



TOWN COUNCIL AGENDA PACKET

STUDY SESSION

**Thursday, January 6, 2011
6:00 p.m.**

**Council Chambers
202 N. State Route 89**

NOTICE OF THE STUDY SESSION OF THE CHINO VALLEY TOWN COUNCIL

**JANUARY 6, 2011
6:00 P.M.**

Pursuant to A.R.S. § 38-431.02, notice is hereby given to the members of the Chino Valley Town Council and to the general public that the Chino Valley Town Council will hold a Study Session open to the public on **Thursday, January 6, 2011 at 6:00 p.m.**, in the Chino Valley Council Chambers, located at 202 N. State Route 89, Chino Valley, Arizona. Members of the Town Council will attend either in person or by telephone conference call.

RULES FOR ADDRESSING THE COUNCIL – ADOPTED JULY 14, 1998

Study Sessions are public meetings of the Council, at which no formal vote is taken. The primary purpose of the meetings are the exchange of information between the Council, Staff and/or designated persons and the discussion of specific topics or problems as outlined on the posted agenda.

Members of the public shall be permitted to speak and/or discuss an agenda item only with the permission of the Mayor or at the request of a Councilmember.

The **Agenda** for the meeting is as follows:

- 1) Call to Order and Roll Call.
- 2) Presentation by the Chino Valley Model Aviators Club and discussion regarding the Club's proposal to modify their existing five-year Lease Agreement with the Town of Chino Valley.
- 3) Presentation by Rick Shroads with CivilTec Engineering regarding Rain Water Harvesting.
- 4) ADJOURNMENT.

Dated this 3rd day of January, 2011.

By: _____
Jami C. Lewis, Town Clerk

The Town of Chino Valley endeavors to make all public meetings accessible to persons with disabilities. Please call 636-2646 (voice) or 636-1787 (TDD) 48 hours prior to the meeting to request a reasonable accommodation to participate in this meeting. Supporting documentation and staff reports furnished to the Council with this agenda are available for review on the Town website at <http://www.chinoaz.net/clerk/townagenda.shtml>, and in the Public Library and Town Clerk's Office.



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Item No. 2

☐ Regular Meeting ☐ Special Meeting ☒ Other Study Session

MEETING DATE: January 6, 2011 TIME: 6 p.m.

SUBMITTING DEPARTMENT: Town Manager's Office

CONTACT PERSON: David Nicolella Ext. 114

☒ Presentation Only ☐ Report Only ☐ Consent Estimated
☐ Action-Presentation ☐ Action ☐ Executive Length of Staff
Presentation: 10 min.

ITEM LOCATION:

Chino Valley Model Aviators Club's recreational facilities at Old Home Manor, addressed as 2201 Santa Fe Trail and identified as a portion of Assessor's Parcel No. 306-01-019A.

PROPOSED AGENDA ITEM:

Presentation by the Chino Valley Model Aviators Club and discussion regarding the Club's proposal to modify their existing five (5) year Lease Agreement with the Town of Chino Valley.

FISCAL IMPACT? No If Yes, Budget Code: _____ Available: \$

FUNDING:

TYPE OF DOCUMENT(S) FOR CONSIDERATION:

Lease Agreement



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Item No. 2

SITUATION AND ANALYSIS:

The Model Aviators Club will discuss their proposal to modify the existing lease between the Town of Chino Valley and the Chino Valley Model Aviators for the property on which their Radio Controlled Aircraft landing strip and other facilities are located at Old Home Manor.

The lease modifications include the following:

1. Extending the existing five (5) year lease to a twenty (20) year lease.
2. Expand the land area being leased from its current fourteen (14) acres to approximately forty (40) acres.
3. A Master Plan with three (3) phases.

The Model Aviators Club is proposing to extend their existing five (5) year lease with the Town to twenty (20) years with the hope of raising more money. The idea is that people are more likely to donate money to the Club if they have a longer lease. The Club hopes to raise funds so that in the future they could build an additional cabana, an additional runway, parking, etc. (see Master Plan).

Due to the fact that the future of the subject site is, at best uncertain, tying up the property with a twenty (20) year lease may not be in the Town's best interest. Staff believes that, at this time, it would be best to continue with the existing lease; with the exception of a modification to allow an area for a second "crosswind" runway.

Staff is requesting that Council provide direction as to the next step regarding the Model Aviators proposal to modify their existing lease.

RECOMMENDED MOTION:

To be determined per Council discussion.

ATTACHMENTS:

- A – Existing lease agreement between the Town of Chino Valley and the Chino Valley Model Aviators Club.
- B – Chino Valley Model Aviators Proposed Master Plan.

PERTINENT DOCUMENTS AVAILABLE UPON REQUEST:



**TOWN OF CHINO VALLEY
COUNCIL AGENDA ITEM STAFF REPORT**

Item No. 2

SIGNATURES OF SUBMITTING AND/OR AFFECTED OFFICERS:

David Nicolella
Author

Department Head

Vera J. Smith
Finance

Other:

Other:

Pending
Legal

Other:

Other:

Michael K. Scannell
Town Manager/Designee

ATTACHMENT "A"

Existing Lease Agreement between the Town of Chino Valley and the
Chino Valley Model Aviators Club

**LEASE AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
CHINO VALLEY MODEL AVIATORS CLUB**

WHEREAS, the Town of Chino Valley, a political subdivision of the state of Arizona, hereinafter known as "Town", and the Chino Valley Model Aviators, Inc. aka the Chino Valley Model Aviators Club, hereinafter known as "Club", are desirous of entering into a Lease Agreement for a portion of real property located within the Town and commonly known as Old Home Manor; and

WHEREAS, the Town is desirous of providing recreational facilities to all its citizens and seeks a relationship with the Club to assist in fulfilling the goals of both parties;

NOW, THEREFORE, the parties agree as follows:

1. Premises

Town agrees to lease to the Club and the Club agrees to let from the Town the certain parcel of real property, more particularly described in "Exhibit A" attached hereto (also "Premises"); access to the Premises will be obtained through area described in "Exhibit B."

2. Terms

The parties agree that the term of this lease shall be for five (5) years, commencing on June 1, 2010 and ending on June 1, 2015. The parties also agree that after the initial term the Lease Agreement may be extended for additional six-month terms. The parties shall meet during the last three months of the initial term and within the last month of each renewal term to discuss the terms and conditions for extension, including rental fees.

3. Termination of Contract

Any party to this Agreement may terminate said Agreement without cause by giving the other parties written notice of intent to terminate at least one year prior to said termination.

If any party violates the terms or conditions of this Agreement, the other party may give written notice of such violation or default. If the Club is the defaulting party and fails to commence to cure the default within thirty days' written notice, the Town may declare the Agreement terminated.

4. Rent

The Club agrees to pay to the Town the sum of ten dollars (\$10) per year as rent during the five (5) year term. The rent shall be due annually with the first payment due upon the execution of this Agreement and subsequent payments on the anniversary date thereof.

5. Management Agreement

The Town specifically agrees that the Club shall be the manager of the facility and the activities that occur upon leased Premises during the term of this Agreement.

6. Uses of the Leased Premises

The Town and the Club agree and understand that the primary purpose of this Agreement is to provide an opportunity for the Club to construct, maintain, and use facilities consisting of one (1) model aviation airstrip, not to exceed one hundred feet (100') wide and one thousand feet (1,000') long, as well as permanent structures. The Club may wish to make additional improvements to the facilities. The Club shall submit a site plan and appropriate building plans to the Town for approval prior to the issuance of building permits. The Town shall inspect all construction and issue a certificate of occupancy upon completion. The Town further agrees to waive all fees normally associated with building permits.

7. Commercial Activity

The Town and the Club agree and understand that in order to raise funds for the operation of the leased premises, the Club will engage in a variety of temporary commercial activities. The Town and the Club further agree and understand that, as the facility manager, the Club will, from time to time, enter into agreements with third party vendors to provide goods and services upon the leased premises. The Club agrees, understands and acknowledges that any agreement with a third party, whether oral or written, must first have the approval of the Town Manager and that all third party vendors will be required to have a valid Town of Chino Valley business license as well as the obligation to collect and pay transaction privilege tax on all taxable activity occurring on the leased Premises.

8. Signs

Allowed signs consist of one (1) 24 square foot identification sign, directional signs and temporary signs and banners associated with temporary commercial activity. All signs shall be located on site, and proper permitting through the Town process shall be obtained.

9. Annual Fly-In

The Club shall conduct an annual '*Fly In*' that is open to the public. It shall be advertised and promoted on a regional level, with assistance of the Chino Valley Chamber of Commerce in an effort to promote the activity as a tourism event. The actual date of the annual *Fly In* shall be at the discretion of the Club.

10. Annual Report

The Club shall provide an annual report to the Town describing the activities of the previous year as well as the plans of the Club for the next year. The annual report shall be delivered to the Town Council within sixty (60) days of the annual *Fly In* event. Special attention shall be paid in the annual report to capital improvement projects including a schedule for construction, an estimate of the costs associated with construction, and a description of the funds that are available for the construction of these projects at the time of the report. A summary of the *Fly In* event should also be included. Failure to provide the report shall be deemed an act of default. Failure to cure the default within thirty (30) days after receipt by the Club of a written notice from the Town shall result in termination of this agreement.

11. Rates and Charges for Use of the Facilities

The Town and the Club agree and understand that the Club shall set the fees and charges for the use of the facilities. The Club shall submit to the Town on an annual basis its schedule of fees and charges including user fees for review and approval by the Town. All revenue received from said fees and charges shall be the property of the Club.

12. Expenses

Unless specifically agreed to in writing, the Club shall be responsible for all expenses incurred in the construction, operation, maintenance and use of the leased facility. The Town, through its annual budget, may choose to contribute either money or services to the Club or make improvements upon the leased premises, but the Town is not obligated to do so except where specifically set forth herein.

13. Improvements

The Town and the Club agree and understand that any improvements made to the real property shall become the property of the Town upon completion and shall remain on the leased Premises after termination of the Agreement. The Town and Club acknowledge and understand that the Club may place upon the Premises certain items of personal property, such as office equipment, furniture and other miscellaneous items that would not be considered as permanent improvements, and that the Club may retain title to those items at the time of the termination of this Agreement.

14. Repairs and Maintenance of the Improvements

The Town and the Club agree that the Club shall have the sole responsibility for the repairs and maintenance including all electrical, mechanical and plumbing apparatus upon the Premises.

15. Subleasing

The Town and the Club agree that if the Club desires to enter into a written sublease agreement, it shall first obtain permission from the Town and that any sublease shall be subject to all of the terms and conditions of this Agreement.

16. Access

The Town and the Club understand that the area for ingress and egress to the Premises shall be from Santa Fe Trail to the leased Premises (as annotated in Exhibit B).

17. Utilities

The Town and the Club recognize that there are no utilities on the site, and the Town is under no obligation to provide any utilities to the Premises.

18. Liens

The Town and the Club agree and understand that the Club shall not cause any lien to be placed upon the real property Premises and that the Town shall not pledge its full faith and credit or its real property in support of any construction financing upon said Premises.

19. Insurance

The Town and the Club agree and understand that at all times during the term of this Agreement and any extensions hereto, the Club shall maintain in full force and effect a policy of general liability insurance in the amount of one million dollars (\$1,000,000). This policy shall be a policy of primary coverage, and its terms and conditions shall not be made subordinate to, or dependant upon any other coverage that the Town may have under any other policy of insurance. **The Club shall provide a certificate of insurance to the Town indicating the amount of general liability insurance and showing that the Town is additional insured.** The Club shall also require that any general liability insurance certificate it receives from vendors or from third parties shall also name the Town as additional insured. The Town shall be named the beneficiary for Fire Insurance, and the Town reserves the right in case of partial or total destruction of any fixture or building on the premises to determine whether or not the building structure or fixture should be repaired or replaced, and the Town shall have the sole authority to determine the extent and timing of the repair and/or replacement. Failure of the Club to maintain general liability insurance shall be considered default under this Agreement and the failure to cure such default within thirty (30) days after receipt of a written notice from the Town of the default shall result in termination of this Agreement.

20. Other Leases

The Town and the Club agree, understand and acknowledge that the Town has entered into lease agreements with other organizations for the use of property at Old Home Manor. The Club acknowledges and agrees that it will work with the Town to diligently resolve any disputes or conflicts in the use of the property that may arise as a result of previous and subsequent leases entered into by the Town.

21. Waste and Unlawful Acts

The Club understands and agrees that it shall not permit uses upon the Premises which would constitute a waste of the premises or a public or private nuisance, or any act which would be unlawful in any manner.

22. Independent Contractor

The Town and the Club agree and understand that this Agreement does not constitute an employment relationship, and that the relationship of the Town to the Club is that of independent contractors. No officer, employee or agent of the Club is an employee of the Town and the Town bears no liability or responsibility for any payments for services rendered by any member of the Club.

23. Indemnification

The Town and the Club agree, understand and acknowledge that if, and in the event, either party becomes obligated in law or equity for any sum of money resulting from the acts or omissions of the other parties, officers, employees or agents, that the parties shall indemnify one another and hold one another harmless from any and all suits and judgments including, but not limited to, attorneys fees and court costs, when the liability results from the acts or omissions of the other party.

24. Breach

Should either party fail to perform any act required under the terms and conditions of this Agreement, the non-breaching party shall give written notice to the breaching party of the specific act and shall allow the period of thirty (30) days for the breaching party to cure the default. Should the breaching party fail to cure the default within the thirty (30) days, then the non-breaching party may take any action at equity or law including, but not limited to, termination of this Agreement.

25. Strict Performance

The failure by the Town to insist upon strict performance of the terms, conditions, and covenants of this agreement shall not constitute or be construed a waiver or relinquishment of the Town's rights to thereafter enforce any such terms, conditions or covenants, and that the same shall continue in full force and effect.

26. Assignment

The Town and the Club agree, understand and acknowledge that the Club may not assign its responsibilities or rights under this Agreement to any other party without the express written permission of the Town.

27. Laws

The Club agrees, understands and acknowledges that it is subject to all laws of the United States, the State of Arizona, the County of Yavapai, and the Town of Chino Valley as they relate to this agreement and to activities conducted by the Club upon the leased premises.

28. Notices

Any notice required to be given in writing shall be addressed to the Town or Club at their respective addresses below. Notices will be deemed given when mailed first class postage prepaid or hand delivered and will be deemed received 3 days after so mailed and on the day so personally delivered to:

Attn: Town Manager
 Town of Chino Valley
 1020 West Palomino Road
 Chino Valley, AZ 86323

Chino Valley Model Aviators, Inc.
 aka Chino Valley Model Aviators Club
 7636 N. Outlook Ln.
 Prescott Valley, AZ 86315

A party may change its address by providing notice of the same to the other party.

29. Termination by Law

The Club agrees, understands and acknowledges that, if during the term of this Agreement or any extension thereof, the Club should abandon the premises, abandon its charter of incorporation, or suffer involuntary loss of such charter, or if the Club should become insolvent or bankrupt, or take advantage of or receive the benefits of bankruptcy, insolvency or other legal relief, then the Town may, in its sole discretion, exercise its rights to serve notice on the Club of its default and elect to immediately terminate the Lease Agreement.

30. Right of Entry and Inspection

The Town and the Club agree, understand and acknowledge that representatives of the Town may enter upon the leased Premises at any time, without any prior written notice to the Club, and inspect any and all improvements thereupon.

31. Dispute Resolution

The parties agree and understand that, if and in the event that a dispute occurs over the terms and conditions of this agreement, the parties shall attempt to resolve any and all disputes through informal negotiations between the Club and the Town.

32. Amendments

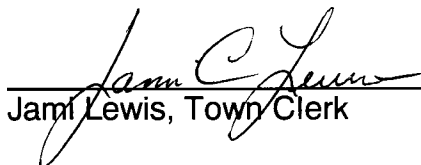
The parties agree, understand and acknowledge that any amendment to this Agreement must be reduced to writing and executed with the same formality as this Agreement in order to be binding upon the parties.

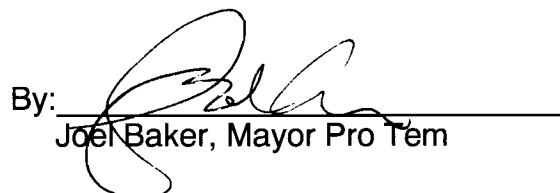
SIGNED AND EXECUTED, this Lease by both parties this 27th day of MAY, 2010.

ATTEST:

LESSOR:

Town of Chino Valley
 An Arizona Municipal Corporation

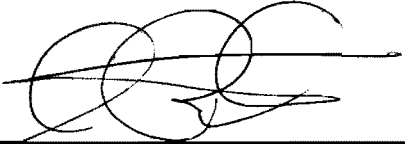

 Jami Lewis, Town Clerk

By: 
 Joel Baker, Mayor Pro Tem

APPROVED AS TO FORM:

LESSEE:

Chino Valley Model Aviators



 Town Attorney

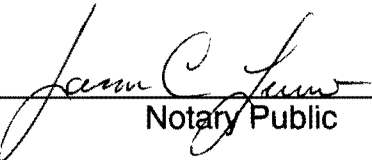
By: 
 Its SEC. TREAS.

STATE OF ARIZONA)
) ss.
 County of Yavapai)

The foregoing Lease Agreement was acknowledged and executed before me this
11th day of JUNE 2010 by Joel S. Baker, Mayor Pro Tem, on behalf
 of the Town of Chino Valley, an Arizona municipal corporation.

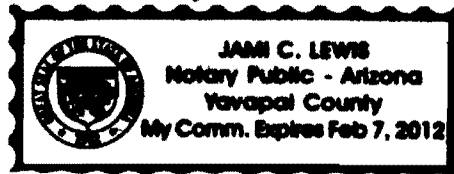
My Commission Expires:

7 FEBRUARY 2012



 Notary Public

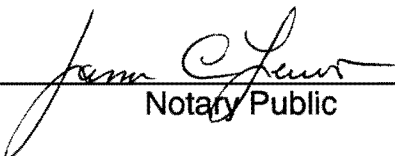
STATE OF ARIZONA)
) ss.
 County of Yavapai)



The foregoing Lease Agreement was acknowledged and executed before me this
7th day of JULY, 2010 by RICHARD A NICHOLS
 on behalf of Chino Valley Model Aviators, Inc., aka Chino Valley Model Aviators Club.

My Commission Expires:

7 FEBRUARY 2012



 Notary Public

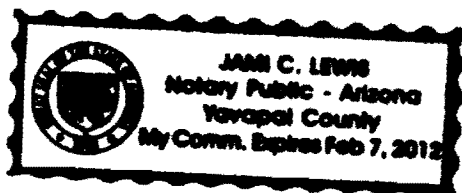


Exhibit 'A'
Model Aviator's Park

A parcel of land located in Section 7, Township 16 North, Range 1 West, of the Gila and Salt River Meridian, Yavapai County, Arizona.

COMMENCING at the corner common to Sections 7 and 18 of Township 16 North, Range 1 West, and Sections 12 and 13 of Township 16 North, Range 2 West, per the Record of Survey recorded in Book 12, of Land Surveys, Pages 50 and 51, in the office of the Recorder of Yavapai County;

thence, along the south line of Section 7, North 88°52'31" East, a distance of 2,537.87 feet, to the south quarter corner of Section 7, per the Record of Survey recorded in Book

12, of Land Surveys, Pages 50 and 51, in the office of the Recorder of Yavapai County;

thence, continuing along the south line of Section 7, North 88°52' 15" East, a distance of 106.36 feet;

thence, departing said south line, North 00°01 '44" West, a distance of 1,178.44 feet;

thence, North 88°52'15" East, a distance of 100.00 feet, to the POINT of BEGINNING.

thence, North 01°07 '45" West, a distance of 80.00 feet;

thence, North 88°52'15" East, a distance of 350.00 feet;

thence, North 01°07 '45" West, a distance of 300.00 feet;

thence, North 88°52'15" East, a distance 1,150.00 feet;

thence, South 01°07 '45" East, a distance of 380.00 feet

thence, South 88°52' 15" West, a distance of 1,500.00 feet;

Containing 10.67 acres.

Exhibit 'B'
Access to Model Aviator's Park

A parcel of land located in Section 7, Township 16 North, Range 1 West, of the Gila and Salt River Meridian, Yavapai County, Arizona.

COMMENCING at the corner common to Sections 7 and 18 of Township 16 North, Range 1 West, and Sections 12 and 13 of Township 16 North, Range 2 West, per the Record of Survey recorded in Book 12, of Land Surveys, Pages 50 and 51, in the office of the Recorder of Yavapai County;

thence, along the south line of Section 7, North $88^{\circ}52'31''$ East, a distance of 2,537.87 feet, to the south quarter corner of Section 7, per the Record of Survey recorded in Book

12, of Land Surveys, Pages 50 and 51, in the office of the Recorder of Yavapai County;

thence, continuing along the south line of Section 7, North $88^{\circ}52'15''$ East, a distance of 106.36 feet;

thence, departing said south line, North $00^{\circ}01'44''$ West, a distance of 1,178.44 feet;

thence, North $00^{\circ}01'44''$ West, a distance of 293.00 feet;

thence, North $88^{\circ}52'15''$ East, 808.34 to the Point of Beginning;

thence, North $00^{\circ}01'44''$ West, a distance of 500.00 feet;

thence, North $88^{\circ}52'15''$ East, a distance 0050.00 feet;

thence, South $00^{\circ}01'44''$ East, a distance of 500.00 feet

thence, South $88^{\circ}52'15''$ West, a distance of 350.00 feet to the Point of Beginning;

Containing 4.02 acres.

ATTACHMENT “B”

Chino Valley Model Aviators’ Proposed Master Plan

CHINO VALLEY AVIATION PARK

MASTER PLAN

Chino Valley Model Aviators

December 2010

Phase 1

New Runway (paved)

Parking Lot (Paved)

Cabana

Helicopter Pad

Utilities - Electric, Water

Bleachers

Flag

Wind Sock

New Frequency Board

Pet Fence

Motor Home Parking

Restrooms

Phase 2

Entrance Gate (electric)

Club House (5000 sq ft) includes :

meeting room

Storage

museum

Kitchen

CHINO VALLEY AVIATION PARK

MASTER PLAN

Chino Valley Model Aviators

December 2010

Phase 3

Building for Indoor Flying (30,000 sq ft)

School for learning to fly

RV Parking - hookups

Landscaping

CHINO VALLEY AVIATION PARK

MASTER PLAN

Chino Valley Model Aviators

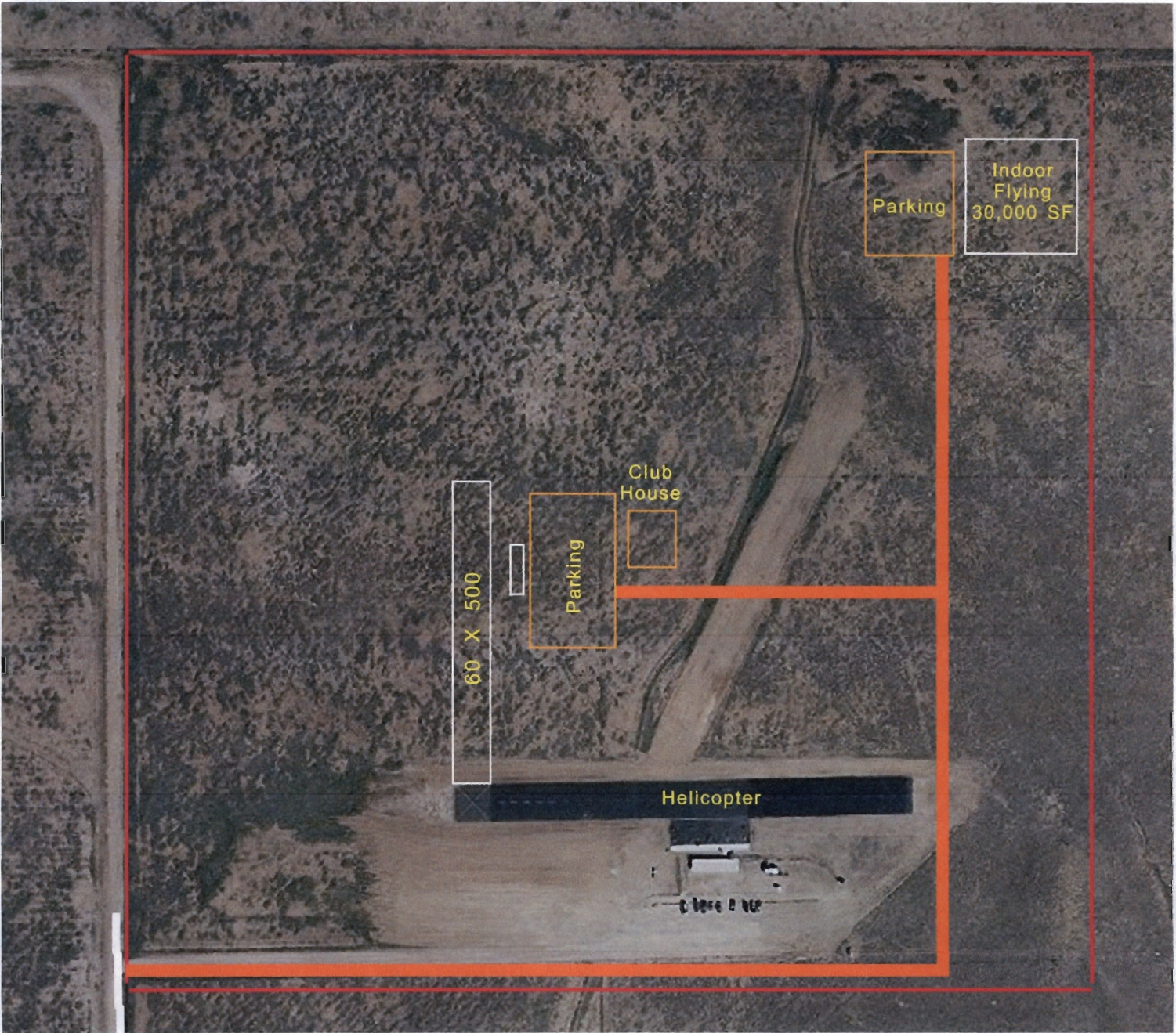
December 2010



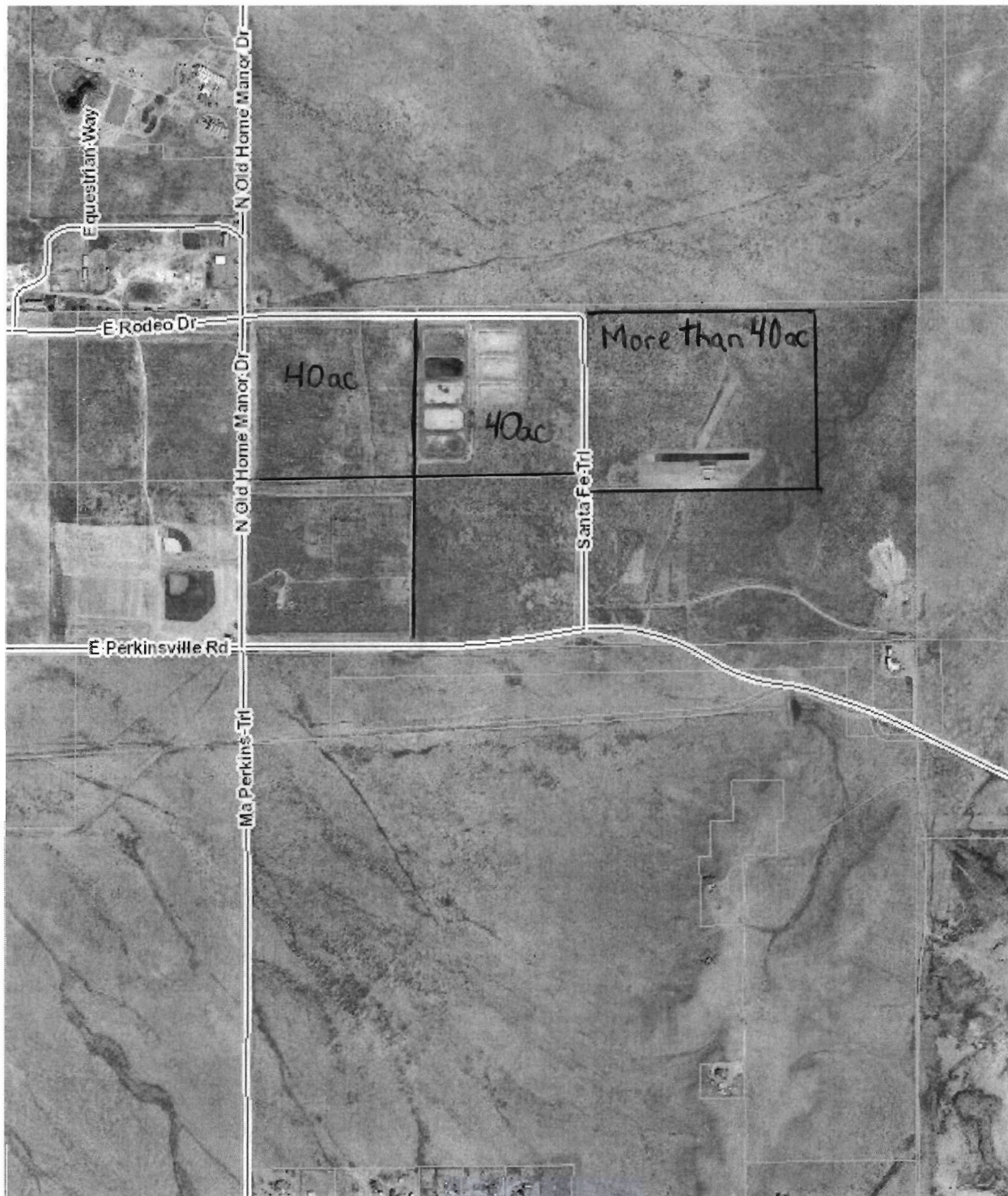
CHINO VALLEY AVIATION PARK

MASTER PLAN

Chino Valley Model Aviators
December 2010



Aviators



Disclaimer: Map and parcel information is believed to be accurate but accuracy is not guaranteed. No portion of the information should be considered to be, or used as, a legal document. The information is provided subject to the express condition that the user knowingly waives any and all claims for damages against Yavapai County that may arise from the use of this data.

Map printed on: 12/14/2010