party may terminate this AGREEMENT without cause upon providing thirty (30) days written notice to the other party. In the event either party is in breach of this AGREEMENT, this AGREEMENT may be terminated after providing written notice with twenty (20) days to correct or remedy the breach. If said breach is not remedied, this AGREEMENT shall terminate at the expiration of the twenty (20) day period. SEAGO will not be responsible to provide services after the date of termination. Douglas will not be responsible for any payments after the date of termination unless attributable to services provided prior to the date of termination.

This AGREEMENT may be terminated for a conflict of interest as set forth in A.R.S. § 38-511, the relevant portions of which are hereby incorporated by reference.

SECTION 6: PERFORMANCE OF SERVICES

SEAGO promises and agrees to provide the services, as described in this AGREEMENT in a good, competent and professional manner, and as specifically indicated in Exhibit A and Exhibit B, which are incorporated herein by this reference and made a part of this AGREEMENT as if the same were fully set forth herein. In the event that any incorporated term or provision conflicts with this AGREEMENT, this AGREEMENT controls.

SECTION 7: INVOICING AND PAYMENTS

Prior to submitting an invoice, SEAGO shall submit to Douglas a completed and current Form W-9. **SEAGO shall invoice the Douglas on a monthly basis during the 6-month term of this AGREEMENT.** The invoice shall show SEAGO's name, address, phone number, the amount due, the tasks completed for each service performed during the fiscal quarter of the invoice, and any other necessary information. All invoices are subject to review and certification of Douglas's authorized representative prior to payment. Upon receipt of SEAGO's completed Form W-9, and

subject to the availability of funds, Douglas shall remit payment to SEAGO within thirty (30) days of the invoice date.

Every payment obligation of Douglas under this AGREEMENT is conditioned upon the availability of funds, appropriated, or allocated for the payment of such obligation. If funds are not allocated and available for the continuance of this AGREEMENT, this AGREEMENT may be terminated by Douglas at the end of the period for which the funds are available. No liability shall accrue to Douglas in the event this provision is exercised, and Douglas shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.

SECTION 8: RESPONSIBILITY

Each party agrees to assume responsibility for the conduct of its employees, officials, and agents and for all claims, demands, suits, damages, and loss which result from the negligence or intentional torts of such party or its agents, officials, and employees in the performance of this AGREEMENT. The extent of the foregoing liabilities shall be limited to, and determined by, the respective fault of the parties in comparison with others, including, but not limited to the other party who may have contributed to, or in part caused any such claim to arise.

SECTION 9: ADMINISTRATION OF AGREEMENT

Each party shall designate a representative or representatives, notice of the same to be provided to the other party, who shall be jointly responsible for developing procedures to be utilized in fulfilling this AGREEMENT and providing other administrative services as necessary.

Either party may perform an inspection of the other party's books and records, related to this AGREEMENT, upon reasonable notice in order to verify that monies spent on the services as described were done so in accordance with this AGREEMENT. The records shall be kept for a period of five (5) years after completion of this AGREEMENT.

SECTION 10: DISPUTE RESOLUTION

Any disputes arising under this AGREEMENT shall be referred to the Douglas City Manager and the SEAGO Executive Director for joint resolution. Disputes that cannot be resolved at this level may be subjected to arbitration pursuant to A.R.S. §12-133 et. seq. If either party is unwilling to participate in such arbitration, they may notify the other party of their intent to terminate this AGREEMENT pursuant to SECTION 5 of this AGREEMENT.

SECTION 11: NOTICES

Unless otherwise specified herein, any notice or communication required or permitted under this AGREEMENT shall be in writing and sent to the address given below for the party to be notified.

SEAGO:
Chris Vertrees
Executive Director
1403 W. Highway 92
Bisbee, Arizona 85603
Phone: (520) 432-5301 ext. 202

Douglas:
Luis Pedroza
Deputy City Manager
425 10th Street
Douglas, AZ 85603
(520) 417-7319

SECTION 12: ASSIGNMENT

Neither party shall assign the rights nor duties under this AGREEMENT to a third party without the written consent of the other party. Any such assignment in violation of this AGREEMENT may become grounds for termination of the AGREEMENT.

SECTION 13: APPROVAL BY PARTIES

Before this AGREEMENT becomes effective and binding upon the parties, the appropriate governing authorities of each party must approve it, unless the governing authorities have delegated the authority to enter into such agreements to the organization's chief executive officer. In the event that such appropriate authority or officer fails or refuses to approve this AGREEMENT, it shall be null and void with no effect whatsoever.

SECTION 14: REVISIONS

Procedural and administrative changes to this AGREEMENT may be made upon mutual written agreement between the Douglas City Manager and the SEAGO Executive Director.

SECTION 15: CONDUCT OF OPERATIONS

City and SEAGO agree to be responsible for the conduct of its operations, performance of contract obligations and the actions of its own personnel while performing services under this AGREEMENT, and each party shall be solely responsible for supervision, daily direction, control of payment of salary (including withholding payment of taxes and social security), workers' compensation and disability benefits. In addition, both parties agree to maintain adequate professional and general liability insurance coverage at all times while this AGREEMENT is in effect. Prior to commencing work or services under the contract, SEAGO shall furnish the City with certificates of insurance or formal endorsements as evidence that adequate coverage, conditions and limits are in full force and effect.

SECTION 16: INDEMNIFICATION

To the fullest extent permitted by law, each party to this AGREEMENT agrees (as indemnitor) to indemnify, defend and hold harmless the other party, its officers, officials, agents, employees or volunteers, (as indemnitee) from and against any and all claims, losses, liability, costs or expenses (including reasonable attorneys' fees) arising out of bodily injury of any person (including death) or property damage, but only to the extent that such claims which result in vicarious or derivative liability to the indemnitee, are caused by the act, omission or negligence, misconduct, or other fault of the indemnitor, its officers, officials, agents, employees or volunteers.

SECTION 17: NON-DISCRIMINATION

To the extent applicable, the parties shall comply with all laws and regulations, including, but not limited to, Title VII of the Civil Rights Act of 1964, as amended, the Age Discrimination in Employment Act, and State Executive Order 2009-09 which mandates all persons, regardless of race, religion, handicap, color, age, sex, political affiliation or national origin shall have equal access to employment opportunities. All parties shall comply with the Rehabilitation Act of 1973,

as amended, which prohibits discrimination in the employment or advancement in employment of qualified persons because of physical or mental handicap, with all federal regulations regarding equal employment opportunity, with relevant orders issued by the U.S. Secretary of Labor and with all applicable provisions of the Americans with Disabilities Act, Public Act 101-336, 42 U.S.C. Sections 12101-12213, and all applicable Federal Regulations under the Act, including 28 C.F.R. Parts 35 & 36.

SECTION 18: MANDATORY PROVISIONS

All provisions required by law to be incorporated into this AGREEMENT shall be a part of this AGREEMENT as if fully written out herein.

SECTION 19: RIGHTS OF PARTIES

The provisions of this AGREEMENT are intended only to define the respective rights and obligations of the parties. Nothing expressed herein shall create any rights or duties of any nature or kind in favor of any third party.

SECTION 20: SEVERABILITY

The provisions of this AGREEMENT are severable to the extent any provision or application held to be invalid shall not affect any other provision or application of the AGREEMENT, which may remain in effect without the invalid provision, or application.

SECTION 21: GOVERNING LAW

This AGREEMENT shall be construed under the laws of the State of Arizona and shall incorporate by reference all laws governing intergovernmental agreements and mandatory contract provisions of state agencies required by statute or executive order. All statutes and regulations referenced in this AGREEMENT are incorporated herein as if fully stated in their entirety in the AGREEMENT. Each Party agrees to comply with and be responsible for the provisions, the statutes, and the regulations set out in this AGREEMENT. Any action at law or in equity brought by either party for the purpose of enforcing a right or rights provided for in this Agreement, shall be tried in a court of competent jurisdiction in Cochise County, State of Arizona. The parties hereby waive all provisions of law providing for a change of venue in such proceeding to any other county. In the event either party shall bring suit to enforce any term of this Agreement or to recover any damages for and on account of the breach of any term or condition in this Agreement, it is mutually agreed that the prevailing party in such action shall recover all costs including: all litigation and appeal expenses, collection expenses, reasonable attorneys' fees, necessary witness fees and court costs to be determined by the court in such action.

[Signatures on following page]

IN WITNESS WHEREOF, two (2) identical counterparts of this AGREEMENT, each of which shall for all purposes be deemed an original thereof, have been duly executed by the parties hereinabove named on the date and year first below written.

SouthEastern Arizona Governments Organization

Arnold Lopez,
Executive Board Chair, SEAGO

Date

City of Douglas

Jose Grijalva,
Mayor, City of Douglas

Date

ATTEST:

Alma Andrade, City Clerk

Pursuant to A.R.S. § 11-952, this AGREEMENT has been reviewed by legal counsel for SEAGO to determine it is in proper form and is within the power and authority granted under the laws of the State of Arizona to the respective client agency.

APPROVED AS TO FORM:

Legal Counsel for SEAGO

Pursuant to A.R.S. § 11-952, this AGREEMENT has been reviewed by legal counsel for the City of Douglas to determine if it is in proper form and is within the power and authority granted under the laws of the State of Arizona to the respective client agency.

APPROVED AS TO FORM:

Legal Counsel for City of Douglas

EXHIBIT A

Scope of Services

Project Services

The Davis-Bacon Act requires interviews to determine if the contractor is complying with the Federal Davis-Bacon prevailing wages. To ensure compliance, the following services will be provided by SEAGO.

Contractor and Subcontractor Employee Interviews:

- SEAGO will conduct random employee interviews of 50% of all general laborers and 20% of all skilled laborers, including subcontractor employees.
- SEAGO will interview at least one employee of each job classification on site.
- Interviews to be conducted once a week for the first four (4) weeks of project kick-off.
- Thereafter, interviews to be conducted once a month until the project is completed; and when subcontractors are on site.
- Information gathered from the interviews will be used to verify payrolls.
- All Employee Interviews will be documented on a Record of Employee Interview for Davis-Bacon Standards and will be maintained by SEAGO for a period of 5 years.
- SEAGO will monitor payrolls for compliance thereafter through the completion of the project.

Payroll Monitoring:

- SEAGO will collect payroll reports covering the week during which the interviews were conducted.
- Once the corresponding payroll reports are received, the information on the interview form will be compared to the payroll reports. Specifically, the payroll checker will verify that:
 - The payroll report is consistent with the dates and hours the employee worked.
 - The payroll report indicates that the employee's job classification is the same as that indicated by the employee.
 - The payroll report indicates that the employee received the wages as s/he stated.
 - The payroll report indicates that the employee received the fringe benefits in the amount and as stated
- SEAGO will work with each contractor to resolve any discrepancies noted between the interview form and payroll reports.
- The City of Douglas will be notified immediately if any discrepancies cannot be resolved.

EXHIBIT B

Project Budget Proposal

Total Project Budget

Total cost of services shall not exceed thirty-one thousand two hundred dollars (\$10,543).

Assumptions

City of Douglas West Expansion Utilities Project - Davis-Bacon Compliance Monitoring					
Cost per Hour	Miles	Mileage	Hours	Description	Amount
\$65.00	0	0	70 (2.5 hours per week+ 5 hour contingency)	Payroll Monitoring	\$4,550.00
\$65.00	0	0	78 (2hrs X 26 visits + 1 hour travel per visit)	Employee Interviews/Labor Standards Monitoring	\$5,070.00
	53	\$.67 per mile		Mileage (x 26 visits)	\$923.00
				Total	\$10,543.00