INTERGOVERNMENTAL AGREEMENT
BETWEEN THE
CITY OF PHOENIX, ARIZONA
AND THE
ARIZONA DEPARTMENT OF HEALTH SERVICES

This Intergovernmental Agreement ("Agreement") is entered into by and between the City of Phoenix ("City") and the Arizona Department of Health Services ("Department").

TITLE. LOCAL ALCOHOLISM RECEPTION CENTER

RECITALS

A. Whereas, the City of Phoenix and the Arizona Department of Health Services have jointly provided a Local Alcoholism Reception Center ("LARC") for emergency alcoholism treatment pursuant to the provisions of Article 2, Chapter 18 Title 36, Arizona Revised Statutes; and,

B. Whereas, the parties agreed that the establishment, support, and maintenance of a LARC is a joint responsibility of the State, Maricopa County, and the City of Phoenix and the operation of the facility will benefit residents of each party; and,

C. Whereas, the Department is authorized to enter into this Agreement pursuant to A.R.S. § 36-104(7) and the City is authorized to enter into this Agreement pursuant to the Phoenix City Charter; and,

D. Whereas, the existing LARC facility located on property owned by the City at Sky Harbor International Airport must be relocated due to airport expansion; and,

C. Whereas, on July 2, 1996, the City and the Department entered into a Memorandum of Understanding to provide the conceptual framework for an Agreement to be entered into by the parties to set forth the construction, operation and maintenance obligations of the parties with respect to the LARC transition from its existing site to its new location.

THEREFORE, in consideration of the mutual covenants, terms and conditions contained herein, the parties agree as follows:
AGREEMENT

ARTICLE I. TERM

1.1 This Agreement shall become effective upon proper execution by the parties and upon the filing of this Agreement with the Arizona Secretary of State's Office and the City of Phoenix City Clerk's Office.

1.2 The term of this Agreement shall be for twenty years, commencing on the date that the Department has opened the LARC facility for full, continuous operations pursuant to the provisions of Article II, Section 2.1 hereunder.

1.3 The duration of this Agreement shall be subject to the provisions in Article X, Termination.

ARTICLE II. SCOPE OF SERVICES

Duties of the Department

2.1 Duties of the Department. During the term of this Agreement, the Department shall fulfill the obligations set forth below in this Section 2.1. For and in consideration of the other terms, conditions and covenants and agreements herein, the Department agrees as follows:

2.1.1 LARC Site. The Department has made available, and shall continue to make available, to the City, during the term of the Agreement, and any extensions thereto, a site of approximate three (3) acres in size on the grounds of the Arizona State Hospital at 28th and Van Buren Streets in Phoenix, as further defined in Exhibit A. Attached.

2.1.2 Operations. The Department shall either directly or through its contractor(s) or sub-contractor(s) ("service providers") provide for the operation and maintenance of the LARC facility inclusive of the LARC patrol ("Patrol") operation, the intake detention ("Intake") operation, and all other facility components necessary for the effective implementation of a local alcoholism reception center as contemplated by Article 2, Chapter 18, Title 36 of the Arizona Revised Statutes. Services to be provided by the Department and its service providers are as follows:

2.1.2.1 Reception and Intake of Clientele. The Department and its service providers will provide for the reception and intake of individuals referred to the LARC facility for evaluation and treatment by the City of Phoenix Police Department and Fire Department.
2.1.2.2 Patrol Services. The Patrol shall be staffed by a licensed Emergency Medical Technician (EMT). The Patrol shall operate in two contiguous geographical areas within the City of Phoenix: Area A bounded by 19th Avenue on the west, 24th Street on the east, Palm Lane on the north, and Buckeye Road on the south; and Area B bounded by 24th Street on the west, 40th Street on the east, Interstate Loop 202 on the north, and Washington Street on the south. The Patrol shall operate ninety-six (96) hours per week, Monday through Saturday, City holidays excepted, from 0900 to 0130 hours. Average response times for the Patrol shall not exceed fifteen (15) minutes from the time of dispatch to arrival at the service location.

2.1.2.3 Intake Detention Services. The Intake Detention Service shall be operated twenty-four (24) hours per day seven (7) days per week, holidays included, for triage, evaluation and appropriate treatment of clientele incapacitated by alcohol and drugs as provided by State law. The Intake service shall be staffed by a registered nurse and an appropriate number of staff attendants to process the volume of clientele admitted. A physician shall oversee the medical detoxification services provided.

2.1.2.4 Client Capacity. Client capacity shall be limited to the space available for such purposes within the confines of the existing 20,000 square foot structure.

2.1.2.5 Discharge of Clientele. The Department and its service providers shall adopt appropriate discharge procedures and shall employ reasonable efforts to minimize the unsupervised on site release directly into the Van Buren Street environs of clients who do not reside or work in the Van Buren Street area.

2.1.2.6 Community Relations. The Department and its service providers shall maintain a liaison with community civic and neighborhood organizations and provide and maintain a public telephone contact to the LARC facility. The Department shall make space available for an office for use by the Phoenix Police Department.

2.1.3 Maintenance. The Department shall either directly or through its service providers provide for the maintenance of the LARC facility and related equipment as follows:

2.1.3.1 Furnishings and Equipment. The Department will provide for the capital acquisition costs for furnishings and equipment necessary to operate the LARC facility. Replacement of furnishings and equipment, with the exception of the LARC patrol vehicle, will be the responsibility of the Department. The Department shall maintain, repair or replace the furnishings and equipment so as to maintain a standard of maintenance and quality consistent with the normal customary practices of health care facilities in the Phoenix Metropolitan Area.

2.1.3.2 Building and Grounds Maintenance. Building and grounds maintenance, at a level consistent with the standards and practice of the State of Arizona
and the City of Phoenix for care and maintenance of their public facilities, will be the responsibility of the Department. Building maintenance shall include janitorial services and repairs other than to major capital systems as described in section 3.1.1. of this agreement. The Department shall be responsible for repairs caused by the sole negligence of the Department, its employees, contractors and clientele.

2.1.4 Service Changes. The Department shall provide the City with not less than sixty (60) calendar days prior notification of any proposed changes in the LARC Patrol operation (as identified in section 2.1.2. of this agreement), and obtain written approval from the Phoenix City Manager, or his designee, prior to implementation. City approval of proposed changes shall not be unreasonably withheld. The Department shall also provide the City with advance advisory notification of other significant changes proposed in the scope of work, program design and budget allocation for the LARC operation and maintenance as identified in section 2.1 of this agreement.

2.1.5 Obligations of Contract Providers. The Department shall require, and the recording of this Agreement as provided in Article I, Section 1.1, shall be construed to have provided actual and constructive notice hereof to all contractors of the Department, sub-contractors to such contractors and service providers to the Department that such contractors and providers shall be bound by all the LARC Operations and Maintenance obligations, standards and terms set forth in Section 2.1 of this Agreement.

Duties of the City

2.2 Duties of the City. During the term of this Agreement, the City shall fulfill the obligations set forth below in this Section 2.2. For and in consideration of the other terms, conditions and covenants and agreements herein, the City agrees to:

2.2.1 Facility Construction. The City shall design and construct, with Department approval, on the site provided by the Department, a LARC facility which shall provide a reception and intake detention room, detoxification rooms, a Patrol lounge, nurses stations, counseling offices, administrative offices, a dining room and kitchen, and appropriate additional service rooms, all within a structure of approximately 20,000 square feet. Site improvements including required parking areas, landscaping and lighting shall also be provided by the City. Ingress and egress to the site shall be restricted to Van Buren Street. The City has met, to the satisfaction of the Department, all the terms and conditions relating to the construction of the facility as provided in the MOU. The Department generally accepts the facility as constructed.

2.2.1.1 Warranties Against Material Defects in Building Construction. The Department accepts no responsibility for any error or omission in facility design review or defective construction work for the building and any capital improvements or repairs pursuant to sections 2.2.1.3 or 3.1.1. The City shall take any and all reasonable and necessary action to enforce compliance with any warranties against material defects in the
building construction, repairs or improvements during any applicable warranty period.

2.2.1.2 Removal of Liens. The City shall keep the premises free from any liens arising out of any work performed, materials furnished or obligations incurred by the City with respect to the construction or capital replacement to the LARC facility. In the event that the City shall not, within 10 days following the imposition of any such lien, cause the same to be released of record by payment or posting of a proper bond, the Department shall have, in addition to all other remedies provided herein by law, the right to cause the same to be released by such means as the Department shall deem proper, including the payment of the claim giving right to such lien. All such sums paid by the Department and all expenses incurred by the Department in connection therewith shall be payable by the City on demand with interest at 10% per annum.

2.2.1.3 Destruction of the Premises. In the event the facility is totally destroyed, this agreement shall terminate. In the event the premises are partially destroyed, the City, with reasonable promptness and dispatch, shall repair and rebuild same within ninety (90) working days.

2.2.2 LARC Patrol Vehicle(s). The City will provide, for the term of this Agreement, the capital acquisition cost and replacement cost of the LARC patrol vehicle(s). The City will provide necessary vehicle, operation, fuel, maintenance and repairs, exclusive of vehicle operators. Annual vehicle operation, fuel, maintenance and repair costs of the LARC patrol vehicle(s) shall be paid for from the City's annual contribution towards the LARC operation as described in section 3.3.1 of this agreement. The City shall maintain, repair or replace the LARC vehicle(s) so as to maintain a standard of maintenance and quality consistent with that of other non-emergency vehicles used to transport the disabled or handicapped in the Phoenix Metropolitan Area.

ARTICLE III. FUNDING

As additional mutual consideration for the obligations undertaken by the parties hereto, the Department and City agree as follows:

3.1 Capital Construction Funding. The parties acknowledge that the City has paid the full cost of construction of the facility, in the approximate amount of Two Million Five Hundred Fifty Thousand ($2,550,000.00) Dollars, (pending completion of the final audit of the construction expenditures), including site improvements as described in Article II, Section 2.2.1. The parties further acknowledge that the City has funded such costs through its capital debt program, resulting in an approximate annual debt service obligation of Two Hundred Thirteen Thousand ($213,000.00) Dollars for a period of twenty (20) years commencing with the first debt payment on July 1, 1997. The Department agrees to make annual lease payments to the City a sum equal to fifty-nine (59%) percent of said annual debt service amount, but not more than One Hundred Twenty Five Thousand Seven Hundred ($125,700.00) Dollars, on or before July 1 of each year commencing July 1, 1997.
as its reimbursement share of such construction costs, until such original City debt obligation has been fully paid. The dollar figures set forth herein, other than the Department's maximum annual lease payment amount, are subject to adjustment, maintaining the percentage of contribution level set forth herein, caused by any actual adjustment of cost or debt figures.

3.1.1 Capital Replacement Funding. Replacement of major capital items at the LARC facility including, but not limited to the heating, ventilation and air-conditioning (HVAC) system, plumbing system, electrical system, roofing system, and parking lot paving shall be the joint responsibility of the City and the Department in the ratio set forth above in Section 3.1, Capital Construction Funding. The City acknowledges that, as of the date of execution of this Agreement, the Department has not been appropriated funds pursuant to A.R.S. § 35-173 for this purpose. The Department will through its normal budgetary process, seek such funding should the need for Capital Replacement Funding be required; however, the Department's obligation is limited by paragraph 3.4 of this Agreement.

3.2 Application of Net Rental Income to Debt Service/Lease Payments. The Department and City further agree to provide a reserve area for future expansion for detoxification services. The reserve area shall be used in the interim for a meeting hall. The meeting hall is intended to be self-supporting, inclusive of attributed annual debt service and operation and maintenance expense, through rental income. The Department agrees that it or any of its contract operator or operators will schedule the use of the meeting hall, collect rent from users, and provide for the operation and maintenance of the meeting hall. Annual net rental income, after providing operation and maintenance expense for the meeting hall, shall be applied to reduce the respective debt service/lease payment obligations of the parties as set forth in Section 3.1.

3.3 Annual Operation and Maintenance. The annual LARC Operation and Maintenance expense incurred for the LARC facility shall be provided by the Department with the support of an annual contribution by the City as set forth below:

3.3.1 Initial LARC Operations: City Contribution. For the period commencing April 1, 1997, or on such date that the Department or its service providers commence operations, and ending June 30, 1997, the City shall pay the Department, on or before June 30, 1997, the sum of One Hundred Forty Eight Thousand Seven Hundred Fifty ($148,750.00) Dollars, prorated from the date operations commence. For the period commencing July 1, 1997 and ending June 30, 1998, the City shall pay the Department, on or before September 30, 1997, December 31, 1997, March 31, 1998, and June 30, 1998, the sum of One Hundred Forty Eight Thousand Seven Hundred Fifty ($148,750.00) Dollars. The total annual contribution by the City for LARC Operations shall be the sum of Five Hundred Ninety Five Thousand ($595,000.00) Dollars for the 1997-1998 fiscal year. All the foregoing shall be applied to LARC Operations.
3.3.2 Subsequent Annual City LARC Operations Payments. The level of annual contribution by the City for LARC Operations shall be reviewed and agreed upon by the parties, but shall not cause any reduction of the City’s contribution from the 1997-1998 level set forth in section 3.3.1. above, unless justified by a proportionate reduction in services as described in section 2.1.2., or as reflective of a general reduction in City of Phoenix annual General Fund budget appropriation. Subsequent payments shall be due and payable on September 30, December 31, March 31 and June 30 of the fiscal year in which incurred.

3.4 Annual Appropriation. The parties acknowledge that both are governed by provisions of law (including A.R.S. § 35-173 relating to capital expenditures by the Department) that the expenditure of any funds are subject to the appropriation of such funds by the Arizona State Legislature for the Department and the Phoenix City Council for the City. The parties agree to make annual budget requests to the respective funding authorities for appropriations to carry out the respective responsibilities of the parties to this Agreement.

ARTICLE IV. RECORD KEEPING AND REPORTS

4.1 Record Keeping. The Department agrees to keep in a form acceptable to both parties, adequate records of the LARC operation pursuant to this Agreement. The content of such records shall be acceptable to both parties and shall include, but not be limited to: financial operations; clientele demographics, service type, duration, disposition, and recidivism; Patrol operations; and, community complaints, grievances and disposition. The Department further agrees that the records shall be kept in such a way as to provide ready access, review and evaluation by the parties. The Department agrees to maintain all records required for a period of at least five (5) years.

4.2 Reports. The Department will provide or cause to be provided by any and all of its contract service providers, quarterly operating reports and an annual (fiscal year) report to the City showing financial and program operations in such details and formats as shall be agreed upon by the parties.

ARTICLE V. INSURANCE

5.1 General Liability Coverage. The parties acknowledge that the Department and the City are, at the time of the execution of this Agreement, self-insured for third party liability, in whole or in part, pursuant to statutory authority. The parties agree that the general liability coverage and professional liability coverage afforded by these insurance/self-insurance programs are sufficient to meet the purposes of this agreement. The Department will require its contract operator to purchase and maintain adequate general liability coverage and professional liability coverage insuring against claims for bodily injury, personal injury, or property damage arising from the operation of the LARC. The Department shall further require its contractor to name the City as an additional insured on any and all such
insurance policies. If either the Department or the City substitute insurance carrier provided insurance for existing self-insurance, such party shall immediately notify the other party, and shall specifically list the other party as a covered or insured party, for the activities covered by this Agreement or any extensions thereto, with such insurance provider.

5.2 Casualty Insurance Coverage. The City, according to its customary practices on other City-owned facilities, will carry adequate casualty insurance coverage insuring against claims for bodily injury, personal injury or property damage arising from the condition of the LARC building structure and any capital improvements or repairs provided pursuant to section 2.2.1.3 or 3.1.1. In addition, the City, either through self-insurance or a policy of insurance purchased from a third-party, insure against damages and loss to the structure as the result of accident, fire, or other natural disasters.

ARTICLE VI. INDEMNIFICATION

6.1 Mutual Indemnification. To the extent permissible under A.R.S. § 41-621, et seq. and not prohibited by A.R.S. § 55-154, each party does hereby covenant and agree to indemnify, defend and hold harmless the other party, its officers, employees, contractees and agents from and against any and all suits, actions, legal or administrative proceedings, claims demands of damages, of any kind or nature relating to this agreement which are the result of any act or omission of that party, its officers, employees, contractees, agents and anyone acting under its direction or control, whether intentional or negligent, in connection with or incident to this Agreement.

6.2 Department’s Indemnification. Without limiting the rights of any party under Section 6.1 of this agreement, the Department does hereby indemnify and hold harmless the City from any and all liabilities incurred by City which arise from the performance (or failure to perform) by the Department of its obligations under this Agreement, including any liability arising from the insufficiency or inadequacy of services provided by, through, or at the direction of the Department.

6.3 City’s Indemnification. Without limiting the rights of any party under section 6.1 of this agreement, the City does hereby indemnify and hold harmless the Department from any and all liabilities incurred by the Department which arise from the construction, structural condition of, or improvements to the LARC building. The City is not responsible for any liability which arises solely from improvements or alterations to the structure or surrounding grounds by the Department, its employees or contractors or from the failure by the Department to maintain the structure or the grounds as required by section 2.1.3.2. of this agreement.

ARTICLE VII. EXTENSIONS AND AMENDMENTS

7.1 Amendment. This Agreement contains the entire agreement of the parties and may not be changed orally. Any change, modification or extension of this Agreement must
be in the form of a written amendment to this Agreement signed by duly authorized representatives of both parties hereto and, in the case of the City, attested to by the City Clerk.

7.2 Notices. Notice of any amendment proposed by the Department or the City shall be submitted to the other party at least sixty (60) days before its proposed effective date.

ARTICLE VIII. NON-DISCRIMINATION

It is understood that each of the parties shall comply with the provisions of State Executive Order 75-5, Title VI of the Civil Rights Act of 1964, as amended. Section 504 of the Rehabilitation Act of 1973, as amended, and the Americans With Disability Act.

ARTICLE IX. TERMINATION

9.1 Termination for Cause. In the event of a material breach of any of the provisions of this Agreement, the non-defaulting party may terminate this Agreement by delivering written notice to the defaulting party specifically setting forth the nature of the breach. Upon being served with such notice, the defaulting party shall have ninety (90) days in which to cure said breach. If said breach has not been cured within the ninety (90) days, then this Agreement shall be deemed terminated as set forth in the notice, and both parties hereto shall perform their respective obligations up to the effective date of such termination.

9.2 Termination for Non-Appropriation. The Agreement may be terminated by either party for failure of appropriation by the other party. Such failure shall be defined as follows:

9.2.1 Department Non-Appropriation. Failure of appropriation by the Department shall occur if the State Legislature explicitly reduces the appropriation to the Department (or any successor State agency charged with responsibility for drug and alcohol abuse programs as presently provided in Chapter 18, Title 36, Arizona Revised Statutes) for the LARC program such that any remaining appropriation is insufficient to fund the responsibilities assumed by the Department under the Agreement for any fiscal year. In the event of a State failure of appropriation, this agreement shall terminate upon adjournment of a Regular Session of the Legislature, sine die, without providing for such appropriation.

9.2.2 City Non-Appropriation. Failure of appropriation by the City shall occur if the City Council explicitly reduces the appropriation for the LARC program such that any remaining appropriation is insufficient to fund the responsibilities assumed by the City under the Agreement for any fiscal year. In the event of a City failure of appropriation, this agreement shall terminate upon final adoption of the annual budget by the Phoenix City Council, without providing for such appropriation.
9.3 Termination Under State Law. The parties further acknowledge that any agreement between them is subject to cancellation by either party under the provisions of A.R.S. § 38-511.

9.4 Disposition of Property Upon Termination or Expiration. Upon the termination or expiration of this agreement, property purchased or constructed as a result of this agreement shall be disposed of in the following manner:

9.4.1. The LARC Building. The building, including any improvements to the building, constructed by the City for use as the LARC facility is owned by the City and shall remain the property of the City upon the termination or expiration of this Agreement. The City shall notify the Department within sixty (60) days from the date of termination or expiration of the City's intention to:

(1) Continue Use: The City shall have the right to continue the LARC operations, consistent with the charitable trust applicable to the Arizona State Hospital (ASH) property, and the Department shall allow the City reasonable access to the facility. The continued use by the City shall be deemed adequate consideration for the use of the ASH property so long as the City's cost of continued operation exceeds the fair rental value of the unimproved real estate.

(2) Remove the Structure: Within ninety (90) days of giving notice of election of this option, the City shall remove the structure including any additions or improvements from State property and restore the property to its preconstruction condition all at City expense.

In the event the City fails to provide timely notice of its intention to continue use consistent with subsection (1), or to remove the structure consistent with subsection (2), or upon the City's failure to comply with the material provisions of either subsection, the structure, including any additions and improvements, shall be deemed abandoned to the Department.

9.4.2. The LARC patrol vehicle(s). Any LARC patrol vehicles purchased by the City pursuant to this agreement shall be the property of the City. Any such vehicles remaining upon the termination or expiration of this agreement shall remain the property of the City and shall be for the sole use of the City.

9.4.3. Furnishings and Equipment. Any furnishings and equipment provided or purchased by the Department pursuant to this agreement shall be the property of the Department. Any such furnishings or equipment remaining upon the termination or expiration of this agreement shall remain the property of the Department and shall be for the sole use of the Department.
ARTICLE X. NOTICES

Any and all written notices required or permitted under this Agreement shall be given in writing and personally delivered or sent by registered or certified mail, return receipt requested, postage prepaid, or by a recognized overnight delivery service, addressed as follows:

A. Notice to Department shall be addressed as follows:

James Griffith, Acting Director
Arizona Department of Health Services
1740 West Adams Street
Phoenix, AZ 85007

with copies to:

Rhonda Baldwin, Deputy Director
Division of Behavioral Health Services
2122 East Highland
Phoenix, AZ 85016

B. Notices to the City shall be addressed as follows:

Frank Fairbanks, City Manager
City of Phoenix
200 West Washington Street, 12th Floor
Phoenix, AZ 85003

with copies to:

Alton Washington, Director
Human Services Department
City of Phoenix
200 West Washington Street, 18th Floor
Phoenix, AZ 85003

Notice shall be deemed given upon hand or courier delivery or three (3) business days after deposit in the United States mail.

ARTICLE XI. MISCELLANEOUS

11.1 Statutory Obligations and Authority. Nothing in this Agreement shall be construed to increase or reduce the statutory obligations of the parties as they may exist,
with respect to the evaluation and treatment of persons impaired by alcoholism under the provisions of Article 2, Chapter 18, Title 36, Arizona Revised Statutes, or to relieve any other person or entity, governmental or otherwise, of any obligation existing under law.

11.2 Materiality. The parties agree that all of the conditions set forth herein are material to this Agreement and a breach of any condition is a breach of this Agreement.

11.3 Grammatical Terms. When used in this Agreement, the terms "include", "including" or "inclusive" shall mean without limitation by reason of the enumeration. Whenever the masculine gender has been used herein, the same shall include the feminine if the context so indicates. Also, the singular shall include the plural whenever the context indicates. The term "person" shall include an individual, corporation, limited liability company, partnership, trust, estate or any other entity. The words "herein", "hereof", "herein", "hereof", "hereto", "hereunder" and other similar compounds of the word "here" when used in this Agreement shall refer to the entire Agreement and not to any particular provision, section or exhibit.

11.4 Performance Non-Waiver. The failure of either party to insist in any one or more instances upon the full and complete performance of any of the terms and provisions of this Agreement to be performed on the part of the other or to take any action permitted as a result thereof shall not be construed as a waiver or relinquishment of the right to insist upon full and complete performance of the same or any other covenant or condition either in the past or in the future. The acceptance by either party of sums less than may be due and owing at any time shall not be construed as an accord and satisfaction.

11.5 Captions. Captions and section headings used in this Agreement are for convenience of reference purposes only and shall not be used to define, limit or describe the scope or intent of this Agreement.

11.6 Construction. The substantive laws of Arizona (without reference to any choice of law principles) shall govern the interpretation, validity, performance and enforcement of this Agreement.

11.7 No Third Party Beneficiaries. Nothing in this Agreement is intended to create any third party beneficiary rights in any party and the Department and the City expressly state that this Agreement does not create any third party rights of enforcement.

11.8 Recitals. All recitals set forth above are fully incorporated in and made a part of the covenants of this Agreement by reference.

11.9 Further Instruments and Documents. Each party shall, promptly upon the written request of the other party, acknowledge and deliver to the other party all future instructions and assurances reasonably requested or appropriate to evidence or give effect
to the provisions of this agreement.

11.10 Counterparts. This Agreement may be executed in any number of counterparts, all such counterparts shall be deemed to constitute one and the same instrument, and each of said counterparts shall be deemed an original hereof.

11.11 Time Computation. If the last day of any time period stated herein shall fall on a Saturday, Sunday or legal holiday in the State of Arizona, then the duration of such time period shall be extended to that it shall end on the next succeeding day which is not a Saturday, Sunday or legal holiday. Time is of the essence of this Agreement.

11.12 Mediation. In the event of a dispute regarding the scope or meaning of any provision of this Agreement, or non-compliance of any party with any provision of this Agreement, the parties shall meet and confer in an effort to resolve such dispute. In the absence of agreement on the subject, the parties may jointly submit their differences to non-binding mediation before a mutually acceptable person.

11.13 No Assignment. Except as expressly provided herein, no party may delegate or assign its rights or responsibilities under this Agreement and any purported assignment or delegation in violation of this provision shall be void.

IN WITNESS WHEREOF, the parties hereto execute this Agreement on this ___ day of __________, 1997.

CITY OF PHOENIX, A Municipal Corporation, Frank Fairbanks
City Manager

Deputy City Manager

ATTEST:

ARIZONA DEPARTMENT OF HEALTH SERVICES

Jean A. Clark, CPPO, C.P.M., CPM
Procurement Administrator

ACTING City Clerk

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