



Town of Chino Valley

MEETING NOTICE TOWN COUNCIL

**REGULAR MEETING
Tuesday, April 9, 2013
6:00 P.M.**

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

AGENDA

- 1) CALL TO ORDER, INVOCATION; PLEDGE OF ALLEGIANCE; ROLL CALL**
- 2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS**
 - a)** Proclamation declaring April 2013 as "Fair Housing Month," sponsored by the Department of Housing. (Cecilia Watts, General Services Director)
 - b)** Proclamation declaring April 11, 2013 as "Submarine Veterans Day," sponsored by the Tri-City Submarine Veterans. (Cecilia Watts, General Services Director)
 - c)** Presentation by Chris Bridges, CYMPO Administrator, regarding Transportation Planning. (Mayor & Council)

- 3) CALL TO THE PUBLIC**

Call to the Public is an opportunity for the public to address the Council concerning a subject 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 speaker remarks.

- 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.

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 approve the March 12, 2013 regular meeting minutes. (Jami Lewis, Town Clerk)
- b) Consideration and possible action to approve the March 21, 2013 study session minutes. (Jami Lewis, Town Clerk)
- c) Consideration and possible action to Consideration and possible action to adopt Ordinance No. 13-768, amending the Chino Valley Town Code Chapter 31: Officers, Section 31.20: Town Manager, and Chapter 35: Code of Ethics, Section 35.04: Conduct in Public Office. (Mayor & Council)
- d) Consideration and possible action to approve Contract for Legal Services with Curtis, Goodwin, Sullivan, Udall and Schwab, PLC, beginning March 26, 2013. Funding to come from Non-Departmental budget professional services line. (Mayor & Council)
- e) Consideration and possible action to approve Professional Services Agreement and Scope of Work between the Town of Chino Valley and ARCADIS U.S., Inc., effective March 12, 2013, in the amount of \$72,000 for a Development Impact Fee study. Funds to come from Non-Departmental line for SB 1525 implementation. (Cecilia Watts, General Services Director)

7) **ACTION ITEMS**

- a) Discussion and possible action regarding establishing and selecting members for a Citizen Bond Committee for a potential bond election in November 2013. (Council Finance Committee)

Recommended Action: To be determined per Council discussion.

- b) Consideration and possible action to approve Consulting Contract with Dava & Associates, effective January 1, 2013, through June 30, 2013, in an amount not to exceed \$87,000 for planning services. Funds in the amount of \$37,000 for fiscal year 2013/2014 to come from Non-Departmental contingency line, and funds in the amount of \$50,000 for fiscal year 2014/2015 to come from Planning Division professional services line. (Cecilia Watts, General Services Director)

Recommended Action: Approve Consulting Contract with Dava & Associates, effective January 1, 2013, through June 30, 2013, in an amount not to exceed \$87,000.

- c) Consideration and possible action to approve an Intergovernmental Agreement (IGA) with the City of Prescott for Prosecution Services beginning May 1, 2013, in the amount of \$8,334 for fiscal year 2013/2014 and \$50,000 for fiscal year 2014/2015. Funds to come from Prosecutor's Office Professional Services line. (Cecilia Watts, General Services Director)

Recommended Action: Approve the Intergovernmental Agreement with the City of Prescott for Prosecution Services beginning May 1, 2013.

8) EXECUTIVE SESSION

Council may vote to go into executive session, which will not be open to the public, for legal advice and discussion with the Town's attorneys on any of the above agenda items pursuant to A.R.S. § 38-431.03(A)(3).

- a) Council may vote to hold an executive session pursuant to Arizona Revised Statutes § 38-431.03(A)(3), discussion or consultation for legal advice with the attorney or attorneys of the public body regarding pending litigation concerning Complaint for Foreclosure of Right to Redeem (Tax Sale), *Becker Holdings, LLC v. Hall; Denney; Fitzgerald All-State Bail Bonds, LLC; CitiFinancial, Inc.; Town of Chino Valley; Ross Jacobs; Yavapai County Treasurer*, Case No. CV 2013-00180, Yavapai County Superior Court, pertaining to real property located at 1831 Yvonne Way, Chino Valley, Arizona. (Sharon Sargent Flack, Town Attorney)
- b) Consideration and possible action regarding pending litigation, Case No. CV 2013-00180, Yavapai County Superior Court, pertaining to real property located at 1831 Yvonne Way, Chino Valley, Arizona.

Recommended Action: To be determined per Council discussion.

- c) Council may vote to hold an executive session pursuant to Arizona Revised Statutes § 38-431.03(A)(3), for discussion or consultation for legal advice with the Attorney of the Town regarding resignation of the Town Attorney and to discuss the status of current legal matters. (Robert Smith, Town Manager)

9) ADJOURNMENT

Dated this 4th day of April, 2013.

By: **Jami C. Lewis, Town Clerk**

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

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

Item No. 2. a.

Meeting Date: 04/09/2013
Contact Person: Cecilia Watts, General Services Director
 Phone: 928-636-2646 x-1202
Department: General Services
Item Type: Presentation Only
Estimated length of Staff Presentation: 5 minutes
Physical location of item: N/A

AGENDA ITEM TITLE:

Proclamation declaring April 2013 as "Fair Housing Month," sponsored by the Department of Housing. (Cecilia Watts, General Services Director)

SITUATION & ANALYSIS:

April is Fair Housing Month. To remain eligible for housing grants, one of the steps the Department of Housing requests from organizations is to adopt a proclamation every year officially declaring the Month of April "Fair Housing Month."

Attachments

Fair Housing Proclamation



PROCLAMATION

Fair Housing Month – April 2013



Whereas, the National Fair Housing Law of 1986, as amended by the Fair Housing Amendments Act of 1988, prohibits discrimination in housing and declares it a national policy to provide, within constitutional limits, for fair housing in the United States; and

Whereas, the principle of Fair Housing is not only national law and national policy but a fundamental human concept and entitlement for all Americans; and

Whereas, April has been traditionally been designated as Fair Housing Month in the United States;

Now, Therefore, I, Chris Marley, Mayor of the Town of Chino Valley, do hereby proclaim ***April 2013*** as ***Fair Housing Month*** in Chino Valley, Arizona, and do hereby urge all citizens of this community to comply with the letter and spirit of the Fair Housing Law.

In Witness Whereof, I have hereunto set my hand and caused the Seal of the Town of Chino Valley to be affixed this 9th day of April 2013.

Chris Marley, Mayor

ATTEST:

Jami C. Lewis, Town Clerk





TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. 2. b.

Meeting Date: 04/09/2013
Contact Person: Cecilia Watts, General Services Director
 Phone: 928-636-2646 x-1202
Department: General Services
Item Type: Presentation Only
Estimated length of Staff Presentation: 10 minutes
Physical location of item: N/A

AGENDA ITEM TITLE:

Proclamation declaring April 11, 2013 as "Submarine Veterans Day," sponsored by the Tri-City Submarine Veterans. (Cecilia Watts, General Services Director)

SITUATION & ANALYSIS:

Mr. John Dudas, Retired, MMCS(SS), USN Gudgeon Base Vice Commander, has requested the Town of Chino Valley honor the United States Submarine Veterans, Inc. which celebrates its 113th birthday on April 11, 2013. Similar proclamations have occurred at the City of Prescott, Prescott Valley and Yavapai County over the last few years.

Attachments

Proclamation, Submarine Veterans Day



PROCLAMATION

Submarine Veterans Day – April 11, 2013



***Whereas**, the United States Submarine Force was founded on April 11, 1900 with the purchase of the USS Holland; and*

***Whereas**, during World War II, the submarine force destroyed 1,314 enemy ships, accounting for 55% of the enemy ships lost in World War II; and*

***Whereas**, 16,000 brave submariners served the United States during World War II and seven were awarded the Congressional Medal of Honor; and*

***Whereas**, from 1948 to 1955 the submarine force developed an industrial base in new technologies, pioneered new materials, designed and built a prototype reactor, established a training program; and took to sea the world's first nuclear powered ship, the submarine USS Nautilus SSN 571; and*

***Whereas**, the submarine force contributed greatly to the success of the Cold War with extended operations worldwide, including the Arctic; these operations have encompassed as much as 300 days submerged during a single year; the submarine support of land-based troops anywhere in the world has been demonstrated many times, including the Gulf Wars, Afghanistan, and Iraq where one-third of the Tomahawk missiles launched came from submarines; and*

***Whereas**, on April 11, 2013 the United States Submarine Service will celebrate its 113th Anniversary and will pay tribute to the strength, service and sacrifice of all those who serve in our nations submarine force;*

***Now, Therefore**, I, Chris Marley, Mayor of the Town of Chino Valley, do hereby proclaim **April 11, 2013** as **Submarine Veterans Day** in Chino Valley, Arizona, and urge all of our citizens to reflect upon this special day and to fully appreciate the freedom we now enjoy by remembering and honoring our brave veterans and submariners of the past, and especially those that are in harm's way today safeguarding our freedoms in the remote oceans of the world.*

***In Witness Whereof**, I have hereunto set my hand and caused the Seal of the Town of Chino Valley to be affixed this 9th day of April 2013.*

Chris Marley, Mayor

ATTEST: Jami C. Lewis, Town Clerk





TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **2. c.**

Meeting Date: 04/09/2013
Contact Person/Dept: Jami Lewis, Town Clerk
Department: Town Clerk
**Estimated length
of staff presentation:** 15 minutes

AGENDA ITEM TITLE:

Presentation by Chris Bridges, CYMPO Administrator, regarding Transportation Planning.
(Mayor & Council)

RECOMMENDED MOTION:

N/A

Attachments

Presentation

Central Yavapai Metropolitan Planning Organization (CYMPO)

Chris Bridges
CYMPO Administrator



CYMPO

Central Yavapai Metropolitan
Planning Organization



CYMPO
Central Yavapai Metropolitan
Planning Organization

What is CYMPO?



Why do we have an “MPO?”

- Federal law requires Urbanized Areas over 50,000 people to have an MPO in order to receive federal funds
- 2003 the Governor of Arizona officially designated CYMPO

What does CYMPO do?

- Regional short and long range transportation planning activities
- Program federal funding for use by local member agencies
- Promote coordination of land use/transportation planning

Yavapai County and Surrounding Jurisdictions



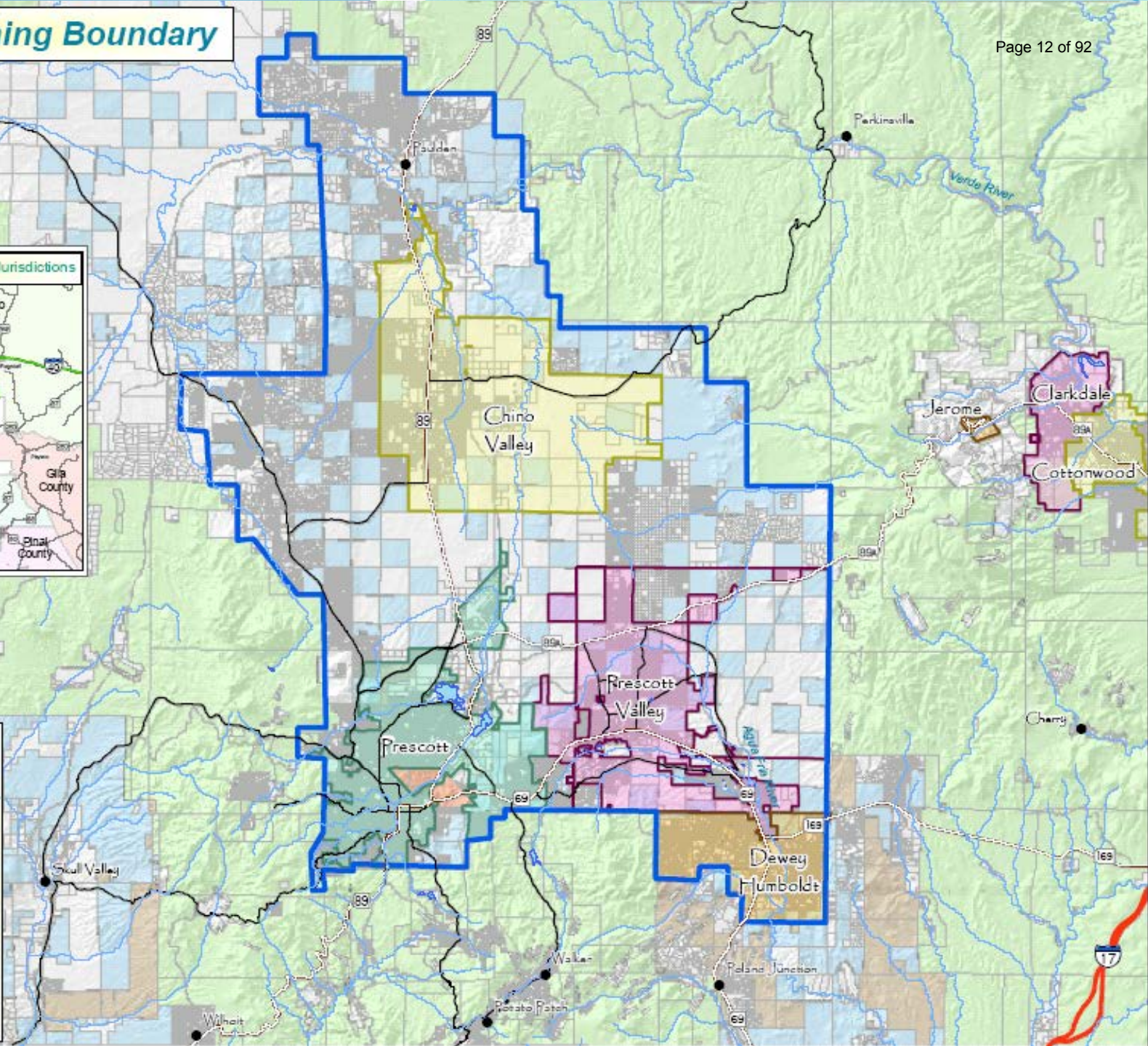
Legend

- Interstate
- State Route
- Main Arterial
- CYMPO Planning Boundary

CYMPO
Central Yavapai Metropolitan Planning Organization

0 1 2 4
Miles

GIS





CYMPO
Central Yavapai Metropolitan
Planning Organization

CYMPO Staff



Employees

- Two full time employees
 - Administrator
 - Program Coordinator
- Two part time employees
 - Program Manager
 - Administrative Assistant

Funding for Operations

- CYMPO is funded with:
 - Federal Planning Funds (PL)
 - Statewide Planning and Research Funds (SPR)
 - FTA 5303 Transit Planning funds



CYMPO
Central Yavapai Metropolitan
Planning Organization

Mission Statement

- The mission of Central Yavapai Metropolitan Planning Organization (CYMPO) is to provide leadership in planning and promoting a comprehensive multi-modal transportation system that will provide for regional mobility and connectivity that encourages a positive investment climate and fosters development sensitive to the environment.



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Central Yavapai Metropolitan
Planning Organization

How Do “They” Do It?



OR... How to fund
and build a road
in 7 easy steps.





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Question...

- How much do you think the average Arizonan pays in gasoline tax per year?



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The FUN in Funding

Gas Tax

- Per Gallon Fixed Cost
 - Federal
 - 18.4 cents (\$145 per year)
 - Arizona – 8th lowest in U.S.
 - 19 cents (\$148 per year)
- Has not changed since 1993
- Generates \$35 billion Federal

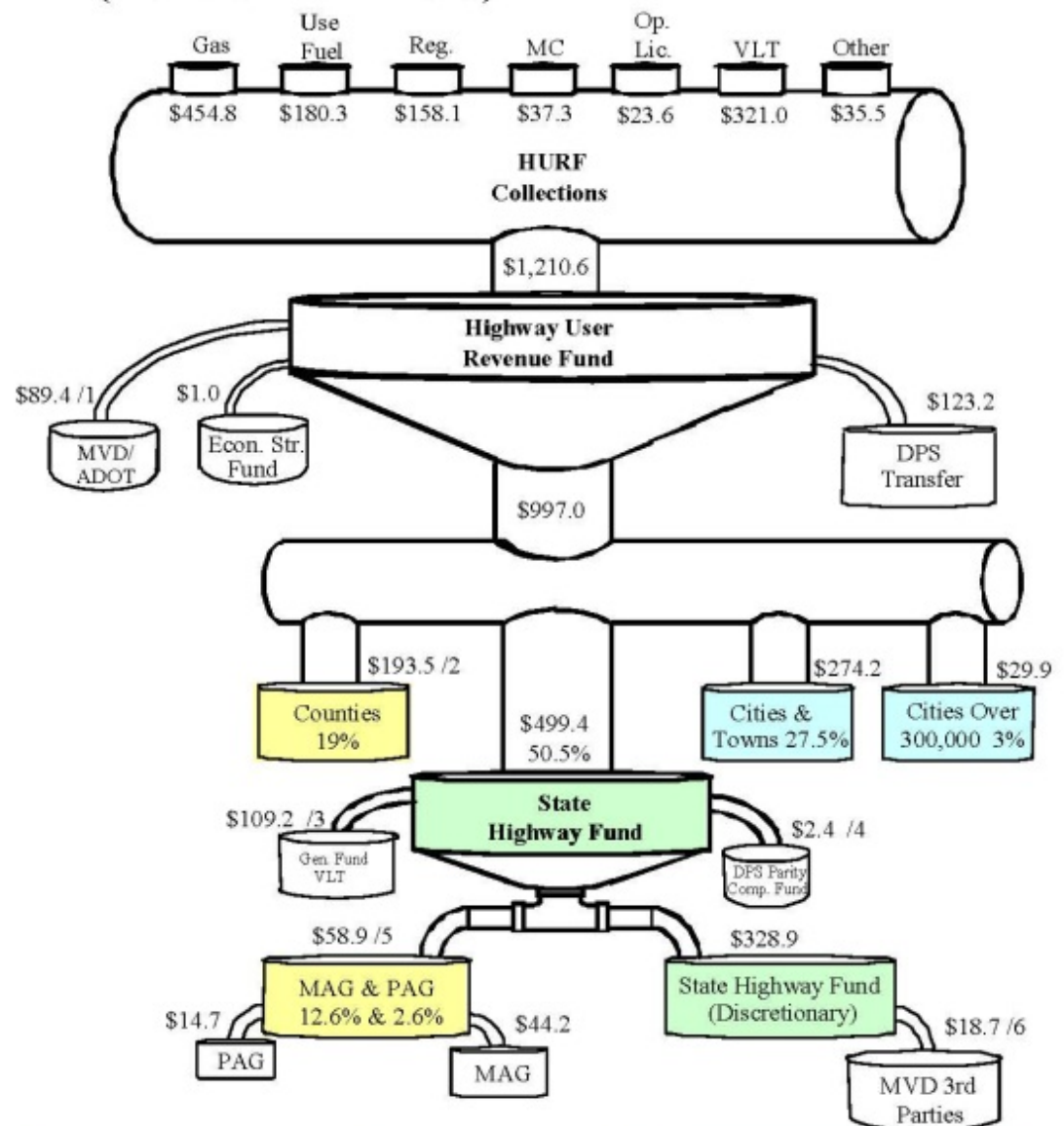
Vehicle License Tax (Arizona)

- Formula per Vehicle Value
- \$1.30 per \$100
 - \$25,000 vehicle = \$325
- Automatic 16.25% annual depreciation

Highway User Revenue Fund

FY 2012 Actual Revenue Distribution Flow

(Dollars in Millions)



NOTES:

/1. Appropriation of 662,600 to MVD for the vehicle registration enforcement and 3rd party programs and \$88.7 million to the state highway fund for MVD operations in FY 2012.

/2. Per Laws 2011, 1st Regular Session, Chapter 28 (SB 1616) \$4.1 million is transferred from the state highway fund share of HURF to the 10 least populated counties in FY 2012.

/3. Per Laws 2011, 1st Regular Session, Chapter 24 (SB 1612) \$105.8 million of the state highway fund share of HURF VLT was appropriated to the state general fund in FY 2012. Per Laws 2011, 1st Regular Session, Chapter 28 (SB 1616) transferred \$1.2 million from the state highway fund share of VLT generated from the difference in the two-year and five-year VLT to the state general fund. Laws 2010, 7th Special Session, Chapter 12 (HB 2012) an amount equal to 90 percent of the fees collected under 28-4802 (A) and 60 percent of the fees collected under 28-4802 (B) shall be transferred from the state highway fund share of VLT to the state general fund at \$2.1 million. The \$109.2 million will not be deposited into HURF before the transfer.

/4. Per Laws 2005, Chapter 306 (SB 1119), 1.51 percent of the state highway fund share of HURF VLT is distributed to the DPS Parity Compensation Fund.

/5. The 12.6% (statutory) and 2.6% (non-statutory) allocations from the State Highway Fund share of HURF distributions.

/6. With the elimination of the VLT distribution to the state highway fund, a distribution is made from the state highway fund to MVD Third Parties for the collection of VLT.



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What Does it Cost to Build

Types of Projects

- Traffic Interchange
\$25,000,000
 - 41,666 yearly tax contributions
- Freeway Widening
\$6,100,000 per lane mile
 - 10,166 yearly tax contributions
- Bridge Replacement
\$20,000,000
 - 33,333 yearly tax contributions

Arizona's funding Gap for the next 25 years

- Transportation Needs
\$88,000,000,000
- Projected Revenue
\$26,000,000,000
- Shortfall
\$62,000,000,000
 - 103,333,333 yearly tax contributions



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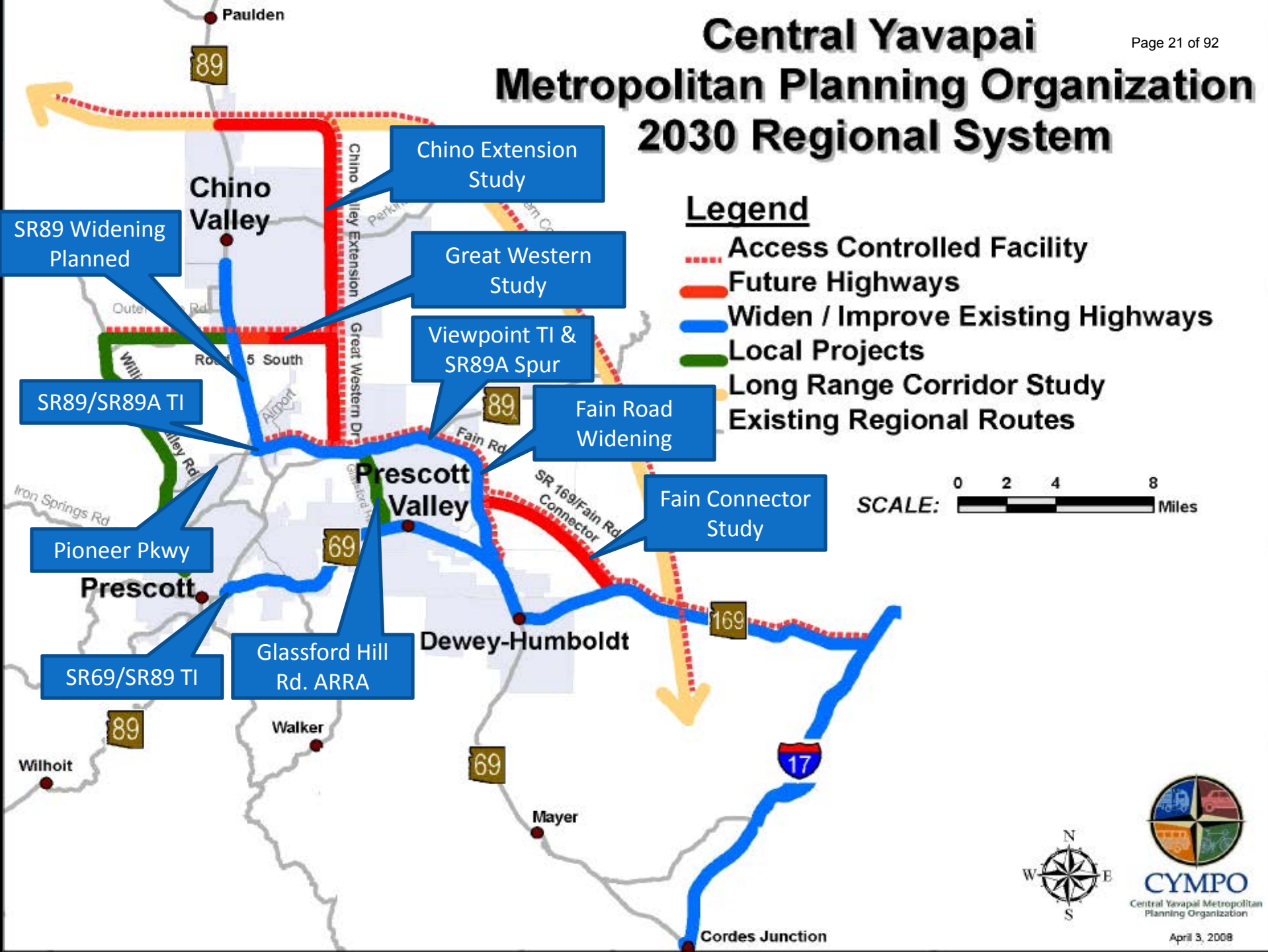
Project Selection



First Step - Regional Transportation Plan

- Studies the current and future needs of the regional transportation system
- Prioritizes regional projects
- 20 year planning horizon
- Updated every 5 years
- Next update is scheduled to begin later this year.
- Broad public involvement on regional basis
- Time to complete – 1 year

Central Yavapai Metropolitan Planning Organization 2030 Regional System





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Project Delivery

2nd Step - Planning

- Initial Public Involvement focused on a specific project
- Low level of detail
- Broad brush corridor location (1-mile wide)
- Potential environmental concerns
- Preliminary costs identified
- Time to complete – 1 year

3rd Step – Fed Programming

- Design and Construction funding identified for specific fiscal years
- Adopted into the CYMPO MTIP and Arizona's STIP
- ADOT 5-year construction program if an ADOT project
- Time to complete – varies from a few months to a year or more



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Project Delivery

4th Step – Design Concept

- Greater detail in public involvement
- Selects final corridor centerline
- Right-of-way established
- Environmental Impacts Identified
- Utility Impacts Identified
- 30% design level
- Time to complete – 1 to 2 years

5th Step – Final Design

- Specific design elements addressed
- Individual property owners that may be affected are involved
- Environmental, Utility and Right-of-way Clearances Final
- 100% design level
- Time to complete – 1 to 2 years



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Project Delivery

6th Step – Advertise, Bid, Award

- Projects must be advertised
- Typically lowest responsible bid
- Awarded by State Transportation Board for federal funded projects
- Awarded by local jurisdiction if locally funded
- Time to complete 3 to 6 months

7th Step - Construction

- Time to complete varies depending on size and scope of project.
- Could range from a few weeks to multiple years



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Now You....Maintain It.

Maintenance types

- Crack Seal (Cheap)
- Fog Seal
- Chip Seal
- Mill and Fill
- Reconstruction (Expensive)

How long does a road last

- Hope... pavement will last 20 years.
- Reality... maintenance activities will affect the life span
- Deferring or ignoring maintenance will result in a shorter pavement life and increase costs



CYMPO
Central Yavapai Metropolitan
Planning Organization

Contact Information:

Christopher Bridges

Administrator

Central Yavapai Metropolitan Planning Organization

1971 Commerce Center Circle, Suite E

Prescott, AZ 86301

Phone: 928-442-5730

Email: Christopher.Bridges@yavapai.us

Web: www.cympo.com

Twitter: www.twitter.com/CYMPO



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **6. a.**

Meeting Date: 04/09/2013

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 approve the March 12, 2013 regular meeting minutes.

RECOMMENDED ACTION:

Approve the March 12, 2013 regular meeting minutes.

Attachments

March 12, 2013 minutes

DRAFT

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

**TUESDAY, MARCH 12, 2013
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 12, 2013.

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

Present: Vice-Mayor Carl Tenney; Councilmember Mike Best; Councilmember Darryl Croft; Councilmember Dean Echols; Councilmember Linda Hatch

Absent: Mayor Chris Marley; Councilmember Lon Turner

Staff Present: Robert Smith, Town Manager; Cecilia Watts, General Services Director; Sharon Sargent-Flack, Town Attorney; Joe Duffy, Finance Director; Ron Grittmann, Town Engineer/Public Works Director; Dan Trout, Building Official; Liz Hart, Town Clerk Assistant; Jami Lewis (recorder), Town Clerk

Attendees: Police Officer Cody Johnson, Utilities Crew Leader Joe Grassi

Vice-Mayor Tenney called the meeting to order at 6:00 p.m.

Councilmember Hatch gave the invocation and Vice-Mayor Tenney led the Pledge of Allegiance.

2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

a) Introduction of new Planner, Dennis Price. (Robert Smith, Town Manager)

Mr. Price was not present.

3) **CALL TO THE PUBLIC**

Call to the Public is an opportunity for the public to address the Council concerning a subject 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 speaker remarks.

Jule Brown, speaking for his father-in-law, Mike Coury, asked about the status of Council discussions in 2000 regarding the Windy Valley annexation, the Town helping her father-in-law develop his property, and the current Council revisiting the matter. Vice-Mayor Tenney recounted that in 2000, the Town made certain commitments and was in the process of extending road improvements in the area that will exceed \$200,000.

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.

Council had nothing to report.

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.

Councilmember Best recognized several businesses and organizations for their efforts to improve the entry sign on the south end of town, including Arizona Public Service, Morning Lions, Tom's Print Shop, and Chino Rentals.

Town Manager Robert Smith reported that Cable One had installed public access Wi-Fi at the South Campus.

Councilmember Hatch reported on a free website through the Northern Arizona Council of Governments on which northern Arizona businesses and business activities could be advertised.

- a) Presentation of Certificate of Appreciation from Ken Bennett, Secretary of State, regarding use of Council Chambers for the Centennial Ballot Proposition Town Hall.

Town Clerk Jami Lewis presented the certificate to Council and reported that Secretary Bennett had also sent a letter thanking the Town for use of the Council Chambers.

- b)** Presentation of preliminary revenue projections for the Fiscal Year 2013/2014 budget. (Council Finance Committee; Joe Duffy, Financial Director)

Mr. Duffy reported on the budget process and current revenue projection for the next fiscal year:

- Staff was creating a new budget format for the next fiscal year, as well as a revenue manual to increase accuracy of projections, summarize all revenues over the last 10 fiscal years, and project all revenues forward for the next 10 years.
- All revenues were projected to stay even or increase two percent (2%) each year unless other data was available, and these will be updated throughout the budget process.
- Vehicle License Tax and Highway User Revenue Funds were projected to remain flat, while state shared income and sales taxes were increased a total of \$168,000.
- There was a \$250,000 fiscal year 2012/2013 increase in construction sales tax, contributing to an overall increase of over \$1 million in Town sales tax.
- Overall, future revenues were projected very conservatively, and they appeared to have stabilized and started to show some growth.

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 Councilmember Linda Hatch, seconded by Councilmember Darryl Croft to approve Consent Agenda items 6a, 6b and 6c.

Vote: 5 - 0

Other: Mayor Chris Marley (ABSENT)

Councilmember Lon Turner (ABSENT)

- a)** Consideration and possible action to approve the February 12, 2013 Regular Meeting minutes.

- b) Consideration and possible action to authorize Chino Valley Transit to submit a Yavapai County Community Foundation grant application in the amount of \$9,037.00 and authorize the Town of Chino Valley to act as fiscal agent for the grant. (Ed Steinback, Transit Manager)
- c) Consideration and possible action to approve Change Order number 1 to the Professional Services Agreement with Stroh Architects in the amount of \$500.00 for the Library expansion. Funds to come from Library Impact Fees. (Ron Gritman, Public Works Director)

7) ACTION ITEMS

- a) Consideration and possible action to authorize the Mayor on behalf of Council to sign a letter to Arizona Department of Transportation (ADOT) supporting a continuation of the State Route 89 Chino Valley Limits to Deep Well Ranch Road Project. (Vice Mayor Tenney; Councilmember Croft)

Acronyms used in this item:

- ADOT (Arizona Department of Transportation)
- CYMPO (Central Yavapai Metropolitan Planning Organization)

Councilmember Croft reported that:

- On February 20, 2013, the CYMPO Executive Board discussed the potential of ADOT modifying its proposed Five-Year Program to possibly eliminate the SR 89–JCT SR 89A to Deep Well Ranch Road Widening Project due to a budget shortfall.
- This is a continuation of the SR 89 Chino Valley Limits to Deep Well Ranch Road Project and the elimination of this important project could severely impact traffic operations and safe, efficient movement of people, goods and services.
- CYPMO was asking local jurisdictions to send a letter to ADOT and the State Transportation Board requesting that they keep this project in their Five-Year Program.

Moved by Councilmember Darryl Croft, seconded by Councilmember Linda Hatch to authorize the Mayor on behalf of Council to sign a letter of support to ADOT regarding a continuation of the State Route 89 Chino Valley Limits to Deep Well Ranch Road Project.

Vote: 5 - 0

Other: Mayor Chris Marley (ABSENT)
Councilmember Lon Turner (ABSENT)

- b) Consideration and possible action to approve amendment to Professional Services Agreement (PSA) with Red Oak Consulting and approve assignment of PSA dated November 13, 2012, between the Town and Red Oak Consulting to Arcadis U.S. Inc. for the calculation of the Town's Development Impact Fees. (Cecilia Watts, General Services Director)

Moved by Councilmember Linda Hatch, seconded by Councilmember Dean Echols to table item 7b to the March 26, 2013 meeting.

Vote: 5 - 0

Other: Mayor Chris Marley (ABSENT)

Councilmember Lon Turner (ABSENT)

- c) Consideration and possible action to approve the purchase of a used 2008 Bearcat BC-2002 Self Propelled Chip Spreader in the amount of \$105,000.00. Funds to come from Debt Service Fund Capital Expenditures line for vehicles/equipment purchases. (Ron Grittmann, Public Works Director)

Acronym used in this item:

HURF (Highway User Revenue Funds)

Town Engineer Ron Grittmann reported that:

- \$235,697 generated from the second defeasance of the Greater Arizona Development Authority loans in 2011 were committed to the acquisition of vehicles and equipment. Staff originally searched for a hot mix vehicle but could not find one, so they then looked for and found this chip spreader.
- Staff inspected the equipment and found it to be in exceptional condition and that it will fit the Town's needs. It will be used for intersections and will stretch HURF funds.
- The Town had about \$80,000 for chip sealing and staff was hoping to do 1.5 miles of new roads and chip seal the worst streets, starting with the Damian Loop area. When using the chip spreader, staff will also need to rent a boot truck to use with it; rental costs fluctuated, as they were based on oil prices.
- The chip spreader will be delivered from Texas free of charge and will be funded through cooperative purchasing. The acquisition fund will have a projected balance of \$5,482 after this purchase.

Town Manager Robert Smith added that this piece of equipment would cost less to operate than the hot mix vehicle, and the Town's part-time Engineer was working on road specifications that will still provide good roads, but also stretch the HURF dollars.

Moved by Councilmember Linda Hatch, seconded by Councilmember Mike Best to approve the purchase of a used 2008 Bearcat BC-2002 Self Propelled Chip Spreader from Ronald Wagner & Company in the amount of \$105,000.00.

Vote: 5 - 0

Other: Mayor Chris Marley (ABSENT)

Councilmember Lon Turner (ABSENT)

8) EXECUTIVE SESSION

Council may vote to go into executive session, which will not be open to the public, for legal advice and discussion with the Town's attorneys on any of the above agenda items pursuant to A.R.S. § 38-431.03(A)(3).

Council held no executive sessions.

9) ADJOURNMENT

ATTEST:

Chris Marley, Mayor

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 12th day of March, 2013. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 9th day of April, 2013.

Jami C. Lewis, Town Clerk

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **6. b.**

Meeting Date: 04/09/2013

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 approve the March 21, 2013 study session minutes. (Jami Lewis, Town Clerk)

RECOMMENDED ACTION:

Approve the March 21, 2013 study session minutes.

Attachments

March 21, 2013 minutes

DRAFT

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

**THURSDAY, MARCH 21, 2013
6:00 P.M.**

The Town Council of the Town of Chino Valley, Arizona, met for a Study Session in the Chino Valley Council Chambers, located at 202 N. State Route 89, Chino Valley, Arizona, on Thursday, March 21, 2013.

Present: Mayor Chris Marley; Vice-Mayor Carl Tenney; Councilmember Mike Best; Councilmember Darryl Croft; Councilmember Dean Echols; Councilmember Linda Hatch; Councilmember Lon Turner

Staff Present: Town Manager Robert Smith; General Services Director Cecilia Watts; Finance Director Joe Duffy; Town Engineer/Public Works Director Ron Grittmann; Building Official Dan Trout; Town Clerk Assistant Liz Hart (recorder)

Attendees: Utility Supervisor Chris Bartels

1) **CALL TO ORDER; ROLL CALL**

Mayor Marley called the meeting to order at 6:02 p.m.

2) **Presentation of the concept to extend water and sewer systems from the vicinity of Road 3 1/2 North and Highway 89 to approximately 1,000' north of the future alignment of Road 5 South. (Ron Grittmann, Town Engineer)**

Acronyms used in this item:

CFD (Community Facilities District)
ID (Improvement District)
MGD (Million Gallons per Day)

Town Engineer Ron Grittmann presented information regarding a concept for extending utilities to the Town's commercial corridor.

Concept

- This concept had been discussed for several years, most recently as a response from the Fall 2012 citizen survey, in which 49% of respondents indicated that they would support water and sewer extensions on SR 89 for economic development purposes.
- Subsequently, Lyon Engineering created a conceptual design for water and sewer extensions to six Areas along SR 89 through the commercial corridor, identifying the lineal footage needed to determine an estimated cost per Area.

- Residential and Chino Valley Irrigation District properties were excluded from the analysis, although some would most likely be involved.

Benefits

- Such a project offered massive economic potential and could lay the foundation for growth potential for the next 20-30 years.
- As having more customers could lessen the monthly costs per customer, there was a high probability that the new utility rate structure could forgo the last couple years of utility rate increases if these projects could be accomplished.

Project Areas

Area	Location	Total estimated cost to improve	Estimated monthly assessment over 20 years
1	Road 3-1/2 North to Butterfield	\$ 6,079,695	\$121
2	Pekinsville Road to Road 2 North	\$ 4,230,992	\$167
3	Road 2 North to Center Street	\$ 4,103,503	\$115
4	Center Street to Road 2 South	\$ 5,321,442	\$128
5	Road 2 South to Outer Loop Road	\$ 6,169,497	\$ 78
6	Picacho Blvd to Road 6 South	\$ 3,071,319	\$ 70
4,5,6	Combined (Areas 5 and 6 dependent upon Area 4 being constructed prior or concurrently)	\$14,562,258	\$ 89

Funding Alternatives

- *General obligation bond issuance using property tax for repayment.* As a result of the Town's strategic financial planning efforts, Budget Consultant Pat Walker had determined that a Town wide property tax of \$150 per \$100,000 of assessed value would generate approximately \$1.1 million annually. Property tax bonds required the approval of the property owners.
- *Improvement Districts (IDs).* IDs required the approval of the property owners. Per the current Town Code, residential properties abutting new utility lines would need to pay to join the ID, bring pipe to the building, and abandon the septic. These costs could be rolled into the ID depending upon how the ID was set up.
- *Community Facilities Districts (CFDs).* CFDs were not being funded in the current economy.
- *Revenue bonds.* Revenue bonds required no public vote and could be authorized by Council; they were paid back by the property owners affected.
- The total for all Areas was \$28,914,000, which included providing water and sewer lines and service to every commercial parcel within each Area.
- As there was a question about using general obligation bonds for improving individual properties in IDs by paying for the cost of extending the pipes to them, an alternative would be to only fund transmission mains—pipes 12 inches or larger—for all Areas, which would reduce the overall cost to \$21,663.
- This option would become more viable if the Town could acquire portions of the City of Prescott water system and customers, which would negate the need to put in parallel lines for Areas 4 and 5 and could reduce the total cost to \$16.7 million. Currently, the Town was waiting for an opportunity to review a map of Prescott's system to determine just what the Town wanted to negotiate.

- Another complication was that this analysis was based on tax exempt financing, and per the Town's bond counsel, any outstanding issues relating to the wastewater treatment plant must be concluded in order to avoid taxed financing and higher interest rates. The Town needed a clear, definitive end to any rights or obligations that Fann had to both operation and maintenance and remaining capacity of the plant. The O&M agreement will expire in August 2014 and Fann was presently working up cost estimates to expand the plant from 0.5 MGD to 1.0 MGD, which cost could then be factored into this project. At 1.0 MGD, the Town would have 20 years of capacity in the plant.

Town Manager Robert Smith added that, as the Town and Prescott appeared to be settling a long-standing legal issue outside of court, staff was hopeful that negotiations on the water system purchase will go forward.

Next Steps. As staff needed Council direction and approval, and did not have the time and expertise to perform all the necessary calculations to determine all the financial impacts of this type of project, staff had several recommendations:

- Contract with Pat Walker to determine the general obligation bonding capacity necessary for a property tax to complete the transmission mains, at a cost of about \$10,000.
- Contract with Dan Jackson to work on the details for using revenue bonds to build the distribution systems off the transmission mains, at a cost of about \$10,000.
- Ask Stone and Youngberg, the Town's bond counsel, to present details to Council on funding strategies.
- Council could authorize staff to move forward with one or the other or both, or consider using IDs to fund the distribution systems. Previous studies had shown that it was not beneficial to try to fund the main lines through IDs.
- Authorize the town manager to continue negotiations with Fann regarding wastewater treatment plant issues in accordance with the bond counsel recommendations.
- Continue negotiations with the City of Prescott regarding the acquisition of their water distribution system.
- Staff to provide monthly updates to Council and prepare for a bond election in November, which will require Council to call an election in June or July. If the voters approved a bond in November, staff anticipated that it would take about 1.5 years to install the main trunk lines.

Public Comment:

Jim David with Circle L Animal Hospital asked about the project's effect on property values and an issue with Circle L's building being below grade. Mr. Grittmann related that before the economic downturn, values on properties that received sewer service in 2007/2008 had increased 20%. As the current design was to stay out of ADOT right-of-way by installing pipe behind properties, Circle L would not need a lift station.

Councilmember-elect Don Wojcik questioned the stated cost estimate for a 24-foot saw cut. Mr. Grittmann explained that the cost estimate included the complete removal of chipseal.

Council comments:

- It would be good to have a dialogue with the property owners along the proposed transmission lines.
- This had been needed a long time to help prepare the Town for economic development.
- Getting out from under the Fann contract will allow the Town more leeway in how to run the sewer system.

- The Town should continue working toward buying the Prescott water lines.
- Breaking out the costs between the mains and distribution lines was a good idea.
- One hoped the public would look at this in a positive way as an investment possibility.

3) ADJOURNMENT

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Linda Hatch to adjourn the meeting at 7:06 p.m.

Vote: 7 - 0 PASSED - Unanimously

ATTEST:

Chris Marley, Mayor

Jami C. Lewis, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Study Session of the Town Council of the Town of Chino Valley, Arizona held on the 21st day of March, 2013. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 9th day of April, 2013.

Jami C. Lewis, Town Clerk

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. 6. c.

Meeting Date: 04/09/2013
Contact Person: Jami Lewis, Town Clerk
 Phone: 928-636-2646 x-1208
Department: Council
Item Type: Consent
Estimated length of staff presentation: None
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to adopt Ordinance No. 13-768, amending the Chino Valley Town Code Chapter 31: Officers, Section 31.20: Town Manager, and Chapter 35: Code of Ethics, Section 35.04: Conduct in Public Office.

RECOMMENDED ACTION:

Adopt Ordinance No. 13-768, amending the Chino Valley Town Code Sections 31.20 and 35.04.

SITUATION AND ANALYSIS:

The Mayor and Council had discussed, on several occasions, modifying the Town Code section on Ethics and Conduct. On March 26, 2013, the Town Council discussed draft amendments to certain Town Code provisions with regard to the office of Town Manager and Code of Conduct for public officials, at which time some minor modifications were made. In order to enact the new provisions, Council needs to adopt them in an ordinance.

Fiscal Impact

Fiscal Impact?: No

If Yes, Budget Code:

Available:

Funding Source:

Attachments

Ordinance 13-768

ORDINANCE NO. 13-768

AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, ARIZONA, AMENDING THE TOWN OF CHINO VALLEY, ARIZONA, TOWN CODE, CHAPTER 31: OFFICERS, SECTION 31.20: TOWN MANAGER AND CHAPTER 35: CODE OF ETHICS, SECTION 35.04: CONDUCT IN PUBLIC OFFICE

WHEREAS, the International City Management Association (“ICMA”) recognizes the month of March as ‘Ethics Month’ and aspires to enhance and promote ethical conduct among professional administrators and political leadership engaged in the conduct of the public’s government; and

WHEREAS, ICMA, its Code of Ethics for Management Professionals, and related support materials have become a global resource for communities seeking to enhance the ethical conduct and operation of local governments; and

WHEREAS, on March 26, 2013, the Town Council discussed and deliberated on amendments to the Chino Valley Town Code (“Town Code”) provisions with regard to the office of Town Manager and Code of Conduct for public officials; and

WHEREAS, the Council voted to approve the proposed amendments to the Town Code, with additional revisions to Section 35.04(D) thereof pertaining to the protocol for reporting complaints concerning public officials; and

WHEREAS, for purposes of memorialization and archiving amendments to the Town Code, it has been the practice of the Town Council to adopt changes to the Town Code through a written, numbered Ordinance;

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Common Council of the Town of Chino Valley, Arizona, as follows:

Section 1. The text of Town Code, Chapter 31: OFFICERS, Section 31.20: TOWN MANAGER, paragraph (G)(4) is hereby amended as follows:

CHAPTER 31: OFFICERS

§ 31.20 TOWN MANAGER

(G) (4) Except for the purpose of inquiry, the Council and its members shall deal with the town’s administrative functions solely through the Town Manager, ~~and neither.~~ Neither the

Council nor any member thereof shall give orders directly to, or discuss job performance directly with, any subordinates of the Town Manager either publicly or privately, but may discuss the same directly with the Town Manager. No individual member of the Council shall direct or request of the Town Manager the appointment of any person to office or the removal from office of any employee or any subordinates.

Section 2. The text of Town Code, Chapter 35: CODE OF ETHICS, Section 35.04: CONDUCT IN PUBLIC OFFICE, paragraphs (B), (C), and (D) are hereby amended as follows:

CHAPTER 35: CODE OF ETHICS

§ 35.04 CONDUCT IN PUBLIC OFFICE

(B) The public official shall respect the rights, privileges and opinions of his or her fellow officials-, staff and the public at large. Council members shall exhibit respect for the public, other governmental units and agencies, and the professional and ethical conduct of the town manager and staff. Propriety dictates that the public official be sensitive to the possible confidential or personal nature of directives addressed to other individuals.

In bringing honor to the title and in recognition of the weighty respect due the role of Public Official, those elected to public office shall:

- (1) Lead by example.
- (2) Demonstrate civil and courteous conduct at all times.
- (3) Seek and speak the truth.
- (4) Respect all people.
- (5) Accept respectful dissent as a civic right.

(C) In his or her dealings with town employees, the public official shall maintain professional conduct with respect to the employee's work assignments and obligations-, and shall refrain from directly influencing the professional management of the town's administration by any means other than direct communication with the Town Manager. The office of the public official shall in no situation be used to wrongfully obtain information or administrative outcomes either by intimidation or by deliberately violating the privacy of an employee's work station.

(D) All public officials are expected to honor the mandates set forth in this code of ethics. Complaints alleging violations to this chapter shall be received in writing by the Mayor and/or Vice Mayor, unless they are named in the complaint and in that circumstance, such written complaint shall be received by the Town Attorney. Complaints will be addressed by the Council within 60 days of receipt.

Section 3. All other Chapters and Sections of the Town Code, not herein amended or abrogated, shall remain in full force and effect.

Section 4. If any provision of this Ordinance is held invalid by a Court of competent jurisdiction, the remaining provisions shall not be affected but shall continue in full force and effect.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona, this 9th day of April, 2013.

Chris Marley, Mayor

ATTEST:

APPROVED AS TO FORM:

Jami C. Lewis, Town Clerk

Musgrove Drutz & Kack, P.C.
Town Attorney

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. 6. d.

Meeting Date: 04/09/2013
Contact Person: Jami Lewis, Town Clerk
 Phone: 928-636-2646 x-1208
Department: Council
Item Type: Consent
Estimated length of staff presentation: None
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to approve Contract for Legal Services between the Town of Chino Valley and Curtis, Goodwin, Sullivan, Udall and Schwab, PLC, beginning March 26, 2013.

RECOMMENDED ACTION:

Approve Contract for Legal Services with Curtis, Goodwin, Sullivan, Udall and Schwab, PLC, beginning March 26, 2013.

SITUATION AND ANALYSIS:

On September 11, 2012, Council formed a Legal Services Review Committee to evaluate the process and examine the Town's options with respect to providing Legal Services.

On November 13, 2012, the Committee recommended issuing a Request for Qualifications (RFQ) to allow individuals or firms to apply to be the Town's Legal Services provider. Council agreed with the proposal.

Staff advertised the RFQ, received the proposals submitted, and the Committee performed the first evaluation of the submittals, resulting in four firms being interviewed by Council on February 5, 2013.

Council discussed their rankings following the interviews on February 12 and 26, and authorized staff to enter into negotiations with Curtis, Goodwin, Sullivan, Udall and Schwab. The firm provided a response for Council's review and on March 26, Council determined to enter into a Contract for Legal Services with the firm.

Fiscal Impact

Fiscal Impact?: Yes

If Yes, Budget Code: 01-95-5212

Available:

Funding Source:

The Town Budgets for Legal Services in the Non Departmental Department.

Attachments

Contract for Legal Services

CONTRACT FOR LEGAL SERVICES

AGREEMENT dated this ____ day of _____, 2013, between the Town of Chino Valley, Arizona, a municipal corporation of the State of Arizona, acting by and through its duly authorized officers, hereinafter called the "Town," and CURTIS, GOODWIN, SULLIVAN, UDALL & SCHWAB, P.L.C., hereinafter called the "Firm."

RECITALS:

1. Town requires the services of a Town Attorney to provide legal services to it.
2. Firm desires to provide legal services to Town in the capacity of Town Attorney.

NOW, THEREFORE, in consideration of the mutual promises contained herein, it is agreed as follows:

TERMS:

1. Appointment of Town Attorney: Town hereby appoints and retains Firm as its Town Attorney. As Town Attorney, Firm shall:

- 1.1 Act as general counsel for the Town through its offices and staff, including, but not limited to: preparation of ordinances and resolutions, advice on real estate matters, contract review, advice on election matters, preparation of legal opinions, attendance at regular and special meetings of the Town Council, representation of Town in civil litigation matters; and such other general legal services as the Town may require or request through its Town Council or Town Manager.

- 1.2 Act as special counsel to the Town, upon request of Town, in those areas of the law set forth in Paragraph 3.

2. Acceptance: The Firm hereby accepts the appointment and promises it will render to the best of its abilities the services and legal representation and advice described herein during the continuance of this Contract.

3. Compensation: The Town shall pay to Firm for the services agreed to be rendered by the Firm and its employees under this Agreement as follows:

For general counsel services

\$ 175.00 per hour for attorneys
\$ 125.00 per hour for paralegals

For special counsel services (Civil Litigation, Environmental Law, Telecommunications Law and Water, Utility, and Natural Resources Law):

\$ 185.00 per hour for attorneys
\$ 125.00 per hour for paralegals

4. Reimbursable Expense: The Town monthly shall reimburse Firm for out-of-pocket expenses incurred by it in the performance of Firm's duties under the provisions of this Agreement, or otherwise agreed by the Parties. Copy charges shall be \$0.40 per page, fax charges shall be \$1.00 per page, Westlaw research for research outside of the Firm's standard package and long distance and metered or measured telephone charges shall be charged at cost. Litigation expenses (investigative costs, expert witness fees, deposition charges, transcript costs, brief costs, court costs, and other charges) shall be charged at cost.

5. Payment: All compensation and reimbursable expenses shall be paid by the Town within thirty (30) days of mailing of statements or billings therefore, unless the parties agree otherwise. Unpaid invoices after thirty (30) days shall bear interest at one and one-half percent (1½%) per month.

6. Standard of Performance: Firm agrees to faithfully represent the interests of the Town as its general counsel and special counsel and to provide, furnish, and pay for all of Firm's non-reimbursable overhead expenses, and to make available personnel and equipment, necessary to accomplish those ends. Services shall be performed in accordance with all standard canons and practices approved by the Arizona Supreme Court and the State Bar of Arizona. Firm employees shall be available at all reasonable times to render the services required hereunder. A member of the Firm shall attend all regularly scheduled Town Council meetings. Additionally, upon request of the Town Manager, a member of the Firm shall attend special Council meetings and staff, Board or Commission meetings.

7. Working Facilities: Firm shall furnish assistance to the Town from the Firm's office, other attorneys' offices and such other facilities and services normally suitable and adequate for the performance of the duties as set forth in this Agreement.

8. Independent Contractor: In performing the services herein specified, Firm is acting as independent contractor.

9. Extent of Services: Firm shall devote the necessary time and attention to its obligations as specified in this Agreement. However, the Town recognizes that the Firm shall also be allowed to engage in the private practice of law which includes representation of clients other than the Town. The parties acknowledge that there will be situations where Town may contract with other persons to provide specialized legal services beyond the scope of the Firm's obligations under this Agreement. These situations may include but not be limited to (a) an insurance company's obligation to defend the Town pursuant to the terms of an insurance contract; and (b) the Town directly contracting with one or more attorneys for handling of specialized matters such as bonding and tax issues. The Firm shall not be required to handle or assist in the handling of such matters unless the Town Manager specifically requests otherwise.

10. Benefit: This Agreement shall inure to the benefit of and be binding upon Curtis, Goodwin, Sullivan, Udall & Schwab, P.L.C., and its successors and assigns. In the event any employee of Firm should withdraw from the Firm or be unable to act during the term hereof, the remaining member or members of the Firm shall perform all services required hereunder and, at Firm's option, additional qualified personnel may at any time be added to the Firm to perform said services.

11. Term; Termination: The term of this Agreement shall begin upon appointment and shall be automatically renewed for successive one-year terms unless sooner terminated by the parties. Either party may terminate this Agreement upon sixty (60) days written notice to the other party. Fees may be revised only with an amendment to this Agreement.

12. Notices: Any notice required or permitted to be given under this Agreement shall be sufficient if in writing and if sent by certified or registered mail to the other party at the respective offices listed below:

Susan D. Goodwin, Esq.
Curtis, Goodwin, Sullivan, Udall & Schwab, P.L.C.
501 East Thomas Road
Phoenix, Arizona 85012-3205

Town Manager
Town of Chino Valley
P.O. Box 406
Chino Valley, Arizona 86323

13. Conflict of Interest: Under Section 38-511, Arizona Revised Statutes, as amended, the Town may cancel any contract it is a party to within three years after its execution and without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the Town is, at any time while the contract or any extension thereof is in effect, an employee or agent of any other party to the contract in any capacity or a consultant to any other party to the contract with respect to the subject matter of the contract. In the event the Town elects to exercise its rights under § 38-511, Arizona Revised Statutes, as amended, the Town agrees to immediately give notice thereof to Susan D. Goodwin at the address specified above.

14. Entire Agreement: This instrument contains the entire Agreement of the parties. This Agreement may be changed only by a written agreement signed by both parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement at the Town of Chino Valley, Arizona, the day and year first above written.

CURTIS, GOODWIN, SULLIVAN,
UDALL & SCHWAB, P.L.C.

TOWN OF CHINO VALLEY

By: _____
Susan D. Goodwin, President

By: _____
Chris Marley, Mayor

ATTEST:

Jami Lewis, Town Clerk



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. 6. e.

Meeting Date: 04/09/2013
Contact Person: Cecilia Watts, General Services Director
 Phone: 928-636-2646 x-1202
Department: General Services
Item Type: Consent
Estimated length of staff presentation: None
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to approve Professional Services Agreement and Scope of Work between the Town of Chino Valley and ARCADIS U.S., Inc., effective March 12, 2013, in the amount of \$72,000, for a Development Impact Fee study.

RECOMMENDED ACTION:

Approve Professional Services Agreement and Scope of Work with ARCADIS U.S., Inc. effective March 12, 2013 in the amount of \$72,000.

SITUATION AND ANALYSIS:

Chino Valley Town Council passed an Agreement for a Development Impact Fee Study in November 2012 with Red Oak Consulting. Subsequent to its passing and the Mayor's signature, staff became aware that the Red Oak is not a legal entity and has no authority to sign contracts. The parent company for Red Oak is ARCADIS U.S., Inc. This contract performs the following functions: a) rescinds prior agreement with Red Oak, which went into effect on 12/03/12 (no services have yet been performed nor has any payment been made). This rescission is annotated in Paragraph "r". b) makes the effective date of the scope of work for the Development Impact Fee study to be March 12, 2013. c) MINOR language change recommended by attorneys from both entities (of no material nature to contract, available upon request). Funding allocation has already been established through non-departmental funds. This Agreement does not change the original contract amount and does not add any additional funds.

Other Pertinent Documents Available Upon Request:

Redlined version of previous Professional Services Agreement dated December 3, 2012.

Fiscal Impact

Fiscal Impact?: Yes

If Yes, Budget Code: 01-95-5417

Available: \$72,000

Funding Source:

Funds to come from Non-Departmental line for SB 1525 implementation.

Attachments

Professional Services Agreement, ARCADIS US, Inc

PSA, Scope of Work

PROFESSIONAL SERVICES AGREEMENT

This Agreement ("Agreement") is made effective as of March 12, 2013, by and between TOWN OF CHINO VALLEY, a municipal corporation of the State of Arizona ("Town") and ARCADIS U.S., Inc., ("Consultant").

RECITALS

A. The Town has need of certain services.

B. Consultant has expertise in the municipal finance field, specifically in the calculation of Development Impact Fees.

AGREEMENT

NOW THEREFORE, the parties hereto, for good and adequate consideration, the receipt of which is hereby acknowledged, agree as follows:

1. The Consultant shall provide those services to the Town on an as needed basis, as more particularly identified in Exhibit "A", "Scope of Work", attached hereto and incorporated herein by reference.

2. In addition to those services identified in the attached Exhibit "A", the Consultant shall also perform all subordinate tasks not specifically referenced in Exhibit "A", but reasonably necessary to the full or effective performance of the tasks specifically referenced.

3. 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 6.

4. The term of this Agreement shall be from March 12, 2013, through January, 2014. All services identified in Paragraphs 1 and 2 above shall be completed to the satisfaction of the Town no later than February 1, 2014. . Notwithstanding the foregoing, this Agreement may be terminated by the Town upon fifteen (15) days' written notice, with or without cause.

5. It is expressly agreed and understood by and between the parties that Consultant is an independent contractor, and as such Consultant shall not become a Town employee, and is not entitled to payment or compensation from the Town or to any fringe benefits to which other

Town employees are entitled. As an independent contractor, consultant further acknowledges that it is solely responsible for payment of any and all income taxes, FICA, withholding, unemployment insurance, or other taxes due and owing any governmental entity whatsoever as a result of this Agreement.

6. The Town shall pay to Consultant on a time and materials basis an amount not in excess of the total sum of seventy-two thousand dollars (\$72,000.00) for fees and costs for the complete performance of all services specified in Exhibit "A". Payment to be made by the Town to the Consultant for the cost of providing services will be based on monthly invoices which will set forth the hourly rates and hours actually worked during the billing period. The Consultant will submit an invoice monthly to the Town for the services and cost of materials incurred for the billing period. The Town shall make payment to the Consultant of one hundred percent (100%) of the approved invoiced amount within fifteen (15) days of the Town's receipt of the invoice. The Town shall provide written notice of its disapproval of all or any portion of an invoice, including the basis for disapproval, within fifteen (15) days from receipt of the invoice. The Town's payment of an invoice and/or failure to dispute an invoice shall not be a waiver of the Town's right to later dispute the invoice, charges in the invoice or the work performed and referenced in the invoice. Payment of the total amount provided for under this Section 6 shall not relieve Consultant of its obligation to complete the performance of all those services specified in Sections 1, 2 and 3. Prior to the final payment to the Consultant, the Town shall deduct therefrom any and all unpaid privilege, license and other taxes, fees and any and all other unpaid monies due the Town from the Consultant, and shall apply to those monies to the appropriate account. Consultant shall provide to the Town any information necessary to determine the total amount due.

7. All original and/or sealed drawings, specification, and other work product prepared by the Consultant in connection with the services performed under this Agreement (the "Project") are instruments of service for this Project only and shall remain the property of the Town whether the Project is completed or not. Consultant shall not be responsible for any damages resulting from unapproved modification of such work products by the Town or its agents or from their use for any purpose other than that for which they were intended and furnished. All plans, drawings, specifications, data maps, studies and other information, including all copies thereof furnished by the Town shall remain the property of the Town. They are not to be used on other work and, with the exception of this Agreement, are to be returned to the Town on request or at the completion of the services under this Agreement.

8. The Consultant hereby agrees to indemnify and hold harmless the Town, its departments and divisions, its employees and agents, for, from and against any and all claims, liabilities, expenses or lawsuits as a result of the Consultant's participation pursuant to this Agreement, whether said claims, liabilities, expenses or lawsuits arise by the negligent or intentional acts or omissions of the Consultant or Consultant's agents. The Consultant further releases and discharges the Town, its departments and divisions, its agents, personnel, employees, officers, and officials, , from any and all claims which the Consultant has or may have against the Town, its agents or employees, arising out of the Consultant's activities, other than those acts which occur due to the negligence of the Town, its employees or agents.

9. At Consultant's sole expense, the Consultant shall secure and maintain in effect during the term of, and until final acceptance of all work under this Agreement a policy or policies of insurance as follows:

(a) Comprehensive general liability insurance, with a minimum coverage of One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) aggregate for personal

injury, bodily injury and accidental death; and One Million Dollars (\$1,000,000) per occurrence and aggregate for broad form property damage; with blanket contractual coverage, including, but not limited to, the liability assumed under the indemnification provisions of the Agreement.

(b) Commercial/Business Automobile Liability insurance with a minimum coverage for bodily injury and personal injury of Two Hundred Fifty Thousand Dollars (\$250,000) per occurrence and Five Hundred Thousand (\$500,000) aggregate; and minimum coverage of One Hundred Thousand Dollars (\$100,000) per occurrence/aggregate for property damage with respect to any owned, leased, hired and non-owned vehicles assigned to or used in the performance of this Agreement. Such policy shall contain a severability of interest provision, and shall not contain a sunset provision or commutation clause, nor any provision which would serve to limit third party action over claims.

(c) Products and completed operations insurance with a minimum coverage of One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) aggregate.

(d) NA

(e) Professional liability insurance covering acts, errors, mistakes and omissions arising out of the services performed by Consultant under this Agreement, or any person employed by Consultant, with a minimum coverage limit of One Million Dollars (\$1,000,000) each claim.

(f) Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Consultant's employees, if any, engaged in the performance of the services under this Agreement.

(g) NA

All insurance required pursuant to this Agreement must be written by an insurance company duly licensed and subject to legal process within the State of Arizona, to be evidenced by a Certificate of Authority as defined in A.R.S. § 20-217, . All insurance required herein shall be maintained in full force and effect until all services required to be performed under the terms of this Agreement are satisfactorily completed and formally accepted; failure to do so may, at the sole discretion of the Town, constitute a breach of this Agreement. Consultant's insurance shall be primary insurance with respect to the Town, and any insurance maintained by the Town shall not contribute to it. Any failure to comply with the claim reporting provisions of the insurance policies or any breach of an insurance policy warranty shall not affect coverage afforded under the insurance policies to protect the Town. The insurance policies shall contain a waiver of transfer rights of recovery (subrogation) against the Town, its agents, officers, officials and employees for any claims arising out of the Consultant's acts, errors, mistakes, omissions, work or service. The insurance policies may provide coverage that contains deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall not be applicable with respect to the coverage provided to the Town, under such policies. The Consultant shall be solely responsible for the deductible and/or self-insured retention. The Town reserves the right to request and to receive, within ten (10) working days, certified copies of any or all of the herein required insurance policies, redacted as necessary to protect confidential information, and/or endorsements. The Town shall not be obligated,

however, to review same or to advise the Consultant of any deficiencies in such policies and endorsements, and such receipt shall not relieve the Consultant from or be deemed a waiver of, the Town's right to insist on strict fulfillment of the Consultant's obligations under this Agreement. The insurance policies, except Workers' Compensation and Professional Liability, required by this Agreement, shall name the Town, its agents, officers, officials and employees as an additional insured. Prior to commencing any services under this Agreement, the Consultant shall furnish the Town with certificates of insurance, or formal endorsements as required by this Agreement, issued by the Consultant's insurer, as evidence that policies providing the required coverage, conditions and limits required by this Agreement are in full force and effect. In the event any insurance policy required by this Agreement is written on a "claims made" basis, coverage shall extend for two years past completion and acceptance of the Consultant's services and as evidenced by annual certificates of insurance. If a policy does expire during the term of this Agreement, a renewal certificate must be sent to the Town fifteen (15) days prior to the expiration date. Insurance required herein shall not expire, be canceled, or materially changed without thirty (30) days prior written notice to the Town.

10. The Consultant, with regard to the work performed in accordance with this Agreement, will not discriminate on the grounds of race, color, national origin, religion, sex, disability or familial status in the selection and retention of subcontractors, including procurement of materials and leases of equipment. The Consultant will not participate either directly or indirectly in the discrimination prohibited by or pursuant to Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Section 109 of the Housing and Community Development Act of 1974, the Age Discrimination Act of 1975 and Executive Order 2000-4.

11. In the event of a dispute arising from this Agreement, the parties hereby agree to submit to the jurisdiction of the Superior Court in the State of Arizona. Subject to Arizona Rules of Civil Procedure, Rule 72, et seq, the parties hereto further agree to waive any right to arbitration unless otherwise agreed to in a written amendment to this Agreement. Consultant further agrees that the provisions outlined in this contract shall be contained in all subcontracts related to the Project. Should any proceeding or litigation be commenced between the parties hereto concerning the terms of this Agreement, or the rights and duties of the parties hereto, the prevailing party in such proceeding or litigation shall be entitled, in addition to such other relief as may be granted, to a reasonable sum as and for the prevailing party's attorneys' fees.

12. **General.**

(a) This Agreement is not intended to create any rights on behalf of any third parties.

(b) This Agreement has been made and entered into in the State of Arizona, and shall be governed by the laws of the State of Arizona in all respects, including, without limitation, matters of construction, validity, enforcement, rights, remedies and performance. If any provision of this Agreement is rendered or declared illegal or unenforceable by reasons of any existing or subsequently enacted statute, rule or regulation, or by order of or judgment of a court, all other terms and provisions of this Agreement shall remain in full force and effect as stated and set forth herein.

(c) This Agreement may be executed in multiple counterparts, each of which shall serve as an original for all purposes, but all counterparts shall be construed together and constitute one and the same Agreement.

(d) The parties acknowledge and agree that this Agreement shall not be construed for or against a party solely by virtue of all or any portion of the Agreement having been drafted by a party's attorney.

(e) In the event of a conflict or inconsistency between or among the following documents, the documents shall take priority in the following order: (1) this Professional Services Agreement; (2) Exhibit "A", Scope of Work attached hereto.

(f) The Consultant and the Town further agree that each will do or cause to be done such further acts and shall execute, acknowledge and deliver such further instructions as may be reasonably required by any of them to fully effectuate the Agreement contemplated herein.

(g) Any amendment to this Agreement shall be in writing and executed by each party hereto.

(h) This Agreement contains the entire understanding among the parties and supersedes any prior written or oral agreements between them respecting the subject matter of this Agreement. There are no representations, agreements, arrangements, or understandings, oral or written, between the parties relating to the subject matter of this Agreement that are not fully set forth herein.

(i) Consultant may not assign any of Consultant's rights and duties under this contract without Town's prior written consent, which may be given or withheld in Town's sole discretion. Any assignment by Consultant without Town's written consent shall be null and void.

(j) This Agreement, and all of the rights and obligations contained herein, shall be binding upon and inure to the benefit of the heirs, legal representatives, successors and permitted assigns of the respective parties hereto.

(k) Time is of the essence in this Agreement.

(l) Pursuant to A.R.S. § 38-511, the Town may cancel this Agreement, without penalty or further obligation, within three years after execution of this Agreement, if any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of the Town is, at any time while this Agreement or any extension of this Agreement is in effect, an employee or agent of any other party to this Agreement in any capacity or a consultant to any other party of this Agreement with respect to the subject matter of this Agreement. In addition to the right to cancel this Agreement, the Town may recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting or

creating this Agreement on behalf of the Town from any other party to the Agreement arising as a result of this Agreement.

(m) Consultant understands and acknowledges the applicability to it of the American with Disabilities Act, the Immigration Reform and Control Act of 1986 and the Drug Free Workplace Act of 1989. The following is only applicable to construction contracts: The Contractor must also comply with A.R.S. § 34-301, "Employment of Aliens on Public Works Prohibited", and A.R.S. § 34-302, as amended, "Residence Requirements for Employees".

Under the provisions of A.R.S. § 41-4401, Consultant hereby warrants to Town that the Consultant and any of its subcontractors ("Subcontractors") will comply with, and are contractually obligated to comply with, all Federal Immigration laws and regulations that relate to their employees and A.R.S. §23-214(A) (hereinafter "Consultant Immigration Warranty").

A breach of the Consultant Immigration Warranty shall constitute a material breach of this Agreement and shall subject the Consultant to penalties up to and including termination of this Agreement at the sole discretion of the Town.

The Town retains the legal right to inspect the papers of any Consultant or Subcontractors' employees who work on this Agreement to ensure that the Consultant or Subcontractor is complying with the Consultant Immigration Warranty. Consultant agrees to assist the Town in regard to any such inspections.

The Town may, at its sole discretion, conduct random verification of the employment records of the Consultant and any of the Subcontractors to ensure compliance with Consultant's Immigration Warranty. Consultant agrees to assist the Town in regard to any random verifications performed.

Neither the Consultant nor any of the Subcontractors shall be deemed to have materially breached the Consultant Immigration Warranty if the Consultant or Subcontractors establish that it has complied with the employment verification provisions prescribed by sections 274A and 274B of the Federal Immigration and Nationality Act and the E-Verify requirements prescribed by A.R.S. §23-214, Subsection A.

The provisions of this paragraph must be included in any contract the Consultant enters into with any and all of its Subcontractors who provide services under this Agreement or any subcontract. "Services" are defined as furnishing labor, time or effort in the State of Arizona by a Contractor or Subcontractor. Under this Agreement, Consultant is deemed to be a Contractor as defined in the preceding sentence. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property.

(n) All notices, requests, demands, and other communications under this Agreement shall be in writing and shall be deemed to have been duly given (i) on the date of service if served personally on the party to whom notice is to be given, or (ii) on the fifth (5th) day after mailing if mailed to the party to whom notice is being given, by first class mail, registered or

certified, postage prepaid, or (iii) on the day after mailing if mailed to the party to whom notice is being given, by overnight delivery by Federal Express, Airborne or United Parcel Service. Notice shall be sent:

To Town at: Town Manager
 Town of Chino Valley

 202 North State Rte 89
 P O Box 406
 Chino Valley, AZ 86323

To Consultant at: Mr. Richard D. Giardina
 Red Oak Consulting
 ARCADIS U.S., Inc.
 100 Fillmore Street
 Suite 200
 Denver, CO 80206

(o) Force Majeure. Neither party shall be liable to the other for failure to perform its obligations hereunder if and to the extent that such failure to perform is caused by forces beyond its reasonable control, including without limitation, strikes, lockouts, or other industrial disturbances, civil disturbances, fires, floods, earthquakes, severe weather, transportation stoppages, acts of God, acts of a public enemy or terrorism, epidemics or pandemics.

(p) Termination. Should the Town fail to comply with any of the terms and conditions of this Agreement, Consultant is entitled to terminate this Agreement should the Town fail to cure such failure within fifteen (15) days after receiving written notice from the Consultant.

(q) Intellectual Property. Notwithstanding Paragraph 7 above, Intellectual Property that is proprietary to the Professional which is used in its business shall remain the property of the Professional. Such Intellectual Property includes systems, processes, analytical tools, models, software, patents, copyrights, and other Professional Intellectual Property such as the E-Forecast model (“financial model”). The Town shall receive the financial model as a deliverable to keep, modify at its and user’s sole risk, and use for its own internal use. The Town shall not sell, use for commercial gain, or otherwise distribute the model to a third party. Contractor shall retain intellectual ownership of the financial model software developed prior to this project with the Town. The above terms will be included in an end-user license agreement that will be part of the financial model software once it is delivered to the Town (the “Click-Through Software License.”).

(r) **Rescission of December 3, 2012, Professional Services Agreement.** Consultant represents that “Red Oak Consulting” is a brand-name of ARCADIS U.S., Inc. and is not a separate legal entity. Consultant and Town represent, acknowledge and agree that the Professional Services Agreement approved by the Council on November 13, 2012, with an effective date of December 3, 2012, is hereby declared null and void and, further, no rights, duties, or obligations have accrued, or shall accrue, thereunder.

IN WITNESS WHEREOF, the parties to this Agreement have duly executed the same effective as of the day and year first above written.

Consultant:

ARCADIS U.S., Inc., a Delaware Corporation

By: _____

Town:

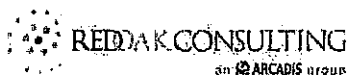
TOWN OF CHINO VALLEY

By: _____

APPROVED AS TO FORM

MUSGROVE, DRUTZ & KACK, PC
Town Attorney

ATTACHMENTS:EXHIBIT “A” - Scope of Work



Development Impact Fee Study

Scope of Work, Schedule and Fee Estimate

Background

The purpose of this project for the Town of Chino Valley (the Town) is to calculate development impact fees (for the service categories listed below) consistent with the requirements of Arizona Revised Statutes (ARS §9-463.05) effective January 1, 2012. The Town currently has development impact fees for four different service categories that will be evaluated during this study. The fees included in this scope of work are listed below:

Police
Streets
Library
Parks and Recreation

To complete this project the following scope of work will be executed by the team of Red Oak Consulting (RO will be the prime contractor with the City), and Pat Walker Consulting, LLC (PWC), hereinafter collectively referred to as Red Oak, RO or the RO Team. PWC will have critical and significant roles in the successful completion of this project with Pat Walker, the principal of PWC, leading much of the analysis and participating in meetings and presentations.

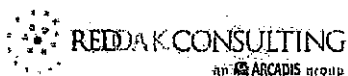
Frequent regular communication with the Town Project Manager and Staff is a vital part of all our work. Throughout the project, we will regularly report our progress, on both a formal and informal basis, and involve Town Staff in as many aspects of the project as desired to ensure the project is adequately understood by all appropriate personnel and achieves the Town's goals and objectives.

The balance of this document contains the specific tasks to be completed during this project. It should be noted that the process for determining development impact fees will require a great deal of collaboration between the RO Team and the Town and that the tasks herein described are not necessarily sequential. For example, it is important to tie the land use assumptions within the Town's current General Plan to the capital requirements of the Town which will be used to determine service areas. In conjunction with the Town, service areas will be determined, and then re-evaluated against the capital requirements developed in the most recent capital improvement program, 2013-2018. In addition, there will be projects that will extend another five years that will also need to be tied to service areas. At each step of the process the RO Team will not just coordinate with the Town, but in most instances require data, input and direction from the Town.

Task Plan

Task 1 – Project Initiation & Management

1. The RO Team will lead a Project Coordination/Kickoff meeting with Finance and key Town Staff



- (Town Project team) managing this project, to confirm scope of work, roles, responsibilities coordination and project timeline for study tasks and public hearings. A memorandum will be developed to summarize key decisions and discussion items.
2. A list of initial and subsequent data required to complete the study will be submitted to Town Staff prior to the Project Coordination/Kickoff meeting.
 3. Project coordination, resource allocations, invoicing and periodic project status summary (a one-page report on key activities, issues, etc.) will be provided to the Finance Director, Joe Duffy.
 4. Initial determination of projected capital projects for the four fee areas over the next 10 years to determine whether a particular fee area should even be considered in the study.

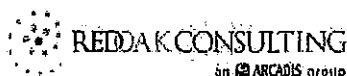
Task 2 – Data Collection, Compilation and Analysis

The RO Team will submit, prior to the Task 1 Project Coordination/Kickoff meeting, a preliminary data request for information necessary to complete the analysis. We will work with Town Staff to review the requested data necessary to update the Town's development impact fees to meet the requirements of ARS §9-463.05. We will request that the Town provide the following data items:

1. Current facilities
 - a. Total capacity and available capacity for future growth by service area.
 - b. Describe and identify costs for upgrades, replacements or modifications required due to new regulatory requirements for each project in each service area.
 - c. Reserved capacity for future growth by service area.
 - d. Facilities funded by debt or loans outstanding by service area.
2. Minimum developer requirements for facilities constructed and dedicated to Town by fee categories, for example: land dedication for parks, etc.
3. Service level information
 - a. Current service level standards by fee category and service area including source of service level standard (e.g., master plans).
 - b. Current service levels provided to existing population and any available capacity for future growth.
4. Town-specific trip generation data. If Town-specific trip generation data is not available, we will rely on information from the Trip Generation data manual published by the Institute of Transportation Engineers.
5. Up to five comparable communities to survey development impact fees.
6. Provide ten-year projection of growth-related revenues.
7. Current multi-year capital improvement plan over a ten-year study period to be further reviewed after the completion of Task 3.
8. Identification of existing and proposed reimbursement agreements for the ten-year study period.

Task 3 – Development of Land Use Assumptions (LUA)

1. Land use assumptions and Town growth projections will be provided by the Town and will include the next ten years for residential, multi-family, industrial and commercial land use types included in the Town's general plan updated in 2012. If available, the projections will include:
 - a. Population, employment, single family and multi-family housing units, as well as square feet of retail, office, industrial and other non-residential developments by type.
 - b. Land use forecast will be provided by any special planning area that has been designated



- by the Town.
- c. Compare and identify any differences between land use assumptions and the general plan for the ten year projection period.
- 2. After the receipt of the land use analysis, the RO Team and the Town project team will:
 - a. Discuss existing special planning areas and/or alternative service area designations determined by Town Staff by fee category to be served by current and new facilities based on land use assumptions.
 - b. Review current capital improvement plan based on land use assumptions and master plans for the next ten years for evaluated fee categories.
- 3. The RO Team will prepare a memorandum documenting the recommended land use assumptions that will serve as the basis for updating capital facilities and infrastructure needed to serve growth over the next ten years as well as the development of Infrastructure Improvements Plan (IIP) developed in Task 4.

Task 4 – Development of Infrastructure Improvement Plan (IIP)

Below are the activities associated with the development of the IIP incorporating Tasks 2, 3 and 4 data and analysis.

- 1. Town to define and incorporate a map of all service areas in the Town that will provide necessary public services. (This is required by ARS §9-463.05).
- 2. RO Team will review existing development agreements that will include contributed facilities, development impact fee credits available and redeemed, and any future capacity reservations and incorporate into the IIP. It is estimated that there be no more than 10 development agreements to review.
- 3. Incorporate land use assumptions and growth projections developed in Task 3 for refinement by Town of timing of capital projects for ten years developed in Task 3.
 - a. An estimate of future equivalent development units (EDU's) for each service area defined by the Town will be developed.
- 4. Incorporate proposed development agreement growth-related projects into the IIP.

Once requested data is provided and evaluated in previous tasks, the RO Team will hold separate meetings with Town Staff and Department Directors who have projects that are proposed to be funded by development impact fees; these meetings will be held at the Town offices over a one-day period. During meetings, we will discuss the following:

- 1. Guidance within ARS §9-463.05 affecting facilities eligible for development impact fee recovery.
- 2. Existing service level information provided in Task 2.
- 3. Existing and planned capacity for necessary public service projects by service area developed by Town. Identify the existing EDUs by service area.
- 4. Future facilities and capital improvement cost estimates provided by the Town and developed by Town or outsourced engineer licensed in the State of Arizona.
 - a. Service level capacity added by future improvements to serve new growth by service area.
 - i. Improvements to current facilities related to upgrading or updating facilities to maintain current service levels, improve service levels or meeting more strict regulatory standards by service area.
 - ii. Improvements related to expanding capacity to serve new growth.



- iii. Estimate the total existing and future EDU's within each service area based on the land use assumptions provided by the Town in Task 2.
5. Projected or anticipated capital funding sources for growth-related facility improvements.
6. Current population and growth projections by land use category developed in Task 3.

Based on the review of key data, discussion with Town Staff and subsequent evaluations the RO Team will summarize current service level standards and existing and projected capacity requirements by fee category and service area in a technical memorandum. We will develop a separate summary of facility cost estimates and growth-related projects to be used in the development impact fee analysis. The RO Team will recommend the development impact fee methodology and approach by fee category as the basis for calculations in Task 5.

Draft and final IIP and LUA will be developed in Task 7.

Task 5 - Calculation of Development Impact Fees, Funding and Cash Flow Analysis

RO Team will calculate development impact fees based on the recommended approach per fee category and service area in compliance with ARS §9-463.05. We will complete the following activities:

1. Growth-related projects, existing or new, requiring development impact fee credits will be included in the ten-year IIP developed in Task 4 and calculation of the fees.
2. Offsets for growth-related revenue used towards growth-related capital projects will be taken into consideration for the calculations for the ten-year study period.
3. Survey development impact fees of up to five (5) comparable communities to be selected by Town staff.
4. Financing costs will be determined by preparing a ten-year cash flow analysis of funding sources for the capital costs including estimates for development impact fee revenues and estimated costs for growth-related projects anticipated and repayment of existing growth-related debt.
5. Fees by type and/or service area will be calculated based on level of service standards per EDU equal to one single-family detached dwelling unit with equivalency ratios to other development types such as residential, multi-family (where appropriate), commercial and industrial developed in Task 3.

Once preliminary fee calculations are complete, we will review the results with Town Staff to apply modifications to the underlying analysis and prepare recommended fee schedules by fee category and service area, as appropriate.

Task 6- Stakeholder Meetings

The RO Team will facilitate up to two (2) stakeholder meetings with the development community, associations, citizens and/or Advisory Committee in addition to Public Hearings and Town Council presentations in Task 7.

The purpose of these meetings will be to:

1. Discuss ARS §9-463.05 requirements, and the process and timeline of the study.
2. Receive input at key points throughout the process regarding land use assumptions, facilities,



- and service area designations.
3. Receive and respond to subsequent input received from stakeholders to review preliminary IIP facilities, land use assumptions and development impact fees by type and service area prior to Public Hearings.

Task 7 - Reports and Presentations

The RO Team will develop separate draft and final IIP and land use assumptions, and development impact fee reports as part of this study. Our scope includes one meeting between the RO Team and Town staff to review Town comments and receive feedback regarding the draft IIP and development impact fee report. The development impact fee report will include a discussion of our approach and calculations, land use assumptions and demographic information used, project costs, financing amounts, cash flow analysis and IIP that will be developed according to ARS §9-463.05 requirements.

The RO Team will prepare meeting materials and presentations for up to four (4) Town Council meetings and/or hearings. The anticipated public Town Council meetings are:

1. Public Hearing to adopt the land use assumptions and IIP.
2. Town Council meeting for discussion and adoption of land use assumptions and IIP.
3. Public Hearing to present study report and recommended development impact fee schedules.
4. Town Council meeting for discussion and subsequent adoption of the development impact fees.

Deliverables

The formal deliverables for this study include:

1. Preliminary and subsequent data request.
2. Periodic Project status reports (a one page summary of current activities, project status and study issues) will be provided. One (1) meeting with the Town Project Team referenced in Task 1.
3. Meetings with Town Staff and Department Directors over a one (1) day period referenced in Task 4.
4. Two (2) meetings with external stakeholders and/or an Advisory Committee referenced in Task 6.
5. Four (4) public hearings or presentations to Town Council referenced in Task 7.
6. Technical memos on:
 - a. Summary memorandum documenting the Town's projected land use assumptions and projected population and growth for residential, commercial and industrial land use types included in the Town's general plan and developed in Task 3.
 - b. Current service level standards and existing and projected capacity requirements by fee category and service area developed in Task 4.
 - c. Summary of facility cost estimates and growth-related projects incorporated in development impact fee analysis developed in Task 4.
 - d. Recommended fee approach by fee category and/or service area developed in Task 4.
 - e. Proposed fee schedule by fee category and/or service area developed in Task 5.
7. Ten-year cash flow projection for each fee category and service area developed in Task 5.
8. Survey of up to five (5) comparable communities for development impact fees developed in Task 5.
9. Electronic copy of the preliminary IIP and land use assumptions developed in Task 7.
10. Electronic copy of the final IIP and land use assumptions developed in Task 7.



11. Electronic copy of the preliminary development impact fee report developed in Task 7.
12. Electronic copy of the final development impact fee report developed in Task 7.

For workshops and presentations, the Red Oak Team will prepare handouts and presentation materials.

Additional Services

As requested and approved (in advance) by the Town, we will provide services in addition to those in the proposed scope of work. Examples of these additional services include:

- Additional Stakeholder or Town Council meetings above the six (6) anticipated in the scope of work; these would include meetings with individual developers, builders, etc. We have not included any such meetings in the scope or our fee estimate.
- Additional iterations of the draft IIP and land use assumptions or development impact fee reports; iterations beyond the single "draft-final" process for each report included in Task 7.
- The calculation of development impact fees for necessary public service fee categories other than those categories listed in the Background section of this document.
- Expert legal advice on ARS§9-463.05 that may be needed from outside the Town legal counsel.
- Development impact fee implementation assistance.

Schedule

We expect the timeline for this engagement to be approximately 12 months, including required public hearings, depending upon the availability of Town Staff and timely access to Town records. The timeline anticipates a project start date in December of 2012 and Town Council adoption of development impact fees in January of 2014. Fees would become effective 75 days after approval by the Town Council.

Fee Estimate

We propose to complete this project for \$72,000; this amount represents our not-to-exceed fee based on the scope of work, meetings, etc. contained in this document. We will submit invoices monthly and payment is due within 30 days of the date of the invoice. Attachment 1 to this document is a summary of our cost estimate; it lists the hours and costs for each of the major tasks. The following is the hourly rate for this contract by personnel and grade.

<u>Consultant</u>	<u>\$ Per Hour</u>
Rick Giardina – Sr. Vice President	\$275
Associate Vice President	\$250
Andrew Rheem – Principal Consultant	\$215
Pat Walker LLC – Pat Walker	\$184
Senior Consultant	\$190
Consultant	\$150
Analyst	\$135
Administrative Support/Clerical	\$80

Town of Chino Valley, Arizona
 2012 Development Impact Fee Study
 Attachment 1

Task No.	Task Name	Total Red Oak Consulting / Pat			Total Project Cost
		Hours	Walker, LLC Labor	Expense	
1	Project Initiation, Management, & Initial Fee Assessment	45	\$8,208	\$808	\$9,016
2	Data Collection, Compilation & Analysis	41	7,225	0	7,225
3	Development of Land Use Assumptions	31	5,573	0	5,573
4	Development of Infrastructure Improvements Plan	75	13,070	1,016	14,086
5	Calculation of Development Impact Fees, Funding and Cash Flow Analysis	57	9,918	0	9,918
6	Stakeholder Meetings	41	7,670	1,699	9,369
7	Reports and Presentations	84	14,790	2,024	16,814
Total		374	\$66,453	\$5,547	\$72,000

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. 7. a.

Meeting Date: 04/09/2013
Contact Person: Jami Lewis, Town Clerk
 Phone: 928-636-2646 x-1208
Department: Town Clerk
Item Type: Action
Estimated length of staff presentation: 15 minutes
Physical location of item: N/A

AGENDA ITEM TITLE:

Discussion and possible action regarding establishing and selecting members for a Citizen Bond Committee for a potential bond election in November 2013.

RECOMMENDED ACTION:

To be determined per Council discussion.

SITUATION AND ANALYSIS:

As part of the Town's financial strategic planning process, discussions have been held with the Council and the Finance Committee regarding financing for the Utility 89A project to obtain economic diversity and financial sustainability for the Town of Chino Valley. There are a variety of financial funding sources that can be used, such as revenue or general obligation bonds, special improvement or community facility district bonds, cash or a combination of all to fund this project. If general obligation bonds are used, which is secured by the taxing authority of the Town but can be paid back through other revenue sources, voters must authorize the bonds before they can be sold through a bond election. According to Arizona Revised Statutes (ARS) the bond election must be held the first Tuesday after the first Monday in November which would be November 5, 2013.

It is Council's desire and staff's recommendation that the Council appoint a citizen committee to review the 89A project with alternative funding sources. If the recommendation is to bring this before the voters at the November 5, 2013 election, the committee will also be able to educate the public on the issue and in the process, determine whether or not there is enough public support to hold the election.

It is recommended that this committee should be formally established by Council. The briefing

at the April 9, 2013 Council meeting will be to explain the process of selecting the committee, the responsibilities of the committee and the time commitment required of the Committee members for this process. The actual “appointment” of the committee will be brought back to Council at the April 23, 2013 meeting and the actual meetings of the Committee are estimated to begin the week of April 29 and continue through May 16 with a presentation from the Committee to Council on May 23, 2013.

It is also recommended that Council appoint a “Council Liaison” to work with the Citizen Committee through this process and staff and financial consultants will provide the information to the Committee regarding the specifics of the project and the alternative funding sources and the various impacts they may have on the citizens. After the recommendation of this Committee is presented to Council, the Council will officially “disband” the committee as they are a temporary, specific project based committee.

At the meeting, Ron Gritman, who is leading this project, will discuss the process for selecting the members of the committee that will be completed over the next two weeks and brought back for Council review and approval at the April 23, 2013 Council Meeting. We have attached the proposed November 5, 2013 bond election calendar that includes the appointment of this Citizen Committee as well as numerous other legal requirements for a bond election. As you can see, this is a tight timeline that must be closely monitored and adhered to in order to make the election date this November.

Fiscal Impact

Fiscal Impact?: No

If Yes, Budget Code:

Available:

Funding Source:

Attachments

Bond Election Calendar

NOVEMBER 5, 2013 BOND ELECTION CALENDAR**DRAFT**

March 5, 2013	Discuss need for bond election at Finance Committee meeting
March 26, 2013	Council briefing on need for 89A Utility Project
April 2, 2013	Discussion of Proposed Bond Election calendar with Finance Committee
April 9, 2013	Council discussion regarding appointment of Citizen 89A Utility Project Committee. Presentation by Staff on process of appointing Committee, Council Liaison and responsibilities of Committee
April 23, 2013	Council appoints Citizen Utility 89A Project Committee at Council Meeting and Council Liaison to Committee
April 23, 2013	Internal Bond Election Staff participant meeting (Bond Counsel to attend)
April 29 – May 16, 2013	Citizen Bond Committee Meetings Notification to City Clerk of agenda – to be posted 24 hours before meeting)
May 23, 2013*	Citizen Bond Committee recommendations due. Presented at Study Session
May 28, 2013*	Briefing to Council by CBC Chairman of committee's recommendations At Council Meeting
June 11, 2013	At Council meeting, Council receives: Call for Election by Resolution of Town Council (If publish Call, must publish before 100 days, July 28, 2013)
June 12, 2013	Submission to Voting Section, Civil Rights Division, US Justice Department. (At least 60 days before election)
On or before July 8, 2013	Town Clerk notifies Yavapai County Elections Office of bond election (120 days prior to Nov. 5, 2013 election)
August 7, 2013	Arguments (pro/con) filed with Town Clerk
July 23-Aug. 9, 2013	Town Staff, Financial Consultants and Bond Counsel develop informational pamphlet (35-454)
August 9, 2013	Ballot language given to Yavapai County (88 day deadline)
August 9, 2013	Publicity pamphlet information to Town Clerk's printer in both English and Spanish (Printer needs at least 90 days for printing of pamphlet)
September 20, 2013	Sample Ballot /informational pamphlet in both English & Spanish mailed out to voters before election (not less than 35 days. ARS 35-454)
November 5, 2013	BOND ELECTION

*- Estimated and may need to be pushed out depending on meeting dates of Committee.

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. 7. b.

Meeting Date: 04/09/2013
Contact Person: Cecilia Watts
Department: General Services
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 Consulting Contract with Dava & Associates, effective January 1, 2013, through June 30, 2014, in an amount not to exceed \$87,000 for planning services.

RECOMMENDED ACTION:

Approve Consulting Contract with Dava & Associates, effective January 1, 2013, through June 30, 2014, in an amount not to exceed \$87,000.

SITUATION AND ANALYSIS:

The Town's full-time planner resigned and vacated his position early January, 2013. The Town has need of planning services but wanted to evaluate the structure of the department before filling the vacancy. The Town Manager has determined that he would hire a part-time planner for the position, and the position has now been filled at a part-time status beginning 3/4/2013.

Dava & Associates has performed planning services for the months of January and February 2013, and this Consulting Contract allows us the mechanism to pay her. We anticipate we will be utilizing Dava's services for the next fourteen months in the transitioning of issues that are outstanding as well as utilizing Dava to handle some of the outside applicants to Development Services, thereby allowing the Town to maintain the part-time status while utilizing an outside consultant on simply an as-needed basis.

The terms, scope and conditions of this contract will be re-evaluated, as well as the staffing level(s) at Development Services, over next fiscal year to determine the appropriate path that would best fulfill the needs of the Town, the department and the citizens of Chino Valley.

Fiscal Impact

Fiscal Impact?: Yes

If Yes, Budget Code: 01-95-5600

Available: \$37,000

Funding Source:

Funds for fiscal year 2013/2014 to come from Non-Departmental contingency line.

Fiscal Impact?: Yes

If Yes, Budget Code: 01-52-5212

Available: \$50,000

Funding Source:

Funds for fiscal year 2014/2015 to come from Planning Division professional services line.

Attachments

Professional Services Agreement

Scope of Work

PROFESSIONAL SERVICES AGREEMENT

This Professional Services Agreement between the Town of Chino Valley, Arizona, an Arizona municipal corporation (the "Town") and Dava & Associates, Inc., an Arizona Corporation ("Consultant") is entered into effective January 1, 2013, as follows:

RECITALS

WHEREAS, the Town of Chino Valley has recently accepted the resignation of the former full-time Associate Planner and is currently seeking to refill the position on a part-time basis until such time that development within the Town commences on a broader scale; and

WHEREAS, the Town's Consultant Planner, Ms. Dava Hoffman, has experience as a planning director and in management of current and long-range planning projects, and she confirmed that she would be available to provide these services via her firm Dava & Associates, Inc.;

NOW, THEREFORE, the parties covenant, condition, and agree as follows:

AGREEMENT

1. Services Provided by Consultant. The Consultant shall provide services to the Town on an as needed basis and only as directed by the Town Manager and the services are expected to include work on those items identified in Exhibit "A" attached hereto and incorporated herein by reference. In addition to those services identified in the attached Exhibit "A", the Consultant shall also perform Planning tasks not specifically referenced in Exhibit "A", but reasonably necessary to the full or effective performance thereof.
2. Term; Termination. The term of this Agreement shall be from January 1, 2013 through June 30, 2014 unless terminated earlier, as set forth herein. All services identified in Paragraph 1 above shall be completed to the satisfaction of the Town in accordance with appropriate and reasonable time-frames set forth by the Town Manager. Notwithstanding the foregoing, this Agreement may be terminated by either party upon fifteen (15) days written notice, with or without cause. If this Agreement is terminated, the Consultant shall be paid for services performed to the date of Consultant's receipt of such termination notice.
3. Payment. Consultant shall be paid the sum of one hundred fifty dollars (\$150.00) per hour for the services of Ms. Dava Hoffman. Consultant shall bill approximately monthly (but may delay until the bill is at least \$900) and be paid in a timely fashion. Billings will include reasonable detail reflecting issues addressed

and time expended but may omit names or other information where reasonable to avoid disclosure of confidential information or sensitive information.

The total amount fees and expenses to be paid to Consultant in accordance with this Agreement shall not exceed thirty seven thousand dollars (\$37,0000.00) for fiscal year ending June 30, 2013; and shall not exceed \$50,000 for fiscal year commencing July 1, 2013 and ending June 30, 2014, with a total amount for this Contract not to exceed \$87,000; any additional appropriations shall be subject to Town Council approval.

4. Independent Contractor Status. Consultant, including Ms. Dava Hoffman, is an independent contractor consultant and not acting as an employee of the Town. Neither Consultant nor Ms. Dava Hoffman shall receive employment benefits, including insurance and workman's compensation insurance. As an independent contractor, consultant further acknowledges that it is solely responsible for payment of any and all income taxes, FICA, withholding, unemployment insurance, or other taxes due and owing any governmental entity whatsoever as a result of this Agreement.

5. Insurance. Consultant shall provide comprehensive general liability insurance in the amount of \$1,000,000.00 per occurrence and \$2,000,000.00 aggregate coverage for personal injury, bodily injury or death and shall maintain liability insurance in an amount not less than \$1,000,000.00. With respect to any vehicle utilized in the performance of this contract, whether owned, leased, hired or otherwise used and such policy shall not contain a sunset provision or commutation clause or a provision to limit third party actions. Consultant shall provide Professional Liability Insurance covering negligent acts, errors, mistakes and omissions arising out of the services performed by Consultant under this Agreement, or any person employed by Consultant, with a minimum coverage limit of One Million Dollars (\$1,000,000) each claim.

Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Consultant's employees, if any, engaged in the performance of the services under this Agreement.

All insurance required pursuant to this Agreement must be written by an insurance company duly licensed and subject to legal process within the State of Arizona, to be evidenced by a Certificate of Authority as defined in A.R.S. § 20-217. All insurance required herein shall be maintained in full force and effect until all services required to be performed under the terms of this Agreement are satisfactorily completed and formally accepted; failure to do so may, at the sole discretion of the Town, constitute a breach of this Agreement. Consultant's insurance shall be primary insurance with respect to the Town, and any insurance maintained by the Town shall not contribute to it. Any failure to comply with the

claim reporting provisions of the insurance policies or any breach of an insurance policy warranty shall not affect coverage afforded under the insurance policies to protect the Town. The insurance policies shall contain a waiver of transfer rights of recovery (subrogation) against the Town, its agents, officers, officials and employees for any claims arising out of the Consultant's negligent acts, errors, mistakes, omissions, work or service. The insurance policies may provide coverage that contains deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall not be applicable with respect to the coverage provided to the Town, under such policies. The Consultant shall be solely responsible for the deductible and/or self-insured retention. The Town reserves the right to request and to receive, within ten (10) working days, certified copies of any or all of the herein required insurance policies and/or endorsements. The Town shall not be obligated, however, to review same or to advise the Consultant of any deficiencies in such policies and endorsements, and such receipt shall not relieve the Consultant from or be deemed a waiver of, the Town's right to insist on strict fulfillment of the Consultant's obligations under this Agreement. The insurance policies, except Workers' Compensation and Professional Liability, required by this Agreement, shall name the Town, its agents, officers, officials and employees as additional insured. In the event any insurance policy required by this Agreement is written on a "claims made" basis, coverage shall extend for two years past completion and acceptance of the Consultant's services and as evidenced by annual certificates of insurance. If a policy does expire during the term of this Agreement, a renewal certificate must be delivered or sent to the Town fifteen (15) days prior to the expiration date. Insurance required herein shall not expire, be canceled, or materially changed without thirty (30) days prior written notice to the Town.

6. Work Product. All documents and other work product prepared by the Consultant in connection with the services performed under this Agreement (the "Project") are instruments of service for this Project only and shall remain the property of the Town whether the Project is completed or not. All maps, studies and other information, including all copies thereof furnished by the Town shall remain the property of the Town. They are not to be used on other work and, with the exception of this Agreement, are to be returned to the Town on request or at the completion of the services under this Agreement. Consultant acknowledges that all information including records, reports, files or oral communications that it receives in conjunction with its services pursuant to this Agreement shall be confidential and may not be disclosed, except as otherwise required under Arizona law. Town acknowledges that Consultant may provide services to its other clients during the term of this Agreement. The Consultant shall at all times make reasonable efforts to avoid conflicts of interest between its clients. Consultant shall advise Town immediately should it believe any conflict of interest has arisen or is expected to arise which could in any way affect its performance under this Agreement or adversely affect the Town. In the event a conflict of interest arises or is believed to

exist, this Agreement may be terminated immediately in whole or in part as to the work creating the conflict.

7. Notice. Notice shall be deemed given when hand-delivered or mailed first class, return receipt requested to the address set forth below:

Dava & Associates, Inc.	Town of Chino Valley, Arizona
c/o Gordon Bowers, PE, Pres.	Robert Smith, Town Manager
310 E. Union Street	202 North State Rte 89
Prescott, AZ 86303	Chino Valley, AZ 86323

Such notice shall be deemed received three (3) days after it is so posted or the day it is so hand-delivered.

8. Discrimination. The Consultant, with regard to the work performed in accordance with this Agreement, will not discriminate on the grounds of race, color, national origin, religion, sex, disability or familial status in the selection and retention of subcontractors, including procurement of materials and leases of equipment. The Consultant will not participate either directly or indirectly in the discrimination prohibited by or pursuant to Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Section 109 of the Housing and Community Development Act of 1974, the Age Discrimination Act of 1975 and Executive Order 2000-4.

9. General.

(a) This Agreement is not intended to create any rights on behalf of any third parties.

(b) This Agreement has been made and entered into in the State of Arizona, and shall be governed by the laws of the State of Arizona in all respects, including, without limitation, matters of construction, validity, enforcement, rights, remedies and performance. If any provision of this Agreement is rendered or declared illegal or unenforceable by reasons of any existing or subsequently enacted statute, rule or regulation, or by order of or judgment of a court, all other terms and provisions of this Agreement shall remain in full force and effect as stated and set forth herein.

(c) This Agreement may be executed in multiple counterparts, each of which shall serve as an original for all purposes, but all counterparts shall be construed together and constitute one and the same Agreement.

(d) The parties acknowledge and agree that this Agreement shall not be construed for or against a party solely by virtue of all or any portion of the Agreement having been drafted by a party's attorney.

(e) The Consultant and the Town further agree that each will do or cause to be done such further acts and shall execute, acknowledge and deliver such further instructions as may be reasonably required by any of them to fully effectuate the Agreement contemplated herein.

(f) Any amendment to this Agreement shall be in writing and executed by each party hereto.

(g) This Agreement contains the entire understanding among the parties and supersedes any prior written or oral agreements between them respecting the subject matter of this Agreement. There are no representations, agreements, arrangements, or understandings, oral or written, between the parties relating to the subject matter of this Agreement that are not fully set forth herein.

(h) Consultant may not assign any of Consultant's rights and duties under this contract without Town's prior written consent, which may be given or withheld in Town's sole discretion. Any assignment by Consultant without Town's written consent shall be null and void.

(i) This Agreement, and all of the rights and obligations contained herein, shall be binding upon and inure to the benefit of the heirs, legal representatives, successors and permitted assigns of the respective parties hereto.

(j) Time is of the essence in this Agreement.

(k) Pursuant to A.R.S. § 38-511, the Town may cancel this Agreement, without penalty or further obligation, within three years after execution of this Agreement, if any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of the Town is, at any time while this Agreement or any extension of this Agreement is in effect, an employee or agent of any other party to this Agreement in any capacity or a consultant to any other party of this Agreement with respect to the subject matter of this Agreement. In addition to the right to cancel this Agreement, the Town may recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of the Town from any other party to the Agreement arising as a result of this Agreement.

(l) Consultant understands and acknowledges the applicability to it of the American with Disabilities Act, the Immigration Reform and Control Act of 1986 and the Drug Free Workplace Act of 1989. The following is only applicable to

construction contracts: The Contractor must also comply with A.R.S. § 34-301, "Employment of Aliens on Public Works Prohibited," and A.R.S. § 34-302, as amended, "Residence Requirements for Employees."

Under the provisions of A.R.S. § 41-4401, Consultant hereby warrants to Town that the Consultant will comply with, and are contractually obligated to comply with, all Federal Immigration laws and regulations that relate to their employees and A.R.S. §23-214(A) (hereinafter "Consultant Immigration Warranty"). A breach of the Consultant Immigration Warranty shall constitute a material breach of this Agreement and shall subject the Consultant to penalties up to and including termination of this Agreement at the sole discretion of the Town.

IN WITNESS WHEREOF, the parties to this Agreement have duly executed it effective as of the date and year first above written.

Town:

TOWN OF CHINO VALLEY

Consultant:

Dava & Associates, Inc.

By: _____
Chris Marley
Town Mayor

By: _____
Dava Hoffman
Planning Principal

Gordon Bowers, PE
President

APPROVED AS TO FORM:

MUSGROVE, DRUTZ & KACK, P.C.
Town Attorney

EXHIBIT “A”

Dava & Associates Inc, Consultant, shall provide Professional Services, to the Town of Chino Valley as directed by the Town Manager, for the following:

- Augmentation of conventional planning operations for the Town Development Services Department when necessary for assistance and guidance to the Associate Planner during orientation period; and to provide additional direction and assistance from time to time thereafter, and to other department staff members as needed; and to provide for:
- Special Planning-Major Projects, including the facilitation of initial meetings with private development applicants on major projects and continued communications throughout the development approval process, for requests for rezoning, subdivisions and master plans; and to provide for:
- Long Range Planning Projects such as preparation of revisions to portions of, and additions to, the Town’s Unified Development Ordinance, including zoning districts, design guidelines, subdivision regulations, engineering design standards, or other related documents such as applications; and to provide for:
- Future Long Range Services that may include master planning and related services of Old Home Manor and other public properties; and providing for:
- Assistance to the Town Manager or department managers as requested on related matters and issues.

Consultant will provide the Services described above on an as needed basis in concert with the Professional Services Contract, to which this Exhibit is attached.

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. 7. c.

Meeting Date: 04/09/2013
Contact Person: Cecilia Watts, General Services Director
 Phone: 928-636-2646 x-1202
Department: General Services
Item Type: Action-Presentation
Estimated length of staff presentation: 10 minutes
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to approve an Intergovernmental Agreement (IGA) with the City of Prescott for Prosecution Services beginning May 1, 2013, in the amount of \$8,334 for fiscal year 2013/2014 and \$50,000 for fiscal year 2014/2015.

RECOMMENDED ACTION:

Approve the Intergovernmental Agreement with the City of Prescott for Prosecution Services beginning May 1, 2013.

SITUATION AND ANALYSIS:

The Town has contracted with Mr. Marc Hammond for prosecutorial services since November 1, 2010. He currently is on a month-to-month contract, requiring a 30-day notice for termination. Previous to his contract, the Town had a full-time prosecutor on staff. Mr. Hammond currently works approximately 2 days a week, and the Police Department has expressed an interest for more access to a prosecutor and the desire to become more effective within the Court setting. The City of Prescott indicated they have the ability to offer flexibility within their staff in both hours of staffing and levels of expertise. Our only full-time employee in the prosecutor's office, the para-legal, will remain as the gatekeeper and coordinator of the prosecutorial functions for the Town. After discussions with the City of Prescott they have proposed to offer their prosecutorial services for essentially the same amount of money for which we are paying Mr. Hammond. They will be able to offer access to a prosecutor 5 days a week, offering the ability to assist with questions, case preparation, and review search warrants as well as the ability to offer training to our officers as needed. This proposal appeals to our Police Department so staff recommends that Council accept the Intergovernmental Agreement (IGA), with starting date of 5/1/2013. The City of Prescott will have this item on their Council Agenda for 4/23/2013 and it is anticipated their Council will pass the IGA. Mr. Hammond has

been given a 30-day notice with a termination date of 4/15/2013. If passed, the City of Prescott will work with our prosecution staff to ensure court coverage through the end of April before the IGA officially goes into effect.

Fiscal Impact

Fiscal Impact?: Y

If Yes, Budget Code: 01-41-5252

Available: 12,498

Funding Source:

Funds to come from Prosecutor's Office Professional Services line.

Attachments

IGA, Prosecution Services

**INTERGOVERNMENTAL AGREEMENT
TOWN OF CHINO VALLEY, ARIZONA
AND
PRESCOTT, ARIZONA**

PROSECUTION SERVICES

THIS INTERGOVERNMENTAL AGREEMENT, with an effective date of May 1, 2013, is entered into by and between the TOWN OF CHINO VALLEY, a municipal corporation of the State of Arizona (hereinafter the “Town”), and PRESCOTT, a municipal corporation of the State of Arizona (hereinafter “City”) (hereinafter, individually, a “Party”, collectively the “Parties”).

RECITALS

WHEREAS, the Town prosecutes ordinance violations and misdemeanor crimes originating in the Town municipal limits; and

WHEREAS, the Town has determined that an Agreement whereby the City provides prosecution services through the City’s Legal Department for violations of misdemeanor statutes and Town ordinances subject to criminal prosecution within the Town limits will offer protection to persons and property within its municipal boundaries in a cost-effective manner and has proposed that the Parties enter into such an Agreement; and

WHEREAS, the City is willing and able to provide the prosecution services through the City’s Legal Department pursuant to the terms and conditions set forth herein; and

WHEREAS, the parties are authorized pursuant to A.R.S. §11-952, to enter into agreements for joint or cooperative action.

NOW, THEREFORE, the parties agree as follows:

- 1. Prosecution Services.** For the consideration to be paid by the Town as specified herein, to the City through its Legal Department, agrees to the following:

The City Legal Department will receive and process from authorized officers of the Town, through the Town’s staff, cases referred by the Town for possible prosecution of alleged violations of Town ordinances subject to criminal prosecution and misdemeanor violations under Arizona law. The prosecution services provided herein generally include, but are not limited to, review and preparation of case documents, attending pre-trial conferences, handling trials, and providing as-needed training and direction to Chino Valley police officers.

The Town agrees to provide staff paralegal services, including but not limited to, document processing, witness and victim notification, scheduling and other services

to assist the City's Legal Department, as needed, in prosecuting alleged violations of the criminal ordinances of the Town, and misdemeanor violations under Arizona law.

2. **Conduct of Prosecutions.** The Parties agree that general prosecution policies and the prosecution of individual cases shall be within the sole discretion of City's Legal Department after consultation with the Town.
3. **Base Compensation.** For routine prosecution services rendered by the City pursuant to this Agreement during the initial term of this Agreement the Town shall pay the City an annualized amount of \$50,000. Total payments for the initial term shall be \$50,000, payable in equal monthly installments of \$4,166.67 on or before the fifth day of each month during the effective term of this Agreement.
4. **Additional Compensation.** In addition to payment of the Base Compensation as set forth in Section 3, the Town shall make additional payments as incurred for extraordinary expenses including, but not limited to, witness fees/expenses and expert witness fees/expenses. Prior to authorizing such additional expenses the City shall submit the proposed expenditures to the Town Manager or Town designee for review and approval. The additional approved amount shall be due and payable no later than 30 days following the Town's receipt of the City's invoice for expenses incurred provided pursuant to this Section.
5. **Adjustment of Base Compensation.** Should the City determine that additional compensation is required for future Agreements commencing in calendar year 2015, the City shall, on or before September 1st of each year during the effective term of this Agreement, provide to the Town the proposed fee for the provision of routine prosecution service for the following fiscal year. On or before December 1st of each year during the effective term of this Agreement, the Town shall do one of the following: (1) Accept the fee as proposed by the City; (2) Accept a different fee amount based on negotiations between the Parties; or (3) Notify the City of the Town's intent not to renew the Agreement for the following fiscal year. Upon acceptance, the agreed-upon fee shall constitute the Base Compensation for the following fiscal year (July 1 to June 30).
6. **Facilities/Resources.** It is the responsibility of the Town to provide to City in a timely manner all information, documents, interviews, and all other evidence necessary for the analysis and prosecution of the matter referred to the City's Legal Department for prosecution.
7. **Term of Agreement; Renewals.** The initial term of this Agreement shall commence on May 1, 2013, with an automatic renewal for successive one-year terms for five years. Written Notice of either Party's intent not to renew or continue the Agreement for the subsequent fiscal year shall be provided in writing to the other Party no later than 60 days from the then-current initial or renewal term.

- 8. Mutual Indemnification.** Each Party shall defend, hold harmless and indemnify the other Party, its agents, representatives, officials, employees and representatives from and against any claims, losses and expenses (including reasonable attorney's and expert witness fees) arising from that Party's negligent and/or intentional acts and/or omissions pursuant to this Agreement. The Parties understand and agree that the indemnification obligation pursuant to this Section 8 shall be limited to an amount not to exceed \$50,000, including attorneys' fees, to be paid by a Party to the other Party for each separate occurrence where a Party incurs costs for claims, losses and/or expenses arising from the other Party's acts or omissions pursuant to this Agreement for which the Party is not reimbursed from applicable policies of insurance obtained and maintained by the Party.
- 9. Severability.** The invalidity of any provision of this Agreement as determined by a Court of competent jurisdiction, shall in no way affect the validity of any other provision hereof, so long as the original intent of the parties is not defeated thereby.
- 10. Applicable Law.** The terms and conditions of this Agreement shall be construed and governed in accordance with the laws of the State of Arizona.
- 11. Termination**
- a. Termination for Convenience.** Either Party may terminate this Agreement at any time upon 90 days written notice to the other Party of intention to terminate. The Base Compensation set forth in Paragraph 3 shall be adjusted to \$4,166.67 per month for the remaining ninety (90) day period, or such time-period as may be agreed upon by the Parties.
 - b. Termination by Mutual Consent.** This Agreement may be terminated at any time by mutual consent of the Parties.
 - c. Termination for Breach.** In the event of a breach of any term or condition of this Agreement by either Party, the Party claiming breach shall provide written notice to the other Party, said notice setting forth the factual basis for the determination that a breach has occurred. If the breach is not remedied within fifteen (15) days of receipt of notice, the Party claiming breach may terminate this Agreement without further notice.
- 12. Disputes; Trial by Court.** The Parties expressly covenant and agree that in the event of a dispute arising from this Agreement, each of the parties hereto waives any right to a trial by jury. In the event of litigation, the parties hereby agree to submit to a trial before the Court.
- 13. Disputes; Attorney Fees.** The Parties expressly covenant and agree that in the event of litigation arising from this Agreement, neither Party shall be entitled to an award of attorney's fees, either pursuant to the Contract, pursuant to A.R.S. § Section 12-341.01(A) and (B), 12-348.01, or pursuant to any other state or federal statute.

14. Entire Agreement. This Intergovernmental Agreement contains the entire agreement of the Parties with respect to the subject matter hereof, and it may only be amended, modified or waived by a written instrument signed by the authorized agents of the parties hereto.

15. Notices. Notices relating to this Intergovernmental Agreement shall be deemed to have been duly delivered upon personal delivery, or as of the second business day after mailing by United States first class mail, certified or registered postage prepaid, addressed as follows:

Town of Chino Valley:	Town of Chino Valley Town Manager 202 N. State Route 89 Chino Valley, Arizona 86323
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City of Prescott:	City of Prescott City Attorney 221 S. Cortez Street Prescott, Arizona, 86303
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These addresses may be changed by either Party by giving notice in writing. Such changes shall be deemed to have been effectively noticed five (5) calendar days after being mailed to each Party by the Party changing the address.

16. Conflict of Interest. This Agreement is subject to A.R.S. § 38-511 pertaining to conflicts of interest, the pertinent provisions of which are incorporated by reference herein.

APPROVALS

Town of Chino Valley

CHRIS MARLEY, MAYOR

Date: _____

City of Prescott

MARLIN KUYKENDALL, MAYOR

Date: _____

ATTEST:

Town of Chino Valley, City Clerk

Date: _____

ATTEST:

City of Prescott, City Clerk

Date: _____

DETERMINATIONS OF COUNSEL

Pursuant to A.R.S. Section 11-952(D), the foregoing Agreement has been reviewed by the undersigned attorney for the City of Prescott who has determined that the Agreement is in proper form and is within the powers and authority granted under the laws of this State to the City.

Jon M. Paladini
City Attorney

Date: _____

Pursuant to A.R.S. Section 11-952(D), the foregoing Agreement has been reviewed by the undersigned attorney for the Town of Chino Valley who has determined that the Agreement is in proper form and is within the powers and authority granted under the laws of this State to the Town.

Town Attorney

Date: _____