



Notice of Request for Proposals (RFP)

SOLICITATION NUMBER: 2020-016-RFP

SERVICE: Auditor Services

PROPOSAL DUE DATE & TIME: February 3, 2020 by 11:00 am (Arizona time)

MAILING/DELIVERY ADDRESS: Phoenix-Mesa Gateway Airport Authority
Attn: Marian Whilden, Procurement Coordinator
5835 S. Sossaman Road
Mesa, AZ 85212

The Phoenix-Mesa Gateway Airport Authority (PMGAA) requests proposals from qualified firms to provide Auditor Services for the Phoenix-Mesa Gateway Airport (Gateway Airport) in Mesa, Arizona. This solicitation may be downloaded from our website at www.gatewayairport.com under the Business | Procurements & Notices section. All submissions and Offeror conduct must comply with applicable PMGAA policies, rules and procedures. PMGAA may cancel this solicitation at any time for any legally permissible reason.

The PMGAA will accept proposals for the specified service until the time and date cited above. Proposals must be submitted in a sealed envelope with the solicitation number and the Offeror's name and address clearly indicated on the envelope. Submittals received on or before the correct time and date will be accepted by a staff member and submittal receipts provided if requested. Late submittals will not be considered.

**PMGAA's Administration Offices are closed on Fridays, Saturdays, and Sundays
therefore, submittals will not be accepted on these days.**

Additional instructions for preparing your proposal are provided in the solicitation package. Requests for additional information or clarification of requirements must be in writing and submitted to:

Contact: Marian Whilden, Procurement Coordinator
Telephone: (480) 988-7646
Email: mwhilden@gatewayairport.com

Deadline for submitting questions to PMGAA is January 20, 2020. Responses to questions received will be issued in an addendum to the Request for Proposals and posted at www.gatewayairport.com under the Business | Procurements & Notices section of the website. Offerors are responsible for checking the PMGAA website at www.gatewayairport.com, under the Business | Procurements & Notices section for any addenda that may be created for this solicitation and including the issued addenda in its submitted proposal.

Direct contact with PMGAA Board of Directors and/or PMGAA representatives or staff other than as specified in this solicitation, on any subject related to this solicitation is expressly prohibited except with the prior knowledge and written permission of the procurement coordinator listed above. Unauthorized contact of any PMGAA Board of Directors, and/or PMGAA staff or representatives may be cause for rejection of proposals.

Issue Date: January 6, 2020

Request for Proposals

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Notice of Intent

Solicitation Number 2020-016-RFP – Auditor Services

Please fax or email this page upon receipt of solicitation package

Fax: (480) 988-2315

Email: mwhilden@gatewayairport.com

This notice is to be completed by any Offeror who intends to submit a response to the Phoenix-Mesa Gateway Airport Authority (PMGAA) for the above titled solicitation. The submittal of this form in no way obligates an Offeror to provide any services or materials to the PMGAA.

Offeror Responsibilities:

- Offerors are responsible for checking the PMGAA website at gatewayairport.com, under the Business | Procurements & Notices section for any addendums that may be created for this solicitation.
- Offerors shall submit responses in accordance with requirements stated in the solicitation.
- Offerors may not submit responses to a solicitation via email or fax.

For any clarifications, please contact Marian Whilden, Procurement Coordinator, at (480) 988-7646 or e-mail: mwhilden@gatewayairport.com.

.....
Date: _____

Name: _____ Company: _____

Telephone: _____ Email: _____

Yes, I intend to respond to this solicitation

If you are unable to respond on this item, kindly indicate your reason for “No Response” below and fax back.

No, I do not intend to respond to this solicitation for the following reason(s):

How did you hear about this solicitation? (Please circle or write in)

Arizona Business Gazette

East Valley Tribune

PMGAA Web Site

Direct email

Industry Association: _____

Other: _____

**REQUEST FOR PROPOSALS
SOLICITATION #2020-016 RFP FOR AUDITOR SERVICES**

COVER SHEET

Name of Offeror: _____

EIN#: _____

DUNS#: _____

Principal Address: _____

Primary Point of Contact: _____

Phone: _____

Email: _____

The undersigned hereby affirms that:

- He/She is a duly authorized agent of the Offeror
- He/She has read and understands all terms, conditions and commitments contained within the RFP. and any addenda issued and fully understands and accepts these terms by submission of a proposal.
- The submission is being offered independently of any other Offeror and did not involve collusion or other anti-competitive practices.

By: _____
Signature

Date

Printed Name

Title

Introduction

Purpose:

The purpose of the Request for Proposals (RFP) is to solicit offers from qualified firms, or teams of firms to provide auditor services to the Phoenix-Mesa Gateway Airport Authority (PMGAA) for the annual, Single, and Passenger Facility Charges (PFC) audits.

Background:

Phoenix-Mesa Gateway Airport Authority was established on May 19, 1994 as a joint powers airport authority pursuant to Arizona Revised Statutes Title 28, Chapter 25, Article 8, and is legally separate from other state and local governments. There are no component units combined with PMGAA for financial statement presentation purposes and PMGAA is not included in any other governmental reporting entity. PMGAA is overseen by a six-person board of directors consisting of representatives from each of PMGAA's member governments. Membership in the Authority is comprised of the Cities of Apache Junction, Mesa and Phoenix, Towns of Gilbert and Queen Creek, and the Gila River Indian Community. The Board of Directors provides policy direction for the Airport Authority. An Executive Director and professional staff conduct the day-to-day activities of the Airport Authority.

The Airport Authority oversees the operation and development of the Phoenix-Mesa Gateway Airport, a small hub commercial service airport located in the east valley of the Phoenix metropolitan area.

Financial Highlights:

PMGAA engages solely in business-type activities and presents only a single enterprise fund for external reporting purposes. Accordingly, PMGAA does not present government-wide financial statements, and the statements of net position, of revenues, expenses and changes in net position and the statement of cash flows report information for that single enterprise fund only.

Total assets were \$300.38 million as of June 30, 2019. PMGAA earns revenue from aeronautical and non-aeronautical activities. Fees received for the use of the airport include, but are not limited to, landing fees, tie down fees, terminal usage fees, fuel flowage fees, parking fees, rental car fees, and concession fees. PMGAA also owns and operates a fixed based fueling operation (FBO), leases land and facilities to various tenants, and contracts with tenants and users of facilities within the airport area to provide maintenance services. Gross operating revenues for the year ended June 30, 2019 were \$25.8 million

PMGAA receives significant federal and state grant revenues, with over \$10 million in federal and state grant revenues in fiscal year 2019 almost all of which being designated for capital improvements. In addition to federal and state grant revenue, PMGAA collects Passenger Facility Charges (PFCs) and Customer Facility Charges (CFCs).

PMGAA utilizes Tyler Technologies Munis ERP solution for its accounting, financial reporting, HR, payroll, budgeting, inventory and work order management functions. The ERP system was fully implemented in fiscal year 2018-19.

Audited financial statements, single audit reports and PFC compliances reports for fiscal years ended June 30, 2018 and June 30, 2019 can be viewed on the PMGAA website: <https://www.gatewayairport.com/policiesdocumentsandforms>

Section One - Offeror Information and Instructions

A. GENERAL INFORMATION ON SOLICITATION PROCESS

1. **Availability of Solicitation.** The solicitation package is available via the Internet at www.gatewayairport.com under the Business | Procurements & Notices section.
2. **Addenda.** If the PMGAA deems it necessary to amend the solicitation, an Addendum will be prepared in writing and posted on the PMGAA website. Offerors are responsible for obtaining all addendums via the PMGAA website at www.gatewayairport.com under the Business | Procurements & Notices section or by other means. Any Addendums issued by the PMGAA are to be included in the response and will become a part of the contract. Offeror shall acknowledge receipt of each addendum by signing and returning the document, as part of the Offeror's submittal under this RFP, and by the specified due date and time of the RFP.
3. **Familiarization with Requirements.** It is the Offeror's responsibility to examine the entire solicitation package and seek clarification of any requirement that may not be clear and to check all responses for accuracy before submitting a response. Negligence in preparing a submittal confers no right of withdrawal after due date and time. All submissions must comply with applicable PMGAA rules, regulations and policies.
4. **Cost of Submittal Preparation.** PMGAA shall not reimburse the cost of developing, presenting or providing any response to this solicitation. Bids, proposals and/or statements of qualifications submitted for consideration should be prepared simply and economically, providing adequate information in a straightforward and concise manner
5. **Inquiries.**
 - a. **Contact Person.** Any inquiry related to a solicitation, including any requests for or inquiries regarding standards referenced in the solicitation should be directed to the staff member listed on the cover page of the solicitation. The Offeror shall not contact or direct inquiries concerning this solicitation to any other PMGAA employee unless the solicitation specifically identifies additional person(s) as a contact.
 - b. **Submission of Inquiries.** All inquiries shall be submitted in writing and/or electronic mail and shall refer to the appropriate solicitation number, page and paragraph. PMGAA shall consider the relevancy of the inquiry but is not required to respond in writing. All questions must be submitted by the date and time specified in this RFP for PMGAA to consider its relevancy.
 - d. **Verbal Responses.** Oral interpretations or clarifications will be without legal effect. An Offeror shall not rely on verbal responses to inquiries. A verbal reply to an inquiry does not constitute a modification of the solicitation.
6. **Offer and Acceptance Period.** Unless specified differently in Section Two, all proposals submitted shall remain valid and irrevocable for ninety (90) days after the opening time and date of proposals.
7. **Public Record.** All submittals in response to this solicitation shall become the property of PMGAA, shall not be returned to Offeror and shall become a matter of public record available for review subsequent to the contract award. Please review PMGAA's complete "Public Access to Procurement Information" contained in PMGAA's Procurement Policy that is available under the Policies, Documents and Forms link at: <http://www.gatewayairport.com/policiesdocumentsandforms>.

8. **Solicitation Results.** Results are not provided in response to telephone inquiries. A tabulation of responses received will remain on file at PMGAA and available for review after a contract is awarded.
9. **Debarment/Suspended.** By submitting a proposal, Offeror certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this solicitation by any Federal department or agency.
10. **Protest of Solicitation or Specifications (Before Bid Opening).**
 - a. Any interested person aggrieved in connection with the solicitation of a contract shall protest irregularities in the IFB, RFP, or RFQ within three business days from the date the protester knew or should have known of the basis for the protest and, in any case, at least five business days before opening bids or proposals.
 - b. All protests must be made in writing to the Purchasing Director / Chief Financial Officer. Each protest must state the specific factual and legal grounds on which the protest is based. The protester must also include with the protest all pertinent documents and all supporting evidence. PMGAA need not accept any protest that fails to comply with the requirements of this section. The protester's failure to timely protest specifications or other solicitation terms and conditions constitutes a waiver of the protest.
 - c. If a timely protest before bid opening is made, PMGAA may proceed with the solicitation or with the award of the contract unless the Purchasing Director / Chief Financial Officer determines in writing that the protest should be sustained or that an addendum addressing the protest should be issued.
11. **Protest of Award Recommendation.**
 - a. A protest made after the deadline for bids or proposals, including challenges to the evaluation committee, must be submitted in writing to the Purchasing Director / Chief Financial Officer.
 - b. A protest must be received by the Purchasing Director / Chief Financial Officer within five business days following public posting of PMGAA's award recommendation. The formal protest must contain the following information.
 - i. PMGAA's solicitation identification number and title.
 - ii. Name and address of the protester, the title or position of the person submitting the protest, and a statement that the protest has been authorized by the protester and the protest is made in good faith.
 - iii. A statement of all facts alleged and all rules, regulations, statutes, or constitutional provisions that entitles the protester to relief.
 - iv. All other information, documents, materials, legal authority, and evidence in support of the protest.
 - v. A statement indicating the precise relief sought by the protester.
 - c. The Purchasing Director / Chief Financial Officer will make a written decision on the protest within ten business days after it is received.
 - d. The Protester may appeal the Purchasing Director / Chief Financial Officer's decision to the Executive Director. Any appeal must be filed with the Executive Director within three business days after the protester receives the Purchasing Director / Chief Financial Officer's decision.

- e. The Executive Director may hear the appeal or appoint an independent hearing officer to do so. If a hearing officer is appointed, the hearing officer shall conduct an informal hearing on the appeal within 10 business days from receipt of the appeal. The hearing officer shall promptly prepare an informal decision and recommendation on the appeal for the Executive Director's consideration. The hearing officer shall promptly serve the recommendation on the protester.
 - f. Upon receipt of the hearing officer's recommendation, or if no hearing officer is appointed, the Executive Director shall decide any protest for a solicitation valued at less than \$50,000. For solicitations valued less than \$50,000 or sustained protests, the Executive Director's decision is final. For solicitations valued over \$50,000 and the Executive Director is recommending denial of the protest, the Executive Director shall make a recommendation to the Board, and the Board shall make the final decision regarding award of the contract.
 - g. Notice of the Board's final decision must be furnished to the protesting party, in writing, by the Purchasing Director / Chief Financial Officer.
12. **Legal Remedies.** All claims and controversies shall be subject to the current PMGAA Procurement Policy.
13. **Special Provisions.** Wherever special provisions are written into the Special Provisions and Specifications (Section Two), which are in conflict with conditions stated in these Instructions to Offerors, the provisions stated in the Special Provisions and Specifications, shall take precedence.
14. **Certification.** By submitting a bid, proposal or statement of qualifications, Offeror certifies:
- a. It shall not discriminate against any employee or applicant for employment in violation of Federal Executive Order 11246, or A.R.S. Section 31-1461, et. seq.
 - b. It has not given, offered to give, nor intends to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with this solicitation.
15. **Title VI Solicitation Notice.** PMGAA, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all Offerors or Bidders that it will affirmatively ensure that any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunity to submit proposals in response to this solicitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.
16. **Federal Fair Labor Standards Act.** All contracts and subcontracts that result from this solicitation incorporate by reference the provisions of 29 CFR part 201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers.

The Offeror has full responsibility to monitor compliance to the referenced statute or regulation. The Offeror must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

17. **Occupational Safety and Health Act of 1970.** All contracts and subcontracts that result from this solicitation incorporate by reference the requirements of 29 CFR Part 1910 with the same force and effect as if given in full text. Offeror must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. The Offeror retains full responsibility to monitor its compliance and their subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (20 CFR Part 1910). Offeror must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

B. PROPOSAL PREPARATION AND SUBMITTAL

1. Proposal Preparation.

- a. Forms. All proposals shall include the required forms provided in this solicitation. It is permissible to copy these forms if required.
- b. No Facsimile or Electronic Mail Responses. Proposals may not be submitted via facsimile or electronically. Facsimiles or electronic mail proposals shall not be considered.
- c. Confidential, Trade Secret and Proprietary Information. Requests for nondisclosure of information deemed Confidential, Trade Secret, and/or Proprietary must be made in accordance with PMGAA's Procurement Policy. Please review PMGAA's complete "Public Access to Procurement Information" contained in PMGAA's Procurement Policy that is available under the Policies, Documents and Forms link at:
<http://www.gatewayairport.com/policiesdocumentsandforms>.

2. Proposal Submittal.

- a. Submission Package. One (1) original and the specified number of copies of the submittal (see Section Two) should be contained in each submission package. Each submittal package/envelope should be firmly sealed and clearly marked on the outside with the solicitation number, "Request for Proposal" and the name and address of the Offeror.
- b. Late Submittals. Late submittals will be rejected and returned to the Offeror.
- c. No Modifications. Modifications are not permitted after proposals have been opened except as otherwise provided under applicable law, such as a specific request by PMGAA such as a requested Best and Final Offer (BAFO). All modifications shall be made in writing and executed and submitted in the same form and manner as the original proposal.
- d. Withdrawal of Proposal. RFP submittals may be withdrawn at any time prior to the specified due date and time. An Offeror (or authorized representative) may withdraw the response by notifying the designated contact for this solicitation in writing on company letterhead. Facsimiles or other electronic withdrawals shall not be considered.

3. RFP Evaluation.

- a. Conformance to RFP. Each proposal received will be checked for the presence or absence of required information in conformance with the submission requirements of this RFP and to ensure that the submittal is fully responsive to the specifications listed.
- b. Disqualification. An Offeror who is currently debarred, suspended or otherwise lawfully prohibited from any public procurement activity will have its response rejected.

- c. Clarifications. PMGAA reserves the right to obtain Offeror clarifications where necessary to arrive at full and complete understanding of Offeror's response. Clarification means a communication with an Offeror for the sole purpose of eliminating ambiguities in the proposal and does not give Offeror an opportunity to revise or modify its submittal.
 - d. Response Rejection. Submission of additional terms, conditions and/or agreements with the proposal response may result in rejection.
- 4. Award of Contract.**
- a. Rights of PMGAA. The PMGAA reserves the right to award to whichever Offeror(s) deemed most advantageous to the PMGAA. The PMGAA may reject any or all submittals, waive any minor informality in submittals received, reject any alternate submittals and reserves the right to reject the submittal(s) of any Offeror who has previously failed to perform competently in any contract with the PMGAA.
 - b. Selection. The contract shall be awarded using the criteria outlined in Section Two.
 - c. Notification. Prior to contract award, the selected successful Offeror(s) will be notified of their apparent selection for contract award, and (a) contract(s) will be drawn which will include by reference this solicitation and any other contractual language as may be required by the PMGAA or by law.
 - d. Standard Terms and Conditions. Offeror acknowledges that, by virtue of submitting a response to this RFP, Offeror agrees all Standard Terms and Conditions, as stated in Section III of this RFP, will be included in the executed Contract between Offeror and PMGAA as a result of this solicitation. If the Contract is not executed within 30 days from Notice of Intent to Award, PMGAA reserves the right to cancel and award to the next highest ranked Offeror.
 - e. Professional Services Agreement. Selected Offeror(s) will be required to execute a Professional Services Agreement (Contract) with PMGAA which will include by reference this solicitation. If the Agreement is not executed within 30 days from the Notice of Intent to Award, PMGAA reserves the right to cancel and award to the next highest rated firm.

Section Two – Special Provisions and Specifications

A. PROJECT DESCRIPTION

PMGAA intends to select an Offeror to provide auditor services for the annual, Single, and Passenger Facility Charges (PFC) audits. PMGAA may require additional auditing services to these on an as needed basis.

PMGAA's intent is to award a three (3) year contract with the selected Offeror with two (2) one-year options to extend the contract, at the sole discretion of PMGAA.

B. SCOPE OF WORK

1. Offeror will audit the annual financial statements of PMGAA (comprised of the basic financial statements and notes to those financial statements), for the fiscal years ending June 30, 2020, 2021, and 2022 (and such additional years as may be agreed upon), express an opinion on the presentation of the financial statements, and provide all required opinions, schedules and letters relating to supplemental annual reporting to granting agencies. Deliverables: An electronic copy plus 15 printed and bound copies of the audit report and financial statements.
2. The management's discussion and analysis and certain other disclosures are supplementary information required by accounting principles generally accepted in the United States. Offeror will fulfill certain limited audit procedures relating to the supplementary information.
3. The financial audit will be conducted in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.
4. The compliance audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 US *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).
5. In keeping with *Government Auditing Standards* and 2 CFR § 200.333, Offeror will maintain working papers for a minimum of at least three years from the date of the audit reports. These working papers will be made available to representatives of PMGAA's cognizant audit agency (Federal Aviation Administration or designee), other government audit staff, the United States General Accounting Office, PMGAA and subsequent auditors upon their request and after they have provided you reasonable notice of their request to review the working papers.
6. It is expected that in the audit process, some guidance will be offered by Offeror to help ensure high quality in the content and presentation of PMGAA's statements and reports. The Offeror will also provide a management letter and issue a report on internal controls, detailing any reportable conditions of significant deficiencies in PMGAA's control structure.
7. Should Offeror become aware of any irregularities or indications of illegal acts, Offeror must make an immediate, written report to the Executive Director.
8. The audit work may begin as soon as the proposed contract is signed and should be completed by October 15 following the end of the fiscal year. Final reports should be completed, and 15 printed and bound copies delivered to the PMGAA by October 31.
9. Offeror will conduct an Audit of the Schedule of Passenger Facility Charges (PFC) revenue in accordance with 14 *Code of Federal Regulations* Part 158, "Passenger Facility Charges" requirements.
10. PMGAA expects the selected Offeror to be present at certain Board meetings, and certain monthly meetings of key staff.

C. MANDATORY QUALIFICATIONS

1. Offeror, and proposed principal team members, must be a licensed certified public accountant licensed to practice in the State of Arizona and be in good standing with the Arizona State Board of Accountancy and the American Institute of Certified Accountants.
2. Offeror firm must meet the independence requirements of *Government Auditing Standards*
3. Offeror must have an external quality control review (i.e. be enrolled and participate in the ACIPA's Peer Review Program (PRP)) performed at least every 3 years in accordance with *Government Auditing Standards*. The most recent external quality control review report must be included with the proposal.
4. Shall maintain and provide principal team members from a full-service local office (defined as being located within Maricopa County).
5. The offeror audit firm must meet the continuing professional education (CPE) requirements of *Government Auditing Standards*. Therefore, each auditor responsible for planning, directing, conducting, or reporting on *Government Auditing Standards* audits should complete at least 80 hours of CPE every 2 years. At least 20 hours should be completed in any 1 year of the 2-year period. At least 24 of the 80 hours of continuing education should be completed in subjects directly related to the government environment, government auditing, or the specific unique environment in which the airport operates. Documentation demonstrating compliance with CPE requirements for the firm and team members should be included with the proposal in the Appendices section.

D. SUBMITTAL INSTRUCTIONS AND REQUIREMENTS

Offerors interested in responding to this solicitation should submit a proposal to address the RFP criteria as specified. Offerors must submit one (1) original and three (3) copies of their proposal for a total of four (4). In addition, Offerors shall provide one (1) complete electronic copy of the proposal and all attachments on a flash drive. Failure to include all information requested may cause such incomplete proposals to be rejected and not be evaluated or considered in the selection process.

Proposals must be submitted in a sealed envelope with the solicitation number and the Offeror's name and address clearly indicated on the envelope. Proposals must be submitted to the contact person indicated on the Notice of Request for Proposals (RFP) on or before the due date. **LATE SUBMITTALS WILL NOT BE ACCEPTED.**

Information included within the proposal may be used to evaluate your firm as part of any criteria regardless of where that information is found within the proposal. Information obtained from the proposal and from any other relevant source may be used in the evaluation and selection process.

Offeror must organize their proposals into the sections listed below. Each section should be delineated by a divider with a tab labeled appropriately, and each subsection should have a tab. Proposals should be sturdily bound by plastic or metal three ring binder only. All sheets should be letter size (8½"×11") and must have a page number. This Proposal may not exceed fifteen (15) single-sided pages. Submissions exceeding the page limit may be considered non-responsive and may be returned to the responder without further evaluation. Pages having photos, charts, and/or graphs that provide additional evaluation information will be counted towards the maximum number of pages.

The following information is not included in the page limit:

1. Cover Sheet
2. General Information, maximum of 2 pages
3. Attachment A, Authorization for Release of Performance Information and Waiver
4. Attachment B, Offer Agreement
5. Attachment C, Certificate of Insurability
6. Attachment D, Fee Schedule
7. Attachment E, Agreement Review Statement
8. Resumes for each key team member, maximum of 2 pages each
9. Documentation demonstrating compliance with CPE requirements
10. Any Addenda issued by PMGAA

Offeror to Submit the Following:

General Information

A brief letter of transmittal should be submitted that includes the following information:

1. The full company name, mailing address, telephone number, and Offeror's primary place of business, legal company organization information (Corporation, LLC, Joint Venture, etc.), and a brief introduction of the company as it relates to the requested services.
2. The audit firm's understanding of the work to be performed and a positive commitment to perform the services offered within the time period specified.
3. Provide a statement of assurance that the firm, and proposed team members, meet the Mandatory Qualifications as stated in Section Two, C of this RFP.
4. Disclosure of any known business or financial relationships between the firm and members of the PMGAA Board – if none, state “none”. Provide a statement of assurance this engagement won't create a conflict.
5. The names of the person(s) authorized to represent the firm, their title(s), addresses, and telephone numbers.
6. Table of Contents for entire proposal with page numbers.

Tab A – Audit Firm Profile and Qualifications

The following information should be included:

1. A description of the audit firm, including office size; whether the organization is local, regional, national, or international in operations; the number of professional staff by level; and a description of the range of activities performed by the local office (i.e auditing, accounting, tax, or management services)
2. Demonstrate the firm's competence to do the work with available manpower and resources considering present and projected workload. This should include a statement or description of the firm's expertise in: 1) financial audits of governments, 2) financial audits of airports, and 3) audits of federal programs
3. A description of prior experience with audit services of a similar or related nature, including references. Include a name, phone number, email, and job title for a contact person with each client listed. PMGAA may contact any other known clients, whether offered herein or otherwise, to obtain information that will assist PMGAA in evaluating Offeror's qualifications.
4. List and Describe
 - i. Any litigation, arbitration and/or claims filed by your firm against any client as a result of a contract dispute
 - ii. Any claim filed against your firm
 - iii. Termination from a client

Tab B – Audit Firm’s Approach to Audit

The technical portion of the proposal shall include, as a minimum:

1. A work plan detailing the approach the audit firm intends to follow. The audit work plan should completely cover what audit work will be accomplished to allow the audit firm to render the reports described in this RFP.

The audit work plan should demonstrate the audit firm’s understanding of the audit requirements of a single audit as specified in the Uniform Guidance and the audit tests and procedures to be applied in completing the audit work plan.

The audit work plan should also detail how the audit firm plans to meet the time constraints and reporting deadline requirements specified in this RFP. This should support the firm’s capability and intent to proceed without delay if selected for this work.

2. Provide an organizational chart depicting the personnel to be used on this project, their area of expertise, registration, special training, chain of command and office location(s). Identify how much of each person’s time will be spent on the project. If personnel from more than one office will be used, indicate each office.
3. Specify any specialized training or skills that this team possesses related to the Scope of Work. Attach a brief resume for each proposed team member.
4. Specify which person would be PMGAA’s prime contact during the contract. Identify the individual who will have the responsibility of attending any required Board and key staff meetings.
5. Include any other information that demonstrates your firm’s ability to fulfill the listed services in a timely and cost-effective manner.

Tab C – Cost Criteria (Fee Schedule)

1. Complete Attachment D, Fee Schedule.
2. Explain what duties and or functions are normally included with each staff person’s hourly rate.

Tab D – Appendices

1. Attachment A, Authorization for Release of Performance Information and Waiver, form shall be completed, signed and included in the submittal.
2. Attachment B, Offer Agreement, form shall be completed, signed and included in the submittal.
3. Attachment C, Insurance Requirements & Certificate of Insurability, form shall be completed, signed and included in the submittal. Within ten days of execution of a contract with PMGAA, the successful Offeror shall furnish proof of insurance meeting the requirements of, and in the amounts listed in Attachment C, and Attachment F, sample Standard Form Professional Services Agreement.
4. Attachment D, Fee Schedule, form shall be completed, signed and included in the submittal.
5. Attachment E, Agreement Review Statement, form shall be completed, signed and included in the submittal.
6. Resumes for proposed key team members, 2-page maximum for each resume.
7. Documentation demonstrating compliance with CPE requirements
8. Any Addenda issued by PMGAA.

E. EVALUATION CRITERIA

Points	Category
5	Size and structure of the audit firm, considering the scope of the audit
10	General direction and supervision to be exercised over the audit team by the audit firm’s management
10	Comprehensiveness of audit work plan
10	Realistic time estimates of each major segment of the work plan and the estimated number of hours of each staff level
15	Qualifications of supervisory staff, quality review staff, and of the audit team performing fieldwork
20	Experience auditing governments
5	Experience auditing airports
25	Cost Criteria (Fee Schedule)
100	Total Score

1. PMGAA will appoint an evaluation panel to evaluate each Offeror’s proposal. Using the criteria and weighting listed herein, and in order of preference, the selection committee will rank the Offerors.
2. PMGAA may contact and interview references provided by each Offeror.
3. The evaluation panel may then select solely based on their collective evaluations of the Offerors’ proposal and references.
4. The evaluation panel may conduct interviews regarding the project with the short listed, top-ranked Offerors.
5. PMGAA may, at its sole discretion, request all or the short listed, top-ranked Offerors to submit Best and Final Offers (BAFO).
6. PMGAA intends to enter into negotiations with the highest ranked Offeror(s) to finalize a Professional Services Agreement for the project. If an agreement cannot be successfully negotiated with the highest ranked Offeror(s), then negotiations may be terminated with that Offeror and PMGAA may enter negotiations with the next highest ranked Offeror until an agreement is reached or an impasse is declared.
7. A notification will be posted on PMGAA’s website following a selection determination
8. Offerors are evaluated on any combination of the following elements:
 - a. Proposals submitted in response to this RFP
 - b. Reference verification
 - c. Interview performance (if conducted)
 - d. Any information from any source about the Offeror, whether included in the proposal or not.
9. PMGAA may cancel this solicitation at any time for any reason or no reason, so long as such is legally permissible.

10. The following tentative schedule has been established for this solicitation:

- | | |
|--|-----------------------------|
| a. RFP Closing Date/Proposals Due | February 03, 2020 |
| b. Notifications to Firms (interviews and/or non-selection) | Week of February 17, 2020 |
| c. Interviews (optional) | Week of March 02, 2020 |
| d. Notifications to Firms (of final firm selection) | No Later Than March 5, 2020 |
| e. Contract Award Recommendation to PMGAA Board of Directors | April 21,2020 |

PMGAA's Administration Offices are closed on Fridays, Saturdays, and Sundays therefore, submittals will not be accepted on these days.

Section Three – Standard Terms and Conditions

1. **Certification.** Offeror certifies:

- a. The award of this Contract did not involve collusion or other anti-competitive practices.
- b. It shall not discriminate against any employee or applicant for employment in violation of Federal Executive Order 11246, or A.R.S. Section 31-1461, et. seq.
- c. It has not given, offered to give, nor intends to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with this Contract; and Offeror hereby certifies that the individual signing this Contract is an authorized agent for Offeror and has the authority to bind the Offeror to the Contract.

2. **Termination of Contract.**

- a. PMGAA reserves the right to cancel this Contract in whole or in part due to failure of Offeror to carry out any term, promise, or condition of the Contract. At least ten (10) business days before terminating the Contract, PMGAA will issue a written notice of default specifying one of the following reasons. PMGAA shall, at all times during the term of the Contract or any extension term thereto, have the sole authority to determine if the default has been cured to its satisfaction.
 1. Offeror has provided personnel that do not meet the requirements of the Contract.
 2. Offeror has failed to perform adequately the stipulations, conditions or services/specifications required in this Contract.
 3. Offeror has attempted to impose on PMGAA personnel or materials, products, or workmanship of unacceptable quality.
 4. Offeror has failed to furnish the required service(s) and/or product(s) within the time stipulated in the Contract or associated Authorization of Services.
 5. Offeror has failed to make progress in the performance of the requirements of the Contract or Authorization of Services, or Offeror fails to give PMGAA adequate assurance the Offeror will perform the Contract in full and on time.
 6. Each payment obligation of PMGAA created hereby is conditioned on the availability of PMGAA, state, or federal funds appropriated for payment of the obligation. If funds are not available or allocated by PMGAA for continuance of service under this Contract, then PMGAA may terminate the Contract. PMGAA shall promptly notify Offeror regarding the service that may be affected by a shortage of funds. No penalty accrues to PMGAA if this provision is exercised, and PMGAA shall not be liable for any future payments due or for any damages as a result of termination under this paragraph.
- b. This Contract may be terminated at any time by mutual written consent or by PMGAA - with or without cause - provided the terminating party gives thirty (30) calendar days' advance written notice to the other party. PMGAA may terminate this Contract, in whole or in part, for PMGAA's convenience and with thirty (30) days' written notice. If this Contract is terminated, then PMGAA is liable only for services rendered and material received, certified, and approved by PMGAA under the Contract before the termination effective date.

3. **Dispute Resolution.**

- a. **Negotiations.** If a dispute arises out of or relates to this Contract or its breach, the parties to this Contract shall endeavor to settle the dispute through direct discussions as a condition precedent to mediation or binding dispute resolution.

- b. **Mediation.** Should the parties to this Contract be unable to resolve their dispute through direct negotiations, the parties to this Contract, upon the written request of either, shall engage in mediation, to be administered privately by a mediator and according to rules mutually agreed upon by the parties to this contract, or, the absence of such mutual agreement, by a mediator appointed by JAMS and administered by JAMS in accordance with its then-current mediation rules. The fees and costs of mediation shall be split equally by the parties to this Contract, but subject to reallocation following binding dispute resolution.
 - c. **Binding Dispute Resolution.** Should the parties to this Contract be unable to resolve their dispute through direct negotiations or mediation, either party may, within the time limitations for bringing claims under Arizona law and this Contract, commence formal dispute resolution proceedings. Both parties to this Contract consent to binding arbitration administered by JAMS according to its then current arbitration rules, provided, however, that (i) in the event both parties agree, the arbitration may be administered privately by an arbitrator and according to rules mutually agreed upon by the parties to this Contract, and (ii) in the event any party seeks relief against the other party or against a non-party which cannot fully be granted in arbitration, by reason of non-joinder or otherwise, the parties to this Contract are excused from this arbitration requirement and the parties to this Contract shall proceed in the state or federal courts of competent jurisdiction and located in Maricopa County, Arizona. In any arbitration or litigation, the prevailing party shall be entitled to an award of its reasonable attorneys' fees and costs as determined by the arbitrator or court as applicable.
4. **Independent Contractor.** At all times, each party acts in its individual capacity not as agent, employee, partner, joint venture, or associate of the other party. An employee or agent of one party may not be deemed or construed to be the employee or agent of the other party for any purpose whatsoever. Neither Offeror nor any of its employees are entitled to compensation from PMGAA in the form of salaries, paid vacation, or sick days. PMGAA will not provide any insurance to Offeror, including *Workers' Compensation* coverage. PMGAA will not withhold FICA, taxes, or any similar deductions from PMGAA's payments under this Contract.
5. **Affirmative Action.** Offeror shall abide by all the federal and state of Arizona provisions for equal opportunity in the work place.
6. **Human Relations.** Offeror shall abide by all the federal and state of Arizona provisions against discrimination of disadvantaged business enterprises in applicable PMGAA contracts.
7. **Non-Exclusive Contract.** This Contract is for the sole convenience of PMGAA. PMGAA reserves the right in its discretion to obtain the same or similar goods or services from any other source.
8. **Americans with Disabilities Act.** Offeror shall 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*.
9. **Confidentiality of Records.** Offeror shall establish and maintain procedures and controls that are acceptable to PMGAA for the purpose of assuring that no information contained in its records or obtained from PMGAA or from others in carrying out its functions under the Contract shall be used by or disclosed by it, its agents, officers, or employees, except as required to efficiently perform duties under this Contract. Persons requesting such information should be referred to PMGAA. Offeror also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of Offeror as needed for the performance of duties under the Contract, unless otherwise agreed to in writing by PMGAA.
10. **Gratuities.** PMGAA may, by written notice to the Offeror, cancel this Contract if it is found that gratuities, in the form of entertainment, gifts or otherwise, were offered or given by Offeror or any agent or representative of Offeror, to any officer or employee of PMGAA involved in the amending, or the making of any determinations with respect to the performing of such Contract. If this Contract is canceled by PMGAA under this provision, PMGAA shall, in addition to any other rights and remedies, repay to the Offeror the amount of the gratuity.

11. **Applicable Law.** This Contract shall be governed by, and PMGAA and Offeror shall have, all remedies afforded each by the *Uniform Commercial Code*, as adopted in the state of Arizona, except as otherwise provided in this Contract or in laws pertaining specifically to PMGAA. This Contract shall be governed by the laws of the state of Arizona, and suits pertaining to this Contract shall be brought only in federal or state courts in the state of Arizona.
12. **Contract.** This Contract is based on and the result of a negotiated Scope of Work and Proposal, Bid or Statement of Qualifications submitted by Offeror under this RFP, IFB or RFQ. The Contract contains the entire agreement between PMGAA and Offeror. No prior oral or written agreements, contracts, proposals, negotiations, purchase orders, or master agreements (in any form) are enforceable between the parties.
13. **Contract Amendments.** This Contract shall be modified only by a written amendment signed by the PMGAA Executive Director or his/her designee, and persons duly authorized to enter into contracts on behalf of Offeror.
14. **Provisions Required by Law.** Each and every provision of law and any clause required by law to be in the Contract shall be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party the Contract shall forthwith be physically amended to make such insertion or correction.
15. **Severability.** The provisions of this Contract are severable to the extent that any provision or application held to be invalid shall not affect any other provision or application of the Contract, which may remain in effect without the valid provision, or application.
16. **Protection of Government Property.** Offeror shall use reasonable care to avoid damaging all PMGAA property, including buildings, equipment, and vegetation (such as trees, shrubs, and grass). If Offeror damages PMGAA's property in any way, Offeror shall immediately repair or replace the damage at no cost to PMGAA, as directed by the PMGAA Executive Director. If Offeror fails or refuses to repair or replace the damage, then PMGAA may terminate the Contract, and PMGAA shall deduct the repair or replacement cost from money due Offeror under the Contract.
17. **Interpretation – Parol Evidence.** This Contract is intended by the parties as a final expression of their agreement and is intended also as a complete and exclusive statement of the terms thereof. No course of prior dealings between the parties and no usage of the trade shall be relevant to supplement or explain any term used in this Contract. Acceptance or acquiescence in a course of performance rendered under this Contract shall not be relevant to determine the meaning of this Contract even though the accepting or acquiescing party has knowledge of the nature of the performance and opportunity to object.
18. **Subcontracts.** Offeror shall not assign any rights or interest nor enter into any subcontract with any other party to furnish any of the materials, goods or services specified herein without the prior written permission of PMGAA. PMGAA may, at its sole discretion, accept or reject proposed subcontractors or assignment. PMGAA shall notify Offeror of its acceptance or rejection within forty-five (45) days or written request by Offeror. All subcontracts shall comply with federal and state laws and regulations applicable to the materials, goods or services covered by the subcontract and shall include all the terms and conditions set forth herein, which shall apply with equal force to the subcontract, as if the subcontractor were the Offeror referred to herein. Offeror is responsible for Contract performance whether subcontractors are used.
19. **No Waiver.** No provision in this Contract shall be construed, expressly or by implication, to waive either party's existing or future claim, right, or remedy available by law for breach of contract. The failure of either party to insist on strict performance of any Contract term or condition; to exercise or delay exercising any right or remedy provided in the Contract or by law; or to accept materials, services, or Offeror's services under this Contract or imposed by law, shall not be deemed a waiver of any right of either party to insist upon strict performance of the Contract.
20. **Warranties.** Offeror warrants that all materials and services delivered under this Contract shall conform to the specifications thereof. Mere receipt of shipment of the material or service specified and any inspection incidental thereto by PMGAA, shall not alter or affect the obligations of Offeror or the rights of PMGAA under the foregoing warranties. Additional warranty requirements may be set forth in this Contract.

21. **Indemnification.** To the fullest extent permitted by law, Offeror shall defend, save, indemnify, and hold harmless PMGAA, its agents, representatives, officers, directors, officials, and employees (collectively the “Indemnitees”), for, from and against all claims, damages, losses and expenses, including but not limited to attorney fees, court costs, expert witness fees, and the cost of appellate proceedings, relating to, arising out of, or alleged to have resulted from the Offeror’s acts, errors, omissions, or mistakes relating to Offeror’s services under this Contract.
22. **Right to Assurance.** Whenever one party to this Contract in good faith has reason to question the other party’s intent to perform, the former party may demand that the other party give a written assurance of this intent to perform. If a demand is made and no written assurance is given within five (5) business days, the demanding party may treat this failure as an anticipatory repudiation with this Contract.
23. **Advertising.** Offeror shall not advertise or publish information concerning this Contract without prior written consent of PMGAA.
24. **Right to Inspect.** PMGAA may, at reasonable times, and at PMGAA’s expense, inspect the place of Offeror’s or any of Offeror’s subcontractor’s business, which is related to the performance of this Contract or related subcontract.
25. **Force Majeure.** In the event either party shall be delayed or hindered in or prevented from the performance of any covenant, agreement, work, service, or other act required under this Contract to be performed by such party (“Required Act”), and such delay or hindrance is due to causes entirely beyond its control such as riots, insurrections, martial law, civil commotion, war, fire, flood, earthquake, or other casualty or acts of God (“Force Majeure Event”), then the performance of such Required Act shall be excused for the period of delay and the time period for performance of the Required Act shall be extended by the same number of days in the period of delay. For purposes of this Contract, the financial inability of Offeror to perform any Required Act, including, without limitation, failure to obtain adequate or other financing shall not be deemed to constitute a Force Majeure Event. A Force Majeure Event shall not be deemed to commence until ten (10) days before the date on which the party who asserts some right, defense, or remedy arising from or based upon such Force Majeure Event gives written notice thereof to the other party. If abnormal adverse weather conditions are the basis for a claim for an extension of time due to a Force Majeure Event, the written notice shall be accompanied by data substantiating (a) that the weather conditions were abnormal for the time and could not have been reasonably anticipated and (b) that the weather conditions complained of had a significant adverse effect on the performance of a Required Act. To establish the extent of any delay to the performance of a Required Act due to abnormal adverse weather, a comparison will be made of the weather for the time of performance of the Required Act with the average of the preceding ten (10) years’ climatic range based on the National Weather Service statistics for the nearest weather reporting station to the Premises. No extension of time for or excuse for a delay in the performance of a Required Act will be granted for rain, snow, wind, cold temperatures, flood, or other natural phenomena of normal intensity for the locality where the Premises are located.
26. **Inspection.** All material or service is subject to final inspection and acceptance by PMGAA. Material or service failing to conform to the specifications of this Contract will be held at Offeror’s risk and may be returned to Offeror. If so returned, all costs are the responsibility of Offeror. Noncompliance shall conform to the cancellation clause set forth in this Contract.
27. **Exclusive Possession.** All services, information, computer program elements, reports, and other deliverables, which may be created under this Contract, are the sole property of PMGAA and shall not be used or released by Offeror or any other person except with prior written permission by PMGAA.
28. **Title and Risk of Loss.** The title and risk of loss of materials or services shall not pass to PMGAA until PMGAA actually receives the material or service at the Airport, unless otherwise provided within this Contract.
29. **Liens.** All materials, services, and other deliverables supplied to PMGAA under this Contract must be free of all liens and other encumbrances. Upon request of PMGAA, Offeror shall provide a formal release of all liens.
30. **Licenses.** Offeror shall maintain in current status all federal, state, and local licenses and permits required for the operation of the business conducted by Offeror as applicable to this Contract.

31. **Subsequent Employment.** PMGAA may cancel this Contract without penalty or further obligation in accordance with A.R.S. Section 38-511 if any person significantly involved in initiating, negotiating, securing, drafting, or creating the contract, on behalf of the PMGAA is or becomes, at any time while the Contract or any extension of the contract is in effect, an employee of, or a contractor to any other party to this Contract with respect to the subject matter of the Contract. Such cancellation shall be effective when the parties to this Contract receive written notice from PMGAA, unless the notice specifies a later time.
32. **Clean Up.** Offeror shall at all times keep Contract performance areas, including storage areas used by the Offeror, free from accumulation of waste material or rubbish and, prior to completion of the work, remove any rubbish from the premises and all tools, scaffolding, equipment and materials not property of PMGAA. Upon completion of any repair, Offeror shall leave the work and premises in clean, neat, and workmanlike condition.
33. **Patents.** Offeror shall defend, indemnify, and hold harmless PMGAA, its officers and employees from all liabilities, claims, damages, costs, or expenses, including, but not limited to attorneys' fees, for any alleged infringement of any person's patent rights or copyrights in consequence of the use by PMGAA, its officers, employees, agents, and other duly authorized representatives of tangible or intellectual property supplied to PMGAA by Offeror under this Contract.
34. **Records and Audit Rights.** Offeror's and all of its approved subcontractors' books, records, correspondence, accounting procedures and practices, and any other supporting evidence relating to this Contract, including the papers of all Offeror and subcontractor employees that work on the Contract (all the foregoing collectively referred to as "Records"), must be open to inspection and subject to audit and/or reproduction during normal working hours by PMGAA. PMGAA is entitled to evaluate and verify all invoices, payments or claims based on Offeror's and its subcontractor's actual costs (including direct and indirect costs and overhead allocations) incurred or units expended directly in the performance of work under this Contract. For any audit under this Section, Offeror and its subcontractors hereby waive the right to keep such Records confidential. PMGAA is entitled to access to these Records from the effective date of this Contract for the duration of the work and until five years after the date of final payment by PMGAA to Offeror under the Contract. During normal working hours, PMGAA is entitled to access to all necessary Offeror and subcontractor facilities and shall be provided adequate and appropriate workspace, in order to conduct audits under this Section. PMGAA shall give Offeror or subcontractors reasonable advance notice of intended audits. Offeror shall require its subcontractors to comply with the provisions of this Section by including its requirements in all subcontracts related to this Contract.
35. **E-Verify Requirements.** To the extent applicable under A.R.S. § 41-4401, Offeror and its subcontractors warrant compliance with all federal immigration laws and regulations that relate to their employees, and compliance with the E-Verify requirements under A.R.S. §23-214(A). Offeror's or its subcontractors' failure to comply with such warranty shall be deemed a material breach of this Contract and may result in the termination of this Contract by PMGAA. PMGAA shall have the right to inspect the papers of Offeror's and any of Offeror's subcontractor's employee who works on this Contract to ensure the Offeror is complying with this paragraph.

Attachment A

Authorization for Release of Performance Information and Waiver

The purpose of this disclosure is to provide references to PMGAA. Offeror hereby consents that as an Offeror to PMGAA's Solicitation 2020-016-RFP, Auditor Services, for Phoenix-Mesa Gateway Airport, Offeror authorizes those companies and government entities listed in Offeror's RFP submittal and any other government entity for whom this company has performed Auditor Services, to disclose and release to PMGAA, or their representatives, information, records and opinions concerning this company's past performance.

_____ (Offeror) hereby waives any claim it may have against PMGAA or any company or entity providing information to PMGAA by reason of any information being disclosed or opinions provided regarding the actions or performance of this company.

This authorization for disclosure of information is effective for one (1) year.

This consent or copy of this authorization shall be as valid and effective as the original.

Signature of Offeror

Date

Attachment B
Offer Agreement

OFFER TO PHOENIX-MESA GATEWAY AIRPORT AUTHORITY:

The Offeror hereby offers and agrees to furnish the material or service in compliance with all terms, conditions, specifications, and amendments in the Request for Proposal and any written exceptions in the proposal as defined in Attachment D – Fee Schedule.

Company Name: _____

Federal Tax Identification Number: _____

Sales Tax Identification Number: _____

Person Authorized to Sign

Date

Printed Name

Title

For clarification of this offer, contact:

Name: _____

Title: _____

Telephone: _____

Email: _____

Attachment C

Insurance Requirements and Certificate of Insurability

During the term of this Contract, Offeror shall maintain in full force at its own expense, each insurance noted below normally associated with the goods and materials and/or services covered by this Contract:

GENERAL LIABILITY

Required by PMGAA Not required by PMGAA

General liability insurance with limits no less than **\$1,000,000** per occurrence and **\$2,000,000** general aggregate for Bodily Injury and Property Damage. It shall include contractual liability coverage for the indemnity provided under this Contract. Any supplementary payments, including defense costs, shall be in addition to the policy limits. It shall provide that the Phoenix-Mesa Gateway Airport Authority, its agents, officials, officers and employees are Additional Insureds but only with respect to the Offeror's services to be provided under this Contract.

AUTOMOBILE LIABILITY

Required by PMGAA Not required by PMGAA

Automobile liability insurance with a combined single limit, or the equivalent, of not less than \$200,000 \$500,000 \$1,000,000 \$2,000,000 for each accident for Bodily Injury and Property Damage, including coverage for owned, hired or non-owned vehicles, as applicable. Proof of coverage may be required. All vehicles used by Offeror on PMGAA property shall carry appropriate proof of insurance.

PROFESSIONAL LIABILITY

Required by PMGAA Not required by PMGAA

Professional liability insurance with a combined single limit, or the equivalent, of not less than \$500,000 \$1,000,000 \$2,000,000 \$5,000,000 for each claim, incident or occurrence. This is to cover damages caused by error, omission or negligent acts related to the professional services to be provided under this Contract. Only a certificate is required.

WORKERS' COMPENSATION.

The Offeror shall maintain Workers' Compensation insurance with statutory limits as required by the State of Arizona and Employer's Liability insurance in the amount of *One Million Dollars (\$1,000,000)*. The policy shall contain a waiver of subrogation in favor of the PMGAA.

CYBER LIABILITY

Required by PMGAA Not required by PMGAA

Privacy Liability and Network Security Liability insurance with a minimum of \$500,000 \$1,000,000 \$2,000,000 \$5,000,000 per occurrence and aggregate. A certificate is required.

EXCESS LIABILITY (Umbrella).

Required by PMGAA Not required by PMGAA

No less than \$5,000,000 per occurrence / \$5,000,000 policy aggregate extending coverage over the General Liability, Auto Liability and Employer's Liability policies.

CERTIFICATES OF INSURANCE AND ENDORSEMENTS.

Check one or both if insurance is required: Certificate Required
 Endorsement Required

As evidence of the insurance coverages required by this Contract, the Offeror shall furnish acceptable insurance certificates and endorsements to PMGAA prior to commencement of any work under this Contract. For work performed under this Contract, the insuring company's certificates and endorsements shall be endorsed to include the following additional insured language: "The Phoenix-Mesa Gateway Airport Authority shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of Offeror." If requested, complete copies of insurance policies, trust agreements, etc. shall be provided to the PMGAA. The Offeror shall be financially responsible for all pertinent deductibles, self-insured retentions and/or self-insurance.

NOTICE OF CANCELLATION OR CHANGE.

There shall be no cancellation, material change, reduction of limits or intent not to renew the insurance coverage(s) without thirty (30) days' written notice from the Offeror or its insurer(s) to PMGAA.

Attachment C
Insurance Requirements and Certificate of Insurability

Offeror hereby certifies that as an Offeror to PMGAA's Solicitation 2020-016-RFP for Auditor Services for Phoenix-Mesa Gateway Airport, Offeror is fully aware of Insurance Requirements as specified in this Attachment C as well as those contained in the sample Standard Form Professional Services Agreement (Attachment F) and by the submission of this RFP submittal, Offeror hereby assures PMGAA that Offeror is able to produce the insurance coverage required should Offeror be selected to be awarded the Professional Services Agreement.

Should Offeror be awarded the Professional Services Agreement by PMGAA, and then become unable to produce the insurance coverage specified within ten working days, Offeror is fully aware and understand that PMGAA may not consider Offeror for this and future projects.

Signature of Offeror

Date

Attachment D

Proposed Fee Schedule

1. Not to Exceed Totals for Annual Audit and PFC Audit:

Year One (1) \$ _____

Year Two (2) \$ _____

Year Three (3) \$ _____

Year Four (4) \$ _____ (optional extension)

Year five (5) \$ _____ (optional extension)

2. Hourly rates:

Provide hourly rates of auditing staff by position. Hourly rates stated below will be applicable for the base term (years 1 through 3) of the contract and may be amended, upon mutual agreement, for the optional extension terms.

3. Exceptions / Clarifications of Offeror:

Attachment E

Agreement Review Statement

As an Offeror to PMGAA's Solicitation 2020-016-RFP, Auditor Services, Offeror hereby certifies that Offeror has reviewed the PMGAA sample Standard Form Professional Services Agreement (Attachment F) and have listed any objections to them below. The response shall clearly identify if the attached sample Standard Form Professional Services Agreement is acceptable in all respects. If the Agreement is not acceptable, the response shall identify the unacceptable clauses and shall provide suggested alternate language. General or vague statements or invitations to discuss further are not adequate answers.

Offeror is aware any objections to the sample Standard Form Professional Services Agreement will be considered and included in PMGAA's evaluation of my firm's qualifications. Offeror is also aware, if Offeror fails to list any objections to PMGAA's sample Standard Form Professional Services Agreement, Offeror will not be allowed to raise any objections later if selected as the most qualified Offeror.

Signature of Offeror

Date

Specific Objections:

Attachment F
Sample Standard Form Professional Services Agreement

PHOENIX-MESA GATEWAY AIRPORT AUTHORITY

AND

[CONSULTANT]

FOR

AUDITOR SERVICES

CONTRACT NUMBER C-2020016

The Phoenix-Mesa Gateway Airport is owned and operated by the Phoenix-Mesa Gateway Airport Authority (PMGAA), a joint powers airport authority authorized by the State of Arizona and consisting of the City of Mesa, City of Phoenix, City of Apache Junction, Town of Gilbert, Town of Queen Creek and the Gila River Indian Community.

Phoenix-Mesa Gateway Airport Authority, a joint powers airport authority authorized by the State of Arizona (“PMGAA”) desires performance of the services more fully described in this **Contract Number C-2020016** (“Contract”) and the attached exhibits. **[Consultant]**, a(n) **<state>** **<type of company>** (“Consultant”), with its principal offices located at **[address]**, desires to perform these services.

Recitals

- A. PMGAA requires the services as described in this Contract, including any and all exhibits and amendments, and Consultant is willing to provide these and other services under this Contract; and
- B. PMGAA desires to contract with Consultant to provide services as noted herein.

Now therefore, in consideration of the recitals and the mutual covenants set forth below, PMGAA and Consultant agree as follows.

SECTION I – CONSULTANT SERVICES

The services to be performed by Consultant are specified in this Contract. PMGAA will not pay Consultant for any services that have not been authorized under the Contract. There is no guarantee of a minimum purchase of services.

The anticipated services to be provided by Consultant under this Contract shall generally include, but not be limited to, the following: Auditor Services, as more specifically described in the detailed scope of services attached as **EXHIBIT A**, “Scope of Services & Fee Schedule.”

PMGAA’s authorized representative shall be the PMGAA Accounting Director, or his/her duly authorized representative, and that he/she shall be the sole contact for administering this Contract.

All services provided by Consultant under this Contract must be performed in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances in Arizona. Consultant makes no other warranty, expressed or implied.

SECTION II – PMGAA RESPONSIBILITIES

PMGAA shall furnish Consultant, at no cost to Consultant, the following information or services for this Contract:

- A. Access to copies of readily available maps, records, as-built drawings, benchmarks or other data pertinent to work assignments affiliated with this Contract. This does not, however, relieve Consultant of the responsibility of searching records for additional information, for requesting specific information or for verification of that information provided. PMGAA does not warrant the accuracy or comprehensiveness of any information or documents provided to Consultant.
- B. In PMGAA’s discretion and upon Consultant’s reasonable request, access to staff for consultation with Consultant during the performance of this contract in order to identify the problems, needs, and other functional aspects of the work.
- C. Prompt review of and feedback on Consultant’s deliverables. PMGAA will advise Consultant concerning progress of PMGAA’s review of the work, as needed.

SECTION III - PERIOD OF SERVICE

Consultant shall complete all work in accordance with the provisions of this Contract as amended.

All work initiated under this Contract must be completed on or before the expiration date of the Contract as amended.

The term of this Contract shall commence on **[date]** and ends on **[date]** (“Base Term”), unless terminated, canceled or extended as provided in this Contract. This Contract has two (2) optional one-year extensions that PMGAA may exercise as its sole discretion. Prior to the expiration of the Contract Base Term, PMGAA may elect to extend the Contract. If PMGAA exercises such right, all terms, conditions and provisions of the original Contract shall remain the same and apply during the extended period with the possible exception of price. All fees for the optional renewal terms are provided for in **EXHIBIT A**, “Scope of Services & Fee Schedule.” Any extension of this Contract shall require an Amendment signed by both parties.

Consultant shall commence its services within seven (7) days of the written authorization by PMGAA. Consultant shall perform its services in a diligent manner and in accordance with this Contract.

SECTION IV – KEY PERSONNEL

The Consultant itself shall provide all services to be performed under this Contract. If Sub-Consultants are required by Consultant to perform any services listed under this contract, Consultant shall notify PMGAA prior to authorizing work by said Sub-Consultants. PMGAA may, at its sole discretion, accept or reject proposed Sub-Consultants.

SECTION V - PAYMENTS TO THE CONSULTANT

Consultant will be paid for work performed under this Contract plus any adjustments that have been approved in writing by PMGAA in accordance with PMGAA's Procurement Policy. Payments will be made in accordance with **EXHIBIT B**, "Compensation."

All services to be rendered by Consultant are subject to the terms of **EXHIBIT B**, "Compensation" attached hereto.

PMGAA does not guarantee any minimum or maximum fee during the Term of this Contract, and Consultant, in executing this Contract, shall not anticipate or require any minimum or maximum fee.

PMGAA shall pay Consultant in agreed upon installments for services authorized and rendered under this Contract at the completion of each work assignment, provided Consultant has satisfactorily completed the requested work. If any such work requires time in excess of 30 calendar days to complete, progress payment(s) may be made on invoices certified and approved by PMGAA.

SECTION VI - ALTERATION IN SCOPE OF SERVICES

For any alteration in the Scope of Services that would materially increase or decrease the Contract fee, the parties shall negotiate an amendment to the Contract to be executed by PMGAA and Consultant. No work shall commence on any amendment or change until the amendment has been approved by PMGAA and Consultant has been notified to proceed by PMGAA. No claim for extra work done or materials furnished by Consultant will be allowed by PMGAA, except as provided herein, nor shall Consultant do any work or furnish any materials not covered by this Contract unless the work is first authorized in writing by PMGAA and the change complies with PMGAA's Procurement Policy. Any work or materials furnished by Consultant without advance, written authorization will be at Consultant's own risk, cost, and expense. Without written authorization, Consultant shall make no claim for compensation for such work or materials furnished.

SECTION VII - WORK ASSIGNMENT COMPLETION

If, during the Term of this Contract, situations arise which prevent work completion within the allotted time, PMGAA may grant an appropriate time extension.

SECTION VIII - OWNERSHIP OF DOCUMENTS

Any documents, including all electronic copies thereof, prepared under or as a result of this Contract, shall be the property of PMGAA. To the extent necessary to effectuate such ownership, Consultant hereby assigns all right, title and interests to such documents to PMGAA. Consultant shall execute any separate contracts or documents, if any, which may be necessary to implement the terms of this Section.

All of Consultant's documents prepared under this Contract, including electronic files, are instruments of service. All of these documents become the property of PMGAA upon completion of the services and payment in full to Consultant. PMGAA may reuse or modify the documents, as it deems necessary, without Consultant's prior written authorization. PMGAA shall indemnify and hold harmless Consultant, its officers, directors, employees and subconsultants (collectively, the "Consultant") against any and all damages, liabilities or costs arising from PMGAA's modification of documents produced by Consultant under this Contract unless Consultant authorizes the modification in writing.

SECTION IX - COMPLIANCE WITH LAWS

Consultant shall comply with all federal, state and local laws, local ordinances and regulations throughout the Term.

Consultant's signature on this Contract certifies compliance with the provisions of the I-9 requirements of the *Immigration Reform and Control Act of 1986* for all personnel that Consultant and any subconsultants employ to complete any work assignment.

PMGAA shall administer this Contract in accordance with PMGAA's Procurement Policy.

SECTION X - GENERAL CONSIDERATIONS

- A. The failure of either party to enforce any of the provisions of this Contract or require performance of the other party of any of the provisions hereof shall not be construed to be a waiver of the provisions, nor shall it affect the validity of this Contract or the right of either party to enforce each and every provision.
- B. The fact that PMGAA has accepted or approved Consultant's work shall in no way relieve Consultant of responsibility for the work under this Contract.
- C. This Contract shall be governed by the laws of the state of Arizona, both as to interpretation and performance. Any action at law, suit in equity, or judicial proceeding for the enforcement of this Contract, or any provision thereof, shall be instituted only in the courts of the state of Arizona.
- D. All exhibits to this Contract and any amendments to the Contract are incorporated into it.

SECTION XI - NO KICK-BACK CERTIFICATION

Consultant warrants that no person has been employed or retained to solicit or secure this Contract upon any agreement or understanding for a commission, percentage, brokerage, or contingent fee and that no member of the PMGAA Board of Directors or any employee of PMGAA has any interest, financially or otherwise, in Consultant's firm.

For breach or violation of this warranty, PMGAA may annul this Contract without liability.

SECTION XII – SUSPENSION OF SERVICES

Consultant shall, within five (5) business days upon receiving written notice from PMGAA, suspend, delay, or interrupt all or a part of the Scope of Services. Consultant shall resume the Scope of Services within five (5) business days of receiving written notice from PMGAA.

SECTION XIII – TIMES OF PAYMENTS

Consultant shall submit periodic invoices for any unbilled portion of the services actually completed. PMGAA shall review, certify, and approve or reject each invoice in whole or in part. PMGAA shall pay each approved invoice within 30 calendar days of the date that PMGAA approves the invoice.

SECTION XIV – TIMELY REVIEW

PMGAA will review Consultant's studies, reports, proposals, and other related documents and render any decisions required by Consultant in a timely manner. Notwithstanding these reviews, Consultant remains solely responsible for all of its deliverables and services under this Contract. By PMGAA's reviews, PMGAA does not assume any liability for or retained control over Consultant's work or Consultant's responsibility for the safety of its employees.

SECTION XV – DISPUTE RESOLUTION

All disputes between PMGAA and Consultant arising out of or relating to this Contract will be subject to the Dispute Resolution provisions as set forth in **EXHIBIT D**, "PMGAA Standard Terms and Conditions", attached hereto and incorporated herein by reference.

PMGAA and Consultant shall include a similar dispute resolution provision in all contracts with other contractors and consultants retained for the Project and shall require all other independent contractors and consultants to include a similar dispute resolution provision in all contracts with subcontractors, subconsultants, suppliers or fabricators retained by them.

SECTION XVI - LIABILITY OF CONSULTANT

To the fullest extent permitted by law, Consultant shall defend, save, indemnify, and hold harmless PMGAA, its member governments, departments, officers, employees, and agents from and against damages arising out of any act, error, or omission of Consultant relating to its services under this Contract.

SECTION XVII - LAWS AND REGULATIONS

All federal, state, and local laws and regulations that relate to Consultant's services apply to Consultant's performance of this Contract throughout. These laws and regulations are deemed included in this Contract the same as though written out in full, especially the current applicable Federal Aviation Administration (FAA) rules and regulations associated with airport projects; pertinent Airport engineering standards; and local rules, regulations, and industry standards.

SECTION XVIII – NOT USED

SECTION XIX INSURANCE REQUIREMENTS

1. Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees.
2. All insurance policies required by this Contract, except *Workers Compensation* and *Professional Liability*, shall name PMGAA, its agents, representatives, officers, directors, officials and employees as Additional Insured.
3. Minimum Scope and Limits of Insurance. Coverage shall be at least as broad as:
 - a. Professional Liability (Errors and Omissions): Insurance with a combined single limit of not less than \$2,000,000 per occurrence, claim or incident.
 - b. Commercial General Liability: Insurance Services Office Form CG 00 01 covering Bodily Injury and Property Damage on an "occurrence" basis, including personal & advertising injury with limits no less than \$1,000,000 per occurrence, \$2,000,000 General Aggregate.
 - c. Auto Liability: ISO Form CA 00 01 covering any auto (Symbol 1), or if Consultant has no owned autos, hired, (Symbol 8) and non-owned autos (Symbol 9), with limit no less than \$1,000,000 Combined Single limit per accident for bodily injury and property damage.
 - d. Workers' Compensation: Statutory Limits as required by the state of Arizona, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.
 - e. Privacy Liability: Liability arising out of the breach of personally identifiable information whether the disclosure is committed intentionally, negligently, electronically or non-electronically (i.e. laptop, dumpster diving, etc.). Coverage may also be required for breach of confidential corporate information.
 - f. Network Security Liability: Liability arising from the interruption of your systems caused by damage to your computer programs or data that results from virus, hacking, a denial of service attack, a denial of access or a simple mistake by your authorized personnel in the administration of your computer system or handling of your e-Business information assets (administrative error). This also includes liability for transmission of a computer virus to a third party via a covered computer system or the failure to prevent the use of your computer system in a denial of service attack.
4. If the Consultant maintains higher limits than the minimums shown above, PMGAA requires and shall be entitled to coverage for the higher limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to PMGAA.
5. Additional insurance provisions. The insurance policies shall provide, or be endorsed to include, the following provisions:
 - a. Notice of Cancellation: Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to PMGAA.
 - b. Waiver of Subrogation: Consultant waives any right to subrogation. Consultant shall obtain an

endorsement necessary to affect this waiver of subrogation from the insurer for all lines of coverage required by this Contract, except *Workers Compensation* and *Professional Liability*, for claims arising out of the Consultant's work or service.

c. Primary Coverage: For all claims related to this Contract, all of Consultant's insurance policies will be primary and non-contributory. Any insurance or self-insurance maintained by PMGAA, its officers, officials, employees, or volunteers will be in excess of Consultant's insurance and will not contribute with it.

d. Deductibles and Self-Insured Retentions: Any deductibles or self-insured retentions must be declared to and approved by PMGAA. PMGAA may require the Consultant to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

e. Acceptability of Insurers: Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A, VII, unless otherwise acceptable to PMGAA.

f. Claims Made Policies: No Claims Made policies (other than Professional Liability) will be accepted. For policies that provide claims-made coverage:

- 1) The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
- 2) Insurance must be maintained, and evidence of insurance must be provided for at least five (5) years after completion of the contract of work.
- 3) If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the Consultant must purchase "extended reporting" coverage for a minimum of five (5) years after completion of work.

g. Verification of Coverage: Consultant shall furnish PMGAA with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by PMGAA before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Consultant's obligation to provide the required insurance. PMGAA reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

h. Subcontractors: Consultant shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Consultant shall ensure that PMGAA is an additional insured on insurance required from subcontractors.

i. Special Risks or Circumstances: PMGAA reserves the right to modify these requirements, including limits, based on the nature of the risk, scope of services, prior experience, insurer, coverage, or other special circumstances.

Executed as of the Commencement Date.

CONSULTANT

COMPANY NAME, a(n)

By: _____

Name: _____

Title: _____

Date: _____

PMGAA

**PHOENIX MESA GATEWAY AIRPORT
AUTHORITY**, a joint powers airport authority
authorized by the state of Arizona

By: _____

Name: J. Brian O’Neill, A.A.E.

Title: Executive Director/CEO

Date: _____

EXHIBIT A – SCOPE OF SERVICES & FEE SCHEDULE

The services to be performed by Consultant and the completion of related efforts are specified in the following Scope of Services & Fee Schedule agreed to by the parties.

SCOPE OF SERVICES

[Enter]

FEE SCHEDULE – [ENTER FEES & RATES]

1. The Not to Exceed totals for the Annual Audit and PFC Audit are as detailed below:

Year One (1)	\$ _____
Year Two (2)	\$ _____
Year Three (3)	\$ _____
Year Four (4)	\$ _____ (optional extension)
Year five (5)	\$ _____ (optional extension)

2. Hourly rates:

The hourly rates stated below will be applicable for the base term (years 1 through 3) of the contract and may be amended, upon mutual agreement, for the optional extension terms.

EXHIBIT B - COMPENSATION

All compensation for services rendered by Consultant shall be based upon criteria established below. All services must be billed through the Consultant.

1. Fees to be Specified in Contract

Any and all services to be performed under this Contract require approval. All compensation for services shall be identified in writing. The Contract shall describe the scope of services to be performed (by tasks and subtasks, where appropriate), the fees associated with that performance, and any applicable special provisions. Consultant's compensation for services included in this Contract is totaled and set forth in **EXHIBIT A**, "Scope of Services and Fee Schedule".

2. Method of Payment

Subject to the terms of this Contract, PMGAA shall pay Consultant the appropriate rate or fixed price amount for services rendered as described in the Contract only after Consultant has submitted an invoice for services performed and PMGAA has certified and approved each invoice.

For services rendered in accordance with the Contract, Consultant shall submit to PMGAA an invoice depicting tasks performed and/or hours spent for services performed. Invoices must be based on the actual hours and/or expenses incurred for the services completed during the billing period. Consultant's invoices must specify that Consultant has performed the services, and PMGAA must certify and approve each invoice as a condition to payment.

3. Consultant Responsibilities for Compensation

Consultant shall prepare monthly invoices and/or progress reports in accordance with terms specified in the Contract. Progress reports will clearly indicate the progress to date and the amount of compensation due by virtue of that progress. All invoices for payment shall be for work completed unless otherwise agreed to by PMGAA. Invoices/requisitions for payment for services subject to funding by the FAA and/or ADOT shall include the documentation requirements of the FAA and/or ADOT, which are outlined in the *Airport Improvement Program (AIP) Handbook* dated September 30, 2014, or most current version.

4. PMGAA Responsibilities for Compensation

PMGAA agrees to pay Consultant's invoices for payment within 30 calendar days after the invoice is approved. PMGAA may withhold payment on any invoice if it believes that Consultant has not performed the work in a satisfactory manner. If PMGAA withholds payment to Consultant, PMGAA shall promptly notify Consultant and explain the reasons for the decision to withhold payment.

5. Billing Address

All invoices submitted to PMGAA for payment shall be submitted to:

Phoenix-Mesa Gateway Airport Authority
Attn: Accounting Director
5835 S. Sossaman Road
Mesa, Arizona 85212

EXHIBIT C - SPECIAL PROVISIONS

1. Civil Rights Act of 1964, Title VI – General

The contractor agrees to comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color or national origin, sex, age or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance.

2. Civil Rights Act of 1964, Title VI – Assurances

During the performance of this Contract, the contractor, for itself, its assignees and successors in interest agrees as follows:

- a. Compliance with Regulations – Compliance with Regulations: The contractor (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts And Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.
- b. Nondiscrimination – The contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR Part 21.
- c. Solicitations for Subcontracts, including Procurements of Materials and Equipment – In all solicitations, either by competitive bidding, or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the contractor of the contractor's obligations under this contract and the Nondiscrimination Acts And Authorities on the grounds of race, color, or national origin.
- d. Information and Reports – The contractor will provide all information and reports required by the Acts, the Regulations and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by PMGAA or the FAA to be pertinent to ascertain compliance with such Nondiscrimination Acts And Authorities and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the contractor will so certify to PMGAA or the FAA as appropriate, and will set forth what efforts it has made to obtain the information.
- e. Sanctions for Noncompliance – In the event of a contractor's noncompliance with the Nondiscrimination provisions of this contract, the Recipient will impose such contract sanctions as it or the FAA may determine to be appropriate, including, but not limited to:
 - i) Withholding of payments to the contractor under the contract until the contractor complies, and/or;
 - ii) Cancellation, termination, or suspension of the Contract, in whole or in part.
- f. Incorporation of Provisions – The contractor will include the provisions of paragraphs one through six of this **EXHIBIT C** in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The contractor will take action with respect to any subcontract or procurement as PMGAA or the FAA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the contractor may request PMGAA to enter into any litigation to protect the interests of PMGAA. In addition, the contractor may request the United States to enter into the litigation to protect the interests of the United States.

3. Civil Rights – Title VI List of Pertinent Nondiscrimination Acts and Authorities

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the “contractor”) agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation—Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 *et seq.*), as amended, (prohibits discrimination on the basis of disability); and 49 CFR part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 *et seq.*), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations at 49 CFR parts 37 and 38;
- The FAA’s Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 *et seq.*).

4. Federal Fair Labor Standards Act

This contract and all subcontracts that result from this contract incorporate by reference the provisions of 29 CFR part 201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text.

The Consultant has full responsibility to monitor compliance to the referenced statute or regulation. The Consultant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

5. Occupational Safety and Health Act of 1970

This contract and all subcontracts that result from this contract incorporate by reference the provisions of 29 CFR part 1910 with the same force and effect as if given in full text. Consultant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. The Consultant retains full responsibility to monitor its compliance and their subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (20CFR Part 1910). Consultant must address any claims or disputes

that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

6. Lobbying and Influencing Federal Employees

- a. No federal appropriated funds shall be paid, by or on behalf of Consultant, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making of any federal grant and the amendment or modification of any federal grant.
- b. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any federal grant, the contractor shall complete and submit Standard Form-LLL, “Disclosure of Lobby Activities,” in accordance with its instructions.

7. Access to Records and Reports

Consultant shall maintain an acceptable cost accounting system. Consultant further agrees to provide PMGAA, the FAA and the Comptroller General of the United States, or any of their duly authorized representatives, access to any books, documents, papers, and records of Consultant which are directly pertinent to this specific Contract for the purpose of making audit, examination, excerpts and transcriptions. Consultant agrees to maintain all books, records and reports required under this Contract for a period of not less than three (3) years after final payment is made and all pending matters are closed.

8. Breach of Contract Terms

Any violation or breach of terms of this Contract on the part of Consultant or its subconsultants or subcontractors may result in suspension or termination of this Contract, or such other action that may be necessary to enforce the rights of the parties with respect thereto. The duties and obligations imposed by the Contract and the rights and remedies available thereunder shall be in addition to, and not a limitation of, any duties, obligations, rights and remedies otherwise imposed or available by law.

9. Rights to Inventions

All rights to inventions and materials generated under this Contract are subject to regulations issued by the FAA and PMGAA of the federal grant under which this Contract is executed.

10. Trade Restriction Clause

- a. Consultant or its subconsultants/subcontractors, by submission of an offer and/or execution of a contract, certifies that it:
 - i. Is not owned or controlled by one or more citizens of a foreign country included in the list of countries that discriminate against U.S. firms published by the Office of the United States Trade Representative (USTR);
 - ii. Has not knowingly entered into any contract or subcontract for this project with a person that is a citizen or national of a foreign country on the list, or is owned or controlled directly or indirectly by one or more citizens or nationals of a foreign country on the list; and
 - iii. Has not procured any product nor subcontracted for the supply of any product for use on the project that is produced in a foreign country on the list.
- b. Unless the restrictions of this clause are waived by the Secretary of Transportation in accordance with 49 CFR 30.17, no contract shall be awarded to a contractor or subcontractor who is unable to certify to the above. If the contractor knowingly procures or subcontracts for the supply of any product or service of a foreign country on the list for use on the project, the FAA may direct PMGAA cancellation of this Contract at no cost to the Government.

- c. Further, Consultant shall incorporate this provision for certification without modification in each contract and in all lower tier subcontracts. Consultant may rely on the certification of a prospective subcontractor unless it has knowledge that the certification is erroneous.
- d. Consultant shall provide immediate written notice to PMGAA if Consultant learns that its certification or that of a subcontractor was erroneous when submitted or has become erroneous by reason of changed circumstances. The subcontractor shall agree to provide written notice to Consultant if at any time it learns that its certification was erroneous by reason of changed circumstances.
- e. This certification is a material representation of fact upon which reliance was placed when the Contract was awarded. If it is later determined that Consultant or its subcontractor knowingly rendered an erroneous certification, the FAA may direct PMGAA cancellation of this Contract or any subcontract for default at no cost to the Government.
- f. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by this provision. The knowledge and information of Consultant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
- g. This certification concerns a matter within the jurisdiction of an agency of the United States of America and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under Title 18, United States Code, Section 1001.

11. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion

Consultant, by accepting this Contract, certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency. Consultant shall include this clause without modification in all lower tier transactions, solicitations, proposals, contracts, and subcontracts. Where the Consultant or any lower tier participant is unable to certify to this statement, it shall provide a written explanation to PMGAA.

12. Project Security

As some or all portions of work possible during the Term of this Contract may be located inside the secured area of the Airport, adherence to and familiarity with federal security regulations is essential. For these projects, Consultant shall be responsible for fulfilling the security requirements described herein.

- a. Secured Area Access – All Consultant personnel who require unescorted access to the secured area of the Airport, prior to the issuance of an Airport Identification badge, must successfully complete the Security Badge Application and Security Badge Authorization forms.
- b. Employee Security Badges – If deemed necessary by PMGAA all Consultant and/or subcontractor personnel performing work functions in accordance with this Contract shall obtain and properly display an Airport security badge. Consultant shall submit a Security Badge Application form to the PMGAA security office for each employee requiring unescorted access, along with the current fee for each badge. Badge fees are identified on the current *Airport Fees, Services and Rental Rates* available via the Airport website at www.gatewayairport.com and are subject to change.
 - i. All fees must be paid to PMGAA by cash or check.
 - ii. Airport Security Badge Application forms and instructions are available via the Airport website at www.gatewayairport.com.
 - iii. An authorized representative of Consultant must also obtain and submit a Security Media Authorization form, which is to be submitted to the PMGAA badging office. The Security Media Authorization form and instructions are available via the Airport website at www.gateairport.com.
 - iv. A training class on aviation security must be successfully completed before individuals are issued a badge. Fees for the security badge include attendance for the necessary training classes. Attendance at the security classes and issuance of the security badge may take two hours per person.
 - v. Additional information, including a “Frequently Asked Questions” is available via the Airport website at www.gateairport.com or by contacting the PMGAA Badging Office at (480) 988-7522. The Badging Office is located at 5803 S. Sossaman Road, Mesa AZ 85212.

- vi. Consultant shall immediately notify the PMGAA Badging Office of any Consultant personnel whose employment status has changed.
 - vii. Consultant shall retrieve all security badges and keys and return them to the PMGAA Badging Office. A fee, as indicated on the most current *Airport Rates and Charges Schedule*, will be charged for each badge that is damaged, lost or not returned.
 - viii. The PMGAA Badging Office will require a completed Security Badge Application from each Consultant employee so certified by Consultant as requiring such before a Security Badge is issued.
 - ix. Under certain circumstances and out of control of PMGAA, security measures may change on short notice. No deviations from any security measure shall be allowed at any time.
 - x. At all times, aircraft shall have the right-of-way over all vehicle traffic.
- c. Fines – Due to both the safety and security precautions necessary at the Airport, any failure of the Consultant to adhere to prescribed Airport requirements/regulations has consequences that may jeopardize the health, welfare and lives of Airport customers and employees, as well as the Consultant's own employees. Therefore, if Consultant is found to be in non-compliance with any security, airfield badging/licensing and airfield safety requirement, a Notice of Violations (NOV) may be issued. A current listing of fines is available by contacting the PMGAA Badging Office.

13. Standard Terms & Conditions

PMGAA's Standard Terms & Conditions (in **EXHIBIT D** attached) include clauses that pertain to both construction and professional services. For such, the term "contractor" is to be considered same as "consultant." If a clause implies construction service then it is waived for a professional services contract. PMGAA reserves the right to make that determination if there is a conflict.

14. Federal and State Guidelines and Regulations

All work performed under this Contract must satisfy FAA and applicable agency standards, and be accomplished in accordance with applicable federal, state and local guidelines and regulations, including FAA Advisory Circulars, NEPA and Arizona environmental statutes.

Consultant shall perform the services as described in approved Contract in accordance with the applicable requirements imposed by PMGAA, ADOT, FAA and any other applicable sponsoring agencies. Consultant and its subconsultants/subcontractors, if any, shall comply with any and all applicable laws, regulations, executive orders, policies, guidelines, and any other requirements for FAA Airport Improvement Program (AIP) projects. Consultant shall provide PMGAA all information, reports, documents, and/or certifications requested by PMGAA for the satisfaction of any grant requirements for the reimbursement of services, including, without limitation, identifying the specific services provided by Consultant and the billing period(s) during which services were or are to be provided. Nothing herein shall be construed as making the FAA or ADOT a party to this Contract.

15. Right to Contract With Other Firms

PMGAA shall have the right to contract with other firms and/or persons and/or to self-perform additional services, which may be the subject of this Contract. Consultant shall conduct its operations and perform any services authorized under the Contract so as not to interfere with or hinder the progress of completion of the work being performed by PMGAA and/or other firms and/or persons. Consultants working on the same project shall cooperate with each other in the performance, scheduling, and, if applicable, the integration of their respective services.

16. Independent Contractor Status

At all relevant times, Consultant is - and shall remain - an independent contractor with regard to performance of its services. PMGAA retains no control over Consultant, the performance of its work or services, or the safety of its employees. Consultant is not authorized to enter into any contract or commitment, authorize any payment, or accept any document, services, goods or materials for, in the name of, or on behalf of PMGAA.

EXHIBIT D – PMGAA STANDARD TERMS & CONDITIONS

1. **Certification.** Consultant certifies:
 - a. The award of this Contract did not involve collusion or other anti-competitive practices.
 - b. It shall not discriminate against any employee or applicant for employment in violation of Federal Executive Order 11246, or A.R.S. Section 31-1461, et. seq.
 - c. It has not given, offered to give, nor intends to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with this Contract; and Consultant hereby certifies that the individual signing this Contract is an authorized agent for Consultant and has the authority to bind the Consultant to the Contract.

2. **Termination of Contract.**
 - a. PMGAA reserves the right to cancel this Contract in whole or in part due to failure of Consultant to carry out any term, promise, or condition of the Contract. At least ten (10) business days before terminating the Contract, PMGAA will issue a written notice of default specifying one of the following reasons. PMGAA shall, at all times during the term of the Contract or any extension term thereto, have the sole authority to determine if the default has been cured to its satisfaction.
 - (1) Consultant has provided personnel that do not meet the requirements of the Contract.
 - (2) Consultant has failed to perform adequately the stipulations, conditions or services/specifications required in this Contract.
 - (3) Consultant has attempted to impose on PMGAA personnel or materials, products, or workmanship of unacceptable quality.
 - (4) Consultant has failed to furnish the required service(s) and/or product(s) within the time stipulated in the Contract or associated Authorization of Services.
 - (5) Consultant has failed to make progress in the performance of the requirements of the Contract or Authorization of Services, or Consultant fails to give PMGAA adequate assurance the Consultant will perform the Contract in full and on time.
 - (6) Each payment obligation of PMGAA created hereby is conditioned on the availability of PMGAA, state, or federal funds appropriated for payment of the obligation. If funds are not available or allocated by PMGAA for continuance of service under this Contract, then PMGAA may terminate the Contract. PMGAA shall promptly notify Consultant regarding the service that may be affected by a shortage of funds. No penalty accrues to PMGAA if this provision is exercised, and PMGAA shall not be liable for any future payments due or for any damages as a result of termination under this paragraph.
 - b. This Contract may be terminated at any time by mutual written consent or by PMGAA - with or without cause - provided the terminating party gives thirty (30) calendar days' advance written notice to the other party. PMGAA may terminate this Contract, in whole or in part, for PMGAA's convenience and with thirty (30) days' written notice. If this Contract is terminated, then PMGAA is liable only for services rendered and material received, certified, and approved by PMGAA under the Contract before the termination effective date.

3. **Dispute Resolution.**
 - a. **Negotiations.** If a dispute arises out of or relates to this Contract or its breach, the parties to this Contract shall endeavor to settle the dispute through direct discussions as a condition precedent to mediation or binding dispute resolution.
 - b. **Mediation.** Should the parties to this Contract be unable to resolve their dispute through direct negotiations, the parties to this Contract, upon the written request of either, shall engage in mediation, to be administered privately by a mediator and according to rules mutually agreed upon by the parties to this Contract, or, the absence of such mutual agreement, by a mediator appointed by JAMS and administered

by JAMS in accordance with its then-current mediation rules. The fees and costs of mediation shall be split equally by the parties to this Contract, but subject to reallocation following binding dispute resolution.

- c. **Binding Dispute Resolution.** Should the parties to this Contract be unable to resolve their dispute through direct negotiations or mediation, either party may, within the time limitations for bringing claims under Arizona law and this Contract, commence formal dispute resolution proceedings. Both parties to this Contract consent to binding arbitration administered by JAMS according to its then current arbitration rules, provided, however, that (i) in the event both parties agree, the arbitration may be administered privately by an arbitrator and according to rules mutually agreed upon by the parties to this Contract, and (ii) in the event any party seeks relief against the other party or against a non-party which cannot fully be granted in arbitration, by reason of non-joinder or otherwise, the parties to this Contract are excused from this arbitration requirement and the parties to this Contract shall proceed in the state or federal courts of competent jurisdiction and located in Maricopa County, Arizona. In any arbitration or litigation, the prevailing party shall be entitled to an award of its reasonable attorneys' fees and costs as determined by the arbitrator or court as applicable.
4. **Independent Contractor.** At all times, each party acts in its individual capacity not as agent, employee, partner, joint venturer, or associate of the other party. An employee or agent of one party may not be deemed or construed to be the employee or agent of the other party for any purpose whatsoever. Neither Consultant nor any of its employees are entitled to compensation from PMGAA in the form of salaries, paid vacation, or sick days. PMGAA will not provide any insurance to Consultant, including *Workers' Compensation* coverage. PMGAA will not withhold FICA, taxes, or any similar deductions from PMGAA's payments under this Contract.
5. **Affirmative Action.** Consultant shall abide by all the federal and state of Arizona provisions for equal opportunity in the work place.
6. **Human Relations.** Consultant shall abide by all the federal and state of Arizona provisions against discrimination of disadvantaged business enterprises in applicable PMGAA contracts.
7. **Non-Exclusive Contract.** This Contract is for the sole convenience of PMGAA. PMGAA reserves the right in its discretion to obtain the same or similar goods or services from any other source.
8. **Americans with Disabilities Act.** Consultant shall 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*.
9. **Confidentiality of Records.** Consultant shall establish and maintain procedures and controls that are acceptable to PMGAA for the purpose of assuring that no information contained in its records or obtained from PMGAA or from others in carrying out its functions under the Contract shall be used by or disclosed by it, its agents, officers, or employees, except as required to efficiently perform duties under this Contract. Persons requesting such information should be referred to PMGAA. Consultant also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of Consultant as needed for the performance of duties under the Contract, unless otherwise agreed to in writing by PMGAA.
10. **Gratuities.** PMGAA may, by written notice to the Consultant, cancel this Contract if it is found that gratuities, in the form of entertainment, gifts or otherwise, were offered or given by Consultant or any agent or representative of Consultant, to any officer or employee of PMGAA involved in the amending, or the making of any determinations with respect to the performing of such Contract. If this Contract is canceled by PMGAA under this provision, PMGAA shall, in addition to any other rights and remedies, repay to the Consultant the amount of the gratuity.
11. **Applicable Law.** This Contract shall be governed by, and PMGAA and Consultant shall have, all remedies afforded each by the *Uniform Commercial Code*, as adopted in the state of Arizona, except as otherwise provided in this Contract or in laws pertaining specifically to PMGAA. This Contract shall be governed by the laws of the state of Arizona, and suits pertaining to this Contract shall be brought only in federal or state courts in the state of Arizona.

12. **Contract.** This Contract is based on and the result of a negotiated Scope of Work and Proposal, Bid or Statement of Qualifications submitted by Consultant under this RFP, IFB or RFQ. The Contract contains the entire agreement between PMGAA and Consultant. No prior oral or written agreements, contracts, proposals, negotiations, purchase orders, or master agreements (in any form) are enforceable between the parties.
13. **Contract Amendments.** This Contract shall be modified only by a written amendment signed by the PMGAA Executive Director or his/her designee, and persons duly authorized to enter into contracts on behalf of Consultant.
14. **Provisions Required by Law.** Each and every provision of law and any clause required by law to be in the Contract shall be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party the Contract shall forthwith be physically amended to make such insertion or correction.
15. **Severability.** The provisions of this Contract are severable to the extent that any provision or application held to be invalid shall not affect any other provision or application of the Contract, which may remain in effect without the valid provision, or application.
16. **Protection of Government Property.** Consultant shall use reasonable care to avoid damaging all PMGAA property, including buildings, equipment, and vegetation (such as trees, shrubs, and grass). If Consultant damages PMGAA's property in any way, Consultant shall immediately repair or replace the damage at no cost to PMGAA, as directed by the PMGAA Executive Director. If Consultant fails or refuses to repair or replace the damage, then PMGAA may terminate the Contract, and PMGAA shall deduct the repair or replacement cost from money due Consultant under the Contract.
17. **Interpretation – Parol Evidence.** This Contract is intended by the parties as a final expression of their agreement and is intended also as a complete and exclusive statement of the terms thereof. No course of prior dealings between the parties and no usage of the trade shall be relevant to supplement or explain any term used in this Contract. Acceptance or acquiescence in a course of performance rendered under this Contract shall not be relevant to determine the meaning of this Contract even though the accepting or acquiescing party has knowledge of the nature of the performance and opportunity to object.
18. **Subcontracts.** Consultant shall not assign any rights or interest nor enter into any subcontract with any other party to furnish any of the materials, goods or services specified herein without the prior written permission of PMGAA. PMGAA may, at its sole discretion, accept or reject proposed subcontractors or assignment. PMGAA shall notify Consultant of its acceptance or rejection within forty-five (45) days or written request by Consultant. All subcontracts shall comply with federal and state laws and regulations applicable to the materials, goods or services covered by the subcontract and shall include all the terms and conditions set forth herein, which shall apply with equal force to the subcontract, as if the subcontractor were the Consultant referred to herein. Consultant is responsible for Contract performance whether subcontractors are used.
19. **No Waiver.** No provision in this Contract shall be construed, expressly or by implication, to waive either party's existing or future claim, right, or remedy available by law for breach of contract. The failure of either party to insist on strict performance of any Contract term or condition; to exercise or delay exercising any right or remedy provided in the Contract or by law; or to accept materials, services, or Consultant's services under this Contract or imposed by law, shall not be deemed a waiver of any right of either party to insist upon strict performance of the Contract.
20. **Warranties.** Consultant warrants that all materials and services delivered under this Contract shall conform to the specifications thereof. Mere receipt of shipment of the material or service specified and any inspection incidental thereto by PMGAA, shall not alter or affect the obligations of Consultant or the rights of PMGAA under the foregoing warranties. Additional warranty requirements may be set forth in this Contract.
21. **Indemnification.** To the fullest extent permitted by law, Consultant shall defend, save, indemnify, and hold harmless PMGAA, its agents, representatives, officers, directors, officials, and employees (collectively the "Indemnitees"), for, from and against all claims, damages, losses and expenses, including but not limited to attorney fees, court costs, expert witness fees, and the cost of appellate proceedings, relating to, arising out of,

or alleged to have resulted from the Consultant's acts, errors, omissions, or mistakes relating to Consultant's services under this Contract.

22. **Right to Assurance.** Whenever one party to this Contract in good faith has reason to question the other party's intent to perform, the former party may demand that the other party give a written assurance of this intent to perform. If a demand is made and no written assurance is given within five (5) business days, the demanding party may treat this failure as an anticipatory repudiation with this Contract.
23. **Advertising.** Consultant shall not advertise or publish information concerning this Contract without prior written consent of PMGAA.
24. **Right to Inspect.** PMGAA may, at reasonable times, and at PMGAA's expense, inspect the place of Consultant's or any of Consultant's subcontractor's business, which is related to the performance of this Contract or related subcontract.
25. **Force Majeure.** In the event either party shall be delayed or hindered in or prevented from the performance of any covenant, agreement, work, service, or other act required under this Contract to be performed by such party ("Required Act"), and such delay or hindrance is due to causes entirely beyond its control such as riots, insurrections, martial law, civil commotion, war, fire, flood, earthquake, or other casualty or acts of God ("Force Majeure Event"), then the performance of such Required Act shall be excused for the period of delay and the time period for performance of the Required Act shall be extended by the same number of days in the period of delay. For purposes of this Contract, the financial inability of Consultant to perform any Required Act, including, without limitation, failure to obtain adequate or other financing shall not be deemed to constitute a Force Majeure Event. A Force Majeure Event shall not be deemed to commence until ten (10) days before the date on which the party who asserts some right, defense, or remedy arising from or based upon such Force Majeure Event gives written notice thereof to the other party. If abnormal adverse weather conditions are the basis for a claim for an extension of time due to a Force Majeure Event, the written notice shall be accompanied by data substantiating (a) that the weather conditions were abnormal for the time and could not have been reasonably anticipated and (b) that the weather conditions complained of had a significant adverse effect on the performance of a Required Act. To establish the extent of any delay to the performance of a Required Act due to abnormal adverse weather, a comparison will be made of the weather for the time of performance of the Required Act with the average of the preceding ten (10) years' climatic range based on the National Weather Service statistics for the nearest weather reporting station to the Premises. No extension of time for or excuse for a delay in the performance of a Required Act will be granted for rain, snow, wind, cold temperatures, flood, or other natural phenomena of normal intensity for the locality where the Premises are located.
26. **Inspection.** All material or service is subject to final inspection and acceptance by PMGAA. Material or service failing to conform to the specifications of this Contract will be held at Consultant's risk and may be returned to Consultant. If so returned, all costs are the responsibility of Consultant. Noncompliance shall conform to the cancellation clause set forth in this Contract.
27. **Exclusive Possession.** All services, information, computer program elements, reports, and other deliverables, which may be created under this Contract, are the sole property of PMGAA and shall not be used or released by Consultant or any other person except with prior written permission by PMGAA.
28. **Title and Risk of Loss.** The title and risk of loss of materials or services shall not pass to PMGAA until PMGAA actually receives the material or service at the Airport, unless otherwise provided within this Contract.
29. **Liens.** All materials, services, and other deliverables supplied to PMGAA under this Contract must be free of all liens and other encumbrances. Upon request of PMGAA, Consultant shall provide a formal release of all liens.
30. **Licenses.** Consultant shall maintain in current status all federal, state, and local licenses and permits required for the operation of the business conducted by Consultant as applicable to this Contract.
31. **Subsequent Employment.** PMGAA may cancel this Contract without penalty or further obligation in accordance with A.R.S. Section 38-511 if any person significantly involved in initiating, negotiating,

securing, drafting, or creating the contract, on behalf of the PMGAA is or becomes, at any time while the Contract or any extension of the contract is in effect, an employee of, or a contractor to any other party to this Contract with respect to the subject matter of the Contract. Such cancellation shall be effective when the parties to this Contract receive written notice from PMGAA, unless the notice specifies a later time.

32. **Clean Up.** Consultant shall at all times keep Contract performance areas, including storage areas used by the Consultant, free from accumulation of waste material or rubbish and, prior to completion of the work, remove any rubbish from the premises and all tools, scaffolding, equipment and materials not property of PMGAA. Upon completion of any repair, Consultant shall leave the work and premises in clean, neat, and workmanlike condition.
33. **Patents.** Consultant shall defend, indemnify, and hold harmless PMGAA, its officers and employees from all liabilities, claims, damages, costs, or expenses, including, but not limited to attorneys' fees, for any alleged infringement of any person's patent rights or copyrights in consequence of the use by PMGAA, its officers, employees, agents, and other duly authorized representatives of tangible or intellectual property supplied to PMGAA by Consultant under this Contract.
34. **Records and Audit Rights.** Consultant's and all of its approved subcontractors' books, records, correspondence, accounting procedures and practices, and any other supporting evidence relating to this Contract, including the papers of all Consultant and subcontractor employees that work on the Contract (all the foregoing collectively referred to as "Records"), must be open to inspection and subject to audit and/or reproduction during normal working hours by PMGAA. PMGAA is entitled to evaluate and verify all invoices, payments or claims based on Consultant's and its subcontractor's actual costs (including direct and indirect costs and overhead allocations) incurred or units expended directly in the performance of work under this Contract. For any audit under this Section, Consultant and its subcontractors hereby waive the right to keep such Records confidential. PMGAA is entitled to access to these Records from the effective date of this Contract for the duration of the work and until five years after the date of final payment by PMGAA to Consultant under the Contract. During normal working hours, PMGAA is entitled to access to all necessary Consultant and subcontractor facilities and shall be provided adequate and appropriate workspace, in order to conduct audits under this Section. PMGAA shall give Consultant or subcontractors reasonable advance notice of intended audits. Consultant shall require its subcontractors to comply with the provisions of this Section by including its requirements in all subcontracts related to this Contract.
35. **E-Verify Requirements.** To the extent applicable under A.R.S. § 41-4401, Consultant and its subcontractors warrant compliance with all federal immigration laws and regulations that relate to their employees, and compliance with the E-Verify requirements under A.R.S. §23-214(A). Consultant's or its subcontractors' failure to comply with such warranty shall be deemed a material breach of this Contract and may result in the termination of this Contract by PMGAA. PMGAA shall have the right to inspect the papers of Consultant's and any of Consultant's subcontractor's employee who works on this Contract to ensure the Consultant is complying with this paragraph.