

CITY OF CHANDLER
NOTICE OF REQUEST FOR PROPOSAL FD7-946-5062

SOLICITATION TITLE:	Debt Collection Services for Fire Department Ambulance Transportation
SOLICITATION NO.:	FD7-946-5062
PROPOSAL DUE DATE:	November 3, 2026
PROPOSAL DUE TIME:	4:00 pm local Arizona time
SUBMIT TO:	Via email to: Christian.jonson@chandleraz.gov Email and attachments may not exceed 50 MB
PRE-PROPOSAL CONFERENCE:	Wednesday October 14, 2026 9:00 A.M. local Arizona time
CONFERENCE ATTENDANCE:	Meeting Link: Pre-proposal Teams link Meeting ID: 275 684 322 207 201 Passcode: dX7tv7sa
CONTACT:	Christian Jonson, CPPB Procurement Officer Phone: (480) 782-2405 Email: christian.jonson@chandleraz.gov
ISSUE DATE:	October 2, 2026

Proposals for the commodity or service specified will be received by the Purchasing Division, City of Chandler, via email to christian.jonson@chandleraz.gov, until the time and date cited above. The City does not accept proposals submitted through the Arizona Procurement Portal. Proposals must be submitted via email to the Procurement Officer.

Proposals must be received in the email inbox of the responsible Procurement Officer on or prior to the exact time and date indicated above.

Instructions for preparing proposals are provided on the following pages.

RFP Summary: The City is requesting proposals from qualified offerors to provide the City with Debt Collection Services for the Fire Department pursuant to the attached agreement.

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INFORMATION AND INSTRUCTIONS TO PROPOSERS

1. **Vendor Registration.** Proposers must register via the on-line vendor registration system to automatically receive notification of addenda to this solicitation or notice of other solicitation opportunities. Visit <https://www.chandleraz.gov/business/vendor-services/purchasing>, select Vendor Registration and Management.
2. **Addendum.** This RFP may only be modified by a written addendum. Proposers are responsible for obtaining all addenda. A Proposer must not rely on verbal responses to inquiries. A verbal reply to an inquiry does not constitute a modification of the solicitation.
3. **Late Proposals.** Late proposals will not be accepted. It is the sole responsibility of the Proposer to ensure that its proposal is received at or prior to the exact date and time indicated on the Notice Page. The time stamp of the City's email system will govern timeliness of submission.
4. **Cost of Proposal Preparation.** The City will not reimburse any Proposer the cost of responding to a solicitation.
5. **Duty to Examine.** It is the responsibility of each Proposer to examine the entire solicitation, seek clarification and make inquiries, and examine its proposal for accuracy before submitting it. Lack of care in preparing a proposal will not be grounds for modifying or withdrawing the proposal after the due date and time, nor will it give rise to any claim.
6. **Inquiries.** Any inquiry related to this solicitation, including any requests for or inquiries regarding standards referenced in the solicitation must be directed solely to the Procurement Officer listed on the cover page of the solicitation. Proposers will not contact or direct inquiries concerning this solicitation to any other City employee unless the solicitation specifically identifies a person other than the Procurement Officer as a contact.

All inquiries, except those at the Pre-Proposal Conference, should be submitted in writing and refer to the appropriate solicitation number, page and paragraph. The City will consider the relevancy of all inquiries but is not required to respond in writing.

Any inquiry must be submitted as soon as possible and should be submitted at least ten days before the proposal due date and time for review and determination by City. Failure to do so may result in the inquiry not being addressed in a solicitation addendum.

7. **Remote Attendance at Pre-Proposal Conference.** The City may offer remote attendance at the Pre-Proposal Conference via a City-hosted dial-in meeting. If remote attendance is offered, meeting details will be provided on the Notice Page. Interested Offerors attending remotely may be required to register and provide, at a minimum, attendee name and company name.

Remote attendance is provided as a courtesy. Attendees are responsible for all aspects of their attendance. The City will not provide technical support for remote attendance.

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- 8. Exceptions to the Solicitation.** Any exception to the solicitation must be submitted as soon as possible and should be submitted at least ten days before the proposal due date and time for review and determination by City. Failure to do so may result in the exception not being addressed in a solicitation addendum.
- 9. Proposal Amendment or Withdrawal.** A proposal may be withdrawn at any time before the due date and time. A proposal may not be amended or withdrawn after the due date and time except as otherwise provided by applicable law.
- 10. Unit Price Prevails.** In the case of discrepancy between the unit price or rate and the extension of that unit price or rate, the unit price or rate will govern.
- 11. Non-Collusion and Non-Discrimination.** By signing and submitting the proposal, the Proposer certifies that the Proposer did not engage in collusion or other anti-competitive practices in connection with the preparation or submission of its proposal; and the Proposer does not discriminate against any employee or applicant for employment or person to whom it provides services because of race, color, religion, age, sex, national origin, or disability, and that it complies with all applicable Federal, state and local laws and executive orders regarding employment.
- 12. Waiver and Rejection Rights.** The City reserves the right to waive any immaterial defect or informality; or reject any or all proposals, or portions thereof; or reissue the Request for Proposal; and will be the sole judge of the merits of the proposals received.
- 13. Proposal Opening.** Proposals will be opened as indicated on the Notice Page, unless amended in writing by the Procurement Officer issuing the solicitation. The name of each Proposer will be public information following the proposal opening. No other information will be publicly disclosed at that time.
- 14. Public Record.** All proposals submitted in response to this solicitation and all evaluation related records will become property of City and will become a matter of public record for review, subsequent to publication by the City of the proposed award in the agenda for the City Council Meeting, or upon award by the appropriate approving authority or as otherwise required by law.
- 15. Confidential Information.** A request for nondisclosure of data such as trade secrets or other proprietary information must be submitted with the proposal and must contain the basis for the request. Any information included in the request must be submitted as a separate file. Price is not confidential and will not be withheld. A blanket statement of confidentiality will not be considered. It is the Proposer's responsibility to identify and segregate the information in the proposal provided to the City.

The City will review all requests for confidentiality and may approve or deny all or portions of the request. Information denied confidentiality will be released as public information. In the event of a public records request for information granted confidentiality, the City will endeavor provide 48-hours' notice before releasing materials in order for the Proposer to apply for a court order blocking the release of the information.

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- 16. Proposal Acceptance Period.** All proposals will remain valid for 120 days after the day of the opening of proposals. The City may, at its sole discretion, release any proposal and return any security (as applicable) prior to that date. No Proposer may withdraw a proposal during this period without written permission from the City. Should any Proposer refuse to enter into an agreement, under the terms and conditions of the procurement, the City may retain any security (as applicable) as liquidated damages.
- 17. Discussions with Proposers and Revisions to Proposals.** Discussions and additional investigations may be conducted with responsible Proposers who submit proposals determined to be reasonably susceptible of being selected for award for the purpose of clarification to assure full understanding of, and responsiveness to, the solicitation requirements. Proposers will be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals, and such revisions may be permitted after submissions and prior to award for the purpose of obtaining best and final proposals. In conducting discussions, there will be no disclosure of any information derived from proposals submitted by competing Proposers. The purposes of such discussions will be to: determine in greater detail such Proposer's qualifications; explore with the Proposer the scope and nature of the project, the Proposer's proposed method of performance, and the relative utility of alternate methods of approach; determine that the Proposer will make available the necessary personnel and facilities to perform within the required time; agreeing upon compensation, which is fair and reasonable, taking into account the estimated value of the required services, and the scope, complexity and nature of such services.
- 18. Clarifications.** City reserves the right to obtain Proposer clarifications where necessary to arrive at full and complete understanding of Proposer's product, service, and solicitation response. Clarification means a communication with a Proposer for the purpose of eliminating ambiguities in the proposal and does not give Proposer an opportunity to revise or modify its proposal.
- 19. Agreement Negotiations.** City reserves the right to conduct exclusive or concurrent negotiations with responsible Proposer(s) for the purpose of agreeing to the conditions, terms and price of the proposed agreement unless prohibited. Proposers will be accorded fair and equal treatment in conducting negotiations and there will be no disclosure of any information derived from proposals submitted by competing Proposers. Exclusive or concurrent negotiations will not constitute an agreement award nor will it confer any property rights to the successful Proposer. In the event the City deems that negotiations are not progressing, the City may formally terminate these negotiations and may enter into subsequent concurrent or exclusive negotiations with the next most qualified Proposer(s).
- 20. Payment.** Proposers may agree to accept the City Procurement Card (Mastercard) for payment. Proposers should indicate on the Proposer Information and Offer Section of this RFP, their willingness to accept City Procurement Card payments. The inability to accept payment by City Procurement Card will not disqualify a Proposer's response.

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Proposers may also agree to accept other traditional payment methods, including automated clearinghouse (ACH). Payment terms for traditional payment methods are Net 30 upon receipt of an accurate invoice. Proposers may propose additional discounts for early payment within their proposal.

- 21. Local Business Consideration.** Where the Chandler Administrative Regulation MS-16 Local Business Consideration is applicable, any applicable Chandler Transaction Privilege Tax will be deducted from the net cost for the purpose of evaluation.
- 22. Protests.** A protest must be in writing and be filed with the Purchasing Division. Filed means delivery to the Procurement Officer or Procurement and Supply Senior Manager, whichever is applicable. A time and date of receipt will be documented in a verifiable manner for purposes of filing.

A protest must include:

- a. The name, address, telephone number and email address of the protester;
- b. The signature of the protester or its representative;
- c. Identification of the solicitation or contract number;
- d. A detailed statement of the legal and factual grounds of the protest including copies of relevant documents; and
- e. The form of relief requested.

A protest based upon alleged improprieties in a solicitation that are apparent before the solicitation due date must be filed not less than five calendar days before the solicitation due date.

A protest of a proposed award requiring City Council approval must be filed within five calendar days of the first posting of the award recommendation on the Purchasing Division website or the City Clerk's website, whichever occurs first. If the deadline for filing a protest occurs on a weekend or holiday, the protest must be filed the next business day.

A protest of an award not requiring City Council approval must be filed within ten days after the protester knows or should have known the basis of the protest.

- 23. Award.** Unless otherwise provided in this solicitation, the City reserves the right to make multiple awards, award by item, group or as a total, as is deemed most advantageous to the City.
- 24. Execution of Agreement.** Within ten days of notice that Proposer is the recommended awardee, Proposer will execute and return the Agreement to Purchasing.
- 25. Persons with Disabilities.** Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the Procurement Officer. Requests must be made as early as possible to allow time to arrange the accommodation.

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PROPOSAL CONTENT

Proposers must submit one copy of the proposal via email to the responsible Procurement Officer. The REQUEST FOR PROPOSAL TITLE, NUMBER AND OFFEROR NAME should be in the subject line of the email. Emails and attachments may not exceed 50 MB in size. Attachments should be in .pdf format and named with the RFP number and Offeror name. A single email is preferred, however multiple emails are permissible provided that all are received prior to the due date and time.

Proposals should include the following information in the order listed:

- 1. Completed Proposer Information and Offer Section.** Complete and submit the Proposer Information and Offer Section in the format provided in this solicitation. Failure to do so may result in the proposal being rejected as non-responsive. The Proposer Information and Offer Section within the solicitation must include a signature by a person authorized to sign the proposal. The signature must signify the Proposer's intent to be bound by its Proposal and the terms of the solicitation and that the information provided is true, accurate and complete.
- 2. Responses to Proposal Evaluation Criteria.** Submit information requested in the Evaluation Criteria Section provided in this solicitation. Forms, such as pricing forms, must be completed in the format provided in the solicitation. Failure to do so may result in the proposal being rejected as non-responsive.
- 3. Exceptions to Agreement.** The City's standard Agreement is included as a part of this solicitation. By submitting a proposal, the Proposer acknowledges having reviewed the Agreement. Any exceptions to the Scope of Work or Specifications or to Agreement terms and conditions must be included with the proposal and be clearly identified. Exceptions not included in the proposal may not be introduced in the future. Any exceptions to the Scope of Work, Specifications or the Agreement language will be considered and included in City's evaluation of the proposal. A proposal that takes exception to a material requirement of any part of the Scope of Work, Specifications or Agreement language may be rejected as non-responsive.
- 4. Disclosure.** If the Proposer has been debarred, suspended or otherwise lawfully precluded from participating in any public procurement activity, including being disapproved as a subcontractor with any Federal, state or local government, or if any such preclusion is currently pending, the Proposer must make disclosure. In the proposal, the Proposer must include information including the name and address of the governmental entity, the effective date and duration of this suspension or debarment, and the relevant circumstances. The City reserves the right to reject a proposal received from a Proposer, including each of its principals, who is currently debarred, suspended or otherwise lawfully prohibited from any public procurement activity.

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PROPOSER INFORMATION AND OFFER SECTION

Company Name	
Business Type (Corporation, Partnership, etc.)	
State of Incorporation (if applicable)	
Federal Tax I.D. No.	
Address	
City, State, Zip	
Authorized Signature	
Name and Title	
Contact Name	
Title	
Telephone	
E-mail	
Chandler Transaction Privilege Tax (TPT) No. (if applicable)	Date of issue:
Is proposed purchase subject to TPT?	_____yes _____no
Will you accept a City Procurement Card (MasterCard) for payment of invoices?	_____yes _____no
If you accept a MasterCard for payment, do you charge a fee?	_____yes _____no If yes, what is the fee?_____
Will you accept automated clearinghouse (ACH) for payment of invoices?	_____yes _____no
Prompt Payment Terms Offered	_____ % Net _____ days
Disclosure of Debarment or Suspension	_____yes _____no (If yes, please attach description of the circumstances)
Exceptions Taken	_____yes _____no (If yes, please attach a clearly identified section)
Date Addendum #1 Acknowledged/Received	
Date Addendum #2 Acknowledged/Received	
Date Addendum #3 Acknowledged/Received	

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SCOPE OF WORK

1. INTRODUCTION & PURPOSE

Chandler Fire Department (CFD) seeks to contract with a qualified third-party debt collection agency to collect patient responsibility balances for ambulance transport services. CFD's billing operations are managed by a third-party billing vendor. The Collection Agency will receive account data directly from the billing vendor and conduct professional debt collection activities. CFD will retain all account determination and billing decisions; the Collection Agency is engaged solely to collect amounts determined to be patient responsibility.

2. BACKGROUND

CFD operates an ambulance transportation service for the City of Chandler, Arizona. Following transport services, CFD's third-party billing vendor bills patients' insurance carriers. After insurance adjudication, certain accounts remain with patient responsibility balances due to:

- Insurance denials
- Patient deductibles, copays, and coinsurance
- Uninsured and underinsured patients
- Self-pay patients

CFD currently lacks a formal delinquent debt collections process for these accounts. The objective is to outsource debt collections activities to a professional collection agency to reduce internal administrative burden while maximizing recovery of delinquent patient responsibility balances.

3. CONTRACTOR RESPONSIBILITIES

The Collection Agency shall provide the following services:

3.1 Account Data Receipt from Billing Vendor & Validation

The third-party billing vendor will provide patient responsibility accounts directly to the Collection Agency in an agreed-upon file format (e.g., CSV, SFTP, API, EDI). Collection Agency must be capable of receiving and importing files from the billing vendor's system on a regular schedule (daily, weekly, or as-needed per CFD and billing vendor direction).

Account data could include: patient name, date of birth, service date, balance owed, last known contact information (phone, address, email), insurance adjudication status, and account age/assignment date.

Collection Agency will validate account completeness and flag any records with missing critical data (contact info, balance, DOB) for CFD/billing vendor correction before collection activity begins.

Collection Agency will maintain a collections queue organized by account age and balance size per CFD direction.

3.2 Patient Contact & Payment Collection

Initiate outbound contact (phone, mail, email, text message per patient consent) within and agreed upon amount of time.

Conduct collection calls in compliance with FDCPA, TCPA, and Arizona collection laws (ARS §34-225 et seq.).

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Document all contact attempts, patient responses, objections, and payment arrangements; maintain detailed notes in collection file.

Arrange payments plans (as needed), with a term limit of 24 months, via phone, online payment portal, check, ACH, or credit/debit card.

Provide patients with CFD's Financial Hardship waiver application, when necessary, and forward to CFD any applications received within 2 business days.

Collect payments and immediately remit funds to CFD per agreed remittance schedule (weekly, bi-weekly, or monthly).

3.3 Patient Disputes & Escalation

Document any patient disputes regarding the validity or amount of the balance (e.g., "I should not owe this," "This was supposed to be covered by insurance").

Escalate disputes to CFD within 2 business days with patient statement and supporting documentation.

Collection Agency does **NOT** make billing decisions, account adjustments, or write-offs; all determinations remain CFD responsibility (in coordination with billing vendor if applicable).

3.4 Payment Processing & Reconciliation

Process all payments received and provide daily reconciliation report (by 5:00 PM Arizona time) with payment detail, patient assignment number, amount, and method.

Maintain accurate records of all cash receipts and remit funds collected to CFD per contractual schedule with detailed accounting.

3.5 Escalated Collection Strategies for Aging Accounts

Organize accounts by age (0-60, 60-90, 90-120, 120+ days) and apply escalating collection strategies.

For accounts meeting CFD-defined criteria (age, balance, collectability assessment), recommend escalation to legal referral or small claims court.

Collection Agency may subcontract legal services; all legal actions require prior written approval from CFD. CFD retains final decision-making authority.

3.6 Compliance & Regulatory Adherence

Maintain Arizona Collection Agency License (ARS §34-225) or qualify for exemption; provide proof of current licensure annually.

Comply with Fair Debt Collection Practices Act (FDCPA, 15 U.S.C. §1692) and Telephone Consumer Protection Act (TCPA, 47 U.S.C. §227).

Handle all patient personal health information (PHI) in accordance with HIPAA Privacy and Security Rules; execute Business Associate Agreement (BAA) with CFD prior to receiving any PHI.

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4. CITY AND BILLING VENDOR RESPONSIBILITIES

The following remain solely CFD and/or billing vendor responsibility:

- Primary and secondary insurance billing and claim submission
- Insurance claim appeals and resubmission
- Account eligibility determination (is this account collectable?)
- Account adjustments, write-offs, and courtesy reductions
- Financial assistance eligibility and enrollment
- Billing system maintenance and account balance validation (handled by billing vendor)
- Legal action decisions (Collection Agency recommends CFD approves)

5. PERFORMANCE STANDARDS & KEY PERFORMANCE INDICATORS

Collection Agency shall meet the following minimum performance standards:

KPI	Target	Notes
First Contact (FTC)	≤15 bus. days	Attempt contact on ≥80% of assigned accounts within 15 business days of receipt
Payment Remittance	Weekly/Bi-weekly/Monthly	Per contractual schedule; fully reconciled with detail report
Daily Reconciliation	By 5:00 PM AZ time	Report payments received, contact activity, exceptions
Compliance Violations	Zero tolerance	FDCPA, TCPA, HIPAA violations trigger termination and remediation responsibility

6. REPORTING REQUIREMENTS

Collection Agency shall provide the following reports:

- **Daily Reconciliation** (by 5:00 PM AZ time): Payments received, account detail, contact activity, exceptions.
- **Weekly Summary**: Accounts assigned, worked, collected; contact attempts by method; FTC status; aging distribution; estimated next remittance.
- **Monthly Report**: All KPIs (FTC rate, collection rate, cash collected, payment arrangement count, legal referrals), aging trend, compliance incidents (if any), staffing status.
- **Quarterly Business Review**: Collection performance vs. benchmark, recommended strategy adjustments, accounts pending legal action, capacity/staffing impact.
- **Annual Compliance Attestation**: Current Arizona Collection Agency License; FDCPA/TCPA/HIPAA training records; HIPAA BAA renewal; any regulatory actions or complaints.

7. DATA MANAGEMENT & HIPAA COMPLIANCE

Data Receipt from Billing Vendor:

CFD's third-party billing vendor will provide account data directly to the Collection Agency via secure method (SFTP, API, or agreed-upon data transfer mechanism).

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Collection Agency must confirm technical capability to receive files from external vendors and specify accepted formats and security requirements.

Data format: CSV with patient name, DOB, service date, balance, contact info, and insurance status.

Collection Agency is responsible for maintaining integration/connectivity with billing vendor system; any maintenance, troubleshooting, or custom development shall be addressed in contract.

HIPAA Business Associate Agreement:

Collection Agency must execute HIPAA BAA with CFD prior to receiving any patient personal health information.

All PHI must be encrypted in transit (TLS/SSL minimum) and at rest (AES-256 minimum).

Collection Agency must maintain audit logs and access controls; provide audit reports to CFD on demand.

Data Return & Destruction:

Upon contract termination, Collection Agency shall return or securely destroy all patient data within 30 days; provide written certification of destruction.

Collection Agency may retain data as long as reasonably necessary for collection activity (minimum 7 years per statute of limitations); beyond that period, data must be destroyed or CFD notified of legal hold.

8. COMPLIANCE & REGULATORY REQUIREMENTS

Arizona Collection Agency Law (ARS §34-225 et seq.):

Collection Agency must hold active Arizona Collection Agency License from the Department of Insurance & Financial Institutions, OR qualify for statutory exemption.

Provide proof of current licensure (or exemption documentation) upon execution and upon annual renewal.

Fair Debt Collection Practices Act (FDCPA, 15 U.S.C. §1692):

No harassment, false statements, unfair practices, or misrepresentation.

Provide debt validation within 5 days of initial communication (15 U.S.C. §1692g).

Respect consumer's cease and desist requests.

Telephone Consumer Protection Act (TCPA, 47 U.S.C. §227):

Comply with Do-Not-Call Registry (DNC).

No auto-dialer or TCPA-regulated calling without written consent.

Text message/SMS collection only with explicit patient consent.

HIPAA (45 CFR §164.501–534):

Handle all PHI in accordance with HIPAA Privacy and Security Rules; maintain BAA at all times.

Notify CFD of any suspected HIPAA breach within 24 hours.

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Training & Documentation:

All collection staff must complete annual FDCPA, TCPA, and HIPAA compliance training; documentation provided to CFD upon request.

Collection Agency must maintain written policies and procedures aligned with all applicable laws; available for CFD audit.

9. COMMUNICATION & ESCALATION

Primary Contact: CFD will designate primary collections liaison; Collection Agency will provide 24/7 escalation contact.

Billing Vendor Coordination: Collection Agency will coordinate regularly with CFD's billing vendor to ensure proper data feeds, account updates, payment posting, and issue resolution.

Escalation Issues: Patient disputes, contact/balance objections, data transfer issues, HIPAA incidents, regulatory inquiries, questions regarding collectability or collection strategy.

Response Times: Routine issues ≤2 business days; urgent issues (compliance, breach, safety concern, data transfer failure) ≤4 hours

13. PERFORMANCE EVALUATION

CFD will conduct formal performance reviews at 90 days, 6 months and annually.

90-Day Review: FTC compliance, KPI baseline establishment, data quality, operational setup, data integration/connectivity status, compliance status.

6-Month Review: Collection rate trend, cash recovery vs. assignment value, customer complaint tracking, data accuracy and timeliness, billing vendor coordination effectiveness, compliance audit.

Annual Review: Comprehensive KPI performance, cost-per-dollar-collected, aging account trend, strategic recommendations for next contract year, data integration reliability.

~ End of Scope ~

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EVALUATION CRITERIA

Solicitations will be scored based on the following evaluation criteria.

Qualifications and Experience **20%**

Offerors should demonstrate relevant expertise, stability, and capability to manage ambulance transportation debt collections effectively. Provide the following information:

1. **Company Background and History:** Provide a brief history of the company including: years in business, primary business focus, geographic service area, number of healthcare and ambulance collections clients served, and total accounts under management.
2. **Healthcare and Compliance Credentials:** Provide documentation of compliance certifications and expertise including: HIPAA compliance certification, Fair Debt Collection Practices Act (FDCPA) compliance training, state licensing and bonding, healthcare debt collection certifications, and any specialized ambulance/EMS billing experience.
3. **Key Personnel Qualifications:** Provide resumes or statements of qualifications for the company owner(s), executive leadership, and proposed collection team lead(s). Include details on years of experience in debt collections, healthcare billing knowledge, HIPAA training, and supervisory experience. Describe the reporting structure and management oversight.
4. **References:** Provide at least 3 professional references from current or recent clients with similar debt collection needs (preferably healthcare/ambulance services). Include contact information, client name, contract duration, and description of services provided.

Method of Approach **50%**

Offerors should provide a comprehensive plan for collection services, technology integration, compliance, and ongoing support. Provide the following information:

1. **Collection Strategy and Methodology:** Describe the overall collection strategy including contact methodology (phone, mail, email), escalation procedures for aged accounts, frequency of collection attempts, use of third parties (attorneys, skip tracing), and specific strategies for ambulance/emergency services accounts.
2. **Technology and Software Capabilities:** Describe the collection management system including: account tracking and reporting capabilities, payment processing functionality, integration options with existing City systems, real-time reporting access, data security measures, and automated workflow capabilities.
3. **HIPAA and Data Security Compliance:** Describe HIPAA compliance procedures including: Business Associate Agreement (BAA) requirements, protected health information (PHI) handling protocols, data encryption and storage methods, staff training on patient privacy, breach notification procedures, and audit/monitoring processes.
4. **Communication Protocols and Patient Interaction:** Describe protocols for patient communication including: call timing and frequency, message content standards, handling of disputes and complaints, compliance with state and federal calling regulations, and procedures for patients

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requesting no contact.

5. **Escalation and Problem Resolution:** Describe procedures for account escalation, handling of disputed accounts, patient complaints, uncollectible determinations, legal action processes, and points of contact for City staff escalation.
6. **Reporting and Performance Metrics:** Describe reporting capabilities including: collection rate metrics, aging account reports, payment tracking, performance benchmarks, frequency of reporting (daily, weekly, monthly), customizable dashboard access, and performance analysis features.
7. **Account Assignment and Staffing Plan:** Describe how accounts will be assigned, staffing levels allocated to City accounts, average caseload per collector, quality assurance processes, training plans for staff, and performance evaluation methods.
8. **Training and Support:** Describe the training plan including: initial staff training on collection procedures and HIPAA compliance, ongoing support, dedicated account manager assignment, 24/5 support availability, escalation contacts, and continuous improvement processes.

Price Proposal

30%

Complete the Price Proposal Page.

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**EXHIBIT B
PRICE PROPOSAL PAGE**

CFD prefers a contingency-based fee model: The amount paid to Contractor inclusive of all expenses under this agreement shall be a percentage of the total debt collected by the contractor for accounts assigned in the contract year. This includes payments received directly by the City that were assigned to the Contractor. Payments received directly by the City shall be timely reported to the Contractor. Contractor shall be paid within 30 days after the City receives the Contractor's 15th of the month submission which includes the contractor reports and payments to the City of debts collected during the previous month. An invoice from the Contractor shall be approved by the CFD administrator prior to payment.

One time Fees

Description	Fee
Setup fee (if applicable)	
Data integration/connectivity with billing vendor (if applicable)	
Other (if applicable)	

Debt Collection Fees

Description	Fee for Debt Collection Service
Fee paid by the City to the Contractor as a percentage of the total debt collected for accounts 60 – 90 days	%
Fee paid by the City to the Contractor as a percentage of the total debt collected for accounts 90 - 100 days	%
Fee paid by the City to the Contractor as a percentage of the total debt collected for accounts 180+ days	%

- Percentage is inclusive of all expenses.

***If your agency has a different pricing structure, we are open to exploring it. Please explain how your proposed pricing structure is more beneficial to the City and attach as Alternate Exhibit B document.**

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City Clerk Document No. _____

City Council Meeting Date: _____

**CITY OF CHANDLER SERVICES AGREEMENT
DEBT COLLECTION SERVICES FOR FIRE DEPARTMENT AMBULANCE TRANSPORTATION
CITY OF CHANDLER AGREEMENT NO. FD7-946-5062**

THIS AGREEMENT (Agreement) is made and entered into by and between the City of Chandler, an Arizona municipal corporation (City), and [_____] (Contractor), (City and Contractor may individually be referred to as Party and collectively referred to as Parties) and made _____, 2027 (Effective Date).

RECITALS

A. City proposes to enter into an agreement for debt collection services as more fully described in Exhibit A, which is attached to and made a part of this Agreement by this reference.

B. Contractor is ready, willing, and able to provide the services described in Exhibit A for the compensation and fees set forth and as described in Exhibit B, which is attached to and made a part of this Agreement by this reference.

C. City desires to contract with the Contractor to provide these services under the terms and conditions set forth in this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and the mutual promises contained in this Agreement, City and Contractor agree as follows:

SECTION I: DEFINITIONS

For purposes of this Agreement, the following definitions apply:

Agreement means the legal agreement executed between the City and the Contractor

City means the City of Chandler, Arizona

Contractor means the individual, partnership, or corporation named in the Agreement

Days means calendar days

May, Should means something that is not mandatory but permissible

Shall, Will, Must means a mandatory requirement

SECTION II: CONTRACTOR'S SERVICES

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Contractor must perform the services described in Exhibit A to the City's satisfaction within the terms and conditions of this Agreement and within the care and skill that a person who provides similar services in Chandler, Arizona exercises under similar conditions. All work or services furnished by Contractor under this Agreement must be performed in a skilled and workmanlike manner. Unless authorized by the City in writing, all fixtures, furnishings, and equipment furnished by Contractor as part of the work or services under this Agreement must be new, or the latest model, and of the most suitable grade and quality for the intended purpose of the work or service.

SECTION III: PERIOD OF SERVICE

Contractor must perform the services described in Exhibit A for the term of this Agreement.

The term of the Agreement is **2 year (s)**, and begins on February 1, 2027 and ends on January 31, 2029, unless sooner terminated in accordance with the provisions of this Agreement. The City and the Contractor may mutually agree to extend the Agreement for up to **3 additional terms of 2 year (s)** each, or portions thereof. The City reserves the right, at its sole discretion, to extend the Agreement for up to 60 days beyond the expiration of any extension term.

SECTION IV: PAYMENT OF COMPENSATION AND FEES

4.1 Unless amended in writing by the Parties, Contractor's compensation and fees as more fully described in Exhibit B for performance of the services approved and accepted by the City under this Agreement must not exceed [TBD]. Contractor must submit requests for payment for services approved and accepted during the previous billing period and must include, as applicable, detailed invoices and receipts, a narrative description of the tasks accomplished during the billing period, a list of any deliverables submitted, and any subcontractor's or supplier's actual requests for payment plus similar narrative and listing of their work. Payment for those services negotiated as a lump sum will be made in accordance with the percentage of the work completed during the preceding billing period. Services negotiated as a not-to-exceed fee will be paid in accordance with the work completed on the service during the preceding month. All requests for payment must be submitted to the City for review and approval. The City will make payment for approved and accepted services within 30 days of the City's receipt of the request for payment.

4.2 Applicable Taxes. The Contractor will pay all applicable taxes. The City is subject to all applicable state and local transaction privilege taxes. To the extent any state and local transaction privilege taxes apply to sales made under the terms of this Agreement, it is the responsibility of the Contractor to collect and remit all applicable taxes to the proper taxing jurisdiction of authority.

4.3 Tax Indemnification. The Contractor and all subcontractors will pay all Federal, state, and local taxes applicable to its operation and any persons employed by the Contractor. The Contractor will and require all subcontractors to hold the City harmless from any responsibility for taxes, damages, and interest, if applicable, contributions required under Federal, state, and local laws and regulations and any other costs including transaction privilege taxes, unemployment

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compensation insurance, Social Security, and Worker's Compensation.

4.4 All prices offered herein shall be firm against any increase for the initial term of the Agreement. Prior to commencement of subsequent renewal terms, the City may approve a fully documented request for a price adjustment. The City shall determine whether any requested price increases for extension terms is acceptable to the City. If the City approves the price increase, the price shall remain firm for the renewal term for which it was requested. If a price increase is agreed upon by the Parties a written Agreement Amendment shall be approved and executed by the Parties.

SECTION V: GENERAL CONDITIONS

5.1 Records/Audit. Records of the Contractor's direct personnel payroll, reimbursable expenses pertaining to this Agreement and records of accounts between the City and Contractor must be kept on the basis of generally accepted accounting principles and must be made available to the City and its auditors for up to three years following the City's final acceptance of the services under this Agreement. The City, its authorized representative, or any federal agency, reserves the right to audit Contractor's records to verify the accuracy and appropriateness of all cost and pricing data, including data used to negotiate this Agreement and any amendments. The City reserves the right to decrease the total amount of Agreement price or payments made under this Agreement or request reimbursement from the Contractor following final contract payment on this Agreement if, upon audit of the Contractor's records, the audit discloses the Contractor has provided false, misleading, or inaccurate cost and pricing data. The Contractor will include a similar provision in all of its contracts with subcontractors providing services under the Agreement Documents to ensure that the City, its authorized representative, or the appropriate federal agency, has access to the subcontractors' records to verify the accuracy of all cost and pricing data. The City reserves the right to decrease Contract price or payments made on this Agreement or request reimbursement from the Contractor following final payment on this Agreement if the above provision is not included in subcontractor agreements, and one or more subcontractors refuse to allow the City to audit their records to verify the accuracy and appropriateness of all cost and pricing data. If, following an audit of this Agreement, the audit discloses the Contractor has provided false, misleading, or inaccurate cost and pricing data, and the cost discrepancies exceed 1% of the total Agreement billings, the Contractor will be liable for reimbursement of the reasonable, actual cost of the audit.

5.2 Alteration in Character of Work. Whenever an alteration in the character of work results in a substantial change in this Agreement, thereby materially increasing or decreasing the scope of services, cost of performance, or Project schedule, the work will be performed as directed by the City. However, before any modified work is started, a written amendment must be approved and executed by the City and the Contractor. Such amendment must not be effective until approved by the City. Additions to, modifications, or deletions from this Agreement as provided herein may be made, and the compensation to be paid to the Contractor may accordingly be adjusted by mutual agreement of the Parties. It is distinctly understood and agreed that no claim for extra work done or materials furnished by the Contractor will be allowed by the City except as provided herein, nor must the Contractor do any work or furnish any materials not covered by this Agreement unless such work is first authorized in writing. Any such work or materials furnished by

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the Contractor without prior written authorization will be at Contractor's own risk, cost, and expense, and Contractor hereby agrees that without written authorization Contractor will make no claim for compensation for such work or materials furnished.

5.3 Termination for Convenience. The City and the Contractor hereby agree to the full performance of the covenants contained herein, except that the City reserves the right, at its discretion and without cause, to terminate or abandon any service provided for in this Agreement, or abandon any portion of the Project for which services have been performed by the Contractor. In the event the City abandons or suspends the services, or any part of the services as provided in this Agreement, the City will notify the Contractor in writing and immediately after receiving such notice, the Contractor must discontinue advancing the work specified under this Agreement. Upon such termination, abandonment, or suspension, the Contractor must deliver to the City all drawings, plans, specifications, special provisions, estimates and other work entirely or partially completed, together with all unused materials supplied by the City. The Contractor must appraise the work Contractor has completed and submit Contractor's appraisal to the City for evaluation. The City may inspect the Contractor's work to appraise the work completed. The Contractor will receive compensation in full for services performed to the date of such termination. The fee shall be paid in accordance with Section IV of this Agreement, and as mutually agreed upon by the Contractor and the City. If there is no mutual agreement on payment, the final determination will be made in accordance with the Disputes provision in this Agreement. However, in no event may the payment exceed the payment set forth in this Agreement nor as amended in accordance with Alteration in Character of Work. The City will make the final payment within 60 days after the Contractor has delivered the last of the partially completed items and the Parties agree on the final payment. If the City is found to have improperly terminated the Agreement for cause or default, the termination will be converted to a termination for convenience in accordance with the provisions of this Agreement.

5.4 Termination for Cause. The City may terminate this Agreement for Cause upon the occurrence of any one or more of the following events: in the event that (a) the Contractor fails to perform pursuant to the terms of this Agreement, (b) the Contractor is adjudged a bankrupt or insolvent, (c) the Contractor makes a general assignment for the benefit of creditors, (d) a trustee or receiver is appointed for Contractor or for any of Contractor's property (e) the Contractor files a petition to take advantage of any debtor's act, or to reorganize under the bankruptcy or similar laws, (f) the Contractor disregards laws, ordinances, rules, regulations or orders of any public body having jurisdiction, or (g) the Contractor fails to cure default within the time requested. Where Agreement has been so terminated by City, the termination will not affect any rights of City against Contractor then existing or which may thereafter accrue.

5.5 Indemnification. The Contractor (Indemnitor) must indemnify, defend, save and hold harmless the City and its officers, officials, agents and employees (Indemnitee) from any and all claims, actions, liabilities, damages, losses or expenses (including court costs, attorneys' fees and costs of claim processing, investigation and litigation) (Claims) caused or alleged to be caused, in whole or in part, by the wrongful, negligent or willful acts, or errors or omissions of the Contractor or any of its owners, officers, directors, agents, employees, or subcontractors in connection with this Agreement. This indemnity includes any claim or

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amount arising out of or recovered under workers' compensation law or on account of the failure of the Contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. The Contractor must indemnify Indemnitee from and against any and all Claims, except those arising solely from Indemnitee's own negligent or willful acts or omissions. The Contractor is responsible for primary loss investigation, defense and judgment costs where this indemnification applies. In consideration of the award of this Agreement, the Contractor agrees to waive all rights of subrogation against Indemnitee for losses arising from or related to this Agreement. The obligations of the Contractor under this provision survive the termination or expiration of this Agreement.

5.6 Insurance Requirements. Contractor must procure insurance under the terms and conditions and for the amounts of coverage set forth in Exhibit C against claims that may arise from or relate to performance of the work under this Agreement by Contractor and its agents, representatives, employees, and subcontractors. Contractor and any subcontractors must maintain this insurance until all of their obligations have been discharged, including any warranty periods under this Agreement. These insurance requirements are minimum requirements for this Agreement and in no way limit the indemnity covenants contained in this Agreement. The City in no way warrants that the minimum limits stated in Exhibit C are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under this Agreement by the Contractor, the Contractor's agents, representatives, employees, or subcontractors. Contractor is free to purchase such additional insurance as may be determined necessary.

5.7 Cooperation and Further Documentation. The Contractor agrees to provide the City such other duly executed documents as may be reasonably requested by the City to implement the intent of this Agreement.

5.8 Notices. Unless otherwise provided, notice under this Agreement must be in writing and will be deemed to have been duly given and received either (a) on the date of service if personally served on the party to whom notice is to be given, or (b) on the date notice is sent if by electronic mail, or (c) on the third day after the date of the postmark of deposit by first class United States mail, registered or certified, postage prepaid and properly addressed as follows:

For the City

Name: Procurement
Title: Procurement Officer
Address: 175 South Arizona Avenue
Chandler, AZ 85225
Phone: (480) 782-2400
Email: procurement@chandleraz.gov

For the Contractor

Name:
Title:
Address:

Phone:
Email:

5.9 Successors and Assigns. City and Contractor each bind itself, its partners, successors, assigns, and legal representatives to the other party to this Agreement and to the partners, successors, assigns, and legal representatives of such other party in respect to all covenants of this Agreement. Neither the City nor the Contractor may assign, sublet, or transfer its

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interest in this Agreement without the written consent of the other party. In no event may any contractual relation be created between any third party and the City.

5.10 Disputes. In any dispute arising out of an interpretation of this Agreement or the duties required not disposed of by agreement between the Contractor and the City, the final determination at the administrative level will be made by the City Purchasing and Materials Manager.

5.11 Completeness and Accuracy of Contractor's Work. The Contractor must be responsible for the completeness and accuracy of Contractor's services, data, and other work prepared or compiled under Contractor's obligation under this Agreement and must correct, at Contractor's expense, all willful or negligent errors, omissions, or acts that may be discovered. The fact that the City has accepted or approved the Contractor's work will in no way relieve the Contractor of any of Contractor's responsibilities.

5.12 Withholding Payment. The City reserves the right to withhold funds from the Contractor's payments up to the amount equal to the claims the City may have against the Contractor until such time that a settlement on those claims has been reached.

5.13 City's Right of Cancellation. The Parties acknowledge that this Agreement is subject to cancellation by the City under the provisions of Section 38-511, Arizona Revised Statutes (A.R.S.).

5.14 Independent Contractor. For this Agreement the Contractor constitutes an independent contractor. Any provisions in this Agreement that may appear to give the City the right to direct the Contractor as to the details of accomplishing the work or to exercise a measure of control over the work means that the Contractor must follow the wishes of the City as to the results of the work only. These results must comply with all applicable laws and ordinances.

5.15 Project Staffing. Prior to the start of any work under this Agreement, the Contractor must assign to the City the key personnel that will be involved in performing services prescribed in the Agreement. The City may acknowledge its acceptance of such personnel to perform services under this Agreement. At any time hereafter that the Contractor desires to change key personnel while performing under the Agreement, the Contractor must submit the qualifications of the new personnel to the City for prior approval. The Contractor will maintain an adequate and competent staff of qualified persons, as may be determined by the City, throughout the performance of this Agreement to ensure acceptable and timely completion of the Scope of Services. If the City objects, with reasonable cause, to any of the Contractor's staff, the Contractor must take prompt corrective action acceptable to the City and, if required, remove such personnel from the Project and replace with new personnel agreed to by the City.

5.16 Subcontractors. Prior to beginning the work, the Contractor must furnish the City for approval the names of subcontractors to be used under this Agreement. Any subsequent changes are subject to the City's written prior approval.

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5.17 Force Majeure. If either party is delayed or prevented from the performance of any act required under this Agreement by reason of acts of God or other cause beyond the control and without fault of the Party (financial inability excepted), performance of that act may be excused, but only for the period of the delay, if the Party provides written notice to the other Party within ten days of such act. The time for performance of the act may be extended for a period equivalent to the period of delay from the date written notice is received by the other Party.

5.18 Compliance with Laws. Contractor understands, acknowledges, and agrees to comply with the Americans with Disabilities Act, the Immigration Reform and Control Act of 1986 and the Drug Free Workplace Act of 1989. All services performed by Contractor must also comply with all applicable City of Chandler codes, ordinances, and requirements. Contractor agrees to permit the City to verify Contractor's compliance.

5.19 No Israel Boycott. By entering into this Agreement, Contractor certifies that Contractor is not currently engaged in, and agrees for the duration of the Agreement, not to engage in a boycott of Israel as defined by state statute.

5.20 Legal Worker Requirements. A.R.S. § 41-4401 prohibits the City from awarding a contract to any contractor who fails, or whose subcontractors fail, to comply with A.R.S. § 23-214(A). Therefore, Contractor agrees Contractor and each subcontractor it uses warrants their compliance with all federal immigration laws and regulations that relate to their employees and their compliance with § 23-214, subsection A. A breach of this warranty will be deemed a material breach of the Agreement and may be subject to penalties up to and including termination of the Agreement. City retains the legal right to inspect the papers of any Contractor's or subcontractor's employee who provides services under this Agreement to ensure that the Contractor and subcontractors comply with the warranty under this provision.

5.21 Lawful Presence Requirement. A.R.S. §§ 1-501 and 1-502 prohibit the City from awarding a contract to any natural person who cannot establish that such person is lawfully present in the United States. To establish lawful presence, a person must produce qualifying identification and sign a City-provided affidavit affirming that the identification provided is genuine. This requirement will be imposed at the time of contract award. This requirement does not apply to business organizations such as corporations, partnerships, or limited liability companies.

5.22 Forced Labor of Ethnic Uyghurs Prohibited. By entering into this Agreement, Contractor certifies and agrees Contractor does not currently use and will not use for the term of this Agreement: (i) the forced labor of ethnic Uyghurs in the People's Republic of China; or (ii) any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China; or (iii) any contractors, subcontractors or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China.

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5.23 Covenant Against Contingent Fees. Contractor warrants that no person has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, and that no member of the Chandler City Council, or any City employee has any interest, financially, or otherwise, in Contractor's firm. For breach or violation of this warrant, the City may annul this Agreement without liability or, at its discretion, to deduct from the Agreement price or consideration, the full amount of such commission, percentage, brokerage, or contingent fee.

5.24 Non-Waiver Provision. The failure of either Party to enforce any of the provisions of this Agreement or to require performance of the other Party of any of the provisions hereof must not be construed to be a waiver of such provisions, nor must it affect the validity of this Agreement or any part thereof, or the right of either Party to thereafter enforce each and every provision.

5.25 Disclosure of Information Adverse to the City's Interests. To evaluate and avoid potential conflicts of interest, the Contractor must provide written notice to the City, as set forth in this Section, of any work or services performed by the Contractor for third parties that may involve or be associated with any real property or personal property owned or leased by the City. Such notice must be given seven business days prior to commencement of the services by the Contractor for a third party, or seven business days prior to an adverse action as defined below. Written notice and disclosure must be sent to the City's Purchasing and Materials Manager. An adverse action under this Agreement includes, but is not limited to: (a) using data as defined in the Agreement acquired in connection with this Agreement to assist a third party in pursuing administrative or judicial action against the City; or (b) testifying or providing evidence on behalf of any person in connection with an administrative or judicial action against the City; or (c) using data to produce income for the Contractor or its employees independently of performing the services under this Agreement, without the prior written consent of the City. Contractor represents that except for those persons, entities, and projects identified to the City, the services performed by the Contractor under this Agreement are not expected to create an interest with any person, entity, or third party project that is or may be adverse to the City's interests. Contractor's failure to provide a written notice and disclosure of the information as set forth in this Section constitute a material breach of this Agreement.

5.26 Data Confidentiality and Data Security. As used in the Agreement, data means all information, whether written or verbal, including plans, photographs, studies, investigations, audits, analyses, samples, reports, calculations, internal memos, meeting minutes, data field notes, work product, proposals, correspondence and any other similar documents or information prepared by, obtained by, or transmitted to the Contractor or its subcontractors in the performance of this Agreement. The Parties agree that all data, regardless of form, including originals, images, and reproductions, prepared by, obtained by, or transmitted to the Contractor or its subcontractors in connection with the Contractor's or its subcontractor's performance of this Agreement is confidential and proprietary information belonging to the City. Except as specifically provided in this Agreement, Contractor or its subcontractors must not divulge data to any third party without the City's prior written consent. Contractor or its subcontractors must not use the data for any purposes except to perform the services required under this Agreement. These

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prohibitions do not apply to the following data provided to the Contractor or its subcontractors have first given the required notice to the City: (a) data which was known to the Contractor or its subcontractors prior to its performance under this Agreement unless such data was acquired in connection with work performed for the City; or (b) data which was acquired by the Contractor or its subcontractors in its performance under this Agreement and which was disclosed to the Contractor or its subcontractors by a third party, who to the best of the Contractor's or its subcontractors knowledge and belief, had the legal right to make such disclosure and the Contractor or its subcontractors are not otherwise required to hold such data in confidence; or (c) data which is required to be disclosed by virtue of law, regulation, or court order, to which the Contractor or its subcontractors are subject. In the event the Contractor or its subcontractors are required or requested to disclose data to a third party, or any other information to which the Contractor or its subcontractors became privy as a result of any other contract with the City, the Contractor must first notify the City as set forth in this Section of the request or demand for the data. The Contractor or its subcontractors must give the City sufficient facts so that the City can be given an opportunity to first give its consent or take such action that the City may deem appropriate to protect such data or other information from disclosure. Unless prohibited by law, within ten calendar days after completion or termination of services under this Agreement, the Contractor or its subcontractors must promptly deliver, as set forth in this Section, a copy of all data to the City. All data must continue to be subject to the confidentiality agreements of this Agreement. Contractor or its subcontractors assume all liability to maintain the confidentiality of the data in its possession and agrees to compensate the City if any of the provisions of this Section are violated by the Contractor, its employees, agents or subcontractors. Solely for the purposes of seeking injunctive relief, it is agreed that a breach of this Section must be deemed to cause irreparable harm that justifies injunctive relief in court. Contractor agrees that the requirements of this Section must be incorporated into all subcontracts entered into by Contractor. A violation of this Section may result in immediate termination of this Agreement without notice.

5.27 Personal Identifying Information-Data Security. Personal identifying information, financial account information, or restricted City information, whether electronic format or hard copy, must be secured and protected at all times by Contractor and any of its subcontractors. At a minimum, Contractor must encrypt or password-protect electronic files. This includes data saved to laptop computers, computerized devices, or removable storage devices. When personal identifying information, financial account information, or restricted City information, regardless of its format, is no longer necessary, the information must be redacted or destroyed through appropriate and secure methods that ensure the information cannot be viewed, accessed, or reconstructed. In the event that data collected or obtained by Contractor or its subcontractors in connection with this Agreement is believed to have been compromised, Contractor or its subcontractors must immediately notify the City contact. Contractor agrees to reimburse the City for any costs incurred by the City to investigate potential breaches of this data and, where applicable, the cost of notifying individuals who may be impacted by the breach. Contractor agrees that the requirements of this Section must be incorporated into all subcontracts entered into by Contractor. It is further agreed that a violation of this Section must be deemed to cause irreparable harm that justifies injunctive relief in court. A violation of this Section may result in immediate termination of this

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Agreement without notice. The obligations of Contractor or its subcontractors under this Section must survive the termination of this Agreement.

5.28 Jurisdiction and Venue. This Agreement is made under, and must be construed in accordance with and governed by the laws of the State of Arizona without regard to the conflicts or choice of law provisions thereof. Any action to enforce any provision of this Agreement or to obtain any remedy with respect hereto must be brought in the courts located in Maricopa County, Arizona, and for this purpose, each Party hereby expressly and irrevocably consents to the jurisdiction and venue of such court.

5.29 Survival. All warranties, representations, and indemnifications by the Contractor must survive the completion or termination of this Agreement.

5.30 Modification. Except as expressly provided herein to the contrary, no supplement, modification, or amendment of any term of this Agreement will be deemed binding or effective unless in writing and signed by the Parties.

5.31 Severability. If any provision of this Agreement or the application to any person or circumstance may be invalid, illegal or unenforceable to any extent, the remainder of this Agreement and the application will not be affected and will be enforceable to the fullest extent permitted by law.

5.32 Integration. This Agreement contains the full agreement of the Parties. Any prior or contemporaneous written or oral agreement between the Parties regarding the subject matter is merged and superseded.

5.33 Time is of the Essence. Time of each of the terms, covenants, and conditions of this Agreement is hereby expressly made of the essence.

5.34 Date of Performance. If the date of performance of any obligation or the last day of any time period provided for should fall on a Saturday, Sunday, or holiday for the City, the obligation will be due and owing, and the time period will expire, on the first day after which is not a Saturday, Sunday or legal City holiday. Except as may otherwise be set forth in this Agreement, any performance provided for herein will be timely made if completed no later than 5:00 p.m. (Chandler time) on the day of performance.

5.35 Delivery. All prices are F.O.B. Destination and include all delivery and unloading at the specified destinations. The Contractor will retain title and control of all goods until they are delivered and accepted by the City. All risk of transportation and all related charges will be the responsibility of the Contractor. All claims for visible or concealed damage will be filed by the Contractor. The City will notify the Contractor promptly of any damaged goods and will assist the Contractor in arranging for inspection.

5.36 Third Party Beneficiary. Nothing under this Agreement will be construed to give any rights or benefits in the Agreement to anyone other than the City and the Contractor, and all

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duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of City and the Contractor and not for the benefit of any other party.

5.37 Conflict in Language. All work performed must conform to all applicable City of Chandler codes, ordinances, and requirements as outlined in this Agreement. If there is a conflict in interpretation between provisions in this Agreement and those in the Exhibits, the provisions in this Agreement prevail.

5.38 Document/Information Release. Documents and materials released to the Contractor, which are identified by the City as sensitive and confidential, are the City's property. The document/material must be issued by and returned to the City upon completion of the services under this Agreement. Contractor's secondary distribution, disclosure, copying, or duplication in any manner is prohibited without the City's prior written approval. The document/material must be kept secure at all times. This directive applies to all City documents, whether in photographic, printed, or electronic data format.

5.39 Exhibits. The following exhibits are made a part of this Agreement and are incorporated by reference:

Exhibit A - Project Description/Scope of Services
Exhibit B - Compensation and Fees
Exhibit C - Insurance Requirements
Exhibit D - Special Conditions

5.40 Special Conditions. As part of the services Contractor provides under this Agreement, Contractor agrees to comply with and fully perform the special terms and conditions set forth in Exhibit D, which is attached to and made a part of this Agreement.

5.41 Cooperative Use of Agreement. In addition to the City of Chandler and with approval of the Contractor, this Agreement may be extended for use by other municipalities, school districts and government agencies of the State. Any such usage by other entities must be in accordance with the ordinance, charter and/or procurement rules and regulations of the respective political entity.

If required to provide services on a school district property at least five times during a month, the Contractor will submit a full set of fingerprints to the school of each person or employee who may provide such service. The District will conduct a fingerprint check in accordance with A.R.S. 41-1750 and Public Law 92-544 of all Contractors, subcontractors or vendors and their employees for which fingerprints are submitted to the District. Additionally, the Contractor will comply with the governing body fingerprinting policies of each individual school district/public entity. The Contractor, sub-contractors, vendors and their employees will not provide services on school district properties until authorized by the District.

Orders placed by other agencies and payment thereof will be the sole responsibility of that agency. The City will not be responsible for any disputes arising out of transactions made by other agencies who utilize this Agreement.

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5.42 Reserved.

5.43 Licenses and Permits. Beginning with the Effective Date and for the full term of this Agreement, Contractor must maintain all applicable City, state, and federal licenses and permits required to fully perform Contractor's services under this Agreement.

5.44 Warranties. Contractor must furnish a one-year warranty on all work and services performed under this Agreement. Contractor must furnish, or cause to be furnished, a two-year warranty on all fixtures, furnishings, and equipment furnished by Contractor, subcontractors, or suppliers under this Agreement. Any defects in design, workmanship, or materials that do not comply with this Agreement must be corrected by Contractor (including, but not limited to, all parts and labor) at Contractor's sole cost and expense. All written warranties and redlines for as-built conditions must be delivered to the City on or before the City's final acceptance of Contractor's services under this Agreement.

5.45 Emergency Purchases. City reserves the rights to purchase from other sources those items, which are required on an emergency basis and cannot be supplied immediately by the Contractor.

5.46 Non-Exclusive Agreement. This agreement is for the sole convenience of the City of Chandler. The City reserves the right to obtain like goods or services from another source when necessary.

5.47 Budget Approval Into Next Fiscal Year. This Agreement will commence on the Effective Date and continue in full force and effect until it is terminated or expires in accordance with the provisions of this Agreement. The Parties recognize that the continuation of this Agreement after the close of the City's fiscal year, which ends on June 30 of each year, is subject to the City Council's approval of a budget that includes an appropriation for this item as expenditure. The City does not represent that this budget item will be actually adopted. This determination is solely made by the City Council at the time Council adopts the budget.

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This Agreement shall be in full force and effect only when it has been approved and executed by the duly authorized City officials.

FOR THE CITY

By: _____

Its: _____

FOR THE CONTRACTOR

By: _____

Its: _____

APPROVED AS TO FORM:

By: _____

City Attorney

ATTEST:

By: _____

City Clerk

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**EXHIBIT A
SCOPE OF SERVICES**

This section intentionally blank.

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**EXHIBIT B
COMPENSATION AND FEES**

This section intentionally blank.

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EXHIBIT C
INSURANCE

General.

- A. At the same time as execution of this Agreement, the Contractor shall furnish the City a certificate of insurance on a standard insurance industry ACORD form. The ACORD form must be issued by an insurance company authorized to transact business in the State of Arizona possessing a current A.M. Best, Inc. rating of A-7, or better and legally authorized to do business in the State of Arizona with policies and forms satisfactory to City. Provided, however, the A.M. Best rating requirement shall not be deemed to apply to required Workers' Compensation coverage.
- B. The Contractor and any of its subcontractors shall procure and maintain, until all of their obligations have been discharged, including any warranty periods under this Agreement are satisfied, the insurances set forth below.
- C. The insurance requirements set forth below are minimum requirements for this Agreement and in no way limit the indemnity covenants contained in this Agreement.
- D. The City in no way warrants that the minimum insurance limits contained in this Agreement are sufficient to protect Contractor from liabilities that might arise out of the performance of the Agreement services under this Agreement by Contractor, its agents, representatives, employees, subcontractors, and the Contractor is free to purchase any additional insurance as may be determined necessary.
- E. Failure to demand evidence of full compliance with the insurance requirements in this Agreement or failure to identify any insurance deficiency will not relieve the Contractor from, nor will it be considered a waiver of its obligation to maintain the required insurance at all times during the performance of this Agreement.
- F. Use of Subcontractors: If any work is subcontracted in any way, the Contractor shall execute a written contract with Subcontractor containing the same Indemnification Clause and Insurance Requirements as the City requires of the Contractor in this Agreement. The Contractor is responsible for executing the Agreement with the Subcontractor and obtaining Certificates of Insurance and verifying the insurance requirements.

Minimum Scope and Limits of Insurance. The Contractor shall provide coverage with limits of liability not less than those stated below.

- A. *Commercial General Liability-Occurrence Form.* Contractor must maintain "occurrence" form Commercial General Liability insurance with a limit of not less than \$2,000,000 for each occurrence, \$4,000,000 aggregate. Said insurance must also include coverage for products and completed operations, independent contractors, personal injury and advertising injury. If any Excess insurance is utilized to fulfill the requirements of this paragraph, the Excess

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insurance must be "follow form" equal or broader in coverage scope than underlying insurance.

- B. *Automobile Liability-Any Auto or Owned, Hired and Non-Owned Vehicles*
Vehicle Liability: Contractor must maintain Business/Automobile Liability insurance with a limit of \$1,000,000 each accident on Contractor owned, hired, and non-owned vehicles assigned to or used in the performance of the Contractor's work or services under this Agreement. If any Excess or Umbrella insurance is utilized to fulfill the requirements of this paragraph, the Excess or Umbrella insurance must be "follow form" equal or broader in coverage scope than underlying insurance.
- C. *Workers Compensation and Employers Liability Insurance:* Contractor must maintain Workers Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Contractor employees engaged in the performance of work or services under this Agreement and must also maintain Employers' Liability insurance of not less than \$1,000,000 for each accident and \$1,000,000 disease for each employee.
- D. *Professional Liability.* If the Agreement is the subject of any professional services or work performed by the Contractor, or if the Contractor engages in any professional services or work adjunct or residual to performing the work under this Agreement, the Contractor must maintain Professional Liability insurance covering errors and omissions arising out of the work or services performed by the Contractor, or anyone employed by the Contractor, or anyone whose acts, mistakes, errors and omissions the Contractor is legally liable, with a liability limit of \$1,000,000 each claim and \$2,000,000 all claims. In the event the Professional Liability insurance policy is written on a "claims made" basis, coverage must extend for three years past completion and acceptance of the work or services, and the Contractor, or its selected Design Professional will submit Certificates of Insurance as evidence the required coverage is in effect. The Design Professional must annually submit Certificates of Insurance citing that the applicable coverage is in force and contains the required provisions for a three year period.
- E. *Technology Errors and Omissions Liability including Network Security and Privacy Liability*

For Contracts under \$500,000

Minimum Limits:		
Per Loss	\$	3,000,000
Aggregate	\$	3,000,000

For Service Contracts over \$500,001

Minimum Limits:		
Per Loss	\$	5,000,000
Aggregate	\$	5,000,000

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The policy shall cover professional misconduct or lack of ordinary skill for those positions defined in the Scope of Services of this contract.

In the event that the professional liability insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two years beginning at the time work under this Contract is completed.

If such insurance is maintained on an occurrence form basis, Contractor shall maintain such insurance for an additional period of one year following termination of Contract. If such insurance is maintained on a claims-made basis, Contractor shall maintain such insurance for an additional period of three years following termination of the Contract.

If Contractor contends that any of the insurance it maintains pursuant to other sections of this clause satisfies this requirement (or otherwise insures the risks described in this section), then Contractor shall provide proof of same.

The insurance shall provide coverage for the following risks

- a. Liability arising from theft, dissemination and / or use of confidential information (a defined term including but not limited to bank account, credit card account, personal information such as name, address, social security numbers, etc. information) stored or transmitted in electronic form
- b. Network Security Liability arising from the unauthorized access to, use of or tampering with computer systems including hacker attacks, inability of an authorized third party, to gain access to your services including denial of service, unless caused by a mechanical or electrical failure
- c. Liability arising from the introduction of a computer virus into, or otherwise causing damage to, a customer's or third person's computer, computer system, network or similar computer related property and the data, software, and programs thereon.

Additional Requirements:

- a. The policy shall provide a waiver of subrogation
- b.

Additional Policy Provisions Required.

- A. *Self-Insured Retentions or Deductibles.* Any self-insured retentions and deductibles must be declared and approved by the City. If not approved, the City may require that the insurer reduce or eliminate any deductible or self-insured retentions with respect to the City, its officers, officials, agents, employees, and volunteers.

- 1. The Contractor's insurance must contain broad form contractual liability coverage.

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2. The Contractor's insurance coverage must be primary insurance with respect to the City, its officers, officials, agents, and employees. Any insurance or self-insurance maintained by the City, its officers, officials, agents, and employees shall be in excess of the coverage provided by the Contractor and must not contribute to it.
3. The Contractor's insurance must apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
4. Coverage provided by the Contractor must not be limited to the liability assumed under the indemnification provisions of this Agreement.
5. The policies must contain a severability of interest clause and waiver of subrogation against the City, its officers, officials, agents, and employees, for losses arising from Work performed by the Contractor for the City.
6. The Contractor, its successors and or assigns, are required to maintain Commercial General Liability insurance as specified in this Agreement for a minimum period of three years following completion and acceptance of the Work. The Contractor must submit a Certificate of Insurance evidencing Commercial General Liability insurance during this three year period containing all the Agreement insurance requirements, including naming the City of Chandler, its agents, representatives, officers, directors, officials and employees as Additional Insured as required.
7. If a Certificate of Insurance is submitted as verification of coverage, the City will reasonably rely upon the Certificate of Insurance as evidence of coverage but this acceptance and reliance will not waive or alter in any way the insurance requirements or obligations of this Agreement.

B. *Insurance Cancellation During Term of Contract/Agreement.*

1. If any of the required policies expire during the life of this Contract/Agreement, the Contractor must forward renewal or replacement Certificates to the City within ten days after the renewal date containing all the required insurance provisions.
2. Each insurance policy required by the insurance provisions of this Contract/Agreement shall provide the required coverage and shall not be suspended, voided or canceled except after 30 days prior written notice has been given to the City, except when cancellation is for non-payment of premium, then ten days prior notice may be given. Such notice shall be sent directly to Chandler Law-Risk Management Department, Post Office Box 4008, Mailstop 628, Chandler, Arizona 85225. If any insurance company refuses to provide the required notice, the Contractor or its insurance broker shall notify the City of any cancellation, suspension, non-renewal of any insurance within seven days of receipt of insurers' notification to that effect.

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- A. *City as Additional Insured.* The policies are to contain, or be endorsed to contain, the following provisions:
1. The Commercial General Liability and Automobile Liability policies are to contain, or be endorsed to contain, the following provisions: The City, its officers, officials, agents, and employees are additional insureds with respect to liability arising out of activities performed by, or on behalf of, the Contractor including the City's general supervision of the Contractor; Products and Completed operations of the Contractor; and automobiles owned, leased, hired, or borrowed by the Contractor.
 2. The City, its officers, officials, agents, and employees must be additional insureds to the full limits of liability purchased by the Contractor even if those limits of liability are in excess of those required by this Agreement.

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EXHIBIT D
SPECIAL CONDITIONS

1. **Contractor and Subcontractor Worker Background Screening.** Contractor agrees that all contract workers and subcontractors (collectively "Contract Worker(s)") that Contractor furnishes to City under this Agreement will be subject to background and security checks and screening as set forth in this Section (collectively "Background Screening") at Contractor's sole cost and expense. As part of the Background Screening, Contractor must provide to a person designated by the City the name(s), address(es), and phone number(s) of all Contract Workers who will provide any services under this Agreement. All Contract Workers must comply with these Background Screening requirements. All Contract Workers must be able to provide proof of the legal right to work in the United States. The Background Screening provided by Contractor must comply with all applicable laws, rules, and regulations. Contractor further agrees that the Background Screening required in this Section is necessary to preserve and protect public health, safety, and welfare. The Background Screening requirements set forth in this Section are the minimum requirements for this Agreement. City in no way warrants that these minimum requirements are sufficient to protect Contractor from any liabilities that may arise out of Contractor's services under this Agreement or Contractor's failure to comply with this Section. Therefore, in addition to the specific measures set forth below, Contractor and its Contract Workers must take such other reasonable, prudent, and necessary measures to further preserve and protect public health, safety, and welfare when providing services under this Agreement.
2. **Background Screening Requirements and Criteria.** Before offering or scheduling any services under this Agreement, Contractor agrees that all Contract Workers, including the Contractor, if the Contractor is an individual or sole proprietorship, must have successfully passed a Background Screening in accordance with this Section. Contractor warrants that no person will be permitted to substitute for a Contract Worker who has satisfied the Background Screening requirements until the proposed substitute has also satisfied the Background Screening requirements in this Section. For review and approval, Contractor must submit to a person designated by the City proof of a completed Background Screening for each Contract Worker over the age of 18 performing services under this Agreement no fewer than two (2) weeks before the proposed start date of such Contract Worker's services. The Background Screening must have been completed within the 12-month period preceding the Contract Worker's start date under this Agreement and must include the results of a national criminal databased check with source verification, and a sex offender database search.
3. **Additional City Rights Regarding Security Inquiries.** In addition to the foregoing, City reserves the rights but not the obligations to: (1) have a Contract Worker be required to provide fingerprints and execute such other documentation as may be necessary to obtain criminal justice information pursuant to A.R.S. § 41-1750(G)(4); (2) act on newly acquired information whether or not such information should have been previously discovered; (3) unilaterally change its standards and criteria relative to the acceptability of Contract Workers; and (4) object, at any time and for any reason, to a Contract Worker performing work (including supervision and oversight) under this Agreement.

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4. **Contractor Certification.** By executing this Agreement, Contractor certifies that Contractor has read and understands the Background Screening requirements and criteria in this Section and will fully comply with such requirements. Contractor further certifies that any Background Screening information to be furnished to City related to Contractor or its Contract Workers will be complete, current, and accurate. A Contract Worker rejected for work under this Agreement will not be proposed to perform work under other City contracts or engagements without City's prior written approval.
5. **Terms of This Section Applicable to all of Contractor's Contracts and Subcontracts.** Contractor must include the terms of this Section for Contract Worker Background Screening in all contracts and subcontracts for services furnished under this Agreement including, but not limited to, supervision and oversight services.
6. **Materiality of Background Screening Requirements: Indemnity.** The Background Screening requirements of this Section are material to City's entry into this Agreement and any breach of this Section by Contractor will be deemed a material breach of this Agreement. In addition to the indemnity provisions set forth in this Agreement, Contractor must defend, indemnify, and hold harmless City for any and all Claims arising out of this Background Screening Section including, but not limited to, the disqualification of a Contract Worker by Contractor or City for failure to satisfy this Section.
7. **Continuing Duty, Audit.** Contractor's obligations and requirements that Contract Workers satisfy this Background Screening Section will continue throughout the entire term of this Agreement. Contractor must notify City immediately of any change to a Background Screening of a Contract Worker previously accepted by City. Contractor must maintain all records and documents related to all Background Screenings and City reserves the right to audit Contractor's compliance with this Section under the terms of this Agreement.