

**REGULAR MEETING OF THE  
FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT  
AND REVITALIZATION DISTRICT**

**Monday, September 22, 2014 – 10:30 AM  
Staff Conference Room – Second Floor  
Flagstaff City Hall – 211 West Aspen, Flagstaff, Arizona**

1. Call to Order
2. Roll Call
3. Consideration of award of contract for Management Services of the Flagstaff Downtown Business Improvement and Revitalization District.
4. PUBLIC PARTICIATION  
  
*Public Participation enables the public to address the Board about an item that is not on the agenda. Comments relating to items that are on the agenda will be taken at the time that the item is discussed.*
5. Report of Board of Directors.
6. Adjournment

CERTIFICATE OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at Flagstaff City Hall on \_\_\_\_\_, at \_\_\_\_\_ a.m./p.m. in accordance with the statement filed by the Board with the District Clerk.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
Elizabeth A. Burke, MMC, District Clerk

**AGREEMENT FOR MANAGEMENT SERVICES**  
**FLAGSTAFF DOWNTOWN BUSINESS**  
**IMPROVEMENT AND REVITALIZATION DISTRICT**  
**and**  
**FLAGSTAFF DOWNTOWN BUSINESS ALLIANCE**

This Agreement for Management Services ("Agreement") is made as of \_\_\_\_\_, 2014, ("Effective Date") by and between the Flagstaff Downtown Business Improvement and Revitalization District ("District"), an Arizona special taxing district, and Flagstaff Downtown Business Alliance, an Arizona nonprofit corporation ("Provider").

**RECITALS**

- A. The District desires to enter into this Agreement in order to obtain management services, as outlined in the Scope of Services section of the RFP #2014-01 document; and
- B. Provider has available and offers to provide the personnel necessary to provide management services within the required time in accordance with the Scope of Services included in this Agreement;

For the reasons recited above, and in consideration of the mutual covenants contained in this Agreement, the District and Provider agree as follows:

**1. SERVICES TO BE PERFORMED BY PROVIDER**

Provider agrees to perform the following services:

- 1.1 Provider agrees to provide the services as set forth in detail in Exhibit "A" attached and incorporated in this Agreement.
- 1.2 Provider warrants that all materials, services or construction delivered under the Agreement shall conform to the specifications of the Agreement. The District's receipt or inspection of the materials, services, or construction specified shall not alter or affect the obligations of Provider or the rights of the District under the foregoing warranty.
- 1.3 All services, information, computer program elements, reports and other deliverables which may be created under the Agreement are the sole property of the District and shall not be used or released by Provider or any other person except with prior written permission of the District.

**2. COMPENSATION OF PROVIDER**

Provider agrees to provide all of the services set forth in Exhibit "A" for prices not to exceed the amounts set forth in the fee/price schedule, attached as Exhibit "B".

**3. RIGHTS AND OBLIGATIONS OF PROVIDER**

**3.1 Independent Contractor.** The parties agree that Provider performs specialized services and that Provider enters into this Agreement with the District as an independent contractor. Nothing in this Agreement shall be construed to constitute Provider or any of Provider's agents or employees as an agent, employee or representative of the District. As an independent contractor, Provider is solely responsible for all labor and expenses in connection with this Agreement and for any and all damages arising out of Provider's performance under this Agreement.

**3.2 Provider's Control of Work.** All services to be provided by Provider shall be performed as determined by the District in accordance with the Scope of Services set forth in Exhibit "A." Provider shall furnish the qualified personnel, materials, equipment and other items necessary to carry out the terms of this Agreement. Provider shall be responsible for, and in full control of, the work of all such personnel.

**3.3 Reports to the District.** Although Provider is responsible for control and supervision of work performed under this Agreement, the services provided shall be acceptable to the District and shall be subject to a general right of inspection and supervision to ensure satisfactory completion. This right of inspection and supervision shall include, but not be limited to, all reports to be provided by Provider to the District and the right of the District, as set forth in the Scope of Services, and the right of the District to audit Provider's records.

**3.4 Compliance with All Laws.** Provider shall comply with all applicable laws, ordinances, rules, regulations and executive orders of the federal, state and local government, which may affect the performance of this Agreement. Any provision required by law, ordinances, rules, regulations, or executive orders to be inserted in this Agreement shall be deemed inserted, whether or not such provisions appear in this Agreement.

#### **4. NOTICE PROVISIONS**

Notice. Any notice concerning this Agreement shall be in writing and sent by certified or registered mail as follows:

To the District's Authorized Representative  
("Contract Administrator"):

District Treasurer  
Flagstaff Downtown Business Improvement  
and Revitalization District  
c/o Flagstaff City Treasurer  
211 W. Aspen Avenue  
Flagstaff, Arizona 86001

To Provider:

Leslie Connell, Secretary of the Corporation  
Flagstaff Downtown Business Alliance  
Post Office Box 1546  
Flagstaff, AZ 86002-1546

#### **5. INDEMNIFICATION**

To the fullest extent permitted by law, Provider shall indemnify, defend, save and hold harmless the District of Flagstaff and its officers, officials, agents, and employees ("Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing,

investigation and litigation) (“Claims”) including claims for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Provider or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of or recovered under the Workers’ Compensation Law or arising out of the failure of such Provider to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Provider from and against any and all claims. It is agreed that Provider shall be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. Provider shall waive all rights of subrogation against the District, its officers, officials, agents and employees for losses arising from the work performed by Provider for the District.

**6. INSURANCE**

Provider and subcontractors shall procure and maintain insurance against claims for injury to persons or damage to property, which may arise from or in connection with this Agreement by the Provider, Provider’s agents, representatives, employees or contractors until all of their obligations under this Agreement have been discharged, including any warranty periods. The insurance requirements are minimum requirements for this Agreement and in no way limit the indemnity covenants contained in this Agreement. The District does not represent or warrant that the minimum limits set forth in this Agreement are sufficient to protect the Provider from liabilities that might arise out of this Agreement, and Provider is free to purchase such additional insurance as Provider may determine is necessary.

**6.1. Minimum Scope and Limits of Insurance.** Provider shall provide coverage at least as broad and with limits not less than those stated below.

6.1.1. Commercial General Liability - Occurrence Form  
(Form CG 0001, ed. 10/93 or any replacement thereof)

General Aggregate	\$2,000,000
Products/Completed Operations Aggregate	\$1,000,000
Personal and Advertising Injury	\$1,000,000
Each Occurrence	\$1,000,000
Fire Damage (any one fire)	\$250,000
Medical Expense (any one person)	Optional

6.1.2. Automobile Liability - Any Automobile or Owned, Hired and Non-owned Vehicles  
(Form CA 0001, ed. 12/93 or any replacement thereof)

Combined Single Limit Per Accident for Bodily Injury and Property Damage	\$1,000,000
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6.1.3. Workers’ Compensation and Employer’s Liability

Workers' Compensation	Statutory
Employer's Liability: Each Accident	\$500,000
Disease - Each Employee	\$500,000
Disease - Policy Limit	\$500,000

**6.2 Self-insured Retention/Deductibles.** Any self-insured retentions and deductibles must be declared to and approved by the District. If not approved, the District may require that the insurer reduce or eliminate such self-insured retentions with respect to the District, its officers, agents, employees, and volunteers.

**6.3. Other Insurance Requirements.** The policies shall contain, or be endorsed to contain, the following provisions:

6.3.1 Commercial General Liability and Automobile Liability Coverages. The District, its officers, officials, agents and employees shall be named as additional insureds with respect to liability arising out of the use and/or occupancy of the Premises subject to this Agreement and activities performed by or on behalf of the Provider, including products and completed operations of the Provider; and automobiles owned, leased, hired or borrowed by the Provider.

6.3.2 The Provider's insurance shall contain broad form contractual liability coverage.

6.3.3 The District, its officers, officials, agents and employees volunteers shall be named as additional insureds to the full limits of liability purchased by the Provider even if those limits of liability are in excess of those required by this Agreement.

6.3.4. The Provider's insurance coverage shall be primary insurance with respect to the District, its officers, officials, agents, employees and volunteers. Any insurance or self-insurance maintained by the District, its officers, officials, agents and employees, shall be in excess of the coverage of the Provider's insurance and shall not contribute to it.

6.3.5 The Provider's insurance shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability.

6.3.6 Coverage provided by the Provider shall not be limited to the liability assumed under the indemnification provisions of this Agreement.

6.3.7 The policies shall contain a waiver of subrogation against the District, its officers, officials, agents and employees for losses arising from work performed by Provider for the District.

**6.6 Notice of Cancellation.** Each insurance policy required by the insurance provisions of this Agreement shall provide the required coverage and shall not be suspended, voided, cancelled, reduced in coverage or in limits except after thirty (30) days' prior written notice has been given to the District. When cancellation is for non-payment of premium, then at least ten (10) days' prior notice shall be given to the District. Notices required by this

section shall be sent directly to the District's Treasurer, c/o City of Flagstaff Treasurer, at 211 W. Aspen Avenue, Flagstaff, Arizona 86001.

**6.7 Acceptability of Insurers.** Provider shall place insurance hereunder with insurers duly licensed or approved unlicensed companies in the State of Arizona and with a "Best's" rating of not less than A-: VII. The District does not represent or warrant that the above required minimum insurer rating is sufficient to provide the Provider from potential insurer insolvency.

**6.8 Verification of Coverage.** The Provider shall furnish the District with certificates of insurance (ACORD form) as required by this Agreement. The certificates for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. Any policy endorsements that restrict or limit coverage shall be clearly noted on the certificate of insurance.

6.8.1 The District must receive and approve all certificates of insurance before the Provider commences work. Each insurance policy required by this Agreement shall be in effect at, or before, commencement of work under this Agreement and shall remain in effect until all Provider's and its subcontractors' obligations under this Agreement have been met. The Provider's failure to maintain the insurance policies as required by this Agreement or to provide timely evidence of renewal will be considered a material breach of this Agreement.

6.8.2 All certificates of insurance shall be sent directly to the District's Treasurer, c/o City of Flagstaff Treasurer, at 211 W. Aspen Avenue, Flagstaff, Arizona 86001. The District project/contract number and project description shall be noted on the certificates of insurance. The District reserves the right to require, and receive within ten (10) days, complete, certified copies of all insurance policies and endorsements required by this Agreement at any time. The District shall not be obligated, however, to review any insurance policies or to advise Provider of any deficiencies in such policies and endorsements. The District's receipt of Provider's policies or endorsements shall not relieve Provider from, or be deemed a waiver of, the District's right to insist on strict fulfillment of Provider's obligations under this Agreement.

**6.9 Subcontractors.** Provider's certificate(s) shall include all subcontractors as additional insureds under its policies, or Provider shall furnish to the District separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements identified above.

**6.10 Approval.** Any modification or variation from the insurance requirements in this Agreement must have the prior approval of the District's attorney, whose decision shall be final. Such action will not require a formal Agreement amendment but may be made by administrative action.

## **7. DEFAULT AND TERMINATION**

**7.1 Events of Default Defined.** The following shall be Events of Default under this Agreement:

7.1.1 Any material misrepresentation made by Provider to the District;

7.1.2 Any failure by Provider to perform its obligations under this Agreement including, but not limited to, the following:

7.1.2.1 Failure to commence work at the time(s) specified in this Agreement due to a reason or circumstance within Provider's reasonable control;

7.1.2.2 Failure to perform the work with sufficient personnel and equipment or with sufficient equipment to ensure completion of the work within the specified time due to a reason or circumstance within Provider's reasonable control;

7.1.2.3 Failure to perform the work in a manner reasonably satisfactory to the District;

7.1.2.4 Failure to promptly correct or re-perform within a reasonable time work that was rejected by the District as unsatisfactory or erroneous;

7.1.2.5 Discontinuance of the work for reasons not beyond Provider's reasonable control;

7.1.2.6 Unsatisfactory performance as judged by the Contract Administrator;

7.1.2.7 Failure to provide the District, upon request, with adequate assurance of future performance;

7.1.2.8 Failure to comply with a material term of this Agreement, including, but not limited to, the provision of insurance; and

7.1.2.9 Any other acts specifically stated in this Agreement as constituting a default or a breach of this Agreement.

## **7.2 Remedies.**

7.2.1 Upon the occurrence of any Event of Default, the District may declare Provider in default under this Agreement. The District shall provide written notification of the Event of Default. If such Event of Default is not cured within seven (7) days of receipt of the notification, the District may invoke any or all of the following remedies:

7.2.1.1 The right to cancel this Agreement as to any or all of the services yet to be performed;

7.2.1.2 The right of specific performance, an injunction or any other appropriate equitable remedy;

7.2.1.3 The right to monetary damages;

7.2.1.4 The right to withhold all or any part of Provider's compensation under this Agreement;

7.2.1.5 The right to deem Provider non-responsive in future contracts to be awarded by the District; and

7.2.1.6 The right to seek recoupment of public funds spent for impermissible purposes.

7.2.2 The District may elect not to declare an Event of Default or default under this Agreement or to terminate this Agreement upon the occurrence of an Event of Default. The parties acknowledge that this provision is solely for the benefit of the District, and that if the District allows Provider to continue to provide the Services despite the occurrence of one or more Events of Default, Provider shall in no way be relieved of any of its responsibilities or obligations under this Agreement, nor shall the District be deemed to waive or relinquish any of its rights under this Agreement.

7.2.3 In the Event of Default by the Provider, the District shall not be liable to Provider for any amount, and Provider may be liable to the District for any and all damages sustained by reason of the default which gave rise to the termination.

**7.3 Right to Offset.** Any costs, including but not limited to attorney's fees, costs of remediation, and costs of delay, incurred by the District due to default of Proposer, or due to the District's exercise any of the remedies available to it under this Agreement, may be offset by use of any payment due for services completed before the default or the exercise of any remedies. If the offset amount is insufficient to cover excess costs, Provider shall be liable for and shall remit promptly to the District the balance upon written demand from the District.

**7.4 Termination for Convenience.** The District reserves the right to terminate, with or without cause, this Agreement upon ninety (90) days written notice. The District shall be responsible only for those standard items or services which have been delivered and accepted. If any items being purchased are truly unique and therefore not saleable or useable for any other application, the District shall reimburse Proposer for actual labor, material, and burden costs, plus a profit not to exceed 8%. Title to all materials, work in progress, and completed but undelivered goods, shall pass to the District after costs are claimed and allowed. Proposer shall submit detailed cost claims in an acceptable manner and shall permit the District to examine such books and records as may be necessary in order to verify the reasonableness of any claims.

## **8. GENERAL PROVISIONS**

**8.1 Headings.** The article and section headings contained herein are for convenience in reference and are not intended to define or limit the scope of any provision of this Agreement.

**8.2 Jurisdiction and Venue.** This Agreement shall be administered and interpreted under the laws of the State of Arizona. Provider hereby submits itself to the original jurisdiction of those courts located within Coconino County, Arizona.

**8.3 Attorney's Fees.** Subject to Section 8.11, if suit or action is initiated in connection with any controversy arising out of this Agreement, the prevailing party shall be entitled to recover, in addition to costs, such sum as the court, including an appellate court, may adjudge reasonable as attorney fees.



**8.4 Severability.** If any term or provision of this Agreement shall be found by a court of competent jurisdiction to be illegal or unenforceable, then notwithstanding such illegality or unenforceability, the remainder of this Agreement shall remain in full force and effect and such term or provision shall be deemed to be deleted.

**8.5 Successors and Assigns.** No right or interest in the Agreement shall be assigned by Provider without prior written permission of the District, and no delegation of any duty of Provider shall be made without prior written permission of the District. The District shall not unreasonably withhold approval and shall notify Provider of the District's position within fifteen (15) days of receipt of written notice by Provider. This Agreement shall extend to and be binding upon the Provider, its successors and assigns, including any individual, company, partnership, or other entity with or into which the Provider shall merge, consolidate, or be liquidated, or any person, corporation, partnership, or other entity to which the Provider shall sell its assets.

**8.6 Subcontracts.** No subcontract shall be entered into by Provider with any other party to furnish any service specified in this Agreement in an amount in excess of Twenty-Five Thousand Dollars (\$25,000) without the advance written approval of the District. All subcontracts shall comply with Federal, State and local laws and regulations that are applicable to the services covered by the subcontract and shall include all the terms and conditions set forth in the Agreement which shall apply with equal force to the subcontract, as if the subcontractor were the Provider. Provider is responsible for contract performance whether or not subcontractors are used. The District shall not unreasonably withhold approval and shall notify Provider of the District's position within fifteen (15) days of receipt of written notice by Provider. Provider shall be responsible for executing the agreement with subcontractor and obtaining Certificates of Insurance verifying the insurance requirements.

**8.7 Conflict of Interest.** Provider covenants that Provider presently has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with the performance of services required to be performed under this Agreement. Provider further covenants that in the performance of this Agreement, Provider shall not engage any employee or apprentice having any such interest. The parties agree that this Agreement may be cancelled for conflict of interest in accordance with Arizona Revised Statutes § 38-511.

**8.8 Authority to Contract.** Each party represents and warrants that it has full power and authority to enter into this Agreement and perform its obligations hereunder, and that it has taken all actions necessary to authorize entering into this Agreement.

**8.9 Integration.** This Agreement represents the entire understanding of District and Provider as to those matters contained in this Agreement, and no prior oral or written understanding shall be of any force or effect with respect to those matters, except for documents comprising the RFP Package that have been incorporated into this Agreement. This Agreement may not be modified or altered except in writing signed by duly authorized representatives of the parties.

**8.10 Non Appropriation.** If the District's Board does not appropriate funds to continue this Agreement and pay for charges under this Agreement, the District may terminate this Agreement at the end of the current fiscal period, or at the time that funds are no longer

available to meet the District's payment obligations. The District agrees to give written notice of termination to the Provider at least thirty (30) days prior to any termination for a lack of funds and will pay to the Provider all approved charges incurred prior to Provider's receipt of such notice, subject to the availability of funds appropriated and budgeted by the District to fund payments under this Agreement.

**8.11 Mediation.** If a dispute arises out of or relates to this Agreement, and if the dispute cannot be settled through negotiation, the parties agree first to try in good faith to resolve the dispute by mediation before resorting to litigation or some other dispute resolution procedure. Mediation shall take place in Flagstaff, Arizona, shall be self-administered, and shall be conducted under the CPR Mediation Procedures established by the CPR Institute for Dispute Resolution, 366 Madison Avenue, New York, NY 10017, (212) 949-6490, [www.cpradr.org](http://www.cpradr.org) with the exception of the mediator selection provisions, unless other procedures are agreed upon by the parties. Unless the parties agree otherwise, the mediator(s) shall be selected from panels of mediators trained under the Alternative Dispute Resolution Program of the Coconino County Superior Court. Each party agrees to bear its own costs in mediation. The parties shall not be obligated to mediate if an indispensable party is unwilling to join the mediation. This mediation provision shall not constitute a waiver of the parties' right to initiate legal action if a dispute is not resolved through good faith negotiation or mediation, or if a party seeks provisional relief under the Arizona Rules of Civil Procedure.

**8.12 Non-Discrimination.** Provider shall not discriminate against any employee, or applicant for employment in violation of Federal Executive Order 11246, State Executive Order 75-5 as modified by State Executive Order 99-4 or A.R.S. 41-1461 et. seq. The Provider shall be required to comply with all applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and applicable federal regulations under the Act.

**8.13 Compliance with Federal Immigration Laws and Regulations.** Provider hereby warrants to the District that the Provider and each of its subcontractors ("Subcontractors") will comply with, and are contractually obligated to comply with, all Federal Immigration laws and regulations that relate to its employees and A.R.S. §23-214(A) (hereinafter "Provider Immigration Warranty").

8.13.1 A breach of the Provider Immigration Warranty shall constitute a material breach of this Agreement and shall subject the Provider to penalties up to and including termination of this Agreement at the sole discretion of the District.

8.13.2 The District retains the legal right to inspect the papers of any Provider or Subcontractor employee who works on this Agreement to ensure that the Provider or Subcontractor is complying with the Provider Immigration Warranty. Provider agrees to assist the District in regard to any such inspections.

8.13.3 The District may, at its sole discretion, conduct random verification of the employment records of the Provider and any of Subcontractors to ensure compliance with Provider's Immigration Warranty. Provider agrees to assist the District in regard to any random verifications performed.

8.13.4 The provisions of this Article must be included in any contract the Provider enters into with any and all of its Subcontractors who provide services under this Agreement or any subcontract. "Services" are defined as furnishing labor, time or effort in the State of Arizona by a contractor or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property.

**8.14 Anti-Trust Violations.** The District maintains that, in actual practice, overcharges resulting from antitrust violations are borne by the Provider. Therefore, to the extent permitted by law, Provider hereby assigns to the District any and all claims for such overcharges as to the goods or services used to fulfill this Agreement.

**8.15 Advertising.** Proposer shall not advertise or publish information concerning the Agreement, without the prior written consent of the District.

**8.16 Inspection.** All material, services or construction are subject to final inspection and acceptance by the District. The District may, at reasonable times and at its expense, inspect the plant or place of business of Provider or its subcontractor(s) which is related to the performance of this Agreement. This right of inspection and supervision shall include, but not be limited to the right of the District to audit Provider's records.

**8.17 Force Majeure.** Except for payment of sums due, neither party shall be liable to the other nor deemed in default under this Agreement if and to the extent that such party's performance of this Agreement is prevented by reason of force majeure.

8.17.1 The term "force majeure" means an occurrence that is unforeseeable and beyond the control of the party affected, which occurs without its fault or negligence, and which it is unable to prevent by exercising reasonable diligence. Without limiting the foregoing, force majeure includes acts of God, acts of the public enemy, war, riots, strikes, mobilization, labor disputes, civil disorders, fire, flood, lockouts, injunctions-intervention-acts, or unreasonable failures or refusal to act by government authority, and other similar occurrences. The force majeure shall be deemed to commence when the party declaring force majeure notifies the other party, in writing, of the existence of the force majeure and shall be deemed to continue as long as the results or effects of the force majeure prevent the party from resuming performance in accordance with this agreement.

8.17.2 Force majeure shall not include the following occurrences:

8.17.2.1 Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, or by an oversold condition of the market.

8.17.2.2 Late performance by a Subcontractor unless the delay arises directly out of a force majeure occurrence in accordance with this force majeure term and condition. Any delay or failure in performance by either party hereto shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and to the extent that, such delay or failure is caused by force majeure.

8.17.3 If either party is delayed at any time in the progress of the work by force majeure, the delayed party shall notify the other party in writing as soon as is practical, of the commencement of such delay and shall specify the causes of such delay in such notice. Such notice shall be hand delivered or mailed certified-return receipt and shall make a specific reference to this section, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The time of completion shall be extended by Agreement modification for a period of time equal to the time that the results or effects of such delay prevent the delayed party from performing in accordance with this Agreement.

## 9. DURATION

This Agreement shall become effective on and from the Effective Date, and shall continue in force until five (5) years from the Effective Date unless sooner terminated as provided above. The District reserves the right to unilaterally extend the period of the Agreement for ninety (90) days beyond the stated termination date. In addition, by written amendment, the Agreement may be renewed for a supplemental period of up to one (1) additional five (5) year term upon mutually acceptable terms regarding compensation and scope of services.

**Flagstaff Downtown Business  
Improvement and Revitalization  
District**

**Provider**

\_\_\_\_\_  
Antoinette Beiser, Director

\_\_\_\_\_  
By: Leslie Connell  
Secretary of the Corporation

\_\_\_\_\_  
David Stilley, Director

Attest:

\_\_\_\_\_  
District Clerk

Approved as to form:

\_\_\_\_\_  
Attorney for the District

**EXHIBIT A**  
**SCOPE OF WORK**

The District requires the following services under this contract for management services:

**1. Budget and Finance**

- 1.1 Preparation of detailed operating budgets for each fiscal year no later than June 15 of each year;
- 1.2 Preparation of written annual report at the conclusion of each calendar year that accounts for revenues, expenditures and services provided in benefit of the District;
- 1.3 Creation and maintaining of a District database that includes a map of the District, property ownership, property owner contact information, assessed value, and current use (e.g., retail, office, government, ROW) ("District Database");
- 1.4 Identifying, prioritizing, and estimating revenues and expenses for "enhanced municipal services" that the District may seek to provide in the foreseeable future.

**2. Management and Operations**

- 2.1 Preparation of annual work plans at the direction and the approval of the District Board;
- 2.2 Assignment of a responsible person to serve as administrative staff/liaison for the District Board and Officers;
- 2.3 Employment of an executive director for the management of the District, to perform tasks and functions including, but not limited to, the following:
  - 2.3.1 Serving as the single point of contact for the District and District members;
  - 2.3.2 Communicating individual and District needs to the District;
  - 2.3.3 Receiving and aiding in resolution of complaints of District members and/or stakeholders;
  - 2.3.4 Creating and maintaining a District website page to be used for stakeholders and the public;
  - 2.3.5 Creating and maintaining an inventory of District services provided within the District that includes the types of service, annual budget allocation, frequency, providing agency, and providing agency contact information ("Inventory of District Services");
  - 2.3.6 Creating and maintaining an inventory of public infrastructure that exists within the District that includes types of infrastructure, condition, maintenance needs,

existent capital improvement plans, and suggestions for improvements (“Public Infrastructure Inventory”);

2.3.7 Assigning a responsible person to review and provide written advisory comments regarding Special Event Permits proposed for locations in the District, identifying the concerns of the District or District members, proposing conditions that would mitigate concerns, and recommending approval or denial (“Special Event Permit Review”);

2.3.8 Reviewing and providing written advisory comments regarding City initiatives (programs, ordinances, plans, projects, and so forth) that affect the District or District members (“City Initiative Review”);

2.3.9 Meeting monthly with Police Department and Economic Vitality Division staff, and as necessary with other City staff, to coordinate District and/or City initiatives (programs, ordinances, plans, projects, and so forth), to discuss District or District members’ concerns and solutions, and other matters as appropriate; and

2.3.10 As necessary, meeting with and coordinating District initiatives (programs, plans, projects, and so forth) and other matters as appropriate with Federal, State, or regional government agencies (such as the Flagstaff Metropolitan Planning Organization, Coconino County, or Tribal agencies) including upon the request of the City Manager, participating in joint meetings with such agencies (“Coordinate with Other Agencies”).

2.4 Manage a portion of the adopted Fiscal Year 2014-2015 budget. The entire adopted budget is \$254,455. This contract will manage \$158,500 of the adopted budget in the categories as shown in Appendix B. One hundred fifty eight thousand five hundred dollars (\$158,500) is the entire amount available to pay for the Management Contract, including the personnel, contractual, commodities and other line items as shown in Appendix B. In addition to the assignment of a responsible person as detailed in Section 2.1, the budget plan anticipates:

2.4.1 Administrative support to be provided;

2.4.2 Office space to be secured;

2.4.3 Professional services including bookkeeping, accounting, and insurance;

2.4.4 Marketing and outreach is provided through personal contact, written outreach, website development, and other appropriate means; and

2.4.5 Enhanced Downtown Services are provided which includes, but is not limited to, 40 hours per week of contracted personnel.

**3. Management of Public Infrastructure Improvement, including but not limited to the following:**

3.1 Identifying and proposing at least one public infrastructure improvement project to the District Board as required for a Revitalization District. The total value of work proposed shall be no less than \$15,000.

Completion date: Nine (9) months from June 4, 2014 (March 4, 2015)

Penalty if not completed on time: \$1,000

3.2 Secure funding for the proposed public infrastructure improvement project(s).

Completion date: Twelve (12) months from June 4, 2014 (June 4, 2015)

Penalty if not completed on time: \$1,000

3.3 Cause and manage the preparation of project plans for the proposed public infrastructure improvement project(s). Obtain and pay for all required approvals and permits. Procure professional services if required by Arizona law and procure all services as required by Arizona law.

Completion date: Fifteen (15) months after June 4, 2014 (September 4, 2015)

Penalty if not completed on time: \$5,000

3.4 Contract for and manage the construction of the proposed public infrastructure improvement project(s). Procure licensed contractor and all services as required by Arizona law.

Completion: Twenty-four (24) months after June 4, 2014 (June 4, 2016) Penalty if not completed on time: \$5,000

#### **4. Heritage Square Plaza**

With legal counsel retained by the District or management agency, review all documents related to Heritage Square Plaza (including but not limited to Disposition and Development Agreement; Rules and Regulations; Declaration of Public Plaza Easement dated May 20, 1997; Declaration of Public Plaza Easement dated June 4, 1996) and recommend whether the District should consider assuming any responsibilities for operations and maintenance.

**EXHIBIT B**  
**FEE SCHEDULE**

Annual contract for One Hundred Fifty Eight Thousand Five Hundred Dollars (\$158,500), to be paid in installments as agreed by the parties.

<b>FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT &amp; REVITALIZATION DISTRICT</b>		
<b>BUDGET</b>		
	Adopted 07/01/14-06/30/15	Management Contract
<b>INCOME</b>		
BID Property Owner Tax Assessments November	\$ 63,749	\$ 63,749
BID Property Owner Tax Assessments May	\$ 63,749	\$ 63,749
City of Flagstaff (in lieu of tax assessment) July	\$ 11,870	\$ 11,870
Coconino County (in lieu of tax assessment) July	\$ 29,132	\$ 29,132
Other Contributions		
City Of Flagstaff IGA (one time) July 2014	\$ 127,000	\$ -
One Time Infrastructure Project	\$ -	\$ -
	\$ -	\$ -
Grants	\$ -	\$ -
Sponsorships	\$ -	\$ -
Events	\$ -	\$ -
Carry Forwards	\$ -	\$ -
<b>Total Income</b>	<b>\$ 295,500</b>	<b>\$ 168,500</b>
<b>EXPENSES</b>		
Management (Administration & Advocacy)		
Executive Director <i>(estimated \$75,000 per year, also serves as Clerk &amp; Treasurer)</i>	\$ 75,000	\$ 75,000
Administrative Assistant <i>(estimated \$12.50/hour, 25 hours per week)</i>	\$ 16,250	\$ 16,250
Employment Related Expenses <i>(payroll taxes, benefits, etc)</i>	\$ 15,005	\$ 15,969
Management (Administration & Advocacy)	\$ 106,255	\$ 107,219
Overhead		
Office Space <i>(estimated \$500 per month)</i>	\$ 6,000	\$ 6,000
Supplies <i>(estimated \$75 per month)</i>	\$ 900	\$ 600
Telephones/Fax/Email <i>(estimated \$175 per month)</i>	\$ 2,100	\$ 1,500
Dues/Subscriptions <i>(e.g. International Downtown Association)</i>	\$ 650	\$ 650
Postage	\$ 400	\$ 400
Bank Charges	\$ 600	\$ 300
Overhead	\$ 10,650	\$ 9,450
Professional Services		
Bookkeeping	\$ 1,800	\$ 1,800
Accounting <i>(annual audit and annual tax prep)</i>	\$ 9,000	\$ 1,000
Legal Counsel <i>(board meetings, issues, heritage square legal review)</i>	\$ 8,700	\$ 1,500
Insurance <i>(property, liability, worker's comp.)</i>	\$ 5,000	\$ 4,500
Equipment <i>(office equipment &amp; furniture)</i>	\$ 5,000	\$ -
Parking Development	\$ 25,000	\$ -
Professional Services	\$ 54,500	\$ 8,800
One Time District Formation Related Expenses		
Legal Counsel	\$ 10,000	\$ -
Tax Election	\$ 10,000	\$ -
One Time Infrastructure Project	\$ -	\$ -
Miscellaneous <i>(to include search/relocation/hiring of ED)</i>	\$ 15,000	\$ -
One Time District Formation Related Expenses	\$ 35,000	\$ -
Marketing & Communication		
Visitor Outreach <i>(maps, directories, etc)</i>	\$ 10,000	\$ 4,000
Publications	\$ 2,500	\$ 1,200
Meetings <i>(to host Downtown Stakeholders)</i>	\$ 700	\$ 500
Website <i>(build, host, maintain, update)</i>	\$ 9,300	\$ 4,531
Marketing & Communication	\$ 22,500	\$ 10,231
Enhanced Downtown Services		
Contracted Personnel <i>(2 persons, 20hrs/week @ \$10.00/hr)</i>	\$ 20,800	\$ 20,800
Uniforms and Equipment	\$ 3,750	\$ 1,500
Background Checks & Drug Screenings	\$ 1,000	\$ 500
Enhanced Downtown Services	\$ 25,550	\$ 22,800
<b>Total Expenses</b>	<b>\$ 254,455</b>	<b>\$ 158,500</b>
<b>Net Income/Carry Forward</b>	<b>\$ 41,045</b>	<b>\$ 10,000</b>



**CITY OF FLAGSTAFF  
PURCHASING DIVISION  
MANAGEMENT SERVICES FOR THE FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT AND  
SCORING TABULATION**

<b>Evaluation Criterion #1-- (30 Points, plus up to 5 bonus points) EXPERIENCE and QUALIFICATION</b>		
<b>FLAGSTAFF DOWNTOWN BUSINESS ALLIANCE</b>		
Evaluator #1	30	
Evaluator #2	35	
Evaluator #3	35	
Evaluator #4	35	
Evaluator #5	35	
<b>Subtotal:</b>	<b>170</b>	
<b>Criteria Ranking:</b>	<b>1</b>	
<b>Evaluation Criterion #2-- (30 Points) PRESENTED APPROACH</b>		
<b>FLAGSTAFF DOWNTOWN BUSINESS ALLIANCE</b>		
Evaluator #1	30	
Evaluator #2	25	
Evaluator #3	25	
Evaluator #4	30	
Evaluator #5	30	
<b>Subtotal:</b>	<b>140</b>	
<b>Criteria Ranking:</b>	<b>1</b>	
<b>Evaluation Criterion #3-- (20 Points) PROJECT PERSONNEL</b>		
<b>FLAGSTAFF DOWNTOWN BUSINESS ALLIANCE</b>		
Evaluator #1	20	
Evaluator #2	20	
Evaluator #3	20	
Evaluator #4	20	
Evaluator #5	20	
<b>Subtotal:</b>	<b>100</b>	
<b>Criteria Ranking:</b>	<b>1</b>	
<b>Evaluation Criterion #4-- (20 Points) PRICE/FEE STRUCTURE</b>		
<b>FLAGSTAFF DOWNTOWN BUSINESS ALLIANCE</b>		
Evaluator #1	18	
Evaluator #2	18	
Evaluator #3	15	
Evaluator #4	20	
Evaluator #5	20	
<b>Subtotal:</b>	<b>91</b>	
<b>Criteria Ranking:</b>	<b>1</b>	

**TOTAL PTS.:**

**501**

**THERE WERE 501 TOTAL EVALUATION POINTS GIVEN TO THE FLAGSTAFF DOWNTOWN BU  
OUT OF A TOTAL OF 525 POSSIBLE EVALUATION POINTS FOR A TOTAL POINT SCORE OF 9**





**BUSINESS ALLIANCE**

95%.













