

RESOLUTION #2022-10

A RESOLUTION OF THE MAYOR AND TOWN COUNCIL OF THE TOWN OF CAREFREE, ARIZONA, TO AUTHORIZE THE MAYOR TO EXECUTE A CONTRACT WITH RURAL METRO FOR FIRE AND EMERGENCY SERVICES

WHEREAS, on February 15th, 2022, a joint public meeting of the Town Council and the Public Safety Advisory Committee (the "Committee") was held to publicly vet the Committee's recommendations to the Council and Community;

WHEREAS, in part, the Committee and Town Council expressed their desire to join the regional automatic aid dispatch system;

WHEREAS, the regional automatic aid system is a consortium of municipal fire departments and fire districts contractually bound to act as a regional fire department where the closest and most appropriate resources are seamlessly dispatched to an incident;

WHEREAS, the current mutual aid system operating within Carefree is a discretionary system of response where requests are made by Rural Metro to nearby first responders for assistance in a time of need but that assistance is not guaranteed;

WHEREAS, in order to qualify for automatic aid, the automatic aid partners require their approval as well as system enhancements provided by the incoming/approved partner;

WHEREAS, these enhancements and the projected increased operational costs require additional analysis by fire and financial experts to provide the citizens of Carefree and the Council an understanding of the options and basis for future Council and community decisions;

WHEREAS, the Town will be going through this analysis and presenting the community and Council options to consider this fall.

WHEREAS, due to the fact that the existing contract with Rural Metro is expiring, both the Public Safety Advisory Committee and the Town Council expressed a desire for a bridge contract with Rural Metro during this transitional period.

NOW, THEREFORE, IT IS RESOLVED by the Mayor and Town Council of the Town of Carefree, Arizona that the Town:

The Town Council approves and authorizes the Mayor to execute the contract title:
FIRE PROTECTION AND EMERGENCY MEDICAL SERVICES AGREEMENT
Between: The Town of Carefree, an Arizona municipal corporation and
Rural Metro Corporation, an Arizona corporation, dated July 1, 2022 and attached hereto as Exhibit "A".

PASSED AND ADOPTED BY the Mayor and Town Council of the Town of Carefree, Arizona, this 7th day of June, 2022.


AYES 7 NOES 0 ABSTENTIONS 0 ABSENT 0

FOR THE TOWN OF CAREFREE

A handwritten signature in black ink, appearing to read 'Les Peterson', written over a horizontal line.

Les Peterson, Mayor

ATTESTED TO:

A handwritten signature in black ink, appearing to read 'Kandace French Contreras', written over a horizontal line.
Kandace French Contreras, Town Clerk

APPROVED AS TO FORM:

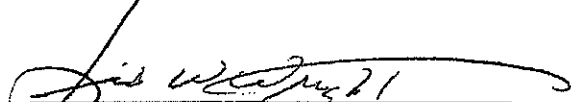
A handwritten signature in black ink, appearing to read 'Michael Wright', written over a horizontal line.
Michael Wright, Town Attorney

Exhibit A

**FIRE PROTECTION AND EMERGENCY MEDICAL
SERVICES AGREEMENT
BETWEEN**

**The Town of Carefree, an Arizona municipal corporation
AND
Rural Metro Corporation, an Arizona corporation**

July 1, 2022

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FIRE PROTECTION SERVICES AGREEMENT

THIS AGREEMENT is made and entered into this ____ day of _____, 2022 by and between the Town of Carefree, an Arizona municipal corporation (the "Town") and Rural Metro Corporation ("Rural Metro"), an Arizona corporation, and shall be effective as of July 1, 2022 (the "Effective Date").

RECITALS:

- A. The Town is a municipality created and existing under the law of the State of Arizona.
- B. The Town desires to provide for fire protection and emergency medical services within its municipal limits (also referenced as the "Primary Service Area"), as more particularly depicted on Appendix "A" attached hereto and incorporated herein by reference.
- C. Rural Metro is in the business of furnishing fire protection services, as well as emergency medical services (EMS) and currently holds the Certificate of Necessity for ambulance service in the Primary Service Area.
- D. Rural Metro desires to provide to the Town with fire protection and emergency medical services.
- E. The Town desires to enter into an agreement with Rural Metro whereby Rural Metro will provide the community with fire and emergency related services to be undertaken in accordance with the responsibilities set forth in this Agreement.
- F. Both parties acknowledge that Carefree will be working towards joining the Automatic Aid system. Therefore, the initial term of the agreement will be eighteen months (July 1, 2022 to January 2, 2024). This will permit Carefree to work on a succession plan to qualify for the Automatic Aid system. The Town can extend the contract a second term from the expiration of the initial term to June 30, 2027.

NOW THEREFORE, in consideration of the mutual undertakings and promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

ARTICLE I
GENERAL RESPONSIBILITIES, OBLIGATIONS AND DUTIES
OF RURAL METRO

1.1 Fire and Emergency Related Activities. In the Primary Service Area, Rural Metro and its personnel shall be trained and equipped to perform, and shall use its best efforts to perform the following fire and emergency related activities (referred to herein as the "Services"):

- a. Fire suppression activities relating to structures and buildings of whatever kind, brush fires, trash fires, or other fires of whatever nature.
- b. Advanced life support to all emergency medical requests or incidents. All full-time personnel responding to a medical emergency request or incident will hold a State Emergency Medical Technician certification. Additionally both the fire engines and the ambulance stationed in Carefree will be staffed by one Arizona State Certified Paramedic.
- c. Fire Prevention activities including code compliance inspection activities of existing occupancies.
- d. Provide plan review assistance as needed at no additional cost to the Town.
- e. Conduct inspections of new construction as required by the Town of all new fire protection systems, including but not limited to sprinkler systems, alarm systems, etc. Rural Metro will be responsible for assuring all fire protection Certificate of Occupancy requirements are met prior to Rural Metro signing off on the Certificate of Occupancy.
- f. Rural Metro will participate in community-wide fire prevention education programs to include public education activities to the community served by the Town as requested based on available resources.
- g. Rural Metro will maintain a community CPR training program at no cost to the citizens of the Town.
- h. Make available to the Town residents, fire safety reviews such as is customarily offered by Fire Departments.
- i. Enforce the Fire Prevention Code and other fire related ordinances as set forth by the State of Arizona and/or the Town.
- j. Perform fire cause (arson) investigations at no additional cost.
- k. Perform annual fire hydrant inspections for all hydrants in the Town's Primary Service Area. Such inspection shall be provided in the form approved by the Town Administrator. Upon completion of the inspections, the annual fire hydrant inspection report shall be filed with the Town, the Carefree Water Company and the Town of Cave Creek Utility Department. The reporting to the Cave Creek Utility Department and the Carefree Water Company will be required until the time when the accounts in

Carefree currently served by the Cave Creek Water Company are integrated into the Carefree Water Company system, at which time only reporting to the Carefree Water Company system will be required.

1. Provide standby activities for Town functions, parades, festival, etc. at no additional cost.

1.2 Training

- a. Rural Metro shall be required to maintain training levels consistent with Valley-wide standards, and with the recommendations set forth by the National Fire Protection Association, as amended from time to time, as defined in Appendix "E". Where a conflict exists between the above referenced authorities, the most stringent requirements will apply.
- b. Rural Metro shall provide all in-service training necessary to the performance of this Agreement. Rural Metro shall provide a minimum of 140 hours of training to each of its full-time firefighters not on disability. All policy and procedure manuals used in connection with this training shall be available to the Town, for its inspection and review and shall be updated on a regular basis.
- c. All shift-qualified firefighters (personnel trained on Rural Metro's process for fire and EMS responses) shall hold the Arizona Firefighter II level of certification or better and State Emergency Medical Technician certification. Rural Metro may, when a vacancy occurs, hire a Firefighter from another state or fire department who has achieved NFPA 1001 and Emergency Medical Technical certification. The individual must, within one (1) year of hire date, be certified as Arizona Firefighter II.
- d. All shift-qualified firefighters serving as a paramedic shall be certified by the Arizona Department of Health Services.

- 1.3 Response. Rural Metro shall respond to all calls that originate in the Primary Service Area in the manner set forth in Appendix "B".

- 1.4 Communication Center. Rural Metro shall, for the term of this Agreement, include the services of its present Communication Center. The Communication Center shall be equipped with U.L. approved equipment and be adequately staffed to receive fire and emergency related calls from the community, and shall dispatch the necessary emergency related vehicles in response to those calls. The equipment and staffing shall at all times be sufficient to handle predictable call volumes and demand fluctuations. Should Carefree determine to and be successful in joining the Automatic Aid system, Rural Metro will cooperate and assist Carefree with the required changes to Carefree's communication system during the change-over period to make it compatible with Automatic Aid requirements.

- a. All incoming telephone lines used by the public to request service, ring-down lines, and radio channels used to communicate with field units shall be recorded at

all times and capable of simultaneously recording and electronically time-stamping all such communications. The Communication Center shall retain all such recordings for a period of not less than six (6) months, and shall make available such recordings to the Town within three (3) business days of the request.

- b. Communication Center dispatch times of apparatus shall be measured and dispatch performance criteria met. A dispatch performance criterion is defined as requiring ninety percent (90%) of all emergency call dispatches to be completed within sixty (60) seconds. The dispatch times shall be measured from the point at which the emergency information is in queue (the time the address of the incident is identified) in the "call waiting section" of the Computer Aided Dispatch System (CAD), to the point at which the dispatcher initiates radio notification to the apparatus assigned to the response. Any dispatch taking more than sixty (60) seconds to complete shall be documented, and reports shall be provided to the Town.

- 1.5 Fire and Emergency Related Equipment Assignments. Fire and emergency related equipment provided pursuant to this Agreement shall be stationed in and assigned to specific stations in the Town of Carefree municipal limits. It is specifically understood and agreed between the parties hereto that Rural Metro may, in the event of emergency, provide the equipment assigned to the Town of Carefree municipal limits to other areas for mutual aid responses to other surrounding communities as long as any equipment is backfilled within the community as quickly as possible to ensure minimal disruption of service to the Town of Carefree corporate limits.

When Carefree based Engine 821 is responding for a service call, Rural Metro will call upon other supporting fire and emergency service apparatus if available, to ensure adequate coverage. These calls for supporting apparatus are termed move ups, and shall be made immediately after the dispatch of the units in the area left without adequate coverage. During the duration of this contract, Engine 825 shall be based within the Town of Carefree corporate limits to complement the services of Carefree based Engine 821. If Engine 825 is based within the Carefree fire station, a monthly fee of \$2,500 will be deducted from Carefree's monthly assessment. This monthly fee is separate from the monthly assessment for the Carefree based ambulance which will continue to be assessed and paid under terms of the separate agreement which will continue and remain in full force. The parties agree that the rent of \$2,500 per month represents fair market value.

- 1.6 Personnel. During the term of this Agreement, personnel shall be provided for as set forth in Appendix "F". In the event of sick, vacation, industrial injuries and other times of absence of full-time staff, positions may be filled by part-time shift qualified personnel.

- a. Exceptions to manning levels. In no event shall there be less than ninety-five percent (95%) on a daily basis of firefighting position (shift personnel) on

duty at all times. Manning levels must be brought up to full strength within twelve (12) hours of any time any firefighting personnel become unable to complete a scheduled shift.

- b. **Support Staffing Positions.** In addition to the positions set forth in Appendix "F," Rural Metro shall provide additional chief officers and manpower adequate to provide routine clerical, accounting, payroll, and such other functions as are elsewhere delineated in the Agreement. Rural Metro will staff a Fire Chief position in the Town, who will maintain an office at the Carefree Fire Station.
 - c. The Town Administrator shall be responsible for communicating issues or concerns on behalf of the Town to the Fire Chief with respect to the implementation of fire protection and emergency medical services. While the Town Administrator shall have no chain of command authority to direct the operations of Rural Metro employees, such authority being reserved to the Fire Chief, the parties to this Agreement understand that the Town expects Rural Metro to reasonably respond to its needs for fire protection and emergency medical services as communicated through the Town Administrator.
- 1.7 **Required Reports.** Rural Metro shall be responsible for assembling and recording all performance based statistics and any other report required pursuant to this Agreement. All reports, with the exception of the annual report, will be made available on a monthly basis, and must be completed and made available to the Town Administrator within fifteen (15) calendar days after the end of each month. The reports that are required monthly pursuant to this Agreement are shown in Appendix "G". The Town reserves the right to audit Rural-Metro's contract compliance and emergency operations performance records in connection with this Agreement within seven (7) business days of written request.
- 1.8 **Annual Reports.** An annual report covering the period of time between July 1st of the preceding year and June 30th of the then-current year shall be filed with the Town by August 1st for each fiscal year that this Agreement is in effect. The annual report shall include, but not be limited to, a description of Rural Metro's specific implementation of the prior fiscal year's goals and objectives relating to fire operations, fire prevention, public education and the reporting metrics contained in Appendix "G".
- 1.9 **Response Time.** Throughout the term of this Agreement, Rural Metro's response time on all Code 3 calls that originate from within the Primary Service Area, shall meet the requirements as set forth in Appendix "H".

ARTICLE II TERM, TERMINATION AND CONSIDERATION

2.1 Term. There will be two term defined by this Agreement:

The "Initial Term": This term shall be for a period of time from effective date of July 1, 2022 to January 2nd, 2024 (eighteen months).

The "Second Term": This term shall be from January 3, 2024 to June 30, 2027 (42 months).

On or before June 30, 2023, the Town shall provide written notice to Rural Metro whether the Town will be terminating the Agreement on January 2nd, 2024 (the termination date of the Initial Term). If such written notice is not provided, the Second Term of the Agreement shall automatically take effect.

2.2 Consideration. For the performance of the Services set forth in this Agreement, the Town shall pay Rural Metro an annual rate of \$1,859,000(the "Agreement Price") in equal monthly payments for the eighteen (18) month Initial Term. Such Agreement Price shall be adjusted after the initial eighteen (18) month term pursuant to Section 2.3.

2.3 Increased Compensation And Services. The Agreement Price will be adjusted as follows:

- a. If a Second Term is automatically extended, pursuant to the Section 2.1, beginning July 1, 2025 and on July 1 of each year thereafter of this Agreement, the then-current Agreement Price for the Services shall be increased using escalators derived from the U.S. Department of Labor, Bureau of Labor Statistics reports for the Phoenix/Mesa, Arizona area. The escalator will be an average of CPI-U and CPI-W over the five (5) years prior to the adjustment, plus 1%. This annual escalator, however, shall be capped at a maximum escalator of 2.5% per year, and a minimum escalator of at least 1.5% per year.
- b. Additions or deletions of manpower, equipment, stations, service areas or types of service during the term of this Agreement may only occur upon a written amendment to this Agreement, signed by both parties;
- c. In the event of an unusual circumstance, such as insurance market collapse or an extraordinary increase in rates or regulatory changes, Rural Metro retains the right to document and request an adjustment to the Contract Price for such specific unusual circumstance. The Town retains sole authority to approve or disapprove that request, which shall not be unreasonably withheld.

2.4 Termination By Rural Metro.

- a. For Convenience. Rural Metro may terminate this agreement for convenience eighteen (18) months after written notice to the Town.
- b. For Non-Payment by The Town. Rural Metro shall have the right, upon thirty (30) days written notice, to cease service as required by this Agreement in the event the Town fails to pay the compensation as provided for under this Agreement, when due. The Town further relieves and releases Rural Metro of any liability for any losses, liabilities, costs and claims occurring during such time Rural Metro has ceased services as provided herein. Notwithstanding the above, Rural Metro reserves all other rights and legal remedies which may be available to it.

2.5 Termination By The Town

- a. For Convenience or Lack of Funding. During the Initial Term of this Agreement the Town may provide written notice to Rural Metro on or before June 30, 2023 for termination no earlier than January 2, 2024. During the Second Term of this Agreement the Town may provide three (3) months written notice to Rural Metro. Upon termination for convenience or lack of funding, Rural Metro shall be paid for services performed to the termination date.
- b. For Cause. The Town may terminate this Agreement for cause in accordance with the following procedures:
 1. Procedure in the Event of a Major Default. If a Major Default, as set forth in Appendix "I" occurs, Rural Metro shall have thirty (30) days from receipt of notice from the Town of such Major Default to correct that Major Default or provide the Town an acceptable plan to correct the Major Default. If in the reasonable decision of the Town Council, the Major Default has been corrected or the plan to correct such Major Default is deemed acceptable within that thirty-day period, then this Agreement remains in full force and effect. If, in the reasonable decision of the Town Council, the Major Default has not been corrected or the plan to correct is unacceptable, the Town may terminate this Agreement upon giving not less than thirty (30) days written notice to Rural Metro. If Rural Metro does not agree with the decision of the Town Council, then the decision on determining if the Major Default has been corrected will be made by an private arbitrator mutually agreed upon by the Town and Rural Metro.
 2. Procedure in the Event of Other Violations. Violations of this Agreement, including, but not limited to, failure by Rural Metro to materially perform any covenant, condition or agreement to be performed by it pursuant to this Agreement, that are not listed as Major Defaults in Appendix "I", shall be remedied within thirty (30) days of written notification from the Town. Any violation left uncorrected for more than thirty (30) days after

written notification may be declared a Major Default and the procedure set forth above shall apply.

3. Five Major Defaults. The Town, at its sole option, may also terminate this Agreement upon giving not less than thirty (30) days notice if five (5) or more Major Defaults occur within any consecutive twelve (12) month period, regardless of whether Rural Metro has timely cured all such Major Defaults as set forth above.

ARTICLE III FIRE STATION, MAINTENANCE AND EXPENSES

- 3.1 Fire Station. The Town shall provide, for Rural Metro's use in the Town of Carefree, one Fire Station at no charge pursuant to Sections 1.5, and 3.2 thru 3.10, (with exception of fees defined within this Agreement and separate agreement associated with Ambulance) to Rural Metro in light of services performed. Such station will be located at a site designated by the Town. Rural Metro hereby agrees that the Fire Station shall be sufficient to allow Rural Metro to perform the Services during the term of this Agreement.
- 3.2 Structural Changes. Rural Metro may not make any structural changes to the Fire Station without the express, prior, written approval of the Town Council. All structural changes shall be at Rural Metro's sole expense unless the Town and Rural Metro agree otherwise in writing.
- 3.3 Building Maintenance. Except as set forth in Section 3.4 below, the Town shall be responsible for all maintenance of the Fire Station and station grounds. The Town shall be responsible for such items as, but not limited to, major building repairs, air conditioning and heating, electrical repairs, parking lot, and providing plants for landscaping. In the event Rural Metro desires upgrades on station equipment or landscaping, such upgrades shall be at Rural Metro's expense.
- 3.4 Daily Maintenance. Rural Metro shall be responsible for daily maintenance including pest control, upkeep of the interior of the Fire Station, station grounds, including mowing and trimming, landscaping upkeep, minor repairs of premises, and custodial and housekeeping services.
- 3.5 Utilities. Rural Metro shall be responsible for the cost of all water, waste water, electrical, gas, and cable services to the Fire Station.
- 3.6 Telephone Service. Rural Metro shall be responsible for the cost of the monthly telephone service used at the Fire Station. The Town shall have the right to install, at its own expense, telecommunication and/or computer equipment to enhance connectivity between the Fire Station and the Town's administrative offices.

- 3.7 Damage or Destruction. Rural Metro agrees to notify the Town of any fire or other damage that occurs to either Fire Station or station grounds. Such notice shall be given within twenty-four (24) hours of such fire or other damage. Any such damage that occurs due to the sole negligence of Rural Metro, its employees or contractors, shall be repaired at the sole expense of Rural Metro.
- 3.8 Access to Facilities. Rural Metro shall permit the Town, its agents, and employees to have access to and to enter the Fire Station at all reasonable times for any purpose reasonably connected with the Town's interest as owner of the Fire Station or in implementation of this Agreement.
- 3.9 Preventive Maintenance. Rural Metro and the Town shall each establish and maintain a comprehensive preventative maintenance program for the Fire Station and grounds under their respective areas of responsibility.
- 3.10 Return of Property Upon Termination. Upon termination of this Agreement by either party for any reason, all building and grounds shall be returned to the Town in the same condition as they were in at the execution of this Agreement, except for structural changes properly made under 3.2 herein, non-structural changes and except for normal wear and tear and casualty caused by force majeure events.

ARTICLE IV FIRE APPARATUS AND EQUIPMENT OWNERSHIP MAINTENANCE AND REPLACEMENT REQUIREMENTS

- 4.1 Fire and Emergency Equipment Requirements and Responsibilities. The Town shall provide a fire pumper truck and necessary medical and related miscellaneous and auxiliary equipment to meet operational requirements, as listed in Appendix J, attached hereto and incorporated herein by reference (the "Equipment"). Rural Metro hereby agrees that such Equipment shall be sufficient to allow Rural Metro to provide the Services during the term of this Agreement. In addition to the Equipment, the Town shall be responsible for providing and purchasing all miscellaneous fire and emergency-related equipment following the most recent NFPA recommended standards, as may be amended from time to time (the "Miscellaneous Equipment"). The Miscellaneous Equipment shall include, but is not limited to, nozzles, deluge apparatus, entry tools, hose accessories, first aid kits, oxygen, rescue tools, suction units and other equipment needed to perform the Services set forth in this Agreement.
- 4.2 Fire Station. The town shall purchase fixtures, appliances and furnishings reasonably needed in the daily operation of the Fire Station.
- 4.3 Emergency Communications Equipment. Rural Metro shall purchase, install and maintain the needed emergency dispatch/communications equipment for all fire apparatus or emergency vehicles; however, the Town will provide the portable

radios. The Fire Station and vehicles shall be equipped with radios capable of utilizing Rural Metro's frequency.

- 4.4 Air Compressors and Generators. The Town shall be responsible for the purchase of all air compressors and emergency power generators located at the Fire Station. Rural Metro shall be responsible for air quality testing of such air compressors.
- 4.5 Fire and Emergency Apparatus Purchasing and Procedures. When, in the opinions of both Rural Metro and the Town Administrator, it is advisable to purchase additional fire, emergency and staff apparatus or vehicles, Rural Metro and the Town Administrator shall mutually agree upon such purchase and shall forward a recommendation to the Town Council for approval of such purchase. If approved by the Town Council, the Town shall pay for such purchase. During the term of this Agreement, Rural Metro shall follow the Town's budgetary process when requesting the purchase of new apparatus for any upcoming fiscal year. Rural Metro shall provide all necessary documentation, meet all filing deadlines and have personnel available for all presentations during this budgetary process.
- 4.6 Maintenance of Apparatus and Equipment. Rural Metro will maintain Town-owned apparatus and Equipment and will bill the Town for maintenance costs at a rate of costs plus six percent (6%).
- 4.7 Fuel. The Town shall be responsible for fuel and lubricants for Town owned fire and emergency vehicles. Rural Metro will bill the Town for actual cost of fuel and lubricants.
- 4.8 Reserve Apparatus Replacement. Rural Metro, at no cost to the Town, and on a temporary basis, will provide a reserve fire pumper truck for those occasions when the primary pumper truck is out of service due to mechanical problems or long-term maintenance and repair. In those events exceeding 30 days, the Town Administrator and Rural Metro will mutually negotiate a reasonable fee for extended use of a Rural Metro pumper truck. Carefree E821 shall not be used as a reserve fire pumper truck for E825. Rural Metro shall provide their own separate reserve fire pumper truck for E825 if the primary truck is out of service due to mechanical problems or maintenance.

ARTICLE V CONFIDENTIALITY

From and after the date hereof, neither party hereto will reveal, divulge or make known to any person, firm or corporation any Confidential Information (as hereinafter defined) obtained by such party during the term of this Agreement. "Confidential Information" includes, but is not limited to: financial information; audited and unaudited financial reports; operational budgets and strategies; methods of operation; strategic plans; business methods, practices or plans; marketing plans and strategies; management systems programs; computer systems; personnel and compensation information and payroll data; insurance data and loss history, educational and training materials; and other such reports, documents or information. Upon termination of this Agreement, or at any time a party may so request, the other party shall turn over to the requesting party all notes, memoranda, notebooks, or other records or documents delivered to it by the requesting party concerning any Confidential Information, including any copies in its possession (and any computer print-outs, computer tapes, floppy disks, cd-roms, etc.), it being agreed that such Confidential Information is the property of the other party. "Confidential Information" does not include any information that (i) is already lawfully in the possession of or known by a party before receiving the information (ii) is or becomes publicly known through no violation of this Agreement; (iii) is lawfully received by a party from any third party without restriction on disclosure or use; (iv) is independently developed without violating this Agreement by a party's employees who have not had access to any of the Confidential Information; (v) is required to be disclosed by (a) state law pursuant to a public records request or (b) court order following notice sufficient to allow the party to contest such order; or (vi) is expressly approved in writing, by a party's General Counsel, for release or other use by the party. The provisions of this paragraph shall survive the termination of this Agreement.

ARTICLE VI MUTUAL AID, INSURANCE AND INDEMNIFICATION

6.1 Mutual Aid Agreements. The Town may negotiate with other government agencies or their representatives for the purpose of entering into mutual aid agreements. Rural Metro agrees to honor all existing and future mutual aid agreements and fire service contracts; provided, however, that any mutual aid agreement entered into by the Town which commits and/or engages the services of Rural Metro for a fee, is subject to the reasonable approval of Rural Metro. Rural Metro will assist in any negotiations if requested by the Town. The Town agrees to honor any or requests for assistance from any other fire department.

6.2 Insurance.

a. General

1. Insurer Qualifications. Without limiting any obligations or liabilities, Rural Metro shall purchase and maintain, at its own expense, hereinafter

stipulated minimum insurance with insurance companies duly licensed by the State of Arizona with an AM Best, Inc. rating of B+ or above with policies and forms reasonably satisfactory to the Town. Failure to maintain insurance as specified herein may result in termination of this Agreement at the Town's option following a 30 day prior notice and cure period to Rural Metro.

2. No Representation of Coverage Adequacy. By requiring insurance herein, the Town does not represent that coverage and limits will be adequate to protect Rural Metro. The Town reserves the right to review any and all of the insurance policies and/or endorsements cited in this Agreement but has no obligation to do so. Failure to demand such evidence of full compliance with the insurance deficiency shall not relieve Rural Metro from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Agreement.
3. Additional Insured. The Commercial General Liability and Automobile Liability insurance coverage required hereunder shall name the Town, its agents, representatives, officers, directors, officials and employees as Additional Insured's.
4. Coverage Term. All insurance required herein shall be maintained in full force and effect until all work or Services required to be performed under the terms of this Agreement are performed and completed.
5. Primary Insurance. Rural Metro's Commercial General Liability and Auto Liability insurance shall be primary insurance as it relates to bodily injury and/or property damage caused by Rural Metro in the performance of its Services hereunder.
6. Claims Made. In the event any insurance policies required by this Agreement are written on a "claims made" basis, coverage shall extend for two years past completion of the Services. Such continuing coverage shall be evidenced, upon request, by submission of annual Certificates of Insurance citing applicable coverage is in force and contains the provisions as required herein for the two-year period.
7. Waiver. The Commercial General Liability and Auto Liability policies shall contain a waiver of rights of recovery (subrogation) against the Town, its agents, representatives, officials, officers and employees for any claims caused by the work or Services of Rural Metro.

8. Policy Deductibles and/or Self-Insured Retentions.

Notwithstanding anything to the contrary in this Agreement, it is specifically acknowledged and agreed: (i) that the insurance coverage and limits of liability required by this Agreement may be provided by a combination of primary and excess liability policies and self-insurance retentions or deductibles as applicable; (ii) that Rural Metro, and not the Town, is responsible for paying the deductible or self-insured retention under the policy as it relates to bodily injury or property damage caused by Rural Metro in the performance of its Services; and (iii) that the insurance policies purchased by Rural Metro provide coverage for general operations of Rural Metro and its affiliates, and such policies include coverage applicable to, but not exclusively limited to, this Agreement and the work or Services provided pursuant to this Agreement. Rural Metro further agrees and understands that, in lieu of bonding or other security for such self-insured retention amounts, that the Town has relied upon Rural Metro's assertion that Rural Metro is required to provide such security, in the amount of any deductibles or self-insured retention amounts, to the insurance companies providing it with the insurance coverages required in this Agreement.

9. Evidence of Insurance. Prior to commencing any work or Services under this Agreement, Rural Metro shall furnish the Town with certificate(s) of insurance, or formal endorsements as required by this Agreement, issued by Rural Metro's insurer(s) as evidence that policies are placed with acceptable insurers as specified herein and provide the required coverages, conditions and limits of coverage specified in this Agreement and that such coverage and provisions are in full force and effect. If a certificate of insurance is submitted as verification of coverage, the Town shall reasonably rely upon the certificate of insurance as evidence of coverage but such acceptance and reliance shall not waive or alter in any way the insurance requirements or obligations of this Agreement. If any of the above-cited policies expire during the life of this Agreement, it shall be Rural Metro's responsibility to forward renewal certificates within ten days after the renewal date containing all the aforementioned insurance provisions. Certificates of insurance shall specifically include the following provisions:

- (A) The Town, its agents, representatives, officers, directors, officials and employees are Additional Insured's as required in this Agreement.
- (B) Rural Metro's insurance shall be primary insurance as it relates to bodily injury or property damage caused by Rural Metro in the performance of its Services under this Agreement.
- (C) The Commercial General Liability and Auto Liability policies waive rights of recovery (subrogation) against Town, its agents, representatives, officers, officials and employees for any

claims caused by work or Services performed by Rural Metro under this Agreement.

10. New Certificates. If Rural Metro replaces or upgrades any of its policies during the term of this Agreement, Rural Metro shall forward renewal certificates to the Town Administrator within ten (10) days after the effective date of such renewal policies.

11. Market Fluctuations. The Town acknowledges that, from time to time, insurance market fluctuations may increase the premiums Rural Metro must pay in order to secure the coverage required by this Agreement. The parties agree that such fluctuations are a normal cost of doing business that Rural Metro shall bear in accordance with its annual budget. Once quarterly, Rural Metro may request, but Town is under no obligation to provide, additional funds from the Town Council for the purpose of obtaining funding to offset significant increases in the cost of insurance, so long as the increase is due to no fault of Rural Metro, but is independently attributable to market factors that affect the insurance market for similarly situated insured's.

~~12.~~ Review. This Agreement gives the Town certain rights of audit and review as to Rural Metro financial matters-

13. Fire Insurance Grading and Regarding. The Town shall cooperate with Rural Metro to maintain the Insurance Office grading of Rural Metro that is in existence at the time of execution of this Agreement.

a. Required Insurance Coverage.

1. Commercial General Liability. Rural Metro shall maintain Commercial General Liability insurance with a coverage limit of \$10,000,000 for each occurrence. The policy shall cover bodily injury and property damage arising from premises, operations, independent contractors, and products-completed operations.
2. Professional Liability. Rural Metro shall maintain Professional Liability insurance covering negligent errors and omissions that arise out of the Services performed under this Agreement and that are caused by Rural Metro, or anyone employed by Rural Metro, or anyone for whose negligent acts, mistakes, errors and omissions Rural Metro is legally liable, with coverage limits of not less than \$10,000,000 for each occurrence.
3. Vehicle Liability. Rural Metro shall maintain Automobile Liability insurance with a coverage limit of not less than \$10,000,000 for each occurrence on Rural Metro's owned, hired and certain non-owned vehicles assigned (specifically, the Equipment provided by the Town) to

and used in the performance of Rural Metro's Services under this Agreement. Are we leasing Equipment from the Town? If not, our AL coverage will not apply.

4. Workers' Compensation Insurance. Rural Metro shall maintain Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Rural Metro's employees engaged in the performance of work or Services under this Agreement and shall also maintain Employers Liability Insurance of not less than \$2,000,000 for each accident, \$2,000,000 disease for each employee and \$2,000,000 disease policy limit.
5. Cancellation and Expiration Notice. Insurance required herein shall not expire, be canceled, or be materially changed without 30 days prior written notice to the Town.

6.3 Indemnification.

- a. Rural Metro shall indemnify and hold harmless the Town, its authorized agents, officers, directors and employees for, from and against all costs, claims, losses, liabilities, penalties, expenses, or other damages, including but not limited to settlements, judgments, court costs, reasonable fees of attorneys and experts, caused by or resulting from the negligent or intentional acts or omissions by Rural Metro, its authorized agents, subcontractors, officers, directors and employees committed in the course of performing its obligations under this Agreement. Nothing in this section shall limit any right to contribution or other allocation of fault between the parties as determined by a court of competent jurisdiction and as permitted by all applicable state and federal laws.
- b. The Town shall indemnify and hold harmless Rural Metro, its authorized agents, officers, directors and employees for, from and against all costs, claims, losses, liabilities, penalties, expenses, or other damages, including but not limited to settlements, judgments, court costs, reasonable fees of attorneys and experts, caused by the gross negligence or intentional acts or omissions by the Town, its authorized agents, officers, directors and employees. Nothing in this section shall limit any right to contribution or other allocation of fault between the parties as determined by a court of competent jurisdiction and as permitted by all applicable state and federal laws.
- c. The amount and type of insurance coverage requirements set forth in this or any other Agreements between the parties will in no way be construed as limiting the scope of indemnity provided by this Section.

ARTICLE VII MISCELLANEOUS

- 7.1 Governing Law. This Agreement shall be governed, construed and controlled according to the laws of the State of Arizona. The parties agree to comply with all applicable Town, County, State and Federal laws.
- 7.2 Binding Effect. This Agreement and the terms, provisions, promises, covenants and conditions hereof, shall be binding upon and shall insure to the benefits of the parties hereto and their respective successors, assigns or other legal representative as herein provided.
- 7.3 Legal Fees. In the event either party brings any action for any relief, declaratory or otherwise, arising out of this Agreement, or on account of any breach or default hereof, the prevailing party shall be entitled to receive from the other party, reasonable attorneys fees, costs, and expenses.
- 7.4 Waiver. It is agreed and understood that any failure to strictly enforce any provision hereof shall not constitute a waiver of right to demand strict performance of that or any other provisions hereof at any time thereafter.
- 7.5 Severability. The terms and conditions of this Agreement are separate and separable, and if for any reason, any court of law or administrative agency should deem any provision hereof invalid or inoperative, the remaining provisions of this Agreement shall remain valid and in full force and effect.
- 7.6 Independent Contractor. Rural Metro is an independent contractor and nothing in this Agreement shall be construed as creating an employment relationship, agency, partnership, or joint venture between the parties. Each party shall control and direct the methods by which it performs its responsibilities hereunder.
- 7.7 Assignment. No right or obligation hereunder may in any way whatsoever be assigned or delegated to a third party without the express prior written consent of the other party hereto. Notwithstanding the above, this Agreement or any or all of the services required herein may be assigned or subcontracted to any of Rural Metro's affiliates, effective upon the written approval of the Town.
- 7.8 Notices. Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (i) delivered to the party at the address set forth below, (ii) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below, (iii) given to a recognized and reputable overnight delivery service, to the address set forth below or (iv) delivered by facsimile transmission to the number set forth below:

If to the Town: Town of Carefree
8 Sundial Circle
P.O. Box 740
Carefree, Arizona 85377
Facsimile: (480) 488-3845

With copy to: Town Attorney
c/o Town of Carefree
8 Sundial Circle
P. O. Box 740
Carefree, Arizona 85377

If to Rural Metro: Rural Metro
Corporation 3051
S. Wilson Street,
Tempe , AZ 85282,
Attn: Central
Arizona Fire Chief

With a Copy to: Global Medical
Response, 6363 S.
Fiddlers Green, Ste.
1400 Circle,
Greenwood Village,
CO 80111
Attn: Legal
Department Attn:
General Counsel

or at such other address, and to the attention of such other person or officer, as any party may designate in writing by notice duly given pursuant to this Section. Notices shall be deemed received (i) when delivered to the party, (ii) three business days after being placed in the U.S. Mail, properly addressed, with sufficient postage, (iii) the following business day after being given to a recognized overnight delivery service, with the person giving the notice paying all required charges and instructing the delivery service to deliver on the following business day, or (iv) when received by facsimile transmission during the normal business hours of the recipient. If a copy of a notice is also given to a party's counsel or other recipient, the provisions above governing the date on which a notice is deemed to have been received by a party shall mean and refer to the date on which the party, and not its counsel or other recipient to which a copy of the notice may be sent, is deemed to have received the notice.

7.9 Entire Agreement, Conflicts, Amendment. With the exception of the

Ambulance Agreement, this Agreement constitutes the entire agreement between the parties with relation to the subject matter hereof, and supersedes any previous Agreement or understanding, whether oral or otherwise. In the event of a conflict with the provisions of this Agreement and any exhibits thereof, the terms of this Agreement shall control. No addition, deletion, or other amendment hereto may be made except as is agreed in writing by both parties.

- 7.10 Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.
- 7.11 Force Majeure. Except for payment obligations, either party shall be excused for failures and delays in performance of its respective obligations under this Agreement due to any cause beyond its control and without fault, including without limitation, any act of God, war, riot or insurrection, law or regulation, terrorist act, strike, flood, fire, explosion or inability due to any of the aforementioned causes to obtain labor, materials, roadways or facilities. Nevertheless, each party shall use its best efforts to avoid or remove such causes and to continue performance whenever such causes are removed, and shall notify the other party of the problem.

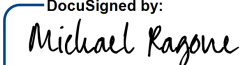
IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed on the day and year first above written,

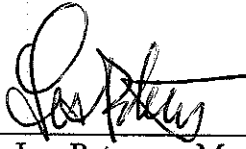
Rural Metro

Town

**Rural Metro Corporation,
an Arizona corporation**

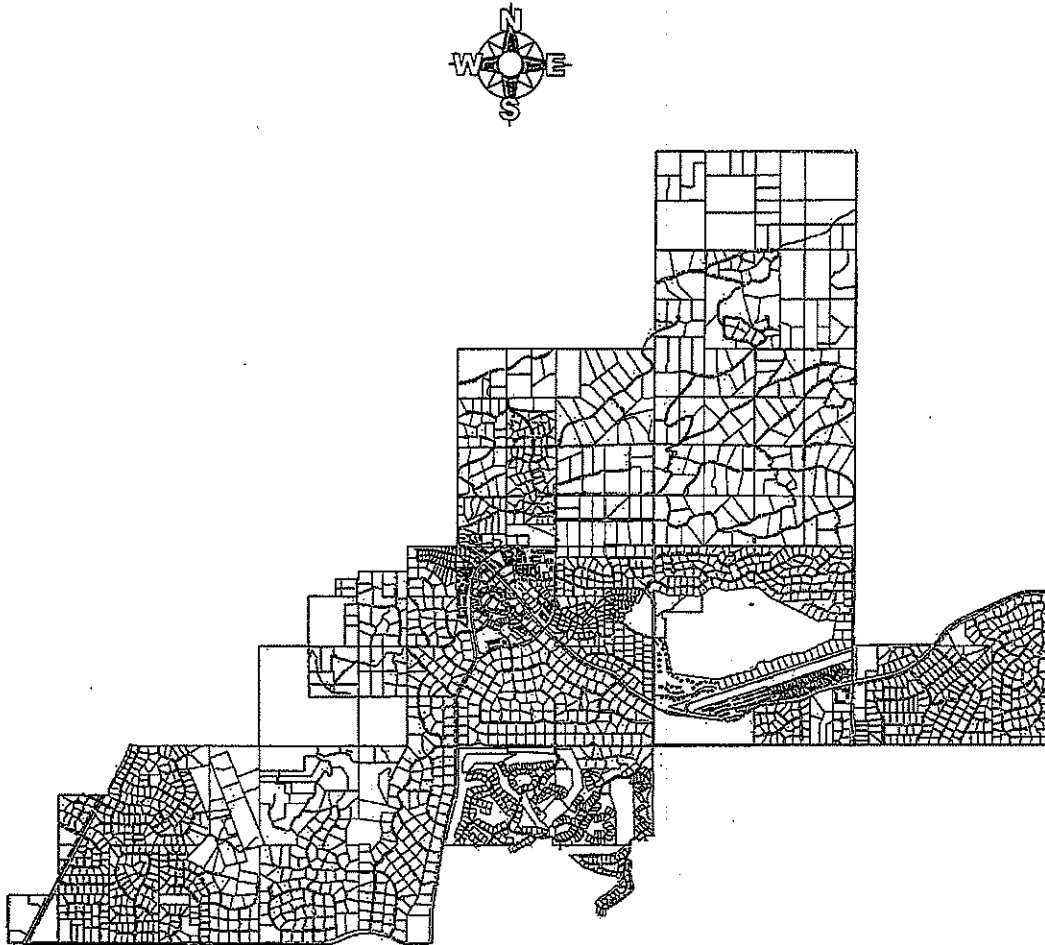
**The Town of Carefree,
an Arizona municipal corporation**

DocuSigned by:

By: 757230B46A8746C
Michael Ragone, National Fire Chief,


By: _____
Les Peterson, Mayor

APPENDIX A

Town of Carefree Corporate/Municipal Boundaries



APPENDIX B INCIDENT RESPONSE TYPING

Rural Metro shall respond either Code 2 or Code 3, as noted, to the following:

Commercial Assignments

Code 3 (Emergency Response)

Multi-Unit Commercial Assignments include but may not be limited to incidents where fire or smoke is visible or the possibility of large loss of life due to:

Commercial Structural Fires

Report of Explosion or collapse in a commercial building

Residential Assignments

Code 3 (Emergency Response)

Multi-Unit Residential Assignments include, but may not be limited to incidents where fire or smoke is visible or the possibility of loss of life due to:

Residential Structural Fires

Report of Explosion or collapse in a residential building

Grade 1 Commercial Assignments

Code 2 (Non-emergency
Response/Discretionary)

Grade 1 Commercial Assignments include, but are not limited to, incidents where there is a report or fire alarm, smell of smoke, water flow without visible smoke or fire in a commercial structure.

Grade 1 Residential Assignment

Code 2 (Non-Emergency Response/
Discretionary)

Grade 1 Residential Assignments include, but are not limited to, incidents where there is a report of fire alarm, smell of smoke, water flow without visible smoke or fire in a residential structure.

Still Assignment (single engine response)

Code 3 (Emergency Response)

Single unit response to a report of fire or emergency including, but not limited to:

Vehicle Fire

Brush Fire

Refuse Fire

Non-EMS Rescue

Person Trapped

Emergency Medical Assignment Code 3 (Emergency Response)

Single unit response (includes ambulance) to a report of injury or illness including but not limited to:

Vehicle Accidents

Assaults

Asphyxiation/Choking

Burns

Difficulty Breathing

Drowning

Electrocution/Shock

Fall

Heart Attack

- Illness/Sickness
- Obstetrical
- Overdose/Poisoning
- Person Down/Unconscious
- Person Trapped
- Psych/Behavioral
- Suicide/Attempted Suicide
- Other Medical
- Other Trauma

Hazardous Incidents

Code 3 (Emergency Response)

Multi-Unit or single unit response to a report of unconfirmed Hazardous Material situation including but not limited to:

- Fuel Leak
- Electrical Problem
- Structural Collapse
- Explosion
- Hazardous Condition or Stand-by

Service Incidents

Code 2 (Non-Emergency/Discretionary)

Single unit response to a request for emergency Code 2 service including but not limited to:

- Invalid Assistance
- Water Problems
- Dangerous Animal Removal
- Sprinkler Activation without Fire
- Animal Trapped
- Check Odor
- Vehicle Lockouts
- House Lockouts

APPENDIX C
INCIDENT RESPONSE RESOURCES

UNITS

E821 Carefree Engine
E825 Must be based in Carefree
Rescue 821
Chief Officer

PERSONNEL

1 Captain, 23 firefighters
1 Captain, 3 firefighters
2 firefighters
1 Chief Officer

Total = 10 minimum

Mutual Aid Requested as needed.

Mutual Aid Response

3 Engines
1 ladder
1 Battalion Chief

12 Firefighters
4 Firefighters
2 officers

Mutual Aid Total = 18 firefighters

MOVE UPS

(Units available to move into the Town during extended out-of-service events or long-term working incidents).

Engine 833, (West Metro) to Station 821

Engine 857, (East Valley) to Station 825
East Valley

Engine 822, (Fountain Hills) as needed

Total – 12 Firefighters

APPENDIX D FIRE CODE

In the interest of community safety, Rural Metro will work closely with the Town staff to evaluate, adopt and enforce a nationally recognized fire code along with the associated National Fire Protection Association Standards documents. Rural Metro will follow and enforce the codes/standards that are in effect under Article 10-1 of the Town Code, as amended.

APPENDIX E STANDARDS FOR TRAINING

The following handbooks are used in the training of fire personnel:

IFSTA Essentials of Firefighter, Fourth Edition
NFPA 1001 Professional Firefighters Qualifications 7th edition
NFPA 1021 Fire Officers Professional Qualifications 6th edition
International Fire Code Institute – Certified Uniform Fire Code Inspector

These publications will be reviewed and updated by written mutual agreement between Rural Metro and the Town.

APPENDIX F
STAFFING LEVELS

Rural Metro Fire Shift (24 hr) Personnel Engine 821

1 Fire Captain
1 Firefighter Paramedic
1 Firefighter (EMT)

Rural Metro 9-1-1 (24 hr) – Rescue 821/Ambulance Personnel*

1 Firefighter Paramedic
1 Firefighter Emergency Medical Technician (EMT)

*Carefree based ambulance is dispatched with Carefree Engine 821

If Carefree based ambulance is providing service an additional ambulance will be moved up to serve Carefree while Carefree based ambulance is providing service.

APPENDIX G REQUIRED REPORTS

The following are the required monthly reports to be made available by Rural Metro to the Town for Engine 821 and Engine 825 (responses to Carefree only):

- Total number of incidents responded to in the Town of Carefree municipal boundaries (also referred to as Primary Service Area).

- Average response times and dispatch times per Section 1.4 B

- Fire loss/potential report

- Response and dispatch exceptions

- Training hours

- Building and site inspections

- Building and site plan reviews

- Public education activity

- Apparatus maintenance activity

The parties agree that the Rural Metro Fire Chief assigned to the Town and the Town Administrator, or his designee, will meet at the request of the Town Administrator as needed to perform a thorough review of the reports required in the Agreement and to discuss performance and/or contract issues. At the discretion of the Town Administrator, the Fire Chief may also provide a quarterly presentation to the Town Council.

The annual report required in Section 1.8 shall contain the overall annual compilation of metrics stated above (Appendix G) and shall be provided to the Town Administrator.

APPENDIX H RESPONSE TIMES

Response Time. Throughout the term of this Agreement, Rural Metro's response time per call on all Code 3 calls that originate from within the Town of Carefree, shall be six (6) minutes or less per call, for emergency responses within the Town of Carefree.

- a. **Response Time Definition.** Response time is defined as that period of time between when the first apparatus goes enroute to a Code 3 call, to the time of the arrival of the first piece of emergency or fire apparatus at the address of the call.
- b. **Response Time Liabilities.** Rural Metro shall meet the response time requirements set forth herein a minimum of ninety percent (90%) of the time excluding exceptions.

Performance Evaluation/Exception. In performing calculations to evaluate Rural Metro's response time performance as set forth herein, all response times originating from within the Town of Carefree municipal limits (also referred to as primary service area) herein, shall be included except as follows:

- a. Response times shall be excluded where a Rural Metro unit is instructed to "downgrade" the response time from a higher priority level to a lower priority level (i.e., Code 3 lights and sirens to Code 2 no lights and sirens) by the caller or third party.
- b. Response times may be excluded which occur during periods of such severe weather and road conditions which could reasonably be expected to substantially impair Rural Metro's response time performance: provided, it shall be Rural Metro's responsibility to document said conditions, the time period affected, and the affected response times. Rural Metro shall forward such report to the Town, who will make a determination as to whether to exclude or include the affected response times.
- c. Excessive responses occurring during periods of unusual system overload. Unusual system overload is defined as a period of time during which units are dispatched on multiple emergency calls, originating from within the Primary Service Area.
- d. The response time requirements of this Agreement shall be suspended during a declared disaster in the community of the Town or in a neighboring jurisdiction, which has requested assistance from Rural Metro. For the purpose of this provision, the declaration of disaster must be made or affirmed by the chief executive officer of that particular jurisdiction or his/her designee.
- e. In cases of multiple response runs, (i.e., where more than one fire unit is sent to the same incident), only the response of the first arriving unit shall be counted for purposes of measuring Rural Metro's response time performance.
- f. **Petitioning.** Where not specifically set forth in this appendix, Rural Metro may petition the Town Administrator for an exception to the response time requirements when, due to circumstances beyond the control of Rural Metro, it is unable to meet the required response time on a specific incident. Rural Metro shall document said

unusual circumstances, the time period affected, and the affected response times. Rural Metro shall forward such reports to the Town Administrator, who will make a determination as to whether to exclude or include the affected response time.

APPENDIX I MAJOR DEFAULTS

The following is a list of what shall be considered to be Major Defaults by Rural Metro pursuant to this Agreement:

1. Failure to provide any of the services listed in Sections 1.1 (a) through (l).
2. Failure to respond to any Code 3 call originating in the Primary Service Area.
3. In regards to personnel, a failure to meet the staffing level requirements established in Section 1.6.
4. Failure to indemnify the Town pursuant to Section 6.3 where legally obligated to do so.
5. Failure to remove liens caused to be put on the Town property by the action of Rural Metro.
6. Failure to maintain the insurance requirements set forth in Section 6.2.
7. The filing of Rural Metro of a voluntary petition in bankruptcy, or the failure by Rural Metro promptly to lift any execution or garnishment or attachment which would impair the ability of Rural Metro to carry on its obligations under this Agreement, or any assignment by Rural Metro for the benefit of creditors, or the institution or any proceeding under the provisions of the United States Bankruptcy Code.

APPENDIX J

TOWN OWNED AUXILIARY EQUIPMENT INVENTORY

All specific Town owned equipment is on-file at Town Hall.

List of equipment includes but is not limited to:

1. American LaFrance, 1,500 gallon per minute rescue fire pumper with hose, fittings, ladders, generator, power equipment and small tooling.
2. All medical equipment in the fire station and on the fire engine. All medical supplies are owned by Rural Metro.
3. Analogue Motorola portables radios (5).
4. 900 MHZ Motorola radios and equipment.
 - a. 7 portables.
 - b. Vehicle radios.
 - c. Base stations.
 - d. Master battery station charger.
5. All fire station interior furnishings.
6. All office furniture and equipment.
7. All computers, printers, fax machines and copier.
8. Telephone system.
9. In-house alarm dispatch system.
10. All fire station appliances.
11. All fire washer and dryers.
12. All fire station kitchen utensils and supplies.
13. All step ladders and small tooling in the tool/repair room.
14. All exercise workout equipment.
15. All CPR training equipment including lap top computer.

16. 6 – MSA self contained breathing apparatus with air cylinders and 6 spare air cylinders.
17. Self-contained breathing air compressors, air bank and contained fill station.