



Town of Chino Valley

MEETING NOTICE TOWN COUNCIL

**REGULAR MEETING
TUESDAY, MARCH 27, 2018
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**
 - a. PUBLIC NOTICE: The proposed amendment to the Hawksnest Planned Area Development, located behind Walgreens, to allow 48 single story senior housing units on five of the fifteen acres of multi-family zoning, will not be heard tonight, as the applicant withdrew the application as of March 14, 2018.
 - b. Proclamation acknowledging March 29, 2018 as "National Vietnam War Veterans Day."
 - c. Proclamation declaring April 3, 2018 as "National Service Recognition Day," sponsored by Arizona Serve of Prescott College.

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. Comments regarding possible construction being done at the Windmill House without a permit or site plan.

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, or ask a staff member to provide the same. Presentation on information requested by the Mayor and Council will be made and questions answered. No action will be taken.

- a. Status reports by Mayor and Council regarding current events.
- b. Status report by Town Manager Cecilia Gritman and/or Town staff members 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. Consideration and possible action to waive the bidding requirements and approve a contract with Caterpillar, Inc. through Empire Machinery to purchase a Broce Broom with appurtenances using a cooperative purchase agreement with the City of Tucson, Arizona. (Frank Marbury, Public Works Director/Town Engineer)
- b. Consideration and possible action to approve Agreement for Professional Consulting Services between the Town and Chino Valley and Mark Holmes, LLC for the purpose of providing professional water consultation. (Laura Kyriakakis, Human Resources Director)
- c. Consideration and possible action to appoint Christeen Meadors to the position of Planning and Zoning Commissioner to fill a vacancy created by the resignation of Claude Baker for the three-year term ending January 31, 2019 and reappoint Welles Geary to the position of Planning and Zoning Commission Alternate for a one-year term ending January 31, 2019. (Council Appointments Subcommittee)
- d. Consideration and possible action to accept the February 27, 2018 regular meeting minutes. (Jami Lewis, Town Clerk)
- e. Consideration and possible action to accept the March 13, 2018 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. Consideration and possible action to:
 - (i) Hold a public hearing regarding the proposed changes to the Town's water and wastewater rates and waste and wastewater connection fees and service charges;
 - (ii) Approve Resolution No. 18-1116, increasing the Town's water rates and water and wastewater buy-in fees incrementally over the next five years, effective July 1, 2018, and July 1 of each year thereafter through July 1, 2022; and
 - (iii) Approve Resolution No. 18-1118, decreasing the Town's wastewater fees, effective July 1, 2018. (Joe Duffy, Finance Director)

Recommended Action:

- (i) Hold a public hearing regarding the proposed changes to the Town's water rates and water and wastewater buy-in fees;
- (ii) Approve Resolution No. 18-1116, increasing the Town's water rates and water and wastewater buy-in fees incrementally over the next five years, effective July 1, 2018 and July 1 of each year thereafter through July 1, 2022; and
- (iii) Approve Resolution No. 18-1118, decreasing the Town's wastewater fees, effective July 1, 2018.

- b. Consideration and possible action to approve Resolution No. 18-1119, authorizing the acquisition of real property by the Town for Road 1 East right-of-way from Road 3 South to Picacho Boulevard and authorizing and directing the Mayor, Town Manager, and Town Attorney to acquire title to such property on behalf of the Town by donation, eminent domain, or purchase. (Phyllis Smiley, Town Attorney)

Recommended Action: Approve Resolution No. 18-1119, authorizing the acquisition of real property by the Town for Road 1 East right-of-way from Road 3 South to Picacho Boulevard and authorizing and directing the Mayor, Town Manager, and Town Attorney to acquire title to such property on behalf of the Town by donation, eminent domain, or purchase.

- c. Presentation and discussion regarding the draft Zoning Administrator Interpretation related to UDO Section 4.22 Paving Requirements for vehicle parking, maneuvering, and storage areas. (Jason Sanks, Development Services Director)

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)(3) for discussion or consultation for legal advice with the Town Attorney regarding the acquisition of a portion of the Prescott water system and pursuant to A.R.S. § 38-431.03(A)(4) for discussion or consultation with the Town Attorney in order to consider the Town's position and instruct the Town Attorney regarding the Town's position regarding a contract with the City of Prescott related to the Town purchasing a portion of its water distribution system that is the subject of negotiations. (Cecilia Gritman, Town Manager)

9. ACTION ITEMS RESUMED

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

10. ADJOURNMENT

Dated this 21st day of March, 2018.

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



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

2.b.

Meeting Date: 03/27/2018
Contact Person: Vickie Nipper, Deputy Town Clerk
 Phone: 928-636-2646 x-1210
Department: Council
Estimated length of Staff Presentation: 5 minutes
Physical location of item: N/A

AGENDA ITEM TITLE:

Proclamation acknowledging March 29, 2018 as "National Vietnam War Veterans Day."

SITUATION & ANALYSIS:

The Yavapai County Board of Supervisors read this proclamation at their most recent meeting and forwarded it to the Town for the Council's consideration.

Attachments

Proclamation



PROCLAMATION

National Vietnam War Veterans Day - March 29, 2018



Whereas, on March 28, 2017 the Senate and House of Representatives of the United States of America, in Congress assembled, added to the Laws of the United States a law that encourages the display of the flag of the United States on "National Vietnam War Veterans Day, March 29"; and

Whereas, on January 12, 1962, Operation Chopper marked America's first combat mission against the Viet Cong and the beginning of one of our longest and most challenging wars. The Vietnam War is a story of service members of different backgrounds, colors, and creeds who came together to complete a daunting mission; and

Whereas, our Veterans answered our country's call and served with honor and on March 29, 1973, the last of our troops left Vietnam. Yet, in one of the war's most profound tragedies, many of these men and women came home to be shunned or neglected, to face treatment unbefitting their courage and a welcome unworthy of their example; and

Whereas, we reaffirm one of our most fundamental obligations: to show all who have worn the uniform of the United States the respect and dignity they deserve and to honor their sacrifice by serving them as well as they served us. We pay tribute to the fallen, the missing, the wounded, the millions who served and the millions more who awaited their return; we honor the Americans who served, we pay tribute to those we have laid to rest and we reaffirm our dedication to showing a generation of veterans the respect and support of a grateful Nation; and

Now, Therefore, I, Darryl Croft, Mayor of the Town of Chino Valley, do hereby acknowledge *March 29, 2018* as *National Vietnam War Veterans Day* in Chino Valley, Arizona, and urge all of our citizens to recognize the valor and sacrifice of our Veterans by displaying the flag of the United States.

In Witness Whereof, I have hereunto set my hand and caused the Seal of the Town of Chino Valley to be affixed this *27th* day of *March, 2018*.

Darryl L. Croft, Mayor

ATTEST: Jami C. Lewis, Town Clerk



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

2.c.

Meeting Date: 03/27/2018
Contact Person: Jami Lewis, Town Clerk
 Phone: 928-636-2646 x-1208
Department: Council
Estimated length of Staff Presentation: 5 minutes
Physical location of item: N/A

AGENDA ITEM TITLE:

Proclamation declaring April 3, 2018 as "National Service Recognition Day," sponsored by Arizona Serve of Prescott College.

SITUATION & ANALYSIS:

Arizona Serve, a program of Prescott College that coordinates a local AmeriCorps VISTA and State Team, is celebrating National Service Recognition Day on April 3rd. This is a day where thousands of local leaders promote the impact that National Service members have on communities throughout the United States. We have 22 VISTA and AmeriCorps members working throughout Yavapai County to improve our communities through initiatives with nonprofits and government agencies. National Service Recognition Day is an occasion to lend support for National Service and to recognize all the positive work being done throughout the year.

Attachments

Proclamation



PROCLAMATION

WHEREAS, service to others is a hallmark of the American character, and central to how we meet our challenges; and

WHEREAS, the nation's cities are increasingly turning to national service and volunteerism as a cost-effective strategy to meet their needs; and

WHEREAS, AmeriCorps and Senior Corps participants address the most pressing challenges facing our communities, from educating students for the jobs of the 21st century, to fighting the opioid epidemic, to responding to natural disasters, to supporting veterans and military families; and

WHEREAS, national service expands economic opportunity by creating more sustainable, resilient communities and providing education, career skills, and leadership abilities for those who serve; and

WHEREAS, AmeriCorps and Senior Corps participants serve in more than 50,000 locations across the country, bolstering the civic, neighborhood, and faith-based organizations that are so vital to our economic and social well-being; and

WHEREAS, national service participants increase the impact of the organizations they serve, both through their direct service and by managing millions of additional volunteers; and

WHEREAS, national service represents a unique public-private partnership that invests in community solutions and leverages non-federal resources to strengthen community impact and increase the return on taxpayer dollars; and

WHEREAS, national service participants demonstrate commitment, dedication, and patriotism by making an intensive commitment to service, a commitment that remains with them in their future endeavors; and

WHEREAS, the Corporation for National and Community Service shares a priority with local leaders nationwide to engage citizens, improve lives, and strengthen communities; and is joining with the National League of Cities, the National Association of Counties, Cities of Service, and local leaders across the country for National Service Recognition Day on April 3, 2018.

THEREFORE, BE IT RESOLVED that I, Darryl Croft, Mayor of Chino Valley, AZ, do hereby proclaim April 3, 2018, as National Service Recognition Day, and encourage residents to recognize the positive impact of national service in our community, to thank those who serve; and to find ways to give back to their communities.

Darryl L. Croft, Mayor

Attest: _____
Jami C. Lewis, Town Clerk



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

6.a.

Meeting Date: 03/27/2018
Contact Person: Frank Marbury, Public Works Director/Town Engineer
 Phone: 928-636-7140 x-1226
Department: Public Works
Item Type: Consent
Estimated length of staff presentation: None
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to waive the bidding requirements and approve a contract with Caterpillar, Inc. through Empire Machinery to purchase a Broce Broom with appurtenances using a cooperative purchase agreement with the City of Tucson, Arizona. (Frank Marbury, Public Works Director/Town Engineer)

RECOMMENDED ACTION:

Waive the bidding requirements and approve a cooperative purchase and agreement with Caterpillar, Inc. through Empire Machinery for one Broce Broom with 8ft Poly Tube Brush, and appurtenances for a purchase price not to exceed \$68,200.00.

SITUATION AND ANALYSIS:

Summary of Issues and Staff Rationale

In an effort to best utilize town resources, the public works department evaluated the equipment needs for FY 2018. In addition to purchases previously made, it is recommended to purchase the Broce Broom for the purpose of street sweeping. The Town Engineer reviewed the pricing on a similar product pursuant to a bidding process conducted by the City of Tucson and recommended that the Town purchase the broom via a cooperative purchase agreement using the City of Tucson contract. The Town Manager has made a determination that re-bidding the contract is unlikely to result in a lower price.

Other Pertinent Documents Available Upon Request:

Tucson's contract is not attached since it is 228 pages. It is accessible online at:
www.tucsonprocurement.com/ContractImages/Contract130943688.pdf

Fiscal Impact

Fiscal Impact?: Yes
If Yes, Budget Code: 05-90-5522

Available: \$68,169.23
Funding Source:

Attachments

Broce Broom Quote
Broom Purchase Agreement



City of Tucson National IPA Cooperative Contract #161534 Broce Broom Pricing

Part Number	Description	List Price
RCT-350	4 Cyl. 3.3L Cummins Turbo Diesel Tier 4 Final	\$ 51,965.00
	8 Ft. Poly Tube Brush (96" Brush Surface)	\$ 175.00
	Electronic Variable Speed Brush Control	\$ 1,290.00
	Turbo II Precleaner	\$ 275.00
	Tilt & Telescoping Steering Column	\$ 675.00
	150 Gal. Water Sprinkler System w/Low Profile Poly Tank	\$ 1,250.00
	Suspension Seat	\$ 355.00
	Heavy Duty Rea Axle	\$ 1,410.00
	Spare Tire w/Mount	\$ 395.00
	Down Pressure Valve	\$ 350.00
	Hydraulic Temperature Guage	\$ 210.00
	Light Group - Class A Turn Signals & Headlamps	\$ 670.00
	Work Lights, Side or Rear (2 Single Beam)	\$ 195.00
	Strobe Light	\$ 305.00
	Audible Engine Alarm w/Warning Light	\$ 305.00
	Block Heater	\$ 190.00
	Hand Controlled Hydrostat (Replaces Foot Control)	\$ 610.00
	Sound Suppressed Cab (Includes 2 Doors) w/Front Wiper	\$ 5,095.00
	Heavy Duty Heater & Defroster	\$ 665.00
	Pressurized Air Conditioning	\$ 3,400.00
	Rear Wiper	\$ 365.00
	Windsheild Washer (Front & Rear)	\$ 380.00
	CD/AM/FM Sterio	\$ 565.00
	List Sales Price	\$ 71,095.00
	Less City of Tucson National IPA Cooperative Contract #161534	9% \$ (6,398.55)
	Sub Total	\$ 64,696.45
	Less Empire Additional Discount	2.3% \$ (1,635.19)
		\$ 63,061.27
	Sales Tax	8.1% \$ 5,107.96
	Town of Chino Valley Sales Price	\$ 68,169.23

AGREEMENT
TO PROVIDE SERVICES/SUPPLIES PURSUANT TO A
COOPERATIVE PURCHASING CONTRACT
Contract No. _____

This Agreement is made and entered into by and between the Town of Chino Valley, Arizona, a municipal corporation, hereinafter designated as "Town" and Caterpillar, Inc., through its dealer Empire Machinery, hereinafter designated as the "Contractor."

Recitals:

A. Contractor has contracted with the City of Tucson to provide Heavy Equipment, Parts, Accessories, Supplies and Related Services pursuant to City of Tucson Contract No. 161534 and Amendment No. 1 thereto; and

B. Pursuant to A.R.S. § 41-2631 et seq. and the Chino Valley Code of Ordinances, § 32.08, Town has authority to utilize cooperative purchasing contracts and engage contractors under the terms thereof.

CONTRACTOR AND TOWN, FOR THE CONSIDERATION HEREINAFTER SET FORTH, PROMISE, COVENANT AND AGREE AS FOLLOWS:

1. Scope of Work.

1.1 Contractor shall provide one Broce Broom (Allied Product) as described in the Cooperative Purchasing Contract documents attached hereto as Exhibit A, which are incorporated herein by this reference. As used in this Contract, all references to the City of Tucson shall mean the Town of Chino Valley, Arizona.

1.2 Contractor shall comply with all specific requirements and/or options of Town, as specified in Exhibit B attached hereto and incorporated herein by this reference.

2. Completion of Work. The Contractor shall complete all work set forth in the Scope of Work on or before June 30, 2018.

3. Payment. The Contract Fee is \$68,169.23. Payment to the Contractor for the services, materials and/or equipment provided, shall be made in accordance with the price list and terms set forth in the Cooperative Purchasing Contract.

4. Terms of Cooperative Purchasing Contract Apply. All provisions of the Cooperative Purchasing Contract documents are incorporated in and shall apply to this Contract as though fully set forth herein, except as otherwise provided for in this Agreement.

5. Contract Term and Renewal. If funds for this Contract are not appropriated or budgeted by July 1, 2018, Town may terminate this contract by giving written notice to Contractor. Otherwise, the term of this Contract shall commence upon approval and continue

through June 30, 2018, with an option of the Town to renew for One (1) additional Six (6) Month terms. If this Contract is renewed, the Contract fee shall be adjusted as provided for in the Cooperative Purchasing Contract. The Chino Valley Town Manager has authority to approve any renewal provided that: (1) the Contract amount does not exceed \$20,000; (2) the original prices remain in effect during the Renewal Term; or (3) the contract unit pricing does not increase or the contract pricing is adjusted pursuant to the terms and conditions of the Cooperative Purchasing Contract. Any renewal shall be contingent on funds being appropriated or budgeted for the renewal term.

6. Certificates of Insurance. All insurance provisions of the Cooperative Purchasing Contract shall apply, including without limitation, the requirement to name the Town as an additional insured. Prior to commencing work under this Contract, Contractor shall furnish the Town with Certificates of Insurance, or formal endorsements as required by the Contract, issued by the Contractor's insurer(s) as evidence that policies providing the required coverages, conditions and limits required by this Contract are in full force and effect.

7. Non-Boycott of Israel. Vendor hereby certifies that it is not currently engaged in, and agrees that for the duration of this Agreement it will not engage in, a boycott of Israel, as that term is defined in A.R.S. § 35-393.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this _____ day of _____, 2018.

TOWN OF CHINO VALLEY:

CONTRACTOR:

Darryl Croft, Mayor

By: _____
Title: _____

ATTEST:

Jami Lewis, Town Clerk

APPROVED AS TO FORM:

Phyllis L.N. Smiley, Town Attorney
Gust Rosenfeld, PLC

EXHIBIT A
CONTRACT OF OTHER GOVERNMENTAL ENTITY

1. Original RFP and Contract No. 161534 are available online at:
www.tucsonprocurement.com/ContractImages/Contract130943688.pdf.
2. Contract Amendment No. 1 and Price List, dated December 5, 2107, including Price List effective January 1, 2018, attached hereto.

CONTRACT AMENDMENT

CITY OF TUCSON DEPARTMENT OF PROCUREMENT
 255 W. ALAMEDA, 8TH FLOOR, TUCSON, AZ 85701
 P.O. BOX 27210, TUCSON, AZ 85726
 PHONE: (520) 837-4123 / FAX: (520) 791-4735
 Jeffrey.Whiting@tucsonaz.gov
 ISSUE DATE: DECEMBER 5, 2017

CONTRACT #161534-01
 CONTRACT AMENDMENT NUMBER: ONE (1)
 PAGE 1 of 1
 JW/lr
 CONTRACT OFFICER: JEFFREY WHITING

HEAVY EQUIPMENT, PARTS, ACCESSORIES, SUPPLIES AND RELATED SERVICES

THIS CONTRACT IS AMENDED AS FOLLOWS:

ITEM NO. ONE (1): CONTRACT RENEWAL

Pursuant to Contract No. 161534, Special Terms and Conditions, Term and Renewal, the City is hereby exercising its option to renew the contract for the period of May 01, 2018 through April 30, 2019.

ITEM NO. TWO (2): PRICING

Pursuant to Contract No. 161534, Scope of Work, Pricing, shall be replaced in its entirety with the Attached Price Page dated January 01, 2018 and shall become effective January 01, 2018.

ALL OTHER PROVISIONS OF THE CONTRACT SHALL REMAIN IN THEIR ENTIRETY.

CONTRACTOR: Caterpillar Inc.

CITY OF TUCSON: _____

CONTRACTOR HEREBY ACKNOWLEDGES RECEIPT OF
 AND UNDERSTANDING OF THE ABOVE AMENDMENT.

THE ABOVE REFERENCED CONTRACT AMENDMENT

IS HEREBY EXECUTED THIS 14 DAY

OF Dec, 2017, AT TUCSON, ARIZONA

Patty R. Leatham 12/11/17
 Signature of person authorized to sign Date

Marcheta Gillespie
 Marcheta Gillespie, CPPO, C.P.M., CPPB, CPM
 as Director of Procurement and not personally

PATTY RELEATH, GOVERNMENT
 Name and Title (typed or printed legibly)

CATERPILLAR INC.
 Company Name

100 NE ADAMS ST. PEORIA, IL
 Address

RELEATH - PATTY @ CAT.COM
 Email Address

PEORIA IL 61629
 City State Zip

Contact information for Sales/Account Representative
 for daily business operations:

PATTY RELEATH, GOVT ACCOUNT MANAGER
 Name and Title (typed or printed legibly)

309-494-4578
 Phone Number

RELEATH - PATTY @ CAT.COM
 Email Address

2018 Caterpillar Coop Contract Discounts v1

Cooperative Contracts -- Effective January 1, 2018

Machine Model*	New Equipment
2018	Discount to Customer (Off List Price)
Pavers	
AP255	18.00%
AP300	18.00%
AP355	18.00%
AP500	18.00%
AP555	18.00%
AP600	18.00%
AP655	18.00%
AP1000	18.00%
AP1055	18.00%
Rollers	
CB1.7	19.00%
CB1.8	19.00%
CB7	19.00%
CB8	19.00%
CB10	19.00%
CB13	19.00%
CB14	19.00%
CB15	19.00%
CB16	19.00%
CB22	19.00%
CB24	19.00%
CB32	19.00%
CB34	19.00%
CB36	19.00%
CB44	19.00%
CB46	19.00%
CB54	19.00%
CB64	19.00%
CB66	19.00%
CB68	19.00%
CC24	19.00%
CC34	19.00%
CCS7	19.00%
CCS9	19.00%
CD8	19.00%
CD10	19.00%
CD44	19.00%
CD54	19.00%
CP34	19.00%
CP44	19.00%
CP54	19.00%
CP56	19.00%
CP68	19.00%
CP74	19.00%
CS34	19.00%
CS44	19.00%
CS54	19.00%
CS56	19.00%
CS64	19.00%
CS68	19.00%
CS78	19.00%
CW16	19.00%
CW34	19.00%

*Note: Base machines are listed. There may be several different base machine configurations available. (For example, the D6 model track type tractor is available as a D6K, D6N and D6T). The base machine discount will be applied to any model configuration plus any and all options listed on the Caterpillar Machine price list.

2018 Caterpillar Coop Contract Discounts v1

Track Type Tractors

D3	23.00%
D4	23.00%
D5	23.00%
D6	21.00%
D7	19.00%
D8	19.00%
D9	10.00%

Wheeled Excavators

M314F	26.00%
M315F	26.00%
M318F	26.00%
M317F	26.00%
M318F	26.00%
M320F	26.00%
M322F	26.00%

Material Handlers

MH3022	26.00%
MH3024	26.00%
MH3026	26.00%

Cold Planers

PM310	20.00%
PM312	20.00%
PM313	20.00%
PM620	20.00%
PM622	20.00%
PM820	20.00%
PM822	20.00%
PM825	20.00%

Reclaimers

RM300	20.00%
RM500	20.00%

Telehandlers

TH255	23.00%
TH3510	24.00%
TH357	24.00%
TH408	24.00%
TH514	24.00%
TL642	24.00%
TL943	24.00%
TL1055	24.00%
TL1255	24.00%

Motor Graders

12	30.00%
120	34.00%
140	30.00%
160	30.00%
14	19.00%

Skid Steer Loaders

226	21.00%
232	21.00%
236	21.00%
242	21.00%
246	21.00%
262	21.00%
272	21.00%

Multi-Terrain Loaders

257	21.00%
277	21.00%
287	21.00%
297	21.00%

2018 Caterpillar Coop Contract Discounts v1

Compact Track Loaders

239	21.00%
249	21.00%
259	21.00%
279	21.00%
289	21.00%
299	21.00%

Excavators

300.9	20.00%
301.4	20.00%
301.7	20.00%
302.4	20.00%
302.7	20.00%
303	20.00%
303.5	20.00%
304	20.00%
304.5	20.00%
305	20.00%
305.5	20.00%
307	20.00%
308	20.00%
311	18.00%
313	15.00%
313GC	16.00%
315	19.00%
316	19.00%
318	16.00%
320	15.00%
320GC	16.00%
323	15.00%
325	15.00%
326	15.00%
330	15.00%
335	15.00%
336	15.00%
349	10.00%
352	10.00%
374	10.00%

Backhoe Loaders

415	22.00%
416	22.00%
420	22.00%
430	22.00%
450	22.00%

Site Prep Tractor

586C	20.00%
------	--------

Wheel Tractor Scrapers

621	18.00%
623	18.00%
627	18.00%

Articulated Trucks

725	17.00%
730	17.00%
735	17.00%
745	17.00%

Rigid Frame Trucks

770	3.00%
773	3.00%

2018 Caterpillar Coop Contract Discounts v1

Landfill Compactors

816	12.00%
826	12.00%
836	12.00%

Wheel Dozers and Soil Compactors

814	15.00%
815	13.00%
824	15.00%
825	13.00%

Wheel Loaders

903	23.00%
906	23.00%
907	23.00%
908	23.00%
910	23.00%
914	23.00%
918	24.00%
924	24.00%
926	24.00%
930	24.00%
938	24.00%
950GC	20.00%
950M	18.00%
962	18.00%
966	15.00%
972	11.00%
980	11.00%
982	11.00%

Track Loaders

953	19.00%
963	22.00%
973	23.00%

Worktools	15.00%
-----------	--------

Caterpillar Safety Services	15.00%
-----------------------------	--------

Used Equipment is discounted 20% from Original Customer List

Rental Equipment is discounted 10% from dealership Rental Rates

Parts & Service is discounted by the servicing dealer according to work order volume

2018 Caterpillar Model List – Change Summary from 2017 - 2018

<u>Add Models</u>	<u>Customer Discount</u>
CB1.7	19
CB1.8	19
CB13	19
CB15	19
CB16	19
CCS7	19
CCS9	19
MH3022	26
MH3024	26
MH3026	26
PM310	20
PM312	20
PM313	20
PM820	20
PM822	20
PM825	20
TH357	24
TH408	24
320GC	16

Delete Discontinued Models

CW14
 CT660, CT680, CT681 (Caterpillar exited Vocational Truck business)
 PM102
 TH306
 TH406
 TH407
 312
 321
 329
 740

Increased Customer Discounts

Pavers
Rollers
All Cold Planers
All Reclaimers
All Wheel Tractor Scrapers
All Articulated Trucks

Decreased Customer Discounts with lower Transaction Price to Customer (See attached memo for explanation)

Wheeled Excavators
Telehandlers
Motor Graders
Excavators (Small, Medium & Large)
Backhoe Loaders
Rigid Frame Trucks
Landfill Compactors
Wheel Dozers & Soil Compactors

Decreased Customer Discounts with higher Transaction Price (.1% - 2% range) to Customer due to Price Action Increase (See attached memo for explanation)

Track Type Tractors
Skid Steer Loaders
Multi-Terrain Loaders
Compact Track Loaders
Mini Excavators
Wheel Loaders (some models)
Track Loaders

November 8, 2017

TO: Jeffrey Whiting, City of Tucson

FROM: Patty Redpath, Caterpillar

SUBJECT: Pricing Adjustments for 2018

Caterpillar will be increasing prices 0.1 to 2 percent on some of our machines for 2018. Those changes will go into effect for machines shipped from our factories on or after January 2, 2018.

In conjunction with the price increases mentioned above, Caterpillar will be implementing a structural change to machine pricing that will result in a reduction to list prices with offsetting reductions to dealer merchandising discounts. In other words, we are going to lower the prices shown on our price pages, and we are going to adjust the manufacturer support we provide our dealers. (This structural change has been designed to improve dealer cash flow and is price neutral to customers.)

Because our contract with you is based on these price pages, we need to adjust our customer-facing discounts down to meet our goal of price neutrality. We have worked to ensure that the effect for your members will be neutral or positive. There will be neither a price decrease nor increase due to these changes. (Rounding may cause slight fluctuations, but no material impact.)

I understand this may be confusing so let me illustrate with an example:

Example 1: Wheeled Excavator 2018 Price Increase = 0%	2017	2018	Change
Price Page	\$300,000	\$282,000	-6%
Member Discount	30%	26%	-4%
Quoted Member Price	\$210,000	\$208,680	-\$1,320 / -0.63%

As indicated on the 2018 Caterpillar Model List - Change Summary document, please note that some product families may experience a slight increase in customer transaction price due to the price action increase of 0.1 – 2 percent mentioned in the 1st paragraph of this memo. Please see the following example:

Example 2: Skid Steer Loader 2018 Price Increase = 0.5%	2017	2018	Change
Price Page	\$50,000	\$47,750	-4.5%
Member Discount	25%	21%	-4%
Quoted Member Price	\$37,500	\$37,722	+\$222/ +0.59%

I am happy to go over this with you in more detail. Please let me know if you have any questions. Thank you!

EXHIBIT B

SPECIFIC REQUIREMENTS/OPTIONS OF TOWN

Quote and Specifications. See attached Empire/Cat National IPA Broce Broom Pricing.

Notices: All notices required under the Contract shall be sent to:

Town Manager
Town of Chino Valley
202 N. State Route 89
Chino Valley, Arizona 86323-0406

Delivery Location:

Fleets Division
Town of Chino Valley
1982 Voss Drive
Chino Valley, Arizona 86323


City of Tucson National IPA Cooperative Contract #161534 Broce Broom Pricing

Part Number	Description	List Price
RCT-350	4 Cyl. 3.3L Cummins Turbo Diesel Tier 4 Final	\$ 51,965.00
	8 Ft. Poly Tube Brush (96" Brush Surface)	\$ 175.00
	Electronic Variable Speed Brush Control	\$ 1,290.00
	Turbo II Precleaner	\$ 275.00
	Tilt & Telescoping Steering Column	\$ 675.00
	150 Gal. Water Sprinkler System w/Low Profile Poly Tank	\$ 1,250.00
	Suspension Seat	\$ 355.00
	Heavy Duty Rea Axle	\$ 1,410.00
	Spare Tire w/Mount	\$ 395.00
	Down Pressure Valve	\$ 350.00
	Hydraulic Temperature Guage	\$ 210.00
	Light Group - Class A Turn Signals & Headlamps	\$ 670.00
	Work Lights, Side or Rear (2 Single Beam)	\$ 195.00
	Strobe Light	\$ 305.00
	Audible Engine Alarm w/Warning Light	\$ 305.00
	Block Heater	\$ 190.00
	Hand Controlled Hydrostat (Replaces Foot Control)	\$ 610.00
	Sound Suppressed Cab (Includes 2 Doors) w/Front Wiper	\$ 5,095.00
	Heavy Duty Heater & Defroster	\$ 665.00
	Pressurized Air Conditioning	\$ 3,400.00
	Rear Wiper	\$ 365.00
	Windsheild Washer (Front & Rear)	\$ 380.00
	CD/AM/FM Stereo	\$ 565.00
	List Sales Price	\$ 71,095.00
	Less City of Tucson National IPA Cooperative Contract #161534	9% \$ (6,398.55)
	Sub Total	\$ 64,696.45
	Less Empire Additional Discount	2.3% \$ (1,635.19)
		\$ 63,061.27
	Sales Tax	8.1% \$ 5,107.96
	Town of Chino Valley Sales Price	\$ 68,169.23



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

6.b.

Meeting Date: 03/27/2018
Contact Person: Laura Kyriakakis, Human Resources Director
 Phone: 928-636-2646 x-1204
Department: Human Resources
Item Type: Consent
Estimated length of staff presentation: None
Physical location of item: N/a

AGENDA ITEM TITLE:

Consideration and possible action to approve Agreement for Professional Consulting Services between the Town and Chino Valley and Mark Holmes, LLC for the purpose of providing professional water consultation. (Laura Kyriakakis, Human Resources Director)

RECOMMENDED ACTION:

Approve Agreement for Professional Consulting Services between the Town of Chino Valley and Mark Holmes, LLC, not to exceed \$20,000.

SITUATION AND ANALYSIS:

Issue Statement

On occasion the Town requires expert consultation when dealing with issues and current negotiations/proposals that often include water right details. A water rights expert can provide unique knowledge and general water consultation related to Town Policy, ADWR, ARS, etc. Attached for your review is a Professional Consulting Agreement to renew services provided by Mark Holmes, LLC. His previous agreement expired on 3/24/2018 and was set not to exceed \$10,000. The new agreement outlines the same terms, including the hourly rate and scope of services. Terms that have been changed include the total compensation not to exceed \$20,000, and the agreement is set to expire on 6/30/2019. Mark Holmes has reviewed the revised agreement and agrees to the terms as they have been outlined.

Applicable "Policy"

Satisfaction of "Policy"

Summary of Issues and Staff Rationale

Findings of Fact

Fiscal Impact

Fiscal Impact?: \$20,000

If Yes, Budget Code: 01-95-5212
Available: \$20,000
Funding Source:

Attachments	
Holmes LLC Consulting Agmt	

AGREEMENT FOR PROFESSIONAL CONSULTING SERVICES (Other than architects/engineers)

THIS Agreement is entered into as of this 27th day of March, 2018, by and between the Town of Chino Valley, Arizona, a municipal corporation, hereinafter referred to as “Town” and Mark Holmes, LLC, an Arizona limited liability company hereinafter referred to as the “Consultant.”

FOR THE PURPOSE of providing professional consulting services for the Town on water issues as they arise, hereinafter referred to as the “Project,” Town and Consultant do hereby mutually agree to the following:

1. SERVICES AND RESPONSIBILITIES

1.1 Retention of the Consultant. In consideration of the mutual promises contained in this Agreement, Town engages the Consultant to render professional services set forth herein, in accordance with all the terms and conditions contained in this Agreement.

1.2 Scope of Services. The Consultant shall do, perform and carry out in a satisfactory and proper manner, as determined by Chino Valley, the services set forth in this Agreement, including all exhibits (“Services”). The specific scope of work for this Project is set forth in Exhibit A.

1.3 Responsibility of the Consultant.

1.3.1 Consultant shall provide sufficient qualified personnel, upon reasonable notice to perform any and all services as required herein, including but not limited to inspections and preparation of reports, as reasonably requested by representatives of the Town. Consultant agrees and acknowledges that Consultant is solely responsible for the retention and payment of any subcontractors and/or material suppliers retained by Consultant pursuant to this Agreement, and that the payment for the foregoing is included within the total amount to be paid to the Consultant pursuant to Paragraph 2.

1.3.2 Consultant hereby agrees that the documents and reports prepared by Consultant will fulfill the purposes of the Project, shall meet all applicable code requirements and shall comply with applicable laws and regulations. In addition, and not as a limitation on the foregoing, such documents and reports prepared by Consultant shall be prepared in accordance with professional Consulting standards, as applicable. Any review or approval of said documents and reports does not diminish these requirements.

1.3.3 Consultant shall tour Town sites where there are issues on which he is consulting and become familiar with existing conditions, as needed, prior to commencing the Services on that portion of the Project and shall notify Town of any constraints associated with the site relevant to Consultant’s Services.

1.3.4 Consultant understands and agrees that although Town is waiving insurance requirements for this Agreement, Consultant is an independent consultant and may not be covered by Town’s insurance policies for any loss, damages, errors and omissions, workmen’s

compensation, or other damages or liabilities Consultant may incur while acting in pursuance of this Agreement.

1.3.5 Consultant shall designate Mark Holmes, as its Project Manager and all communications shall be directed to him. Key Consultant Personnel are set forth in Exhibit B. "Key Personnel" includes the Consultant employee who will place his license number and signature on key documents and those employees who have significant responsibilities regarding the Services and Project. Prior to changing such designation Consultant shall first obtain the approval of Town.

1.3.6 Consultant shall not engage any other consultants or subcontractors without prior written approval of Town. If additional consultants or subcontractors are required, Town shall contract directly with such consultant or subcontractor and Consultant shall not be responsible for any payment to such consultant or subcontractor.

1.3.7 Consultant shall obtain its own legal, insurance and financial advice regarding Consultant's legal, insurance and financial obligations under this Agreement.

1.3.8 Consultant shall coordinate its activities with Town's representative and submit its reports to Town's representative.

1.3.9 Consultant shall provide, pay for and insure under the requisite laws and regulations all labor, materials, equipment, and transportation, and other facilities and services necessary for the proper execution and completion of the Services. Consultant shall provide and pay for and insure for all equipment necessary for the Services.

1.3.10 Consultant shall obtain and pay for all business registrations, licenses, permits, governmental inspections and governmental fees necessary and customarily required for the proper execution and completion of Services. Consultant shall pay all applicable taxes. Consultant shall give all notices and comply with all laws, ordinances, rules, regulations and lawful orders of any public authority bearing on the performance of the Services.

1.3.11 Consultant shall comply with all Town ordinances and state and federal laws and regulations.

1.4 Responsibility of Town.

1.4.1 Town shall cooperate with the Consultant by placing at his disposal all available information concerning the site of the Project. Town agrees to obtain its own legal, insurance and financial advice Town may require for the Project.

1.4.2 Town designates Frank Marbury, Public Works Director as its Project Representative. All communications to the Town shall be through its Project Representative.

1.5 Contract Term. The term of this Agreement shall be from March 27, 2018 through June 30, 2019. All services identified herein shall be completed to the satisfaction of the Town no later than June 30, 2019.

2. COMPENSATION AND METHOD OF PAYMENT

2.1 Compensation. All compensation for complete and satisfactory completion of services rendered by Consultant shall be paid at a rate of \$75.00 per hour in an amount not exceed \$20,000.00 unless agreed to in writing by the Town.

2.2 Method of Payment. Method of payment shall be set forth in Exhibit C. If payment is to be made monthly, Consultant shall prepare monthly invoices and progress reports which clearly indicate the progress to date and the amount of compensation due by virtue of that progress. All invoices shall be for services completed.

3. CHANGES TO THE SCOPE OF SERVICES

3.1 Change Orders. Town may, at any time, and by written change order, make changes in the services to be performed under this Agreement. A form of change order is attached hereto as Exhibit D. If such changes cause an increase or decrease in the Consultant's cost or time required for performance of any services under this Agreement, an equitable adjustment shall be made and the Agreement shall be modified in writing accordingly. Any claim of the Consultant for adjustment under this clause must be submitted in writing within thirty (30) days from the date of receipt by the Consultant of the notification of change. It is distinctly understood and agreed by the parties that no claim for extra services provided or materials furnished by Consultant will be allowed by Town except as provided herein; nor shall Consultant provide any services or furnish any materials not covered by this Agreement unless Town first approves in writing.

4. INDEMNIFICATION

4.1 To the fullest extent permitted by law, Consultant shall indemnify and hold harmless Town, its, officers, officials and employees from and against all demands, claims, proceedings, suits, damages, losses and expenses (including but not limited to attorney fees, court costs, and the cost of appellate proceedings), and all claim adjustment and handling expenses, relating to, arising out of, or alleged to have resulted from acts, errors, mistakes, omissions, Services caused by Consultant, its agents, employees or any tier of Consultant's subcontractors (hereinafter collectively "Consultant") related to the Services in the performance of this Agreement. Consultant's duty to hold harmless and indemnify Town, its officers, officials and employees shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property including loss of use of resulting therefrom, caused by Consultant's acts, errors, mistakes, omissions, Services in the performance of this Agreement including any employee of Consultant, any tier of Consultant's subcontractor or any other person for whose acts, errors, mistakes, omissions, Services Consultant may be legally liable including Town. Such indemnity does not extend to Town's negligence.

4.2 If any claim, action or proceeding is brought against Town by reason of any event that is the subject of this Agreement and or described herein, upon demand made by Town, Consultant shall reasonably cooperate with Town in the Town's defense of those issues related to Consultant's Services. Town shall likewise cooperate with all reasonable efforts in the handling and defense of such claim. Included in the foregoing, Town may engage its own attorney to defend or assist in its defense. Any settlement of claims shall fully release and discharge the

indemnified parties from any further liability for those claims. The release and discharge shall be in writing and shall be subject to approval by Town, which approval shall not be unreasonable withheld or delayed. If Consultant neglects or refuses to defend Town as provided by this Agreement, any recovery or judgment against Town for a claim covered under this Agreement shall conclusively establish Consultant's liability to Town in connection with such recovery or judgment, and if Town desires to settle such dispute, Town shall be entitled to settle such dispute in good faith and Consultant shall be liable for the amount of such settlements and all expenses connected to the defense, including reasonable attorney fees, and other investigative and claims adjusting expenses.

4.3 Insurance provisions set forth in this Agreement are separate and independent from the indemnity provisions of this paragraph and shall not be construed in any way to limit the scope and magnitude of the indemnity provisions. The indemnity provisions of this paragraph shall not be construed in any way to limit the scope and magnitude and applicability of the insurance provisions.

5. TERMINATION OF THIS AGREEMENT

5.1 Termination. Town may, by written notice to the Consultant, terminate this Agreement in whole or in part with seven (7) days' notice, either for Town's convenience or because of the failure of the Consultant to fulfill his contract obligations. Upon receipt of such notice and payment of all fees and expenses due to Consultant for Services performed through the date of termination, Consultant shall: (1) immediately discontinue all services affected (unless the notice directs otherwise), and (2) deliver to Town copies of all data, drawings, reports, estimates, summaries, and such other information and materials by Consultant in performing this Agreement, whether completed or in process, subject to the terms of this Agreement regarding document ownership. This Agreement may be terminated in whole or in part by Consultant in the event of substantial failure by Town to fulfill its obligations.

5.2 Payment to Consultant upon Termination. If the Agreement is terminated, Town shall pay Consultant for the services rendered prior thereto in accordance with percent completion at the time work is suspended minus previous payments.

6. ASSURANCES

6.1 Solicitations for Subcontractors, Including Procurements of Materials and Equipment. In all solicitations either by competitive bidding or negotiation made by Consultant for Services to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by Consultant of Consultant's obligations under this Agreement and any regulations relative to nondiscrimination on the grounds of race, color or national origin.

6.2 Examination of Records. Consultant agrees that duly authorized representatives of Town shall, until the expiration of three (3) years after final payment under this Agreement, have access to and the right to examine any directly pertinent books, documents, papers, and records of Consultant involving transactions related to this Agreement.

6.3 Ownership of Document and Other Data. Original documents, such as tracings, plans, specifications, maps, basic survey notices and sketches, charts, computations, and other

data prepared or obtained under the terms of this Agreement or any change order are and will remain the property of Chino Valley unless otherwise agreed to by both parties. Town may use such documents for other purposes without further compensation to the Consultant; however, any reuse without written verification or adaptation by Consultant for the specific purpose intended will be at Town's sole risk and without liability or legal exposure to Consultant. Any verification or adaptation of the documents by Consultant for other purposes than contemplated herein will entitle Consultant to further compensation as agreed upon between the parties.

6.4 Litigation. Should litigation be necessary to enforce any term or provision of this Agreement, or to collect any damages claimed or portion of the amount payable under this Agreement, that all litigation and collection expenses, witness fees, court costs, and reasonable attorneys' fees incurred shall be paid to the prevailing party, as provided for by law.

6.5 Independent Contractor. This Contract does not create an employee/employer relationship between the parties. It is the parties' intention that Consultant will be an independent contractor and not Town's employee for all purposes, including, but not limited to, the application of the Fair Labor Standards Act, Federal Insurance Contribution Act, the Social Security Act, the Federal Unemployment Tax Act, the Internal Revenue Code, the Immigration and Naturalization Act, Arizona revenue and taxation laws, Arizona Workers' Compensation Law, and Arizona Unemployment Insurance Law. Consultant agrees that it is a separate and independent enterprise from Town, that it has a full opportunity to find other business, that it has made its own investment in its business, and that it will utilize a high level of skill necessary to perform the work. This Contract shall not be construed as creating any joint employment relationship between Consultant and Town, and Town will not be liable for any obligation incurred by Consultant, including but not limited to unpaid minimum wages and/or overtime premiums.

6.6 Immigration Law Compliance Warranty. As required by A.R.S. § 41-4401, Consultant hereby warrants its compliance with all federal immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A). Consultant further warrants that after hiring an employee, Consultant verifies the employment eligibility of the employee through the E-Verify program. If Consultant uses any subcontractors in performance of the Services, subcontractors shall warrant their compliance with all federal immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A), and subcontractors shall further warrant that after hiring an employee, such subcontractor verifies the employment eligibility of the employee through the E-Verify program. A breach of this warranty shall be deemed a material breach of the Agreement that is subject to penalties up to and including termination of the Agreement. Town at its option may terminate the Agreement after the third violation. Consultant shall not be deemed in material breach of this Agreement if the Consultant and/or subcontractors establish compliance with the employment verification provisions of Sections 274A and 274B of the federal Immigration and Nationality Act and the E-Verify requirements contained in A.R.S. § 23-214(A). Town retains the legal right to inspect the papers of any Consultant or subcontractor employee who works on the Agreement to ensure that the Consultant or subcontractor is complying with the warranty. Any inspection will be conducted after reasonable notice and at reasonable times. If state law is amended, the parties may modify this paragraph consistent with state law.

6.7 Equal Treatment of Workers. Consultant shall keep fully informed of all federal and state laws, county and local ordinances, regulations, codes and all orders and decrees of

bodies or tribunals having any jurisdiction or authority, which in any way affect the conduct of the Services. Consultant shall at all times observe and comply with all such laws, ordinances, regulations, codes, orders and decrees; this includes, but is not limited to laws and regulations ensuring equal treatment for all employees and against unfair employment practices, including the Occupational Safety and Health Administration (“OSHA”) and the Fair Labor Standards Act (“FLSA”). Consultant shall protect and indemnify Gilbert and its representatives against any claim or liability arising from or based on the violation of such, whether by Consultant or its employees.

6.8 Non-Boycott of Israel. Consultant certifies that it is not currently engaged in, and agrees for the duration of this Agreement that it will not engage in, a boycott of Israel, as that term is defined in Arizona Revised Statutes § 35-393.

6.9 Exclusive Use of Services - Confidentiality. The services agreed to be provided by Consultant within this Agreement are for the exclusive use of Town and Consultant shall not engage in conflict of interest nor appropriate Town work product or information for the benefit of any third parties without Town consent.

6.10 Sole Agreement. There are no understandings or agreements except as herein expressly stated.

6.11 Caption. Paragraph captions are for convenience only and are not to be construed as a part of this Agreement; and in no way do they define or limit the Agreement.

6.12 Time is of the Essence. The timely completion of the Project is of critical importance to the economic circumstances of Town.

6.13 Notices. Any notice to be given under this Agreement shall be in writing, shall be deemed to have been given when personally served or when mailed by certified or registered mail, addressed as follows:

TOWN:

Town Manager
Town of Chino Valley
202 North State Route 89
Chino Valley, Arizona 86323

CONSULTANT:

Mark A. Holmes, LLC
531 West Valleri Ann Road
Paulden, AZ 86334

The address may be changed from time to time by either party by serving notices as provided above.

6.14 Controlling Law. This Agreement is to be governed by the laws of the State of Arizona.

7. SUSPENSION OF WORK

7.1 Order to Suspend. Town may order the Consultant, in writing, to suspend all or any part of the Services for such period of time as he may determine to be appropriate for the convenience of Town.

7.2 Adjustment to Contract Fee. If the performance of all or any part of the Services is, for any unreasonable period of time, suspended or delayed by an act of Town in the administration of this Agreement, or by its failure to act within the time specified in this Agreement (or if no time is specified, within a reasonable time), an adjustment shall be made for any increase in cost of performance of this Agreement necessarily caused by such unreasonable suspension or modified in writing accordingly. However, no adjustment shall be made under this clause for any suspension or delay to the extent (1) that performance was suspended or delayed for any other cause, including the fault or negligence of Consultant, or (2) for which an equitable adjustment is provided for or excluded under any other provision of this Agreement.

8. INTERESTS AND BENEFITS

8.1 Interest of Consultant. Consultant covenants that he presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. Consultant further covenants that in the performance of this Agreement, no person having any such interest shall be employed.

8.2 Interest of Town Members and Others. No officer, member or employee of Town and no member of its governing body, who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of the services to be performed under this Agreement, shall participate in any decision relating to this Agreement which affects his personal interest or have any personal or pecuniary interest, direct or indirect, in this Agreement or the process thereof.

8.3 Notice Regarding A.R.S. § 38-511. This Agreement is subject to cancellation under Section 38-511, Arizona Revised Statutes.

9. ASSIGNABILITY

Consultant shall not assign any interest in this Agreement, and shall not transfer any interest in the same without the prior written consent of Town thereto; provided, however, that claims for money due or to become due to Consultant from Town under this Agreement may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to Town.

IN WITNESS WHEREOF, Town and Consultant have executed this Agreement as of the date first written.

TOWN OF CHINO VALLEY

Darryl Croft, Mayor

ATTEST:

Jami Lewis, Town Clerk

APPROVED AS TO FORM:

Phyllis L. N. Smiley, Town Attorney
Gust Rosenfeld, PLC

CONSULTANT

Mark A. Holmes, LLC

EXHIBIT A SCOPE OF WORK

1. As assigned, prepare feasibility and technical review comments and enter said comments into the Town's Citizen Serve software (login to be provided by Town), prepare formal statements of entitlement projects.
2. Upon request, provide expert knowledge and opinions on general and /or specific water-related questions.
3. Provide compliance assistance on reporting requirements with state and federal agencies related to water resources and quality.
4. Provide guidance and consulting advice on the protection and potential expansion of the Town's water rights and entitlements.
5. Perform project review of water resources, rights and related applications, as assigned, at the discretion of the Town.
6. As requested by Town, attend and participate in site visits, meetings, and hearings as a representative of Town and act in furtherance of the Town's best interests.
7. Perform such other duties, projects, activities, and coordination with third parties as the Town may request from time to time.

EXHIBIT B
CONSULTANT'S KEY PERSONNEL

KEY PERSONNEL:

Mark A. Holms, P.G.

EXHIBIT C
PAYMENT SCHEDULE

A. Compensation

1. The consideration of payment to Consultant, as provided herein shall be in full compensation for all of Consultant's work incurred in the performance hereof, including offices, travel, per diem or any other direct or indirect expenses incident to providing the services.
2. Consultant shall be paid for his services at an hourly rate of \$75.00 per hour. Consultant's fees for services performed under this Agreement shall not exceed \$20,000.00, unless otherwise agreed in writing by Town and Consultant.

B. Method of Payment

Invoices shall be on a form and in the format provided by Town and are to be submitted in triplicate to Town via Town's authorized representative. Payment shall be made within thirty (30) days of the date of the invoice. If payment in full is not received by Consultant within forty-five (45) calendar days of the due date, invoices shall bear interest at one-and-one-half (1.5) percent (or the maximum rate allowable by law, whichever is less) of the PAST DUE amount per month, which shall be calculated from the invoice due date. Payment thereafter shall first be applied to accrued interest and then to the unpaid principal.

If the Town objects to any portion of an invoice, the Town shall so notify the Consultant in writing within five (5) calendar days of receipt of the invoice. The Town shall identify in writing the specific cause of the disagreement and the amount in dispute and shall pay that portion of the invoice not in dispute in accordance with the other payment terms of this Agreement. Interest as stated above shall be paid by the Town on all disputed invoice amounts that are subsequently resolved in the Consultant's favor and shall be calculated on the unpaid balance from the due date of the invoice.

EXHIBIT D
CHANGE ORDER

CHANGE ORDER NO. _____

Distribution:	TOWN	[]
	CONSULTANT	[]
	OTHER	[]

PROJECT: _____	DATE: _____
OWNER: Town of Chino Valley	
CONSULTANT:	
AGREEMENT DATED:	

CHANGES: The Agreement is changed as follows:

Not valid until signed by both Town and Consultant.
Signature of Consultant indicates acceptance.

The original compensation was _____

Net change by previously authorized Change Orders _____

The compensation prior to this Change Order was _____

The compensation will be increased by this Change Order in the amount of

The new compensation under the Agreement including this Change Order will be

The Contract Time will increase by _____

ACCEPTANCE STATUS:

Consultant
By _____

Town of Chino Valley
By _____

Date _____

Date _____



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

6.c.

Meeting Date: 03/27/2018
Contact Person: Jami Lewis, Town Clerk
 Phone: 928-636-2646 x-1208
Department: Council
Item Type: Consent
Estimated length of staff presentation:
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to appoint Christeen Meadors to the position of Planning and Zoning Commissioner to fill a vacancy created by the resignation of Claude Baker for the three-year term ending January 31, 2019 and reappoint Welles Geary to the position of Planning and Zoning Commission Alternate for a one-year term ending January 31, 2019.

RECOMMENDED ACTION:

Appoint Christeen Meadors to the position of Planning and Zoning Commissioner to complete a term ending January 31, 2019 and reappoint Welles Geary to the position of Planning and Zoning Commission Alternate for a one-year term ending January 31, 2019.

SITUATION AND ANALYSIS:

Issue Statement

The Council Appointments Subcommittee interviewed several candidates for the Planning and Zoning Commission to fill one regular position vacancy created by a resignation, and the Alternate position whose term had expired January 31. The subcommittee recommended appointment of John McCafferty to the Regular position, which Council approved on February 27. Subsequently, Mr. Baker tendered his resignation. The subcommittee met again and is recommending appointment of Christeen Meadors to the vacated position and to re-appoint Mr. Geary to the Alternate position.

Applicable "Policy"

Satisfaction of "Policy"

Summary of Issues and Staff Rationale

Findings of Fact

Fiscal Impact
Attachments

No file(s) attached.



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

6.d.

Meeting Date: 03/27/2018

Contact Person: Jami Lewis, Town Clerk
Phone: 928-636-2646 x-1208

Department: Town Clerk

Item Type: Consent

AGENDA ITEM TITLE:

Consideration and possible action to accept the February 27, 2018 regular meeting minutes. (Jami Lewis, Town Clerk)

RECOMMENDED ACTION:

Accept the February 27, 2018 regular meeting minutes.

Attachments

February 27, 2018 minutes

DRAFT

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

**TUESDAY, FEBRUARY 27, 2018
6:00 P.M.**

The Town Council of the Town of Chino Valley, Arizona, met for a Regular Meeting in the Chino Valley Council Chambers, located at 202 N. State Route 89, Chino Valley, Arizona, on Tuesday, FEBRUARY 27, 2018.

Present: Mayor Darryl Croft; Vice-Mayor Lon Turner; Councilmember Mike Best; Councilmember Cloyce Kelly; Councilmember Annie Lane; Councilmember Corey Mendoza; Councilmember Jack Miller

Staff Present: Town Manager Cecilia Grittman; Town Attorney Phyllis Smiley; Finance Director Joe Duffy; Public Works Director/Town Engineer Frank Marbury; 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)** Presentation by the Water Infrastructure Finance Authority (WIFA) of the WIFA Clean Water Project of the Year Award to the Town. (Joe Duffy, Finance Director)

Mr. Duffy recounted that the Town partnered with WIFA for funding the Center Street Project to install sewer line to Mollie Rae subdivision, and subsequently connecting another 100 properties on Road 1 West, which nearly doubled the number of planned connections. As WIFA gave the Town a 45% grant, the \$1.2 million project only cost about \$700,000.

WIFA representatives, Susan Craig, Communication Director, and Nicole Petker, Engineer/Project Manager, spoke about WIFA's background and mission, the award's criteria, and the Town's able administration during major staffing changes. Ms. Craig and Ms. Petker acknowledged Finance Director Duffy, Mayor Croft and Council, Interim Public Works Director Richard Straub, Public Works staff, and the contractor, and presented the award to the town.

- b)** Community outreach regarding Yavapai Community College, presented by Rodney Jenkins, Vice President of Community Relations.

Mr. Jenkins spoke about programs in and beyond the classroom; job fairs; impacts to the county regarding workforce, affordable housing, and transportation; new Pathways Program; economic development outreach and services; and celebrating 50 years in the community. Mayor Croft recognized the College's agribusiness program here in Town.

- c) Annual report by the Chino Valley Equestrian Association regarding activities at the Equestrian Park located on Town property.

CVEA member Ruth Mayday spoke about the facility's grand opening, clinics and horse shows, new equipment, facility improvements, membership and volunteers, sponsorships and donations, promotions, horse and non-horse events scheduled, and exceeding all goals set.

CVEA President Danielle Feller added that fundraising was lacking a bit but they were pursuing it. Council suggested they contact Drake Cement and Findlay Toyota.

Council commended the group for seeing the idea through to fruition.

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.

Nicholas Wowk spoke about problems with dog training groups using Memory Park and his belief that they should be required to have a use permit, business license, and liability insurance. Mayor Croft referred the matter to the town manager.

Scott Freitag, Fire Chief, Central Arizona Fire & Medical Authority, thanked Council and the Town for the partnership between the two parties, and spoke about the entity's latest audit and call volumes.

Mark Vucich, resident, asked about removal of the commercial business sign at Road 4 South, progress of the two proposed apartment complexes on Road 2 North, and the location of a new asphalt company.

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.

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, or ask a staff member to provide the same. Presentation on information requested by the Mayor and Council will be made and questions answered. No action will be taken.

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

Mayor Croft reported on the Citizen's Academy starting March 1.

Councilmember Best reported on recent meetings held by the Greater Arizona Mayors Association and the Central Yavapai Metropolitan Planning Organization.

- b) Status report by Town Manager Cecilia Gritman and/or Town staff members regarding Town accomplishments, and current or upcoming projects.

Ms. Gritman reported on tomorrow's Community Outreach event, extending an offer for the Economic Development/Project Manager position, and February work anniversaries.

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.

MOVED by Vice-Mayor Lon Turner, seconded by Councilmember Jack Miller to accept consent agenda a, b and c.

Vote: 7 - 0 PASSED - Unanimously

Mayor Croft introduced Mr. McCafferty, newly-appointed Planning and Zoning Commissioner.

- a) Consideration and possible action to waive the bidding requirements and approve a Purchase Order Contract with Sanderson Ford to purchase an F350 Utility Service Truck with Crane for a total amount not to exceed \$61,110.10, pursuant to a cooperative purchase from the Arizona State Bid List, Arizona State purchasing contract #ADSP014-063240.
- b) Accept resignation of Julie Van Wuffen from the Planning and Zoning Commission and appoint John McCafferty to the position of Commissioner to complete a three-year term that started February 1, 2016. (Council Appointments Subcommittee)
- c) Consideration and possible action to accept the February 13, 2018 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.

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 Lon Turner, seconded by Councilmember Mike Best to go into executive session at 6:47 p.m.

Vote: 7 - 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 the acquisition of a portion of the Prescott Water system and pursuant to A.R.S. § 38-431.03(A)(4) for discussion or consultation with the Town Attorney in order to consider the Town's position and instruct the Town Attorney regarding the Town's position regarding a contract with the City of Prescott related to the Town purchasing a portion of its water distribution system that is the subject of negotiations. (Cecilia Gritman, Town Manager)

9) ACTION ITEMS RESUMED

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

Mayor Croft reconvened the meeting at 7:25 p.m. and reported that Council discussed the matter with its attorney and no action will be taken.

10) ADJOURNMENT

MOVED by Councilmember Jack Miller, seconded by Councilmember Mike Best to adjourn the meeting at 7:25 p.m.

Vote: 7 - 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 27th day of February, 2018. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 27th day of March, 2018.

Jami C. Lewis, Town Clerk

THIS PAGE INTENTIONALLY LEFT BLANK



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

6.e.

Meeting Date: 03/27/2018

Contact Person: Jami Lewis, Town Clerk
Phone: 928-636-2646 x-1208

Department: Town Clerk

Item Type: Consent

AGENDA ITEM TITLE:

Consideration and possible action to accept the March 13, 2018 regular meeting minutes. (Jami Lewis, Town Clerk)

RECOMMENDED ACTION:

Move to accept the March 13, 2018 regular meeting minutes.

Attachments

March 13, 2018 minutes

DRAFT

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

**TUESDAY, MARCH 13, 2018
6:00 P.M.**

The Town Council of the Town of Chino Valley, Arizona, met for a Regular Meeting in the Chino Valley Council Chambers, located at 202 N. State Route 89, Chino Valley, Arizona, on Tuesday, March 13, 2018.

Present: Mayor Darryl Croft; Vice-Mayor Lon Turner; Councilmember Mike Best; Councilmember Cloyce Kelly; Councilmember Annie Lane; Councilmember Corey Mendoza; Councilmember Jack Miller

Staff Present: Town Manager Cecilia Gritman; Town Attorney Phyllis Smiley (via conference phone); Finance Director Joe Duffy; Human Resources Director Laura Kyriakakis; Police Lieutenant Vince Schaan; Public Works Director/Town Engineer Frank Marbury; Kathy Frohock (videographer); 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**

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.

Ron Maines, resident, spoke about possible construction being done at the Windmill House without a permit or site plan.

Mary Rocchio and Anita DeMello spoke about the Let's Dance event at the Senior Center on March 19.

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 regarding permitting requirements for dog training organizations using Town parks.

Mayor Croft reported that: (i) A dog obedience training group observed on Sundays did not have exclusive use of Memory Park on those days and they contended that they had not asked anyone to leave the park. (ii) Dogs in obedience training classes, provided they were properly controlled, were exempted from the Town's general leash law. (iii) Certain signage at the park was old and will need to be updated to reflect the new code. (iv) As a 501(C)(3) non-profit, the group was exempt from having a business license. (v) Dog owners in the classes were liable for their own dog's actions.

- b) Updates from Central Arizona Fire and Medical Authority.

Mayor Croft reported that this item did not require a response.

- c) Questions regarding the status of proposed apartment complexes on Road 2 North, retail development on Road 4 South and SR 89, and new asphalt company.

Mayor Croft reported that: (i) There was no new information about the proposed apartment complex behind Safeway. A proposal for affordable senior housing on five acres of the Hawksnest development was scheduled for hearing on March 20. (ii) Town staff had no new information about the prospective development at Road 4 South or why the sign came down; and the only activity was tree planting for screening. (iii) A request for a Conditional Use Permit for a hot asphalt mix facility on property with an existing rock quarry northwest of Haystack Ranches was scheduled for hearing on April 3.

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, or ask a staff member to provide the same. Presentation on information requested by the Mayor and Council will be made and questions answered. No action will be taken.

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

Mayor Croft reported on the upcoming session of the Citizen's Academy.

- b) Status report by Town Manager Cecilia Grittmann and/or Town staff members regarding Town accomplishments, and current or upcoming projects.

Ms. Grittmann reported on:

- An upcoming economic development training that she and the Town's new economic development manager will attend.
- Old Home Manor ballfields being closed for repairs and remediation.

- c) Presentation by Finance Department regarding the Revenue Manual and revenue projections for the next fiscal year.

Mr. Duffy reviewed the revenue manual, which summarized all revenues over the last five years, and projected them forward for the next five fiscal years. Key points were:

- Revenues overall were showing steady increases.
- Building related revenues were increasing significantly but were projected conservatively in case construction slowed down.
- Staff was still projecting all revenues conservatively and not counting on money until it was in the bank. Projections will be updated during the preparation of the budget as new data became available.
- Staff was proposing some one-time capital projects, including public works equipment purchases funded by the sale of \$122,000 worth of equipment.
- The water fund had a huge increase from water buy-in fees, which will help pay back the general fund, and revenues will begin to decrease as the payments from the Prescott agreement start to dwindle. The sewer fund also increased from buy-in fees.
- The Town will have more money at the end of the year than projected, which may be used for one-time 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.

MOVED by Vice-Mayor Lon Turner, seconded by Councilmember Cloyce Kelly to accept the consent agenda as read.

Vote: 7 - 0 PASSED - Unanimously

- a) Consideration and possible action to retain Laura Kyriakakis, Human Resources Director as the Town's voting member on the Yavapai Combined Trust Board and Advisory Group and appoint Tiffany Resendez, Human Resources Analyst as the Town's alternate voting member to the Yavapai Combined Trust Board and Advisory Group. (Laura Kyriakakis, Human Resources Director)
- b) Consideration and possible action to approve appointment of Amy Chamberlin to fill the vacancy on the Public Safety Retirement Board (PSRB) created by the resignation of Gary Brusco, for the term ending June 30, 2020. (Laura Kyriakakis, Human Resources Director)
- c) Consideration and possible action to adopt Resolution No. 18-1117, approving a Call of Election for Fall 2018, designating election date, purpose of election, deadline for voter registration, and location and deadline for candidates to file nomination papers. (Jami Lewis, Town Clerk)
- d) Consideration and possible action to accept the February 21, 2018 study session/retreat 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.

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.

Mayor Croft reported that there was no need to hold the executive session.

- 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 the acquisition of a portion of the Prescott Water system and pursuant to A.R.S. § 38-431.03(A)(4) for discussion or consultation with the Town Attorney in order to consider the Town's position and instruct the Town Attorney regarding the Town's position regarding a contract with the City of Prescott related to the Town purchasing a portion of its water distribution system that is the subject of negotiations. (Cecilia Gritman, Town Manager)

9) ACTION ITEMS RESUMED

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

10) ADJOURNMENT

MOVED by Councilmember Jack Miller, seconded by Councilmember Cloyce Kelly to adjourn the meeting at 6:24 p.m.

Vote: 7 - 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 13th day of March, 2018. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 27th day of March, 2018.

Jami C. Lewis, Town Clerk

THIS PAGE INTENTIONALLY LEFT BLANK



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

7.a.

Meeting Date: 03/27/2018
Contact Person: Joe Duffy, Finance Director
 Phone: 928-636-2646 x-1211
Department: Finance
Item Type: Action-Presentation
Estimated length of staff presentation: 15 minutes
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to:

- (i) Hold a public hearing regarding the proposed changes to the Town's water and wastewater rates and waste and wastewater connection fees and service charges;
- (ii) Approve Resolution No. 18-1116 increasing the Town's water rates and water and wastewater buy-in fees incrementally over the next five years, effective July 1, 2018, and July 1 of each year thereafter through July 1, 2022; and
- (iii) Approve Resolution No. 18-1118 decreasing the Town's wastewater fees, effective July 1, 2018. (Joe Duffy, Finance Director)

RECOMMENDED ACTION:

- (i) Hold a public hearing regarding the proposed changes to the Town's water rates and water and wastewater buy-in fees;
- (ii) Approve Resolution No. 18-1116 increasing the Town's water rates and water and wastewater buy-in fees incrementally over the next five years, effective July 1, 2018 and July 1 of each year thereafter through July 1, 2022; and
- (iii) Approve Resolution No. 18-1118, decreasing the Town's wastewater fees, effective July 1, 2018.

SITUATION AND ANALYSIS:

Issue Statement

The Town prepared a Water and Wastewater Rate Study as required by statute that was that was presented to Council on January 23, 2018. A copy of the report was filed with the Town Clerk and posted on the website. A Notice of Intent to Increase Water and Wastewater Rates and Water and Wastewater Connection Fees Pursuant to A.R.S. 9-511 was approved by the Town Council at a regular meeting of the Council on January 23, 2018 and a public hearing was set for March 27, 2018. The Notice of Intent was posted and published as required by A.R.S. 9-511.01. The reasons for the changes in rates are set forth in the Water and Wastewater Rate Study.

Applicable "Policy"

Satisfaction of "Policy"

Summary of Issues and Staff Rationale
Findings of Fact

Fiscal Impact

Fiscal Impact?: N/A
If Yes, Budget Code:
Available:
Funding Source:

Attachments

Rate Study 2018
Resolution No. 18-1116
Resolution No. 18-1118



Town of Chino Valley Water and Wastewater Rate Study 2018

This report is prepared to meet the requirements of ARS 9-511.01

Table of Contents

Introduction.....	3
Water Monthly User Fees.....	4
Water Cash Flow Projections.....	5
Water Rate Options.....	6
Option 1 – No Rate Increase.....	6
Option 2 – 3% Rate Increase next 5 years	7
Option 3 – 5% Rate Increase next 5 years	8
Wastewater Monthly User Fees.....	9
Wastewater Cash Flow Projections	10
Wastewater Rate Options	11
Option 1 – No Rate Increase.....	11
Option 2 – 3% Rate Increase next 5 years	12
Option 3 – \$2 or 3% One-Time Rate Decrease	13
Other Community Comparison	14
Water and Wastewater Buy-In Fees.....	15
Water Buy In Fees.....	16
Sewer Buy In Fees.....	17
Cost to Build In Yavapai County.....	18
Summary of Rate Alternatives - Staff Recommendation	19
Rate Change Calendar	20
Detailed Rate Schedule with Proposed Rates	21

Introduction

The Town of Chino Valley last reviewed and increased water and wastewater rates on February 12, 2013. Resolution 13-1005 adopted a 5 year rate increase schedule for both water and wastewater rates.

On December 8, 2015 the Town Council approved Resolution No. 15-1005 deferring the effective date of next sewer rate increase and keeping the rate at \$64.14 per month.

On May 23, 2017 the Town Council approved Resolution No. 17-1104 which modified the rate schedule to provide additional clarification on how rates are applied to multi-family developments.

Since the Town's final rate increase adopted in February 12, 2013 went into effect on January 1, 2018, the Town has undertaken a detailed study of both the water and wastewater rates currently being charged.

The financial information presented in the rate study is based on the information available as of November 30, 2017. It includes an analysis of the financial impact of various rate options on a cash flow basis and a GAAP basis. Ideally, each system should operate with a positive cash flow and positive GAAP income. The major difference between the Cash Basis and GAAP is depreciation. The projections also exclude future capital expenditures financed with non-operating funds.

Customer growth projections are based on a conservative estimate of adding 30 accounts each year to both systems.

The following issues need to be considered when determining the next rate adjustment for the Water System:

- **City of Prescott Agreement** – In 2013 the Town entered into a Transportation of Water agreement where the City of Prescott makes annual payments for five years of approximately \$58,000. These payments will end in FY 18-19.
- **Amount Due the General Fund** – The General Fund has subsidized the Water System over the years in order to get it up and operating profitably. These funds should be paid back as the Water System has adequate resources available.
- **Capital Improvements** – The Water System should generate sufficient funds to set aside for future capital improvements and system replacements in order to avoid incurring additional debt.

The following issues need to be considered when determining the next rate adjustment for the Wastewater System:

- **Amount Due the General Fund** – The General Fund has subsidized the Wastewater System over the years in order to get it up and operating profitably. The funds should be paid back as the Wastewater System has adequate resources available.
- **Capital Improvements** – The Wastewater System should generate sufficient funds to set aside for future capital improvements and system replacements in order to avoid incurring additional debt.

Water Monthly User Fees

The chart below summarizes the water rate increase history since 2013.

Town of Chino Valley								
Water/Wastewater Rate Schedule								
			Prior	Effective 3/1/13	Effective 1/1/14	Effective 1/1/15	Effective 1/1/16	Effective 1/1/17
WATER RATES								
	Percentage Increase			3.1%	2.8%	3.1%	3.0%	2.9%
	Base Charge							
	Residential and Commercial 3/4"		\$4.84	\$4.99	\$5.13	\$5.29	\$ 5.45	\$ 5.61
	Residential and Commercial 1"		\$8.08	\$8.32	\$8.57	\$8.83	\$ 9.09	\$ 9.37
	Commercial 1 1/2" Meter		\$16.12	\$16.60	\$17.10	\$17.61	\$ 18.14	\$ 18.69
	Commercial 2" Meter		\$25.80	\$26.57	\$27.37	\$28.19	\$ 29.04	\$ 29.91
	Commercial 3" Meter		\$48.40	\$49.85	\$51.35	\$52.89	\$ 54.47	\$ 56.11
	Commercial 4" Meter		\$80.76	\$83.18	\$85.68	\$88.25	\$ 90.90	\$ 93.62
	Volume Charge							
	Stand Pipe Base Rate per 1,000 gallons						\$ 5.45	\$ 5.61
	Number of Gallons Tier 1		\$3.94	\$4.06	\$4.18	\$4.31	\$ 4.43	\$ 4.57
	Number of Gallons Tier 2		\$4.93	\$5.08	\$5.23	\$5.39	\$ 5.55	\$ 5.72
	Number of Gallons Tier 3		\$6.90	\$7.11	\$7.32	\$7.54	\$ 7.77	\$ 8.00

Note the average rate increase averaged 3% each year over this time period.

Water Cash Flow Projections

ARS 9-511-.01 requires the Town to prepare cash flow projections that indicate the anticipated revenues from the proposed rate increases.

“This report proposes changes to the Town’s water rates. Information is included to meet the requirements of ARS 9-511.01.”

Water Enterprise Fund – As planned, the last of five scheduled rate increases went into effect on January 1st of each year. Even with some user account growth, the Town’s General Fund continued to subsidize the Water System each year. The schedule below summarized the actual financial results for the last five fiscal years.

Town of Chino Valley					
Water Enterprise Fund - Projected Annual Cash Flow - Cash Basis*					
Last Five Fiscal Years					
Acct	Actual FY 12-13	Actual FY 13-14	Actual FY 14-15	Actual FY 15-16	Actual FY 16-17
# of Connections	607	626	633	658	701
# of New Connections		19	7	25	43
Annual Percentage Increase Connections		3%	1%	4%	7%
Bill for 7,500 gallons	34.39	35.44	\$36.48	\$37.61	\$38.68
Annual Percentage Increase Rate		3%	3%	3%	3%
REVENUE					
WATER SERVICE FEES	\$436,908	\$366,883	\$381,233	\$457,221	\$426,865
WATER SYSTEM BUY-IN FEES	\$0	\$116,000	\$85,489	\$76,000	\$164,000
WATER METER FEES	\$0	\$10,286	\$7,044	\$6,995	\$15,655
MISCELLANEOUS REVENUE	\$2,670	\$3,455	\$34,349	\$62,378	\$66,388
TRANSFERS FROM CAPITAL IMPROV.	\$362,988	\$220,000	\$280,700	\$150,000	\$75,000
TOTAL REVENUE	\$802,566	\$716,624	\$788,815	\$752,594	\$747,908
EXPENDITURES					
PERSONNEL	\$183,012	\$142,560	\$153,157	\$118,930	\$122,064
BENEFITS	\$74,868	\$64,913	\$60,747	\$52,594	\$57,055
SERVICES AND SUPPLIES	\$268,951	\$308,792	\$249,314	\$210,707	\$178,397
INTERDEPARTMENTAL	\$709	\$88,500	\$88,500	\$82,823	\$100,000
DEBT SERVICE	\$73,208	\$71,895	\$70,879	\$69,712	\$68,363
TOTAL EXPENDITURES	\$600,748	\$676,660	\$622,597	\$534,766	\$525,879
NET INCOME (LOSS) CASH BASIS	\$201,818	\$39,964	\$166,218	\$217,828	\$222,029
OPERATING INCOME (LOSS) GAAP	(\$265,799)	(\$402,463)	(\$322,948)	(\$122,334)	(\$134,508)
AMOUNT DUE GENERAL FUND @ JUNE 30	\$1,278,398	\$1,270,429	\$1,057,070	\$843,816	\$674,160
*Excludes Capital Expenditures financed with non-operating funds.					

With the additional 94 accounts being added since FY 12-13, and the rate increases each year, the Water Enterprise Fund is now generating positive cash flows and has reduced the annual subsidy from the General Fund from a high of \$362,988 in FY 12-13 to \$75,000 in FY 16-17. The amount owed to the General Fund has also decreased from \$1,278,398 to \$674,160 as of June 30, 2017.

Water Rate Options

Three Rate Options were prepared and reviewed below:

Option 1 - No Rate Increase

Option 2 - 3% Rate Increase each year for 5 years

Option 3 - 5% Rate Increase each year for 5 years

Option 1 – No Rate Increase

The chart below summarizes the estimated impact of no rate increases over the next five years.

Town of Chino Valley						
Water Enterprise Fund - Projected Annual Cash Flow - Cash Basis*						
No Rate Increase						
Acct	Projected FY 17-18	Budget FY 18-19	Budget FY 19-20	Budget FY 20-21	Budget FY 21-22	Budget FY 22-23
# of Connections	772	802	832	862	892	922
# of New Connections	45	30	30	30	30	30
Annual Percentage Increase Connections	6%	4%	4%	4%	3%	3%
Bill for 7,500 gallons	\$39.89	\$39.89	\$39.89	\$39.89	\$39.89	\$39.89
Annual Percentage Increase Rate	3%	0%	0%	0%	0%	0%
REVENUE						
WATER SERVICE FEES	\$479,479	\$501,020	\$515,380	\$529,740	\$544,101	\$558,461
EFFECT OF PROPOSED RATE INCREASE	\$0	\$0	\$0	\$0	\$0	\$0
WATER SYSTEM BUY-IN FEES	\$180,000	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000
WATER METER FEES	\$19,803	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000
MISCELLANEOUS REVENUE	\$63,829	\$63,000	\$34,000	\$10,000	\$10,000	\$10,000
TRANSFERS FROM CAPITAL IMPROV.	\$25,000	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUE	\$768,111	\$696,020	\$681,380	\$671,740	\$686,101	\$700,461
EXPENDITURES						
PERSONNEL	\$130,441	\$133,008	\$135,654	\$138,377	\$141,177	\$144,000
BENEFITS	\$51,659	\$52,692	\$53,746	\$54,821	\$55,917	\$57,035
SERVICES AND SUPPLIES	\$279,200	\$253,900	\$253,000	\$247,702	\$256,306	\$244,412
INTERDEPARTMENTAL	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
DEBT SERVICE	\$71,700	\$79,800	\$77,800	\$70,500	\$68,000	\$70,000
TOTAL EXPENDITURES	\$633,000	\$619,400	\$620,200	\$611,400	\$621,400	\$615,447
NET INCOME (LOSS) CASH BASIS	\$135,111	\$76,620	\$61,180	\$60,340	\$64,701	\$85,014
OPERATING INCOME (LOSS) GAAP	(\$889)	(\$59,380)	(\$74,820)	(\$70,660)	(\$66,299)	(\$40,986)
AMOUNT DUE GENERAL FUND @ JUNE 30	\$452,131	\$317,020	\$240,400	\$179,220	\$118,880	\$54,179
*Excludes Capital Expenditures financed with non-operating funds.						

Note that without a rate increase the water system does not generate adequate funds to pay back the General Fund in the next five years. Also the system generates no funds for Capital Improvements and the system continues to have a GAAP loss each fiscal year.

Option 2 – 3% Rate Increase next 5 years

The chart below summarizes the estimated impact of a 3% rate increase each year over the next five years.

Town of Chino Valley						
Water Enterprise Fund - Projected Annual Cash Flow - Cash Basis*						
3% Rate Increase						
Acct	Projected FY 17-18	Budget FY 18-19	Budget FY 19-20	Budget FY 20-21	Budget FY 21-22	Budget FY 22-23
# of Connections	746	776	806	836	866	896
# of New Connections	45	30	30	30	30	30
Annual Percentage Increase Connections	6%	4%	4%	4%	4%	3%
Bill for 7,500 gallons	\$39.89	\$41.09	\$42.32	\$43.59	\$44.90	\$46.24
Annual Percentage Increase Rate	3%	3%	3%	3%	3%	3%
REVENUE						
WATER SERVICE FEES	\$479,479	\$494,000	\$509,000	\$524,000	\$540,000	\$556,000
EFFECT OF PROPOSED RATE INCREASE		\$14,384	\$14,820	\$15,270	\$15,720	\$16,200
WATER SYSTEM BUY-IN FEES	\$180,000	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000
WATER METER FEES	\$19,803	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000
MISCELLANEOUS REVENUE	\$63,829	\$63,000	\$34,000	\$10,000	\$10,000	\$10,000
TRANSFERS FROM CAPITAL IMPROV.	\$25,000	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUE	\$768,111	\$703,384	\$689,820	\$681,270	\$697,720	\$714,200
EXPENDITURES						
PERSONNEL	\$130,441	\$133,008	\$135,654	\$138,377	\$141,177	\$144,000
BENEFITS	\$51,659	\$52,692	\$53,746	\$54,821	\$55,917	\$57,035
SERVICES AND SUPPLIES	\$279,200	\$253,900	\$253,000	\$247,702	\$256,306	\$244,412
INTERDEPARTMENTAL	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
DEBT SERVICE	\$71,700	\$79,800	\$77,800	\$70,500	\$68,000	\$70,000
TOTAL EXPENDITURES	\$633,000	\$619,400	\$620,200	\$611,400	\$621,400	\$615,447
NET INCOME (LOSS) CASH BASIS	\$135,111	\$83,984	\$69,620	\$69,870	\$76,320	\$98,753
OPERATING INCOME (LOSS) GAAP	(\$889)	(\$52,016)	(\$66,380)	(\$61,130)	(\$54,680)	(\$27,247)
AMOUNT DUE GENERAL FUND @ JUNE 30	\$452,131	\$317,020	\$233,036	\$163,416	\$93,546	\$17,226
*Excludes Capital Expenditures financed with non-operating funds.						

A 3% rate increase essentially pays back the General Fund over the next five years and reduces the annual GAAP loss to \$27,247. No funds are being set aside for future capital projects.

Option 3 – 5% Rate Increase next 5 years

The chart below summarizes the estimated impact of a 5% rate increase each year over the next five years.

Town of Chino Valley						
Water Enterprise Fund - Projected Annual Cash Flow - Cash Basis*						
5% Rate Increase						
Acct	Projected FY 17-18	Budget FY 18-19	Budget FY 19-20	Budget FY 20-21	Budget FY 21-22	Budget FY 22-23
# of Connections	746	776	806	836	866	896
# of New Connections	45	30	30	30	30	30
Annual Percentage Increase Connections	6%	4%	4%	4%	4%	3%
Bill for 7,500 gallons	\$39.89	\$41.88	\$43.98	\$46.18	\$48.49	\$50.91
Annual Percentage Increase Rate	3%	5%	5%	5%	5%	5%
REVENUE						
WATER SERVICE FEES	\$479,479	\$502,097	\$517,929	\$534,553	\$552,008	\$570,336
EFFECT OF PROPOSED RATE INCREASE		\$23,974	\$25,105	\$25,896	\$26,728	\$27,600
WATER SYSTEM BUY-IN FEES	\$180,000	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000
WATER METER FEES	\$19,803	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000
MISCELLANEOUS REVENUE	\$63,829	\$63,000	\$34,000	\$10,000	\$10,000	\$10,000
TRANSFERS FROM CAPITAL IMPROV	\$25,000	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUE	\$768,111	\$721,071	\$709,034	\$702,449	\$720,736	\$739,936
EXPENDITURES						
PERSONNEL	\$130,441	\$133,008	\$135,654	\$138,377	\$141,177	\$144,000
BENEFITS	\$51,659	\$52,692	\$53,746	\$54,821	\$55,917	\$57,035
SERVICES AND SUPPLIES	\$279,200	\$253,900	\$253,000	\$247,702	\$256,306	\$244,412
INTERDEPARTMENTAL	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
DEBT SERVICE	\$71,700	\$79,800	\$77,800	\$70,500	\$68,000	\$70,000
TOTAL EXPENDITURES	\$633,000	\$619,400	\$620,200	\$611,400	\$621,400	\$615,447
NET INCOME (LOSS) CASH BASIS	\$135,111	\$101,671	\$88,834	\$91,049	\$99,336	\$124,489
OPERATING INCOME (LOSS) GAAP	(\$889)	(\$34,329)	(\$47,166)	(\$39,951)	(\$31,664)	(\$1,511)
AMOUNT DUE GENERAL FUND @ JUNE 30	\$452,131	\$317,020	\$215,349	\$126,516	\$35,466	\$0
*Excludes Capital Expenditures financed with non-operating funds.						

A 5% rate increase pays back the General Fund in four years and begins generating funds for future Capital Projects in year 5.

Wastewater Monthly User Fees

The chart below summarizes the wastewater rate increase history since 2013.

Town of Chino Valley								
Water/Wastewater Rate Schedule								
			Prior	Effective 3/1/13	Effective 1/1/14	Effective 1/1/15	Effective 1/1/16	Effective 1/1/17
WASTEWATER RATES								
	Percentage Increase			10.3%	9.3%	10.0%	0.0%	0.0%
	Base Charge - Residential		\$48.40	\$53.37	\$58.31	\$64.14	\$ 64.14	\$ 64.14
	Commercial 3/4" Meter		\$48.40	\$53.37	\$58.31	\$64.14	\$ 64.14	\$ 64.14
	Commercial 1" Meter		\$81.00	\$89.31	\$97.58	\$107.37	\$ 107.34	\$ 107.34
	Commercial 1 1/2" Meter		\$161.00	\$177.52	\$193.96	\$213.35	\$ 213.35	\$ 213.35
	Commercial 2" Meter		\$258.00	\$284.47	\$310.81	\$341.89	\$ 341.89	\$ 341.89
	Commercial 3" Meter							\$ 641.65
	Commercial 4" Meter		\$807.00	\$889.80	\$972.19	\$1,069.41	\$ 1,069.41	\$ 1,069.41
MULTI-FAMILY RESIDENTIAL WASTEWATER RATES*								
	Rate Per Fixture Unit (\$64.14/20 Fixture Units)							\$ 3.21
	Rate Per EDU (20 Fixture Units)							\$ 64.14

* Multi Family includes apartments, duplexes, mobile home parks, hotels/motels, schools, churches - properties on a master meter.

Note the average rate increase was 10% each year through January 1, 2015.

Wastewater Cash Flow Projections

ARS 9-511-.01 requires the Town to prepare cash flow projections that indicate the anticipated revenues from the proposed rate increases.

“This report proposes changes to the Town’s waste water rates. Information is included to meet the requirements of ARS 9-511.01.”

Sewer Enterprise Fund - As planned, the Sewer Enterprise Fund was cash flow positive for the first time in fiscal year 2016-2017. Current and planned system extensions and additional user growth should ensure the system will remain cash flow positive in future fiscal years.

Town of Chino Valley					
Sewer Enterprise Fund - Projected Annual Cash Flow - Cash Basis*					
Last Five Fiscal Years					
Acct	Actual FY 12-13	Actual FY 13-14	Actual FY 14-15	Actual FY 15-16	Actual FY 16-17
# of Connections	1685	1689	1735	1740	1744
# of New Connections					4
Annual Percentage Increase Connections		0%	3%	0%	0%
Residential Sewer Bill	\$48.40	\$53.37	\$58.31	\$64.14	\$64.14
Annual Percentage Increase		10%	9%	10%	0%
REVENUE					
SEWER SERVICE FEES	\$1,051,435	\$1,199,376	\$1,342,019	\$1,409,585	\$1,400,835
SEWER SYSTEM BUY-IN FEES	\$64,730	\$251,470	\$106,936	\$81,938	\$406,089
MISCELLANEOUS REVENUE	\$17,942	\$18,967	\$75,234	\$48,297	\$55,303
INTEREST INCOME	\$27,827	\$14,573	\$675	\$1,671	\$2,724
TOTAL REVENUE	\$1,161,934	\$1,484,386	\$1,524,864	\$1,541,491	\$1,864,951
EXPENDITURES					
PERSONNEL	\$175,368	\$142,561	\$153,156	\$146,497	\$184,648
BENEFITS	\$71,664	\$64,566	\$60,653	\$59,970	\$83,650
SERVICES AND SUPPLIES	\$603,136	\$818,658	\$589,636	\$493,166	\$378,941
CAPITAL					
INTERDEPARTMENTAL	\$0	\$69,000	\$69,000	\$173,823	\$190,000
DEBT SERVICE	\$756,748	\$727,547	\$916,561	\$943,080	\$872,880
TOTAL EXPENDITURES	\$1,606,916	\$1,822,332	\$1,789,006	\$1,816,536	\$1,710,119
NET INCOME (LOSS) CASH BASIS	(\$444,982)	(\$337,946)	(\$264,142)	(\$275,045)	\$154,832
OPERATING INCOME (LOSS) GAAP	(\$845,999)	(\$944,215)	(\$790,748)	(\$611,585)	(\$546,186)
AMOUNT DUE GENERAL FUND @ JUNE 30	\$150,614	\$466,715	\$743,554	\$371,019	\$588,302
*Excludes Capital Expenditures financed with non-operating funds.					

The Sewer Enterprise Fund owed the General Fund \$588,302 as of June 30, 2017.

Wastewater Rate Options

Three Rate Options were prepared and reviewed below:

Option 1 - No Rate Increase

Option 2 - 3% Rate Increase each year for 5 years

Option 3 - \$2.00 or 3% one-time Rate Decrease

Option 1 – No Rate Increase

The chart below summarizes the estimated impact of no rate increases over the next five years.

Town of Chino Valley						
Sewer Enterprise Fund - Projected Annual Cash Flow - Cash Basis*						
No Rate Increase						
Acct	Projected FY 17-18	Budget FY 18-19	Budget FY 19-20	Budget FY 20-21	Budget FY 21-22	Budget FY 22-23
# of Connections	1794	1824	1854	1884	1914	1944
# of New Connections	50	30	30	30	30	30
Annual Percentage Increase Connections	3%	2%	2%	2%	3%	2%
Residential Sewer Bill	\$64.14	\$64.14	\$64.14	\$64.14	\$64.14	\$64.14
Annual Percentage Increase	0%	0%	0%	0%	0%	0%
REVENUE						
SEWER SERVICE FEES	\$1,506,903	\$1,545,387	\$1,568,477	\$1,591,568	\$1,614,658	\$1,637,749
EFFECT OF PROPOSED RATE INCREASE	\$0	\$0	\$0	\$0	\$0	\$0
SEWER SYSTEM BUY-IN FEES	\$494,110	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
MISCELLANEOUS REVENUE	\$60,024	\$61,000	\$62,000	\$63,000	\$64,000	\$65,000
INTEREST INCOME	\$5,451	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
TOTAL REVENUE	\$2,066,488	\$1,811,387	\$1,835,477	\$1,859,568	\$1,883,658	\$1,907,749
EXPENDITURES						
PERSONNEL	\$186,557	\$190,301	\$194,115	\$197,999	\$201,953	\$205,976
BENEFITS	\$72,842	\$74,299	\$75,785	\$77,301	\$78,847	\$80,424
SERVICES AND SUPPLIES	\$278,400	\$261,400	\$259,500	\$259,500	\$264,600	\$264,600
CAPITAL	\$210,400	\$68,400	\$59,900	\$57,000	\$57,000	\$48,000
INTERDEPARTMENTAL	\$190,000	\$190,000	\$190,000	\$190,000	\$190,000	\$190,000
DEBT SERVICE	\$902,000	\$900,900	\$900,400	\$889,600	\$889,200	\$888,700
TOTAL EXPENDITURES	\$1,840,199	\$1,685,300	\$1,679,700	\$1,671,400	\$1,681,600	\$1,677,700
NET INCOME (LOSS) CASH BASIS	\$226,289	\$126,087	\$155,777	\$188,168	\$202,058	\$230,049
OPERATING INCOME (LOSS) GAAP	(\$232,011)	(\$316,934)	(\$270,896)	(\$232,025)	(\$200,923)	(\$155,365)
AMOUNT DUE GENERAL FUND @ JUNE 30	\$362,013	\$235,926	\$80,149	\$0	\$0	\$0
*Excludes Capital Expenditures financed with non-operating funds.						

Note that without a rate increase the system continues to generate positive cash flow each year, but continues to have a GAAP loss. The General Fund is paid back in FY 20-21.

Option 2 – 3% Rate Increase next 5 years

The chart below summarizes the estimated impact of a 3% rate increase over the next five years.

Town of Chino Valley						
Sewer Enterprise Fund - Projected Annual Cash Flow - Cash Basis*						
3% Rate Increase						
Acct	Projected FY 17-18	Budget FY 18-19	Budget FY 19-20	Budget FY 20-21	Budget FY 21-22	Budget FY 22-23
# of Connections	1794	1824	1854	1884	1914	1944
# of New Connections	50	30	30	30	30	30
Annual Percentage Increase Connections	3%	2%	2%	2%	3%	2%
Residential Sewer Bill	\$64.14	\$66.06	\$68.05	\$70.09	\$72.19	\$74.36
Annual Percentage Increase	0%	3%	3%	3%	3%	3%
REVENUE						
SEWER SERVICE FEES	\$1,506,903	\$1,552,000	\$1,598,000	\$1,646,000	\$1,695,000	\$1,746,000
EFFECT OF PROPOSED RATE INCREASE		\$45,207	\$46,560	\$47,940	\$49,380	\$50,850
SEWER SYSTEM BUY-IN FEES	\$494,110	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
MISCELLANEOUS REVENUE	\$60,024	\$61,000	\$62,000	\$63,000	\$64,000	\$65,000
INTEREST INCOME	\$5,451	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
TOTAL REVENUE	\$2,066,488	\$1,863,207	\$1,911,560	\$1,961,940	\$2,013,380	\$2,066,850
EXPENDITURES						
PERSONNEL	\$186,557	\$190,301	\$194,115	\$197,999	\$201,953	\$205,976
BENEFITS	\$72,842	\$74,299	\$75,785	\$77,301	\$78,847	\$80,424
SERVICES AND SUPPLIES	\$278,400	\$261,400	\$259,500	\$259,500	\$264,600	\$264,600
CAPITAL	\$210,400	\$68,400	\$59,900	\$57,000	\$57,000	\$48,000
INTERDEPARTMENTAL	\$190,000	\$190,000	\$190,000	\$190,000	\$190,000	\$190,000
DEBT SERVICE	\$902,000	\$900,900	\$900,400	\$889,600	\$889,200	\$888,700
TOTAL EXPENDITURES	\$1,840,199	\$1,685,300	\$1,679,700	\$1,671,400	\$1,681,600	\$1,677,700
NET INCOME (LOSS) CASH BASIS	\$226,289	\$177,907	\$231,860	\$290,540	\$331,780	\$389,150
OPERATING INCOME (LOSS) GAAP	(\$232,011)	(\$265,114)	(\$194,813)	(\$129,653)	(\$71,201)	\$3,736
AMOUNT DUE GENERAL FUND @ JUNE 30	\$362,013	\$184,106	\$0	\$0	\$0	\$0
*Excludes Capital Expenditures financed with non-operating funds.						

A 3% rate increase over the next 5 years will allow the system to break even on a GAAP basis in 5 years. This option also provides significant funds for future capital improvements. The General Fund is paid back in FY 19-20.

Option 3 – \$2 or 3% One-Time Rate Decrease

The chart below summarizes the estimated impact of a one-time \$2.00 or 3% rate decrease over the next five years.

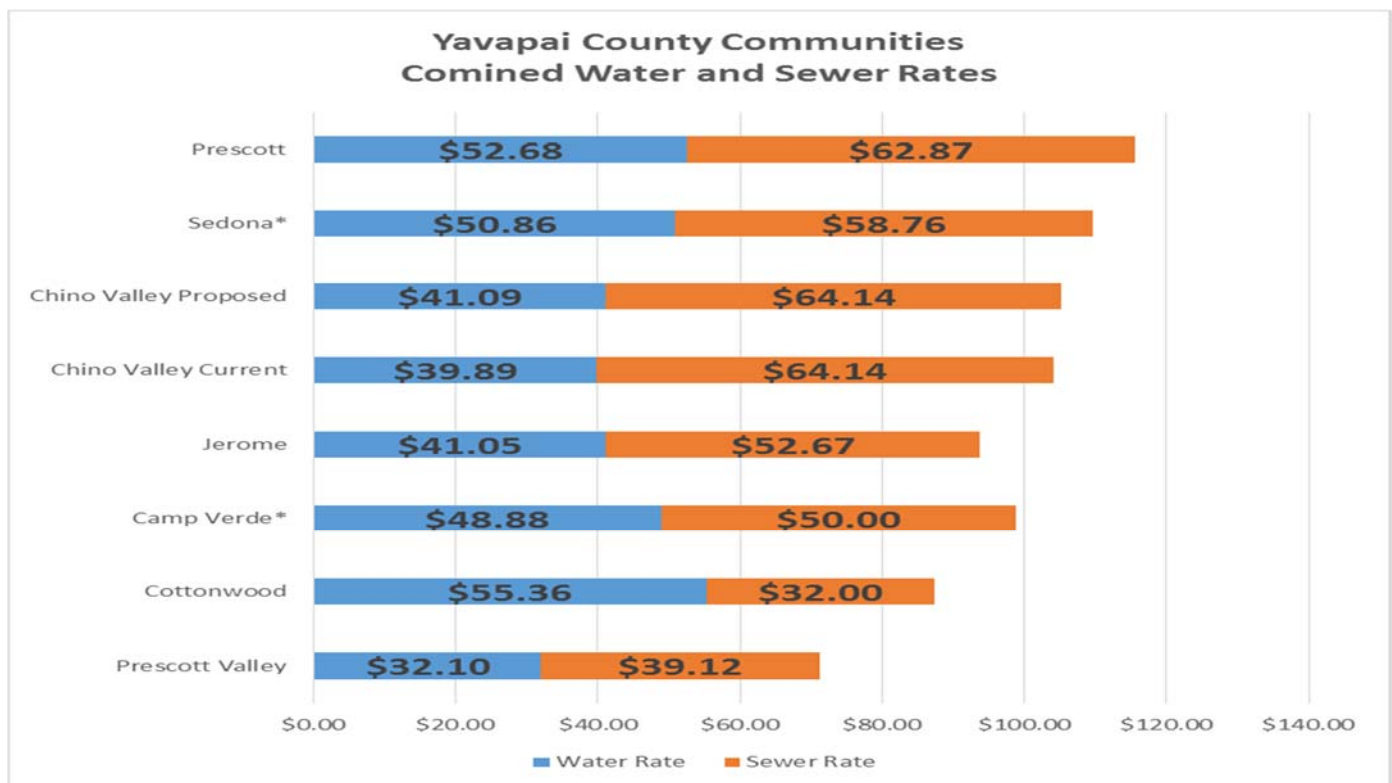
Town of Chino Valley						
Sewer Enterprise Fund - Projected Annual Cash Flow - Cash Basis*						
\$2.00 Rate Decrease 3%						
Acct	Projected FY 17-18	Budget FY 18-19	Budget FY 19-20	Budget FY 20-21	Budget FY 21-22	Budget FY 22-23
# of Connections	1794	1824	1854	1884	1914	1944
# of New Connections	50	30	30	30	30	30
Annual Percentage Increase Connections	3%	2%	2%	2%	3%	2%
Residential Sewer Bill	\$64.14	\$62.14	\$62.14	\$62.14	\$62.14	\$62.14
Annual Percentage Increase	0%	-3%	-3%	-3%	-3%	-3%
REVENUE						
SEWER SERVICE FEES	\$1,506,903	\$1,552,000	\$1,598,000	\$1,646,000	\$1,695,000	\$1,746,000
EFFECT OF PROPOSED RATE INCREASE		(\$45,207)	(\$46,560)	(\$47,940)	(\$49,380)	(\$50,850)
SEWER SYSTEM BUY-IN FEES	\$494,110	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
MISCELLANEOUS REVENUE	\$60,024	\$61,000	\$62,000	\$63,000	\$64,000	\$65,000
INTEREST INCOME	\$5,451	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
TOTAL REVENUE	\$2,066,488	\$1,772,793	\$1,818,440	\$1,866,060	\$1,914,620	\$1,965,150
EXPENDITURES						
PERSONNEL	\$186,557	\$190,301	\$194,115	\$197,999	\$201,953	\$205,976
BENEFITS	\$72,842	\$74,299	\$75,785	\$77,301	\$78,847	\$80,424
SERVICES AND SUPPLIES	\$278,400	\$261,400	\$259,500	\$259,500	\$264,600	\$264,600
CAPITAL	\$210,400	\$68,400	\$59,900	\$57,000	\$57,000	\$48,000
INTERDEPARTMENTAL	\$190,000	\$190,000	\$190,000	\$190,000	\$190,000	\$190,000
DEBT SERVICE	\$902,000	\$900,900	\$900,400	\$889,600	\$889,200	\$888,700
TOTAL EXPENDITURES	\$1,840,199	\$1,685,300	\$1,679,700	\$1,671,400	\$1,681,600	\$1,677,700
NET INCOME (LOSS) CASH BASIS	\$226,289	\$87,493	\$138,740	\$194,660	\$233,020	\$287,450
OPERATING INCOME (LOSS) GAAP	(\$232,011)	(\$355,528)	(\$287,933)	(\$225,533)	(\$169,961)	(\$97,964)
AMOUNT DUE GENERAL FUND @ JUNE 30	\$362,013	\$274,520	\$135,780	\$0	\$0	\$0
*Excludes Capital Expenditures financed with non-operating funds.						

The wastewater rate for the Town is 65% higher than the average rate in the State of Arizona and 28% higher than systems within 50 miles of Chino Valley. Reducing the rate will reduce the annual cash flow by an average of \$48,000 over the next five years. Each \$1.00 in rate reduction will reduce the annual cash flow by an average of \$24,000 each year. It will also reduce the amount of funds available for capital improvements and the system will continue to have a GAAP loss each year.

Other Community Comparison

The chart below summarizes the average water and sewer rates being charged within the State of Arizona and by systems within 50 miles of the Town of Chino Valley. Rates of other Yavapai County communities were also compared.

Other Cities and Towns Rate Comparisons								
November 30, 2017								
	Current Chino Valley Rate	State of Arizona Median Rate	Within 50 miles					
Water Rate for 7,500 gallons/month	\$39.89	\$42.08	\$47.69					
Sewer Rate	\$64.14	\$38.87	\$50.00					
Total	\$104.03	\$80.95	\$97.69					
Yavapai County Communities								
	Prescott Valley	Cottonwood	Camp Verde*	Jerome	Chino Valley Current	Chino Valley Proposed	Sedona*	Prescott
Water Rate for 7,500 gallons/month	\$32.10	\$55.36	\$48.88	\$41.05	\$39.89	\$41.09	\$50.86	\$52.68
Sewer Rate	\$39.12	\$32.00	\$50.00	\$52.67	\$64.14	\$64.14	\$58.76	\$62.87
Total	\$71.22	\$87.36	\$98.88	\$93.72	\$104.03	\$105.23	\$109.62	\$115.55
* Private Water Company								
Source: Water Infrastructure Finance Authority								



Water and Wastewater Buy-In Fees

The Town of Chino Valley last revised the buy in fees rate in 2013. The table below summarizes the adopted rate schedule.

Town of Chino Valley								
Water/Wastewater Rate Schedule								
			Prior	Effective 3/1/13	Effective 1/1/14	Effective 1/1/15	Effective 1/1/16	Effective 1/1/17
WATER BUY IN FEES								
Residential	Residential 3/4" & 1" Meter		\$854.00	\$4,000.00	\$4,000.00	\$4,000.00	\$ 4,000.00	\$ 4,000.00
Multi-family	3/4" & 1" Meter Per Unit		\$775.00	\$3,630.00	\$3,630.00	\$3,630.00	\$ 3,630.00	\$ 3,630.00
Hotels/Motels	Per Room		\$719.00	\$3,056.00	\$3,056.00	\$3,056.00	\$ 3,056.00	\$ 3,056.00
Commercial	3/4" Meter		\$854.00	\$4,000.00	\$4,000.00	\$4,000.00	\$ 4,000.00	\$ 4,000.00
Commercial	1" Meter		\$1,424.00	\$6,670.00	\$6,670.00	\$6,670.00	\$ 6,670.00	\$ 6,670.00
Commercial	1/2" Meter		\$2,868.00	\$13,433.00	\$13,433.00	\$13,433.00	\$ 13,433.00	\$ 13,433.00
Commercial	2" Meter		\$4,588.00	\$21,489.00	\$21,489.00	\$21,489.00	\$ 21,489.00	\$ 21,489.00
Commercial	3" Meter		\$8,606.00	\$40,309.00	\$40,309.00	\$40,309.00	\$ 40,309.00	\$ 40,309.00
Commercial	4" Meter		\$14,346.00	\$67,197.00	\$67,197.00	\$67,197.00	\$ 67,194.00	\$ 67,194.00
Commercial	6" Meter		\$28,683.00	\$134,347.00	\$134,347.00	\$134,347.00	\$134,347.00	\$134,347.00
Commercial	8" Meter		\$45,896.00	\$214,970.00	\$214,970.00	\$214,970.00	\$214,970.00	\$214,970.00
Commercial	10" Meter		\$65,980.00	\$309,040.00	\$309,040.00	\$309,040.00	\$309,040.00	\$309,040.00
Commercial	12" Meter		\$123,347.00	\$577,738.00	\$577,738.00	\$577,738.00	\$577,738.00	\$577,738.00
WASTEWATER BUY IN FEES								
	Residential		\$4,691.00	\$6,000.00	\$6,000.00	\$6,000.00	\$ 6,000.00	\$ 6,000.00
	Commercial and Multi-family Residential							
	Based on EDU Calculation							EDU
	# of fixture Units per EDU							20
	Calculated Buy In Fee per FU							\$ 300.00

The Town of Chino Valley has made significant capital investments in the water and wastewater systems. The Town charges these one-time fees to new development to recover a proportional share of the costs associated with developing the systems.

Water Buy In Fees

The Table below summarizes the capital investment made by the Town to establish the water system.

Town of Chino Valley						
Enterprise Fund Buy In Fee Calculation						
Fiscal Year Ended June 30, 2017						
	Ending Fixed Assets @ 6/30/17	Ending Accu. Depr. 6/30/17	Book Value @ 6/30/17	# of Account Capacity	Original Cost Per Account	Book Value @ 6/30/17 Per Account
UTILITY - WATER	Current Fee	\$ 4,000				
Bldgs/Improvements	\$ 6,433	\$ 6,433	\$ -			
Equipment	\$ 250,962	\$ 150,459	\$ 100,503			
Infrastructure	\$ 3,361,625	\$ 1,591,091	\$ 1,770,534			
Non-Depreciable Land	\$ 3,211,136	\$ -	\$ 3,211,136			
Vehicles	\$ -	\$ -	\$ -			
Water Rights	\$ 668,553	\$ -	\$ 668,553			
	\$ 7,498,710	\$ 1,747,983	\$ 5,750,727	1,625	\$ 4,615	\$ 3,539
			Water Buy In Fee Range		\$ 4,600	\$ 3,500
System Capacity Calculation						
Total Storage Capacity	1,000,000					
Fire Flow	(240,000)					
48 hours of avg. daily demand	(200,000)					
Available for Consumption	560,000					
Peak Demand	(300,000)					
Total Capacity	260,000					
GPD per SFH	160					
Total Homes to Capacity	1,625					
Total Current Accounts	746					
Remaining Capacity	879					

In total the Town has invested 7.5 million into the water system that has the capacity to serve up to 1,625 accounts. The acquisition cost divided by the capacity (\$7,498,710/1625 accounts) give us the original cost per account of \$4,615. Using the current book value the total amount per account is (\$5,750,727/1625) \$3,539. Without adjusting either amount for inflation, the reasonable buy in fee range is \$3,500 - \$4,600.

Sewer Buy In Fees

The Table below summarizes the capital investment made by the Town to establish the waste water system.

Town of Chino Valley						
Enterprise Fund Buy In Fee Calculation						
Fiscal Year Ended June 30, 2017						
	Ending Fixed Assets @ 6/30/17	Ending Accu. Depr. 6/30/17	Book Value @ 6/30/17	# of Account Capacity	Original Cost Per Account	Book Value @ 6/30/17 Per Account
UTILITY - SEWER	Current Fee	\$ 6,000				
Bldgs/Improvements	\$ 9,859,455	\$ 2,339,656	\$ 7,519,799			
Equipment/Vehicles	\$ 823,107	\$ 185,631	\$ 637,476			
Infrastructure	\$ 22,181,927	\$ 7,392,029	\$ 14,789,898			
	<u>\$ 32,864,489</u>	<u>\$ 9,917,316</u>	<u>\$ 22,947,173</u>	4,000	\$ 8,216	\$ 5,737
			Sewer Buy In Fee Range		\$ 8,200	\$ 5,800
System Capacity Calculation						
Design Capacity of Plant gpd	\$ 500,000	4,000				
Current Average flow gpd	\$ 320,000					
% of Design Capacity	64%					
Remaining Capacity gpd	\$ 180,000					
Avg gallons per home per day	\$ 125					
Total homes to capacity	4,000					
Total current accounts	1,765					
Remaining Capacity	<u>2,235</u>					
Current Volume	260,000					
Current Customers	1,765					
Gallons Per Day	<u>147</u>					

In total the Town has invested 32.8 million into the waste water system that has the capacity to serve up to 4,000 accounts. The acquisition cost divided by the capacity (\$32,864,489/4000 accounts) give us the original cost per account of \$8,216. Using the current book value the total amount per account is (\$22,947,173/4000) \$5,737. Without adjusting either amount for inflation, the reasonable buy in fee range is \$5,800 - \$8,200.

Cost to Build In Yavapai County

Prior to considering increasing Buy In Fees, consideration needs to be given to the cost of building in the local area. Chino Valley does not want to raise the buy in fees to a level that deters building. The table below summarizes the estimated cost of building a typical single family home in Prescott, Prescott Valley, and in Yavapai County.

Town of Chino Valley				
Single Family Home Comparision 1600-1800 sq ft/ 3 bed 2 bath				
	Chino Valley	Prescott	Prescott Valley	Yavapai County
Building Permit Fee	\$ 2,546.00	\$ 1,200.00	\$ 2,873.00	\$ 2,500.00
Impact Fee			\$ 5,196.00	
Water System				\$ 7,500.00
Water Resource Fee		\$ 4,709.00		
Buy In - Capacity Fee	\$ 4,000.00	\$ 5,132.00	\$ 3,087.00	
Connection Fee	\$ 469.00	\$ 1,481.00	\$ 474.00	
Sewer System				\$ 7,500.00
Buy In - Capacity Fee	\$ 6,000.00	\$ 1,120.00	\$ 3,014.00	
Connection Fee	\$ 141.00			
Total	\$ 13,156.00	\$ 13,642.00	\$ 14,644.00	\$ 17,500.00

Summary of Rate Alternatives - Staff Recommendation

The table below summarizes the the rate options reviewed in this report. The highlighted options are recommended by staff.

Town of Chino Valley						
Rate Option Summary						
	Current Rate	Effective 7/1/18	Effective 7/1/19	Effective 7/1/20	Effective 7/1/21	Effective 7/1/22
Water Enterprise Fund						
Option 1 - No Rate Increase	\$39.89	\$39.89	\$39.89	\$39.89	\$39.89	\$39.89
Option 2 - 3% Rate Increase each year for 5 years	\$39.89	\$41.09	\$42.32	\$43.59	\$44.90	\$46.24
Option 3 - 5% Rate Increase each year for 5 years	\$39.89	\$41.88	\$43.98	\$46.18	\$48.49	\$50.91
Wastewater Enterprise Fund						
Option 1 - No Rate Increase	\$64.14	\$64.14	\$64.14	\$64.14	\$64.14	\$64.14
Option 2 - 3% Rate Increase each year for 5 years	\$64.14	\$66.06	\$68.05	\$70.09	\$72.19	\$74.36
Option 3 - \$2.00 or 3% one-time Rate Decrease	\$64.14	\$62.14	\$62.14	\$62.14	\$62.14	\$62.14
Water Buy In Fee						
	\$4,000.00	\$4,120.00	\$4,243.60	\$4,370.91	\$4,502.04	\$4,637.10
Sewer Buy In Fee						
	\$6,000.00	\$6,180.00	\$6,365.40	\$6,556.36	\$6,753.05	\$6,955.64

Rate Change Calendar

The following steps are required in order to adopt any rate changes.

Town of Chino Valley		
Wastewater Rate Change Calendar		
Date	Item	Requirement
11/7/2017	Discuss rate study with Finance Committee	
December-17	Finance Department Prepares Draft Study to Council	
1/23/2018	Written Report presented to Council. Council Adopts Notice of intention to increase rates and holds a public hearing	At least 60 days prior to public hearing
2/26/2018	File copy of report with Clerk and post on website	Posted on the website 30 days prior to public hearing
2/28/2018	Publish notice of intention to hold public hearing	Not less than 20 days before public hearing
3/27/2018	Hold Public Hearing / Adopt Resolution	At least 60 days after notice of intent
7/1/2018	New Rate becomes effective	30 days after adoption

Detailed Rate Schedule with Proposed Rates

Town of Chino Valley										
Water/Wastewater Rate Schedule - With Proposed Rates										
					Current Rates	Effective 7/1/18	Effective 7/1/19	Effective 7/1/20	Effective 7/1/21	Effective 7/1/22
Usage										
WATER RATES										
	Percentage Increase				3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
	Base Charge									
	Residential and Commercial 3/4" Meter				\$ 5.61	\$ 5.78	\$ 5.95	\$ 6.13	\$ 6.31	\$ 6.50
	Residential and Commercial 1" Meter				\$ 9.37	\$ 9.65	\$ 9.94	\$ 10.24	\$ 10.55	\$ 10.86
	Commercial 1 1/2" Meter				\$ 18.69	\$ 19.25	\$ 19.83	\$ 20.42	\$ 21.04	\$ 21.67
	Commercial 2" Meter				\$ 29.91	\$ 30.81	\$ 31.73	\$ 32.68	\$ 33.66	\$ 34.67
	Commercial 3" Meter				\$ 56.11	\$ 57.79	\$ 59.53	\$ 61.31	\$ 63.15	\$ 65.05
	Commercial 4" Meter				\$ 93.62	\$ 96.43	\$ 99.32	\$ 102.30	\$ 105.37	\$ 108.53
	Volume Charge									
	Stand Pipe Base Rate per 1,000 gallons				\$ 5.61	\$ 5.78	\$ 5.95	\$ 6.13	\$ 6.31	\$ 6.50
		Number of Gallons Tier 1	0	8000	\$ 4.57	\$ 4.71	\$ 4.85	\$ 4.99	\$ 5.14	\$ 5.30
		Number of Gallons Tier 2	8001	20000	\$ 5.72	\$ 5.89	\$ 6.07	\$ 6.25	\$ 6.44	\$ 6.63
		Number of Gallons Tier 3	20001	Above	\$ 8.00	\$ 8.24	\$ 8.49	\$ 8.74	\$ 9.00	\$ 9.27
	Country West per 12/14/2001 agreement				\$ 0.70					
		12/14/2021			\$ 0.84					
		12/14/2031			\$ 1.01					
WASTEWATER RATES										
	Percentage Increase				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
		Base Charge - Residential			\$ 64.14	\$ 64.14	\$ 64.14	\$ 64.14	\$ 64.14	\$ 64.14
		Commercial 3/4" Meter			\$ 64.14	\$ 64.14	\$ 64.14	\$ 64.14	\$ 64.14	\$ 64.14
		Commercial 1" Meter			\$ 107.34	\$ 107.34	\$ 107.34	\$ 107.34	\$ 107.34	\$ 107.34
		Commercial 1 1/2" Meter			\$ 213.35	\$ 213.35	\$ 213.35	\$ 213.35	\$ 213.35	\$ 213.35
		Commercial 2" Meter			\$ 341.89	\$ 341.89	\$ 341.89	\$ 341.89	\$ 341.89	\$ 341.89
		Commercial 3" Meter			\$ 641.65	\$ 641.65	\$ 641.65	\$ 641.65	\$ 641.65	\$ 641.65
		Commercial 4" Meter			\$ 1,069.41	\$ 1,069.41	\$ 1,069.41	\$ 1,069.41	\$ 1,069.41	\$ 1,069.41
MULTI-FAMILY RESIDENTIAL WASTEWATER RATES*										
		Rate Per Fixture Unit (\$64.14/20 Fixture Units)			\$ 3.21	\$ 3.21	\$ 3.21	\$ 3.21	\$ 3.21	\$ 3.21
		Rate Per EDU (20 Fixture Units)			\$ 64.14	\$ 64.14	\$ 64.14	\$ 64.14	\$ 64.14	\$ 64.14
* Multi Family includes apartments, duplexes, mobile home parks, hotels/motels, schools, churches - properties on a master meter.										
						3.0%	3.0%	3.0%	3.0%	3.0%
WATER BUY IN FEES										
	Residential	Residential 3/4" & 1" Meter			\$ 4,000.00	\$ 4,120.00	\$ 4,243.60	\$ 4,370.91	\$ 4,502.04	\$ 4,637.10
	Multi-family	3/4" & 1" Meter Per Unit			\$ 3,630.00	\$ 3,738.90	\$ 3,851.07	\$ 3,966.60	\$ 4,085.60	\$ 4,208.16
	Hotels/Motels	Per Room			\$ 3,056.00	\$ 3,147.68	\$ 3,242.11	\$ 3,339.37	\$ 3,439.55	\$ 3,542.74
	Commercial	3/4" Meter			\$ 4,000.00	\$ 4,120.00	\$ 4,243.60	\$ 4,370.91	\$ 4,502.04	\$ 4,637.10
	Commercial	1" Meter			\$ 6,670.00	\$ 6,870.10	\$ 7,076.20	\$ 7,288.49	\$ 7,507.14	\$ 7,732.36
	Commercial	1/2" Meter			\$ 13,433.00	\$ 13,835.99	\$ 14,251.07	\$ 14,678.60	\$ 15,118.96	\$ 15,572.53
	Commercial	2" Meter			\$ 21,489.00	\$ 22,133.67	\$ 22,797.68	\$ 23,481.61	\$ 24,186.06	\$ 24,911.64
	Commercial	3" Meter			\$ 40,309.00	\$ 41,518.27	\$ 42,763.82	\$ 44,046.73	\$ 45,368.13	\$ 46,729.18
	Commercial	4" Meter			\$ 67,194.00	\$ 69,209.82	\$ 71,286.11	\$ 73,424.70	\$ 75,627.44	\$ 77,896.26
	Commercial	6" Meter			\$ 134,347.00	\$ 138,377.41	\$ 142,528.73	\$ 146,804.59	\$ 151,208.73	\$ 155,744.99
	Commercial	8" Meter			\$ 214,970.00	\$ 221,419.10	\$ 228,061.67	\$ 234,903.52	\$ 241,950.63	\$ 249,209.15
	Commercial	10" Meter			\$ 309,040.00	\$ 318,311.20	\$ 327,860.54	\$ 337,696.35	\$ 347,827.24	\$ 358,262.06
	Commercial	12" Meter			\$ 577,738.00	\$ 595,070.14	\$ 612,922.24	\$ 631,309.91	\$ 650,249.21	\$ 669,756.69
WASTEWATER BUY IN FEES										
		Residential			\$ 6,000.00	\$ 6,180.00	\$ 6,365.40	\$ 6,556.36	\$ 6,753.05	\$ 6,955.64
		Commercial and Multi-family Residential								
		Based on EDU Calculation			EDU					
		# of fixture Units per EDU			20					
		Calculated Buy In Fee per FU			\$ 300.00	\$ 309.00	\$ 318.27	\$ 327.82	\$ 337.65	\$ 347.78

RESOLUTION NO. 18-1116

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, COUNTY OF YAVAPAI, ARIZONA, INCREASING WATER RATES AND WATER AND WASTEWATER CONNECTION FEES AND SERVICE CHARGES; PROVIDING FOR REPEAL OF CONFLICTING RESOLUTIONS; AND PROVIDING FOR SEVERABILITY.

WHEREAS, pursuant to A.R.S. § 9-511 *et seq.*, the Town of Chino Valley is authorized to establish just and reasonable water fees; and

WHEREAS, pursuant to A.R.S. § 9-511.01, the Town of Chino Valley prepared a written report and supplied data supporting the increases in the rates, connection fees and service charges, and a copy of the written report and data was filed with the Town Clerk; and

WHEREAS, a copy of the written report and data was filed with the Town Clerk, a Notice of Intent was adopted by the Town Council on January 23, 2018, posted on January 29, 2018, and published on February 29, 2018, as required by law, and a public hearing was held on March 27, 2018, in accordance with the notice; and

WHEREAS, the Town Council finds the proposed rate, fee, and services charge increases are just and reasonable and it is in the best interest of the Town to adopt the proposed changes in order to maintain the financial integrity of the Town's water and wastewater enterprises;

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Common Council of the Town of Chino Valley, County of Yavapai, Arizona, that the following rates are approved:

WATER RATES: 3% increase per year	Current Rate	Eff. 7/1/18	Eff. 7/1/19	Eff. 7/1/20	Eff. 7/1/21	Eff. 7/1/22
Base Charge (in dollars)						
Residential and Commercial ¾" Meter	5.61	5.78	5.95	6.13	6.31	6.50
Residential and Commercial 1" Meter	9.37	9.65	9.94	10.24	10.55	10.86
Commercial 1 ½" Meter	18.69	19.25	19.83	20.42	21.04	21.67
Commercial 2" Meter	29.91	30.81	31.73	32.68	33.66	34.67
Commercial 3" Meter	56.11	57.79	59.53	61.31	63.15	65.05
Commercial 4" Meter	93.62	96.43	99.32	102.30	105.37	108.53
Volume Charge (in dollars)						
Stand Pipe Base Rate per 1,000 gallons	5.61	5.78	5.95	6.13	6.31	6.50
Number of Gallons Tier 1 – 0-8000	4.57	4.71	4.85	4.99	5.14	5.30
Number of Gallons Tier 2 – 8001-20000	5.72	5.89	6.07	6.25	6.44	6.63
Number of Gallons Tier 3 – 20001+	8.00	8.24	8.49	8.74	9.00	9.27

WATER BUY-IN FEES: 3% increase per year	Current Rate	Eff. 7/1/18	Eff. 7/1/19	Eff. 7/1/20	Eff. 7/1/21	Eff. 7/1/22
Residential ¾" & 1" Meter	4000.00	4120.00	4243.60	4370.91	4502.04	4637.10
Multi-family ¾" & 1" Meter Per Unit	3630.00	3738.90	3851.07	3966.60	4085.60	4208.16
Hotels/Motels Per Room	3056.00	3147.68	3242.11	3339.37	3439.55	3542.74
Commercial ¾" Meter	4000.00	4120.00	4243.60	4370.91	4502.04	4637.10
Commercial 1" Meter	6670.00	6870.10	7076.20	7288.49	7507.14	7732.36
Commercial 1 ½" Meter	13433.00	13835.99	14251.07	14678.60	15118.96	15572.53
Commercial 2" Meter	21489.00	22133.67	22797.68	23481.61	24186.06	24911.64
Commercial 3" Meter	40309.00	41518.27	42763.82	44046.73	45368.13	46729.18
Commercial 4" Meter	67194.00	69209.82	71286.11	73424.70	74627.44	77896.26
Commercial 6" Meter	134347.00	138377.41	142528.73	146804.59	151208.73	155744.99
Commercial 8" Meter	214970.00	221419.10	228061.67	234903.52	241950.63	249209.15
Commercial 10" Meter	309040.00	318211.20	327860.54	337696.35	347827.24	358262.06
Commercial 12" Meter	577738.00	595070.14	612922.24	631309.91	650249.21	669756.69
WASTEWATER BUY-IN FEES						
Residential	6000.00	6180.00	6365.40	6556.36	6753.05	6955.64
Commercial & Multifamily Residential: Based on EDU* calculation with 20 fixtures per EDU						
Calculated Buy-in fee per FU**	300.00	309.00	318.27	327.82	337.65	347.78

* EDU means Equivalent Dwelling Unit

** FU means Fixture Unit.

BE IT FURTHER RESOLVED that all resolutions or parts of resolutions in conflict with the provisions of this resolution are hereby repealed.

BE IT FURTHER RESOLVED that if any section, subsection, sentence, clause, phrase or portion of this Resolution is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona this 27th day of March, 2018.

Darryl Croft, Mayor

ATTEST:

Jami C. Lewis, Town Clerk

APPROVED AS TO FORM:

Phyllis L.N. Smiley, Town Attorney

I hereby certify the above foregoing Resolution No. 18-1116 was duly passed by the Council of the Town of Chino Valley, Arizona, at a regular meeting held on March 27, 2018, and that quorum was present thereat and that the vote thereon was ____ ayes and ____ nays and ____ abstentions. ____ Council members were absent or excused.

Jami C. Lewis, Town Clerk

RESOLUTION NO. 18-1118

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, COUNTY OF YAVAPAI, ARIZONA, DECREASING WASTEWATER RATES; PROVIDING FOR REPEAL OF CONFLICTING RESOLUTIONS; AND PROVIDING FOR SEVERABILITY.

WHEREAS, pursuant to A.R.S. § 9-511 *et seq.*, the Town of Chino Valley is authorized to establish just and reasonable water fees; and

WHEREAS, the Town Council has determined that the revenue generated by the current wastewater fees is more than adequate to maintain the financial integrity of the Town's wastewater enterprise and that a reduction in the wastewater fees will be beneficial to the Town's residents and not be detrimental to the wastewater enterprise fund,

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Common Council of the Town of Chino Valley, County of Yavapai, Arizona, that the following rates are approved:

WASTEWATER RATES	Current Rate	Eff. 7/1/18
Base Charge (in dollars)		
Residential	64.14	62.14
Commercial ¾" Meter	64.14	62.14
Commercial 1" Meter	107.34	103.99
Commercial 1 ½" Meter	213.35	206.70
Commercial 2" Meter	341.89	331.23
Commercial 3" Meter	641.65	621.64
Commercial 4" Meter	1069.41	1036.06
Multi-Family Residential Wastewater Rates		
Rate per Fixture Unit	3.21	3.11
Rate per Equivalent Dwelling Unit (20 Fixture Units)	64.14	62.14

BE IT FURTHER RESOLVED that all resolutions or parts of resolutions in conflict with the provisions of this resolution are hereby repealed.

BE IT FURTHER RESOLVED that if any section, subsection, sentence, clause, phrase or portion of this Resolution is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

///
///
///

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona this 27th day of March, 2018.

Darryl Croft, Mayor

ATTEST:

Jami C. Lewis, Town Clerk

APPROVED AS TO FORM:

Phyllis L.N. Smiley, Town Attorney
Gust Rosenfeld, PLC

I hereby certify the above foregoing Resolution No. 18-1118 was duly passed by the Council of the Town of Chino Valley, Arizona, at a regular meeting held on March 27, 2018, and that quorum was present thereat and that the vote thereon was ____ ayes and ____ nays and ____ abstentions. ____ Council members were absent or excused.

Jami C. Lewis, Town Clerk



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

7.b.

Meeting Date: 03/27/2018
Contact Person: Phyllis Smiley, Town Attorney
Department: Town Attorney
Item Type: Action
Estimated length of staff presentation: 5 minutes
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to approve Resolution No. 18-1119 authorizing the acquisition of real property by the Town for Road 1 East right-of-way from Road 3 South to Picacho Boulevard and authorizing and directing the Mayor, Town Manager, and Town Attorney to acquire title to such property on behalf of the Town by donation, eminent domain, or purchase. (Phyllis Smiley, Town Attorney)

RECOMMENDED ACTION:

Approve Resolution No. 18-1119 authorizing the acquisition of real property by the Town for Road 1 East right-of-way from Road 3 South to Picacho Boulevard and authorizing and directing the Mayor, Town Manager, and Town Attorney to acquire title to such property on behalf of the Town by donation, eminent domain, or purchase.

SITUATION AND ANALYSIS:

Issue Statement

The Town is required, pursuant to an IGA with Arizona Department of Transportation, to extend Road 1 East from Road 3 South to Kalinich Road. The Town was under the impression that it owned a 23-foot wide strip from Road 3 South to just north of Picacho Boulevard. The Town, being unable to locate ownership documents, obtained a title report showing the property in question is actually owned by a private party. Therefore, the Town must acquire this 23-foot strip by donation, purchase, or condemnation in order to fulfill its obligations pursuant to the IGA.

Applicable "Policy"

Satisfaction of "Policy"

Summary of Issues and Staff Rationale

Findings of Fact

Fiscal Impact

Fiscal Impact?: None

If Yes, Budget Code:

Available:

Funding Source:

Attachments

Resolution No. 18-1119
ADOT IGA re SR 89 & Kalinich

RESOLUTION NO. 18-1119

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, COUNTY OF YAVAPAI, ARIZONA, AUTHORIZING THE ACQUISITION OF CERTAIN REAL PROPERTY IN THE TOWN FOR RIGHT-OF-WAY AND EASEMENT PURPOSES FOR THE ROAD 1 EAST FROM ROAD 3 SOUTH TO PICACHO PROJECT, AUTHORIZING AND DIRECTING THE MAYOR, TOWN MANAGER AND TOWN ATTORNEY TO ACQUIRE TITLE TO SUCH REAL PROPERTY ON BEHALF OF THE TOWN BY DONATION, EMINENT DOMAIN OR PURCHASE FOR AN AMOUNT NOT TO EXCEED FAIR MARKET VALUE OF THE PROPERTY, PLUS ACQUISITION AND CLOSING COSTS.

WHEREAS, the continued growth and development of the Town of Chino Valley requires acquisition of certain real property for Road 1 East from Road 3 South to Road 4 South for roadway improvements to Road 1 East (the "Project"), which real property is generally described in Exhibit A, attached hereto and made a part hereof; and

WHEREAS, the Mayor and Common Council of the Town of Chino Valley previously authorized the Project pursuant to the Intergovernmental Agreement with the Arizona Department of Transportation for construction of a round-a-bout at Kalinich Road; and

WHEREAS, the Mayor and Common Council of the Town of Chino Valley find that acquisition of the property described is necessary for public right-of-way and easement purposes for the Project, and it is in the public interest to acquire such property; and

WHEREAS, the Mayor and Common Council of the Town of Chino Valley have considered alternatives available to it, have balanced the public good and the private injury resulting from the acquisition of the property and have determined that locating the public improvements on the property results in the greatest public good and the least private injury;

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Common Council of the Town of Chino Valley, County of Yavapai, Arizona, that

1. That the Mayor, Town Manager and Town Attorney are hereby authorized and directed to acquire title to and possession of the real property generally described in Exhibit A, plus any additional real property required for completion of the Project as determined by the final engineering plans, by donation, eminent domain or purchase for an amount not to exceed fair market value, plus acquisition and closing costs; and

2. That the Mayor, Town Manager and Town Attorney are authorized to perform all acts necessary to acquire said property for the purposes described in this resolution on behalf of the Town.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona, this 27th day of March, 2018 by the following vote:

AYES: _____

ABSENT: _____

NAYS: _____

ABSTAINED: _____

Darryl Croft, Mayor

ATTEST:

Jami C. Lewis, Town Clerk

APPROVED AS TO FORM:

Phyllis Smiley, Town Attorney
Gust Rosenfeld, PLC

I hereby certify the above foregoing Resolution No. 18-1119 was duly passed by the Council of the Town of Chino Valley, Arizona, at a regular meeting held on March 27, 2018, and that quorum was present thereat and that the vote thereon was ____ ayes and ____ nays and ____ abstentions. ____ Council members were absent or excused.

Jami C. Lewis, Town Clerk

The following exhibits are attached hereto and incorporated herein:

1. Exhibit A – Legal Description of Property/Easement to be Acquired

EXHIBIT A**Description of Property to be Acquired**

The Westerly 23.00 feet of the Northwest quarter of the Southwest quarter of Section 35, Township 16 North, Range 2 West of the Gila and Salt River Base and Meridian, in the Town of Chino Valley, County of Yavapai, State of Arizona.

ADOT CAR No.: IGA/JPA 13-0000002-I
 AG Contract No.: P001 2013 002428
 Project: Roundabout at 5 South
 Section: SR89 M319
Federal-aid No.: 089-B(203)A
ADOT Project No.: H8039 01D/01C
TIP/STIP No.: STP-089-B(203)X
Budget Source Item No.: n/a

INTERGOVERNMENTAL AGREEMENT

BETWEEN
 THE STATE OF ARIZONA
 AND
 TOWN OF CHINO VALLEY

THIS AGREEMENT is entered into this date November 20, 2013, pursuant to the Arizona Revised Statutes §§ 11-951 through 11-954, as amended, between the STATE OF ARIZONA, acting by and through its DEPARTMENT OF TRANSPORTATION (the "State") and the TOWN OF CHINO VALLEY, acting by and through its MAYOR and the Town Council (the "Town"). The State and the Town are collectively referred to as "Parties".

I. RECITALS

1. The State is empowered by Arizona Revised Statutes § 28-401 to enter into this Agreement and has delegated to the undersigned the authority to execute this Agreement on behalf of the State.
2. The Town is empowered by Arizona Revised Statutes § 9-240 and 11-952 to enter into this Agreement and has by resolution, a copy of which is attached hereto and made a part hereof, resolved to enter into this Agreement on behalf of the Town.
3. The State will design, advertise, award and administer construction of a roundabout at Kalinich Road, hereinafter referred to as the "Project". The State will obtain federal funds for the design and construction costs associated with the Project. The Town will contribute \$100,000.00 towards construction of the Project.
4. The Parties hereto agree to and acknowledge the following conditions: the Parties shall perform their responsibilities consistent with this Agreement, and any change or modification to the Project will only occur with the mutual written consent of both Parties.

THEREFORE, in consideration of the mutual covenants expressed herein, it is agreed as follows:

II. SCOPE OF WORK

1. The State will:

a. Upon execution of this Agreement, be the designated agent for the Town, if the Project is approved by FHWA and funds are available for the Project.

b. Upon execution of this Agreement and notification of approval of the Project from FHWA, invoice the Town for the Town's contribution towards the Project, of \$100,000.00.

c. Prepare and provide the design plans, specifications and other such documents and services required for the construction bidding and construction of the Project and incorporate comments from the Town as appropriate.

d. The Project will be performed, completed, accepted and paid for in accordance with the requirements of the Project plans and specifications.

e. Be granted, without cost requirements, the right to enter Town right-of-way as required to conduct any and all construction and pre-construction related activities for said Project, including without limitation, temporary construction easements or temporary rights-of-entry on to and over said rights-of-way of the Town.

f. Grant the Town, its agents and/or contractors, without cost, the right to enter State Rights-of-Way, as required, to conduct any and all construction and preconstruction related activities for the Town Project, including without limitation, temporary construction easements or temporary Rights-of-Entry on, to and over State rights-of-way, subject to the State's permit process.

g. Provide the Town with a minimum of 3,100 CY of millings from the Project for the Town's use. The State shall provide additional millings if they are available.

h. Upon completion of the Project and final inspection and acceptance of all the Project improvements, provide maintenance for the roadway, curb and gutter, and lighting of the roundabout.

i. Provide one thorough cleaning prior to the Town assuming maintenance. Remove all weeds and deleterious materials from the medians, detention basins, and areas between back of sidewalk and right-of-way.

2. The Town will:

a. Upon execution of this Agreement, designate the State as authorized agent for the Town on the Project.

b. Upon execution and notification of approval of the funding by FHWA, and within thirty (30) days of receipt of an invoice from the State, remit to the State **\$100,000.00** for the costs associated with the Project.

c. Review the design documents required for construction of the Project and provide comments to the State as appropriate.

d. Provide the necessary storage yard for a minimum of 3,100 CY of millings.

e. Grant the State, its agents and/or contractors, without cost, the right to enter Town Rights-of-Way, as required, to conduct any and all construction and preconstruction related activities for the

Project, including without limitation, temporary construction easements or temporary rights-of-entry on, to and over Town rights-of-way, subject to the Town's permit process.

f. Upon completion of the Project, assume maintenance responsibility for the right-of-way weed control from Center Street (milepost 327.2) to Kalinchi (milepost 324.34) at its sole expense. Town shall provide maintenance of the medians between back of curbs and the areas between the back of curb and the right-of-way line.

g. Within six (6) months of completion of the Project, complete the connections to SR 89 at Rd 4 ½ and Kalinich Road to Road 1 East. Extend Road 1 East from 3 South to Kalinich Road.

III. MISCELLANEOUS PROVISIONS

1. The terms, conditions and provisions of this Agreement shall remain in full force and effect until completion of the Project and all reimbursements provided herein. All maintenance obligations contained herein, shall be perpetual. This Agreement may be cancelled at any time prior to the award of a Project construction contract, upon thirty-days (30) written notice to the other party. It is further understood and agreed that, in the event Town cancels this Agreement, the State shall have no other obligation to continue with the Project. If the federal funding related to this Project is terminated or reduced by the federal government, or if Congress rescinds, fails to renew, or otherwise reduces apportionments or obligation authority, neither Party to this Agreement shall be obligated to continue with either the Project or the Town Project, provide funds for past, current or future expenses under this agreement.

2. The parties to this Agreement agree that the State of Arizona shall be indemnified and held harmless by the Town for the vicarious liability of the State as a result of entering into this Agreement. Each party to this contract is responsible for its own negligence.

3. This Agreement shall become effective upon signing and dating of the Determination Letter by the State's Attorney General.

4. The cost of the project under this Agreement includes applicable indirect costs approved by the Federal Highway Administration (FHWA).

5. The Parties warrant compliance with the Federal Funding Accountability and Transparency Act of 2006 and associated 2008 Amendments (the "Act"). Additionally, in a timely manner, the Town will provide information that is requested by the State to enable the State to comply with the requirements of the Act, as may be applicable.

6. This Agreement may be cancelled in accordance with Arizona Revised Statutes § 38-511.

7. The provisions of Arizona Revised Statutes § 35-214 are applicable to this Agreement.

8. This Agreement is subject to all applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and all applicable Federal regulations under the Act, including 28 CFR Parts 35 and 36. The parties to this Agreement shall comply with Executive Order Number 09-09 issued by the Governor of the State of Arizona and incorporated herein by reference regarding "Non-Discrimination".

9. Non-Availability of Funds: Every payment obligation of either the State or the Town under this Agreement is conditioned upon the availability of funds appropriated or allocated for the payment of such obligations. If funds are not allocated and available for the continuance of this Agreement, this Agreement may be terminated by either the State or the Town at the end of the period for which the funds are available. No liability shall accrue to either the State or the County in the event this provision is exercised, and neither the State nor the Town shall be obligated or liable for any future payments as a result of termination under this paragraph.

10. In the event of any controversy which may arise out of this Agreement, the Parties hereto agree to abide by required arbitration as is set forth for public works contracts in Arizona Revised Statutes § 12-1518.

11. All notices or demands upon any party to this Agreement shall be in writing and shall be delivered in person or sent by mail, addressed as follows:

Arizona Department of Transportation
Joint Project Administration
205 S. 17th Avenue, Mail Drop 637E
Phoenix, Arizona 85007
(602) 712-7124
(602) 712-3132 Fax

Town of Chino Valley
Attn: Ron Grittmann, Town Engineer
202 N State Route 89
Chino Valley, Arizona 86323
Phone: 928-636-7140 x1223
Fax

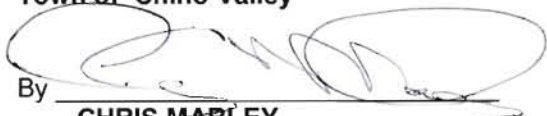
12. The Parties shall comply with the applicable requirements of Arizona Revised Statutes § 41-4401 and Title 34 of the Arizona Revised Statutes.

13. The Parties hereto shall comply with all applicable laws, rules, regulations and ordinances, as may be amended.

14. In accordance with Arizona Revised Statutes § 11-952 (D) attached hereto and incorporated herein is the written determination of each party's legal counsel and that the parties are authorized under the laws of this State to enter into this Agreement and that the Agreement is in proper form.

IN WITNESS WHEREOF, the Parties have executed this Agreement the day and year first above written.

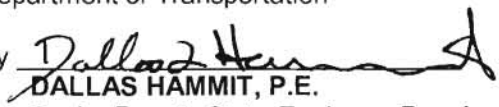
Town of Chino Valley

By 

CHRIS MARLEY
Mayor

STATE OF ARIZONA

Department of Transportation

By 

DALLAS HAMMIT, P.E.
Senior Deputy State Engineer, Development

ATTEST:

By 

JAMI LEWIS
Town Clerk

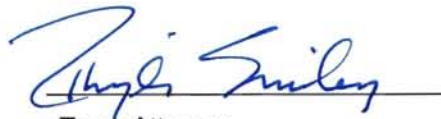
JPA 13-0000002I

ATTORNEY APPROVAL FORM FOR THE TOWN OF CHINO VALLEY

I have reviewed the above referenced Intergovernmental Agreement between the State of Arizona, acting by and through its DEPARTMENT OF TRANSPORTATION, and the TOWN OF CHINO VALLEY, an Agreement among public agencies which, has been reviewed pursuant to Arizona Revised Statutes §§ 11-951 through 11-954 and declare this Agreement to be in proper form and within the powers and authority granted to the Town under the laws of the State of Arizona.

No opinion is expressed as to the authority of the State to enter into this Agreement.

DATED this 12th day of November, 2013.


Town Attorney



THOMAS C. HORNE
ATTORNEY GENERAL

OFFICE OF THE ATTORNEY GENERAL
TRANSPORTATION SECTION

SUSAN E. DAVIS
ASSISTANT ATTORNEY GENERAL
DIRECT LINE: 602-542-8855
E-MAIL: SUSAN.DAVIS@AZAG.GOV

INTERGOVERNMENTAL AGREEMENT **DETERMINATION**

A.G. Contract No. P0012013002428 (**ADOT IGA/JPA 13-0000002-I**), an Agreement between public agencies, the State of Arizona and the Town of Chino Valley, has been reviewed pursuant to A.R.S. §§ 11-952, as amended, by the undersigned Assistant Attorney General who has determined that it is in the proper form and is within the powers and authority granted to the State of Arizona.

No opinion is expressed as to the authority of the remaining Parties, other than the State or its agencies, to enter into said Agreement.

DATED: November 20, 2013

THOMAS C. HORNE
Attorney General

SUSAN E. DAVIS
Assistant Attorney General
Transportation Section

SED:rl:#3615320
Attachment

THIS PAGE INTENTIONALLY LEFT BLANK



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

8.a.

Meeting Date: 03/27/2018
Contact Person: Jami Lewis, Town Clerk
 Phone: 928-636-2646 x-1208
Department: Town Clerk
Estimated length of Staff Presentation: None
Physical location of item: City of Prescott water system within the Town limits

AGENDA ITEM TITLE:

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 the acquisition of a portion of the Prescott water system and pursuant to A.R.S. § 38-431.03(A)(4) for discussion or consultation with the Town Attorney in order to consider the Town's position and instruct the Town Attorney regarding the Town's position regarding a contract with the City of Prescott related to the Town purchasing a portion of its water distribution system that is the subject of negotiations. (Cecilia Grittmann, Town Manager)

Attachments

No file(s) attached.
