Town of Chino Valley

MEETING NOTICE
TOWN COUNCIL

REGULAR MEETING
Tuesday February 11, 2020
6:00 P.M.

Council Chambers
202 N. State Route 89
Chino Valley, Arizona

A majority of the Councilmembers may attend a private invocation in the Council Conference Room immediately prior to the Council meeting. No Town business will be discussed.

AGENDA

1. CALL TO ORDER, PLEDGE OF ALLEGIANCE; ROLL CALL

2. INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

3. CALL TO THE PUBLIC

Call to the Public is an opportunity for the public to address the Council on any issue within the jurisdiction of the Council that is not on the agenda. Public comment is encouraged. Individuals are limited to speak for three (3) minutes. The total time for Call to the Public may be up to 30 minutes per meeting. Council action taken as a result of public comment will be limited to directing staff to study the matter, scheduling the matter for further consideration and decision at a later date, or responding to criticism.

4. RESPONSE TO THE PUBLIC

Response to the Public is an opportunity for the Mayor to inform the public about how Town officials addressed matters raised during Call to the Public at a previous meeting.

a. Questions and comments about the Brook Apartments property's history and concerns with the current planned development.

b. Comments regarding lot splits, definition of subdivision, and property owners' rights.

c. Comments regarding a problem with cats and lack of Town regulations.

5. **CURRENT EVENT SUMMARIES AND REPORTS**

This item is for information only. The Mayor, any Councilmember, or Town Manager may present a brief summary or report of current events. If listed below, there may also be a presentation on information requested by the Mayor and Council and questions may be answered. No action will be taken.

a. Status reports by Mayor and Council regarding current events.

b. Status report by Town Manager Cecilia Grittman regarding Town accomplishments, and current or upcoming projects.

6. **CONSENT AGENDA**

All those items listed below are considered to be routine and may be enacted by one motion. Any Councilmember may request to remove an item from the Consent Agenda to be considered and discussed separately.

a. **p.5** Consideration and possible action to accept the Comprehensive Annual Financial Report and the Annual Expenditure Limitation Report for the fiscal year ended June 30, 2019, as prepared by Henry & Horne, LLP, Certified Public Accountants. (Joe Duffy, Finance Director)

b. Consideration and possible action to approve the January 14, 2020, regular meeting minutes. (Jami Lewis, Town Clerk)

c. Consideration and possible action to approve the January 21, 2020, study session minutes. (Jami Lewis, Town Clerk)

7. **ACTION ITEMS**

The Council may vote to recess the public meeting and hold an Executive Session on any item on this agenda pursuant to A.R.S. § 38-431.03(A)(3) for the purpose of discussion or consultation for legal advice with the Town Attorney. Executive sessions are not open to the public and no action may be taken in executive session.

a. **p.33** Consideration and possible action to amend the Design-Build Contract to JEBCO Construction Companies, LLC for the Utility's shop building at Old Home Manor and Memory Park restrooms in the amount of $876,171.00 for construction services. (Frank Marbury, Public Works Director/Town Engineer)

Recommended Action: Approve the amendment to the Design-Build Contract to JEBCO Construction Companies, LLC in the amount of $876,171.00.

8. **EXECUTIVE SESSION**

Council may vote to recess the Regular Meeting and hold an executive session, which will not be open to the public, for the following purposes.

a. An executive session pursuant to A.R.S. & 38-431.03(A)(1) for discussion or consideration of employment, assignment, appointment, or salary of Town Manager, Cecilia Grittman. (Mayor and Council)

b. An executive session pursuant to A.R.S. § 38-431.03(A)(4) for discussion or consultation with the Town attorney regarding a potential intergovernmental agreement with the City of Prescott relating to water service. (Cecilia Grittman, Town Manager)

c. An executive Session pursuant to A.R.S. § 38-431.03(A)(3) for the purpose of discussion or consultation and legal advice with the Town Attorney regarding a pending notice of claim. (Cecilia Grittman, Town Manager)

9. ACTION ITEMS RESUMED

After the Executive Session, Council will reconvene the Regular Meeting.

a. Discussion and possible action regarding Town Manager succession planning.

Recommended Action: Direction to Staff per Council discussion.

10. ADJOURNMENT

Dated this 6th day of February, 2020.

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 711 (Telecommunications Arizona Relay Service) 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/agendacenter and in the Public Library and Town Clerk's Office.

CERTIFICATION OF POSTING

The undersigned hereby certifies that a copy of this notice was duly posted at Chino Valley South Campus, Chino Valley Post Office, and Chino Valley North Campus in accordance with the statement filed by the Town Council with the Town Clerk.

Date:____________________ Time:_________________ By:____________________________________

Jami C. Lewis, Town Clerk

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TOWN OF CHINO VALLEY
COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting **6. a.**

Meeting Date:	02/11/2020
Contact Person:	Joe Duffy, Finance Director Phone: 928-636-2646 x-1211
Department:	Finance
Item Type:	Consent
Estimated length of staff presentation:	10 minutes
Physical location of item:	N/A

AGENDA ITEM TITLE:

Consideration and possible action to accept the Comprehensive Annual Financial Report and the Annual Expenditure Limitation Report for the fiscal year ended June 30, 2019, as prepared by Henry & Horne, LLP, Certified Public Accountants. (Joe Duffy, Finance Director)

RECOMMENDED ACTION:

Accept the Comprehensive Annual Audited Financial Report and the Annual Expenditure Limitation Report for the fiscal year ended June 30, 2019, as prepared by Henry & Horne, LLP, Certified Public Accountants.

SITUATION AND ANALYSIS:

Henry & Horne, LLP was retained by the Town to complete the audit for the fiscal year ended June 30, 2019.

The audit has been completed, and the final reports have been issued.

Other Pertinent Documents Available Upon Request:

Appendix 6a-1. A printed copy of the report is being provided to Council and pertinent staff separately. The report is available on the Town's website at http://www.chinoaz.net/AgendaCenter with the February 11, 2020 Council Meeting documents.

Fiscal Impact

Fiscal Impact?:	None
If Yes, Budget Code:	
Available:	
Funding Source:	

Attachments

Financial Reports

TOWN OF CHINO VALLEY
REPORT ON AUDIT OF ANNUAL EXPENDITURE LIMITATION REPORT
FOR THE YEAR ENDED JUNE 30, 2019

Henry+Horne

TOWN OF CHINO VALLEY
ANNUAL EXPENDITURE LIMITATION REPORT
FOR THE YEAR ENDED JUNE 30, 2019

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INDEPENDENT ACCOUNTANTS' REPORT

The Auditor General of the State of Arizona and
The Honorable Mayor and Town Council
of the Town of Chino Valley, Arizona

We have examined the accompanying Annual Expenditure Limitation Report of Town of Chino Valley, Arizona for the year ended June 30, 2019. The Town's management is responsible for presenting this report in accordance with the uniform expenditure reporting system as described in Note 1. Our responsibility is to express an opinion on this report based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether this report is presented in accordance with the uniform expenditure reporting system in all material respects. An examination involves performing procedures to obtain evidence about the amounts and disclosures in the report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the report, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, the Annual Expenditure Limitation Report of Town of Chino Valley, Arizona, referred to above is presented in accordance with the uniform expenditure reporting system as described in Note 1 in all material respects.

Henry + Horne, LLP

Tempe, Arizona
January 28, 2020

TOWN OF CHINO VALLEY
ANNUAL EXPENDITURE LIMITATION REPORT - PART I
Year Ended June 30, 2019

1	Economic Estimates Commission expenditure limitation	N/A	
2	Voter-approved alternative expenditure limitation (Approved August 16, 2016)	$24,525,200	
3	Enter applicable amount from line 1 or line 2		$24,525,200
4	Amount subject to the expenditure limitation (total amount from Part II, Line C)	15,259,569	
5	Board-authorized expenditures necessitated by a disaster declared by the Governor (Article IX, Sec. 20(2)(a), Arizona Constitution	N/A	
6	Board-authorized expenditures necessitated by a disaster not declared by the Governor (Article IX, Sec. 20(2)(b), Arizona Constitution)	N/A	
7	Prior-year voter-approved expenditures to exceed the expenditure limitation for the reporting fiscal year (Article IX, Sec. 20(2)(c), Arizona Constitution)	N/A	
8	Subtotal	15,259,569	
9	Board-authorized excess expenditures for the previous fiscal year neccessitated by a disaster not declared by the Governor and not approved by the voters (Article IX, Sec. 20(2)(b), Arizona Constitution)	N/A	
10	Total adjusted amount subject to the expenditure limitation		15,259,569
11	Amount under (in excess of) the expenditure limitation (If excess expenditures are reported, provide an explanation)		$ 9,265,631

I hereby certify, to the best of my knowledge and belief, that the information contained in this report is accurate and in accordance with the requirements of the uniform expenditure reporting system.

Signature of Chief Fiscal Officer: Joe Duffy

Name and Title: Joe Duffy, Finance Director

Telephone Number: (928) 636-2646 Date: January 28, 2020

See accompanying notes.

TOWN OF CHINO VALLEY
ANNUAL EXPENDITURE LIMITATION REPORT - PART II
Year Ended June 30, 2019

Description	Governmental Funds	Enterprise Funds	Total
A. Amounts reported on the Reconciliation Line D	$12,966,502	$ 2,293,067	$15,259,569
B. Less exclusions claimed:			
1 Bond proceeds	-	-	-
Debt service requirements on bonded indebtedne:	-	-	-
Proceeds from other long-term obligations	-	-	-
Debt service requirements on other long-term obligations	-	-	-
2 Dividends, interest and gains on the sale or redemption of investment securities	-	-	-
3 Trustee or custodian	-	-	-
4 Grants and aid from the Federal government	-	-	-
5 Grants, aid, contributions, or gifts from a private agency, organization, or individual except amounts received in lieu of taxes	-	-	-
6 Amounts received from the State of Arizona	-	-	-
7 Quasi-external interfund transactions	-	-	-
8 Amounts accumulated for the purchase of land, and the purchase or construction of buildings or improvements	-	-	-
9 Highway user revenues in excess of those received in fiscal year 1979-80	-	-	-
10 Contracts with other political subdivisions	-	-	-
11 Refunds, reimbursements, and other recoveries	-	-	-
12 Voter-approved exclusions not identified above (attach resolution)	-	-	-
13 Prior years carryforward	-	-	-
14 Total exclusions claimed	-	-	-
C. Amount subject to the expenditure limitation	12,966,502	2,293,067	15,259,569
(If an individual fund type amount is negative, reduce exclusions claimed to net to zero.)	$12,966,502	$ 2,293,067	$15,259,569

See accompanying notes.

TOWN OF CHINO VALLEY
ANNUAL EXPENDITURE LIMITATION REPORT - RECONCILIATION
Year Ended June 30, 2019

	Description	Governmenta Funds	Enterprise Funds	Total
A.	Total expenditures/expenses/deductions and applicable other financing uses, special items, and extraordinary items reported within the fund based financial statements	$12,966,502	$ 2,864,873	$15,831,375
B.	Subtractions			
1	Items not requiring use of working capital:			
	Depreciation	-	1,350,320	1,350,320
	Loss on disposal of capital assets	-	-	-
	Bad debt expense	-	29,484	29,484
	Claims incurred but not reported	-	-	-
	Landfill closure and postclosure care costs	-	-	-
	Pension Expense	-	26,825	26,825
2	Expenditures of separate legal entities established under Arizona Revised Statute	-	-	-
3	Present value of net minimum capital lease and installment purchase contract payments recorded as expenditures at inception of the agreements	-	-	-
4	Involuntary court judgments	-	-	-
5	Total subtractions	-	1,406,629	1,406,629
C.	Additions:			
1	Principal payments on long-term debt	-	727,514	727,514
2	Acquisition of capital assets	-	79,337	79,337
3	Claims paid in current year but reported as expenses incurred but not reported in prior years	-	-	-
4	Landfill closure and postclosure care costs paid in the current year but reported as expenses in previous years	-	-	-
5	Pension contributions	-	27,972	27,972
6	Total additions	-	834,823	834,823
D.	Amounts reported on Part II, Line A	$12,966,502	$ 2,293,067	$15,259,569

See accompanying notes.

TOWN OF CHINO VALLEY, ARIZONA
NOTES TO ANNUAL EXPENDITURE LIMITATION REPORT
Year Ended June 30, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Annual Expenditure Limitation Report (AELR) is presented as prescribed by the Uniform Expenditure Reporting System (UERS), as required by Arizona Revised Statutes §41-1279.07, and in accordance with the voter-approved alternative expenditure limitation adopted August 16, 2016, as authorized by the Arizona Constitution, Article IX, §20 (9).

In accordance with the UERS requirements, a note to the AELR is presented below for any exclusion claimed on part II and each subtraction or addition in the Reconciliation that cannot be traced directly to an amount reported in the fund financial statements. All references to financial statement amounts in the following notes refer to the Statement of Revenues, Expenditures, and Changes in Fund Balances for the Governmental Funds, Statement of Revenues, Expenses, and Changes in Net Position for the Proprietary Funds, Statement of Cash Flows for the Proprietary Funds and the Statement of Changes in Fiduciary Net Position for the Fiduciary Funds.

NOTE 2 RECONCILIATION DEDUCTIONS AND ADDITIONS

The deductions for depreciation, bad debt expense, and pension expense and the additions for principal payments, the acquisition of capital assets, and pension contributions are all provided in the Statement of Revenues, Expenses, and Changes in Fund Net Position for the proprietary funds; the Statement of Cash Flows for the proprietary funds and the financial statement footnotes 4, 5, and 8.

The addition of $727,514 for principal payments on long-term debt in the Enterprise Funds consists of $50,000 paid on bonds payable and $633,014 paid on loans payable, and $44,500 paid on capital lease payable during the current fiscal year. The addition for the acquisition of capital assets consists of $79,337 paid for various capital assets in the Water and Sewer funds.

The subtraction of $26,825 for pension expense consists of the change in the net pension liability recognized in the current year in the Enterprise Funds. The addition of $27,972 for pension contributions paid in the current year consists of the required pension contributions made to the Arizona State Retirement System from the Enterprise Funds.

DRAFT

MINUTES OF THE REGULAR MEETING OF THE TOWN COUNCIL OF THE TOWN OF CHINO VALLEY

TUESDAY JANUARY 14, 2020
6:00 P.M.

The Town Council of the Town of Chino Valley met for a Regular Meeting in the Chino Valley Council Chambers, located at 202 N. State Route 89, Chino Valley, Arizona, on Tuesday, January 14, 2020.

Present:	Mayor Darryl Croft; Vice-Mayor Jack Miller; Councilmember Mike Best; Councilmember Cloyce Kelly; Councilmember Corey Mendoza; Councilmember Annie Perkins
Absent:	Councilmember Lon Turner
Staff Present:	Town Manager Cecilia Grittman; Town Attorney Andrew McGuire; Economic Development Project Manager Maggie Tidaback; Finance Director Joe Duffy; Human Resources Director Laura Kyriakakis; Police Chief Chuck Wynn; Public Works Director/Town Engineer Frank Marbury; Development Services Director Joshua Cook; Assistant Planner Will Dingee; Customer Service Manager Jo Ann Brookins; Administrative Technician Kathy Frohock (videographer); Deputy Town Clerk/Records Technician Erin Deskins; Town Clerk Jami Lewis (recorder)

1) CALL TO ORDER, PLEDGE OF ALLEGIANCE; ROLL CALL

Mayor Croft called the meeting to order at 6:00 p.m. and led the Pledge of Allegiance.

2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

a) Introduction of new hires by Laura Kyriakakis, Human Resources Director.

Ms. Kyriakakis introduced new employee hires dating back to May of 2019:
Jessica Kunzler with Customer Service; Brittany O'Neil with the Municipal Court; Senior Center employees Charlie Vadnais, Jean Wonderlich, and Toni Flournoy; Amanda Borja with the Library Police employees: Jonnethen Mitea, Hector Torres, and Bill Burns; and Animal Control employees Mishelle Frame and Scott Unterseher. Police Lt. Randy Chapman also acknowledged new hire David Herrera, who was unable to attend.

b) Present "Outstanding Citizen Award" to citizens who found and reported a young man hit by vehicle. (Chuck Wynn, Police Chief)

Chief Wynn introduced Mr. and Ms. White, who had called 911 after finding Holden lying in the street after being involved in a hit and run accident while riding his bike. The White's participation allowed Holden a complete medical recovery. Chief Wynn presented the Whites with certificates for the Outstanding Citizen Award, and presented a department Challenge coin to the Whites and Holden.

3) CALL TO THE PUBLIC

Call to the Public is an opportunity for the public to address the Council on any issue within the jurisdiction of the Council that is not on the agenda. Public comment is encouraged. Individuals are limited to speak for three (3) minutes. The total time for Call to the Public may be up to 30 minutes per meeting. Council action taken as a result of public comment will be limited to directing staff to study the matter, scheduling the matter for further consideration and decision at a later date, or responding to criticism.

County Supervisor Craig Brown spoke about Scott Mascher, Sheriff of Yavapai County, desiring a fallen officers memorial located on the downtown Prescott Plaza for the entire County. The memorial will be up within six to eight months and donations were being accepted. Mayor Croft acknowledged the Town's Police Officers in consideration of Law Enforcement Officers Recognition day, which took place the previous week.

Residents Donnie Roskopf, Ryan Roberts, Troy Koski, and Aaron Stafford, and David Roe with Clayton Homes spoke about issues with land splits in the Town. As certain properties were being split, some buyers have been unable to obtain a building permit. Sellers believed they had done due diligence ahead of splitting, and now they needed clarification and resolution. They were concerned about losing money on property investments. The Town was holding up some lot split applications and the applicants felt they were not receiving an adequate or timely response from the Town. They had the impression that Town employees did not want to help them. The delays were affecting the businesses that were to participate in developing the new parcels, as well. They hoped Council would do what they could to move the matter forward.

4) RESPONSE TO THE PUBLIC

Response to the Public is an opportunity for the Mayor to inform the public about how Town officials addressed matters raised during Call to the Public at a previous meeting.

a) Request by local business owner to reconsider the restrictions on offsite signage which has resulted in loss of business.

Mayor Croft reported that currently, all offsite signage was prohibited by the current sign ordinance. The property in question received approval in 1991 to construct a sign frame for the business located on the property. At the time, the property was larger and fronted SR 89. In 2004, the property was split into two parcels, at which time the sign frame became non-conforming. Since the sign was still in place, staff issued a permit for a new sign frame for the business in question, but due to circumstances not caused by the Town, the property owner removed the sign and sign frame. Since the sign had been completely removed, staff could not issue a new permit to construct a new sign off site, as it would create a non-conforming situation based on the current UDO. If the Council provided direction, staff would begin looking at possible off-site sign permissions.

Mayor Croft requested that the Town Manager direct staff to prepare an ordinance that would address off-site signage. The Town Manager stated a study session would be scheduled.

5) CURRENT EVENT SUMMARIES AND REPORTS

This item is for information only. The Mayor, any Councilmember, or Town Manager may present a brief summary or report of current events. If listed below, there may also be a presentation on information requested by the Mayor and Council and questions may be answered. No action will be taken.

a) Status reports by Mayor and Council regarding current events.

Councilmember Best presented the Town's 50th anniversary book that will be available for sale at the end of the month.

Councilmember Perkins reported that as a result of the Town's Christmas event and children's wishes for Santa, the community came together and provided food, clothes, and toys for three families in need.

Mayor Croft reported on the free Citizens Academy beginning January 23.

b) Status report by Town Manager Cecilia Grittman regarding Town accomplishments, and current or upcoming projects.

Town Manager Grittman reported on:

- A citizen who wanted to recognize Officer Herrera for providing a ride to school for a child running late.
- The Town's long-term bond rating improving from A+ to AA-.
- The Town being awarded the Certificate of Achievement of Excellence in Financial Reporting by the Government Finance Officers Association, for the Town's comprehensive annual financial report.
- Benches, counters, and signage on the Peavine Trail, provided by a grant through the Yavapai Trails Association.
- The new Pickleball court and Pickleball Association inviting younger people to learn how to play the game.
- Employee anniversaries.
- A Council study session scheduled for January 21 to discuss impact fees, Town Manager recruitment, and engineering standards.

c) Status report by Economic Development Project Manager Maggie Tidaback regarding grant awarded to Horses with H.E.A.R.T., Inc. from Arizona Association for Economic Development (AAED).

Ms. Tidaback reported that she was a member of the Arizona Association for Economic Development, whose members could vote for a local charity to receive local charitable donation. She nominated Horses with H.E.A.R.T., Inc., and they won over $7,000 raised for the donation.

d) Status report and update by Public Works Director/Town Engineer Frank Marbury regarding Unity Road.

Mr. Marbury reported that:

- There had been many calls about road maintenance on Unity Road, which was on the backside of the Bright Star subdivision, as a secondary access point required by law. The road was so bad, people had begun making their own road off to the side of the road.
- Several years ago, the road had a single chip seal, which had completely failed. It was beyond repair and could not be patched. To resurface the road, it would have to be completely reconstructed.
- The Town will rip the remaining chip, add base course, and maintain the road as a dirt road, which will provide a better surface than its current condition.
- If Bright Star started to construct the remaining lots, staff would work with the developer to get improvements to the road with the subdivision standards. Standards could include resurfacing, curb, gutter, and sidewalks.

6) CONSENT AGENDA

All those items listed below are considered to be routine and may be enacted by one motion. Any Councilmember may request to remove an item from the Consent Agenda to be considered and discussed separately.

Council set down Item 6a for further discussion.

MOVED by Vice-Mayor Jack Miller, seconded by Councilmember Cloyce Kelly to approve the Consent Agenda Items as written, 6(b), (c), (d), (e), (f), (g), (h) and (i).

AYE: Mayor Darryl Croft, Vice-Mayor Jack Miller, Councilmember Mike Best, Councilmember Cloyce Kelly, Councilmember Corey Mendoza, Councilmember Annie Perkins

6 - 0 PASSED - Unanimously

a) Consideration and possible action to accept bid and approve purchase from Huber Technology of a Huber Rotamat RPPS Perforated Plate Screen for the wastewater treatment plant in an amount not to exceed $122,000.00 and approve Addendum to Scope of Supply and Terms and Conditions. (Public Works Director, Frank Marbury)

Mr. Marbury and Town Attorney McGuire related that the Town was having an issue negotiating the Addendum with the vendor. Staff recommended Council approve the contract subject to an agreement on the Addendum.

MOVED by Vice-Mayor Jack Miller, seconded by Councilmember Mike Best to accept the bid and approve the purchase from Huber Technology of a Huber Rotamat RPPS Perforated Plate Screen for the wastewater treatment plant in an amount not to exceed $122,000.00, subject to the approval of the Arizona Addendum.

AYE: Mayor Darryl Croft, Vice-Mayor Jack Miller, Councilmember Mike Best, Councilmember Cloyce Kelly, Councilmember Corey Mendoza, Councilmember Annie Perkins

6 - 0 PASSED - Unanimously

b) Consideration and possible action to approve a Professional Service Agreement with Kimley-Horn and Associates, Inc. for the Chino Valley Water Reclamation Facility Septage Receiving Study Amendment and industry research in the amount of $27,400.00. (Frank Marbury, Public Works Director/Town Engineer)

c) Consideration and possible action to award contract to JEBCO Construction Companies for the Municipal Court patio enclosure in the amount of $26,007.00. (Frank Marbury, Public Works Director/Town Engineer)

d) Consideration and possible action to adopt Resolution No. 2020-1152 authorizing the Police Department in conjunction with Compass Training Center to apply for an Arizona Game & Fish Shooting Range Development Grant in the amount of $50,000 to complete the 200-yard Rifle Range. (Chuck Wynn, Police Chief)

e) Consideration and possible action to approve the Memorandum of Understanding between Yavapai-Prescott Indian Tribe and the Town of Chino Valley to allow the Town to disburse pass-through funds from the Tribe to Horses with H.E.A.R.T., Inc. (Joe Duffy, Finance Director)

f) Consideration and possible action to appoint applicants to the Planning and Zoning Commission per recommendation of the Appointments Subcommittee. (Jami Lewis, Town Clerk)

g) Consideration and possible action to approve the November 12, 2019, regular meeting minutes. (Jami Lewis, Town Clerk)

h) Consideration and possible action to approve the December 10, 2019, study session minutes. (Jami Lewis, Town Clerk)

i) Consideration and possible action to approve the December 10, 2019 regular meeting minutes. (Jami Lewis, Town Clerk)

7) ACTION ITEMS

The Council may vote to recess the public meeting and hold an Executive Session on any item on this agenda pursuant to A.R.S. § 38-431.03(A)(3) for the purpose of discussion or consultation for legal advice with the Town Attorney. Executive sessions are not open to the public and no action may be taken in executive session.

a) Public Hearing and consideration and possible action to recommend approval of an application from Agent Robert Rene Valenzuela for a new Series 03 (In State Microbrewery) Liquor License for Insurgent Brewing Co., LLC, located at 990 N. State Route 89, Suite D, Chino Valley. (JoAnn Brookins, Customer Services Manager)

<u>Recommended Action:</u>
(i) Hold Public Hearing.
(ii) Recommend approval for a new Series 03 Liquor License for Insurgent Brewing.

MOVED by Vice-Mayor Jack Miller, seconded by Councilmember Mike Best to open Item 7(a) public hearing.

AYE: Mayor Darryl Croft, Vice-Mayor Jack Miller, Councilmember Mike Best, Councilmember Cloyce Kelly, Councilmember Corey Mendoza, Councilmember Annie Perkins

6 - 0 PASSED - Unanimously

Ms. Brookins reported that Insurgent Brewing Co. already had a valid license, but they were moving location from Suite C to Suite D, so the process needed to be started over.

Applicant Robert Valenzuela explained that a Series 3 liquor license was not transferrable for more than 30 feet away and his business was moving 50 feet away. He thanked the Council and Town for assistance in the process.

MOVED by Vice-Mayor Jack Miller, seconded by Councilmember Cloyce Kelly to close Item 7(a) public hearing.

AYE: Mayor Darryl Croft, Vice-Mayor Jack Miller, Councilmember Mike Best, Councilmember Cloyce Kelly, Councilmember Corey Mendoza, Councilmember Annie Perkins

6 - 0 PASSED - Unanimously

MOVED by Vice-Mayor Jack Miller, seconded by Councilmember Annie Perkins to recommend approval for a new Series 03 Liquor License for Insurgent Brewing.

AYE: Mayor Darryl Croft, Vice-Mayor Jack Miller, Councilmember Mike Best, Councilmember Cloyce Kelly, Councilmember Corey Mendoza, Councilmember Annie Perkins

6 - 0 PASSED - Unanimously

b) Consideration and possible action to approve the Infrastructure Reimbursement Agreement with Barnett Management for Utilities extension from Road 2 North to the Burger King site, in an amount not to exceed $150,000.00. (Maggie Tidaback, Economic Development Project Manager)

Recommended Action: Approve the Infrastructure Reimbursement Agreement with Barnett Management for utilities extension from Road 2 North to the Burger King site, in an amount not to exceed $150,000.00.

Ms. Tidaback reported that:

- Barnett Management Company (“Barnett”) purchased property north of Walgreens on Road 2 North and SR 89 to put in a new Burger King.
- To bring utilities to their property, they had to cross other properties that would later benefit from the extension of sewer and water to the west of the property. Barnett has asked the Town for relief since utilities were not to the property line. The Town agreed to pay a utility reimbursement for up to $150,000 for water and sewer extension. The initial estimate for the utilities was $154,737.
- When the work was completed, Barnett would submit detailed invoices and the Town would reimburse up to $150,000 for the utility extension. This would benefit the Town as the area grew because the infrastructure would be in place.

MOVED by Vice-Mayor Jack Miller, seconded by Councilmember Cloyce Kelly to approve the Infrastructure Reimbursement Agreement with Barnett Management for utilities extension from Road 2 North to the Burger King site, in an amount not to exceed $150,000.00.

AYE: Mayor Darryl Croft, Vice-Mayor Jack Miller, Councilmember Mike Best, Councilmember Cloyce Kelly, Councilmember Corey Mendoza, Councilmember Annie Perkins

6 - 0 PASSED - Unanimously

c) Consideration and possible action to determine timeframes for pending ballot measures in the Town's 2020 election cycle. (Jami Lewis, Town Clerk)

Recommended Action: Designate election dates for pending ballot measures and a date for an executive session to review the proposed Franchise Agreement with the Chino Meadows II Water Company.

Ms. Lewis reported that:

- There was a primary election upcoming for August 4 and the General would be November 3. There were two pending ballot measures to be considered. The first was the Alternative Expenditure Limitation-Home Rule Option, which needed to be addressed every four years. The second was a water company franchise for the Chino Meadows II Water Company.
- A franchise was granted to public utility corporations for the purpose of allowing the utility to do business within the city or town. The Council may pass a resolution calling for a franchise election at either the next regular election or a special election called specifically for that purpose. Since there was a regular election this year, it made sense to do it with the regular election. A majority of electors voting in the election was necessary to approve a franchise. It was customary that the public utility for which the election was being held also pay a portion of the election cost.
- The Town currently had voter-approved franchises with APS and Citizens Utilities from the late 90s. The Town's voters had approved a previous franchise with Chino Meadows II Water Company that expired in 2014 and now the utility wanted to negotiate a new franchise agreement with the Council and put it before the voters.
- Historically, the Town scheduled ballot measures on the primary ballot so that if all the Council seats were filled in the primary, there would not be a general election and would save money. The average cost of an election was $25,000-$30,000. Staff's recommendation was to place the Home Rule option on the primary ballot, but staff needed some discussion and direction regarding placing the franchise measure on the same ballot as Home Rule or on a separate ballot in November.
- One reason to separate the measures would be to avoid voter confusion as has happened in previous questions. Home Rule required a lot of voter education and the franchise question could fall through the cracks if it was on the same ballot.
- Typically, the Town did not need a general election because Council seats were filled during the primary, but when there was a large amount of people running for Council, there typically had been a runoff election. The chances this year for needing a general election were stronger than usual.
- The cost savings of putting the measures together would be about the same if the Town was required to have a general election, as the utility company will pay a proportional cost for the utility portion of either election.
- The representative for the utility company had indicated that they were eager to get it on

the ballot as soon as possible. They had submitted a draft agreement for Council consideration. Once the Council made a decision on which ballot to place the measure, Council and staff would review the agreement.

Council and staff discussed the options:

- Staff related that if Home Rule did not pass, the Town would lose access to approximately 47% of their income. Council agreed that Home Rule was important and should be separated from the other ballot measure.
- Council asked about placing Home Rule on the November ballot instead. Attorney McGuire explained that sometimes with the federal election, people did not make it all the way down a ballot, and the Town's issue would be at the end, so it may be better to have it on a ballot that the Town's measure was easier to see.

MOVED by Vice-Mayor Jack Miller, seconded by Councilmember Cloyce Kelly to designate that Home Rule go on the August Primary ballot and the Franchise Agreement go on the November General ballot.

AYE: Mayor Darryl Croft, Vice-Mayor Jack Miller, Councilmember Mike Best, Councilmember Cloyce Kelly, Councilmember Corey Mendoza, Councilmember Annie Perkins

6 - 0 PASSED - Unanimously

d) Consideration and possible action to award contract to Arrow Roofing, Inc. to remove and replace the roofing material and skylights at the Senior Center with an estimated cost of $28,227.60 plus any additional costs for unseen conditions revealed after shingle removal. (Frank Marbury, Public Works Director/Town Engineer)

<u>Recommended Action</u>: Award contract to Arrow Roofing, Inc. to remove and replace the roofing material and skylights at the Senior Center with an estimated cost of $28,227.60 plus any additional costs for unseen conditions revealed after shingle removal.

Mr. Marbury reported that:

- This was classified as an emergency purchase. The Senior Center started getting leaks after the rains in November and repairs did not work. With the amount of use the Senior Center received and the damage to the ceiling, staff decided to have the roof analyzed.

After consulting with the Town Manager, staff decided that it needed an emergency repair. The skylights and roofing material will be replaced.

MOVED by Vice-Mayor Jack Miller, seconded by Councilmember Cloyce Kelly to award contract to Arrow Roofing, Inc. to remove and replace the roofing material and skylights at the Senior Center with an estimated cost of $28,227.60 plus any additional costs for unseen conditions revealed after shingle removal.

AYE: Mayor Darryl Croft, Vice-Mayor Jack Miller, Councilmember Mike Best, Councilmember Cloyce Kelly, Councilmember Corey Mendoza, Councilmember Annie Perkins

6 - 0 PASSED - Unanimously

8) EXECUTIVE SESSION

Council may vote to recess the Regular Meeting and hold an executive session, which will not be open to the public, for the following purposes.

MOVED by Vice-Mayor Jack Miller, seconded by Councilmember Cloyce Kelly to adjourn to Executive Session at 6:55 p.m.

AYE: Mayor Darryl Croft, Vice-Mayor Jack Miller, Councilmember Mike Best, Councilmember Cloyce Kelly, Councilmember Corey Mendoza, Councilmember Annie Perkins

6 - 0 PASSED - Unanimously

a) An executive session pursuant to A.R.S. § 38-431.03(A)(3) for discussion or consultation for legal advice with the Town Attorney regarding subdivision regulations. (Joshua Cook, Development Services Director)

b) An executive session pursuant to A.R.S. § 38-431.03(A)(4) for discussion or consultation with attorneys for the Town regarding a potential intergovernmental agreement with the City of Prescott relating to water service. (Cecilia Grittman, Town Manager)

9) ACTION ITEMS RESUMED

After the Executive Session, Council will reconvene the Regular Meeting.

Mayor Croft reconvened the meeting at 8:54 p.m.

10) ADJOURNMENT

MOVED by Councilmember Annie Perkins, seconded by Vice-Mayor Jack Miller to adjourn the meeting at 8:57 p.m.

AYE: Mayor Darryl Croft, Vice-Mayor Jack Miller, Councilmember Mike Best, Councilmember Cloyce Kelly, Councilmember Corey Mendoza, Councilmember Annie Perkins

6 - 0 PASSED - Unanimously

____
Darryl L. Croft, Mayor

ATTEST:

____
Jami C. Lewis, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the Town Council of the Town of Chino Valley, Arizona held on the _______ day of _______________, 2020. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this _______ day of _______________, 2020.

____
Jami C. Lewis, Town Clerk

D R A F T

MINUTES OF THE STUDY SESSION
OF THE TOWN COUNCIL OF THE TOWN OF CHINO VALLEY

TUESDAY, JANUARY 21, 2020
5:00 P.M.

The Town Council of the Town of Chino Valley met for a Study Session in the Chino Valley Council Chambers, located at 202 N. State Route 89, Chino Valley, Arizona, on Tuesday, January 21, 2020.

Present:	Vice-Mayor Jack Miller; Councilmember Mike Best; Councilmember Corey Mendoza; Councilmember Annie Perkins; Councilmember Lon Turner
Absent:	Mayor Darryl Croft; Councilmember Cloyce Kelly
Staff Present:	Town Manager Cecilia Grittman; Town Attorney Andrew McGuire; Finance Director Joe Duffy; Human Resources Director Laura Kyriakakis; Public Works Director/Town Engineer Frank Marbury; Development Services Director Joshua Cook; Ecomonic Development Project Mananger Maggie Tidaback; Administrative Technician Kathy Frohock (videographer); Customer Service Manager JoAnn Brookins; Deputy Town Clerk Vickie Nipper; Deputy Town Clerk Erin Deskins

1) CALL TO ORDER; ROLL CALL

Vice Mayor Miller called the meeting to order at 5:09 p.m.

2) Presentation by Pat Walker with Pat Walker Consulting and discussion regarding Impact Fees. (Joe Duffy, Finance Director)

Joe Duffy presented the following:
- Introduced consultant Pat Walker, and briefly explained her background experience with the Town.

Pat Walker presented the following:

- Reviewed her background in municipal finance.
- Introduced her partner Kevin Burnett with Willdan Financial Services.
- She had experience with impact fee laws and with the Town's attorney. The Town's attorney was highly knowledgeable about impact fees.
- She will be overviewing a model city ordinance; when fees are adopted, an ordinance would also be adopted that described the statute in more detail.
- Development Impact Fee was a one-time charge. The one-time charge was paid during the building permit process, and then used for capital by the Town. It was not an ongoing fee. It was to offset a public service cost or a necessary public improvement, and it would offset the cost of providing capital facilities for growth development.
- International City Management Association (ICMA) described Development Impact Fees as money collected through a formally set schedule or formula levied against new development projects as a condition against permit approvals to support infrastructure.

- An important aspect was proportionate share. No one should pay more than their fair share for the cost of development.
- Other titles used were Investment Fee, Assistant Development Charge, or Buy-In Fee.
- Excess capacity of existing facilities' money could be recovered to pay for the expansion of a facility as new people's use affected the current capacity limits.
- The law does not allow the fees to pay for improvement of services for existing residents.
- Maintenance and repairs could not be funded by impact fees.
- Improvements to service new development was allowed.
- Impact fees had a different methodology. The statute included a law that required the methodology must be completed by an outside qualified professional and not done in-house.
- The methodology depended on the community and the need.
- Methodologies included:
    - When a community needed a lot of people to buy in to a large capacity improvement such as water and sewer, the Buy-In Impact Fee methodology would be used.
    - Forward-looking methodologies look at future facilities to add capacity for new development; these are often called Incremental or Plan-Based Impact Fees. It was better if there were masterplans in place or engineering cost estimates.
    - Hybrid impact fees could be both, addressing new growth partially with existing capacity and partially with new improvements.
- Consultants would work with Town staff to determine what methodology would best suit their purpose. Sometimes all three would be used to calculate which method made the most sense, but there was no single right answer and the law did not dictate what methodology should be used.
- The law dictated publication requirements, type of improvements, and the necessary public improvements.
- There could be fee or service areas for particular parts of a city or town, but most communities placed equal value to all areas for use of public facilities or transportation systems.
- The methodology could be complicated, but a consultant needed to be able to defend it if it was challenged in court.
- Questions a consultant would ask would be: did the town have any current outstanding development impact fee related debt, was there anything sold that the town was paying for, was there a current growth related project that included impact fees, was there an allowable growth related capital need, and was there the ability to gather data required for an IP study such as population, commercial projections?
- There was a required 10 year forecast for non-utility development impact fees and 15 year forecast for water and sewer.
- The law required that new infrastructure must be built within 10 years. This area was vague in the statute and could be further defined in the Town ordinance. Refunds of the fees for infrastructure not yet built could only be requested by the owner of the property at the time. A developer could not come back and ask for en masse, although it was an area to be cautious.
- Storm water was considered a utility but was not in the 15 year category. That only included water and sewer.
- Impact fees must demonstrate demand, benefit and proportionality.
    - Demand - What you need to build in order to maintain existing service levels for new development. Existing service levels must be proved.
    - Benefit – How or when the development benefits the community from the development fees paid.
    - Proportionality – Residential versus commercial and paying their fair share.
- Impact fees for water and sewer could be done under development impact fees, A.R.S. §9-463.05 or a capacity fee under A.R.S. §9-511.01. The main difference between the two

was the development impact fee was collected at the time of building permits, which the Town issues only within the boundaries of the Town, but the capacity fee included both citizens inside and outside the Town boundaries.

- The Town had done all that was required by statute for collection of capacity or buy in fees.
- The state statute had been completely rewritten but was convoluted and difficult to understand.
- A study would take about 12-15 months to complete, but depended on circumstances such as the number of stake holder meetings, community outreach, and council meeting approvals. Taking longer than the 12-15 months would require the background information and numbers to be updated.
- Growth-related revenues to offset costs of the new facilities must be forecasted and must be shown by service unit and service area requirements. Service areas were not required if it could be proven it was a one system infrastructure.
- The statute did not allow: city halls and general government facilities, administrative operation and maintenance costs, and parks over 30 acres not showing a direct benefit to new development; police, fire and library projects were also limited.
- An infrastructure improvement plan was required. It could be the same as the capital improvement plan (CIP) but required more information than the CIP. Detailed information included disclosing the existing infrastructure, the available capacity and cost, identifying public service areas, an interrelated infrastructure improvement plan (IIP) and fee structure plan, IIP must be justified and that it had been updated every five years, public hearings on land use, and must define completion dates on projects.
- The IIP land use assumptions shall be adopted or updated before the fee adoption. The land use assumptions must also conform to the General Plan overall, it must identify projects and service areas, and projects and services for new development.
- The land use assumptions must include the Town's growth projections for the next ten years for residential, multifamily, industrial, and commercial.
- The statute required an advisory committee or biannual audit. It was recommended to have a combination with an ad-hoc advisory committee or strictly do a biannual audit. The advisory committee advised on land use plans, IIP development fee reports, and monitored the implementation of the IIP. There had to be three members from building/real estate development, one in home building and municipal officials or employees could not be members. The biannual audit was in addition to a required annual audit report and was required after two years with an outside firm that did not complete the development fee study. The audit must be done by qualified professionals (CPA firm not required), reviews the collection and expense of each fee and each project, level of service, land assumptions and a public hearing within 60 days of the release of the audit. The biannual audit still provided oversight and was often the chosen method by communities because of the advisory committee requirements.
- Prior development fees for police, roads, streets, library and parks and recreation were low for the Town.
- The statute requires "necessary public services" to have a life expectancy of three or more years and to be owned by or on behalf of a municipality.
- Fire and police facilities did not include a facility or a portion of a facility that was used to replace services that were once used to provide services elsewhere in the municipality, vehicles and equipment used to provide administrative services, or a facility used to train fire or officer personnel for more than one station or substation.

Kevin Burnett discussed the following:

- Provided his background and experience.
- Road and street fees were difficult because the calculation needed was different than any

other calculated fees. The Police and fire were calculated in a similar way but streets were much more complicated.

- The collector and arterial streets were the streets that were calculated for impact fees. Impact fees for streets included traffic lights, bridges, culverts, storm drains, etc.
- Builders and developers were at odds about the items they wanted included in the impact fees.
- Need to determine the impact or capacity used by the new development. In the case of transportation, would start with the number of vehicle trips and how many trips were generated by a particular development or how many trips generated by a single-family home. A trip adjustment factor also considered the length of trips which would vary by community. The demand that was placed on the community would vary in every community and would calculate the number of trip miles from a particular development. The calculation would only include town boundaries.
- Trip calculations were reviewed.
- Parks and recreation fees were philosophically more difficult to determine. Although the level of service based on the number of acres per the number of residents was straight forward, adding in items like soccer fields, baseball fields, etc. based on level of service was more of a philosophical determination. Exclusions to parks included bandstands, bathhouses, boat houses, greenhouses, wetlands, equestrian facilities, and lakes. There was a distinction between a pool and an aquatic center. A local pool was allowed but an aquatic center with extras like spring boards, splash pads, etc. were not allowed.
- A park over 30 acres needed to have a direct benefit associated with the size.
- Capital financial planning included:
  - What information was available to determine how to develop the fee (customer demand, masterplans, and philosophies in growth).
  - Resources available to pay for the no growth side.
  - The CIP would turn into the IIP to show the future infrastructure and the level of service.
  - Fee calculation estimated.
  - Revenue projection estimated.

- Planning would include determining the Town's financial growth over the next ten years and the current level of service and the level of service going forward.
- The IIP needed to identify the current level of service and who would be served. It needed to be reasonable and something that could be defended. Infrastructure needed to be identified and the available capacity in the existing infrastructure and what was needed going forward also needed to be identified. The IIP was the most specific part.
- If the new development collected more revenue than was expended on operation and maintenance, then there would need to be a credit given back. If there was a new construction sales tax higher than the normal sales tax, it had to be applied to capital and offset the cost of new growth.
- The ten year financing plan methodology would be based on information specifically for the town, including growth and building out.
- The year and half process were partly a result of waiting periods after meeting the required milestones. Each required step had to go back to back and needed to fit into the normal schedules. The shortest period of time for completion was approximately 275 days.
- The process would start with a kickoff meeting.
- All items were reviewed with everyone throughout the process.
- Publication change requirements were by state law. Documentation of the fees included how the money was spent, revenues collected, and what was done with the funds.

Council, town attorney, staff, Kevin Burnett, Pat Walker discussed the following:

- Conforming and nonconforming growth had been used in funding requests for the Department of Transportation, but classifications were not necessary for impact fee reports.
- In order to use impact fees for a new police department, the Town would need to show that it current resources are not capable of serving new growth. Any improvement to the current level of service provided to existing residents could not be paid for out of the impact fees; only the future growth portions of the debt service taken on by the Town could be paid with development fees.
- There was disagreement on the interpretation of the statute stating the level of service could never increase beyond the current services provided. In periods of growth, it did not make sense. The statute really stated that development fees would not pay for anything beyond the growth. The calculation needed to be fair. There had been legal challenges on the allocation of fees.
- Discussed legislative discretion and oversight by local authorities on the important infrastructure of communities. The ordinance tried to address an issue at the state-wide level that was not unified statewide because development was different in every single community in the state.
- Studies show that the impact fees on potential growth depends on comparable fees to neighbors. Developers have been on both sides, in which some don’t like the fees and others liked that the Town was investing in the needed assets to make the houses sell and attract businesses. If people were there, they would build the homes.
- It was important to have developers’ part of the public outreach and involved in the process.
- Commercial investments were dependent on the market and less on the development fees, which were a small part of their total investment.
- Town could either require developers to develop or to widen streets and add sidewalks during the development phase or they could pay the impact fees and the Town could do the development. To keep the costs down, some municipalities only charge development fees for the middle lanes of arterial roadways; the lanes adjacent to a project (including curb, gutter and sidewalk) would go to the developer as the subdivision requirement and then the middle two more regional lanes would go to the development fee. Developers saw that as a fairer process.
- When comparing community’s impact fees, it was extremely difficult getting an apples to apples comparison.
- The Town already had buy-in or connection fees for sewer and water, and if the methodology was good and the Town was collecting the necessary funds for future capacity, there was no need for an additional impact fee.
- Citizen’s service levels were being decreased every time a building permit was pulled for a new community member who came to town and a fee wasn’t assessed to help with future development. Someone had to pay for future infrastructure, and it is unfair for existing residents to pay for new growth.
- It was important to determine ongoing costs since it required regular audits, and council members questioned if they could spend more on bookkeeping and future study updates. It was explained that future updates and fees could be recouped.
- The sewer expansion and impact fees were discussed.
- New construction permits were at approximately 100 homes per year. Council members stated there had been a huge influx of growth and citizens didn’t want further growth, but thought the impact fees would not cause backlash from the community since it was for new growth and did not penalize current residents. The developers and new citizens could be upset about the fees. The Town’s future growth was restricted by water.
- The comparison of surrounding communities was important so Town knew if they were way off base on the fees, but it was unclear how the Town could provide appropriate services without impact fees. The Town could not handle what they currently had and could not afford to take on more. Developers had to pay their fair share.

- The new developments should help pay for the roads they would be using and Town was having to make new roads for the increased population. Currently, the roads are required to be put in as part of the development process.
- The plans that went with the fees had to be reasonable and had to be implemented. The Consultant would help manage the expectations of what was realistic, which would keep the fees down. Occasionally a town had backed away because they could not implement the plan or the fees were not large enough.
- Members talked about upcoming future development. The Town needed to figure out how to have a maintenance program for the roads before they figure out how to utilize the small amount from impact fees. The Town could get a bond and the user impact fees could be used to pay off a portion over ten years.
- The cost of the study was under $100,000. It would be voted in by Council. The percentage of the big cities had impact fees was high but some of the smaller towns did not have impact fees. The size was not as important as the growth of the area.
- The impact fee committed the Town to doing projects. The burden of paying for the projects was coming whether the Town implemented impact fees or not.
- The projects and numbers needed to be presented to the Council for consideration.

3) Presentation and discussion regarding Town Manager's recruitment. (Laura Kyriakakis, Human Resources Director)

Cecilia Grittman and Laura Kyriakakis presented the following:

- Town Manager Grittman would be retiring March of 2021.
- There had been five or six managers since she had been employed at the Town and all had been hired in different ways.
- The Council wanted a succession plan, so Ms. Grittman and Ms. Kyriakakis developed a plan.
- A timeline was presented for the recruitment process and how long it could take.
- The process would begin in February 2020 and finish in February 2021, which gave the Town the time to focus on candidate profiles and selection process.
- With this level position, it was typical to hire an executive search firm. This type of recruitment was different than hiring other lower level positions. It took extensive assessment of the position. After the process review, the next step would be to delve deeper into the process with an executive search firm.
- The first step was developing an ideal candidate profile. The primary way to do that was with discussions, meeting with the Town Council to discuss job specifications, education, experience, knowledge, skills and other requirements needed. It would consider what the Council did and did not want and what the Council wanted but did not currently have and the goals of the council.
- Key staff could be part of the process since the Manager works closely with staff and their needs and wants.
- The candidate profile needs could also include historical knowledge, understanding of local area and the State of Arizona, good delegation skills, a good liaison between council and staff, experience working with public entities and municipalities, land and economic development, public works, public finance, public human resources, communications skills, and production.
- Council needed to consider what had not worked with past managers and the leadership skills necessary to continue the healthy culture that currently existed with the Town, which was One Town, One Team.
- This information would help create the candidate profile and update the job description. This process was allotted two months.

- The next step would be to develop a selection process that included who, what, where, when and how for the selection process. Considerations would be interview panels, written exercises, oral interviews with an interview panel, public question and answer sessions, and meet and greets.
- The next step would develop recruitment and advertisement material. Questions to consider were the type of materials to utilize to promote the position and Town. When using an executive search firm, their network and website could be used to attract candidates.
- The next step would be to actively start recruiting for prospective candidates. Recruitment could be through external or internal or combination of both. An executive search team would be $10,000-$20,000. If pursuing an internal candidate, a succession plan would need to be in place and the candidates needed to already be developed and qualified to step into the position within a year. The cost involved for an internal hire would leave an opening that still needed to be filled. There would also need to be a focus on internal training for the existing staff. There was currently no succession plan in place and internal candidates could consider the external route. Moving forward, there should be a developmental program that was more formalized for internal succession.
- The next step would be to review and prescreen applicants. This could be done through HR and the executive search team or the Council could see all the candidates if they wanted. It was typically easier to filter the applications and bring in the top applicants based on the Council profile.
- The next step would be to make an offer and start contract negotiations. During that time, it would be a conditional job offer.
- The contract would be finalized and the person would come on board. The overlap should be no longer than two weeks.
- Staff reached out to three executive search firms and got their prices. The one staff was interested in had a cost of $14,000. The person heading up the search was a human resource director for a municipality in Arizona and had good knowledge of recruitment at a high level.
- Staff could do group meetings with Council members in private about what they liked about the existing town manager, what they thought needed improvement, their vision for the Town, what the town manager needed for the future and similar discussions.
- Council members voiced concern over subordinates picking their boss. Staff explained that it might be good to have department heads be involved because they worked very closely with the Town Manager. Their input would be valuable and would be given directly to the Council. The current manager was a great liaison with staff and council.
- Council members thought an executive session would be beneficial because they did not want to review their department heads in an open meeting about weaknesses that may need to improve. The Council was reminded that Executive sessions were allowed for appointed personnel discussions, and not for department heads; they were under the direction of the Town Manager. The Council could discuss skills they believe the new manager needs, based upon current gaps in expertise on staff. The Human Resource Director should be included so that those characteristics and goals were included in the recruitment process.
- The current manager would have the greatest knowledge of gaps and weaknesses with department heads.
- Council members agreed an executive session and small group meetings were the way to start the process. Staff thought the executive search firm should be involved in the execute session as well to help create the ideal candidate profile. Council did not want the executive firm to be involved in the executive session and wanted the HR Director to relay the information as necessary.
- The Council could meet in the executive session and then meet with the executive search team for further guidance.
- Staff and Council discussed important aspects of the position.
- Council requested staff move forward scheduling the executive session.

4) Consideration and discussion regarding developing engineering standards. (Frank Marbury, Public Works Director/Town Engineer)

Council Members and Frank Marbury presented the following:

- Requesting input on grading and drainage on engineer standards.
- Civiltech was working with staff on the draft chapters.
- Grading was the standard for all the earthwork activities and most the grading requirements were per the international building code (IBC). The draft standards complimented the IBC and also provided standardization for when a permit was needed, when a geotechnical report was required and define what was needed for erosion control measures. The standards also complimented the drainage standard because water and drainage went together.
- Suggested a permit requirement with a minimum threshold of 50 cubic yards of dirt being moved or 10,000 square feet of clearing and grubbing.
- Exemptions in the draft chapter included work below basements and footings because it was part of the building permit, wells were exempted, utility trenches were under utility regulations, mining and stockpiling were covered by other permits, and other various exemptions were discussed.
- These standards were currently being used but were not part of the current code. Putting it into the code would make people aware of what to expect. It was easy to follow and would save money for people bidding jobs in the Town.
- Standards and requirements that were covered in the draft were briefly described. It would help engineers bid jobs for their clients.
- The draft code covered at risk grading permits, which meant dirt could be moved but depending on circumstances of the final plan, the dirt might need to be moved back.
- Inspection requirements, certification requirements and record drawings and as-built requirements were addressed.
- Flood control and historic and natural drainage at property lines were important issues, so staff wanted to adopt the County Drainage Manual by reference. The manual's source was the Maricopa drainage manual and several jurisdictions used the manual. It required professional reports and exemptions could be added by the Town if desired based on zoning or lot size. This could be addressed in the UDO rewrite. Council discussed historic drainage issues.
- The manual was written to allow any development review as needed. The drainage review process had three detailed phase reports that could be used as necessary.
- The manual's drainage components dealt with storm water quality to ensure the environment was not polluted.
- Staff reviewed the differences between the Town code and the County code for roadway drainage requirements.
- The county covered requirements in the County not covered in the Town for storm water drainage.
- The erosion requirements in the manual had extensive detail on erosion control and did cover SWPPS. It was what the Town currently practiced but written in an easier way.
- Council did not want to overburden a homebuyer but wanted also to protect them so they were not getting flooded. It was a compromise between overregulation and underregulating.
- Being in conformity with the County would be a good thing.
- This could go to UDO Subcommittee for consideration.

5) ADJOURNMENT

The meeting was adjourned at 8:03 p.m.

____
Darryl L. Croft, Mayor

ATTEST:

____
Jami C. Lewis, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the Town Council of the Town of Chino Valley, Arizona held on the 21st day of January 2020. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this _______ day of _______________, 2020.

____
Jami C. Lewis, Town Clerk

TOWN OF CHINO VALLEY
COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting **7. a.**

Meeting Date: 02/11/2020

Contact Person: Frank Marbury, Public Works Director/Town Engineer
Phone: 928-636-7140 x-1226

Department: Public Works

Item Type: Action-Presentation

Estimated length of staff presentation: 30 minutes

Physical location of item: Memory Park and Old Home Manor

AGENDA ITEM TITLE:

Consideration and possible action to amend the Design-Build contract to JEBCO Construction Companies, LLC for the Utility's shop building at Old Home Manor and Memory Park restrooms in the amount of $876,171.00 for Construction Services. (Frank Marbury, Public Works Director/Town Engineer)

RECOMMENDED ACTION:

Approve the amendment to the Design-Build Contract between The Town of Chino Valley and JEBCO Construction LLC for the construction services phase of the project in the amount of $876,171.00.

SITUATION AND ANALYSIS:

Town staff have been working with the Jebco Construction LLC team to develop the construction plans for the bathrooms at Memory Park and the Steel Utility Shop Building at Old Home Manor. The design portion of the contract was approved on September 9, 2019. The Guaranteed Maximum Price is $876,171.00.

Fiscal Impact

Fiscal Impact?: Yes

If Yes, Budget Code: 01-71-5438

Available: 247,140

Funding Source:

The Town budgeted $150,000 in the Facilities Maintenance Department for the Memory Park Restrooms. The additional funds will come from the General Fund Contingency line item.

Fiscal Impact?: Yes

If Yes, Budget Code: Various

Available: 629,031

Funding Source:

The Town budgeted $160,000 in the Water Enterprise Fund and $160,000 in the Sewer Enterprise Fund. The additional funds required will come equally from the reserves in each of the Enterprise Funds.

Attachments

Contract Amendment

DRAFT

FIRST AMENDMENT
TO
DESIGN – BUILD AGREEMENT
BETWEEN
TOWN OF CHINO VALLEY
AND
JEBCO CONSTRUCTION COMPANIES, LLC

THIS FIRST AMENDMENT TO DESIGN – BUILD AGREEMENT (this "First Amendment") is made as of January _____, 2020, between the Town of Chino Valley, an Arizona municipal corporation (the "Town"), and Jebco Construction Companies, LLC, an Arizona limited liability company (the "Contractor").

RECITALS

A. The Town and the Contractor entered into that certain Design - Build Agreement, dated July 1, 2019 (the "Agreement"), for complete design and construction services related to the Utilities Shop Building at Old Home Manor and Restrooms at Memory Park, Chino Valley, Arizona (the "Project"). Unless otherwise set forth herein, all capitalized terms used in this First Amendment shall have the meanings ascribed to them in the Agreement.

B. Pursuant to subsection 1.2 of the Agreement, (i) the Town may request that the Contractor submit one or more GMP Proposals for construction of the Project and (ii) the Town and the Contractor may agree upon a guaranteed maximum price for the Work required for construction of the portion of the Project included within each GMP Proposal. Accordingly the Town requested that the Contractor submit a GMP Proposal relating to the construction phase for all components of the Project (the "Construction Phase Proposal").

C. The Contractor has submitted, and the Town has approved, the Construction Phase Proposal. The Town and the Contractor desire to establish the guaranteed maximum price for the construction phase work related to the Construction Phase Proposal (the "Construction Phase Work").

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing introduction and recitals, which are incorporated herein by reference, other such good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and the promises and covenants set forth below, the Town and the Contractor hereby agree as follows:

1. GMP Established. The Contractor's guaranteed maximum price for the Construction Phase Work (the "Construction Phase GMP"), including the applicable portion of the Cost of the Work as defined in Subsection 3.3(B) of the Agreement and the applicable portion of the Construction Fee as set forth in Subsection 3.4 of the Agreement, but specifically not including the Pre-Construction Phase Fee set forth in subsection 3.3 of the Agreement, is hereby agreed to be $ 876,171.00 . The Construction Phase GMP is the total

compensation from the Town to the Contractor for its fee for the performance of the Construction Phase Work in accordance with Contract Documents and pursuant to any of the following documents, as applicable:

A. Detailed Scope. A detailed scope of services for the Construction Phase Proposal is attached hereto as Exhibit 1 and incorporated herein by reference.

B. Documents. A list of the Construction Documents, including all addenda that were used in preparation of the Construction Phase Proposal, is attached hereto as Exhibit 2 and incorporated herein by reference.

C. Allowances. A list of allowances related to the Construction Phase Work and a statement of their basis is attached hereto as Exhibit 3 and incorporated herein by reference.

D. Assumptions. A list of the assumptions and clarifications made by the Contractor in the preparation of the Construction Phase Proposal to supplement the information contained in the Construction Documents is attached hereto as Exhibit 4 and incorporated herein by reference.

E. Substantial Completion. The Substantial Completion date upon which this Construction Phase Proposal is based and the Master Schedule for the Work upon which the Substantial Completion date is based, including a clear statement of the number of rain delay days included within the Master Schedule, is attached hereto as Exhibit 5 and incorporated herein by reference.

F. Alternate Prices A schedule of applicable alternate prices is attached hereto as Exhibit 6 and incorporated herein by reference.

G. Unit Prices. A schedule of applicable unit prices is attached hereto as Exhibit 7 and incorporated herein by reference.

H. Additional Services. A statement of Additional Services to be included is attached hereto as Exhibit 8 and incorporated herein by reference.

I. Acceptance Period. The time limit for acceptance of the Construction Phase Proposal is attached hereto as part of Exhibit 8.

2. Exhibits to Existing Agreement. The following exhibits are hereby approved as attached hereto and are hereby incorporated into the Agreement by reference:

A. Exhibit D – Master Schedule.

3. Effect of Amendment. The Agreement is affirmed and ratified and, except as expressly modified herein, all terms and conditions of the Agreement shall remain in full force and effect.

4. Non-Default. By executing this First Amendment, the Contractor affirmatively asserts that (i) the Town is not currently in default, nor has been in default at any time prior to this First Amendment, under any of the terms or conditions of the Agreement and (ii) any and all Contractor claims, known and unknown, relating to the Agreement and existing on or before the date of this First Amendment are forever waived.

5. Conflict of Interest. This First Amendment and the Agreement may be canceled by the Town pursuant to ARIZ. REV. STAT. § 38-511.

[SIGNATURES ON FOLLOWING PAGES]

IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the date and year first set forth above.

“**Town**”

TOWN OF CHINO VALLEY,
an Arizona municipal corporation

____
Cecilia Grittman, Town Manager

ATTEST:

____
Jami Lewis, Town Clerk

(ACKNOWLEDGMENT)

STATE OF ARIZONA)
) ss.
COUNTY OF YAVAPAI)

On ____________________, 2020, before me personally appeared Cecilia Grittman, the Town Manager of the TOWN OF CHINO VALLEY, an Arizona municipal corporation, whose identity was proven to me on the basis of satisfactory evidence to be the person who she claims to be, and acknowledged that she signed the above document, on behalf of the Town of Chino Valley.

____
Notary Public

(Affix notary seal here)

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

“**Contractor**”

JEBCO CONSTRUCTION COMPANIES, LLC,
an Arizona limited liability company

By:__________________________________
Jeb N. Johnson, CEO/President

(ACKNOWLEDGMENT)

STATE OF ARIZONA)
) ss.
COUNTY OF YAVAPAI)

On _________________________, 2020, before me personally appeared Jeb N. Johnson, a member of Jebco Construction Companies, LLC, an Arizona limited liability company, whose identity was proven to me on the basis of satisfactory evidence to be the person who he claims to be, and acknowledged that he signed the above document on behalf of the company.

____
Notary Public

(Affix notary seal here)

EXHIBIT 1
TO
FIRST AMENDMENT
TO
DESIGN – BUILD AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
JEBCO CONSTRUCTION COMPANIES, LLC

[Scope of Services]

See following page(s).

Scope of Services

Utilities Shop Building at Old Home Manor: The construction of a new 5,215 SF pre-engineered metal building at the Town of Chino Valley Water Reclamation Facility (2190 Rodeo Dr.). The building has office space, a laboratory, restrooms, and warehouse space.

Restrooms at Memory Park: The construction of a new 1,145 SF single story masonry restroom building at Memory Park. The building has an asphalt shingle roof that will include a men's restroom, a women's restroom, and a family restroom.

EXHIBIT 2
TO
FIRST AMENDMENT
TO
DESIGN – BUILD AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
JEBCO CONSTRUCTION COMPANIES, LLC

[Construction Documents]

See following pages.

List of Construction Documents

- Town of Chino Valley Utilities Shop (UB) at Old Manor and Restrooms (RB) at Memory Park Construction Documents dated 1/6/20 by Arrington Watkins Architects.

- Town of Chino Valley Utilities Building at Old Manor and Restrooms at Memory Park Structural Calculations dated 12/20/19 by Pangolin Structural.

Documents are available for viewing at the Public Works Department located at 1982 Voss Drive, Chino Valley, AZ 86323.

EXHIBIT 3
TO
FIRST AMENDMENT
TO
DESIGN - BUILD AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
JEBCO CONSTRUCTION COMPANIES, LLC

[Allowances]

See following page.

Allowances

Allowance for Memory Park Restrooms septic system: $12,500.00

EXHIBIT 4
TO
FIRST AMENDMENT
TO
DESIGN - BUILD AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
JEBCO CONSTRUCTION COMPANIES, LLC

[Assumptions]

See following page(s).

EXHIBIT 5
TO
FIRST AMENDMENT
TO
DESIGN - BUILD AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
JEBCO CONSTRUCTION COMPANIES, LLC

[Substantial Completion Date and Schedule]

See following pages.

EXHIBIT 6
TO
FIRST AMENDMENT
TO
DESIGN - BUILD AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
JEBCO CONSTRUCTION COMPANIES, LLC

[Alternate Prices]

See following page.

JEBCO Construction Companies
928.778.7976 Office • 928.445.6977 Fax
140 N. Montezuma St., #108, Prescott, AZ 86301

JEBCO Construction Companies

R.O.C. 256201 • R.O.C. 241613

PROPOSAL **2/5/2020**

Plans & Specifications By
AWA Architect

Job Name & Location:
Town of Chino
Valley Utilities
Shop at Old Manor
& Restrooms at
Memory Park Chino
Valley, AZ

Description of Work to be performed by Jebco:

- Per plans dated 1/6/2020

Alternate 1 Option

- (2) 20x50 concrete aprons **ADD $14,375.00**

Allowance

- Septic System **$12,500.00**

V.E Options

- Install (4) non insulated garage doors in utilities shop **Deduct $3,500.00**
- No garage door openers (chain hoist only) **Deduct $5,985.00**
- V.E on electrical gear and lighting on Utilities building **Deduct $7,400.00**
- V.E on electrical gear and lighting on Restroom building **Deduct $5,100.00**
- Change plumbing fixtures from Stainless Steel to Porcelain in restroom at Memory Park **Deduct $13,125.00**

JEBCO Construction Companies
928.778.7976 Office • 928.445.6977 Fax
140 N Montezuma Ste 108 Prescott, AZ 86301

JEBCO
Construction Companies
R.O.C. 256201 • R.O.C. 24

CV UTILITIES 40x100x20 CHINO VALLEY, AZ	SITE	BUILDINGS			2/5/2020	SUBTOTAL
Division 01 — General Requirements	$ -	$ 31,360	$ -	$ -	$ -	$ 31,360
Division 02 — Site Construction	$ -	$ -	$ -	$ -	$ -	$ -
Division 03 — Concrete	$ -	$ 79,339	$ (11,000)	$ -	$ -	$ 68,339
Division 04 — Masonry/Concrete	$ -	$ -	$ -	$ -	$ -	$ -
Division 05 — Metals	$ -	$ 132,523	$ (18,726)	$ -	$ -	$ 113,797
Division 06 — Wood and Plastics	$ -	$ 40,600	$ -	$ -	$ -	$ 40,600
Division 07 — Thermal and Moisture Prote	$ -	$ 6,589	$ -	$ -	$ -	$ 6,589
Division 08 — Doors and Windows	$ -	$ 36,693	$ -	$ -	$ -	$ 36,693
Division 09 — Finishes	$ -	$ 32,150	$ -	$ -	$ -	$ 32,150
Division 10 — Specialties	$ -	$ 5,700	$ -	$ -	$ -	$ 5,700
Division 11 — Misc	$ -	$ -	$ -	$ -	$ -	$ -
Division 12 — Furnishings	$ -	$ -	$ -	$ -	$ -	$ -
Division 13 — Plumbing	$ -	$ 37,800	$ -	$ -	$ -	$ 37,800
Division 14 —Mechanical	$ -	$ 26,500	$ -	$ -	$ -	$ 26,500
Division 15 — Fire Sprikler & Alarm	$ -	$ 5,823	$ -	$ -	$ -	$ 5,823
Division 16 — Electrical	$ -	$ 49,956	$ -	$ -	$ -	$ 49,956
SUBTOTAL	$ -	$ 485,033	$ (29,726)	$ -	$ -	$ 455,307
Subcontractor default insurance					1.25%	$ 5,691
Wrap Coverage (Z-25)					1.50%	$ 6,830
Commericial General Liability Insurance					1.10%	$ 5,008
Builders Risk Insurance					0.47%	$ 2,140
Performance and Payment Bond					0.85%	$ 3,870
TOTAL						$ 478,846
Overhead					9.00%	$ 43,096
TOTAL						$ 521,943
Profit					6.00%	$ 31,317
TOTAL						$ 553,259
				SALES TAX	6.73%	$ 37,221
					TOTAL COST	$ 590,480

Sincerely,

Robert Morgan

EXHIBIT 7
TO
FIRST AMENDMENT
TO
DESIGN - BUILD AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
JEBCO CONSTRUCTION COMPANIES, LLC

[Unit Prices]

See following pages.

JEBCO Construction Companies
928.778.7976 Office • 928.445.6977 Fax
140 N Montezuma Ste 108 Prescott, AZ 86301

R.O.C. 256201 • R.O.C. 24

CV RESTROOMS FINAL CHINO VALLEY, AZ	SITE	BUILDINGS	SEPTIC SYSTEM ALLOWANCE		2/5/2020	SUBTOTAL
Division 01 — General Requirements	$ -	$ 21,815	$ -	$ -	$ -	$ 21,815
Division 02 — Site Construction	$ -	$ -	$ -	$ -	$ -	$ -
Division 03 — Concrete	$ -	$ 24,620	$ -	$ -	$ -	$ 24,620
Division 04 — Masonry/Concrete	$ -	$ 12,000	$ -	$ -	$ -	$ 12,000
Division 05 — Metals	$ -	$ -	$ -	$ -	$ -	$ -
Division 06 — Wood and Plastics	$ -	$ 7,500	$ -	$ -	$ -	$ 7,500
Division 07 — Thermal and Moisture Prote	$ -	$ 6,500	$ -	$ -	$ -	$ 6,500
Division 08 — Doors and Windows	$ -	$ 4,106	$ -	$ -	$ -	$ 4,106
Division 09 — Finishes	$ -	$ 9,430	$ -	$ -	$ -	$ 9,430
Division 10 — Specialties	$ -	$ 8,750	$ -	$ -	$ -	$ 8,750
Division 11 — Misc	$ -	$ -	$ -	$ -	$ -	$ -
Division 12 — Furnishings	$ -	$ -	$ -	$ -	$ -	$ -
Division 13 — Plumbing	$ -	$ 52,800	$ 12,500	$ -	$ -	$ 65,300
Division 14 —Mechanical	$ -	$ 6,000	$ -	$ -	$ -	$ 6,000
Division 15 — Fire Sprikler & Alarm	$ -	$ -	$ -	$ -	$ -	$ -
Division 16 — Electrical	$ -	$ 24,544	$ -	$ -	$ -	$ 24,544
SUBTOTAL	$ -	$ 178,065	$ 12,500	$ -	$ -	$ 190,565
Subcontractor default insurance					1.25%	$ 2,382
Wrap Coverage (Z-25)					1.50%	$ 2,858
Commericial General Liability Insurance					1.10%	$ 2,096
Builders Risk Insurance					0.47%	$ 896
Performance and Payment Bond					0.85%	$ 1,620
TOTAL						$ 200,417
Overhead					9.00%	$ 18,038
TOTAL						$ 218,455
Profit					6.00%	$ 13,107
TOTAL						$ 231,562
				SALES TAX	6.73%	$ 15,578
					TOTAL COST	$ 247,140

Sincerely,

Robert Morgan

JEBCO Construction Companies
928.778.7976 Office • 928.445.6977 Fax
140 N Montezuma Ste 108 Prescott, AZ 86301

JEBCO Construction Companies

R.O.C. 256201 • R.O.C. 24

CV UTILITIES FINAL 40x125x20 CHINO VALLEY, AZ	SITE	BUILDINGS			2/5/2020	SUBTOTAL
Division 01 — General Requirements	$ -	$ 31,360	$ -	$ -	$ -	$ 31,360
Division 02 — Site Construction	$ -	$ -	$ -	$ -	$ -	$ -
Division 03 — Concrete	$ -	$ 79,339	$ -	$ -	$ -	$ 79,339
Division 04 — Masonry/Concrete	$ -	$ -	$ -	$ -	$ -	$ -
Division 05 — Metals	$ -	$ 132,523	$ -	$ -	$ -	$ 132,523
Division 06 — Wood and Plastics	$ -	$ 40,600	$ -	$ -	$ -	$ 40,600
Division 07 — Thermal and Moisture Prote	$ -	$ 6,589	$ -	$ -	$ -	$ 6,589
Division 08 — Doors and Windows	$ -	$ 36,693	$ -	$ -	$ -	$ 36,693
Division 09 — Finishes	$ -	$ 32,150	$ -	$ -	$ -	$ 32,150
Division 10 — Specialties	$ -	$ 5,700	$ -	$ -	$ -	$ 5,700
Division 11 — Misc	$ -	$ -	$ -	$ -	$ -	$ -
Division 12 — Furnishings	$ -	$ -	$ -	$ -	$ -	$ -
Division 13 — Plumbing	$ -	$ 37,800	$ -	$ -	$ -	$ 37,800
Division 14 —Mechanical	$ -	$ 26,500	$ -	$ -	$ -	$ 26,500
Division 15 — Fire Sprikler & Alarm	$ -	$ 5,823	$ -	$ -	$ -	$ 5,823
Division 16 — Electrical	$ -	$ 49,956	$ -	$ -	$ -	$ 49,956
SUBTOTAL	$ -	$ 485,033	$ -	$ -	$ -	$ 485,033
Subcontractor default insurance					1.25%	$ 6,063
Wrap Coverage (Z-25)					1.50%	$ 7,275
Commericial General Liability Insurance					1.10%	$ 5,335
Builders Risk Insurance					0.47%	$ 2,280
Performance and Payment Bond					0.85%	$ 4,123
TOTAL						$ 510,109
Overhead					9.00%	$ 45,910
TOTAL						$ 556,019
Profit					6.00%	$ 33,361
TOTAL						$ 589,380
				SALES TAX	6.73%	$ 39,651
					TOTAL COST	$ 629,031

Sincerely,

Robert Morgan

EXHIBIT 8
TO
FIRST AMENDMENT
TO
DESIGN - BUILD AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
JEBCO CONSTRUCTION COMPANIES, LLC

[Additional Services and Acceptance Period]

See following page.

EXHIBIT D
TO
DESIGN - BUILD AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
JEBCO CONSTRUCTION COMPANIES, LLC

[Master Schedule]

See following page.

JEBCO Construction Companies
928.778.7976 Office • 928.445.6977 Fax
140 N. Montezuma St., #108, Prescott, AZ 86301

JEBCO
Construction Companies

R.O.C. 256201 • R.O.C. 241613

SCHEDULE **2/5/2020**

Job Name:
Town of Chino Restroom

Layout and Footings	1.5 weeks
Underslab plumbing & Septic	2 weeks
Pour slab	1 week
CMU/Install Interior doors	2 weeks
Roof Framing/Shingles	1 weeks
Rough in MPE	2.5 weeks
Drywall & Paint	1 week
MPE Trim	2 week
Misc. punch items	1 week

Schedule is based on 15 weeks depending on weather and delivery time of Stainless-Steel fixtures

JEBCO Construction Companies
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140 N. Montezuma St., #108, Prescott, AZ 86301

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SCHEDULE **2/5/2020**

Job Name:
Town of Chino Utilities Building

Order PEMB ASAP	6-8 week for delivery
Layout and Footings	1.5 weeks
Underslab plumbing	1.5 weeks
Pour slab	1 week
Slab cure/ waiting on PEMB	3 weeks?
Erect Building	4weeks
Interior framing	2 weeks
Rough in MPE	2.5 weeks
Drywall	2 weeks
Install Interior doors	.5 week
Paint	.5 week
ACT	1 week
Cabinets and flooring	1.5 weeks
MPE Trim	1 week
Misc. punch items	1 week

Schedule is based on 26 weeks depending on weather and order date of PEMB