Town of Chino Valley

MEETING NOTICE
TOWN COUNCIL

REGULAR MEETING
Tuesday, May 13, 2014
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 May 23-25, 2014 as "Poppy Days," sponsored by the American Legion Auxiliary. (Mayor Marley)

b) Proclamation declaring May 2014 as "Mental Health Month," sponsored by the West Yavapai Guidance Clinic Foundation. (Mayor Marley)

c) Presentation of certificates and pins to 2014 Spring Citizens Academy graduates. (Vice-Mayor Croft; Mayor Marley)

d) Presentation by Tracie Schimikowsky, President/CEO, Chino Valley Area Chamber of Commerce, regarding the results of the Chamber's Water, Sewer, and Bond Survey. (Vice-Mayor Croft; Mayor Marley)

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 criticism.

4) RESPONSE TO THE PUBLIC

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

5) CURRENT EVENT SUMMARIES AND REPORTS

This item is for information only. The Mayor, any Councilmember, or Town Manager may present a brief summary or report of current events, or ask a staff member to provide the same. Presentation on information requested by the Mayor and Council will be made and questions answered. No action will be taken.

a) Status report by Town Manager Robert Smith regarding Town accomplishments, and current or upcoming projects.

6) CONSENT AGENDA

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

a) Consideration and possible action to approve the April 16, 2014 study session minutes. (Jami Lewis, Town Clerk)

b) Consideration and possible action to approve the April 17, 2014 study session minutes. (Jami Lewis, Town Clerk)

c) Consideration and possible action to approve the April 22, 2014 regular meeting minutes. (Jami Lewis, Town Clerk)

d) Consideration and possible action to approve the April 29, 2014 study session minutes. (Jami Lewis, Town Clerk)

e) Consideration and possible action to approve the May 1, 2014 study session minutes. (Jami Lewis, Town Clerk)

7) EXECUTIVE SESSION

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

a) Pursuant to A.R.S. § 38-481.03(A)(1) for discussion or consideration of employment, assignment, salaries, or disciplining of Town Manager Robert Smith. (Mayor and Council)

b) Pursuant to A.R.S. § 38-431.03(A)(4) for discussion or consultation with the Town Attorney in order to consider the Town's position and instruct the Town Attorney regarding the Town's position regarding a contract with Prescott Sportsmen's Club, Inc. related to management services for the Chino Valley Shooting Range that is the subject of negotiations. (Mayor Marley)

8) ACTION ITEMS

a) PUBLIC HEARING and consideration and possible action to adopt Resolution No. 14-1033, adopting the Chino Valley General Plan 2014; containing introductory community information, public participation process, demographic data, Community Vision, Goals and Strategies, and Elements on Land Use, Circulation/Transportation, Open Space/Recreation, Water Resources/ Environment, Cost of Development, and Economic Development; and Postscript: Considerations for Creating a Sense of Place in Chino Valley for consistent and flexible design/development features for new commercial construction in areas of greatest Town image identification. (Dava Hoffman, Planning Consultant)

<u>Recommended Action:</u>
(i) Hold a Public Hearing on the proposed Chino Valley General Plan 2014.
(ii) Adopt Resolution No. 14-1033, adopting the Chino Valley General Plan 2014 as presented.

b) (i) Presentation of the SR 89 Utility Project Citizen Committee's final report and recommendation by Committee Chair Gary Warren.
(ii) Consideration, discussion, and possible action with regard to the SR 89 Utility Project Citizen Committee's final report and recommendation. (Mayor and Council)

<u>Recommended Action:</u> Direct staff to schedule a study session for further review and discussion, or prepare a resolution to place a bond measure on the November 4 ballot, or other direction to staff or the Committee as determined by Council.

c) Consideration and possible action to adopt Resolution No. 14-1034, adopting Housing Rehabilitation Guidelines in accordance with the requirements set forth in the Notice of Funding Announcement (NOFA) for the Owner Occupied Housing Rehabilitation Program. (Ruth Mayday, Planner)

<u>Recommended Action:</u> Adopt Resolution No. 14-1034, adopting Housing Rehabilitation Guidelines in accordance with the requirements set forth in the NOFA.

d) Consideration and possible action to adopt Resolution No. 14-1032, authorizing Ruth Mayday, Planner, to apply for funding through the Arizona Department of Housing (ADOH) for an Owner Occupied Housing Rehabilitation Program (Housing Rehab), and take all actions necessary to fulfill the terms and requirements of the program. (Ruth Mayday, Planner)

<u>Recommended Action:</u> Adopt Resolution No. 14-1032, authorizing Ruth Mayday, Planner, to apply for funding through the Arizona Department of Housing (ADOH) for a Housing Rehab Program, and take all actions necessary to fulfill the terms and requirements of the

program.

e) Consideration and possible action to approve the agreement for professional consulting services with Lyon Engineering, for the 2014 Adjacent Ways Project, in an amount not to exceed $47,695.00. Funds to come from Chino Valley School District Adjacent Ways Grant and will be accounted for in the Grant Fund with no Town match. (Ron Grittman, Public Works Director/Town Engineer)

Recommended Action: Approve the agreement for professional consulting services with Lyon Engineering, for the 2014 Adjacent Ways Project, in an amount not to exceed $47,695.00.

f) Consideration and possible action to authorize staff to place on hold various vehicles and pieces of equipment anticipated to be purchased in fiscal year 2014/2015, in order to reserve 2014 prices and acquire the equipment before anticipated price increases. (Joe Duffy, Finance Director)

Recommended Action: Authorize staff to reserve four Ford Police Interceptors, one Ford 550, one John Deere 544K front end loader, and one 410K backhoe.

g) Consideration, discussion, and possible action regarding review of the Road 4 South extension project expenditures. (Councilmember McKee; Councilmember Hatch)

Recommended Action: Direction to staff.

9) ADJOURNMENT

Dated this 8th day of May, 2014.

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 1-(800) 347-1695 (Arizona Relay Service) 48 hours prior to the meeting to request a reasonable accommodation to participate in this meeting.

Supporting documentation and staff reports furnished to the Council with this agenda are available for review on the Town website at http://www.chinoaz.net/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:	05/13/2014
Contact Person:	Jami Lewis, Town Clerk Phone: 928-636-2646 x-1208
Department:	Town Clerk
Item Type:	Presentation Only
Estimated length of Staff Presentation:	5 minutes
Physical location of item:	N/A

AGENDA ITEM TITLE:

Proclamation declaring May 23-25, 2014 as "Poppy Days," sponsored by the American Legion Auxiliary. (Mayor Marley)

SITUATION & ANALYSIS:

Each year on Memorial Day weekend, the American Legion Auxiliary sponsors "Poppy Days." The red poppy has been designated as a symbol of sacrifice of lives in all wars, and the American Legion Auxiliary has pledged to remind America annually of this debt through the distribution of the memorial flower.

Attachments

Proclamation

Office of the Mayor

202 N. State Route 89
Chino Valley, AZ 86323
(928) 636-2646

PROCLAMATION

Poppy Days – May 23-25, 2014

***Whereas**, America is the land of freedom, preserved and protected willingly and freely by citizen soldiers; and*

***Whereas**, millions who have answered the Call to Arms have died on the field of battle; and*

***Whereas**, a nation at peace must be reminded of the price of war and the debt owed to those who have died in war; and*

***Whereas**, the red poppy has been designated as a symbol of sacrifice of lives in all wars; and*

***Whereas**, the American Legion Auxiliary has pledged to remind America annually of this debt through the distribution of the memorial flower; and*

***Now, Therefore**, I, Chris Marley, Mayor of the Town of Chino Valley, do hereby proclaim **May 23-25, 2014** as **Poppy Days** in Chino Valley, Arizona, and ask that all citizens pay tribute to those who have made the ultimate sacrifice in the name of freedom by wearing the Memorial Poppy on this day.*

***In Witness Whereof**, I have hereunto set my hand and caused the Seal of the Town of Chino Valley to be affixed this 13th day of May, 2014.*

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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:	05/13/2014
Contact Person:	Jami Lewis, Town Clerk Phone: 928-636-2646 x-1208
Department:	Council
Item Type:	Presentation Only
Estimated length of Staff Presentation:	5 minutes
Physical location of item:	N/A

AGENDA ITEM TITLE:

Proclamation declaring May 2014 as "Mental Health Month," sponsored by the West Yavapai Guidance Clinic Foundation. (Mayor Marley)

SITUATION & ANALYSIS:

The West Yavapai Guidance Clinic Foundation is calling upon citizens, government agencies, public and private institutions, businesses, and schools in Chino Valley to recommit the community to increasing awareness and understanding of mental health, the steps citizens can take to protect their mental health, and the need for appropriate and accessible services for all people with mental health conditions. The proclamation, as well as a list of events associated with Mental Health Month are attached.

Attachments

Proclamation

Mental Health Month events

Office of the Mayor
202 N. State Route 89
Chino Valley, AZ 86323
(928) 636-2646

PROCLAMATION

Mental Health Month – May 2014
"Mind Your Health"

Whereas, *mental health is essential to everyone's overall health and well-being; and*

Whereas, *all Americans experience times of difficulty and stress in their lives; and*

Whereas, *prevention is an effective way to reduce the burden of mental health conditions; and*

Whereas, *there is a strong body of research that supports specific tools that all Americans can use to better handle challenges, and protect their health and well-being; and*

Whereas, *mental health conditions are real and prevalent in our nation; and*

Whereas, *with effective treatment, those individuals with mental health conditions can recover and lead full, productive lives;*

Whereas, *each business, school, government agency, healthcare provider, organization and citizen shares the burden of mental health problems and has a responsibility to promote mental wellness and support prevention efforts;*

Now, Therefore, *I, Chris Marley, Mayor of the Town of Chino Valley, do hereby proclaim* ***May 2014*** *as* ***Mental Health Month*** *in Chino Valley, Arizona, and do hereby call upon the citizens, government agencies, public and private institutions, businesses and schools in Chino Valley to recommit our community to increasing awareness and understanding of mental health, the steps our citizens can take to protect their mental health, and the need for appropriate and accessible services for all people with mental health conditions.*

In Witness Whereof, *I have hereunto set my hand and caused the Seal of the Town of Chino Valley to be affixed this 13th day of* ***May, 2014***.

____
Chris Marley, Mayor

ATTEST: ________________________________
Jami C. Lewis, Town Clerk

Mental Health Awareness Month 2014 – "MIND YOUR HEALTH"

May 1-31
Free
Coloring Contest
Children are welcome to participate in our coloring contest for Mental Health Awareness Month. The contest is being sponsored by the Daily Courier and Gateway Mall. For coloring sheets and detailed information, go to www.prescottaz.com.

May 1
7pm-8pm
Survivors of Suicide Walk and Candlelight Memorial
Prescott College
Have you lost a family member or friend to suicide? Join other survivors for a candlelight walk through the courtyard of Prescott College to honor them and help you on your journey from surviving to thriving.
Contact: Tina Blake, t.blake@wygc.org or (928) 445-5211, X3634

May 2, 3, 9, 10 at 7pm
May 3, 4, 10 at 2:30pm
The Wizard of Oz (by Lonesome Valley Playhouse)
Prescott Valley United Methodist Church (8944 E. Sommer Drive)
Watch a musical and help community mental health. The Lonesome Valley Playhouse is hosting a fundraiser for the West Yavapai Guidance Clinic Foundation. Don't miss the **"Wizard of Oz."** The playhouse is donating a portion of ticket sales to the Foundation ($3 for every $10 ticket sale). This is good for all family and friends of West Yavapai Guidance Clinic. **Just tell them you are supporting the West Yavapai Guidance Clinic Foundation!** Walk the Yellow Brick Road With Us!
Contact: Tina Blake, t.blake@wygc.org or (928) 445-5211, X3634

May 5-May 7
Various Times and Locations

PROGRAM FULL

The Virtual Hallucinations Unit known as "Mind Storm" is a unique, educational tool that provides a patient perspective, fostering an understanding of patients who suffer with mental illness by conjuring a believable, realistic environment with visual, auditory, and olfactory experiences like those of patients with schizophrenia. This is only available by appointment at various community locations. This program is being sponsored by Janssen Pharmaceutical Companies of Johnson & Johnson.
Contact: Laura Norman, l.norman@wygc.org or (928) 445-5211, X3615

May 6
7pm-9pm
Film: OF TWO MINDS
Embry-Riddle Aeronautical University, Davis Learning Center
OF TWO MINDS, will be shown locally for Mental Health Awareness Month. This award winning film will only have one showing this month for only $5 per ticket (no advance purchase is necessary, just come out and enjoy). This feature documentary, directed by Lisa Klein and Doug Blush, follows extraordinary people living, struggling and succeeding with a bipolar disorder. Filmed over three years, OF TWO MINDS weaves together stories from across America of the incredible highs and devastating lows of bipolar disorder. This is not a medical primer or tabloid scandal expose, but rather a flesh and blood look at how remarkable people deal with the symptoms and stigmas, and share their unique insights.
Contact: Tina Blake, t.blake@wygc.org or (928) 445-5211, X3634

May 7
8am-5pm
Mental Health First Aid Class
Embry-Riddle Aeronautical University

PROGRAM FULL

Consider taking our Mental Health First Aid class, an evidence-based program which uses role-playing and simulations to demonstrate how to assess a mental health crisis, select interventions and provide initial help. This evidence-based program is being offered at Embry-Riddle and has limited space for guests.
Contact: Laura Norman, l.norman@wygc.org or (928) 445-5211, X3615

May 8
6pm-8pm
Music and Fun
Entertainment District, Prescott Valley
Free entertainment in the Prescott Valley Entertainment District. Enjoy family fun music and food as the sun sets in honor of Mental Health Awareness Month. This program is being sponsored by Fain Signature Group.
Contact: Tina Blake, t.blake@wygc.org or (928) 445-5211, X3634

May 12, 15 and 20th
Various Times
Yavapai County Community Health Center: Mental Health Assessments
Cottonwood, Prescott and Prescott Valley
Yavapai County Community Health Services will be providing mental health assessments for established primary care patients. This is a great opportunitity for current patients to evaluate their mental health needs. Please call for an appointment or additional information.
Contact: Jennifer Gregory, jennifer.gregory@yavapai.us or (928) 583-1227

May 13
1pm-3pm
ACE Study
Prescott Library
Claire Louge, Parent Awareness and Community Outreach Coordinator with First Things First will be providing an insightful presentation on the Adverse Childhood Experience (ACE) Study. The ACE Study is one of the largest investigations ever conducted to assess associations between childhood trauma and later-life health and well-being. The study is ongoing collaborative research between the Centers for Disease Control and Prevention in Atlanta and Kaiser Permanente's Health Appraisal Clinic in San Diego. The ACE Study findings suggest that certain experiences are major risk factors for the leading causes of illness and death as well as poor quality of life in the United States. Progress in preventing and recovering from the nation's worst health and social problems is likely to benefit from understanding that many of these problems arise as a consequence of adverse childhood experiences.
Contact: Laura Norman, l.norman@wygc.org or (928) 445-5211, X3615

May 14
6pm-7pm
Yoga in Chino Valley
Enjoy an hour of free yoga focused on stress relief. Reducing one's stress can help with your mental well-being. Everyone is welcome.

Contact: **Body Language Studio**
990 North Highway 89, Suite A
Chino Valley, AZ 86323
(928) 636-2007
www.bodylanguagestudio.net

May 15
1pm-2pm
Suicide Prevention Presentation
VA Hospital

PROGRAM FULL

The State Probation Officers for an hour long presentation on Suicide Prevention (space is limited for guests) or arrange a presentation for your own group. Suicide may not be the first topic that comes to mind when you are planning your social, civic or service club programs – but this presentation is provocative, and challenging. About every 15 minutes someone in this country ends his or her life. During a presentation that lasts less than one hour you can learn about the resources available to change this statistic!
Contact: **Laura Norman, l.norman@wygc.org or (928) 445-5211, X3615**

May 15
5:30pm-6:30pm
Yoga in Prescott and Prescott Valley
Enjoy an hour of free yoga focused on stress relief. Reducing one's stress can help with your mental well-being. Everyone is welcome.

Contact: **Deva Healing Center**
520 W. Sheldon
Prescott, AZ 86301
(928) 899-9939
www.devahealtingcenter.org

Fusion of Movement
6401 E. 2nd St.
Prescott Valley, AZ 86314
(928) 775-2520
www.fusionofmovement.com

May 17
10am-2pm
Celebrate Life Event
Prescott Gateway Mall
Enjoy the Health Fair of the Season. Learn about mental health and other health related issues at this fun, family-friendly event. There will be free presentations, information tables and several exciting activities. This program is part of Yavapai Regional Medical Center community outreach programming.
Contact: **Roxanne Hull, RHull@yrmc.org or (928) 771-5544**

May 17
11am-2pm
"Spudtacular for Community Smiles"
Prescott Gateway Mall
Enjoy a potato bar lunch for only $7 with all proceeds to benefit the West Yavapai Guidance Foundation. There will be activities close by at the Celebrate Life Event and lots of opportunities to share in the fun. The "Spudtacular" is being sponsored by Macayo's Restaurant.
Contact: Tina Blake, t.blake@wygc.org or (928) 445-5211, X3634

May 19
10am-11am
Caregiver Burnout
Prescott Public Library
Pamela Creggar, Community Service Representative with HomeInstead Senior Care will be presenting information on caregiver burnout. This critical issue is something that we all either have or may experience as we care for our loved ones with their health needs. It can be one of the most stressful situations in one's life. Learn techniques to protect your stress level while providing loving care.
Contact: Tina Blake, t.blake@wygc.org or (928) 445-5211, X3634

May 21
8am-5pm
Mental Health First Aid Class
Prescott Valley
Consider taking our free Mental Health First Aid Class, an evidence-based program which uses role-playing and simulations to demonstrate how to assess a mental health crisis, select interventions and provide initial help. This evidence-based program is being offered at the West Yavapai Guidance Clinic and space is limited (advance registration required).
Contact: Laura Norman, l.norman@wygc.org or (928) 445-5211, X3615

May 21
1pm-2pm
Seniors and Depression
West Yavapai Guidance Clinic, Chino Valley Clinic
Terri Roza with the Senior Peer Prevention Program of West Yavapai Guidance Clinic will present on Seniors and Depression. This not only can affect you, your family and friends but your community as well. Find out techniques on how to help seniors who are experiencing depression.
Contact: Laura Norman, l.norman@wygc.org or (928) 445-5211, X3615

May 28
1pm-4:30pm
Secondhand Shock and Compassion Fatigue Workshop
Embry-Riddle Aeronautical University, Davis Learning Center
The Secondhand Shock and Compassion Fatigue Workshop is a free workshop for individuals in the front line of helping those in critical (crises?) situations. Helping professionals can suffer from burn-out and compassion fatigue from the nature of their work, but that may be only the tip of the iceberg. What about those in the silent grip of unexplained and debilitating problems like depression, obesity, immune disorders, addiction, or anxiety? It could be vicarious trauma. Every time you interact with those you help, you are putting yourself at risk for it; particularly if you experienced childhood trauma. The nationally-recognized presenters will explore the subtle and covert ways that absorbing others' trauma while controlling empathy gradually alters the structure of the brain, negatively affects the mind and can ultimately desensitize, numb and cause these disturbances.
Contact: **Laura Norman, l.norman@wygc.org or (928) 445-5211, X3615**
Registrar on-line at www.wygc.org/calendar


Mental Health First Aid

Mental Health First Aid is an evidence-based program which uses role-playing and simulations to demonstrate how to assess a mental health crisis, select interventions and provide initial help. The training also addresses the risk factors and warning signs of specific illnesses like anxiety, depression, schizophrenia, bipolar disorder and substance use disorders.

Participants in the 8-hour class will receive a booklet on Mental Health First Aid and a certificate naming them a mental health first aider.

Mental Health First Aid Classes are free and are based on an international program designed to help individuals, first responders, family members and others to understand mental illness and how to help persons suffering from various disorders.

The experienced trainers bringing their skills to Prescott Valley for these trainings are Richard Dehnert of the Verde Valley Guidance Clinic and Patty May.

Select from one of two Training Opportunities, to be held in Prescott Valley:

Wed. March 12, 2014 OR **Wed. April 23, 2014** OR **Wed. May 21, 2014**

8:00 am to 5:00 pm each class (with about a one-hour break for lunch on own)

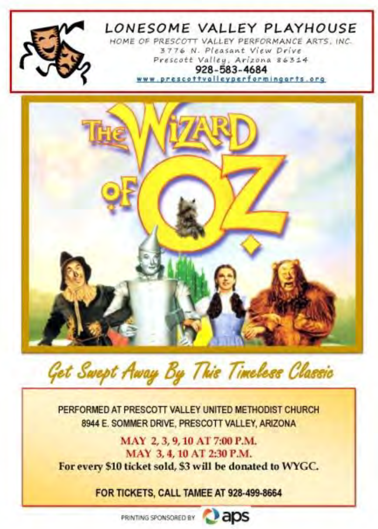
Space is limited so advance registration is required. Call Laura Norman at 928-445-5211 ext 3615, or email L.Norman@wygc.org

These trainings are being made possible through donations to the

West Yavapai Guidance Clinic Foundation

And through generous support from the

Town of Prescott Valley



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TOWN OF CHINO VALLEY
COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting		**Item No. 2. d.**
Meeting Date:	05/13/2014	
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:

Presentation by Tracie Schimikowsky, President/CEO, Chino Valley Area Chamber of Commerce, regarding the results of the Chamber's Water, Sewer, and Bond Survey. (Vice-Mayor Croft; Mayor Marley)

SITUATION & ANALYSIS:

The Chino Valley Chamber of Commerce has begun to occasionally perform an informal survey during its monthly luncheons. The attendees at the monthly luncheons are generally Chamber members, so therefore they represent the Chino Valley business community. At the luncheon, participation in the survey is voluntary, and the participants are generally asked a question that is topical in nature.

Several months ago luncheon attendees were asked the following questions:

1. Should the Town expand sewer on Highway 89?
2. Should the Town buy the Prescott water system in Chino Valley?
3. Would you be willing to help pay for these services through a General Obligation Bond?

Tracie Schimikowsky, Executive Director of the Chino Valley Chamber of Commerce, will speak about the results of this survey.

Attachments

Chamber Survey Matrix

Sewer/Water/Bond survey
3/12/2014 Chamber Luncheon

	Should the town expand sewer on Hwy 89?		Should the town buy the Prescott Water System in Chino Valley?		Would you be willing to help pay for these services through a general obligation bond?		Comments	Business	Individual	CV	Out of CV	Store Front	# of employees
	YES	NO	YES	NO	YES	NO							
								x	x	x	x	x	6
1	X		X		X		We need this bond!		x	x			
2	X		X						x		x		
3	x		x		x								
4	x		x		x		Need more education	x		x		x	9
5			x		x		As long as the money is used for water & sewer and not to the general fund		x	x	x		
6	x		x		x		But this bond, once in it's done the cost to the public would have to go away		x	x			
7	x		x		x		We need economic development. "Build it & they will come!"		x		x		
8	x		x		x		We should also look at Old Home Manor for warehouse & manufacturing		x		x		
9	x		x		x				x		x		
10	x		x		x			x		x			4
11	x		x		x				x		x		
12			x		x				x	x			
13			x		x			x		x		x	9
14			x		x				x		x		
15	x		x		x			x			x	x	28
16	x		x		x		Not a property owner in town	x			x		
17	x		x		x		This is an important step for the sustainability of our community		x	x			

	Should the town expand sewer on Hwy 89?		Should the town buy the Prescott Water System in Chino Valley?		Would you be willing to help pay for these services through a general obligation bond?		Comments	Business	Individual	CV	Out of CV	Store Front	# of employees
	YES	NO	YES	NO	YES	NO							
18	x		x		x		Needed for the survival of community	x	x	x		x	7
19	x		x		x		Bring It!!!	x		x		x	120
20			x		x		Makes good economic sense		x	x			
21	x		x		x			x		x			
22	x		x		x			x	x	x			3
23	x		x		x			x		x		x	2
24	x		x		x			x		x			2
25	x		x		x			x		x			
26	x		x		x		City need it to increase property values!						
27	x		x		x				x	x			
28	x		x		Not sure		If the sewer is expanded and the water is expanded, would private wells & sewers be done away with? Or will the property owners have a choice?		x	x			
29			x		x								
30	x		x		x			x			x		
31	x		x		x								
32	x		x		x			x			x		65
33	x		x		x				x	x			
34	x		x		x				x	x			
35	x		x		x			x		x		x	2.5
36			x		x		We need to figure out a way to show people that Chino needs to grow and not turn into a 100% reitrement community. Infrastructure is a must.	x			x		10

	Should the town expand sewer on Hwy 89?		Should the town buy the Prescott Water System in Chino Valley?		Would you be willing to help pay for these services through a general obligation bond?		Comments	Business	Individual	CV	Out of CV	Store Front	# of employees
	YES	NO	YES	NO	YES	NO							
37	x		x		x		If we can secure funds with out putting us futher in debt. Need to do better involving the citizens. The Town needs to listed to citizens a little more. We do no allow them to speak at council. We do not want to develop plans for roads & streets & parks which citizens would participate. Need to ask citizens what kind of businesses they would like to see. Shopping?? Discount Mall & Fry's reduce leakage.		x	x			
38	x		x		x		The bond issue for education & schools was FAR more important. So business before kids. I don't think so.		x	x			
39	x		x		x				X		X		
40	X		X		X			x		x			25
41	x		x				By how much?		x	x			
42							No opinion						
43	x		x		x		Not without obliterating small business because of the tendancy of big business that moves in as a result. Preserve all small business and not-for-profit! Use partnership & Partnership marketing for growth.	x		x			2

	Should the town expand sewer on Hwy 89? YES	NO	Should the town buy the Prescott Water System in Chino Valley? YES	NO	Would you be willing to help pay for these services through a general obligation bond? YES	NO	Comments	Business	Individual	CV	Out of CV	Store Front	# of employees
44							I don't feel I'm informed enough on these issues to offer an opinion. Rather than alienate anyone by making a choice I have no basis for, I will decline to comment. Thank you.	x		x			2.5

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TOWN OF CHINO VALLEY
COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting **Item No. 6. a.**

Meeting Date: 05/13/2014

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 April 16, 2014 study session minutes. (Jami Lewis, Town Clerk)

RECOMMENDED ACTION:

Approve the April 16, 2014 study session minutes.

Attachments

April 16, 2014 minutes

D R A F T

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

WEDNESDAY, APRIL 16, 2014 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 Wednesday, April 16, 2014.

Present: Mayor Chris Marley; Councilmember Mike Best; Councilmember Linda Hatch; Councilmember Pat McKee; Councilmember Lon Turner; Councilmember Don Wojcik

Absent: Vice-Mayor Darryl Croft

Staff Present: Town Manager Robert Smith; General Services Director Cecilia Watts; IT Specialist Spencer Guest; Senior Center Supervisor Cyndi Thomas; Finance Director Joe Duffy; Town Engineer/Public Works Director Ron Grittman; Public Works Manager Kenny Tribolet; Utility Supervisor Chris Bartels; Fleet Supervisor Rick De La Huerta; Building Official Dan Trout; Planner Ruth Mayday; Town Clerk Assistant Liz Hart (recorder)

1) CALL TO ORDER; ROLL CALL

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

2) Presentation by staff and discussion regarding the fiscal year 2014/2015 proposed budget. (Joe Duffy, Finance Director)

Finance Director Joe Duffy reviewed the steps the Town had been taking toward financial recovery:

- In 2012, staff identified the fiscal issues.
- Council and staff got the Town through the immediate crisis and then instituted a short-term strategic financial plan.
- Since then, Council and staff had developed and implemented long-term strategies, and were currently working on long-term financial planning.
- The Town still had some long-term problems, but had identified some good, workable solutions.

Mr. Duffy then reviewed the Preliminary Fiscal Year (FY) 2014/2015 Budget:

- *Items to be added to the preliminary budget included:* message from town manager, strategic goals, community profile update, budget format tutorial update, state budget forms, and fine tuning.
- *New items in budget included:* recommended changes by the Government Finance Officers Association (GFOA), interfund transfers summary, general fund expenditures by category, employee benefits by fund, grade and step plan, community comparisons, and unfunded capital.

- *Budget highlights included:* a balanced budget, third phase of the Comp and Class Study, equipment acquisition and replacement, and bond projects.
- *General fund (GF):* FY 2013/2014 revenues were slightly over projections and projected expenditures were $608,978 under budget. Reserves were now fully funded and staff proposed to apply $411,087 to the FY 2014/2015 budget. With the Town's current conservative approach to budgeting, the GF was stable.
- *HURF fund:* After this year, the HURF Fund will not be able to continue to maintain the roads at the same level as the last two years.
- *Capital improvement fund:* This included the bond projects, drainage project, and lease-purchase acquisitions. This fund was still transferring funds to the GF. Staff anticipated using $168,572 in carryover next FY, bringing the fund balance down to $219,415. However, staff projected that the fund balance will steadily increase through FY 2017/2018. If the Town could eliminate the enterprise funds' dependence upon the Capital Improvement Fund, there would be funds available for capital improvements.
- *Water enterprise fund:* Net losses from the water system were increasing. The only current solution was to acquire additional accounts soon.
- *Sewer enterprise fund:* Rate increases and growth will start to reduce the amount of carryover needed in future fiscal years. Taking over operation of the wastewater treatment plant and continuing to add additional accounts will bring this fund into the black.
- *Future capital requirements:* The Town needed to begin funding the replacement of capital equipment to avoid being in a situation where it all needed replacing at the same time. The proposed budget included replacement and lease purchase of four pieces of machinery/ equipment and four police vehicles.
- *Conclusion:* While the general government was stable and was covering day-to-day operations, the enterprise funds were not covering the cost of operations. Acquiring new accounts was essential to freeing up funds for capital improvements.
- *Budget Calendar:* Staff proposed that Council hold another budget review study session on May 15, adopt the tentative budget on May 27, and adopt the final budget on June 24.

Council and staff discussed the disposition of retired police vehicles, the web auction through which the Town sold vehicles and equipment, and the process for determining when and what vehicles or equipment to purchase.

General Services Director Cecilia Watts reviewed the benefits the Town offered to employees and reviewed the following personnel matters:

- *Health insurance:* In FY 2013/2014, the health insurance trust hired a new third party administrator and the Town was able to offer vision insurance again. For FY 2014/2015, the trust was introducing a high deductible health insurance plan with a health savings account. Overall, the Town contributed nearly $7,400 towards all insurance benefits per person per year. Over the last three fiscal years, premiums had increased less than 5%.
- *Additional benefits included:* an employee assistance plan, life insurance, benefit holidays in FY 2012/2013 and FY 2013/2014, retirement, and vacation and sick leave.
- *Performance Management Plan:* Staff instituted a merit-based performance management program in FY 2013/2014. While Town employees had not had a merit or cost of living increase in six years, staff did re-institute the 40-hour workweek this fiscal year. For FY 2014/2015, staff proposed a 1.8% increase in wages based on the new merit system.
- *Personnel:* Staff recommended that the Town remain at 89 full-time employees and hire one or two part-time interns to assist the IT and/or planning departments.
- *Holiday schedule:* Staff proposed to eliminate the day after Thanksgiving as a holiday, but allocate funds for employees to use as a personal day.

Senior Center Supervisor Cyndi Thomas reviewed the Senior Center budget:

- *Achievements:* Increased meals 23.5%; full membership on the Senior Center Advisory Board for the first time in three years; partnerships with various agencies; and a new annual healthy living fair.
- *Goals:* Seek outside funding to replace flooring; increase fundraising activities; and continue welcoming new volunteers.
- *Budget:* Overall, their proposed budget was lower than that of the current fiscal year.

Ms. Watts reviewed the Prosecutor's budget:

- *Budget:* Currently, the Town was in a three-year contract with the City of Prescott for prosecutor services and the rates may increase in September 2104. Otherwise, there was very little change.

Ms. Watts reviewed the Human Resources budget:

- *Goals:* Increase assistance to the human resources analyst; safety and supervisory training; incorporate core values and mission statement into the new performance management system; continue to fund employee recognition activities.
- *Budget:* There was very little change.

Ms. Watts reviewed the Library budget:

- *Accomplishments:* Facility expansion; new conference room booked nearly 90% of the time.
- *Goals:* Triple internet capacity; complete expansion; prepare community room for users.
- *Budget:* There was very little change.

IT Specialist Spencer Guest reviewed the MIS/GIS budget:

- *Accomplishments:* Reached a healthy equipment replacement cycle in response to Microsoft ending its support for several platforms; moved to virtualized platforms, allowing the Town to use less hardware and energy.
- *Goals:* Improve remote access capabilities; move more services to the web; expand audio/visual services and security in the Library expansion areas.
- *Budget:* While there was an overall decrease of $3,300, there was a major increase in support services due to the Professional Services Agreement approved last November with 4-D to assist with server migrations in FY 2014 and FY 2015.

Council asked about the Business Support Center. Mr. Guest stated that its greatest current need was internet access and he desired to upgrade that, as well as some equipment. Town Manager Smith added that he was working on a plan with the Chamber and Yavapai Community College to bring more benefits to local businesses through the center.

Planner Ruth Mayday reviewed the Planning Division budget:

- *Accomplishments:* Cross training of all administrative staff; reconfigured division, and added planning assistant and new planner; UDO updates; and applied for several grants.
- *Budget:* Increased advertising to fund UDO update publishing requirements; decreased professional services to reflect Dava Hoffman's contract ending after the General Plan election;

increased staffing increased from 1.5 to 2.0.

Chief Building Official Dan Trout reviewed the Development Services budget:

- *Personnel:* Moved code enforcement division back to development services; reorganized department with the same amount of personnel, but two in higher wage ranges.
- *Budget:* Added clean-up efforts, which included a trailer outfitted with landscaping rental equipment enabling residents to clean their own properties.

Council asked about volunteers for clean-up efforts, funding for code enforcement after relocating it to the Police Department, and staff no longer using Town cell phones. Mr. Trout stated that councilmembers could refer cleanup volunteers to him and staff quit using Town cell phones, as it was too cumbersome to carry two phones. Mr. Smith related that staff would have to research code enforcement funding and bring the data back to Council, and staff was currently researching cell phone policies.

Town Engineer/Public Works Director Ron Grittman reviewed budget highlights of the Public Works Department's various divisions:

- *Budget:* Overall, there were no significant changes in the budget.
- *Personnel:* Realized significant savings by combining parks maintenance and aquatics personnel; split one full-time parks maintenance position into two part-time seasonal positions.
- *Facilities:* Moved water budget expenses from all departments to facilities.
- *Equipment:* Added capital expenses to replace a loader and dump truck, and possibly a backhoe.
- *Roads:* The Town had not generated enough funds for proper maintenance for the last 10 years; staff had a strategy to present to Council in May with regard to building this fund back up.
- *Capital projects included:* Box culvert at Center Street at Santa Cruz Wash; construction of Center Street between Road 1 East and Railroad Avenue; construction of Road 1 East between Road 3 South and Kalinich Avenue, including two east/west roadways between Road 1 East and SR 89; Yavapai County Flood Control drainage project in Chino Meadows Unit 5 at Peavine Trail; Community Development Block Grant Chino Meadows paving project.

Council asked about the Bright Star booster system. Mr. Grittman stated that this was contingent upon acquiring the Prescott water system and constructing a gravity tank, which will be addressed in the next two or so years.

Town Manager Robert Smith reviewed the Town Manager's budget:

- *Operations:* Increased professional services to accommodate a possible Council retreat and webinars offered by ICMA that various staff members attended.
- *Personnel:* Increased hours for administrative aides and possibly add some additional support for his office.

3) ADJOURNMENT

MOVED by Councilmember Mike Best, seconded by Councilmember Linda Hatch to adjourn the meeting at 7:39 p.m.

Vote: 6 - 0 PASSED

Chris Marley, Mayor

ATTEST:

Jami C. Lewis, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Study Session of the Town Council of the Town of Chino Valley, Arizona held on the 16th day of April, 2014. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 13th day of May, 2014.

Jami C. Lewis, Town Clerk

TOWN OF CHINO VALLEY
COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting **Item No. 6. b.**

Meeting Date: 05/13/2014

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 April 17, 2014 study session minutes. (Jami Lewis, Town Clerk)

RECOMMENDED ACTION:

Approve the April 17, 2014 study session minutes.

Attachments

April 17, 2014 minutes

D R A F T

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

THURSDAY, APRIL 17, 2014
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, April 17, 2014.

Present:	Mayor Chris Marley; Councilmember Mike Best; Councilmember Linda Hatch; Councilmember Pat McKee; Councilmember Don Wojcik
Absent:	Vice-Mayor Darryl Croft; Councilmember Lon Turner
Staff Present:	Finance Director Joe Duffy; Police Chief Chuck Wynn; Civilian Operations Officer Laurie Whisenand; Police Lieutenant Vince Schaan; Magistrate John Walker; Town Clerk Jami Lewis (recorder)

1) CALL TO ORDER; ROLL CALL

Mayor Marley called the meeting to order at 6:01 p.m.

2) Presentation by staff and discussion regarding the fiscal year 2014/2015 proposed budget. (Joe Duffy, Finance Director)

Magistrate Walker reviewed the Municipal Court budget:

- *Budget:* New expenditures included a flagpole, carpet for the Courtroom, electrical repairs, replacing table in jury room, and security system.

Councilmember Hatch suggested reviewing what Williams was doing with regard to traffic enforcement revenues with the Council Public Safety Subcommittee or Council Magistrate Evaluation Subcommittee and the finance director.

Police Chief Wynn reviewed the Police Department and Animal Control budgets:

<u>Police Department</u>

- *Accomplishments:* Added a second canine team, funded through grants and donations; tactical shooting range construction; re-established Block Watch Program; acquired and renovated former Food Bank building; began updates to policy manual.
- *Goals:* Update policy manual; construct phase 3 of tactical shooting range; develop long-term asset replacement plan for vehicles and equipment; hold inaugural National Night Out; improve recruitment.

- *Budget:* Increased personnel to cover new hires; increased professional services for policy manual updates and costs related to new hires; increased canine program line if needed; increased small tools to replace tasers and firearms; moved ammunition from training budget to its own budget line.

Animal Control

- *Personnel:* Change staffing from one supervisor and two adoption specialists to one supervisor, one officer, and one adoption specialist.
- *Budget:* Added funds to replace heating and air conditioning system; moved purchase cost of mobile data device from Police to Animal Control budget; increased training funds for new officers; added professional services expense for portion of policy manual update; added budget line for feral cat spay/neuter program.

Town Clerk Jami Lewis reviewed the Town Clerk budget:

- *Accomplishments:* Town Clerk Assistant/Records Technician training; implemented HB 2826 elections changes; Town Code updates; changes in processes due to new legal services.
- *Goals:* Hold election in compliance with applicable laws; upgrades in AgendaQuick; essential records assessment project; review former attorney records.
- *Budget:* Retained temporary help for minutes backlog and assistance with essential records assessment project; increased professional services for essential records project and t-bar ceiling in the vault, and by moving expenses for document recording for all departments to this line; increased advertising and printing due to anticipated new ordinances; decreased records management line; increased training and seminars to meet new performance evaluation goal; elections line remained static, but cost-per-voter more than doubled; increased equipment expense to replace old filing cabinet.

Finance Director Duffy reviewed the following budgets:

Non-Departmental

- *Goals:* Purchase Development Services software in cooperation with Prescott and Prescott Valley; redesign Town website and obtain content services.
- *Budget:* FY 2013/2014 legal fees were over budget by $25,000; staff hoped these would be lower next year due to lack of litigation. Liability insurance premiums increased a bit; contingencies increased significantly due to increase in operations overall; $50,000 in savings was anticipated from completion of the CVMKT and Walgreen's Tax Reimbursement Agreement last year; there was no overall change from last year.

Finance Department

- *Budget:* Over budget currently due to unbudgeted expenses for budget award applications; left bank charges high, as there was not enough history with Express Bill Pay to calculate savings; everything else was static.

Council asked about Express Bill Pay. Mr. Duffy related that 30% of the Town's utility customers were using it, 110 users had opted for paperless billing, and staff was using it for cash receipting.

Mayor and Council

- *Budget:* Added funds for possible retreat facilitator.

Special Revenue Funds

- *Community Development Block Grant:* The Town anticipated receiving $264,000 in this cycle.

- *Grants:* Expanded grant narrative and funds.
- *Capital Asset Replacement Fund:* Funding source was from LGIP insurance dividend and business audits; $130,000 remained; the only expense was $10,000 for the sales tax auditor.
- *Impact Fees:* The Town will cease collecting these in August; a new study will begin in the May-June timeframe; if the Town reinstated them, it will be very different than in the past.
- *Street Lighting Improvement Districts:* There was $4,000 in both revenues and expenses.
- *Bonded Indebtedness:* The Town was currently paying off $700,000 in principal. Total current indebtedness was under $20 million. The Town's bonded debt capacity was about $17.4 million. Assessed values went down 1%, but should start going back up. Since interest rates were so low, it would not benefit the Town to pay this off ahead of schedule.

Mr. Duffy reviewed the budget adoption schedule:

- April 23 study session: Cancelled.
- May 15 study session: Review Tentative Budget.
- May 27 regular meeting: Adopt Tentative Budget.

3) ADJOURNMENT

MOVED by Councilmember Linda Hatch, seconded by Councilmember Mike Best to adjourn the meeting at 7:09 p.m.

Vote: 5 - 0 PASSED

____
Chris Marley, Mayor

ATTEST:

____
Jami C. Lewis, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Study Session of the Town Council of the Town of Chino Valley, Arizona held on the 17th day of April, 2014. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 13th day of May, 2014.

____
Jami C. Lewis, Town Clerk

TOWN OF CHINO VALLEY
COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting **Item No. 6. c.**

Meeting Date: 05/13/2014

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 April 22, 2014 regular meeting minutes. (Jami Lewis, Town Clerk)

RECOMMENDED ACTION:

Approve the April 22, 2014 regular meeting minutes.

Attachments

April 22, 2014 minutes

D R A F T

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

TUESDAY, APRIL 22, 2014 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, April 22, 2014.

Present:	Mayor Chris Marley; Vice-Mayor Darryl Croft; Councilmember Mike Best; Councilmember Linda Hatch; Councilmember Pat McKee; Councilmember Lon Turner; Councilmember Don Wojcik
Staff Present:	Town Manager Robert Smith; General Services Director Cecilia Watts; Town Attorney Phyllis Smiley; Police Lieutenant Vince Schaan; Police Officer Gary Bruso; Town Engineer/Public Works Director Ron Grittman; Town Clerk Assistant Liz Hart; Town Clerk Jami Lewis (recorder)

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

Mayor Marley called the meeting to order at 6:01 p.m.

Vice-Mayor Croft gave the invocation and Mayor Marley led the Pledge of Allegiance.

2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

a) Presentation of Certificate of Recognition to Elizabeth Vicory, Arizona Miss Amazing Preteen Queen 2014. (Mayor Marley)

Mayor Marley read Miss Vicory’s biography and recognized her for her accomplishments.

b) Introduction of the Business Appreciation Program and recognition of new and existing businesses. (Cecilia Watts, General Services Director)

Ms. Watts and Tracie Schimikowsky, President/CEO, Chino Valley Area Chamber of Commerce (“Chamber”), reported that:

- The Town was beginning a Business Appreciation Program in partnership with the Chamber to recognize local businesses.
- The first component will be to allow new businesses an opportunity to introduce themselves at a Council meeting and receive a framed letter from the mayor and window decal. The second component will be to recognize a long-term existing Town business and present to them a framed letter from the mayor and a take-away gift.
- New businesses being recognized were: The Storage Auction Store, Copper Jacket, LLC, Statue-Esque, and Gifts 4 Her. The long-standing business being recognized was Circle C

Construction.

c) Proclamation declaring May 1-7, 2014 as "Youth Week," sponsored by the Chino Valley Elks Lodge #2842. (Mayor Marley)

Mayor Marley read the proclamation and presented it to Elks Lodge members, who spoke about the Elks' youth programs and activities.

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 criticism.

No one from the public spoke.

4) RESPONSE TO THE PUBLIC

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

a) Presentation of the final costs associated with the Road 4 South Construction Project. (Ron Grittman, Public Works Director/Town Engineer)

Mr. Grittman reported that:

- In an effort to avoid litigation, the Town extended Road 4 south from its eastern terminus at the solar electric facility, easterly to the eastern line of Section 1 Township 15 North, Range 2 West. Construction was funded by roads impact fees and the new road will tie into a larger expansion of the Town's transportation system by connecting Road 4 South to Center Street via a roadway adjacent to the Peavine Trail.
- During the April 8, 2014 Call to the Public, a citizen asked for the following information with regard to the project: total costs for all equipment, fuel, man hours, subcontractors, materials, and APS line relocations; total cost of the entire project; who performed the inspections; test results of both phases; and expected completion date.
- Cost break-downs were:

Description	**Vendor**	**Phase 1**	**Phase 2**
Fence material for gates over Peavine Trail	Miscellaneous	$8,808.13	$10,111.71
Design	Civil Tec	$15,722.00	$15,722.00
Construction Staking	Civil Tec	$11,928.00	$11,928.00
Aggregate	Arrowhead	$20,457.90	$20,458.06
Equipment supplier	ECCO	$21,038.86	$21,956.96
Testing	ETC	$520.00	$400.00
Equipment supplier	Sunstate	$0.00	$2,264.23
Drainage material	Contech	$15,737.52	$8,103.05
Guardrail	AZ Highway Specialty	$21,249.78	$21,249.79

Rental supplier	United Rentals	$4,215.46	$4,215.47
Fuel	Bennett Oil	$7,114.84	$7,114.84
Hauling	C&R Trucking	$9,660.85	$9,660.86
Barricades and Signage		$1,100.00	$1,100.00
APS relocate (not invoiced at this time)		$0.00	$60.000.00
Total Estimated Costs		$194,296.00	$192,123.00
Total Actual Costs		**$137,553.34**	**$194,284.97**

- Project construction began on January 6, 2014 and reached substantial completion on March 29, 2014. In-house labor-hour expenses were approximately $29,000. As the Town was the contractor, all other vendors were subcontractors. Town staff performed the inspections and test results were at 95%-96% across the board.
- On November 12, 2013, Council found that the Road 4 South project qualified as an "in-house" project, requiring each phase of the project to not exceed $216,000. Had the Town sought a "normal" bidding process, cost estimates for this project were $557,846.00; thus, under the "in-house" designation, a cost savings of $226,007.69 was achieved.

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 Hatch reported on: Northern Arizona Council of Governments (NACOG) Economic Development Committee and grant meetings; available positions on NACOG committees; and an upcoming Magistrate Evaluation Subcommittee meeting.

Councilmember Turner reported on recent Old Home Manor Recreation Committee meetings.

Mayor Marley reported on meetings of the Northern Arizona Municipal Water Users Association and Greater Prescott Regional Economic Partnership, as well as notification from ADOT of new traffic signals to be installed at SR 89 and Road 1 North.

a) Status and membership report regarding the SR 89 Utility Project Citizen Committee. (Mayor and Council)

Mayor Marley reported that Councilmember Best and Councilmember Turner had selected Corey Mendoza and Scott Freitag for the SR 89 Committee.

b) Report regarding the General Plan Public Hearing before Council on May 13, 2014. (Mayor Marley)

Mayor Marley reported on a Council study session to be held April 29 and public hearing on May 13 regarding the General Plan update.

c) Status report and presentation regarding HB 2826, related to consolidated elections. (Jami Lewis, Town Clerk)

Ms. Lewis reported on the current status of HB 2826 and how it will impact future elections, the Town, and the Town's voters:

- Council will be asked to approve a new contract with the County for elections services, which will most likely include fee increases.
- Several election processes will change with regard to vote-by-mail elections, ballots, election results, precincts and precinct names, and voting equipment.
- Council will be asked to approve amendments to the Town Code, as well as two Resolutions pertaining to Council term lengths and financial disclosure.

Council asked about early voting. County Elections Director Lynn Constabile and Ms. Lewis related that while 66% of registered voters in Yavapai County were on the permanent early voter list, typically, 75% voted early. Any registered voter, whether on the list or not, could request an early ballot.

d) Status report by Town Manager Robert Smith regarding Town accomplishments, and current or upcoming projects.

Mr. Smith reported on the status of the Community Development Block Grant paving project and housing rehab project.

6) CONSENT AGENDA

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

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve Consent Agenda items 6a-6d.

Vote: 7 - 0 PASSED

Council recessed the meeting at 6:48 p.m. and Mayor Marley called the meeting back to order at 7:01 p.m.

a) Consideration and possible action to approve the April 3, 2014 study session minutes. (Jami Lewis, Town Clerk)

b) Consideration and possible action to approve the April 8, 2014 regular meeting minutes. (Jami Lewis, Town Clerk)

c) Consideration and possible action to adopt Resolution No. 14-1031, adopting a Relocation Assistance Plan, as required by the Department of Housing to receive Community Development Block Grant (CDBG) funding. (Cecilia Watts, General Services Director)

d) Council will recess to observe Councilmember Wojcik's birthday.

7) EXECUTIVE SESSION

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

Mayor Marley recessed the regular meeting to go into executive session at 7:01 p.m and reconvened the regular meeting at 7:56 p.m.

a) Pursuant to A.R.S. § 38-481.03(A)(1) for discussion or consideration of employment, assignment, salaries, or disciplining of Town Manager Robert Smith. (Mayor and Council)

8) ACTION ITEMS

a) Consideration and possible action to approve a 5-year real property lease with Yavapai County Community Health Services for the trailer located at the North Campus, 1951 Voss Drive, beginning May 1, 2014 for $1.00 / year and appropriate utilities. (Cecilia Watts, General Services Director)

Recommended Action: Approve a 5-year real property lease with Yavapai County Community Health Services for the trailer located at the North Campus, 1951 Voss Drive, beginning May 1, 2014 for $1.00 / year and appropriate utilities.

Ms. Watts reported that:

- Yavapai County Community Health Services had leased the Town's 1997 Redman mobile home at the North Campus for the past ten years. The County remodeled the facility's interior in accordance with the Arizona Department of Health Services licensing requirements for outpatient treatment clinics.
- The County provided three main services to families throughout the area: Women, Infant Children (WIC); Health Start; and Nurse Family Partnership and Newborn Intensive Care Program (NICP).
- The lease agreement provided that the Town will lease the trailer pad to the County for five years, starting May 1, 2014, for a fee of $1.00 per year, and the County will pay $150.00 per month for gas and electricity.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve a five-year real property lease with Yavapai County Community Health Services for the trailer located at the North Campus, 1951 Voss Drive, beginning May 1, 2014 for $1.00 per year and appropriate utilities.

Vote: 7 - 0 PASSED

b) Consideration and possible action to authorize the Mayor to sign a letter to the Yavapai College President, Dr. Penny Wills, regarding disposition of the Chino Valley Campus in the College's 10-year plan. (Mayor Marley)

Recommended Action: Discuss and revise draft letter per discussion and authorize the Mayor to sign and send the letter.

Mayor Marley reported that per the Yavapai Community College District's 10-year plan, which was still under review, the college's satellite facility in Chino Valley at Old Home Manor will be closed. He desired to give Council an opportunity to provide feedback on the College's long range plan and discuss a draft letter to send to the College.

Council discussed the letter, made two minor text changes, and added a final paragraph.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Linda Hatch to authorize the mayor to sign a letter regarding the disposition of the Chino Valley Campus, with amendments.

Vote: 7 - 0 PASSED

c) Consideration and possible action to to adopt Ordinance No. 14-783, amending the Town Code, Title II Administration, Chapter 30 Governing Body and Chapter 36 Legislative Provisions, and adding new Chapter 37 Elections, related to reorganizing the Code for clarity and to update the Code to conform to state law with regard to elections. (Jami Lewis, Town Clerk)

Recommended Action: Adopt Ordinance No. 14-783, amending the Town Code, Title II Administration, Chapter 30 Governing Body and Chapter 36 Legislative Provisions, and adding new Chapter 37 Elections.

Mrs. Lewis and Town Attorney Smiley reported that:

- In 2013, the Arizona Legislature amended A.R.S. § 16-204, consolidating municipal elections with state elections and requiring municipal candidate elections to be held in the fall of even-numbered years beginning in 2014. In order to comply with the new law, the Town will need to amend several Town Code provisions related to elections.
- Staff was also recommending other Code amendments for clarification and re-organization by amending or deleting certain headings and sections under "Governing Body" and "Legislative Provisions" and moving other sections under those headings to a new "Elections" chapter.
- Since publishing the packet, staff found that the provision in the proposed ordinance stating that Council will take office on the first meeting in January after the election will need to be changed to the first meeting in December, as prescribed by A.R.S. § 9-232(C).

Council asked what would happen if election results were delayed. Ms. Smiley stated that any number of things could delay an election and there were legal provisions to address such issues.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to adopt Ordinance No. 14-783, amending the Town Code, Title III Administration, Chapter 30 Governing Body and Chapter 36 Legislative Provisions, and adding new Chapter 37 Elections.

Vote: 7 - 0 PASSED

d) Consideration and possible action to adopt Resolution No. 14-1028, extending the terms of the sitting mayor and councilmembers to comply with A.R.S. S 16-204, as amended, related to consolidated elections. (Jami Lewis, Town Clerk)

Recommended Action: Adopt Resolution No. 14-1028, extending the terms of the sitting mayor and councilmembers.

Mrs. Lewis reported that:

- In 2012, the Arizona Legislature amended A.R.S. § 16-204 to consolidate all regular candidate elections to the fall of even numbered years starting in 2014. As such, the Town could not hold a candidate election at the end of the mayor's and councilmembers' current terms.
- In subsequent action, the legislature deemed that municipalities could not shorten the terms of their mayor and council. Therefore, in order to comply with the new law, the Town must extend the mayor's and councilmembers' current length of terms by 18 months, so that the terms of the mayor and councilmembers elected in 2011 will expire following the next General Election in November 2016, and the terms of those councilmembers elected in 2013 will expire following the subsequent General Election in November 2018.
- Although it was not legally required, staff desired to memorialize this action by resolution,

as the County was requesting something in writing to this effect and staff preferred to enter such historic changes into the permanent record in this manner.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Pat McKee to adopt Resolution No. 14-1028, extending the terms of the sitting mayor and councilmembers.

Vote: 7 - 0 PASSED

e) Consideration and possible action to adopt Resolution No. 14-1029, prescribing standards of financial disclosure for local public officers. (Jami Lewis, Town Clerk)

Recommended Action: Adopt Resolution No. 14-1029, prescribing standards of financial disclosure for local public officers.

Mrs. Lewis reported that:

- Pursuant to A.R.S. § 38-545, the Town was required to adopt standards of financial disclosure for local public officers consistent with the provisions of A.R.S. Title 38, Chapter 3.1, Article 1. The Town Council adopted such standards by Resolution No. 94 in 1984.
- Resolution No. 94 required that elected officials file a financial disclosure statement in January for each prior calendar year that they held office. This also included filing a statement for the partial year they served at the end of their term. A couple years ago, the state legislature added a provision to A.R.S. § 38-545 that allowed council members whose final terms expired between January 1 and January 31 to file their final financial disclosures at the same time as the disclosures for the preceding year. Without this provision, elected officials whose terms ended in January would have to wait 12 months to file a statement for their final days in office.
- Before the 2012 amendment to A.R.S. § 16-204, requiring Council elections to move to fall of even-numbered years, the amendment to A.R.S. § 38-545 did not apply to the Town's elected officials, as their terms ended in June. However, with the change to consolidated elections, the mayor's and councilmembers' terms, which will end in December starting in 2016, could be extended to January due to possible legal issues, at which time this provision would be applicable. The town attorney drafted a new Resolution that added the new provision (Section 2(D)(2)) and repealed Resolution No. 94. Nothing else substantive from Resolution No. 94 was changed.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Linda Hatch to adopt Resolution No. 14-1029, prescribing standards of financial disclosure for local public officers.

Vote: 7 - 0 PASSED

f) Consideration and possible action to adopt Resolution No. 14-1030 in support of legislation to impose tax on facilities growing medical marijuana. (Councilmember Hatch; Mayor Marley)

Recommended Action: Adopt Resolution No. 14-1030 in support of legislation to impose tax on facilities growing medical marijuana.

Councilmember Hatch reported that:

- The sale and cultivation of medical marijuana was now legal in Arizona and facilities growing medical marijuana were now located in many Arizona communities. Such growing facilities were considered by many citizens to be a "soft target" for criminals, increasing the workload for local law enforcement and thus impacting municipal expenses.
- During Council's strategic planning sessions, one topic of concern was that no tax revenues to municipalities were generated by these growing facilities to offset the increased expenses,

and Council expressed a desire to work with the state to impose a tax on these facilities.
- Councilmember Hatch and Mayor Marley were proposing that Council adopt a resolution indicating their support for the legislature to introduce and support legislation taxing medical marijuana growing facilities, and that such taxes be provided to and used by the municipalities in which such facilities were located to help offset the strain on the communities' resources and infrastructure. They also recommended that said resolution be forwarded to the League of Arizona Cities and Towns and the State Legislature.

Councilmember Hatch also presented a brief summary of the history of marijuana use in the country, associated federal actions and laws, and articles related to the law enforcement burden and taxation.

MOVED by Councilmember Linda Hatch, seconded by Vice-Mayor Darryl Croft to adopt Resolution No. 14-1030 in support of legislation to impose tax on facilities growing medical marijuana.

Vote: 7 - 0 PASSED

9) ADJOURNMENT

MOVED by Councilmember Don Wojcik, seconded by Councilmember Pat McKee to adjourn the meeting at 8:35 p.m.

Vote: 7 - 0 PASSED

____
Chris Marley, Mayor

ATTEST:

____
Jami C. Lewis, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the Town Council of the Town of Chino Valley, Arizona held on the 22nd day of April, 2014. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 13th day of May, 2014.

____
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. d.**

Meeting Date: 05/13/2014

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 April 29, 2014 study session minutes. (Jami Lewis, Town Clerk)

RECOMMENDED ACTION:
Approve the April 29, 2014 study session minutes.

Attachments

April 29, 2014 minutes

D R A F T

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

TUESDAY, APRIL 29, 2014
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 Tuesday, April 29, 2014.

Present:	Mayor Chris Marley; Vice-Mayor Darryl Croft; Councilmember Mike Best; Councilmember Linda Hatch; Councilmember Pat McKee
Absent:	Councilmember Lon Turner; Councilmember Don Wojcik
Staff Present:	Town Manager Robert Smith; Town Clerk Assistant Liz Hart (recorder)

1) CALL TO ORDER; ROLL CALL

Mayor Marley called the meeting to order at 6:11 p.m.

2) Presentation, update and discussion of General Plan 2013-2014 Review Draft. (Dava Hoffman, Consultant)

Consultant Dava Hoffman presented a review of the draft General Plan.

Definition. A General Plan:

- was an expression of the community's intent to improve its local conditions and protect its attributes for the future;
- provided a basis for decision-making for long-range community development and identity;
- was a broad and flexible guide for long-term growth and community character based on a vision of future aspirations.
- was not a code or other regulation and did not require any change to existing land uses or to existing zoning classifications;
- was a living document that could be amended per Community needs and desires, evolved over time.

Process

- February 2012: Council adopted a Public Participation Plan Resolution and appointed members to the General Plan Committee (GPC).
- March 2012-December 2013: The GPC held many public meetings, workshops, and

briefings.
- Mid-December 2013: The General Plan Review Draft was made available for viewing online and at Town Hall.
- January 6, 2014-March 6, 2014: The General Plan was distributed to various agencies for the 60-day review period.
- April 1, 2014: The Planning Commission held its required Public Hearing.

Contents of the General Plan

- *Introduction and Chino Valley Today:* Introductory chapter about the General Plan, how to use it, public participation process, and how to amend it; as well as an overview of community place, character and lifestyle, and population and demographics.
- *General Plan Elements:* Chapters related to Land Use, Circulation/Transportation, Open Space/Recreation, Water Resources/Environment, Cost of Development, and Economic Development.
- *Community Inspired Vision:* "Chino Valley is a community looking to the future that envisions diverse business and employment expansion, varieties in housing, and options in transportation; all while maintaining its valued farming heritage, recreation and environmental assets, and its small town image."

Elements. Each Element discussed the past, current, and future, with goals and a series of strategies and steps to achieve the goals, along with timing, primary areas, and responsible entities.

- *Land Use Element:* Considered a broad range of land uses and types, and identified growth areas suitable for future multi-type transportation and infrastructure expansions for a variety of uses.
- *Circulation/Transportation Element:* Considered streets, highways, bicycle, pedestrian routes and transit, with all these being correlated with land uses.
- *Open Space/Recreation Element:* Inventoried recreation and open space resources with analyses for future needs, and considered policies for regional coordination of open space, trails, etc.
- *Water Resources/Environment Element:* Considered all available surface and ground water, effluent supplies, and future needs; and addressed policies on qualities of air, water, and other resources in view of future development.
- *Cost of Development Element:* Identified policies that required development to pay its fair share for additional public services that were generated by new development.
- *Economic Development Element:* Focused on employment and business opportunities and areas for specialized economic development.
- Examples of Element goals:
    - *Land Use Goal:* Focus on development of Community Cores and lifestyle choices in land uses.
    - *Circulation Goal:* Encourage circulation improvements with alternative transportation offered for lifestyle choices.
    - *Economic Development Goal:* Expand and enhance local business and create a sustainable economy.
- Each chapter started with a graphic format with the vision in the center and goals surrounding it.

Community Cores

- A Community Core was defined as an area where some uses or a combination of uses were more concentrated than in other areas and might contain various residential and mixed uses with differing focus, such as entertainment, recreation, education, healthcare, or civic centers, all with residential and pedestrian oriented appeal, offering living, working, and playing environments.

- The Core Concept's neighborhood-centered base encouraged sustainable economy for the whole community and region.
- Potential Community Core Areas:
  - *Major Community/Downtown Core*, *Road 2 North/SR 89*, which contained existing major retail, highway frontage, traffic signal, water/sewer access, and large vacant adjacent lands; and might expand to schools, Library-Town Hall, Memory Park, Senior Center, to Road 3 North/Road 1 West, and to State Land/Reed Road.
  - *Hospitality/Entertainment Core, Road 1 South/SR 89*, which contained water/sewer access, commercial highway frontage, existing national chain motel, and vacant adjacent properties.
  - *Recreation/Employment Gateway Core, Perkinsville Road/SR 89/Road 1 East*, which contained the existing Community Center Park and multi-purpose building, and was near an elementary school, Town water access, entrance to potential industrial park and recreational uses at Old Home Manor, and existing adjacent vacant land.

<u>Review and Hearings</u>

- Comments during the 60-day review period were received from the Arizona State Land Department, Arizona Department of Water Resources, and citizens.
- On April 1, 2014, at the Planning Commission public hearing for the General Plan, the Commission considered the public comments, then voted to recommend approval with revisions per their discussion.

<u>Updates to Draft General Plan</u>

- Most of the comments from the 60-day review period came from the Arizona State Land Department in that they wanted to make sure that the Town protected their rights. She added several phrases or sentences to acknowledge their comments.
- She corrected a few misspellings and added a former town planner to the staff contributor list.
- She added a reference to the Road 1 East extension and Kalinich Avenue roundabout.

<u>Remaining Steps</u>

- April 29, 2014: Council study session on General Plan Draft.
- May 13, 2014: Council public hearing on General Plan Draft.
- May-June, 2014: Potential adoption by Council of the General Plan and "Call of Election" for voter ratification on November 4, 2014.

3) Presentation and discussion of Draft "Postscript – Considerations for Creating a Sense of Place in Chino Valley." (Dava Hoffman, Consultant)

Consultant Dava Hoffman presented a review of the draft “Postscript—Considerations for Creating a Sense of Place in Chino Valley:”

- The GPC, on many occasions, discussed the need to create a Town identity and sense of place. As this did not fit into any of the Elements, they elected to make it an additional “postscript.”
- The GPC’s solution entailed creating consistency and continuity without creating rigid regulations that resulted in cookie-cutter development. They developed a ‘how-to-do’ list with photographs of contemporary and traditional architectural styles, a wide range of colors with low reflectivity, landscaping to enhance buildings with pedestrian access, and orientation with flexible setbacks. They desired that development design standards be consistent and clear, yet flexible.
- The GPC discussed this with the Commission in January 2014.
- On April 1, 2014, the Planning Commission public hearing included the Postscript, and the Commission voted to recommend approval of it.

Council, Ms. Hoffman, and GPC members discussed the following changes or additions to the General and/or Postscript:

- *Old Home Manor Land Use Concept:* Council discussed (i) Creating a commercial buffer zone between the Old Home Manor recreation area and Bright Star Subdivision; (ii) Removing multi-family residential from near the Gavin Court industrial area, due to dust and noise; (iii) Adding RV parking and expansion of the shooting facility; and (iv) Retaining the college facility as the Town was encouraging the College to keep using its leased land area. Since the map was only conceptual, Council consented that it did not need to be changed.
- *Traffic Circulation:* Adding language about the future signal at Road 1 North and SR 89.
- *Broadband:* A GPC member stated that they discussed the state’s broadband initiative, but did not add it, as they did not believe they had any control over it. Council consented to add something in the Postscript section about communications infrastructure.
- *Policy:* Town Manager Smith related that each Element should have a set of policies associated with it.

4) ADJOURNMENT

MOVED by Councilmember Linda Hatch, seconded by Councilmember Mike Best to adjourn the meeting at 6:52 p.m.

Vote: 5 - 0 PASSED

____
Chris Marley, Mayor

ATTEST:

____
Jami C. Lewis, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Study Session of the Town Council of the Town of Chino Valley, Arizona held on the 29th day of April, 2014. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 13th day of May, 2014.

____

Jami C. Lewis, Town Clerk

TOWN OF CHINO VALLEY
COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting **Item No. 6. e.**

Meeting Date: 05/13/2014

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 May 1, 2014 study session minutes. (Jami Lewis, Town Clerk)

RECOMMENDED ACTION:
Approve the May 1, 2014 study session minutes.

Attachments

May 1, 2014 minutes

D R A F T

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

THURSDAY, MAY 1, 2014
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, May 1, 2014.

Present:	Mayor Chris Marley; Vice-Mayor Darryl Croft; Councilmember Mike Best; Councilmember Linda Hatch; Councilmember Pat McKee
Absent:	Councilmember Lon Turner; Councilmember Don Wojcik
Staff Present:	Town Manager Robert Smith; Planner Ruth Mayday; Assistant Planner Elyse DiMartino; Town Clerk Jami Lewis (recorder)

1) CALL TO ORDER; ROLL CALL

Mayor Marley called the meeting to order at 6:00 p.m.

2) Review, discussion, and revision of the Draft Strategic Plan. (Ruth Mayday, Planner)

Planner Mayday reported that after Council's last review and discussion on the Strategic Plan ("Plan"), she:

- reworked the document's layout, framework, and organization;
- separated the text into more relevant sections;
- applied the SWOTT (Strengths, Weaknesses, Opportunities, Threats, and Trends) analysis directly to the Key Result Areas (KRAs);
- included downsized five-year plans in spreadsheet form; and
- included a SMART (Specific, Measurable, Achievable, Relevant, Time Bound) goal for each goal in the Key Result Areas.

She also clarified that the colors on the spreadsheet were as follows: solid red meant that Council action was required; red slash lines meant Council action was underway; solid gray indicated action needed by someone other than Council; and gray slash lines indicated that the project was ongoing. She also noted that KRA #1, Goal 1, Objective D, Action 2 should be a gray slashed line.

Council comments and recommended changes:

- It was good that economic development was continuing to be in the forefront of the Town's goals.

- The objective to renegotiate the Concessionaire Agreement with the Prescott Sportsmen's Club was on the next agenda, ahead of the current schedule.
- Prescott Sportsmen's Club needed to be spelled out, not abbreviated.
- NACOG was already working on the objective to develop programs to support entrepreneurs and small businesses in Town.
- The objective to institute annual surveys of residents to gauge sentiment about Town policies will yield a higher level of feedback and be a good measuring stick of community opinion.

Council asked staff to bring the Plan back one more time for formal adoption. Town Manager Smith recommended that it be done in June, as the two May meeting agendas were very full.

3) ADJOURNMENT

MOVED by Councilmember Mike Best, seconded by Councilmember Pat McKee to adjourn the meeting at 6:13 p.m.

Vote: 5 - 0 PASSED

____
Chris Marley, Mayor

ATTEST:

____
Jami C. Lewis, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Study Session of the Town Council of the Town of Chino Valley, Arizona held on the 1st day of May, 2014. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 13th day of May, 2014.

____
Jami C. Lewis, Town Clerk

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TOWN OF CHINO VALLEY
COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting | **Item No. 8. a.**

Meeting Date:	05/13/2014
Contact Person:	Jami Lewis, Town Clerk Phone: 928-636-2646 x-1208
Department:	Council
Item Type:	Action-Presentation
Estimated length of staff presentation:	15 minutes
Physical location of item:	Town wide

AGENDA ITEM TITLE:

PUBLIC HEARING and consideration and possible action to adopt Resolution No. 14-1033, adopting the Chino Valley General Plan 2014; containing introductory community information, public participation process, demographic data, Community Vision, Goals and Strategies, and Elements on Land Use, Circulation/Transportation, Open Space/Recreation, Water Resources/ Environment, Cost of Development, and Economic Development; and Postscript: Considerations for Creating a Sense of Place in Chino Valley for consistent and flexible design/development features for new commercial construction in areas of greatest Town image identification.

RECOMMENDED ACTION:

(i) Hold a Public Hearing on the proposed Chino Valley General Plan 2014.
(ii) Adopt Resolution No. 14-1033, adopting the Chino Valley General Plan 2014 as presented and referring it to the voters of Chino Valley for ratification at the November 4, 2014 election.

SITUATION AND ANALYSIS:

In compliance with Arizona statutes requiring the review, revision or adoption of a new General Plan every ten years, the Chino Valley Town Council approved a Resolution Community Participation Plan and appointed the General Plan Committee (GPC) in February 2012. The GPC held public, regularly scheduled monthly or bi-monthly meetings through December 2013, in addition to conducting public workshops and briefings with the Planning Commission and Council. A draft General Plan 2014 was made available to the public, the Planning Commission, the Town Council and Town officials in mid-December 2013.

The draft General Plan 2014 was officially distributed to state, regional and local agencies on January 6, 2014 to commence a 60-day review and comment period. Comments received were reviewed at a Public Hearing of the Planning Commission on April 1, 2014. The Planning Commission recommended approval of the draft General Plan 2014 with revisions to the Town Council. A public Study Session of the Town Council was conducted on April 29, 2014 for presentation and review of the recommended General Plan 2014 with revisions.

At the Study Session, several revisions were requested by Council. A summary of the Council's comments with suggested revisions, and the revised pages are shown in the attached Proposed Revised Pages of General Plan 2014.

Fiscal Impact

Fiscal Impact?: No

If Yes, Budget Code:

Available:

Funding Source:

Attachments

Resolution 14-1033

Revisions requested by Council, May 1, 2014

RESOLUTION NO. 14-1033

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, COUNTY OF YAVAPAI, ARIZONA, DECLARING THAT CERTAIN DOCUMENT ENTITLED "TOWN OF CHINO VALLEY GENERAL PLAN 2014" TO BE A PUBLIC RECORD; ADOPTING THE "TOWN OF CHINO VALLEY GENERAL PLAN 2014" IN COMPLIANCE WITH ARIZONA REVISED STATUTES § 9-461.06; MAKING FINDINGS OF FACT; DIRECTING THAT THE "TOWN OF CHINO VALLEY GENERAL PLAN 2014" ADOPTED BY THIS RESOLUTION BE SUBMITTED TO THE VOTERS FOR RATIFICATION AT THE REGULAR TOWN ELECTION TO BE HELD ON NOVEMBER 4, 2014; PROVIDING FOR REPEAL OF CONFLICTING RESOLUTIONS; AND PROVIDING FOR SEVERABILITY

WHEREAS, Arizona Revised Statutes Section 9-461.05 requires the Chino Valley Town Council to adopt a comprehensive, long-range general plan for the development of Chino Valley, setting forth Chino Valley's goals and development policies for the development of land in Chino Valley; and

WHEREAS, the Town Council adopted written procedures to provide for the effective, early and continuous public participation in the development of the proposed general plan in accordance with A.R.S. Section 9-461.06; as a result, a general plan committee was created which included members of the community and Town Staff, there was a broad dissemination of proposals and alternatives within the community and on the Town's website, written comments were solicited and received, several public meetings were held to discuss the proposed General Plan, public hearings were held following notice required by law, and all public comments were considered; and

WHEREAS, opportunity was provided for official comment by public officials and agencies, Yavapai County, school districts in Chino Valley, associations of governments, public land management agencies, and other appropriate government jurisdictions, public utility companies, civic, educational, professional and other organizations, property owners and citizens, in compliance with A.R.S. Section 9-461.06(C)(2); and

WHEREAS, in the preparation of the new general plan, Chino Valley sought maximum feasible public participation from all geographic, ethnic and economic areas of Chino Valley; and

WHEREAS, at least sixty days prior to the notice, public hearing and adoption, the proposed draft general plan was transmitted to Yavapai County, Northern Arizona Council of Governments, the Town of Prescott Valley, the City of Prescott, the Arizona Commerce Authority, the Arizona Department of Water Resources, the Arizona State Land Department, the Arizona Department of Transportation, the Central Yavapai Metropolitan Planning Organization,, the Chino Valley School District, the Chino Valley Fire District, the USDA Forest Service-Prescott National Forest, and all persons requesting in writing to receive a review copy; and

WHEREAS, the action and recommendations of the Planning and Zoning Commission on the proposed general plan were transmitted to the Town Council; and

WHEREAS, having received and considered all public comment and having considered the best interests of Chino Valley as a whole, the Town Council finds that the "Town of Chino Valley General Plan 2014" attached as Exhibit A sets forth Chino Valley's goals and development policies; and

WHEREAS, that certain document entitled "Town of Chino Valley General Plan 2014", three copies of which are on file in the office of the Town Clerk, is hereby declared to be a public record and said copies are hereby ordered to remain on file with the Town Clerk; and

WHEREAS, pursuant to A.R.S. Section 9-461.06(M), the governing body of a municipality is required to submit the proposed general plan to the voters for ratification at the next regularly scheduled municipal election or at a special election scheduled at least one hundred twenty days after the governing body adopted the plan pursuant to Section 16-204;

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the Town of Chino Valley, Arizona:

1. That the "Town of Chino Valley General Plan 2014", attached hereto and incorporated herein by reference, be and it is hereby adopted as the General Plan for the Town of Chino Valley, Arizona pursuant to A.R.S. Section 9-461 et. seq.

2. That the "Town of Chino Valley General Plan 2014" shall be placed on the ballot at the municipal election to be held on November 4, 2014 for the purpose of submitting it to the voters of the Town of Chino Valley for ratification by the voters, pursuant to A.R.S. Section 9-461.06(M).

3. That, upon approval of the "Town of Chino Valley General Plan 2014" by the voters, the Town of Chino Valley 2003 General Plan, approved November 4, 2003, and as amended thereafter from time to time, is hereby repealed.

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

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

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona this 13th day of May, 2014.

____

Chris Marley, Mayor

ATTEST:

____
Jami C. Lewis, Town Clerk

APPROVED AS TO FORM:

____
Curtis, Goodwin, Sullivan, Udall & Schwab, PLC
Town Attorneys
By: Phyllis Smiley

I hereby certify the above foregoing Resolution No. 14-1033 was duly passed by the Council of the Town of Chino Valley, Arizona, at a regular meeting held on May 13, 2014, and that quorum was present thereat and that the vote thereon was ____ ayes and ____ nays and ____ abstentions. ____ Council members were absent or excused.

____
Jami C. Lewis,Town Clerk

The following exhibits are attached hereto and incorporated herein:

1. Chino Valley General Plan 2014

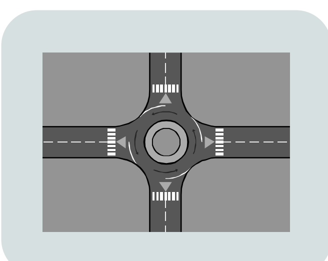
Will the circulation change and require more roads?

Circulation potentials within Chino Valley

Circulation potentials within Chino Valley are not expected to change dramatically over the next ten years. Traffic volumes have remained static over the past few years as shown in the previous table of AADT for the years 2007 - 2010, mostly due to the recent downturn in the economy, the loss of jobs and decreases in new home building. There are no substantial increases in traffic volume projected for the next ten years, unless some major developments were to occur in Chino Valley or its vicinity. With this in mind, it is not expected that any new streets will be added within the Town, except for two extensions described below on the southeast side where access is presently limited.

- The Town plans to create an additional north-south route in the southeast that will loop Rd 4S to Center Street using a portion of the Peavine Trail easement. Both Rd 4S and Center Street will be extended to the east after right-of-way acquisition and engineering design are completed. Construction on portions of the loop is expected to begin in the near future. This will provide improved access to properties in this southeast section of the Town. The planned eastside loop has potential for eventual extension northward to Rd 4N.
- The other roadway extension is also in southeast Chino Valley. An extension of Rd 1East is planned to the south from Rd3S to approximately Rd 4½ S; and then to connect west from Rd1E to SR 89. Construction is expected to commence in 2014 and continue for two to three years.

The extensions of Rd 1E and Rd4S/Peavine/CenterSt will provide not only better access for adjacent properties, but also much needed alternate access for emergencies.



There are also three new traffic control systems planned for SR 89 within Chino Valley. A traffic signal is proposed at Rd 1N by ADOT in FY 2016. One roundabout, proposed at Rd 4N is to be constructed within the 2014 fiscal year by Arizona Department of Transportation (ADOT) in conjunction with the Federal Highway Administration. The other planned roundabout for Perkinsville Rd /SR 89 construction schedule has been delayed due to ADOT's budgetary constraints. The roundabouts are proposed to offer safer traffic turning movements and flows at the intersections. Construction period for the roundabout project at Rd4N is proposed for approximately nine-month duration and will include the installation of curbs, gutters, sidewalks and drainage structures in addition to roadway improvements.

Circulation potentials beyond the Chino Valley Town Limits

Circulation potentials beyond the Chino Valley Town Limits are expected. Yavapai County has conducted a feasibility study for locating a local connector road between Williamson Valley Road and Reed Road. The study considered the area from Rd 2 South to Rd 2 North. The County's preferred alignment will connect to Chino Valley at Center Street and Reed Road. Im-

GOAL: Enhance Local Business and Create a Sustainable Economy

The following Strategies and Steps are ideas gathered from the General Plan Committee and economic development professionals, which were then developed into strategies that may help accomplish the Economic Development Goal and its targeted business bases in Chino Valley.

Target Strategies

1. Create a Community-Focused Retail Base

Step: Develop Community Cores to enhance local business and create a sustainable economy on both neighborhood and community-wide levels

Step: Encourage One-Stop centers by combining various types of shops and services in cohesive, easily accessible facilities

2. Establish an Employment/Job Base

Step: Market appropriate locations suitable for major employment bases

Step: Expand utilities & communications infrastructure as needed

Step: Recognize that local workers enhance local business

Step: Encourage expansions of existing institutions of higher education and healthcare in support of expanded employment opportunities and training

3. Enhance the Recreation/Agri-Tourism Base

Step: Market sports clubs/organizations for Chino Valley's shooting range, model aviators field, ball fields, etc.

Step: Coordinate with local restaurants, lodging businesses and with regional hospitality organizations

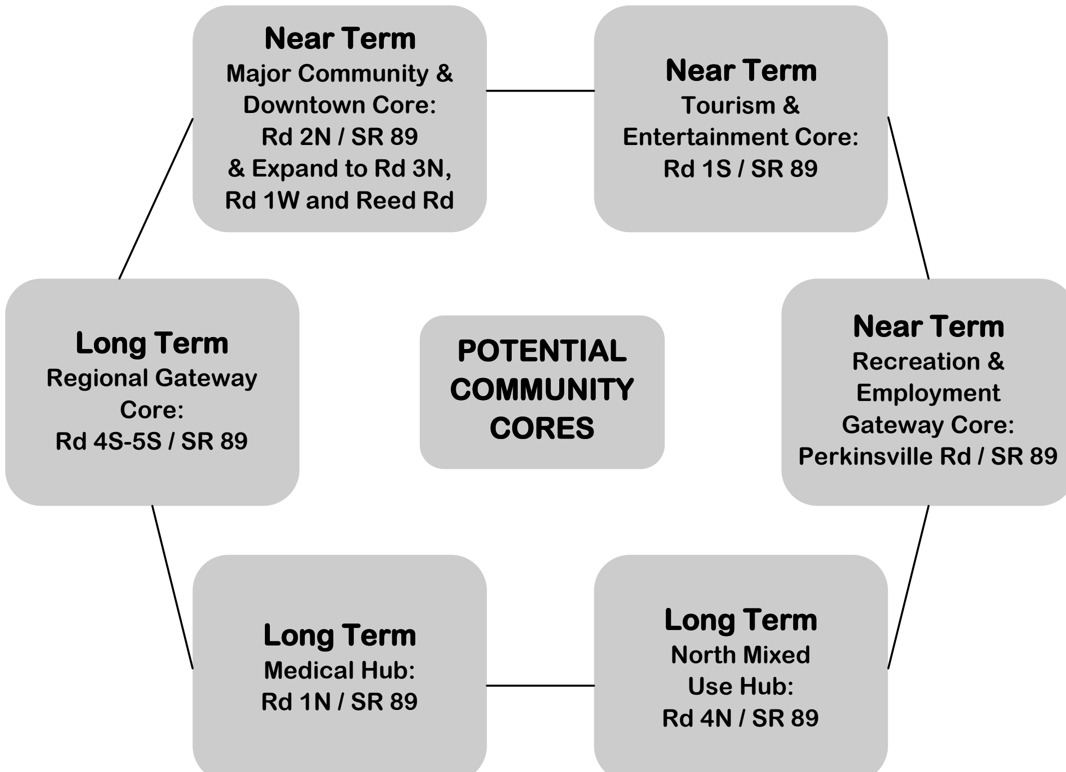
Step: Encourage expansion of agri-businesses and enhancement of winery, agri-festivals and other agri-tourism activities

4. Provide a Business-Friendly atmosphere

Step: Designate a person (e.g. Town Mgr/staff or Chamber Director) or create an Ombudsman/entitlement facilitator to discuss and answer all business related questions by a prospective business owner

Step: Institute a process on all levels at Town offices (clerks to department heads to Manager to Mayor/Council) to welcome and expedite business interests

Many factors may affect the estimated growth of Chino Valley's population and development from national and worldwide economics to decisions made at the local and regional levels. Consequently, the potential development of Community Cores and future Growth Areas may vary in timing and characteristics. Accordingly, current discussions of future development, especially those beyond ten years, are subject to change.



Future Growth Areas

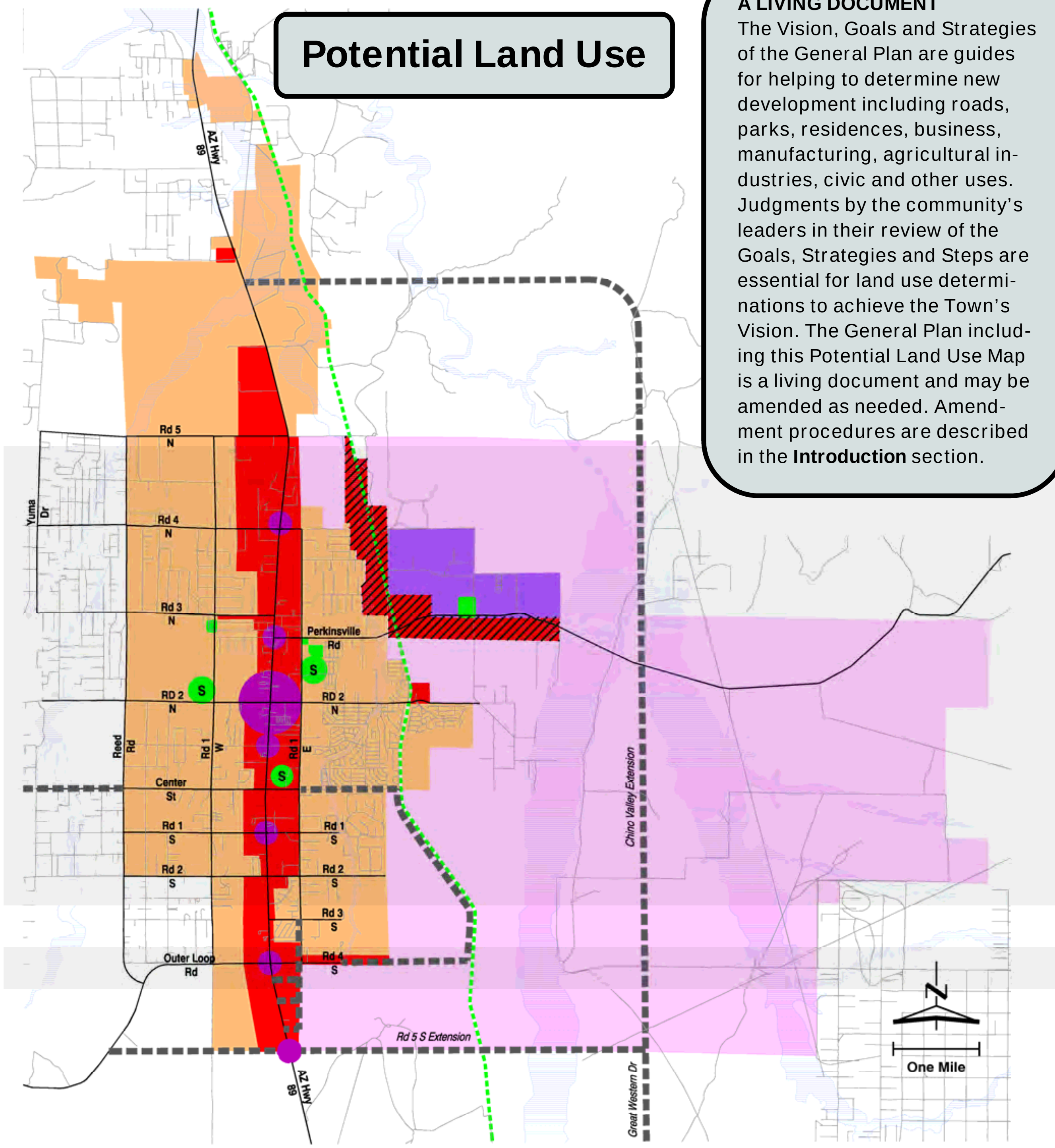
To consider future Growth Areas beyond twenty years the General Plan Committee discussed and identified areas primarily in the eastern part of the Town. These Growth Areas may be mostly for expansion of employment bases and educational institutions, but they contain large amounts of land that lend themselves to mixed-uses with residential components, enabling future residents to live, work and play within each area. The following major future Growth Areas are listed and described below.

Future Grow Area: East Perkinsville Rd Gateway / Regional Connector Extension

◎ Future uses at Old Home Manor may contain the following (see Future OHM Land Use Concept pictorial diagram):

- Industrial park/employment base, on west 200 acres
- Yavapai College expansions/education area on north-central 80 acres

A LIVING DOCUMENT
The Vision, Goals and Strategies of the General Plan are guides for helping to determine new development including roads, parks, residences, business, manufacturing, agricultural industries, civic and other uses. Judgments by the community's leaders in their review of the Goals, Strategies and Steps are essential for land use determinations to achieve the Town's Vision. The General Plan including this Potential Land Use Map is a living document and may be amended as needed. Amendment procedures are described in the **Introduction** section.



- Potential Community Cores
- Commercial / Multi - Family Residential
- Medium Density Residential (2 ac or less)
- Employment Park / Commercial Recreation / Education / Public Services
- Commercial
- Floodplain / Greenway Corridors / Aggregate Areas
- S Public Parks / Schools
- Future Growth Areas: Industrial / Agri-business / Contained Planned Community
- Future Connector Roads *
- Peavine Trail *

* Portions may be subject to approval / acquisition from AZ State Land Dept

Considerations for Creating a Sense of Place in Chino Valley

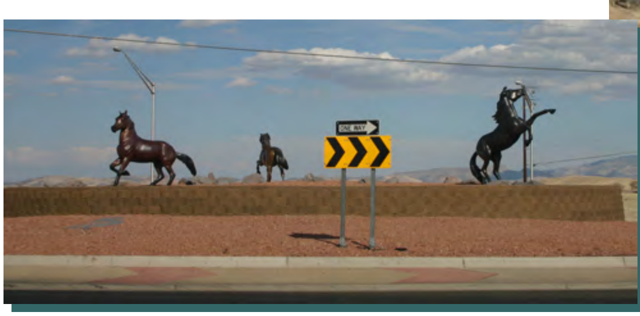
Communities incorporate into cities or towns in order to control their own destinies. Some new cities or towns possess a vision in the early years and work towards it—often achieving it; others with no clear vision often become sleepy bedroom-suburbs of another municipality. Without a vision a community may appear to be treading water, neither swimming nor sinking.

The purpose of a General Plan is to provide impetus for each town to not only create its vision, but to give voice to the community for direction in accomplishing its vision.

Some communities contain a lively downtown with a strong sense of place, perhaps evolved from a historic founding prior to the rise of automobile travel. And many towns, founded later, reflect individual separated developments along a highway. Such has been the primary development of the Town of Chino Valley since its incorporation. Chino Valley is a town stretching many miles along SR 89 without a downtown, center or focal point.

The 2013-2014 Chino Valley General Plan addresses the desire by the community to create a sense of place—the essence of a locale that attracts people by offering social interaction and enjoyable living—and it addresses the community's desire to create functional and aesthetic focal points throughout the Town. **Examples of functional focal points are public spaces or coffee shops with communications (broadband) infrastructure.**

The General Plan emphasizes the creation of **Community Cores—focal areas of community gathering, such as entertainment, recreation, civic center, etc**—rather than on a continuance of stripped-out, unconnected development accessed only by the automobile. It envisions a series of active hubs with quality people-spaces. The General Plan also posits that visual appearance is part-and-parcel of community character; **the "visual" creates the sense of place**.



Visual Town character is depicted in the new "Welcome to Chino Valley" monument sign and accompanying equestrian entry sculpture. The monument sign expresses a progressive community and the horse sculptures symbolize the Town's Western strengths and heritage.

TOWN OF CHINO VALLEY
COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting	**Item No. 8. b.**
Meeting Date:	05/13/2014
Contact Person:	Jami Lewis, Town Clerk Phone: 928-636-2646 x-1208
Department:	Council
Item Type:	Action-Presentation
Estimated length of staff presentation:	15 minutes
Physical location of item:	N/A

AGENDA ITEM TITLE:

(i) Presentation of the SR 89 Utility Project Citizen Committee's final report and recommendation by Committee Chair Gary Warren.
(ii) Consideration, discussion, and possible action with regard to the SR 89 Utility Project Citizen Committee's final report and recommendation. (Mayor and Council)

RECOMMENDED ACTION:

Direct staff to schedule a study session for further review and discussion, or prepare a resolution to place a bond measure on the November 4 ballot, or other direction to staff or the Committee as determined by Council.

SITUATION AND ANALYSIS:

On April 8, 2014, Council directed the SR 89 Utility Project Citizen Committee to provide Council with a recommendation on a proposal for the Town to issue a general obligation (GO) bond for water and sewer infrastructure improvements subject to approval by the Chino Valley voters.

The Committee met several times from April 17, 2014 through May 8, 2014 and will present their final report and recommendation to Council on May 13.

Council may discuss their next steps,including directing staff to schedule a study session for further review and discussion, to directing staff to prepare a resolution for Council approval to place a bond measure on the November 4 ballot, or other direction to Staff or the Committee as determined per Council's discussion. A study session is already scheduled for May 15 to review the tentative budget. The Mayor and Vice-Mayor have suggested that if Council desires to refer further discussion to study session, this topic could be added to the May 15 agenda.

Fiscal Impact

Fiscal Impact?: No
If Yes, Budget Code:
Available:
Funding Source:

Attachments

No file(s) attached.

TOWN OF CHINO VALLEY
COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting **Item No. 8. c.**

Meeting Date:	05/13/2014
Contact Person:	Ruth Mayday, Planner Phone: 928-636-4427 x-1217
Department:	Development Services
Item Type:	Action-Presentation
Estimated length of staff presentation:	5 minutes
Physical location of item:	N/A

AGENDA ITEM TITLE:

Consideration and possible action to adopt Resolution No. 14-1034, adopting Housing Rehabilitation Guidelines in accordance with the requirements set forth in the Notice of Funding Announcement (NOFA) for the Owner Occupied Housing Rehabilitation Program.

RECOMMENDED ACTION:

Adopt Resolution No. 14-1034, adopting Housing Rehabilitation Guidelines in accordance with the requirements set forth in the NOFA.

SITUATION AND ANALYSIS:

The Arizona Department of Housing (ADOH) has released a Notice of Funding Announcement (NOFA) to fund Owner Occupied Housing Rehabilitation programs. This program is funded in part by HUD HOME funds awarded to ADOH for distribution to non-entitlement communities throughout Arizona on a competitive basis.

The purpose of the Owner Occupied Housing Rehabilitation Program (HR) is to address the health and safety issues for low to moderate income households that are physically or financially unable to repair or rehabilitate their homes on their own. In order to qualify, the applicant must be the owner of record of the property benefiting from the rehabilitation services, and they must meet specific income requirements. For the Prescott area, those limits are a maximum of $30,700 for a single person and $43,850 for a family of four. A certain percentage of households at each income level (Moderate 80%, low/mod 60%, Low 50%, Very low 30%) must also be served; the contract will also specify priority populations (elderly, disabled, single parent head of household) that must also be served.

The justification for this program can be found in the Unified Development Ordinance in Section 1.2. The Town of Chino Valley adopted its first zoning code in 1974 upon the approval of Resolution 23, the purpose of which was to protect the public heath, safety, and welfare" among other things. Similarly, the Unified Development Ordinance adopted on November 9, 2006 states that the purposes of the Ordinance is to "...secure safety from fire, panic, and other dangers;....to provide for the social, physical, and economic advantages resulting from comprehensive and orderly planned use of land resources; to allow for the orderly implementation of the General Plan; and to otherwise promote the health, safety, convenience, and general welfare of the citizens of Chino Valley, Arizona". By adopting the HRG's and approving application for funding, the Town will be further meeting its obligation to promote the health, safety, and general welfare of the community by ensuring properties meet minimum property maintenance and building codes as adopted by Town Council.

The program provides funding for administration of the program in an amount not to exceed ten percent (10%) of the rehabilitation funds awarded. For the 13/14 funding cycle, the maximum rehab funds available is $250,000 plus an additional $25,000, for a total award of $275,000. Should staff be successful in its application, the Mayor will need to sign a letter reserving the funds. A contract will be provided by ADOH; that contract would be brought back to Town Council for approval prior to execution.

One of the requirements to apply is to have the governing body approve the Housing Rehabilitation Guidelines (HRGs) prior to application. The attached HRGs constitute the framework for managing the Housing Rehabilitation Program, should the Town's application be awarded funding. The guidelines outline processes for letting bids, registering grievances, and adopting specific standards for rehabilitation activities. It also sets forth procedures for mitigating hoarding situations, should they arise.

The Appendix of the HRGs appends the following documents that, if not attached, can be made available for review:
A) Technical Guide for Determining Income and Allowances for the HOME program (135 pp.)
B) ADOH Rehabilitation Handbook (46 pp.)
C) HUD Rehabilitation Guidelines (107 pp.)
D) ADOH Weatherization Guidelines (attached)
E) Construction Contract, Deed of Trust, and Promissory Note (Attached)

As the approval of the Housing Rehabilitation Guidelines by the governing body of the municipality is required in order to apply for and receive funding from ADOH, Staff recommends approving the guidelines as proposed.

Other Pertinent Documents Available Upon Request:
A) Technical Guide for Determining Income and Allowances for the HOME program (135 pp.)
B) ADOH Rehabilitation Handbook (46 pp.)
C) HUD Rehabilitation Guidelines (107 pp.)

Fiscal Impact

Fiscal Impact?: Yes
If Yes, Budget Code:
Available:

Funding Source:
Arizona Department of Housing provides federal HOME funds for the actual rehabilitation as well as an additional 10% of the HOME award from the State Housing Trust Fund (SHF) to cover the Town's costs for administering the program. The maximum rehabilitation grant for 2014 is $250,000 plus an additional $25,000 for a maximum award of $275,000.

Attachments

Resolution 14-1034
Housing Rehabilitation Guidelines
ADOH Weatherization Guidelines
Housing Rehab Deed of Trust
Housing Rehab Promissory Note
Housing Rehabilitation Construction Contract

RESOLUTION NO. 14-1034

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, COUNTY OF YAVAPAI, ARIZONA, ADOPTING THE HOUSING REHABILITATION GUIDELINES RELATED TO THE SUBMISSION OF AN APPLICATION(S) FOR STATE HOUSING FUNDS (WHICH MAY INCLUDE FEDERAL FUNDING THROUGH THE HOME INVESTMENT PARTNERSHIP PROGRAM OR STATE HOUSING FUNDS); PROVIDING FOR REPEAL OF CONFLICTING RESOLUTIONS; AND PROVIDING FOR SEVERABILITY

WHEREAS, The Mayor and Common Council of the Town of Chino Valley desires to undertake affordable housing development activities and support the ongoing efforts to repair, rehabilitate, or replace substandard housing in the community; and

WHEREAS, The State of Arizona administers the State Housing Fund Program; and

WHEREAS, the proposed guidelines, submission of the application for, receipt and use of State housing funds will address the community's low-income population housing needs; and

WHEREAS, a recipient of State Housing Funds is required to comply with the program guidelines, State and Federal Statutes and regulations; and

WHEREAS, endorsement of the Guidelines governing administration of the Owner Occupied Housing Rehabilitation Program are a prerequisite of the application process;

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, ARIZONA, that it hereby approves the Housing Rehabilitation Guidelines as required for the application to be made to the State of Arizona for funding from the State Housing Fund.

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

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

This Resolution shall be effective after its passage and approval according to law.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona this 13th day of May, 2014.

____
Chris Marley, Mayor

ATTEST:

____
Jami C. Lewis, Town Clerk

APPROVED AS TO FORM:

____
Curtis, Goodwin, Sullivan, Udall & Schwab, PLC
Town Attorneys
By: Phyllis Smiley

I hereby certify the above foregoing Resolution No. 14-1034 was duly passed by the Council of the Town of Chino Valley, Arizona, at a regular meeting held on May 13, 2014, and that quorum was present thereat and that the vote thereon was ____ ayes and ____ nays and ____ abstentions. ____ Council members were absent or excused.

____
Jami C. Lewis, Town Clerk

The following exhibits are attached hereto and incorporated herein:

1. Town of Chino Valley FY 2014/15 Owner Occupied Housing Rehabilitation Program Guidelines

TOWN OF CHINO VALLEY
FY 2014/15
OWNER OCCUPIED HOUSING REHABILITATION
PROGRAM GUIDELINES

1. OVERALL GOAL

The purpose of The Town of Chino Valley's Owner Occupied Housing Rehabilitation Program (OOHR) is to assist owner-occupied, low-to-moderate income households in mitigating health and safety issues with their homes. While all homes within the Town limits are eligible, priority will be given to those homes in the original Town site, Chino Meadows subdivisions, and other mature neighborhoods. By targeting resources to the neediest areas, improvements in housing can be made in concert with other CDBG projects to improve the overall appearance of these neighborhoods and foster a better sense of community for their residents. Funding for the OOHR program is through federal HOME funds and the Housing Trust Fund as administered by the Arizona Department of Housing (ADOH).

The Services include repair and rehabilitation expenditures under these Guidelines between $1,000 and $45,000.00 per residence, and mobile/modular home replacements up to $55,000 per unit. Said expenditures are in the nature of a forgivable loan with pro-rata deferred payment by Applicants over a five (5), ten (10), or fifteen (15) year period, depending upon the amount of the loan.

Services include rehabilitation activities with a priority for removal of hazards that threaten the health and safety of occupants. General property improvements such as hauling away disabled vehicles or repairing fences may also be included to upgrade physical appearance of the residence and the neighborhood as a whole, but shall not exceed 10% of the total repairs. No luxury items will be considered, (i.e. fireplaces, swimming pools, granite countertops, stainless steel appliances, travertine tile, etc.), nor will additions to family rooms, recreation rooms, and the like be allowed. All materials such as flooring, countertops, and cabinets shall meet the specifications set forth in the bid packet and meet HUD standard. Bedroom or bathroom additions may be considered based on issues such as over-crowding or disability accessibility.

All Services must meet the State of Arizona′s Rehabilitation Standards as well as other applicable state and local codes. In particular, the management of hazardous materials (lead based paint removal, etc.) will comply with current Housing and Urban Development (HUD) standards.

A. Eligible Applicants, Priorities for Assistance

1) Residency
   a) Eligible Applicants must be residents of the Town for the purpose of election laws.
   b) Median income may not exceed eighty percent (80%) of the median household income as determined by HUD.
2) Ownership
   a) Applicants must own and reside in the residential structure which is determined to be in need of Services in order for the Applicants and other occupants to reside safely and healthfully.
   b) Applicants must certify that the property receiving rehabilitation services is their principal and only residence, and they have no interest in any other real estate holdings.

B. Applicant Screening

1) Applicants with the highest ranking are served first. Priority ranking is determined by:

   a. Those with the lowest income;
   b. Persons who are elderly;
   c. Households with minor children
   d. Guardians with custody of children under the age of eighteen (18);
   e. Persons who are disabled
   f. Residential structures that represent serious and immediate health/safety violations.

2) Projects may be taken out of ranked order if Project Manager determines that extenuating circumstances exist or residents are in immediate danger from health/safety issues in their home.
3) Ranking is subject to contractual obligations set forth by the Arizona Department of Housing.

C. Waiting List

1) In the event that the number of applicants exceeds funds available, Applicants will be placed on a waiting list in accordance with the priority ranking established under these Guidelines.
2) Waiting list ranking is subject to contractual obligations set forth by the Arizona Department of Housing.

D. Eligible Property Types

1) Services are limited to the following types of residential property:

a) Single-family constructed or factory-built buildings; and
b) Single-family manufactured homes, including mobile homes, only if the unit upon completion will:
    1) be situated on a permanent certified foundation and connected to permanent utility hook-ups;
    2) be located on land that is held in fee-simple title;
    3) meet the construction standards of 24 CFR 3280 if built after June 15, 1976.

2) Ineligible properties include but are not limited to:
a) Rental properties, including those occupied by family members or those not paying cash rent
b) Properties that are delinquent in mortgage payments at the time of application or within six (6) months of rehabilitation services
c) Properties not occupied as the primary residence of the household

E. Eligible Forms of Home Ownership

1) Approved forms of home ownership are:

a) Verified fee simple title to the property.
b) 99 year leasehold on the property

2) Title must be free of encumbrances, liens, or other instruments that unduly restrict the property, including but not limited to: delinquent mortgages or property taxes, reverse mortgages that exceed the 203(B) lending limits, liens that cloud title.

F. Standard for Rehabilitation

1) Repairs and Rehabilitation:
a) Services under these Guidelines will meet the State of Arizona′s Rehabilitation Standards and applicable state and local building codes.
    1) Rehabilitation will resolve, at a minimum, all building code violations.
    2) Rehabilitation will resolve Property Maintenance Code violations within budgetary constraints.
    3) All Contractors and Subcontractors must possess a valid business license from The Town of Chino Valley
    4) All Contractors and Subcontractors must by duly licensed by the State of Arizona for the work they perform.

2) Weatherization and Energy Efficiency:
a) Weatherization services shall meet the Arizona Governor's Office of Energy Policy Weatherization Standards and the ADOH Owner Occupied Housing Rehabilitation Weatherization Standards.
b) Energy Efficiency improvements shall include, at a minimum, the following:
    i.) Replacement of substandard windows and doors

ii.) Replacement of aging appliances with Energy Star rated appliances
iii.) Additional insulation
iv.) Replacement of inefficient mechanical systems such as furnaces, evaporative coolers, and water heaters with Energy Star rated systems.
v.) Duct Sealing
vi.) Replacement of obsolete plumbing fixtures with low-flow fixtures
vii) Other repairs or upgrades as outlined in the pre-construction energy audit as critical repairs.

3) Property Maintenance:
  a) Properties shall be in compliance with International Property Maintenance Code (IPMC) 2012 upon completion of rehabilitation services.
  b) Applicants shall be in compliance with The Unified Development Ordinance with respect to animals, the number of pets/animals allowed per household, and manner of proper keeping thereof, upon completion of rehabilitation services.
  c) Applicants shall be in compliance with Chino Valley UDO Chapter 6: Property Maintenance and Town Code Titles IX: General Regulations and XV: Land Usage upon completion of rehabilitation services.
  d) Upon initial inspection, a potential project found to be in violation of the above referenced regulations or in a condition where animal feces/urine, poor indoor air quality, or excessive clutter either inside or outside of the home are found which pose a health hazard to the occupants, the inspector, or rehabilitation workers, referral to the Tri-City Hoarding Coalition or other similar program shall be made.
  e) Any project that qualifies for rehabilitation services and meets the conditions set forth in paragraph (d) above shall be eligible to receive additional funding for mitigation of property maintenance code violations, and counseling services through Yavapai County Health Services.
  f) Any project that meets the conditions in paragraph (d) above that receives rehabilitation, mitigation, or counseling services shall be subject to periodic inspections to ensure continued compliance with property maintenance requirements. Failure to maintain the property in accordance with adopted codes can result in additional counseling, code enforcement actions (including abatement and additional liens) and entitle the Town to demand immediate repayment of rehabilitation funding.

4) Replacement of mobile homes or modular housing units will be permitted only when the following conditions can be met:
  a. The low qualified bid for repair and rehabilitation is equal to or greater than the value of the home,
  b. The Building Official finds the unit to be in violation of current building and other adopted codes and further deems the dwelling unit to present significant health and safety issues for the inhabitants and the community
  c. The Building Official determines that replacement of the mobile or

modular home is the only means to abate the health and safety issues present

5) Alternative energy sources
   a) Installation of alternative energy sources and technologies (e.g., solar hot water) will be offered to applicants on a trial basis beginning in 2013. Once feasibility and cost effectiveness are established, additional technologies may be offered, based on cost effectiveness and feasibility of the technology.
   b) Installation of renewable or alternative energy sources will require the approval of the homeowner; the homeowner must certify that he/she is able to maintain the installed technology.
   c) Homeowners for whom alternative energy sources or technologies are installed in the course of rehabilitation and funded through this program are not eligible to receive any tax credits or incentives resulting from said installation(s).
   d) Ongoing maintenance of said alternative energies or technology will be solely the responsibility of the homeowner.
   e) Installation of renewable or alternative energy sources will be considered when said installation is in compliance with construction and zoning codes. (i.e., mobile home roof systems may not be adequate to bear the weight of photovoltaic panels)

G. Lead Based Paint

1) Lead-based paint (LBP) testing will be performed in compliance with HUD requirements.
2) Applicants will be provided a copy of Protect Your Family From Lead in Your Home, and The Town's Building Safety Rehabilitation Specialist will respond to any questions or concerns from Applicants.
3) Lead-based paint abatement will be considered on a case-by-case basis, depending on the status of the household, the condition of the paint, and the measures to be taken, in compliance with current HUD standards.

H. Application Process

1) General Requirements
   a) The Town of Chino Valley will conduct the initial application review with Applicants, the intake of applications, and the screening of Applicants to determine eligibility.
   b) The Town of Chino Valley will notify Applicants as to its determination of eligibility. Applicants may be asked to supply further information and documentation.
   c) The Town of Chino Valley will assist Applicants to the extent possible, but Applicants remain responsible for gathering and timely submission of all

information needed to complete an application. Applicants will be assigned a ranking only when the completed application and all documentation is received. If requested information is not returned by the deadline given, the application will be placed at the bottom of the waiting list.

d) Required documentation includes but is not limited to the following (which must be current within the last six (6) months):
    - i. Proof of all household income
    - ii. Social Security cards for all household members
    - ii. Proof of disability
    - iii. Proof of lawful presence
    - iv. Signed release for income verification
    - v. Proof of property ownership
    - vi. Proof that property taxes and any/all special assessments are current
    - vii. Proof of homeowners insurance
    - viii. Verification that mortgage payments have been current within last 6 months.
    - ix. Evidence that household income is sufficient to maintain ownership
    - x. Signed copy of IRS 4506

e) Applicants will be required to sign a release of information as part of the application. The Town will make every effort to maintain confidentiality of information to the extent permitted by law.

2) Bankruptcy and Foreclosure
    - a) Bankruptcy: Households are ineligible for a period of two (2) years after any member of the household declares bankruptcy.
    - b) Foreclosure: Households that have had a mortgage or deed of trust foreclosed are ineligible for services for three (3) years after the date of foreclosure

3) Reverse Mortgages
    - a) Monthly payments from a reverse mortgage are counted as regular income.
    - b) If funds are exhausted, the full amount of the lien must be counted against the FHA 203(b) lending limits.
    - c) If no monthly payments are received, the amount of the lien is not counted against the FHA 203(b) lending limits.
    - d) If a lump sum has been drawn down but no monthly payments are received, only the lump sum amount plus interest to date is counted against the FHA 203 (b) lending limits.

I. Housing/Homeownership Maintenance & Counseling Services

1) As a condition of receiving Services under these Guidelines, successful Applicants will be required to attend a counseling session to cover the rehabilitation processes and requirements, including information about lead-based

paint remediation, on-going home maintenance, and the deferred-loan aspects of the program.

2) Those receiving services will also undergo homeownership training, the purpose of which is to educate the homeowner about the importance of timely mortgage and tax payments, adequate insurance, and aspects of household budgeting.

J. Application Verification

1) The Town of Chino Valley will verify income according to the 24 CFR Part 5 (Section 8) income determination guidelines described in the Technical Guide for Determining Income and Allowances for the HOME Program. Additional documentation such as tax returns may be used to verify information submitted on the application is true and complete.

2) The Town of Chino Valley will certify that Applicant(s) is the owner of record for the property listed on the application and it is their principal and only residence.
   a) All persons listed as Owners of Record will be considered members of the household without regard to their actual place of residence.
   b) Any person residing in the home, regardless of relationship to the homeowner or lack thereof, shall be counted as a household member.
3) A limited title report will be obtained for each application through the services of a title company.
4) Staff will ensure that properties are free from liens that unduly restrict the marketable ownership interest.
5) Applicants must demonstrate the ability to pay their mortgage, carry homeowners insurance and flood insurance; and are not in arrears in payment of applicable taxes and special assessments.

K. Complaints/Appeals

Applicants who have a complaint with regard to The Town of Chino Valley's priority ranking under these Guidelines may appeal the same. If the complaint cannot be resolved informally, the formal procedure outlined below may be followed. All efforts will be made to resolve complaints at the lowest possible level. All complaints will be documented.

L. Complaint Procedure

Applicants will be required to sign a Letter of Acknowledgement showing that they have received a copy of this Complaint Procedure and understand the process. If Applicants require assistance in processing a complaint, they may contact the Town at (928) 636-4427 for assistance.

1. Informal Complaint

   a. An informal, verbal complaint can be given to The Town of Chino Valley Project Manager.
   b. The Town of Chino Valley Project Manager will review the complaint and attempt to resolve the complaint through negotiation.
   c. The Applicant will be notified of the proposed resolution within 5 working days of receipt of the complaint.
   d. If the proposed resolution is not satisfactory to the Applicant, a formal complaint may be filed.

2. Formal Complaint

   a. Formal complaints must be made in writing and delivered to the Town's Project Manager by personal delivery or certified mail.
   b. The Town's Project Manager shall review the complaint and attempt to resolve the complaint through negotiation.
   c. The Town's Project Manager will notify the Applicant, in writing, of the proposed resolution within 10 working days of the receipt of the complaint.
   d. If the resolution proposed by the Town's Project Manager is not satisfactory to the Applicant, an appeal can be made. Appeals must be in writing and directed to the Development Services Director of the Town of Chino Valley. Appeals must be filed within five (5) working days of receipt of the Town Project Manager's decision.
   e. The Town's Development Services Director will review the complaint as appropriate. Review of the complaint may include an informal hearing of the parties involved. The Town's Development Services Director will make a decision regarding the complaint, in writing, within thirty (30) days of receipt of the appeal.
   f. If the resolution proposed by the Development Services Director is not satisfactory to the applicant or the Project Manager, an appeal can be made to the Town Manager. Appeals must be filed with the Town Manager's office within five (5) working days of receipt of the Development Services Department Manager's decision.
   g. The Town Manager will review the complaint. Review of the complaint may include an informal hearing of the parties involved. The Town Manager will make a decision regarding the complaint, in writing, within thirty (30) days of receipt of the appeal.
   h. Should the resolution proposed by the Town Manager not be satisfactory to either party, the arbitration procedures set forth in the Construction Contract shall be followed. An appeal of the decision must be made within five (5) working days of the receipt

of the Town Manager's decision.

2. PROJECT WRITE-UP AND CONTRACTOR SELECTION

A. Inspection/Work Write-Up/Cost Estimates

1) When an Applicant has been declared eligible and is at the top of the priority list, The Town's Project Manager will schedule an initial inspection.
2) The Building Safety Rehabilitation Specialist will inspect the property using the 24 CFR part 5 (Section 8) Inspection Checklist or equivalent based on codes and current practices adopted and in effect at the time of inspection.
3) In conjunction with the property inspection, a BPI Certified Weatherization Professional shall conduct an energy audit of the property. Repair of deficiencies that are discovered in during the energy audit shall be included in the specifications for that project, and repairs shall meet the standards set forth in these Housing Rehabilitation Guidelines.
4) The Town's Project Manager and Building Safety Specialist will determine the scope of needed rehabilitation, which will be in conformance with the General Specifications Handbook and additional standards as set forth in these Housing Rehabilitation Guidelines.
5) Cost estimates will be developed to ascertain whether or not the project falls within funding requirements. Estimates will be based on:
   a) Measures required in the project;
   b) Cost of materials;
   c) Estimated number of labor hours and cost of labor;
   d) Cost of subcontractors/installers; and
   e) Past experience with similar rehabilitation work.

B. Minority/Women/Disadvantaged Owned Businesses

As part of the contracting process, The Town will attempt to identify Minority, Women, and/or Disadvantaged Owned contractors to provide rehabilitation services. Any public notices involved in the contracting process will state that Minority, Women, and/or Disadvantaged Owned contractors are encouraged to submit bids.

C. Qualified Contractors

1) The Town's Project Manager will advertise all projects in a newspaper of general circulation, in accordance with Town Code 3.04.
2) Contractors who desire to bid the rehabilitation work must participate in a mandatory walk-through conducted by the Project Manager and/or Building Safety Rehabilitation Specialist. Changes to project specifications may be made at this time.
3) Applicants may not perform said work on their own property.
4) Appropriate Town staff will arrange for verification that responding contractors and subcontractors are:
   a) Not on the HUD debarment list

b) Are licensed and bonded with the Arizona Registrar of Contractors in appropriate trades
c) Insured for liability and workman's compensation
d) Hold a current Town business license prior to commencement of construction
e) Have performed timely on previous contracts.

D. Contractor Procurement

1) Bids
   a) An effort will be made to receive at least three (3) bids on each project.
   b) The Project Manager may approve a project where fewer than 3 bids have been received.
   c) All bids will be delivered to the designated address by the time and date specified in the invitation to bid. Bids must be sealed and will be opened publicly at the date and time specified. Late bids will be returned unopened.
2) Professional services
   a) Procurement of professional and other specialized services shall follow Town Code Section 3-04-080.

E. Contractor Selection

1) The applicant may choose the contractor he/she prefers. Should the applicant choose a bid higher than the qualified low bid, the homeowner must pay the difference between the low bid and the accepted bid to the contractor in full prior to the issuance of a Notice to Proceed. The applicant must provide a receipt to the Project Manager for that amount as evidence of payment prior to the issuance of a Notice to Proceed.
2) The Project Manager may reject any bid if all or part of the bid is deemed to be unreasonable or impractical or likely to result in substandard work.

F. Method of Determining After Rehab Value

1) Tax assessments for a comparable property located in the same neighborhood may be used to establish the after-rehabilitation value if the assessment is current and accurately reflects market value after rehabilitation.
2) Work will not be performed on property where the sum of the value of the property prior to rehabilitation and the total cost of rehabilitation services will be greater than the FHA insuring limits. This information will be provided on an appropriate form for each file.

3. CONSTRUCTION

A. Contracts and Notice to Proceed

1) Upon selection of a contractor, a construction contract will be entered into between the Applicant and the successful bidder (Contractor). Said contract shall be in a

standard form which identifies the role and responsibility of the Town, ADOH, and HUD as third-parties.

2) A meeting at the property will be arranged by the Project Manager in order for the Applicant and the Contractor to review the contract documents. The Project Manager will explain:
    a) The contract and the responsibilities of the parties
    b) The extent of the rehabilitation work to be done
    c) Te schedule for the rehabilitation work
    d) the schedule for inspections
    e) persons to be notified if there are problems,
    f) special contract conditions, and the
    g) Grievance procedure.
    h) All persons present will be required to sign the Letter of Acknowledgement which will include any stipulations or special conditions as discussed at the meeting.
3) When agreement is reached and the contract is signed by all parties and upon receipt of the signed and notarized Deed of Trust and Promissory Note, the Project Manager will issue a "Notice to Proceed".

B. Inspection/Monitoring of Work

The Building Safety Rehabilitation Specialist will arrange for regular inspections to assure quality and timeliness of the rehabilitation work and will also perform inspections associated with issued building permits.

C. Payments to Contractors and Change Orders

1) Contractors must submit invoices to receive payments. Payments cannot be issued more frequently than the following schedule:
    a. First 25% payment at 25% completion of work
    b. Second 25% payment at 50% completion of work
    c. Third 25% payment at 75% completion of work
    d. Fourth 25% payment upon approval of final inspection and submittal of all required documentation, including subcontractor information and lien waivers as necessary.
    e. Any variance from this schedule must be approved in advance from the Project Manager and Development Services Director.
2) Contractors may request change orders for problems that have arisen from rehabilitation work included in the bid package and cost proposal that were unforeseeable or overlooked at the time of the walk-through. The Project Manager with assistance from the Building Safety Rehabilitation Specialist must approve any change order along with the Applicant prior to the commencement of any work not set forth in the bid specs and/or scope of work.

D. Final Inspection

1) The Contractor will arrange for a final inspection upon completion of the rehabilitation work.
2) Any building permits must be finalized before a final inspection is conducted.
3) During the final inspection, the Project Manager and/or Building Safety Rehabilitation Specialist must determine that rehabilitation work has been completed in accordance with the work write-up and the cost proposal in order to approve final payment to the contractor.
4) Payments to contractors may be withheld pending satisfaction of any problems or deficiencies identified during the final inspection.

4. RECORDS

A. Files

The Town of Chino Valley will create, collect and maintain all files for each application. Original files will be organized per the file checklist and retained by the Town for permanent storage and use once the applicant approval process is complete. The Town of Chino Valley will keep back-up files for reference and contractual billing purposes.

B. Recordation of Required Liens

1) Administration of Liens
   a) The Project Manager or Administrative Specialist will file liens on projects. Lien amounts will be determined by the amount of Funds invested in a property.
   b) Liens will be secured by Promissory Note and Deed of Trust as developed from time to time by the Administrative Specialist or Project Manager.
   c) Recorded documents will be returned to the Town and copies of said documents will be given to the Applicant.

2) The terms of the lien are as follows:

   a) If the Applicant moves and does not use the property as his/her principal residence (this includes renting the property to any other person), the Project Manager may arrange for the prorated repayment amount as set forth below to be due and payable by the Applicant within 30 days of notice. This determination shall be at the discretion of the Project Manager based on potential hardships on a case-by-case basis.

   b) If title to the property changes, the Project Manager may arrange for a pro-rata share of the repayment amount to be paid back for return to the Department. This determination shall be at the discretion of Project Manager based on potential hardship on a case-by-case basis.

   c) If the homeowner is not in compliance with any other stipulation as set forth in the Deed of Trust and/or Promissory Note, the Project Manager may arrange for the prorated repayment amount as set forth below to be due and payable by the Applicant within 30 days of notice. This determination shall be at the discretion of the Project Manager based on potential hardships on a case-by-case basis.

d) When the Amount of Funds Invested is between $1,000.00 and $14,999.99, the lien will be pro-rated over 5 years, as follows:

Through Year 1	- Loan payback	20%	Balance	80%
Through Year 2	- Loan payback	40%	Balance	60%
Through Year 3	- Loan payback	60%	Balance	40%
Through Year 4	- Loan payback	80%	Balance	20%
Through Year 5	- Loan payback	100%	Balance	0%

e) When the Amount of Funds Invested is between $15,000.0 to $25,000.00 in repair and/or rehabilitation expenses or in the event that a mobile/modular unit is replaced, the lien will be pro-rated over 10 years, as follows:

Through Year 1	- Loan payback	10%	Balance 90%
Through Year 2	- Loan payback	20%	Balance 80%
Through Year 3	- Loan payback	30%	Balance 70%
Through Year 4	- Loan payback	40%	Balance 60%
Through Year 5	- Loan payback	50%	Balance 50%
Through Year 6	- Loan payback	60%	Balance 40%
Through Year 7	- Loan payback	70%	Balance 30%
Through Year 8	- Loan payback	80%	Balance 20%
Through Year 9	- Loan payback	90%	Balance 10%
Through Year 10	- Loan payback	100%	Balance 0%

f) When the When the amount of Funds invested is $40,000 to $55,000 in repair and/or rehabilitation expenses, or in the event that a mobile/modular unit is replaced, the lien will be pro-rated over 15 years, as follows:

Through Year 1	- Loan payback	6.75%	Balance 93.25%
Through Year 2	- Loan payback	13.5%	Balance 86.5%
Through Year 3	- Loan payback	20.25%	Balance 79.75%
Through Year 4	- Loan payback	27%	Balance 73%
Through Year 5	- Loan payback	33.75%	Balance 66.25%
Through Year 6	- Loan payback	40.5%	Balance 59.5%
Through Year 7	- Loan payback	47.25%	Balance 52.75%
Through Year 8	- Loan payback	54%	Balance 46%
Through Year 9	- Loan payback	60.75%	Balance 39.25%
Through Year 10	- Loan payback	67.5%	Balance 32.5%
Through Year 11	- Loan payback	74.25%	Balance 25.75%
Through Year 12	- Loan payback	81 %	Balance 19%
Through Year 13	- Loan payback	87.75%	Balance 12.25%
Through Year 14	- Loan payback	94.5%	Balance 5.5%

Through Year 15	- Loan payback	100%	Balance 0%

C. Refinancing of Existing Debt or Home Equity Loans

Refinancing of existing debt or home equity loans after completion of rehabilitation work (and prior to the expiration of the lien period) may only result in subordination of this lien if the following conditions are met:

1) The Applicant does not receive cash as a result of the refinancing or home equity loan;
2) The resulting mortgage payment is not greater than the current monthly mortgage payment; and
3) The term of the existing debt does not change.

D. Loan Servicing/Lien Release Procedures

1) Completed lien documents will be maintained in Applicant files in the Development Services Department
2) When a lien becomes due and payable as set forth in the contract and in accordance with the repayment schedule in Section 4 B 2 (d) of these guidelines, the balance must amount must be returned to the Department of Housing.
3) Once the lien period has expired, the Applicant may request in writing that the Project Manager issue a lien release for the property. In the event of such a request, the Project Manager will record the necessary release within sixty (60) days.

E. Project Income

1) Any Funds that are recaptured from Applicants who were required to repay payments are must be returned to the Arizona Department of Housing.
2) Funding recaptures will issue a check to the Arizona Department of Housing. Upon receipt, the Project Manager will record a lien release and forward the funds to the Arizona Department of Housing.

F. Accounting Procedures

All accounting reports are available for monitoring/auditing purposes through the Town's Finance Department and the Development Services Department. All grant funds are included in the Town's annual audit. Audits are submitted annually to the funding source.

5. AFFIRMATIVE MARKETING

a) The Project Manager will be responsible for affirmative marketing of this program. The marketing plan shall include (but not necessarily be limited to) the following:

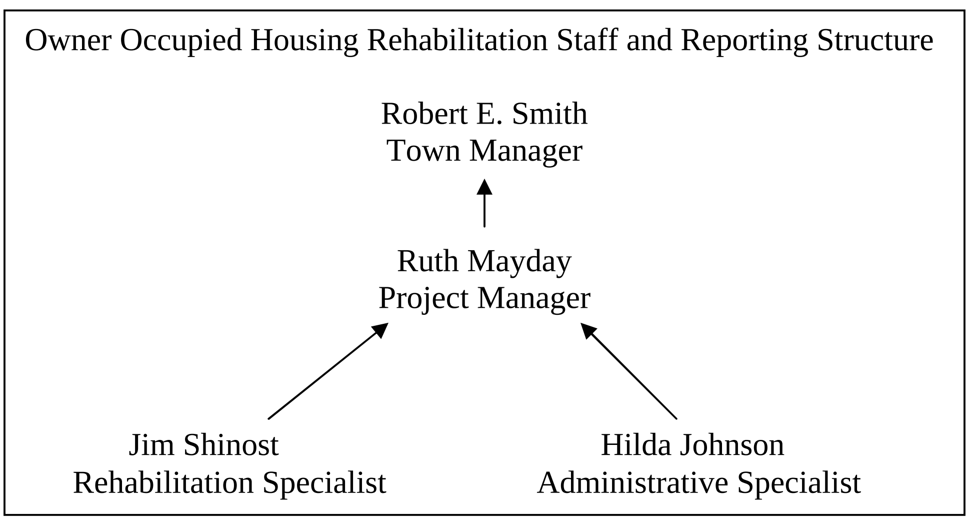
i) Press releases
ii) Notices posted in target neighborhoods
iii) Announcements at Neighborhood Block Watch meetings
iv) Other appropriate marketing methods

b) In order to adequately inform the residents of The Town of Chino Valley about the Owner Occupied Housing program, mailers will be included with each water bill that is mailed to households in the Town at least one (1) time per year.
c) Informational posters will also be placed at the Civic Center, Library, and distributed to agencies that are regularly in contact with needy households (e.g., West Yavapai Guidance Center, Chino Valley Food Bank, Chino Valley Senior Center), and flyers with contact information will be made available as well.
d) All marketing information will be in both English and Spanish.

6. ADMINISTRATION

A. Coordination

Program coordination and day to day project administration will be overseen by the Town. The Town of Chino Valley Project will perform applicant qualification and education.



B. Exceptions to the Maximum Grant Amounts

Exceptions to the payment ranges set forth above will be considered on a case-basis and must be deemed:

1) Unforeseeable at the time of the mandatory pre-bid walk-through and
2) Constitute a life/safety hazard, which in the opinion of the Building Official, cannot be abated by any other means, and failure to repair would jeopardize the health and safety of the homeowner and the homeowner's family.
3) The Project Manager must approve the exception to the Maximum Grant Amount and approval from the Arizona Department of Housing must be granted prior to the commencement of work.

C. Disability Accessibility

1) The Project Manager will arrange for interviews to be performed in Applicants' residences, if necessary.
2) A TDD number for arranging interviews will be included in all advertisements. Hearing-impaired Applicants have the option of communication through a signing person or by writing.

D. Non-English Speaking Persons

The Project Manager will arrange for the services of an interpreter to assist Applicants who speak a language other than English. In making that determination, the Project Manager will be guided by whether Applicants appear to have a full understanding of the program.

E. Affirmatively Furthering Fair Housing

The Town does not discriminate on the basis of race, color, religion, sex, national origin, familial status, or disability. The Town shall notify the public by displaying Fair Housing posters and using the Fair Housing logo in printed materials for the program.

F. Temporary Relocation Plan

Upon occasion, owners may be temporarily displaced while construction is occurring. The Project Manager will plan and coordinate each project so that the displacement is no longer than necessary. Provisions will be included in the Contractor's construction contract to encourage timely completion and to require compensation if deadlines are not met.

1) Applicants will be notified that Temporary Relocation Assistance is available and the maximum amounts of such assistance.
2) Applicants will also be notified that relocation assistance will reduce the amount of rehabilitation work that can be performed on their property.
3) Applicants may secure other temporary lodging that doesn't require full assistance.
4) Any motel arrangements will be the responsibility of Applicants, in which case Applicants must submit a copy of the signed agreement to the Project Manager who

will pay the motel directly for either the weeks lodging cost or the maximum lodging amount (whichever is less).

5) Applicants are responsible for any additional costs (i.e. catering, dry cleaning, etc.). If the dislocation is less than one (1) week, only the actual relocation days will be covered. If a stay is for a portion of a day, per diem will be calculated as follows:

- Breakfast midnight until 11:00 a.m. $ 7.00;
- Lunch 11:00 a.m. to 3:00 p.m. $10.00; and
- Dinner 3:00 p.m. to midnight $15.00 .

6) Maximum Amounts
- Lodging $ 75/night/two beds; and
- Per Diem $26/day/person.

7) Applicants will not be entitled to reimbursement for any additional travel costs. For this purpose, "persons" are a permanent member of the household. The Project Manager shall make the final determination of the number and identify permanent household members.

8) Pets: Applicants must obtain at least two (2) quotes of per-day costs from local pet boarding facilities. Applicants may choose where pets will be placed; however, payment will only be in the amount of the lowest rate. Applicants will be responsible for any difference in cost.

9) The Project Manager may negotiate any lower amount that appears reasonable for relocation.

10) Applicants are responsible for packing and moving their personal goods. Variations from this requirement may be approved by Project Manager in order to ensure reasonable accommodation and equal program access.

8. CONFLICT OF INTEREST

No employee, agent, consultant, officer, elected officer or appointed official of the Town (including those who held such a position within 1 year) involved in any way with or having access to information related to the program may be an Applicant under the program or in any way receive a pecuniary benefit under the program.

9. APPENDIX : The following documents are included by reference as part of the Housing Rehabilitation Guidelines:

A) Technical Guide for Determining Income and Allowances for the HOME program
B) ADOH Rehabilitation Guidelines
C) HUD Rehabilitation Guidelines
D) ADOH Weatherization Guidelines
E) Construction Contract, Deed of Trust, and Promissory Note

ADOH Guidance on New Weatherization Standards for OOHR Housing Rehabilitation

Date Issued: October 11, 2012
Updated November 18, 2013

1110 W. Washington, Suite 310 | Phoenix, AZ 85007
Telephone (602) 771-1000 | Facsimile (602) 771-1002 | TTY (602) 771-1001

EQUAL HOUSING OPPORTUNITY

Arizona Department of Housing

ADOH Guidance on New Weatherization Standards for OOHR Housing Rehabilitation

Updated November 18, 2013

Compliance with the new ADOH Weatherization Standards will require coordination between a BPI Certified Building Analyst or Energy Auditor (BPI Certified Professional) and the Rehabilitation Specialist. The Weatherization Professional will conduct both a pre-construction energy audit and a post construction compliance inspection on those weatherization standards items included in the rehabilitation scope of work. The energy audit utilizes pressure diagnostics, infrared cameras and other equipment to identify air leaks, duct leaks, insulation deficiencies, inefficient appliances, venting problems and other energy issues. Deficiencies identified in the energy audit, related to the specifications listed below, should be included in the rehabilitation Scope-of- Work and corrected during the rehabilitation whenever possible. Items identified in the energy audit not related to the specifications listed below may be corrected at the discretion of the Rehabilitation Specialist. Work must be done in accordance with the *ADOH Owner Occupied Housing Rehabilitation Weatherization Standards.* In most cases it would be preferable to have the BPI Certified Professional conduct the more complex weatherization work, such as air sealing the attic, though it can be done by any contractor knowledgeable of weatherization practices.

It is not necessary that all energy related subcontractors (HVAC, Insulation, etc) have BPI Certification but all trades must adhere to the *ADOH Owner Occupied Housing Rehabilitation Weatherization Standards*, as determined through a post construction final inspection conducted by the BPI Certified Professional. The Rehabilitation Specialist must inform all subcontractors of the *ADOH Owner Occupied Housing Rehabilitation Weatherization Standards* in advance so that proper installation can occur. A list of Weatherization Professionals is provided at the following websites:

http://www.azhomeperformance.com/index.html
http://www.bpi.org/tools_locator.aspx?associateTypeID=CTR&accreditedSearch=N

Weatherization work is a matter of doing a few things well and understanding the house as a system. Weatherization concentrates on the following items.

1. Getting the home air tight (air sealing)
2. Insulating the home right (focus on insulation performance not just R-value
3. Dealing with sunlight (shade screens and reflective coatings)
4. Correctly installing efficient equipment (duct sealing, pressure balanced, air flow, sizing and charge)
5. Base loads (refrigerators, CFL)

The traditional Department of Energy (DOE) funded Weatherization programs limit the scope of work to less costly items that meet strict DOE Savings-to-Investment Ratios (SIRs). The Scope-of-Work for owner occupied housing rehabilitation (OOHR) is not bound by the same DOE requirements and includes much more than weatherization work. However, SHF recipients that wish to use DOE funding for the weatherization component of their OOHR projects must comply with DOE rules for the weatherization portion of the OOHR.

A home previously weatherized through another program such as the weatherization program funded the U.S. Department of Energy (DOE) is not exempt from ADOH Owner Occupied Housing Rehabilitation Weatherization Standards.

The result of previous weatherization work should be a sealed house and attic, sealed duct work, a functional balanced HVAC system and adequate insulation (both size and installation). New rehabilitation work will typically include items such as new HVAC, re-wiring, re-plumbing and new windows. This new work will disturb insulation, create new attic penetrations and generally undo much of the previous weatherization work. This will change the conditions upon which the previous post construction compliance inspection was based, rendering it invalid. New rehabilitation work will require, at a minimum, a new post-construction compliance inspection.

Rehabilitation Scope of Work Priorities and Mandates

To facilitate inclusion of weatherization standards into rehabilitation, ADOH has set a priority ranking for rehabilitation activities. The activities or rehabilitation items to be address thru OOHR projects are prioritized in order as follows:

1. Code Violations
2. Issues of Health and Safety
3. Weatherization Standards/ Energy Efficiency
4. Improvements of a Cosmetic Nature

Likewise, the weatherization specifications listed below have been prioritized. Budget and ADOH maximum investment per unit considerations may not allow for following the order of priority, however rehabilitation specialists should attempt to address the highest priority weatherization standards whenever possible. In all cases, rehabilitation specialists should consult the BPI Certified Professional when finalizing the scope of work prior to bid to ensure that weatherization standard items included in the scope will not adversely affect the energy performance in the home.

Finally, ADOH has established a list of weatherization standards which are mandated if included in the scope of rehabilitation. The mandates are established as an "if" you repair/replace item A "then you must" meet the specified standard for item A. For example *if* you replace windows, *then you must* meet the minimum requirements for IECC 2009 codes per the climate zone the home is located in. Mandated standards follow the weatherization standards priorities.

Owner Occupied Rehabilitation Weatherization Specification Priorities

The specifications below constitute the ADOH Owner Occupied Housing Rehabilitation Weatherization Standards listed in order of priority.

1. **Duct Leakage/ HVAC Static Pressure**
   a. All accessible joints, seams and connections in the duct system must be sealed using UL 181 approved duct mastic.
   b. All Boot-Sheetrock gaps must be sealed.
   c. All supply or return ducts on the roof that are exposed to direct sunlight must be painted with white elastomeric paint after they are sealed.
   d. Static Pressure tests should be taken after all work is complete and the pressures must not exceed manufacturer's specifications
   e. A/C systems should all be verified to have proper charge and airflow by a licensed AC technician.

2. **Air / Thermal Barrier (properly installed insulation) and Room Pressure Balancing**
    a. The Thermal Barrier must be installed in complete contact with an effective **air barrier**, and to IECC 2009 installation standards and levels specific to the climate zone the home is in as defined by IECC Climate map. http://energycode.pnl.gov/EnergyCodeReqs/?state=Arizona.
    b. No room in the home shall exceed +/- 3Pa of pressure. In the case where passive return or a live return system must be installed to correct these issues, the goal should be to accomplish as close to a 0.0Pa of pressure as possible.

3. **Lighting**
    a. Light bulbs that are typically used for a minimum of 2 hours per day or more (limit 10) must be replaced with Energy Star Rated CFL or LED light bulbs with equivalent or better Lumen output.

4. **Other**
    Other standards included below are not listed in priority order and can be addressed as budget or ADOH maximum investment per unit allows:
    a. **HVAC**
        1) A Manual J must be completed and followed reflecting any of these listed measures that will be done to that home and the report submitted to the rehab specialist for any new Air Conditioning replacement.

    b. **Duct Replacement**
        1) In the case of a comprehensive duct System replacement in conjunction with an AC replacement, a Manual D report must be followed and a copy of that report given to the Rehab Specialist.

Owner Occupied Housing Rehabilitation Mandated Standards

As previously stated the following standards are mandated for the corresponding Scope of Work activities addressed through the rehabilitation. If you are replacing/repairing any of the following items then you must meet the corresponding standard for the item.

1. **Windows**
    a. Any replacement windows must meet the minimum requirements for IECC 2009 codes per the climate zone the home is located in.

2. **Roofing**
    a. Whenever a roof replacement is scoped that involves removing the existing decking, the new decking must have a factory installed radiant barrier surface. (Climate zones 2,3,4).
    b. When replacing shingles, special consideration should be given to 'high reflectivity and high emissivity shingles' in Climate zone 2.
    c. All powered attic ventilation fans must be removed (including solar powered).

3. **Appliances**
   a. All appliances should be replaced with Energy Star approved appliances.

4. **Hot Water System**
   a. When replacing an electric water heater in a garage with a home occupancy of no less than 4 people, a Hybrid Heat Pump water heater must be used. (Climate Zone 2 only)
   b. Low flow faucet aerators and shower heads (1.5GPM shower head) must be installed in all faucets and showers.

CAZ Tests

If the home is occupied during the rehab process a CAZ test must be completed pre-construction and post construction. Post construction results shall not exceed BPI maximum CAZ depressurization limits.

Weatherization Standards Process

ADOH recommends that rehabilitation specialists follow the step by step process outlined below or a similar process to ensure compliance with ADOH Weatherization Standards.

1. Energy Audit
   A whole home energy audit should be conducted prior to development of the scope of work and must be performed by a BPI Certified Building Analyst or Energy Auditor (BPI Certified Professional). Rehabilitation Specialists can request that the BPI Certified Professional include a priority ranking of energy items to be addressed in their report. This is not mandatory but can be useful when determining which weatherization standards can or should be addressed in the rehabilitation.

2. Scope of Work
   Rehabilitation Specialist develops scope of work following the priorities established by ADOH:
   a. Code Violations
   b. Issues of Health and Safety
   c. Weatherization Standards/Energy Efficiency
   d. Improvements Cosmetic in Nature

   Rehabilitation Specialist, considering budget and ADOH maximum investment per unit, should include as many weatherization standards in the scope as possible and consider addressing those items in order of priority.

3. Consultation with BPI Certified Professional
   Before finalizing the scope of work for bidding purposes, the Rehabilitation Specialist should consult with the BPI Certified Professional by allowing their review of the scope of work. This will ensure that weatherization standards selected to be covered in the rehabilitation scope of work do not adversely affect the energy efficiency and performance of the home. A helpful tool to identify and write up specifications for scope of work in the bid package can be found at: https://sws.nrel.gov/. This web based tool allows for a search of energy related items specific to climate zone.

4. Bid Process
   After scope of work is finalized, rehabilitation specialists can go out to bid for construction. When reviewing submitted bids, be sure they verify that bidders have included the required weatherization specifications in their quote.

5. Construction
   During construction, Rehabilitation Specialists should include the BPI Certified Professional in interim inspections where compliance with weatherization specifications will be reviewed.

6. Post Construction Compliance Inspection
   At completion of the construction the BPI Certified Professional must inspect all scope of work items that were required to meet ADOH weatherization standards. These items must all pass inspection before the housing unit rehabilitation will be considered to be in compliance. Failing items should be addressed by the contractor or subcontractor responsible for proper installation. The BPI Certified Professional will reference the NREL Standardizes Work Specifications found at: https://sws.nrel.gov/ when determining Pass/Fail of installed weatherization measures.

Monitoring of Compliance with Weatherization Standards

ADOH staff will monitor for compliance with weatherization standards by reviewing the scope of work for all energy related work done on the housing unit and matching those with the post construction compliance inspections done by the BPI Certified Professional. All BPI post construction inspections must have an outcome of “Pass.”

WHEN RECORDED, PLACE IN:

TOWN OF CHINO VALLEY FOLDER
YAVAPAI COUNTY RECORDERS OFFICE

Deed of Trust

TRUSTOR: **Home Owner, a single woman**

TRUSTOR'S MAILING ADDRESS:	**0000 N. Road 1 East** **Chino Valley, AZ 86323**
BENEFICIARY:	**The Town of Chino Valley**
BENEFICIARY'S ADDRESS:	**1982 N. Voss Drive** **Chino Valley, AZ 86323**
TRUSTEE:	**Town of Chino Valley** **1982 N. Voss Drive** **Chino Valley, AZ 86314**

PROPERTY in Yavapai County, State of Arizona, described as**:**

Lot 0000, CHINO VALLEY UNIT ONE, according to the plat of record in the office of the Yavapai County Recorder in Book 1 of Maps, Page 2.

THIS Deed of Trust is made between the Trustor, Trustee and Beneficiary named above. Trustor irrevocably grants and conveys to Trustee in trust, with power of sale, the above described real property and all buildings, improvements and fixtures located thereon or hereinafter erected thereon, together with the leases, rents, issues, profits, or income thereof, (all of which are hereinafter called "property income"); SUBJECT, HOWEVER, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such property income; AND SUBJECT TO covenants, conditions, restrictions, rights-of-way, and easements of record.

THIS DEED OF TRUST IS MADE FOR THE PURPOSE OF SECURING:

(A) Performance of each agreement of Trustor herein contained; (B) Payment of the indebtedness evidenced by Promissory Note(s) of even date herewith, and any extension or renewal thereof, in the principal sum of $***AMOUNT.00***. executed by Trustor in favor of

Beneficiary or order; (C) Payment of additional sums and interest thereon which may hereafter be loaned to Trustor, or his successors or assigns, when evidenced by a Promissory Note(s) reciting that they are secured by this Deed of Trust.

TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR AGREES:

1. To keep said property in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged, or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefore; to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereof; not to commit, suffer or permit any act upon said property in violation of law; and do all other acts which from the character or use of said property may be reasonably necessary.

2. To provide, maintain, and deliver to Beneficiary **fire insurance** policies satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or Beneficiary may apply other insurance policy upon any indebtedness secured hereby and in such order as Beneficiary may determine, or at the option of Beneficiary, the entire amount so collected or any part thereof may be released to Trustor. Such application or release shall not cure or waive any default or notice of Trustee's sale hereunder or invalidate any act done pursuant to such notice.

3. To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee and to pay all costs and expenses of Beneficiary and Trustee, including cost of evidence of title and attorneys' fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear or be named and in any suit brought by Beneficiary to foreclose this Deed of Trust.

4. To pay: before delinquent, all taxes and assessments affecting said property; when due, all encumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto; all costs, fees and expenses of this Trust, including, without limiting the generality of the foregoing, the fees of Trustee for issuance of any Deed of Partial Release and Partial Reconveyance or Deed of Release and Full Reconveyance and all lawful charges, costs and expenses in the event of reinstatement of, following default in, this Deed of Trust or the obligations secured, hereby.

   Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, without obligation to do so and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may: make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel, and pay counsel's reasonable fees.

5. To pay immediately and without demand all sums expended by Beneficiary or Trustee pursuant to the provisions hereof, together with interest from the date of expenditure at the highest rate as is provided for in the note secured by this Deed of Trust. Any amounts so paid by Beneficiary or Trustee shall become part of the debt secured by this Deed of Trust and a lien on said premises or shall become immediately due and payable at option of Beneficiary or Trustee.

IT IS MUTUALLY AGREED:

6. That any award of damages in connection with any condemnation, or any such taking, or for injury to the property by reason of public use or for damages for private trespass or injury thereto, is assigned and shall be paid to Beneficiary as further security for all obligations secured hereby (reserving unto the Trustor, however, the right to sue therefore and for the ownership thereof subject to this Deed of Trust), and upon receipt of such moneys, Beneficiary may hold the same as such further security or apply or release the same in the same manner and with the same effect as above-provided for disposition of proceeds of fire or other insurance.

7. That time is of the essence of this Deed of Trust, and that by accepting payment of any sum secured hereby after its due date, Beneficiary does not waive his/her right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.

8. That at any time or from time to time, and without notice, upon written request of Beneficiary and presentation of this Deed of Trust and said note(s) for endorsement, without liability therefor, without affecting the personal liability of any person for payment of the indebtedness secured hereby, without affecting the security hereof for the full amount secured hereby on all property remaining subject hereto and without the necessity that any sum representing the value or any portion thereof of the property affected by the Trustee's action be credited on the indebtedness, the Trustee may: (a) release and reconvey all or any part of said property; (b) consent to the making and recording, or either, of any map or plat of the property or any part thereof; (c) join in granting any easement thereon; and (d) join in or consent to any extension agreement of any agreement subordinating the lien, encumbrance, or charge hereof.

9. That upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed of Trust and said note(s) to Trustee for cancellation, and upon payment of its fees, Trustee shall release and reconvey, without covenant or warranty, express or implied, the property then held hereunder. The recitals in such conveyance of any matters or facts shall be conclusive proof of the truthfulness

thereof. The grantee in such conveyance may be described as "the person or persons legally entitled thereto."

10. That as additional security, Trustor hereby gives to and confers upon Beneficiary the right, power, and authority, during the continuance of this Trust, to collect the property income, reserving to Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such property income as it becomes due and payable. Upon any such default, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, sue for or otherwise collect such property income in his/her own name, including that past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such property income, ad the application thereof as aforesaid, shall not cure or waive any default or notice of Trustee's sale hereunder or invalidate any act done pursuant to such notice.

11. That upon default by Trustor in the payment of any indebtedness secured hereby or in performance of any agreement hereunder, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written notice thereof, setting forth the nature thereof, and of election to cause to be sold said property under this Deed of Trust. Beneficiary also shall deposit with Trustee this Deed of Trust, said note(s) and all documents evidencing expenditures secured hereby.

    Trustee shall record and give notice of Trustee's sale and shall sell the property at public auction, all in the manner required by law. Any person, including Trustor, Trustee, or Beneficiary, may purchase at such sale. Trustee shall deliver to such purchaser its Deed conveying the property so sold, but without any covenant or warranty, express or implied. Trustor requests that a copy of any notice of Trustee's sale hereunder be mailed to Trustor at his/her address here intofore set forth.

    After deducting all costs, fees, and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale and reasonable attorney's fees. Trustee shall apply the proceeds of sale in the manner provided by law. To the extent permitted by law, an action may be maintained by Beneficiary to recover a deficiency judgement for any balance due hereunder.

    In lieu of sale, pursuant to the power of sale conferred hereby, this Deed of Trust may be foreclosed in the same manner provided by law for the foreclosure of Mortgages on real property. Beneficiary shall also have all other rights and remedies available to it hereunder and at law or in equity. All rights and remedies shall be cumulative.

12. That Trustee may resign by mailing or delivering notice thereof to Beneficiary and Trustor. Beneficiary may appoint a successor Trustee in the manner prescribed by law. A successor Trustee herein shall, without conveyance from the predecessor Trustee,

succeed to all the predecessor's title, estate, rights, powers and duties.

13. The term Beneficiary shall mean the owner and holder of the note(s) secured hereby, whether or not named as Beneficiary herein. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and neuter, and the singular number includes the plural.

14. That Trustee accepts this Trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of a pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary, or Trustee shall be a party unless brought by Trustee.

15. That the trust relationship created by this Deed of Trust is limited solely to the creation and enforcement of a security interest in real property. All of Trustee's duties, whether fiduciary or otherwise, are strictly limited to those duties imposed by this instrument and A.R.S. §33-801 *et.seq.*, inclusive, and no additional duties, burdens, or responsibilities are or shall be placed on Trustee.

16. That this Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors, and assigns.

In the following Sections 17 through 27 the term "Home" is used to refer to the Property which is the subject of this Deed of Trust and the terms "I", "we", "us" and "our" is at times used to refer to the Trustor.

17. Right of Beneficiary to recover all or part of financial assistance provided to Trustor.

We are the Trustor on the Deed of Trust. We understand that our home will be **rehabilitated w**ith funds provided by the Beneficiary and that those funds are subject to repayment as defined in the Promissory Note(s) dated the same as this Deed of Trust. We understand that so long as this Deed of Trust is in effect, we are obligated to pay all or part of the financial help we have been given by the Beneficiary. We understand that the purpose of the Deed of Trust is to ensure that the financial help given to us by Beneficiary to **rehabilitate** our home is not unfairly used by us to make money if we were to sell, rent, lease or make use of the home, other than as our principal place of residence.

We understand that, if we sell our home while this Deed of Trust is in effect, the Beneficiary will be paid all or part of the outstanding amount owing on the Promissory Note(s). We also understand that if the home ceases to be our principal place of residence during the time that this Deed of Trust is in effect we will have to pay to Beneficiary all or part of the outstanding amount owing on the Promissory Note(s).

A. Sale or refinance while Deed of Trust is in effect.

In the event that we shall sell, convey or alienate our home or any part thereof the amount owing on the Promissory Note(s) will become immediately due and payable. The terms of this Deed of Trust may remain in effect in the event of refinance if the Beneficiary notifies the Trustor of the intent to refinance, prior to refining, and the Beneficiary determines that refining is not used to take cash out or to gain unfairly, from the **rehabilitation** assistance, otherwise refinancing will invoke immediate repayment of the amount of the Promissory Note(s) outstanding.

B. Cessation of use as principal place of residence.

In the event that we shall, during the term of this Deed of Trust, cease using the home as our principal place of residence, without the prior written consent of Beneficiary, then we shall be deemed in default and the amount payable to Beneficiary in foreclosure (judicially, by power of sale or otherwise) shall be the full amount owed to Beneficiary under the note at such time.

In the event that: I/we shall, during any calendar year, physically and personally not live and not sleep each night in the home for at least 270 days and nights during any such year; or Trustor shall lease or rent the home to any person or entity (other than to our natural or legally adopted parents or children); then Trustor shall be regarded as being in default of this Deed of Trust. Should there be any disagreement between us and Beneficiary regarding the occurrence of any of the events set forth in the paragraph, Beneficiary shall decide, in its sole and exclusive judgment, if such an event of default has occurred, and its decision shall be binding so long as such decision is not arbitrary and capricious. If requested by Beneficiary, we shall provide written evidence in the form defined by Beneficiary establishing the number of days or other facts demonstrating the occupancy of the home as explained above.

C. Death of Trustor and subsequent transfer of ownership through probate or Trustor's Will and Testament.

In the event the Trustor dies during the term of this Deed of Trust, the Heir to the property, as determined through Probate or Trustor's Will and Testament, may petition the City to continue the financial assistance that was provided the Trustor. The Town will continue the financial assistance to the Heir that was provided the Trustor provided the Heir qualifies according to the same guidelines as those originally applied to the Trustor. Such determination of eligibility will be made by the Beneficiary at such time a petition for continued assistance is made, through a process defined by the Beneficiary.

18. Timely payment of all obligations.

Trustor shall pay when due all charges for water, water delivery, gas, electric power and light, sewer, waste removal, mechanics liens, repairs and maintenance, and any and all other amounts that may become payable with respect to the property.

19. Flood insurance.

Flood insurance, if available, may be required at any time by Beneficiary.

20. Cumulative rights.

Beneficiary's rights under this Deed of Trust and the note hereby secured are cumulative and not exclusive. Beneficiary may concurrently commence and pursue a Trustee's sale proceeding and a suit for foreclosure as a Mortgage on real estate.

21. Relationship to note.

A default under this Deed of Trust shall be a default under the promissory note secured hereby and a default under said note shall constitute a default under this Deed of Trust. If there are any inconsistencies between the note and this Deed of Trust, then the provisions contained in the addendum shall control and shall supersede the inconsistent provision contained in the Deed of Trust and note. However, they shall, to the extent possible, be construed so as to be consistent. To the extent, if any, that the addendum is inconsistent with the printed form Deed of Trust, this addendum shall control and shall supersede the inconsistent provision in the printed form of the Deed of Trust.

22. Other liens.

A default under any other lien, Mortgage or Deed of Trust against the property, whether senior to or junior to this Deed of Trust shall be deemed to be a default hereunder.

23. Limitation on transfer, etc.

Trustor acknowledges that Beneficiary is relying on Trustor in creating the indebtedness represented by the note, and has done so under a special program to assist certain qualified persons in repairing their homes, and that any transfer of the home in violation of the terms of such program could frustrate the purpose of the sale, and therefore Trustor agrees that so long as the there is debt owing on the Promissory Note(s), it will not sell, transfer, encumber, assign, convey, lease or in any other manner dispose of any interest in the property or any part thereof, or turn over the management or operation of the property to any person, firm or corporation without first obtaining the written consent of Beneficiary. Such consent shall not be unreasonably withheld, but must be consistent with terms of the government program under which the property was purchased. Options, warrants, calls, puts and similar arrangements shall be deemed to be sales under this Deed of Trust. Beneficiary, at the time of any sale, transfer, encumbrance, assignment, conveyance, lease or other disposition, may charge a reasonable processing fee. In connection with a proposed transaction, Trustor agrees to furnish Beneficiary with financial statements and other information relating to the proposed transfer, as Beneficiary may request.

Trustor shall also provide such assurances as Beneficiary may request that Trustor will continue to be liable to Beneficiary for the indebtedness secured hereby, not withstanding any such transfer. Trustor further agrees that, without the written consent of Beneficiary, no lien or encumbrance on the property or, any personal property used in connection with or on the property, security interest under the uniform commercial code, as now enacted or hereinafter amended, will be created or suffered to be created, and no lease will be entered into with respect to any goods, fixtures, equipment, appliances or articles of personal property now attached to or used or hereafter to be attached to or used in connection with the property. In the event of a breach of this section, Beneficiary may, at its option, declare all sums secured by this Deed of Trust and the note to be immediately due and payable, and may avail itself of any and all remedies provided in this Deed of Trust, at law or in equity, in the event of default. As a condition to consenting to any such transfer, Beneficiary may, if it so elects, require the Trustor and any transferee or any other persons or entities related to the transferee to sign such documents and instruments as Beneficiary shall reasonably require.

24. No encumbrance.

Trustor will not further Mortgage or encumber the property in any way, without prior written consent of Beneficiary.

25. Additional maintenance.

In addition to all other obligation to maintain, preserve and care for the property set forth in the Deed of Trust or imposed by law or equity, Trustor shall maintain the property in a clean and reasonable net condition and shall: 1) remove all debris, salvage, junk cars and trash on, in or around the property; 2) maintain and keep in good state of repair all structures and landscaping on the property; and 3) construct any additions to the property in accord with the requirements of law and obtain prior to any construction any and all licenses, permits, or authorizations required by law. Any violation of this section shall be deemed a default of the note and Deed of Trust.

26. Counsel.

We have been told that this agreement limits or ability to sell the home as we wish and therefore is very important. If we should try to sell the home we could be in breach of this contract. We have been told we should discuss this with our lawyer, tax and other independent advisors. Either we have done so or we understand this agreement and have decided not to talk to our advisors.

27. Subordination of Lien Position.

1) Loan Subordination will only be allowed when the refinancing results in a fixed rate, lower monthly payment; and

2) Loan Subordination will not allow under any circumstances for a cash-out refinancing.

28. Notices

All notices required under this Deed of Trust shall be given to the party entitled to the notice by personal delivery or by certified mail, return receipt requested, addressed to the address of the receiving party set forth in the Deed of Trust (or any new address of which the party giving notice has been notified as set forth in this section 30). Any such notice shall be deemed received on receipt if delivered, or on deposit in the mails if mailed certified mail. Nevertheless and notwithstanding this, notice of any bona fide offer, as required in section 18 above, shall not be deemed received by Beneficiary until actual physical receipt thereof.

Dated this ***date*** day of ***month***, 2014.

____
Trustor (s) Printed Name (homeowner)

____
Trustor (s) Signature

STATE OF ARIZONA)
) SS.
COUNTY OF YAVAPAI)

I, ______________________________, a Notary Public in and for said County and State, do hereby certify that ____, personally known or proved to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed and delivered the said instrument as his/her free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal, this _______ day of ____________________, 2014.

Notary Public______________________________________

My Commission Expires:

____

WHEN RECORDED, PLACE IN:

TOWN OF CHINOVALLEY FOLDER
YAVAPAI COUNTY RECORDERS OFFICE

PROMISSORY NOTE
(Deferred Payment Loan)

Date: ***DATE, 2014***

Property: 0000 ***Name*** Drive
Valley, AZ 86323

1. For value received, the undersigned, (Borrower), hereby promises to pay to the Town of Chino Valley the sum ***AMOUNT SPELLED OUT*** DOLLARS and 00/100 ($ ***AMOUNT IN NUMBERS***.00). This note is made on a FIVE/TEN (5/10)-year Deferred Payment with interest at zero percent (0%) per annum, TWENTY/TEN percent (20%/10%) of principal shall be credited against principal on the anniversary date hereof, for each year of owner/occupancy until such time as the full amount of principal has been credited.

2. This Note shall become due and payable upon the occurrence of a proposed sale, conveyance, transfer or placement of a mortgage or deed of trust, whether voluntary or involuntary or by operation of law. Town of Chino Valley shall have the right to declare the remaining indebtedness, as set forth above, on this note secured by a Deed of Trust naming the Town of Chino Valley as the Beneficiary.

3. Borrower shall notify the Town of Chino Valley upon the occurrence as stated in paragraph (2). Borrower shall mail via certified mail return receipt requested, or deliver notice of the proposed sale, conveyance, transfer, or placement of mortgage or deed of trust and a copy of related documents to the Town of Chino Valley at least twenty-one (21) calendar days before the proposed closing date at the following address:

Town of Chino Valley
Attn: Development Services Department
1982 Voss Drive
Chino Valley, AZ 86323.

4. Borrower may pay all or part of the amount due at any time without premium or penalty.

5. Should legal action be commenced to recover on this Note, Borrower shall pay all reasonable costs associated with said legal action, including attorney's fees.

6. Except as otherwise provided herein, maker and all sureties, endorsers and guarantors of this note waive: (i) demand, presentment for payment, notice of non-payment, protest, notice of protest and any other notice that might otherwise be required; (ii) the filing of suit and diligence in collecting this note; (iii) the release of any party primarily or secondarily liable hereon and any

such release shall not release maker or any other surety, endorser, or guarantor who is not expressly released.

7. Failure of the holder of this note to exercise any option hereunder shall not constitute a waiver of the right to exercise the same in the event of any subsequent default, or in the event of continuance of any existing default after demand for strict performance.

8. Nonrecourse Note. A Deed of Trust on the property even dated herewith secures this Note. Payment of this Note may be enforced solely out of the proceeds of the sale of the property.

9. Pursuant to A.R.S. Section 38-511, the Town of Chino Valley may cancel this agreement, without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the agreement on behalf of the Town is, at any time while the agreement or any extension of the agreement is in effect, an employee or agent of any other party to the agreement in any capacity or a consultant to any other party of the agreement with respect to the subject matter of the agreement. In the foregoing event, the Town of Chino Valley further elects to 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 of Chino Valley from any other party to the agreement arising as a result of this agreement

______________________________	______________________________
(Borrower(s) Printed Name	Date
______________________________	______________________________
(Borrower(s) Signature	Date
______________________________	______________________________
(Borrower(s) Printed Name	Date
______________________________	______________________________
(Borrower(s) Signature	Date

STATE OF ARIZONA)
) ss.
COUNTY OF YAVAPAI)

The foregoing instrument was acknowledged before me this _________ day of ______________, 2014, by ______________________________, in witness whereof, I herewith set my hand and official seal.

____
Notary Public

My Commission Expires:

____

Town of Chino Valley

HOUSING REHABILITATION PROGRAM

Homeowner and Contractor Contract

This contract is between CONTRACTOR NAME/ADDRESS/PHONE (referred to in this contract as the CONTRACTOR), warranting itself to be licensed and qualified to perform the work specified herein, and HOMEOWNER NAME/ADDRESS/PHONE (referred to in this contract as OWNER).

WHEREAS, the Town of Chino Valley (TOWN) is in receipt of a HOME / HTF grant from the Arizona Department of Housing and / or The Department of Housing and Urban Development to provide Housing Rehabilitation;

WHEREAS, the OWNER qualifies under the HOME / HTF program and the Town of Chino Valley program guidelines and is desirous of Housing Rehabilitation services;

NOW, THEREFORE;
IN CONSIDERATION OF THEIR MUTUAL PROMISES, THE PARTIES AGREE AS FOLLOWS:

PART I. Specific Terms

1. EFFECTIVE DATE. This Contract shall have no force or effect unless and until executed by the CONTRACTOR and OWNER.

A Notice to Proceed will be executed by TOWN. The date on which the Notice to Proceed is executed shall be referred to as the Effective Date. The CONTRACTOR shall not be compensated under this Contract for work commenced or materials delivered to the Property before the Effective Date. When a properly executed copy of the Notice to Proceed is executed, the CONTRACTOR is bound by this Contract.

2. THE CONTRACT. This Contract consists only of this Part I (Specific Terms), Part II (General Conditions), and the following exhibits:

A. Scope of Work / Specifications ____not applicable _XX___applicable

B. Notice to Proceed ____not applicable _XX___applicable

C. Architectural Drawings _XX_not applicable ____applicable

D. Contractor Bid Packet _XX_not applicable ____applicable

E. General Specification Handbook ____not applicable _XX___applicable

G. Other:____

3. TIME FOR COMMENCEMENT AND COMPLETION. The CONTRACTOR agrees to commence, or cause to be commenced, the actual work described in the Scope of Work within 30 consecutive calendar days after the Effective Date. The CONTRACTOR agrees to complete, free of liens or rights of liens of contractors, mechanics, materialmen or laborers, all work listed above within __90____ consecutive calendar days after the Effective Date of this Contract, subject to extensions approved by TOWN in writing for the period of any excusable delays (including strikes, acts of God or other reasons beyond the control of the OWNER or CONTRACTOR). The CONTRACTOR agrees that time is of the essence in this Contract.

4. CONTRACT PRICE. The CONTRACTOR agrees to accomplish work as described in the Contract Document for a total price of AMOUNT IN WORDS Dollars ($_AMOUNT IN NUMBERS__), excluding Change Orders.

Owner_________ Contractor_______ Witness_______

5. PAYMENTS. Upon project completion, and upon approval by TOWN of the completed work, the TOWN shall pay the CONTRACTOR the total payments of one hundred percent of the Contract amount, less such amounts as the TOWN shall determine for all incomplete work and unsettled claims. All final payments to the CONTRACTOR shall be made within thirty (30) days of the submission of a Request for Payment, provided said Request for Payment is approved by TOWN. TOWN shall not withhold payment to the CONTRACTOR except for non-compliance with the terms of this Contract, and neither the OWNER nor the TOWN shall request the CONTRACTOR to perform work outside the scope of this Contract as a condition of receiving payment.

Owner_________ Contractor_______ Witness_______

6. WARRANTY. The CONTRACTOR warrants that all improvements, hardware and fixtures of whatever kind or nature to be installed or constructed on the Property by the CONTRACTOR or the CONTRACTOR'S subcontractors will be of good quality, suitable for their purpose and free from defects in workmanship or materials, or other deficiencies. This is a full warranty extending to the OWNER and subsequent owners of the Property; provided, however, that the warranty set forth in this paragraph shall apply only to deficiencies and defects about which the OWNER or subsequent owner(s) shall have notified the

CONTRACTOR at the address stated above within two years as required by the Arizona State Registrar of Contractors.

Owner_________ Contractor_______ Witness_______

7. LIQUIDATED DAMAGES. If the CONTRACTOR fails to complete the work within the time specified in Paragraph 3 of this Contract, or within the time to which such completion may have been extended by TOWN in writing, the CONTRACTOR must pay to the OWNER the sum of Fifty dollars ($50) for each and every calendar day that the time consumed in completing the work exceeds the time allowed therefore; which said sum, in view of the difficulty of accurately ascertaining the loss which the OWNER will suffer by reason of delay in the completion of the work hereunder is hereby fixed and agreed as the liquidated damages that the OWNER will suffer by reason of such delay, and not as a penalty. After being notified and directed by the Owner to do so, the TOWN will deduct and retain out of the monies which may become due the contractor hereunder the amount of any such liquidated damages; and in case the amount which may become due hereunder shall be less than the amount of liquidated damages suffered by the OWNER, the CONTRACTOR shall be liable to pay the difference upon demand by the Owner.

Owner_________ Contractor_______ Witness_______

8. PARTIES TO CONTRACT. The CONTRACTOR and OWNER agree that they are the sole parties to this Contract and are solely responsible for its performance. The parties agree that the United States Department of Housing and Urban Development, the Arizona Department of Housing, and The Town of Chino Valley assume no liability or responsibility whatsoever for the performance of any term of this Contract.

You agree to seek, follow through and attempt to fully resolve all construction quality of workmanship disputes through the Registrar of Contractors process and apply and follow through with the contractor’s recovery fund for restitution before seeking arbitration.

Arbitration. I further agree, covenant and consent, that any and all controversies arising out of or in any way relating to the housing rehab program, shall be settled solely by arbitration in accordance with the applicable rules of the American Arbitration Association then in effect and any judgment upon the award rendered by the arbitrators may be entered in and be enforceable by any court of competent jurisdiction. It is also provided further that all parties to this agreement hereby covenant and agree that they and each of them, shall submit to and be bound by the decision of a three person arbitration panel appointed by the applicable national panel of arbitrators, in accordance with the American Arbitration Association rules for appointment of such panels. In accordance with the rules and provisions of the American Arbitration Association, all parties hereto specifically agree that all arbitration proceedings arising there under shall be held in Yavapai County, Arizona.

CONTRACTOR DATE

HOME OWNER(S) DATE

PART II. General Conditions

1. INSURANCE. During the continuance of the work under this Contract, the CONTRACTOR and all subcontractors shall:

A. Maintain workers' compensation and employer's liability insurance in amounts sufficient to protect themselves, the Town of Chino Valley, and the OWNER from any liability or damage for injury (including death) to any of their employees, including any liability policy shall include coverage for earthquake, landslide, workmanship, during the Contract time and until acceptance of work by Owner and the Town.

B. Maintain public liability insurance amounts sufficient to protect themselves, the OWNER, and the TOWN, against all risks of damage or injury (including death) to property or persons wherever located, resulting from any action or operation under this Contract or in connection with the work.

2. ASSIGNMENT. The CONTRACTOR agrees not to assign the Contract without written consent by the OWNER and the TOWN.

3. CHANGE ORDERS. The CONTRACTOR shall not make any changes in the Scope of Work or the Specifications without written authorization of the OWNER and TOWN.

4. PERMITS AND CODES. The CONTRACTOR agrees to secure all necessary permits required for the performance of this Contract in compliance with applicable local requirements, including local building and housing codes, where applicable, whether or not specified in the Scope of Work or Specifications. Prior to construction, required permit(s) shall be posted and available at the job site.

5. HOLD HARMLESS. The CONTRACTOR agrees to defend, indemnify, and hold OWNER and the TOWN harmless from any liability or claim for damages because of bodily injury, death, property damage, sickness, disease or loss and expense arising from the CONTRACTOR'S performance of this Contract. The CONTRACTOR further agrees to protect, defend, and indemnify OWNER and the TOWN from any claim by laborers, subcontractors or

materialmen for unpaid work or labor performed or materials supplied in connection with this Contract.

6. CONDITION OF PREMISES. The CONTRACTOR agrees to keep the premises broom clean and orderly and to remove all debris as needed during the course of the work, in order to maintain work conditions which do not cause health or safety hazards. The CONTRACTOR shall make every effort to ensure availability of at least one (1) bathroom and a kitchen sink for the use of the homeowner during the construction period.

7. LEAD-BASED PAINT. The CONTRACTOR agrees to use no lead-based paint in the CONTRACTOR'S performance of this Contract, including the performance of any subcontractor. "Lead-based paint" means any paint containing more than six one hundredths of one percent lead by weight (calculated as lead metal) in the total nonvolatile content of the paint or the equivalent measure of lead in the dried film of paint already applied.

8. TERMINATION. The CONTRACTOR agrees that the OWNER shall have the right to declare the CONTRACTOR in default if the CONTRACTOR fails to furnish materials or perform work in accordance with the provisions of this Contract. In such event the Owner shall be responsible for providing written notice to the CONTRACTOR by registered mail of such default. If the CONTRACTOR fails to remedy such default within seven (7) days of such notice, the OWNER shall have the right to select one or more substitute contractors from the list of bidders that participated in the bid process of the program. If the expense of finishing the work exceeds the balance not yet paid to the CONTRACTOR on this Contract, the CONTRACTOR shall pay the difference to the Town of ChinoValley.

9. INSPECTION. The TOWN and their designees shall have the right to inspect all the work performed under this Contract. By such inspection, the Town assumes no responsibility for defective material or work under this Contract or for any breach of this Contract by the CONTRACTOR.

10. EQUAL OPPORTUNITY. The CONTRACTOR agrees to abide by all Federal, State, City, or County regulations relative to Equal Opportunity to all persons, without discrimination as to race, color, creed, religious, national origin, sex, marital status, age, status as with regard to public assistance or disability as per Section 504 of the ADA..

During the performance of this Contract, the CONTRACTOR agrees as follows:

a. The CONTRACTOR will not discriminate against any employee or applicant for employment because of race, color, religious, sex, or national origin. The CONTRACTOR will take affirmative action to assure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religious, sex, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment ore recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship, and the provisions of Section 504 of the ADA.

b. The CONTRACTOR will, in all solicitations or advertisements for employees placed by or on behalf of the CONTRACTOR, state that all qualified applicants will receive consideration for employment without regard to their race, color, religious, sex, disability, or national origin.

11. GOOD FAITH EFFORT. The CONTRACTOR agrees to provide for the fair utilization of minority / women / disadvantaged owned business enterprises in the performance of work on this project and, where a contract is awarded, engage in a "good faith effort" to ensure that minority / women / disadvantaged-owned business enterprises have the maximum opportunity to participate in the performance of work under this Contract.

12. DISPUTES. Disputes because of, but not limited to, drawings, workmanship or the Contract documents will be resolved between the OWNER, TOWN, and CONTRACTOR and the Arizona State Registrar's Office or any other lawful remedies available to each party.

13. CONTRACTOR'S RECORDS. CONTRACTOR agrees to keep and maintain all records arising from or relating to this construction Contract, including, but not limited to, receipts from material suppliers and subcontracts, for a period of five years after the date of close out of the grant or resolution of all audit findings of that grant, whichever occurs last. CONTRACTOR further agrees to allow the Arizona Department of Housing, HUD, and / or the Office of the Inspector General or their designated representatives to have access to all such records for review, monitoring, and audit, during normal working hours.

14. CONTRACTOR'S DOCUMENTS. Contractor shall keep at the worksite a copy of the Contract documents and shall at all times allow them available for inspection by the Town staff or designees. All documents in this packet, contracts, plans, and specifications, are intended to be complete and complementary and to prescribe a complete work. If any omissions are made of information necessary to carry out the full intent and meaning of the Contract documents, the CONTRACTOR shall immediately call the matter to the attention of the Town for furnishing detailed instructions.

15. NON-RESPONSIBILITY OF THE OWNER. Indebtedness incurred for any cause in connection with this work must be paid by the CONTRACTOR, and the OWNER and the TOWN are hereby relieved at all times from any indebtedness or claims other than payments under contract.

16. PROPERTY RIGHTS IN MATERIAL. Nothing in the Contract shall be construed as vesting in the CONTRACTOR any right of property in the materials used after they have been attached or affixed to the work or the soil and accepted. All such materials shall become the property of the OWNER upon being so attached or affixed and accepted.

17. ACCIDENT PREVENTION. Machinery, equipment, and other hazards shall be guarded or eliminated in accordance with the safety provisions of the Manual of Accident Prevention in Construction published by the Association of General Contractors of America, and the requirements of the Occupational Safety and Health Administration.

18. CONFLICT OF INTEREST. Pursuant to ARS 38-511, the provisions of which are incorporated herein by reference, all parties are hereby put on notice that this Contract is subject to cancellation by TOWN if any person significantly involved in initiating, negotiating, securing, drafting, or creating the Contract on behalf of TOWN is, at any time while the Contract or any extension of the Contract is in effect, an employee or agent of any other party to the Contract in any capacity or a consultant to any other party of the Contract with respect to the subject matter of the Contract.

19. MISCELLANEOUS PROVISIONS.

A. If any action at law or in equity is necessary to enforce or interpret the terms of this Contract, the prevailing party shall be entitled to reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which such party may be entitled.

B. In any case one or more of the provisions contained in this Contract shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or un-enforceability shall not affect any other provisions thereof and this Contract shall not be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

20. CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief that:

1. No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding or any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

2. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress, in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.

3. The undersigned shall require that the language of this Certification be included in the award documents for all subawards at all ties (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This Certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this Certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required Certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

21. DRUG FREE WORKPLACE

The CONTRACTOR shall maintain a Drug Free Workplace for all employees.
The HOMEOWNER shall maintain a Drug Free home.

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TOWN OF CHINO VALLEY
COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting **Item No. 8. d.**

Meeting Date:	05/13/2014
Contact Person:	Ruth Mayday, Planner Phone: 928-636-4427 x-1217
Department:	Development Services
Item Type:	Action-Presentation
Estimated length of staff presentation:	5 minutes
Physical location of item:	N/A

AGENDA ITEM TITLE:

Consideration and possible action to adopt Resolution No. 14-1032, authorizing Ruth Mayday, Planner, to apply for funding through the Arizona Department of Housing (ADOH) for an Owner Occupied Housing Rehabilitation Program (Housing Rehab), and take all actions necessary to fulfill the terms and requirements of the program.

RECOMMENDED ACTION:

Adopt Resolution No. 14-1032, authorizing Ruth Mayday, Planner, to apply for funding through the Arizona Department of Housing (ADOH) for a Housing Rehab Program, and take all actions necessary to fulfill the terms and requirements of the program.

SITUATION AND ANALYSIS:

The Arizona Department of Housing (ADOH) issued a Notice of Funding Availability (NOFA) on February 14, 2014, announcing a competitive application round for the Owner Occupied Housing Rehabilitation program (Housing Rehab). This program offers funds for non-entitlement communities to fund rehabilitation programs for owner-occupied dwellings in accordance with the HOME program requirements in the Cranston-Gonzalez Act. This program is available to persons who own and occupy their dwelling unit and meet the 80% below Area Median Income (AMI) requirement (as defined by HUD). Priority is given to those households with greatest need, and those households that comprise special populations as defined by ADOH. The deadline for submission is June 16, 2014.

The purpose of the Owner Occupied Housing Rehabilitation Program (HR) is to address the health and safety issues for low to moderate income households that are physically or financially unable to repair or rehabilitate their homes on their own. In order to qualify, the applicant must be the owner of record of the property benefiting from the rehabilitation services, and they must meet specific income requirements. For the Prescott area, those limits are a maximum of $30,700 for a single person and $43,850 for a family of four. A certain percentage of households at each income level (Moderate 80%, low/mod 60%, Low 50%, Very low 30%) must also be served; the contract will also specify priority populations (elderly, disabled, single parent head of household) that must also be served.

The justification for this program can be found in the Unified Development Ordinance in Section 1.2. The Town of Chino Valley adopted its first zoning code in 1974 upon the approval of Resolution 23, the purpose of which was to protect the public heath, safety, and welfare" among other things. Similarly, the Unified Development Ordinance adopted on November 9, 2006 states that the purposes of the Ordinance is to "...secure safety from fire, panic, and other dangers;....to provide for the social, physical, and economic advantages resulting from comprehensive and orderly planned use of land resources; to allow for the orderly implementation of the General Plan; and to otherwise promote the health, safety, convenience, and general welfare of the citizens of Chino Valley, Arizona". By approving application for funding, the Town will be meeting its obligation to promote the health, safety, and general welfare of the community by ensuring properties meet minimum property maintenance and building codes as adopted by Town Council.

The program provides funding for administration of the program in an amount not to exceed ten percent (10%) of the rehabilitation funds awarded. For the 13/14 funding cycle, the maximum rehab funds available is $250,000 plus an additional $25,000, for a total award of $275,000. Should staff be successful in its application, the Mayor will need to sign a letter reserving the funds. A contract will be provided by ADOH; that contract would be brought back to Town Council for approval prior to execution.

If successful, the Town will be awarded funds to reimburse both the cost of actual repairs and the costs for administering the program; there is no cash match requirement for this program. Therefore, staff recommends adopting the Resolution and authorizing staff to take all actions necessary to fulfill the terms and requirements of the program.

Fiscal Impact

Fiscal Impact?: No

If Yes, Budget Code:

Available:

Funding Source:

Funds will be provided by Arizona Department of Housing; Maximum award is $275,000. No Towns Funds will be required. Funds will be accounted for in the Grant Fund.

Attachments

Resolution 14-1032

RESOLUTION NO. 14-1032

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, COUNTY OF YAVAPAI, ARIZONA, A MUNICIPAL CORPORATION, AUTHORIZING THE SUBMISSION OF AN APPLICATION(S) FOR STATE HOUSING FUNDS (WHICH MAY INCLUDE FEDERAL FUNDING THROUGH THE HOME INVESTMENT PARTNERSHIP PROGRAM OR STATE HOUSING FUNDS), CERTIFYING THAT SAID APPLICATION(S) WILL MEET THE COMMUNITY'S HOUSING AND COMMUNITY DEVELOPMENT NEEDS AND THE REQUIREMENTS OF THE STATE HOUSING PROGRAMS, AND AUTHORIZING ALL ACTIONS NECESSARY TO IMPLEMENT AND COMPLETE THE ACTIVITIES OUTLINED IN SAID APPLICATION; PROVIDING FOR REPEAL OF CONFLICTING RESOLUTIONS; AND PROVIDING FOR SEVERABILITY

WHEREAS, The Mayor and Common Council of the Town of Chino Valley desires to undertake affordable housing development activities and support the ongoing efforts to repair, rehabilitate, or replace substandard housing in the community; and

WHEREAS, The State of Arizona administers the State Housing Fund Program; and

WHEREAS, the activity funded by the proposed application will address the community's low-income population housing needs; and

WHEREAS, the Town Council has adopted the Town of Chino Valley FY 2014/15 Owner Occupied Housing Rehabilitation Program Guidelines, as required for recipients of State Housing Funds,

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, ARIZONA,

1. Authorizing application to be submitted to the State of Arizona for funding from the State Housing Fund; and

2. Authorizing Chris Marley, Mayor, to sign the application or contract or grant documents for receipt and use of these funds; and

3. Authorizing Mayor Marley and Ruth Mayday, Planner, to take all actions necessary to implement and complete the activities submitted in said application(s); and

4. That the MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, ARIZONA, shall comply with all State Housing Fund Program Guidelines and Policies, State and Federal Statutes and regulations applicable to the State Housing Fund Program (HOME program and/or State Housing Trust Fund) and the certifications contained in the (these) application(s).

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

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

This Resolution shall be effective after its passage and approval according to law.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona this 13th day of May, 2014.

____
Chris Marley, Mayor

ATTEST:

____
Jami C. Lewis, Town Clerk

APPROVED AS TO FORM:

____
Curtis, Goodwin, Sullivan, Udall & Schwab, PLC
Town Attorneys
By: Phyllis Smiley

I hereby certify the above foregoing Resolution No. 14-1032 was duly passed by the Council of the Town of Chino Valley, Arizona, at a regular meeting held on May 13, 2014, and that quorum was present thereat and that the vote thereon was ____ ayes and ____ nays and ____ abstentions. ____ Council members were absent or excused.

____
Jami C. Lewis, Town Clerk

TOWN OF CHINO VALLEY
COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting **Item No. 8. e.**

Meeting Date:	05/13/2014
Contact Person:	Ron Grittman, Town Engineer Phone: 928-636-2646 x-1223
Department:	Public Works
Item Type:	Action
Estimated length of staff presentation:	5 minutes
Physical location of item:	Del Rio School and Heritage Middle School

AGENDA ITEM TITLE:

Consideration and possible action to approve the agreement for professional consulting services with Lyon Engineering, for the 2014 Adjacent Ways Project for the Chino Valley Unified School District, in an amount not to exceed $47,695.00.

RECOMMENDED ACTION:

Approve the agreement for professional consulting services with Lyon Engineering, for the 2014 Adjacent Ways Project, in an amount not to exceed $47,695.00.

SITUATION AND ANALYSIS:

See Attached

Fiscal Impact

Fiscal Impact?:	No
If Yes, Budget Code:	
Available:	$50,000

Funding Source:

Funding to come from the Chino Valley School District Adjacent Ways Grant. Funds will be accounted for in the Grant Fund with no Town match.

Attachments

Situation & Analysis

Lyon Engineering Adjacent Ways Agreement

Scope of Work and Fee Schedule

Agenda Item Staff Report
SITUATION & ANALYSIS

Issue Statement

Brief narrative description of the issue at hand, including information about the problem or reason why Council involvement is required, why the item is now suitable for Council consideration and requires Council action for the item to move forward.

The current operation of student drop-off at Del Rio and Heritage Schools causes traffic to back-up and grid lock along Road 1 West and Road 2 North. This professional services agreement will hire Lyon Engineering to develop, engineering, and construction plans, based on adjacent ways funds available for, improvements to Road 1 West, Road 2 North and onsite improvements that will better address traffic flow at these facilities.

Applicable "Policy"

Bulleted list, by section number and title, of the statue, code, plan, policy, goal, initiative, etc. relevant to the issue that must be satisfied in order to resolve the issue. A brief summary of the "policy" section(s) may be included if there are multiple issues or details that need to be covered.

- N/A

Satisfaction of "Policy"

Bulleted list, by section number and title, of the above relevant "policies," with a narrative explaining how each of them were/will be met or satisfied.

- N/A

Summary of Issues and Staff Rationale

Narrative explaining the issue at hand and how/why the staff proposed solution(s) are best for the Town. This may include more than one resolution or solution/alternative for Council to consider.

The current operation of student drop-off at Del Rio and Heritage Schools causes traffic to back-up and grid lock along Road 1 West and Road 2 North. The recommended improvements will be designed through this contract with the intent of the project is to allow for better traffic flow as parent's drop-off their children for school. Separation of bus and passenger traffic, along with traffic flow, will be examined.

Once the final improvements are agreed upon by both the School and the Town, the project will be bid and awarded through the Town of Chino Valley for construction based on availability of funding. The Chino Valley School District generates approximately $100,000.00 per year for adjacent ways projects. Based on the design, this project may be constructed over several years based on funding availability.

Staff will only expend funds for this project that are exactly equal to the funds received from the Chino Valley Unified School District.

Findings of Fact

Bulleted list of staff findings that support the determination that the proposed resolution is the best solution for the Town.

- N/A

AGREEMENT FOR PROFESSIONAL CONSULTING SERVICES

THIS Agreement is entered into as of this 13th day of May, 2014, by and between the Town of Chino Valley, Arizona, a municipal corporation, hereinafter referred to as "Town" and Lyon Engineering, Inc., hereinafter referred to as the "A/E."

FOR THE PURPOSE of providing professional consulting services for the Town on the Adjacent Ways at Del Rio Elementary School and Heritage Middle School Project hereinafter referred to as the "Project," Town and A/E do hereby mutually agree to the following:

1. SERVICES AND RESPONSIBILITIES

1.1 Retention of the Consultant. In consideration of the mutual promises contained in this Agreement, Town engages the A/E to render professional architect or engineering services, as applicable, set forth herein, in accordance with all the terms and conditions contained in this Agreement.

1.2 Scope of Services. The A/E shall do, perform and carry out the services set forth in this Agreement, including all exhibits ("Services"). The specific scope of work for this Project is set forth in Exhibit A. The A/E shall perform the Services consistent with the professional skill and care ordinarily provided by engineers practicing in the same or similar locality under the same or similar circumstances.

1.3 Responsibility of the A/E.

1.3.1 A/E shall provide sufficient qualified personnel, upon reasonable notice to perform any and all Services, including but not limited to inspections and preparation of reports, as reasonably requested by representatives of the Town. A/E agrees and acknowledges that it is solely responsible for the retention and payment of any subcontractors and/or material suppliers retained by A/E 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 Section 2.

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

1.3.3 A/E shall tour the Project site and become familiar with existing conditions, including utilities, prior to commencing the Services and notify Town of any constraints associated with the Project site relevant to A/E's Services.

1.34 A/E shall procure and maintain during the course of this Agreement insurance coverage required by Section 4 of this Agreement.

1.3.5 A/E shall designate Rich Poynor, P.E., as Project Manager and all communications shall be directed to him. Key A/E Personnel are set forth in Exhibit B. "Key

Personnel" includes the A/E employee who will place his license number and signature on key documents and those employees who have significant responsibilities regarding the Services and Project. Prior to changing such designation A/E shall first obtain the approval of Town.

1.3.6 A/E's subcontracts are set forth in Exhibit B attached hereto and made a part hereof. Any modification to the list of subconsultants on Exhibit B, either by adding, deleting or changing subconsultants, shall require the written consent of Town.

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

1.3.8 A/E shall coordinate its activities with Town's representative and submit its reports to Town's representative.

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

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

1.4 Responsibility of Town.

1.4.1 Town shall cooperate with the A/E by placing at his disposal all available information concerning the site of the Project. Town agrees to obtain its own legal, insurance and financial advice Town may require for the Project. A/E shall be entitled to rely on the accuracy, adequacy and completeness of the information provided by the Town in the performance of the Services.

1.4.2 Town designates Ron Grittman, P.E., as its Project Representative. All communications to Town shall be through its Project Representative.

1.5 Contract Term. The term of this Agreement shall be from May 13, 2014 through June 30, 2015. All services identified herein shall be completed to the satisfaction of the Town no later than June 30, 2015.

2. COMPENSATION AND METHOD OF PAYMENT

2.1 Compensation. All compensation for complete and satisfactory completion of services rendered by A/E, including its subconsultant(s), shall be set forth in Exhibit D and shall not exceed $47,695.00 unless agreed to in writing by the Town.

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

3. CHANGES TO THE SCOPE OF SERVICES

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

4. INSURANCE REPRESENTATIONS AND REQUIREMENTS

4.1 General. A/E agrees to comply with all Town ordinances and state and federal laws and regulations. Without limiting any obligations or liabilities of A/E, A/E shall purchase and maintain, at its own expense, hereinafter stipulated minimum insurance with insurance companies duly licensed by the State of Arizona (admitted insurer) with an AM Best, Inc. rating of A-7 or above or an equivalent qualified unlicensed insurer by the State of Arizona (non-admitted insurer) with policies and forms satisfactory to Town. Failure to maintain insurance as specified may result in termination of this Agreement at Town's option.

4.2 No Representation of Coverage Adequacy. By requiring insurance herein, Town does not represent that coverage and limits will be adequate to protect A/E. Town reserves the right to review any and all of the insurance policies and/or endorsements cited in this Agreement but has no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements set forth in this Agreement or failure to identify any insurance deficiency shall not relieve A/E from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Agreement.

4.3 Additional Insured. All insurance coverage and self-insured retention or deductible portions, except Workers Compensation insurance and Professional Liability insurance if applicable, shall name, to the fullest extent permitted by law for claims arising out of the performance of this Agreement, Town, its representatives, officers, directors, officials and employees as Additional Insured as specified under the respective coverage sections of this Agreement.

4.4 Coverage Term. 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 is satisfactorily performed, completed and formally accepted by Town, unless specified otherwise in this Agreement. Insurance required herein shall not expire, be canceled, or materially changed without thirty (30) days prior written notice to Town.

4.5 Primary Insurance. A/E's insurance shall be primary insurance as respects performance of subject contract and in the protection of Town as an Additional Insured.

4.6 Claims Made. In the event any insurance policies required by this Agreement are written on a "claims made" basis, coverage shall extend, either by keeping coverage in force or purchasing an extended reporting option, for three (3) years past completion and acceptance of the Services evidenced by submission of annual Certificates of Insurance citing applicable coverage is in force and contains the provisions as required herein for the three year period.

4.7 Waiver. All policies, including Workers' Compensation Insurance, shall contain a waiver of rights of recovery (subrogation) against Town, its agents, representative, officials, directors, officers, and employees for any claims arising out of the Services of A/E. A/E shall arrange to have such subrogation waivers incorporated into each policy via formal written endorsement thereto.

4.8 Policy Deductibles and or Self Insured Retentions. The policies set forth in these requirements may provide coverage which contains deductibles or self-insured retention amounts. Such deductibles or self-insured retention shall not be applicable with respect to the policy limits provided to Town. A/E shall be solely responsible for any such deductible or self-insured retention amount.

4.9 Use of Subconsultants. If any Services under this Agreement are subcontracted in any way, A/E shall execute written agreement with Subconsultant containing the same Indemnification Clause and Insurance Requirements set forth herein protecting Town and A/E. A/E shall be responsible for executing the agreement with Subconsultant and obtaining Certificates of Insurance verifying the insurance requirements.

4.10 Evidence of Insurance. Prior to commencing any Services under this Agreement, A/E shall furnish Town with Certificate(s) of Insurance, or formal endorsements as required by this Agreement, issued by A/E's Insurer(s) as evidence that policies are placed with acceptable insurers as specified herein and provide the required coverage's, conditions, and limits of coverage specified in this Agreement and that such coverage and provisions are in full force and effect. Acceptance and reliance by Town on a Certificate of Insurance shall not waive or alter in any way the insurance requirements or obligations of this Agreement. Such Certificate(s) shall identify the Agreement and be sent to Town. If any of the above cited policies expire during the life of this Agreement, it shall be A/E's responsibility to forward renewal Certificates within ten (10) days after the renewal date containing all the aforementioned insurance provisions. Certificates shall specifically cite the following provisions:

4.10.1 Town, its agents, representatives, officers, directors, officials and employees is an Additional Insured as follows:

a. Commercial General Liability-Under ISO Form CG 20 10 11 85 or equivalent.

b. Auto Liability-Under ISO Form CA 20 48 or equivalent.

c. Excess Liability-Follow Form to underlying insurance.

4.10.2 A/E's insurance shall be primary insurance as respects performance of this Agreement.

3.10.3 Certificate shall cite a thirty (30) day advance notice cancellation provision. If ACORD Certificate of Insurance form is used, the phrases in the cancellation provision "endeavor to" and "but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives" shall be deleted. Certificate forms other than ACORD form shall have similar restrictive language deleted.

4.11 Required Coverage:

4.11.1 Commercial General Liability: A/E shall maintain "occurrence" from Commercial Liability Insurance with an unimpaired limit of not less than $1,000,000 for each occurrence, $2,000,000 Products and Completed Operations Annual Aggregate, and a $2,000,000 General Aggregate Limit. The policy shall cover liability arising from premises, operations, independent Consultants, products-completed operations, personal injury and advertising injury. Coverage under the policy will be at least as broad as Insurance Services Office, Inc. policy form CG 00 010 93 or equivalent thereof, including but not limited to, separation of insured clause. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, Town, its agents, representative, officers, directors, officials and employees shall be cited as an Additional Insured Endorsement form CG 20 10 11 85 or equivalent, which shall read "Who is an Insured (Section II) is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of "your work" for that insured by or for you". If any Excess insurance is utilized to fulfill the requirements of this paragraph, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.

4.11.2 Professional Liability: A/E shall maintain Professional Liability insurance covering errors and omissions arising out of the Services performed by A/E, or anyone employed by A/E, or anyone for whose acts, mistakes, errors and omissions A/E is legally liable, with an unimpaired liability insurance limit of $1,000,000 each claim and $1,000,000 all claims.

4.11.3 Vehicle Liability: A/E shall maintain Business Automobile Liability Insurance with a limit of $1,000,000 each occurrence and $2,000,000 aggregate; and minimum coverage of $500,000 per occurrence/aggregate for property damage on A/E's owned, hired, and non-owned vehicles assigned to or used in the performance of the A/E's Services under this Agreement. Coverage will be at least as broad as Insurance Services Office, Inc., coverage code "1" any auto policy form CA 00 01 12 93 or equivalent thereof. To the fullest extent allowed by law, for claims arising out of performance of this Agreement, Town, its agents, representative, officers, directors, officials and employees shall be cited as an Additional Insured under the Insurance Service Offices, Inc. Business Auto Policy Designated Insured Endorsement form CA 20 48 or equivalent. If any Excess insurance is utilized to fulfill the requirements of this paragraph, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance. Such policies shall contain a severability of interest provision, and shall not contain a sunset provision or commutation clause, or any provision which would serve to limit third party action over claims.

4.11.4 Products and Completed Operations Insurance : A/E shall maintain Products and Completed Operations Insurance with a minimum coverage of $1,000,000 per occurrence and $2,000,000 aggregate.

4.11.5 <u>Fire and Extended Coverage Insurance</u>: A/E shall maintain Fire and Extended Coverage Insurance with an endorsement for vandalism and malicious mischief in A/E's name and also in the name of Town in an amount of at least 100% of the amount to be paid by Town to A/E pursuant to this Agreement.

4.11.6 <u>Workers' Compensation Insurance:</u> A/E shall maintain Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of A/E's employees engaged in the performance Services under this Agreement and shall also maintain Employer Liability Insurance of not less than $500,000 for each accident, $500,000 disease for each employee and $1,000,000 disease policy limit.

5. INDEMNIFICATION

5.1 To the fullest extent permitted by law, A/E shall indemnify and hold harmless Town, its officers, officials and employees from and against all liabilities, damages, losses and expenses (including reasonable attorney fees and court costs), caused by, arising out of, or resulting from the negligence, recklessness or intentional wrongful conduct of the A/E, its subconsultants, employees or any other persons used by A/E or its subconsultants (hereinafter collectively "A/E") related to the Services in the performance of this Agreement. A/E's duty to indemnify and hold harmless Town, its officers, officials and employees shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property including loss of use of resulting therefrom, caused by A/E's negligence, recklessness or intentional wrongful conduct in the performance of this Agreement and the negligence, recklessness or intentional wrongful conduct of any person employed by A/E or used by A/E in the performance of this Agreement..

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

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

6. TERMINATION OF THIS AGREEMENT

6.1 Termination. Town may, by written notice to the A/E, terminate this Agreement in whole or in part with ten (10) days' notice, either for Town's convenience or because of the failure of the A/E to fulfill his contract obligations. Upon receipt of such notice and payment of all fees and expenses due to A/E for Services performed through the date of termination, A/E shall: (1) immediately discontinue all services affected (unless the notice directs otherwise), and (2) deliver to Town copies of all data, drawings, reports, estimates, summaries, and such other information and materials by A/E in performing this Agreement, whether completed or in process, subject to the terms of this Agreement regarding document ownership. This Agreement may be terminated in whole or in part by A/E in the event of substantial failure by Town to fulfill its obligations.

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

7. ASSURANCES

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

7.2 Examination of Records. A/E agrees that duly authorized representatives of Town shall, until the expiration of three (3) years after final payment under this Agreement, have access to and the right to examine any directly pertinent books, documents, papers, and records of A/E involving transactions related to this Agreement. Such examination of records shall be upon reasonable notice to A/E of intent to examine, and done within normal business hours at the mutual convenience of Town and A/E.

7.3 Ownership of Document and Other Data. The Town acknowledges the A/E's construction documents, including electronic files, as instruments of professional service. Nevertheless, the construction documents prepared under this Agreement shall become the property of the Town upon payment in full of all monies due to the A/E, or, in the event of termination, payment in full of all monies due to the A/E at the date of termination. The Town shall not reuse or make any modification to the construction documents, nor use the documents for any other purpose other than for the stated project herein, without the prior written authorization of the A/E. The Town agrees, to the fullest extent permitted by law, to indemnify and hold harmless the A/E, its officers, directors, employees and subconsultants (collectively, A/E) against any damages, liabilities or costs, including reasonable attorneys' fees and defense costs, arising from or allegedly arising from or in any way connected with the unauthorized use, reuse or modification of the construction documents by the Town or any person or entity that acquires or obtains the construction documents from or through the Town without the written authorization of the A/E. Any verification or adaptation of the documents by A/E for other purposes than contemplated herein will entitle A/E to further compensation as agreed upon between the parties.

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

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

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

7.7 Equal Treatment of Workers. A/E shall keep fully informed of all federal and state laws, county and local ordinances, regulations, codes and all orders and decrees of bodies or tribunals having any jurisdiction or authority, which in any way affect the conduct of the Services. A/E shall at all times observe and comply with all such applicable laws, ordinances, regulations, codes, orders and decrees; this includes, but is not limited to laws and regulations ensuring equal treatment for all employees and against unfair employment practices, including the Occupational Safety and Health Administration ("OSHA") and the Fair Labor Standards Act ("FLSA"). A/E shall protect and indemnify Town and its representatives against any claim or liability arising from or based on the violation of such, whether by A/E or its employees.

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

7.9 Sole Agreement. There are no understandings or agreements except as herein expressly stated, and as may be subsequently agreed to in writing by both parties as modifications or change orders to this Agreement.

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

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

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

TOWN:	A/E:
Town Manager Town of Chino Valley 202 North State Route 89 Chino Valley, Arizona 86323	Mr. Rich Poynor, P.E. Lyon Engineering, Inc. 1650 Willow Creek Road Prescott, AZ 85301

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

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

7.14 Corporate Protection. It is intended by the parties to this Agreement that the A/E's services in connection with the Project shall not subject the A/E's individual employees, officers or directors to any personal legal exposure for the risks associated with this Project. Therefore, and notwithstanding anything to the contrary contained herein, the Town agrees that as the Town's sole and exclusive remedy, any claim, demand or suit shall be directed and/or asserted only against the A/E, Lyon Engineering & Surveying, Inc., an Arizona corporation, and not against any of the AE's individual employees, officers or directors.

8. SUSPENSION OF WORK

8.1 Order to Suspend. Town may order the A/E, in writing, to suspend all or any part of the Services for such period of time as he may determine to be appropriate for the convenience of Town. Town shall immediately pay A/E all fees and expenses for Services performed through the date of suspension.

8.2 Adjustment to Contract Fee. If the performance of all or any part of the Services is, for any unreasonable period of time, suspended or delayed by an act of Town in the administration of this Agreement, or by its failure to act within the time specified in this Agreement (or if no time is specified, within a reasonable time), an adjustment shall be made for any increase in cost of performance of this Agreement necessarily caused by such unreasonable suspension or modified in writing accordingly. However, no adjustment shall be made under this clause for any suspension or delay to the extent (1) that performance was suspended or delayed for any other cause, including the fault or negligence of A/E, or (2) for which an equitable adjustment is provided for or excluded under any other provision of this Agreement. If the suspension continues for more than ninety (90) days, A/E may choose to terminate the contract without penalty.

9. INTERESTS AND BENEFITS

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

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

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

10. ASSIGNABILITY

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

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

TOWN OF CHINO VALLEY

By: ________________________________

Chris Marley, Mayor

ATTEST:

By: ________________________________
Jami Lewis, Town Clerk

APPROVED AS TO FORM:

By: ________________________________
Curtis, Goodwin, Sullivan,
Udall & Schwab, P.L.C.
Town Attorneys

A/E

By: ___________________________________
Its: _______________________

EXHIBIT A
SCOPE OF WORK

A. GENERAL

1. The Project is generally described as follows: [Insert Project Description]

2. A/E shall be responsible for the professional quality, technical accuracy and the coordination of all studies, reports, projections, master plans, designs, drawings, specifications and other Services furnished by A/E under this Contract. A/E shall, without additional compensation, correct or revise any errors or omissions in its studies, reports, projections, master plans, design, drawings, specifications and other Services.

3. A/E shall maintain a log of all meetings, site visits or discussions held in conjunction with the Services, with documentation of major discussion points, observations, decisions, question or comments. These shall be furnished to Town for inclusion in the overall Project documentation.

4. All Services performed under this Agreement shall be performed by or under the direct supervision of persons then licensed in the State of Arizona to perform these Services. The name of each such licensed individual shall be listed on the title sheet of the Plans and Specifications.

5. All designs and specifications prepared by A/E shall comply with applicable engineering and design standards to include, but not be limited to ***CHINO VALLEY SPECIFIC STANDARDS and*** the Americans with Disabilities Act, as determined by permitting agencies.

6. If A/E provides defective, incomplete, unclear, or uncoordinated documents in preparing the specifications and contract documents, all costs of responding to any protest or appeal or of any necessary rebidding will be borne by A/E.

7. Time is of the essence in this contract.

B. PRE-DESIGN PHASE

See Attached Scope

C. DESIGN PHASE

See Attached Scope

D. BIDDING PHASE

N/A

E. CONSTRUCTION PHASE

N/A

F. POST CONSTRUCTION PHASE

N/A

EXHIBIT B

A/E'S KEY PERSONNEL AND SUBCONSULTANTS

KEY PERSONNEL:

Rich Poynor, P.E.

SUBCONSULTANTS:

None

EXHIBIT C
SCHEDULE OF SERVICES

EXHIBIT D
PAYMENT SCHEDULE

A. Compensation

1. The consideration of payment to A/E, as provided herein shall be in full compensation for all of A/E's work incurred in the performance hereof, including offices, travel, per diem or any other direct or indirect expenses incident to providing the services.

2. Attached hereto as Exhibit D-1 is the A/E's hours and fee estimate for the Project. A/E's fee shall not exceed the amounts:

Description	Amount
See attached	

B. Method of Payment

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

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

C. Reimbursable Costs

A/E will be reimbursed for expenses up to a maximum amount of $___________. The items allowable for reimbursement are as follows:

1. Cost of transportation. (Mileage associated with Project, but not to/from Project site at____ cents per mile**.** Any out of state travel must receive prior approval of Town.)

2. Costs of printing, as required by the contract.

3. Cost of long distance telephone, postage, UPS, Federal Express, etc.

4. Costs of faxes at $____ per page.

5. Cost of other items as required, with prior approval from Town.

All reimbursable costs must be submitted with monthly bill.

EXHIBIT E
CHANGE ORDER

CHANGE ORDER NO. ______

Distribution: TOWN [ ]
A/E [ ]
OTHER [ ]

PROJECT: ___________________ DATE:
OWNER: Town of Chino Valley
A/E:
AGREEMENT DATED:

CHANGES: The Agreement is changed as follows:

Not valid until signed by both Town and A/E.
Signature of A/E indicates acceptance.

The original compensation was ____

Net change by previously authorized Change Orders__________________________

The compensation prior to this Change Order was ________________________

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

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

The Contract Time will increase by ____

ACCEPTANCE STATUS:

___________________ ___________________
A/E Town of Chino Valley
By ________________ By ________________

Date _______________ Date _______________

CVUSD School Site Traffic Improvements
Scope of Work

Table of Contents

Appendices

Overview

Design services for the Town of Chino Valley (Town) CVUSD School Site Traffic Improvements Project (Project) will be performed by Lyon Engineering & Surveying, Inc. (Engineer)

The scope of work associated with this project is based on a series of tasks as follows:

- Basic Services
  - Task Series 1000, Project Management
  - Task Series 2000, CVUSD School Site Traffic Improvements
- Special Services
  - Task Series 3000, Special Services
- Other Direct Costs

Tasks and requirements set forth in this Scope of Work have been generally defined by the following major elements:

- Production of several Preliminary Concept Maps (3 minimum) based on previous discussions with Town and Chino Unified School District (CVUSD) staff. These maps will be reviewed by Town and CVUSD staff and discussed in detail with the Engineer. From these maps a consensus for the proposed traffic improvements will be made before proceeding to 90% Design.
- 90% and Final Design of traffic improvements to aid vehicle and bus traffic flow at the intersection of Road 1 West & Road 2 North, and within the CVUSD campus containing Heritage Middle and Del Rio Elementary Schools.
- Phasing of the Final Plan set to match future budget considerations dictated by the Town and CVUSD.
- Hydraulic design and erosion protection of drainage improvements that may be necessary due to the proposed traffic improvements.
- Land Surveying services necessary for detailed field topography of the school campus, Road 1 West, and Road 2 North. Boundary survey to locate property monumentation in the area of the project.
- Title research and review to determine the location and ownership of existing right-of-way, easements, tracts, etc. The Town will order the title reports separately from the contract with the Engineer.

The Town will provide the following to the Engineer:

- Aid the Engineer in gaining access to and making provisions for the Engineer to enter upon public and private land as required for the Engineer to perform its work under this Agreement, as requested by the Engineer.
- Furnish, to the extent reasonable, available copies of all calculations, reports, and data from the original design of the existing water, sewer, and roadways. The Engineer shall verify as-builts and previous design assumptions.

- Obtain all easements, and right-of-way, as may be needed. The Engineer will provide the Project Manager the required surveys, legal descriptions and other documentation as necessary.
- Furnish information regarding the Town's utilities (existing and/or proposed) near the project site.
- Provide written comments to Engineer questions, draft submittals and design review materials in a timely manner within the appropriate review/comment period(s) as identified in the Project Schedule.
- Pay directly all applicable agency fees for code reviews, local permit, and all other relevant permit application fees.
- Authorize Engineer to discuss project details with and obtain information from utility companies. Authorization will not include decision-making by Engineer.
- Title reports including schedule 'B' items for private, CVUSD and Town properties per a list of parcels numbers submitted by the Engineer.

Basic Services

Task Series 1000 Project Management

Task 1100 General

Under this task the Engineer shall perform general project management and administration tasks. This category is limited to senior management oversight tasks that will consist of allocating proper resources to the project and confirm project direction. Additionally, this task will include project tracking.

The Engineer will monitor and track the project budget, schedule and quality control to ensure that all deadlines are met, that the project budget is not exceeded and that the Town receives a Project that meets their expectations and requirements. The Engineer will coordinate with the project team to monitor and address items as associated with the project schedule, project budget, issues of concern and QA/QC.

Task 1200 Project Meetings & Coordination

The Engineer will prepare and distribute a written summary and results of these meetings to the Town and CVUSD. Action items and decisions shall be clearly identified in the minutes that are updated monthly.

Subtask 1210 Field Meetings

The Engineer will conduct at least one field meeting without staff to witness morning drop off and afternoon pick-up of school children. The Engineer will conduct up to two field meetings with the Town and CVUSD staff as deemed necessary during the course of design.

- **Deliverables:** Meeting Notes, Action Item List and Decisions List

Subtask 1220 Design Phase Coordination and Workshop Meetings

The Engineer will conduct coordination and workshop meetings with the Town and CVUSD to address technical, coordination and administrative issues related to the project. These meetings will also be used to conduct technical workshops, design submittal meetings, design review meetings, and project management meetings.

- **Deliverables:** Meeting Notes, Action Item List and Decisions List

Subtask 1230 Submittal Review and Design Review Meetings

In addition to the project workshop meetings, the Engineer will conduct submittal and conflict resolution meetings at the Preliminary Concept, 90% and Final design submittals. These meetings will consist of providing the Town with an overview of the content of the submittal, and review the decision and action items logs and previous redline comments to ensure that the Town comments are being addressed. The design review meetings will occur after the Town has reviewed the submittals and will focus on making sure that Engineer has a thorough understanding of the Town's comments and intent.

- **Deliverables:** Meeting Notes, Action Item List and Decisions List

Subtask 1240 Coordination with Utility Companies

The Engineer will meet and coordinate with Utility Companies to determine what utilities may be impacted by the Project. Once the utilities in the vicinity are determined, the Engineer will submit plans for review to the utility companies at the 90% and Final design stages. A comment resolution meeting will be held at the 90% design level with the Engineer, utility companies and Town staff.

- **Deliverables:** Plan set submittal at 90% and Final, Comment Resolution Meeting, Meeting Notes

Task Series 2000 CVUSD School Site Traffic Improvements

Task 2100 Design Plans

Subtask 2110 Field Data Import & Analysis

The Engineer will import and analyze the field data obtained from the field survey of the existing roadways, utilities, and drainage structures and analyze their location in relation to the proposed improvements.

Subtask 2120 Design Development

This task will focus on the development of the base CAD file for use in the ultimate design.

Subtask 2130 30% Preliminary Design Concept Maps

The Engineer will submit to the Town and CVUSD at least three Preliminary Design Concept (PDC) Maps including the following items.

a) Conceptual traffic improvements including:
   - Improvements to the intersection of Road 1 West & Road 2 North to allow better turning movements by buses and left turn lanes. This item will also include the overlay of a proposed roundabout.
   - Bus route alternatives including new access points and circulation
   - Vehicle drop off alternatives including new access points and circulation
   - Potential abandonment and closure of existing access points to facilitate new circulation alternatives

b) Existing right-of-way, parcels, and easements
c) Existing utility infrastructure
d) Existing drainage infrastructure
e) Existing topography using the most recent Town aerial mapping
f) Aerial map of the site

- **Deliverables:**
   - Two (2) 24” x 36” copies of the Preliminary Design Concept Maps

Subtask 2140 90% Design

Subtask 2150 Final Plans and Legal Descriptions

a) The Engineer will submit to the Town a 90% and Final Design plan set including the following items:
b) Existing conditions including
   i. Right-of-way and easements
   ii. Topography
   iii. Benchmarks
   iv. Adjacent property lines
   v. Existing pavement and curb limits
   vi. Existing vertical and centerline alignments
   vii. All existing utilities (electric, gas, fiber, water, sewer, effluent and storm drain) located within project limits
   viii. Building structures
   ix. Fence Lines

c) Proposed improvements including:
   i. Drainage infrastructure
   ii. Channel design
   iii. Cut and fill catch points
   iv. Grading and drainage plans for site improvements
   v. Pavement sections if applicable
   vi. Right-of-way including parcel and owner information
   vii. Preliminary detail sheets
   viii. Construction notes
   ix. Phase lines
   x. Engineers Cost Estimate

d) Legal Descriptions
   i. Up to five legal descriptions will be written as necessary for the new design.

➢ **Deliverables:**
- Three (3) 22” x 34” copies of the 90% and Final Design Plan Set
- Three (3) copies of the total estimated quantities and Engineers Cost Estimate
- Up to five (5) legal descriptions as needed

Special Services

Task Series 3000 Special Services

Task 3100 Land Surveying

The Engineer shall engage the services of its in house surveyor to conduct office and field related tasks necessary for the design and completion of the Project.

The surveying services to be performed by the Surveyor consist of the following subtasks:

- Field Topography Survey
- Right-of-Way and Property Boundary Survey
- Title Research & Review

Subtask 3110 Field Topography Survey

The Surveyor will conduct a field topography survey to determine the horizontal and vertical location of existing: grades; pavement; shoulders; wet & dry utilities; signage & striping; and applicable vegetation such as large trees located in the project limits. The Surveyor will utilize the Town datum and control network and will provide coordinates on the Town coordinate system. The field survey will extend from the intersection of Road 1 West & Road 2 North approximately 800 ft west, 700 ft east, 1400 ft north, and 700 ft south. Within the school campus only those areas critical to the design of the traffic improvements will be surveyed. This will occur after a consensus has been reached after of the proposed improvements, see Subtask 2130

Subtask 3120 Right-of-Way and Property Boundary Survey

The Surveyor will attain and review existing right-of-way, property deeds, plats, and Records of Survey in the vicinity of the Project. From these documents the Surveyor will create ideal coordinates for locations of property corner identifiers such as right-of-way monuments, caps, rebar, nails, etc. The Surveyor will conduct a field survey of the ideal coordinates and locate as many property corner identifiers as can be found. From the field survey the Surveyor will provide a CAD file to the Engineer for use in the production of the base CAD file.

Subtask 3130 Title Research & Review

The Town will supply to the Engineer title reports with accompanying schedule B's per a predetermined list of parcel owners provided by the Engineer. The Surveyor will then review the data and provide a CAD file to the Engineer for use in the production of the base CAD file.

Other Direct Costs

Copying and Courier

The Engineer has added this item to cover various printing costs of concept maps, plan sets, and estimates. This item will be billed at cost plus 10 percent to cover overhead.

Scope Assumptions

1. The level of effort assumes that the project will show phases lines in a single set of construction documents. Separate sets for different phases will not be produced for this project
2. Permits required for construction activities will be obtained and paid for by the Contractor including storm water permits.
3. The Contractor will responsible for producing, implementing and maintaining a Storm Water Pollution Prevention Plan (SWPPP) for all construction activities.
4. The Town will attend all meetings and negotiate easement purchases with private stakeholders without the Engineer.
5. No potholing of existing utilities will be necessary for this project.
6. Bid documents and project specifications will be prepared by the Town of Chino Valley.
7. Bid document reproduction and distribution costs will be paid by the Town.

EXHIBIT 'A'

Town of Chino Valley
CVUSD School Site Traffic Improvements

Fee Proposal
Lyon Engineering & Surveying, Inc.
4/2/2014

Task No.	Task Description	GPS	STCH	SMGR	ENG	PE	INSP	CLER	Total	Total
		$ 150	$ 85	$ 125	$ 125	$ 140	$ 75	$ 60		
Task Series 1000	**Project Management**									
Task 1100	General			4		6			10	$ 1,340
Task 1200	Project Meetings & Coordination									
Subtask 1210	Field Meetings					6			6	$ 840
Subtask 1220	Design Phase Coordination and Workshop Meetings				8	16			24	$ 3,240
Subtask 1230	Submittal Review and Design Review Meetings					6			6	$ 840
Subtask 1240	Coordination with Utility Companies					4			4	$ 560
Task Series 1000 Subtotal		0	0	4	8	38	0	0	50	$ 6,820
Task Series 2000	**CVUSD School Site Traffic Improvements**									
Task 2100	Design Plans									
Subtask 2110	Field Data Import & Analysis		8		4				12	$ 1,180
Subtask 2120	Design Development				24	2			26	$ 3,280
Subtask 2130	Preliminary Design Concept Maps				40	4			44	$ 5,560
Subtask 2140	90% Design Plans				160	4			164	$ 20,560
Subtask 2150	Final Design Plans and Legal Descriptions				30	2			32	$ 4,030
Task Series 2000 Subtotal		0	8	0	258	12	0	0	278	$ 34,610
Task Series 3000	**Special Services**									
Task 3100	Land Surveying									
Subtask 3110	Field Topography Survey	24	8	1					33	$ 4,405
Subtask 3120	Right of Way and Property Boundary Survey	4	2	1					7	$ 895
Subtask 3130	Title Research & Review		4	1					5	$ 465
Task Series 3000 Subtotal		28	14	3	0	0	0	0	45	$ 5,765
Task Series 1000 through 3000 Subtotal		28	22	7	266	50	0	0	373	$ 47,195
Other Direct Costs										
Copying and Courier										$ 500
Other Direct Costs Subtotal										$ 500
Contract Total										**$ 47,695**

Labor Codes Legend:

GPS - GPS Survey Crew, **STCH** - Survey Technician, **SMGR** - Survey Manager, **ENG** - Project Engineer, **PE** - Principal Engineer, **INSP** - Inspection, **CLER** - Clerical

TOWN OF CHINO VALLEY
COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting **Item No. 8. f.**

Meeting Date:	05/13/2014
Contact Person:	Joe Duffy, Finance Director Phone: 928-636-2646 x-1211
Department:	Finance
Item Type:	Action
Estimated length of staff presentation:	5 minutes
Physical location of item:	N/A

AGENDA ITEM TITLE:

Consideration and possible action to authorize staff to place on hold various vehicles and pieces of equipment anticipated to be purchased in fiscal year 2014/2015, in order to reserve 2014 prices and acquire the equipment before anticipated price increases.

RECOMMENDED ACTION:

Authorize staff to reserve four Ford Police Interceptors, one Ford 550, one John Deere 544K front end loader, and one 410K backhoe.

SITUATION AND ANALYSIS:

Over the last few fiscal years as a result of the economic downturn the Town of Chino Valley has not been able to replace various pieces of equipment on a regular basis. This has resulted in a significant backlog of capital equipment needs for the Town.

In the Fiscal Year 2015 budget the town will start a scheduled replacement and financing plan to address this problem. The Town identified the Total Unfunded Capital Equipment and identified the individual pieces of equipment that should be acquired next fiscal year year. The details are included in the Capital Improvement Fund 05-90 of the budget.

Staff has received quotes for several of the budgeted items. All quotes are on State Contract or other Cooperative purchasing agreements and follow the Town Procurement Policy.

Dealers are currently honoring the existing 2014 public bids from existing inventory and are willing to hold the equipment until they can be purchased at the beginning of next fiscal year. Dealers anticipate cost increases in the 2015 public bidding process. The Town would like to reserve the equipment, and subject to obtaining adequate financing terms, purchase the equipment in July 2014. The Town is under no obligation to complete the purchases.

Staff will bring the financing details and the recommend purchases back to Council for their approval after the Fiscal Year 2015 budget is adopted.

The quotes have come in significantly less than what was budgeted. Many of the budgeted amounts were for used equipment. In total the equipment being reserved is $129,000 less than the budget estimates.

FINANCING THE PURCHASES:

The Town will issue a Request for Proposals (RFP) to finance the planned equipment acquisitions through a Lease Purchase Plan. Governmental entities enter into a contractual arrangement with the issuer (bank or equipment supplier) to acquire equipment that is needed by the entity. The lease terms are generally structured such that the rental payments are sufficient to meet the debt service costs. The lessee is responsible for all operation and maintenance costs.

Lease purchasing vehicles and equipment is a broadly used method of acquiring assets. As of June 2013, cities and towns has $91,517,00 in outstanding lease purchase contracts.

Typically, lease financing is used for the acquisition of major capital equipment, e.g., computer systems, vehicles and equipment, which are very expensive and have useful lives greater than five years. The Town anticipates entering into a lease purchase agreement for 5 years for this equipment.

The Town has received a preliminary quote with an interest rate of 2.54% for a 60 month term. The Town used a 3% interest rate in its budget estimates.

The attached information includes the following schedules:

Capital Equipment Fund - Lease Purchase Summary - summarizing the budgeted and actual cost for the equipment being reserved.
Lease Purchase Schedule summarizing the payments and allocation between funds.
Loan Amortization Schedule.
Schedules from Arizona Department of Revenue.

Fiscal Impact

Fiscal Impact?:	Yes
If Yes, Budget Code:	Various
Available:	765,000.00

Funding Source:

The Town has included funds in fiscal years 2014/2015 to finance the acquisition of the proposed equipment.

Attachments

Lease Purchase

Proposal

Town of Chino Valley
Capital Equipment Fund - Lease Purchase Summary
Fiscal Year Ending June 30, 2015

Equipment	Proposed Budget FY 14/15	Actual Purchase Price	Budget Less Actual	Documented Need
2014 John Deere 410 Backhoe	$ 180,000	$ 107,899	$ 72,101	Town currently has only one backhoe shared between Public Works and Utilities. Workload has increased in both department resulting in delays in completing the required work in both departments.
2014 John Deere 544K Loader	$ 200,000	$ 166,503	$ 33,497	Replaces 1994 Loader, metal shaving found in transmission and engine. Hydraulics need to be completely rebuilt. Cost estimate to repair is in excess of $100,000.
2014/15 Ford 550 with 11' Dump	$ 55,000	$ 55,756	$ (756)	The Parks Department does not have a piece of equipment that can transport the lawn mower to and from jobsites. They have to rely on the Public Works Department or rent a trailer.
2014/15 Ford Police Interceptor (4)	$ 140,000	$ 115,474	$ 24,526	Replacing 4 Police cars all with mileage in excess of 130,000.
Subtotal	**$ 575,000**	**$ 445,632**	**$ 129,368**	
Outfitting Police Cars	$ 40,000			
10 Wheel Dump Truck	$ 150,000			
Total	**$ 765,000**	**$ 445,632**		

Loan Amortization Schedule

	Enter values
Loan amount	$ 765,000.00
Annual interest rate	3.00 %
Loan period in years	5
Number of payments per year	12
Start date of loan	8/1/2015
Optional extra payments	

	Loan summary
Scheduled payment	$ 13,746.05
Scheduled number of payments	60
Actual number of payments	60
Total early payments	$ -
Total interest	$ 59,762.90

Lender name: CLIMATEC LEASE

Pmt. No.	Payment Date	Beginning Balance	Scheduled Payment	Extra Payment	Total Payment	Principal	Interest	Ending Balance	Cumulative Interest
1	9/1/2015	$ 765,000.00	$ 13,746.05	$ -	$ 13,746.05	$ 11,833.55	$ 1,912.50	$ 753,166.45	$ 1,912.50
2	10/1/2015	$ 753,166.45	$ 13,746.05	$ -	$ 13,746.05	$ 11,863.13	$ 1,882.92	$ 741,303.32	$ 3,795.42
3	11/1/2015	$ 741,303.32	$ 13,746.05	$ -	$ 13,746.05	$ 11,892.79	$ 1,853.26	$ 729,410.53	$ 5,648.67
4	12/1/2015	$ 729,410.53	$ 13,746.05	$ -	$ 13,746.05	$ 11,922.52	$ 1,823.53	$ 717,488.01	$ 7,472.20
5	1/1/2016	$ 717,488.01	$ 13,746.05	$ -	$ 13,746.05	$ 11,952.33	$ 1,793.72	$ 705,535.68	$ 9,265.92
6	2/1/2016	$ 705,535.68	$ 13,746.05	$ -	$ 13,746.05	$ 11,982.21	$ 1,763.84	$ 693,553.47	$ 11,029.76
7	3/1/2016	$ 693,553.47	$ 13,746.05	$ -	$ 13,746.05	$ 12,012.16	$ 1,733.88	$ 681,541.31	$ 12,763.64
8	4/1/2016	$ 681,541.31	$ 13,746.05	$ -	$ 13,746.05	$ 12,042.20	$ 1,703.85	$ 669,499.11	$ 14,467.50
9	5/1/2016	$ 669,499.11	$ 13,746.05	$ -	$ 13,746.05	$ 12,072.30	$ 1,673.75	$ 657,426.81	$ 16,141.24
10	6/1/2016	$ 657,426.81	$ 13,746.05	$ -	$ 13,746.05	$ 12,102.48	$ 1,643.57	$ 645,324.33	$ 17,784.81
11	7/1/2016	$ 645,324.33	$ 13,746.05	$ -	$ 13,746.05	$ 12,132.74	$ 1,613.31	$ 633,191.59	$ 19,398.12
12	8/1/2016	$ 633,191.59	$ 13,746.05	$ -	$ 13,746.05	$ 12,163.07	$ 1,582.98	$ 621,028.52	$ 20,981.10
13	9/1/2016	$ 621,028.52	$ 13,746.05	$ -	$ 13,746.05	$ 12,193.48	$ 1,552.57	$ 608,835.04	$ 22,533.67
14	10/1/2016	$ 608,835.04	$ 13,746.05	$ -	$ 13,746.05	$ 12,223.96	$ 1,522.09	$ 596,611.08	$ 24,055.76
15	11/1/2016	$ 596,611.08	$ 13,746.05	$ -	$ 13,746.05	$ 12,254.52	$ 1,491.53	$ 584,356.56	$ 25,547.29
16	12/1/2016	$ 584,356.56	$ 13,746.05	$ -	$ 13,746.05	$ 12,285.16	$ 1,460.89	$ 572,071.41	$ 27,008.18
17	1/1/2017	$ 572,071.41	$ 13,746.05	$ -	$ 13,746.05	$ 12,315.87	$ 1,430.18	$ 559,755.54	$ 28,438.36
18	2/1/2017	$ 559,755.54	$ 13,746.05	$ -	$ 13,746.05	$ 12,346.66	$ 1,399.39	$ 547,408.88	$ 29,837.75
19	3/1/2017	$ 547,408.88	$ 13,746.05	$ -	$ 13,746.05	$ 12,377.53	$ 1,368.52	$ 535,031.35	$ 31,206.27
20	4/1/2017	$ 535,031.35	$ 13,746.05	$ -	$ 13,746.05	$ 12,408.47	$ 1,337.58	$ 522,622.88	$ 32,543.85
21	5/1/2017	$ 522,622.88	$ 13,746.05	$ -	$ 13,746.05	$ 12,439.49	$ 1,306.56	$ 510,183.39	$ 33,850.40
22	6/1/2017	$ 510,183.39	$ 13,746.05	$ -	$ 13,746.05	$ 12,470.59	$ 1,275.46	$ 497,712.80	$ 35,125.86
23	7/1/2017	$ 497,712.80	$ 13,746.05	$ -	$ 13,746.05	$ 12,501.77	$ 1,244.28	$ 485,211.03	$ 36,370.15
24	8/1/2017	$ 485,211.03	$ 13,746.05	$ -	$ 13,746.05	$ 12,533.02	$ 1,213.03	$ 472,678.01	$ 37,583.17
25	9/1/2017	$ 472,678.01	$ 13,746.05	$ -	$ 13,746.05	$ 12,564.35	$ 1,181.70	$ 460,113.66	$ 38,764.87
26	10/1/2017	$ 460,113.66	$ 13,746.05	$ -	$ 13,746.05	$ 12,595.76	$ 1,150.28	$ 447,517.89	$ 39,915.15
27	11/1/2017	$ 447,517.89	$ 13,746.05	$ -	$ 13,746.05	$ 12,627.25	$ 1,118.79	$ 434,890.64	$ 41,033.95
28	12/1/2017	$ 434,890.64	$ 13,746.05	$ -	$ 13,746.05	$ 12,658.82	$ 1,087.23	$ 422,231.82	$ 42,121.17
29	1/1/2018	$ 422,231.82	$ 13,746.05	$ -	$ 13,746.05	$ 12,690.47	$ 1,055.58	$ 409,541.35	$ 43,176.75
30	2/1/2018	$ 409,541.35	$ 13,746.05	$ -	$ 13,746.05	$ 12,722.19	$ 1,023.85	$ 396,819.16	$ 44,200.61
31	3/1/2018	$ 396,819.16	$ 13,746.05	$ -	$ 13,746.05	$ 12,754.00	$ 992.05	$ 384,065.15	$ 45,192.65
32	4/1/2018	$ 384,065.15	$ 13,746.05	$ -	$ 13,746.05	$ 12,785.89	$ 960.16	$ 371,279.27	$ 46,152.82
33	5/1/2018	$ 371,279.27	$ 13,746.05	$ -	$ 13,746.05	$ 12,817.85	$ 928.20	$ 358,461.42	$ 47,081.02

Pmt. No.	Payment Date	Beginning Balance	Scheduled Payment	Extra Payment	Total Payment	Principal	Interest	Ending Balance	Cumulative Interest
34	6/1/2018	$ 358,461.42	$ 13,746.05	$ -	$ 13,746.05	$ 12,849.89	$ 896.15	$ 345,611.52	$ 47,977.17
35	7/1/2018	$ 345,611.52	$ 13,746.05	$ -	$ 13,746.05	$ 12,882.02	$ 864.03	$ 332,729.50	$ 48,841.20
36	8/1/2018	$ 332,729.50	$ 13,746.05	$ -	$ 13,746.05	$ 12,914.22	$ 831.82	$ 319,815.28	$ 49,673.02
37	9/1/2018	$ 319,815.28	$ 13,746.05	$ -	$ 13,746.05	$ 12,946.51	$ 799.54	$ 306,868.77	$ 50,472.56
38	10/1/2018	$ 306,868.77	$ 13,746.05	$ -	$ 13,746.05	$ 12,978.88	$ 767.17	$ 293,889.89	$ 51,239.73
39	11/1/2018	$ 293,889.89	$ 13,746.05	$ -	$ 13,746.05	$ 13,011.32	$ 734.72	$ 280,878.57	$ 51,974.46
40	12/1/2018	$ 280,878.57	$ 13,746.05	$ -	$ 13,746.05	$ 13,043.85	$ 702.20	$ 267,834.72	$ 52,676.65
41	1/1/2019	$ 267,834.72	$ 13,746.05	$ -	$ 13,746.05	$ 13,076.46	$ 669.59	$ 254,758.26	$ 53,346.24
42	2/1/2019	$ 254,758.26	$ 13,746.05	$ -	$ 13,746.05	$ 13,109.15	$ 636.90	$ 241,649.10	$ 53,983.13
43	3/1/2019	$ 241,649.10	$ 13,746.05	$ -	$ 13,746.05	$ 13,141.93	$ 604.12	$ 228,507.18	$ 54,587.26
44	4/1/2019	$ 228,507.18	$ 13,746.05	$ -	$ 13,746.05	$ 13,174.78	$ 571.27	$ 215,332.40	$ 55,158.53
45	5/1/2019	$ 215,332.40	$ 13,746.05	$ -	$ 13,746.05	$ 13,207.72	$ 538.33	$ 202,124.68	$ 55,696.86
46	6/1/2019	$ 202,124.68	$ 13,746.05	$ -	$ 13,746.05	$ 13,240.74	$ 505.31	$ 188,883.94	$ 56,202.17
47	7/1/2019	$ 188,883.94	$ 13,746.05	$ -	$ 13,746.05	$ 13,273.84	$ 472.21	$ 175,610.11	$ 56,674.38
48	8/1/2019	$ 175,610.11	$ 13,746.05	$ -	$ 13,746.05	$ 13,307.02	$ 439.03	$ 162,303.08	$ 57,113.40
49	9/1/2019	$ 162,303.08	$ 13,746.05	$ -	$ 13,746.05	$ 13,340.29	$ 405.76	$ 148,962.79	$ 57,519.16
50	10/1/2019	$ 148,962.79	$ 13,746.05	$ -	$ 13,746.05	$ 13,373.64	$ 372.41	$ 135,589.15	$ 57,891.57
51	11/1/2019	$ 135,589.15	$ 13,746.05	$ -	$ 13,746.05	$ 13,407.08	$ 338.97	$ 122,182.07	$ 58,230.54
52	12/1/2019	$ 122,182.07	$ 13,746.05	$ -	$ 13,746.05	$ 13,440.59	$ 305.46	$ 108,741.48	$ 58,536.00
53	1/1/2020	$ 108,741.48	$ 13,746.05	$ -	$ 13,746.05	$ 13,474.19	$ 271.85	$ 95,267.29	$ 58,807.85
54	2/1/2020	$ 95,267.29	$ 13,746.05	$ -	$ 13,746.05	$ 13,507.88	$ 238.17	$ 81,759.41	$ 59,046.02
55	3/1/2020	$ 81,759.41	$ 13,746.05	$ -	$ 13,746.05	$ 13,541.65	$ 204.40	$ 68,217.76	$ 59,250.42
56	4/1/2020	$ 68,217.76	$ 13,746.05	$ -	$ 13,746.05	$ 13,575.50	$ 170.54	$ 54,642.25	$ 59,420.96
57	5/1/2020	$ 54,642.25	$ 13,746.05	$ -	$ 13,746.05	$ 13,609.44	$ 136.61	$ 41,032.81	$ 59,557.57
58	6/1/2020	$ 41,032.81	$ 13,746.05	$ -	$ 13,746.05	$ 13,643.47	$ 102.58	$ 27,389.34	$ 59,660.15
59	7/1/2020	$ 27,389.34	$ 13,746.05	$ -	$ 13,746.05	$ 13,677.57	$ 68.47	$ 13,711.77	$ 59,728.62
60	8/1/2020	$ 13,711.77	$ 13,746.05	$ -	$ 13,711.77	$ 13,677.49	$ 34.28	$ -	$ 59,762.90

Town of Chino Valley
Lease Purchase Schedule

					GF Police	GF Parks	HURF Fund	Water	Sewer	Total
Interest Rate	3.00%									
					$ 180,000	$ 55,000	$ 350,000	$ 90,000	$ 90,000	$ 765,000
Payment Date	Payment	Interest	Principal	Balance	24%	7%	46%	12%	12%	100%
Original Principal Balance				$ 765,000						
7/1/2014	$ 13,746	$ 1,918	$ 11,828	$ 753,172	3,234	988	6,289	1,617	1,617	13,746
8/1/2014	$ 13,746	$ 1,888	$ 11,858	$ 741,314	3,234	988	6,289	1,617	1,617	13,746
9/1/2014	$ 13,746	$ 1,858	$ 11,888	$ 729,426	3,234	988	6,289	1,617	1,617	13,746
10/1/2014	$ 13,746	$ 1,829	$ 11,917	$ 717,509	3,234	988	6,289	1,617	1,617	13,746
11/1/2014	$ 13,746	$ 1,799	$ 11,947	$ 705,561	3,234	988	6,289	1,617	1,617	13,746
12/1/2014	$ 13,746	$ 1,769	$ 11,977	$ 693,584	3,234	988	6,289	1,617	1,617	13,746
1/1/2015	$ 13,746	$ 1,739	$ 12,007	$ 681,577	3,234	988	6,289	1,617	1,617	13,746
2/1/2015	$ 13,746	$ 1,709	$ 12,037	$ 669,539	3,234	988	6,289	1,617	1,617	13,746
3/1/2015	$ 13,746	$ 1,678	$ 12,068	$ 657,471	3,234	988	6,289	1,617	1,617	13,746
4/1/2015	$ 13,746	$ 1,648	$ 12,098	$ 645,374	3,234	988	6,289	1,617	1,617	13,746
5/1/2015	$ 13,746	$ 1,618	$ 12,128	$ 633,245	3,234	988	6,289	1,617	1,617	13,746
6/1/2015	$ 13,746	$ 1,587	$ 12,159	$ 621,087	3,234	988	6,289	1,617	1,617	13,746
FY 14/15	$ 164,953	$ 21,039	$ 143,913		38,812	11,859	75,469	19,406	19,406	164,953
					-	-	-	-	-	-
FY 15-16	$ 164,953	$ 16,650	$ 148,303		38,812	11,859	75,469	19,406	19,406	164,953
					-	-	-	-	-	-
FY 16-17	$ 164,953	$ 12,127	$ 152,826		38,812	11,859	75,469	19,406	19,406	164,953
					-	-	-	-	-	-
FY 17-18	$ 164,953	$ 7,465	$ 157,487		$ 38,812	$ 11,859	$ 75,469	$ 19,406	$ 19,406	$ 164,953
					-	-	-	-	-	-
FY 18-19	$ 164,953	$ 2,662	$ 162,291		$ 38,812	$ 11,859	$ 75,469	$ 19,406	$ 19,406	$ 164,953
					-	-	-	-	-	-

LEASE PURCHASE/THIRD PARTY FINANCING CONTRACTS

This section provides a summary of the lease purchase and third party financing contracts (hereafter referred to as lease purchase) information collected for FY 2012/13. For political subdivisions with outstanding debt, the information in Table 44 is presented by county and jurisdiction.

In FY 1996/97, the first year that reporting was requested; approximately 450 political subdivisions or state agencies submitted reports. The reports submitted for FY 1996/97 showed 669 lease purchase contracts with $209.5 million outstanding at the end of that fiscal year. For FY 2012/13, 1,131 political subdivisions and state agencies submitted reports.

As of June 30, 2013, outstanding lease purchase and third party contracts totaled $1.0 billion, a 5.2% increase over the $979.5 million reported for FY2011/12. The data presented is as complete and accurate as the records submitted by the reporting political subdivisions and agencies.

Details of all lease purchase and third party contracts reported by Arizona political subdivisions and state agencies can be found in Table 44. Table 45 lists all political subdivisions and state agencies who reported having no lease purchases or third party financing contracts.

The following tables summarize the outstanding lease purchase contracts as of June 30, 2013 by county and jurisdiction.

County	Number of Contracts	Amount Outstanding
Apache	28	$3,129,639
Cochise	56	$29,104,106
Coconino	67	$17,868,044
Gila	49	$2,588,224
Graham	27	$4,302,077
Greenlee	19	$1,970,186
La Paz	23	$4,444,965
Maricopa	120	$145,136,564
Mohave	52	$12,666,791
Navajo	50	$15,371,071
Other	29	$18,526,730
Pima	85	$57,590,973
Pinal	67	$45,282,420
Santa Cruz	22	$16,756,783
State	72	$589,081,517
Yavapai	65	$48,302,710
Yuma	35	$18,676,391
Grand Total	866	$1,030,799,191

Jurisdiction	Number of Contracts	Amount Outstanding
Cities/Towns	235	$91,517,985
Community Colleges	15	$33,457,035
Counties	75	$40,528,270
Other Districts	29	$18,526,730
School Districts	228	$174,002,945
Special Districts	212	$83,684,709
State	72	$589,081,517
Grand Total	866	$1,030,799,191

TABLE 44
LEASE PURCHASE CONTRACTS BY COUNTY

County	Name of District	Number of Contracts	Amount Outstanding	Amount Retired	Interest Paid in Current Fiscal Year	Interest Paid to Date
	Totals for State	72	$589,081,517	$143,859,494	$13,146,454	$99,893,653
Yavapai						
City/Town						
	Camp Verde	4	$5,801	$59,733	$799	$42,170
	Chino Valley	1	$0	$500,000	$371	$60,625
	Clarkdale	1	$27,880	$40,157	$1,571	$6,717
	Cottonwood	4	$894,011	$1,393,903	$27,061	$245,902
	Prescott	5	$174,270	$3,468,412	$20,332	$1,134,001
	Sedona	1	$17,082	$105,704	$607	$6,133
	Totals for City/Town	16	$1,119,044	$5,567,909	$50,741	$1,495,548
Community College						
	Yavapai Community College	4	$12,303,474	$2,481,050	$570,281	$1,372,165
	Totals for Community College	4	$12,303,474	$2,481,050	$570,281	$1,372,165
County						
	Yavapai County	1	$22,933,567	$27,066,433	$1,055,915	$6,700,005
	Totals for County	1	$22,933,567	$27,066,433	$1,055,915	$6,700,005
School District						
	Ash Fork USD	2	$112,335	$74,660	$296	$2,843
	Beaver Creek ESD	4	$73,104	$54,113	$3,305	$5,060
	Camp Verde USD #28	1	$1,801,000	$216,000	$121,891	$326,501
	Canon ESD	1	$0	$337,430	$2,401	$113,026
	Chino Valley USD	7	$1,543,409	$415,175	$89,226	$186,701
	Clarkdale-Jerome ESD	1	$73,365	$38,203	$0	$0

Investment Proposal for:
TOWN OF CHINO VALLEY
1982 N VOSS DR
201
CHINO VALLEY, AZ 863237630
Phone: (928) 636-7140
Fax: (928) 636-0894

RDO EQUIPMENT CO.

Rick Levine
1091 Commerce St
Prescott, AZ 86305
Phone: (928) 776-8300
Mobile: (928) 379-0707
Fax: (928) 776-1255

Thank you for allowing me the opportunity to quote you this equipment. We appreciate your business. Rick

Equipment: NEW 2014 JOHN DEERE 410K

Key Features

02U0T	410K BACKHOE LOADER	1095	4.5L ENGINE-EPA IT4
1700	JD LINK NA	2085	ULTIMATE CAB
2401	DECALS ENGLISH	3085	MFWD (4WD) LIMITED SLIP
4891	FIRESTONE21LX24 12.5/80-18	5075	EXTENDABLE 5 FNC
5225	2 LEVER CONTROLS	5400	LESS COUPLER
5658	24" SEVERE DTY BKT(7.5 CUFT)	7025	2 FNC LOADER
7655	1.5 CY LG LIP BKT	8485	1250LB FRONT COUNTERWEIGHT
8675	DUAL BATTERY, 300 MIN RESERV	9080	ENGINE COOLANT HEATER (100W)
9110	RIDE CONTROL	9505	FULL MFWD GUARD

Serial Number

TBD (0 Approximated Hours) — Equipment Price $99,583.44

Warranty Information

John Deere / Full Extended / 600 Months / 60 Hours / $200.00 Deductible — $0.00

PROPOSAL SUMMARY

Equipment Total	$99,583.44
Sub Total	$99,583.44
Estimated sales tax to apply (AZYV AZ PRESCOTT 8.35%)	$8,315.22
Total Investment	**$107,898.66**

Rick Levine

RDO EQUIPMENT CO.
rlevine@rdoequipment.com

This proposal was created on April 3, 2014 and is valid until May 3, 2014 and is subject to prior sale. After that date the quote and terms in the proposal may need to be revised

Investment Proposal for:
TOWN OF CHINO VALLEY
1982 N VOSS DR
201
CHINO VALLEY, AZ 863237630
Phone: (928) 636-7140
Fax: (928) 636-0894

Rick Levine
1091 Commerce St
Prescott, AZ 86305
Phone: (928) 776-8300
Mobile: (928) 379-0707
Fax: (928) 776-1255

Thank you for allowing me the opportunity to quote you this equipment. We appreciate your business. Rick

Equipment: NEW 2014 JOHN DEERE 544K

Key Features

7640T	544K 4WD LOADER	0810	STANDARD GATHERING GROUP
0914	IT4 ENGINE	1010	STD 544K LOADER
1110	TRANSMISSION WO AX DISC	1215	130AMP ALTERNATOR
1310	MUFFLER WITH BLACK EXHAUST	1430	AIR INTAKE W PRECLEANER
1520	REVERSE FAN DRIVE	1610	FUEL TANK W STD FILTER
1700	JD LINK ULTIMATE NA 3YR	1915	STEERING CYLINDERS NG
2010	STD ZB BOOM W STD LINKAGE	2120	CONVENTIONAL STEERING
2220	SEAT, CLOTH W AIR SUSPENSION	2424	2 FN VLVE/JYSTK/STRG CLM FNR
2510	RIDE CONTROL SYSTEM	2605	ENGLISH DECALS
3046	AXLE,STD REAR & HYD FRONT	3120	AXLE MANUAL DIFF LOCK
4421	20.5R25 1 STAR L3 MI-3PC RIM	5530	STD FRT FNDRS/R PLATFORM
7120	HD LED MARKER/TURN LIGHTS	8220	CAST HITCH
8310	OUTSIDE MIRRORS	8422	CAB WITH AIR
8450	AC CHARGE	8740	3YD-105.9IN.(2690MM)BKT
9015	ENGINE BLOCK HEATER	9050	WHEEL SPIN CONTROL SYSTEM
9065	AXLE COOLER	9105	RADIO, AM/FM/WB
9125	SINGLE BEACON BRACKET	9140	FIRE EXTINGUISHER
9225	08 AMP CONVERTER-1 PLUG	9420	TRANSMISSION GUARDS
9430	BOTTOM GUARDS	9450	LEVEL 1 SOUND PACKAGE

Serial Number

TBD (0 Approximated Hours) — Equipment Price $153,671.78

Warranty Information

John Deere / Full Extended / 84 Months / 7500 Hours / $200.00 Deductible — $0.00

This proposal was created on March 20, 2014 and is valid until April 20, 2014 and is subject to prior sale. After that date the quote and terms in the proposal may need to be revised.

D647097 C7140003

PROPOSAL SUMMARY

Equipment Total	$153,671.78
Sub Total	$153,671.78
Estimated sales tax to apply (AZYV AZ PRESCOTT 8.35%)	$12,831.59
Total Investment	**$166,503.38**

Rick Levine

RDO EQUIPMENT CO.
rlevine@rdoequipment.com

This proposal was created on March 20, 2014 and is valid until April 20, 2014 and is subject to prior sale. After that date the quote and terms in the proposal may need to be revised.

BERGE FORD

460 East Auto Center Drive
Mesa, Arizona 85204
480-497-1111

Richard Lewis
Government Fleet Sales Manager
Phone: 480-497-7548
Fax: 480-497-7594
rlewis@bergeford.com

Theresa Worthen
Assistant Government Fleet Sales
Phone: 480-497-7544
tworthen@bergeford.com

Date: 3-6-2014

Customer: Town of Chino Valley

Vehicle Description: ~~2014~~ F-550 4x2 Reg. Cab 165" WB 84" CA with 11' Dump
2015-

Pima County Contract No.B508299-BC Line Item 47 Phase 2

	BASE BID PRICE:	41,476.00 -
	UPGRADE OPTIONS	
1	11' Dump from A.S.H. Quote No.	10,119.79
2		
3		
4		
5		
6		
7		
8		
9		
10		
	Base Bid Price w/Options:	$51,595.79
	Tire Tax:	$7.00
	Sales Tax (8.05%)	$4,153.46
	Ford Extended Service Plan	
	Transportation Fee F.O.B. MESA	
	TOTAL DELIVERED PRICE	$55,756.25 -

Notes:

Quality since 1941
ASH
AUTO SAFETY HOUSE
TOTAL FLEET SOLUTIONS

PHOENIX
2630 W. BUCKEYE RD.
PHOENIX, AZ 85009
(800) 352-5355
FAX: (602) 278-3916
PHONE: (602) 269-9721

TUCSON
1402 E. BENSON HWY.
TUCSON, AZ 85714
(800) 717-1601
FAX: (520) 294-3223
PHONE: (520) 889-9551

HOLBROOK
840 S. HIGHWAY 77
HOLBROOK, AZ 86025
(800) 816-3619
FAX: (928) 524-2594
PHONE: (928) 524-3582

EIN 86-0960895

INVOICE DATE	
06-Mar-14	
INVOICE NO.	PAGE
QUOTE	1
CUSTOMER NO.	BRANCH
12725	1

REMIT TO: Auto Safety House
2630 W Buckeye Rd
Phoenix, AZ 85009

SOLD TO:
BERGE FORD
ATTN:PAYABLES
460 E AUTO CENTER DR
MESA AZ 85204

SHIP TO:
BERGE FORD
460 E AUTO CENTER DR
MESA AZ 85204

TERMS: NET - NO DISCOUNT, PAYABLE 10th of MONTH FOLLOWING PURCHASE
Min 15% Restocking Fee on ALL Returns, No Returns on Special Orders, No returns after 30 days, No Returns without Invoice

CUSTOMER P.O.	R/S ORDER NO.		
	218710	(480) 497-1111	37 256/937

PRICE / PER | EXTENSION

```
           R/O STATUS: Q  QUOTE              PRINT JOB TOTALS: Y
                TERMS: (00) NET DUE 30 DAYS
     Contact Name:          CRAIG          Contact Phone:
     Estimate #:                           Promise Date/Time:     QUOTE
               EXPIRES: 03/21/2014
     ***********************************************************
     *********************MAIL DUPLICATE**********************
JOB#01  05 010 04  DUMP BODIES AND BEDS
        ALTERNATE ACCOUNTING: 65 (Y) - TRUCK EQUIPMENT
     FURNISH AND INSTALL A 11' DRW CRYSTEEL DUMP BED WITH
     A CAB GUARD, DOUBLE ACTING TAILGATE, SOLID SIDES,
     TAPERED HEADBOARD, ALL LEGAL LIGHTS, FUEL SPOUTS,
     MUD FLAPS, AND PAINTED WIHTE.
  1 CY  1622894        LB510E/SA E          $3112.66      2000.00EA*    2000.00
  1 EE  FUEL           FUEL SPOUTS ETC.       $60.00        30.00EA       30.00
  1 EE  MISC           MISC MATERIALS        $120.00        95.00EA       95.00
  1 EE  MUD FLAPS      MISC-MUD FLAPS        $100.00        50.00EA       50.00
  1 PA  RH-B9791GAL    OXFORD FORD WHITE     $140.59        99.36EA       99.36
                       TRK EQUIP PAINT SALES                             182.60
  1 CY  1626640        11' RIGID         $5300.01 BIL     4416.75EA*    4416.75
                                     MISC SUBTOTAL                       182.60
                                     PARTS SUBTOTAL                     6691.11
   *  15.00 HOURS                    LABOR SUBTOTAL                     1230.00
                                     SHOP SUPPLIES                        86.10
                                     ** JOB SUBTOTAL                    8189.81
JOB#02  05 011 04  MISC MATERIAL
        ALTERNATE ACCOUNTING: 65 (Y) - TRUCK EQUIPMENT
     FURNISH AND INSTALL A BUTT PLATE RECIEVER HITCH AND
     7 WAY RV SOCKET.
     WE WILL ALSO ADD A PINTLE COMBO
  1 BY  RT25812        12" RECEIVER TUBE      $32.95        21.15EA       21.15
  2 BY  B40I           DRING/BRACKET 5/8X4.25 $9.99          5.94EA       11.88
                       EQUIP STEEL SALES                                 207.50
  1 PO  12-703         7 WAY SOCKET           $11.99         7.99EA        7.99
  1 HH  BH-200RN51     PINTLE HOOK,DUPLEX H $104.99         91.49EA       91.49
  1 BY  PM87           PINTLE MOUNT, 4 HOLE  $70.57         45.29EA       45.29
  1 BY  HP6253WC       PIN 5/8IN HITCH  WITH  $2.78          1.78EA        1.78
  1 BY  8520           HDW BAG-KIT G8(4)EA HH $7.18          4.61EA        4.61
                                     MISC SUBTOTAL                       207.50
                                     PARTS SUBTOTAL                      184.19
   *   3.50 HOURS                    LABOR SUBTOTAL                      287.00
```

MISC	SUB TOTAL	TAX STATUS/STATE	SALES TAX	PLEASE PAY
			*	*CONTINUED*

CUSTOMER SIGNATURE

Quality since 1941
ASH
AUTO SAFETY HOUSE
TOTAL FLEET SOLUTIONS

PHOENIX
2630 W. BUCKEYE RD.
PHOENIX, AZ 85009
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HOLBROOK
840 S. HIGHWAY 77
HOLBROOK, AZ 86025
(800) 816-3619
FAX: (928) 524-2594
PHONE: (928) 524-3582

EIN 86-0960895

INVOICE DATE	
06-Mar-14	
INVOICE NO.	PAGE
QUOTE	2
CUSTOMER NO.	BRANCH
12725	1

REMIT TO:
Auto Safety House
2630 W Buckeye Rd
Phoenix, AZ 85009

SOLD TO:
BERGE FORD
ATTN:PAYABLES
460 E AUTO CENTER DR
MESA AZ 85204

SHIP TO:
BERGE FORD

460 E AUTO CENTER DR
MESA AZ 85204

TERMS: NET - NO DISCOUNT, PAYABLE 10th of MONTH FOLLOWING PURCHASE
Min 15% Restocking Fee on ALL Returns, No Returns on Special Orders, No returns after 30 days, No Returns without Invoice

CUSTOMER P.O.	R/S ORDER NO.		
	218710	(480) 497-1111	37 256/937

PRICE / PER | EXTENSION

```
                                   SHOP SUPPLIES                          20.09
                                ** JOB SUBTOTAL                          698.78
JOB#03  05 011 04  MISC MATERIAL
      ALTERNATE ACCOUNTING: 65 (Y) - TRUCK EQUIPMENT
   FURNISH AND INSTALL A PULL TARP MANUAL SYSTEM WITH TARP.
  1 PU  S8-93          SYSTEM          $1727.50      863.99EA       863.99
  1 PU  BM-14-88       BLACK MESH TARP   $207.50      103.99EA       103.99
                                   PARTS SUBTOTAL                        967.98
   *   3.00 HOURS                  LABOR SUBTOTAL                        246.00
                                   SHOP SUPPLIES                          17.22
                                ** JOB SUBTOTAL                         1231.20

                              *TOTAL PARTS:                             7843.28
                              *TOTAL LABOR:                             1763.00
                              *TOTAL OTHER:                              390.10
                              *TOTAL SHOP SUPPLIES:                      123.41
   *****************************************************************
   PLEASE NOTE: AUTO SAFETY HOUSE WILL NOT BE RESPONSIBLE FOR ANY EQUIPMENT
               OR MATERIAL LEFT OVER 15 DAYS, THANK YOU!
   *****************************************************************
```

MISC	SUB TOTAL	TAX STATUS/STATE	SALES TAX	PLEASE PAY
	10119.79	RESALE AZ	0.00	10119.79

CUSTOMER SIGNATURE

```
CNGP530                  VEHICLE ORDER CONFIRMATION          03/06/14 14:50:33
==> _________ ________________________________________          Dealer: F71175
                               2014 F-SERIES SD                    Page: 1 of 2
Order No: 8585    Priority: B4  Ord FIN: KA595  Order Type: 5B Price Level: 420
Ord PEP:  660A Cust/Flt Name: CHINO VALLEY        PO Number:
                      RETAIL   DLR INV                           RETAIL    DLR INV
F5G  F550 4X2 CHAS/C $35645 $32882.00        TELE TT MIR-PWR
     165" WHEELBASE                     17F  XL DECOR PKG           NC         NC
Z1   OXFORD WHITE                            LESS TPMS
1    CLTH 40/20/40      100     85.00   425  50 STATE EMISS         NC         NC
S    STEEL                                   SPARE TIRE/WHLQ       350     299.00
660A PREF EQUIP PKG                     52B  BRAKE CONTROLLR       230     196.00
     .XL TRIM                           61J  JACK                   NC         NC
572  .AIR CONDITIONER    NC        NC   62R  TRANS PTO PROV        280     239.00
99T  6.7L V8 DIESEL    7965   6791.00
44W  6-SPEED AUTO       190    162.00   TOTAL BASE AND OPTIONS 48960   43855.10
TFB  .225 BSW AS 19.5                   TOTAL                  48960   43855.10
X8L  4.88 LTD SLIP      360    308.00   *THIS IS NOT AN INVOICE*
68M  PAYLD PLUS UPGR   1155    985.00
     19500# GVWR PKG                    * MORE ORDER INFO NEXT PAGE *
90L  PWR EQUIP GROUP    895    763.00                F8=Next
F1=Help                F2=Return to Order            F3/F12=Veh Ord Menu
F4=Submit              F5=Add to Library
S006 - MORE DATA IS AVAILABLE.                                          QC203051
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CNGP530                    VEHICLE ORDER CONFIRMATION           03/06/14 14:50:43
==> ________ ________________________________                      Dealer: F71175
                              2014 F-SERIES SD                         Page: 2 of 2
Order No: 8585   Priority: B4  Ord FIN: KA595  Order Type: 5B Price Level: 420
Ord PEP:  660A Cust/Flt Name: CHINO VALLEY        PO Number:
                      RETAIL   DLR INV                           RETAIL   DLR INV
63B  CLN IDLE DECAL      NC         NC
65Z  AFT AXLE TANK       NC         NC
67D  XTR HVY DTY ALT     NC         NC
     AUX AUDIO INPUT
96V  XL VALUE PKG       595     507.00
     .CRUISE CONTROL
     .AMFM/CD/CLK
     SP FLT ACCT CR            (596.00)
     FUEL CHARGE                 39.10
     DEST AND DELIV    1195    1195.00

TOTAL BASE AND OPTIONS 48960  43855.10
TOTAL                  48960  43855.10
*THIS IS NOT AN INVOICE*
                                                    F7=Prev
 F1=Help               F2=Return to Order           F3/F12=Veh Ord Menu
 F4=Submit             F5=Add to Library
S099 - PRESS F4 TO SUBMIT                                              QC203051
```

BERGE FORD

Richard Lewis
Government Fleet Sales Manager
Phone: 480-497-7548
Fax: 480-497-7594
rlewis@bergeford.com

Theresa Worthen
Assistant Government Fleet Sales
Phone: 480-497-7544
tworthen@bergeford.com

460 East Auto Center Drive
Mesa, Arizona 85204
480-497-1111

Date: 4-30-2014

Customer: Town of Chino Valley

Vehicle Description: 2015 Utility Police Interceptor

Pima County Contract No. B508299-BC Lime Item 13

	BASE BID PRICE:	$25,834.00 -
	UPGRADE OPTIONS	
1	6 KEYS INCLUDED	N/C
2		
3	43D DARK CAR FEATURE	17.00
4	17T RED/WHITE DOME LAMPS CARGE AREA	45.00
5	51R DRIVER SPOT LIGHT	345.00
6	76D DEFLECTOR PLATE	292.00
7	59B KEY CODE	45.00
8	NOISE SUPPRESSION	87.00
9	68G INOPERABLE REAR	30.00
10	18W INOPERABLE REAR WINDOWS	18.00
	Base Bid Price w/Options:	$26,713.00
	Tire Tax:	$5.00
	Sales Tax (8.05%)	$2,150.40
	Ford Extended Service Plan	
	Transportation Fee F.O.B. MESA	

TOTAL DELIVERED PRICE	$28,868.40 -

Notes: Pricing includes 6 keys

CNGP530 VEHICLE ORDER CONFIRMATION 04/30/14 15:32:50

==> Dealer: F71175

2015 EXPLORER 4-DOOR Page: 1 of 1

Order No: 8585 Priority: G2 Ord FIN: QA595 Order Type: 5B Price Level: 515

Ord Code: 500A Cust/Flt Name: CHINO VALLEY PO Number:

		RETAIL	DLR INV			RETAIL	DLR INV
K8A	4DR AWD POLICE	$30185	$28450.00	76D	DEFLECTOR PLATE	$335	$292.00
	.112.6" WB				FLEX FUEL		
YZ	OXFORD WHITE				SP DLR ACCT ADJ		(1250.00)
9	CLTH BKTS/VNL R				SP FLT ACCT CR		(389.00)
W	BLACK INTERIOR				FUEL CHARGE		10.80
500A	EQUIP GRP			B4A	NET INV FLT OPT	NC	7.00
99R	.3.7L V6 TIVCT	NC	NC		DEST AND DELIV	895	895.00
44C	.6-SPD AUTO TRAN	NC	NC	TOTAL	BASE AND OPTIONS	32100	28614.80
17T	CARGO DOME LAMP	50	45.00	TOTAL		32100	28614.80
18W	RR WINDOW DEL	35	30.00	*THIS IS NOT AN INVOICE*			
43D	COURTESY DISABL	20	17.00				
51R	DRV LED SPT LMP	395	345.00				
59B	KEY CODE 1284X	50	45.00				
60R	NOISE SUPPRESS	100	87.00				
68G	RR DR/LK INOP	35	30.00				

F1=Help F2=Return to Order F3/F12=Veh Ord Menu

F4=Submit F5=Add to Library

S099 - PRESS F4 TO SUBMIT QC203051

TOWN OF CHINO VALLEY
COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting **Item No. 8. g.**

Meeting Date:	05/13/2014
Contact Person:	Jami Lewis, Town Clerk Phone: 928-636-2646 x-1208
Department:	Council
Item Type:	Action
Estimated length of staff presentation:	None
Physical location of item:	East Road 4 South extension

AGENDA ITEM TITLE:
Consideration, discussion, and possible action regarding review of the Road 4 South extension project expenditures.

RECOMMENDED ACTION:
Direction to staff.

SITUATION AND ANALYSIS:
Councilmember McKee has requested this item for the reasons following:

Questions have arisen from the Road 4 South Project presentation regarding additional costs associated with this type of project that were not included. The purchase price of the land, including the additional compensation to Mr. James, to additional machinery costs not accounted for, to the road itself have been understated.

Staff should report all costs connected with this or any project to the people of Chino Valley because the people deserve to know how their money is being spent.

Fiscal Impact

Attachments

Staff Report from April 22, 2014
Situation & Analysis from Staff
Supporting Information

Agenda Item Staff Report
SITUATION & ANALYSIS

Issue Statement

In an effort to avoid further litigation, it was decided to extend Road 4 south from its eastern terminus at the solar electric facility, easterly to eastern line of section 1 Township 15 N, Range 2 W. This road construction was funded with from roads impact fees. Any impact fee can only be used to expand the system of that which the impact fee is collected. Therefore, in order to tap into the road impact fee dollars it must be demonstrated that the transportation system is expanded. By extending Center Street between Road 1 East and the Peavine Trail along with extending a roadway adjacent to the Peavine Trail between Center Street and Road 4 South, the expansion of the transportation system is accomplished.

Applicable "Policy"

- Pursuant to A.R.S. § 34-201(D), a street, road, bridge, water or sewer work may be constructed either with or without the use of the agent's regularly employed personnel without advertising for bids, provided that the total cost of the work does not exceed approximately $216,000 in 2013.

Satisfaction of "Policy"

- The above A.R.S. applies to each phase of the Road 4 South Project. Phase 1 of the project totaled $137,553.34. Phase 2 of the project totaled $194,284.97.97. The $60,000 APS power pole relocation still has not been received but is included in Phase 2 in its entirety. Each portion of the project, making up a total project that stands alone, is under the state limit of $216,000.00.

Summary of Issues and Staff Rationale

On December 11, 2012, the Council approved the professional services agreement with Civil Tec, Engineering for the development of partial designs for Road 4 South, Center Street (with complete design plans of the box culvert at Center Street and the Santa Cruz Wash,) and the road adjacent to the Peavine Trail between Center Street and Road 4 South. The design fees for Road 4 South are $31,144.00. On November 12, 2013, the Council approved the construction staking contract to Civil Tec, Engineering in the amount of $23,856.00. Also on November 12, 2013 the Council approved the finding that the Road 4 South qualifies as an "in-house" project with the general cost estimates for drainage, guardrail, aggregate, etc. as $199,975.00 ($89,975.00 for Phase 1 and $110,000.00 for Phase 2.) On December 10, 2013, the right-of-way for Road 4 South was accepted by the Town Council. Also on December 10, 2013, the Council approved the equipment rental contracts with ECCO Equipment Corporation and United Rentals in the amount of $109,000.00 and $17,644.00 respectively for a total of $126,744.00 ($42,148.00 for Phase 1 and $84,296.00 for Phase 2.) On January 14, 2014 the Council approved the relocation of the APS power poles at a cost of $60,000.00.

The project began construction on January 6, 2014 and reached substantial completion on March 29, 2014. Total project costs for phases 1 and 2 from previous estimates were $194,296.00 and $192,123.00 respectively. The following are the summaries of the actual construction costs:

Description	Phase 1	Phase 2
Misc. Invoices	$8,808.13	$10,111.71
Civil Tec Design	$15,722.00	$15,722.00
Civil Tec Construction Staking	$11,928.00	$11,928.00
Arrowhead (Aggregate)	$20,457.90	$20,458.06
ECCO	$21,038.86	$21,956.96
ETC (Testing)	$520.00	$400.00
Sunstate	$0.00	$2,264.23
Contech	$15,737.52	$8,103.05
AZ Highway Specialty	$21,249.78	$21,249.79
United Rentals	$4,215.46	$4,215.47
Bennett Oil (Fuel)	$7,114.84	$7,114.84
C&R Trucking	$9,660.85	$9,660.86
Barricades and Signage	$1,100.00	$1,100.00
APS Relocate (Not invoiced at this time)	$0.00	$60.000.00
Total	$137,553.34	$194,284.97

Findings of Fact

- Cost estimates for this project, had the Town sought a “normal” bidding process was $557,846.00, per the January 14th Council meeting. Given the fact that this project was performed under the “in-house” designation, a cost savings of $226,007.69 was achieved.

Agenda Item Staff Report
SITUATION & ANALYSIS

Issue Statement

Brief narrative description of the issue at hand, including information about the problem or reason why Council involvement is required, why the item is now suitable for Council consideration and requires Council action for the item to move forward.

This item has been already been reported to the Council at the April 24th meeting. Additional questions have been raised by a councilmember asking for additional explanation of total expenditures. The costs summarized to the Council on the 24th only focused on construction costs. The situation and analysis of the agenda item asks for information relating to the ROW acquisition costs.

Applicable "Policy"

Bulleted list, by section number and title, of the statue, code, plan, policy, goal, initiative, etc. relevant to the issue that must be satisfied in order to resolve the issue. A brief summary of the "policy" section(s) may be included if there are multiple issues or details that need to be covered.

- N/A

Satisfaction of "Policy"

Bulleted list, by section number and title, of the above relevant "policies," with a narrative explaining how each of them were/will be met or satisfied.

- N/A

Summary of Issues and Staff Rationale

Narrative explaining the issue at hand and how/why the staff proposed solution(s) are best for the Town. This may include more than one resolution or solution/alternative for Council to consider.

It is important to understand that the Town of Chino Valley has procurement procedures in place that do not allow staff to expend large sums of money without Council approval. The issue of Road 4 South has been raised extensively over the last year. This item has been discussed at 6 regular meetings and one special meeting.

At the September 24, 2013 meeting and executive session was held under item 8a is discuss this issue. Information discussed in executive sessions is not allowed to be discussed outside of the executive session. On October 17, 2013 a special meeting was held and an executive session was held. Again, information from an executive session cannot be discussed. Other meeting dates were 3-11-14 item - 4a, 12-10-13 items - 4a, 6e, 6g, 7f, 11-12-13 items – 3, 7e, 7f, 10-8-13 items – 8a, 9a, 10-22-13 items – 8a, 9a. Attached is the research provided by the clerk's office of the meeting dates and the minutes from these meetings.

At the December 10, 2013 meeting, under item 9a, Council approved the proposed settlement agreement regarding the Cortez litigation. This item passed 7-0. The financial costs associated with this settlement have been summarized at the March 11, 2014 Council meeting under the manager's report.

At the September 24, 2013 meeting under 9a, Council approved to spend an amount not to exceed $55,000.00 to Deep Well Ranches for the purchase of 8.569 acres of land for the ROW for Road 4 South.

At the October 17, 2013 special meeting under item 3, Council approved the Letter of Intent for the purchase of 8.6 acres from Deep Well Ranch for the ROW for Road 4 South. The amount called for in the Letter of Intent was $219,062.44. Attached is the ledger sheet showing the disbursement. The meeting minutes note that Councilmember Hatch left the executive session.

Findings of Fact

Bulleted list of staff findings that support the determination that the proposed resolution is the best solution for the Town.

- N/A

Ron Grittman

From: Liz Hart
Sent: Thursday, May 08, 2014 8:47 AM
To: Ron Grittman
Subject: Road 4 South/Deep Well Ranch items before Council
Attachments: agenda item staff report 8g for Ron.pdf; 2014Mar11_CC_RG_MN.pdf; 2013Dec10_CC_RG_MN.pdf; 2013Nov12_CC_RG_MN.pdf; 2013Oct08_CC_RG_MN.pdf; 2013Oct22_CC_RG_MN.pdf; 2013Oct17_CC_SP_MN.pdf; 2013Sep24_CC_RG_MN.pdf

Ron,

Road 4 South/Deep Well Ranch items before Council

3-11-14 rg meeting - 4a
12-10-13 rg meeting- 4a, 6e, 6g, 7f
11-12-13 rg meeting – 3, 7e, 7f
10-8-13 rg meeting – 8a, 9a
10-22-13 rg meeting – 8a, 9a
10-17-13 sp meeting – 2, 3
9-24-13 rg meeting – 8a, 9a

Thank You,
Liz Hart

Town Clerk Assistant/Records Technician
lhart@chinoaz.net
202 N. State Route 89
Chino Valley, AZ 86323
(928) 636-2646 ext. 1210

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

TUESDAY, SEPTEMBER 24, 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, September 24, 2013.

Present:	Mayor Chris Marley; Vice-Mayor Darryl Croft; Councilmember Linda Hatch; Councilmember Pat McKee; Councilmember Don Wojcik
Absent:	Councilmember Mike Best; Councilmember Lon Turner
Staff Present:	Town Manager Robert Smith; General Services Director Cecilia Watts; Town Attorney Phyllis Smiley; Police Chief Chuck Wynn; Police Lieutenant Vince Schaan; Police Officer Gary Bruso; Police Officer Mike Pereda; Town Engineer/Public Works Director Ron Grittman; Town Clerk Assistant Liz Hart (recorder)

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

Mayor Marley called the meeting to order at 6:05 p.m.

Vice-Mayor Croft gave the invocation and Mayor Marley led the Pledge of Allegiance.

2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

a) Proclamation declaring September 22-28, 2013 as "Employer Support of the Guard and Reserve Week," sponsored by ESGR.

Vice-Mayor Croft read the proclamation and presented it to Darren Venters with ESGR, who acknowledged the Town's support.

b) Presentation of $10,000 donation from Sturm, Ruger to the Chino Valley Police Department for the new canine, Bronco. (Chuck Wynn, Police Chief)

Chief Wynn spoke about expanding the Police Department's canine program by bringing on a second canine, Gus. Mark Lang with Sturm, Ruger spoke about their desire to support the Town's Police Department and presented the check to Chief Wynn Vice-Mayor Croft.

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 criticism.

Marti Klein spoke about a problem with weeds through the center of Town, and needing to make the Town more appealing to prospective residents and businesses.

Rob Layhee spoke about times past in which the citizens themselves cleaned up the highway and roadways, rather than depending on the government.

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.

Councilmember Hatch reported that District 22 Arizona Senator Judy Burgess was in attendance and she reported on a recent Magistrate Evaluation Subcommittee meeting.

Mayor Marley acknowledged Councilmember Hatch for her efforts on the rural economic development grant, and read a letter to the Town from the Prescott Recreation Services Department, Senior Olympic Games Committee, regarding the success of their shooting events held at the Town's shooting facility.

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.

7) ACTION ITEMS

a) Consideration and possible action to approve License Agreement between the Town of Chino Valley and Yavapai Regional Transit for continued use of Town property and/or right of ways and/or easements for picking up and dropping off passengers, effective October 1, 2013. (Councilmember Linda Hatch; Councilmember Pat McKee)

Acronym used in this item:
YRT (Yavapai Regional Transit)

Councilmember Hatch and Town Attorney Phyllis Smiley reported that:

- On October 1, 2013. Chino Valley Transit will complete its transition to YRT, a 501(c)(4) organization, which will assume ownership of the transit signs, bus stops, and benches, some of which were located on Town property and/or rights-of-way.
- As part of the transition process, YRT needed an agreement with the Town, authorizing them to use Town rights-of-way and/or roadway easements to retain, maintain, repair and replace these facilities as needed, as well as add more facilities in the Town rights-of-way in the future, should that be needed.
- As there was some difficulty in determining whether several of these facilities were on Town or private property, further research was needed.
- Staff was recommending that Council approve a license agreement giving YRT the right to be on these properties, and as the facilities were accurately located, Exhibit A, which listed the facilities with photographs and GIS coordinates, will be amended.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Linda Hatch to approve the License Agreement between the Town of Chino Valley and Yavapai Regional Transit, effective October 1, 2013.

Vote: 5 - 0 PASSED - Unanimously

b) Consideration and possible action to appoint applicants to fill vacancies on various public bodies. (Jami Lewis, Town Clerk)

Town Clerk Assistant Liz Hart reported that the Council Appointments Subcommittee met on September 9, 2013 to review applications for several public bodies and they were recommending that Council:

- Re-appoint Lillian Morales to the Board of Adjustment.
- Re-appoint Travis Bard to the Industrial Development Authority.
- Re-appoint Eric Smith and Sue Spahr, and appoint Bruce Thomson to the Parks and Recreation Advisory Board.
- Re-appoint Darryl Croft and Ron Romley, and appoint Glenda Williamson to the Roads and Streets Committee.
- Appoint Nancy Herrero and Delores Barwick to the Senior Center Advisory Board.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Pat McKee to appoint applicants to the Chino Valley Board of Adjustment, Industrial Development Authority, Parks and Recreation Advisory Board, Roads and Streets Committee, and Senior Center Advisory Board as recommended by the Appointments Subcommittee.

Vote: 5* - 0 PASSED - Unanimously

* Corrected to reflect scrivener's error

8) **EXECUTIVE SESSION**

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

Don Wojcik*

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember ~~Lon Turner~~ to go into executive session for items 8a and 8b at 6:40 p.m.

Vote: 5* - 0 PASSED - Unanimously

* Corrected to reflect scrivener's error

a) Council may vote to go into executive session pursuant to A.R.S. § 38-431.03(A)(3) and (7) for discussion or consultation with the Town Attorney for legal advice and with designated representatives of the Town in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property that is an extension of the existing Road 4 South to the east, in the immediate vicinity of the section line, consisting of approximately 8.6 acres. (Robert Smith, Town Manager)

b) Council may vote to go into executive session pursuant to A.R.S. § 38-431.03(A)(4) for discussion or consultation with the Town Attorney in order to consider its position and instruct the Town Attorney regarding the Town's position regarding an intergovernmental agreement with the City of Prescott related to payments for the transportation of water that is the subject of negotiations. (Robert Smith, Town Manager)

9) **ACTION ITEMS RESUMED**

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

Mayor Marley reconvened the Regular Meeting at 7:45 p.m.

a) Consideration and possible action to approve either or both a Letter of Intent and a Purchase Agreement with Deep Well Ranches #1 LLC, related to and setting forth the terms of the purchase by the Town of approximately 8.6 acres of real property, generally located in the vicinity of the section line as an extension of the existing Road 4 South to the east to lands immediately adjacent to the Peavine Right of Way's eastern limit for the purpose of extending the Road 4 South right-of-way to Peavine Road. (Robert Smith, Town Manager)

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Don Wojcik to approve Letter of Intent between the Town and Deep Well Ranch #1, LLC, for the Town to purchase 8.569 acres of land with changes to Exhibit "B" to: delete the second paragraph of subsection 6.b; and in Subsection 6.c delete "and on both sides of Buyer's Peavine Trail public right-of-way;" and add subsection 6.h to read "The amount of the reimbursement by Buyer to Seller for construction of the improvements set forth herein shall not exceed $55,000."

Vote: 5 - 0 PASSED - Unanimously

b) Consideration and possible action to approve an Intergovernmental Agreement with the City of Prescott related to Payments for the Transportation of Water. (Robert Smith, Town Manager)

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Linda Hatch to approve an Intergovernmental Agreement with the City of Prescott related to payment for transportation of water, if there are no material changes.

Vote: 5 - 0 PASSED - Unanimously

10) ADJOURNMENT

MOVED by Councilmember Linda Hatch, seconded by Councilmember Don Wojcik to adjourn the meeting at 7:50 p.m.

* Corrected to reflect scrivener's error

Vote: 5* - 0 PASSED - Unanimously

Chris Marley, Mayor

ATTEST:

Jami C. Lewis, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the Town Council of the Town of Chino Valley, Arizona held on the 24th day of September, 2013. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 8th day of October, 2013.

Jami C. Lewis, Town Clerk

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

TUESDAY, OCTOBER 8, 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, October 8, 2013.

Present: Mayor Chris Marley; Vice-Mayor Darryl Croft; Councilmember Mike Best; Councilmember Linda Hatch; Councilmember Pat McKee; Councilmember Lon Turner; Councilmember Don Wojcik

Staff Present: Town Manager Robert Smith; General Services Director Cecilia Watts; Town Attorney Phyllis Smiley; Finance Director Joe Duffy; Police Chief Chuck Wynn; Officer Mike Pereda; Civilian Operations Supervisor Laurie Whisenand; Town Engineer/Public Works Director Ron Grittman; Town Clerk Assistant Liz Hart; Town Clerk Jami Lewis (recorder)

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

Mayor Marley called the meeting to order at 6:00 p.m.

Mayor Marley gave the invocation and led the Pledge of Allegiance.

2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

a) Proclamation declaring October 20-26 as "Bullying Awareness Week," sponsored by Beth Vicory, Lead Ambassador, The Million Misfit Sock March.

Mayor Marley read the proclamation and presented it to Miss Vicory, who spoke about The Million Misfit Sock March.

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 criticism.

Lee Dudley with Bright Star Mini Storage and the Chino Valley Lions thanked Council and staff for their support of the recent Territorial Days celebration.

4) RESPONSE TO THE PUBLIC

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

a) Issues with an overabundance of weeds in the Town.

Mayor Marley read his monthly Mayor's Report, which pertained to this matter, the Town's responsibilities, and an upcoming community clean-up day.

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 Hatch reported on a recent Northern Arizona Council of Governments Economic Development Committee meeting.

Vice-Mayor Croft reported on a recent Appointments Subcommittee meeting.

Councilmember McKee reported on a recent Upper Verde River Water Protection Coalition meeting.

6) CONSENT AGENDA

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

Council set down items 6e.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve Consent Agenda items 6a, b, c and d.

Vote: 7 - 0 PASSED - Unanimously

a) Consideration and possible action to approve the September 10, 2013 regular meeting minutes. (Jami Lewis, Town Clerk)

b) Consideration and possible action to approve the September 24, 2013 regular meeting minutes. (Jami Lewis, Town Clerk)

c) Consideration and possible action to approve Resolution No. 13-1019 disbanding the Town of Chino Valley Transit Advisory Committee. (Phyllis Smiley, Town Attorney)

d) Consideration and possible action to adopt Resolution No. 13-1018 setting a basis for computation of worker's compensation benefits for volunteers involved in public safety. (Cecilia Watts, General Services Director)

e) Consideration and possible action to approve Equitable Sharing Agreement with the Department of Justice to accept and expend RICO proceeds in the amount of $110,000 for development of the Law Enforcement Tactical Range. Funds be disbursed from Grants Fund, Shooting Range Law Enforcement line item. (Chuck Wynn, Police Chief)

Councilmember Turner asked about the Town's obligations upon accepting these monies, the responsible party for maintenance of the facility, and fees for use of the facility being added to the Town's fee schedule. Chief Wynn reported that:

- All Yavapai County law enforcement agencies had a sharing agreement with regard to county seizure funds. The County also held separate federal seizure funds, which the county attorney suggested using for the project.
- The Town will be obligated to use this money only for the range and file additional paperwork with the Department of Justice and county.
- The Police Department had a verbal agreement with the Sheriff's Office to use inmates for general maintenance, and staff was considering renting the facility to private teachers on the weekend and using the fees collected toward maintenance.
- As the facility was new, associated fees were not on the fee schedule, and since the Town was using RICO funds, it could only charge for private uses.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve Consent Agenda item 6e.

Vote: 7 - 0 PASSED - Unanimously

7) ACTION ITEMS

a) Consideration and possible action to approve an Accountability Contract between the Town of Chino Valley and the Chino Valley Chamber of Commerce in the amount of $40,500. Funding source: $38,000 to come from Non-Departmental outside agency line and $2,500 to come from Contingencies. (Robert Smith, Town Manager)

Mr. Smith reported that:

- The standing agreement between the Town and the Chamber was in need of revision. Staff had identified several mechanisms by which the Town and Chamber could cooperatively work together to secure business and economic development improvements for the community, several of which were highlighted in this proposal.
- The proposed contract outlined a set of specific objectives and deliverables, as well as reporting that would be expected from the Chamber. The proposal also offered a range of additional services that the Chamber believed might be beneficial to strengthening the Town's local economy.

- Staff was asking the Economic Development Subcommittee to review these items and provide feedback to Council. Council will then have the opportunity to select those items it would like for the Chamber to pursue, if any, and add them to the proposal offered for consideration.
- The additional $2,500 from Contingencies was to include the Town's Platinum Sponsorship, which in previous years had been paid for separately.

Council asked about the Chamber's tourism logs and budget, and a loss of value from the Platinum Sponsorship since the Council could not accept the associated free tickets and materials.

Tracie Schimikowsky, Chamber Director of Operations and Tom Payne, Past Board Chair, reviewed some statistics and the draft budget, and reported that:

- Statistics from last year were very limited and they had started more detailed tracking last month.
- The budget was still under review as they were all getting accustomed to the new director and direction.
- If the Town desired, they could remove the value of the event tickets from the contract.

Town Attorney Phyllis Smiley advised that while Councilmembers could not accept tickets, they could accept them on behalf of the Town and raffle them off.

Several councilmembers spoke in support of the Chamber, business community, and the proposed contract.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Lon Turner to approve an Accountability Contract between the Town and the Chino Valley Chamber of Commerce in the amount of $40,500.

Vote: 7 - 0 PASSED - Unanimously

b) Consideration and possible action to approve Agreement for Professional Consulting Services with Economists.com for the update to the valuation of the City of Prescott water distribution system in an amount not to exceed $55,160. Funds to come from Water Enterprise Fund, professional services line. (Ron Grittman, Public Works Director)

Acronym used in this item:
CVID (Chino Valley Irrigation District)

Mr. Grittman reported:

- In May 2007, the Town contracted with Economists.com to determine the value of the water distribution system that the City of Prescott had within the Town boundaries. The 2007 valuation also contemplated possibly acquiring the CVID water rights, which proved to be too complicated and convoluted and ultimately were the undoing of further negotiations.
- As both the Town's most recently adopted utility rate structure and the SR89 Utility Committee recommendations for developing infrastructure along the

highway included Prescott's ratepayers coming onto the Town's water system, staff recommended having Economists.com update its 2007 valuation.

- This update will only determine the value of the distribution pipes, not the main lines, and the existing customer base. It will include pipe replacement costs and options for acquiring all or portions of the system. While it will examine pertinent CVID issues, there will be no intent to alter or relieve Prescott of any CVID benefits or obligations.
- The update will allow the Town to begin negotiations with Prescott, whose officials were aware of the study and will work with the Town to obtain a value that both parties could agree upon.
- Should the Town succeed in acquiring the system, current Prescott water customers who were Chino Valley residents will realize a reduction in their water billings by both removing the 30% surcharge that Prescott assessed and bringing them under the Town's rate structure, which was lower than Prescott's.

Town Manager Robert Smith added that the Town needed to obtain at least 435 customers. Chino Meadows I had 435 customers, but the Town may be able to do a cutover at Center Street and pick up the bulk of the system for a total of 650 plus customers. Town Water Attorney Bill Staudenmaier was also working on water rights matters.

Council asked several questions about the above, and generally supported the proposal.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Pat McKee to approve Agreement for Professional Consulting Services with Economists.com for the update to the valuation of the City of Prescott water distribution system in an amount not to exceed $55,160.

Vote: 7 - 0 PASSED - Unanimously

c) Consideration and possible action to approve change order number 1 to contract with Watkins Mendoza Construction Company in the amount of $4,000 for additional work in the construction of the Police Tactical Shooting Range. Funds to come from the Law Enforcement Shooting Range Grant. (Ron Grittman, Public Works Director)

Mr. Grittman reported that:

- On April 23, 2013, the Town awarded construction of the Police Tactical Shooting Range to Watkins Mendoza Construction Company ("WMC") in the amount of $128,578. This change order was the culmination of negotiations between WMC and the Town, in that WMC contended that the design of the slope of the range's berms were not constructible, and they built the range's base wider and moved much more dirt than the quantities called out on the construction documents and the bid schedule. WMC claimed $34,000 of additional costs.
- WMC provided sufficient documentation to support that they moved this additional dirt; however, staff contended that the additional work was a choice based on how the contractor chose to construct the project.
- Since this project was funded with grant monies, the ability to absorb any change

order was extremely limited. On August 28, 2013 staff met with the Police Department, the originator of the initial grant funding, regarding options for additional funding. Department staff felt that they could incur an additional $4,000 without impacting the completion of the overall project. WMC agreed to accept $4,000 as settlement of the claim, provided that the Town release them from the one year warranty period.

- While this was not the best solution, staff believed it was an appropriate settlement, and any necessary repairs to the berms will be performed by the Public Works Department.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve change order number 1 to contract with Watkins Mendoza Construction Company in the amount of $4,000.

Vote: 7 - 0 PASSED - Unanimously

d) Consideration and possible action to amend Personnel Policy Numbers 200: "Conditions of Employment," and 245: "Personnel Records and Privacy" to conform to the guidelines for the Town's fingerprint policy and to meet requirements established by the Arizona Department of Public Safety (DPS). (Cecilia Watts, General Services Director)

Acronyms used in this item:
DPS (Arizona Department of Public Safety)
ASC (Agency Security Contact)

Ms. Watts reported that:

- DPS implemented the Noncriminal Justice Fingerprint Compliance Program in January 2013 in response to changes in federal guidelines concerning the dissemination of criminal history record information. DPS required Agencies, which included municipalities for this purpose, to designate an ASC as the primary liaison with DPS and who will be responsible for coordinating Agency compliance with federal and state laws and regulations pertaining to the access, use, handling, dissemination and destruction of criminal justice information and criminal history record information.
- The Town's ASC will be the Human Resources Analyst or Director.
- The proposed changes to the Personnel Policies will incorporate privacy language as required by the Compliance Program, as well as language from Ordinance 405, dated May 20, 2000, which gave the Town the authority to process fingerprints on volunteers or employees who met certain criteria.
- Volunteers that will be affected by these policies were those that worked in departments with seniors and children, or drove a vehicle.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Lon Turner to amend Personnel Policy Numbers *200: Conditions of Employment*, and *245: Personnel Records and Privacy* to conform to guidelines for the Town's fingerprint policy and to meet requirements established by the Arizona Department of Public Safety.

Vote: 7 - 0 PASSED - Unanimously

e) Consideration and possible action to approve the Monthly Financial Report for month ended June 30, 2013. (Joe Duffy, Finance Director)

Mr. Duffy reported that Hinton Burdick, CPAs & Advisors completed the field work portion of the annual audit in September 2013. The subject report included a comparison of FY 2012 and FY 2013 and budget estimates, revenues and expenses for each fund, and fund balance. Key points were:

- General Fund and HURF revenues increased significantly in FY 2013 and exceeded the budget. General Fund expenditures increased slightly, but both funds came in under budget.
- Water Enterprise Fund revenues increased slightly, but fell slightly short of budget, and Sewer Enterprise Fund revenues were $50,000 less than estimated. Expenses for both funds came in significantly under budget.
- Capital Improvement Fund revenues increased and were slightly above budget, while expenses were over budget due to various projects.
- Total revenues increased $1.4 million and were over budget, while total expenses were a little higher than expected.
- Total fund balance in the major funds increased $0.9 million, with the CIP being the only fund that decreased. Total fund balance in the minor funds was lower due to using impact fees.

Town Engineer Ron Grittman added that one reason the Sewer Enterprise Fund had decreased revenues was due to the sewer plant no longer accepting septage as of a year ago as a result of receiving tainted septage that took the plant many months to stabilize.

Town Manager Robert Smith added that while this report gave the Town confidence in short term operations, it did not address the capital asset replacement and infrastructure side of things.

f) Council may recess the meeting to observe Vice-Mayor Croft's and Councilmember Best's birthdays.

Staff reported that this item needed to be postponed.

MOVED by Councilmember Linda Hatch, seconded by Vice-Mayor Darryl Croft to postpone this item to the next meeting.

Vote: 7 - 0 PASSED - Unanimously

8) **EXECUTIVE SESSION**

Council may vote to recess the Regular Meeting and hold an Executive Session, which will not be open to the public, for the following purposes:

a) Pursuant to A.R.S. § 38-431.03(A)(3) and (7) for discussion or consultation with the Town Attorney for legal advice and with designated representatives of the Town in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property that is an extension of the existing Road 4 South to the east, in the immediate vicinity of the section line, consisting of approximately 8.6 acres. (Robert Smith, Town Manager)

b) Pursuant to A.R.S. § 38-431.03(A)(4) for discussion or consultation with the Town Attorney in order to consider its position and instruct the Town Attorney regarding the Town's position regarding an intergovernmental agreement with the City of Prescott related to payments for the transportation of water that is the subject of negotiations. (Robert Smith, Town Manager)

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Pat McKee to go into executive session at 7:39 p.m.

Vote: 7 - 0 PASSED - Unanimously

9) ACTION ITEMS RESUMED

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

Mayor Marley reconvened the regular meeting at 8:31 p.m.

a) Consideration and possible action to approve either or both a revised Letter of Intent and a Purchase Agreement with Deep Well Ranches #1 LLC, related to and setting forth the terms of the purchase by the Town of approximately 8.6 acres of real property, generally located in the vicinity of the section line as an extension of the existing Road 4 South to the east to lands immediately adjacent to the Peavine Right of Way's eastern limit for the purpose of extending the Road 4 South right-of-way to Peavine Road. (Robert Smith, Town Manager)

Council took no action.

b) Consideration and possible action to approve an Intergovernmental Agreement with the City of Prescott related to Payments for the Transportation of Water. (Robert Smith, Town Manager)

Council took no action.

10) ADJOURNMENT

MOVED by Councilmember Linda Hatch, seconded by Councilmember Pat McKee to adjourn the meeting at 8:32 p.m.

Vote: 7 - 0 PASSED - Unanimously

~~Chris Marley,~~ Mayor

ATTEST:

Jami C. Lewis, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the Town Council of the Town of Chino Valley, Arizona held on the 8th day of October, 2013. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 22nd day of October, 2013.

Jami C. Lewis, Town Clerk

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

TUESDAY, OCTOBER 17, 2013
6:05 P.M.

The Town Council of the Town of Chino Valley, Arizona, met for a Special Meeting in the Chino Valley Council Chambers, located at 202 N. State Route 89, Chino Valley, Arizona, on Tuesday, October 17, 2013.

Present:	Mayor Chris Marley; Vice-Mayor Darryl Croft; Councilmember Mike Best; Councilmember Linda Hatch; Councilmember Lon Turner; Councilmember Don Wojcik
Absent:	Councilmember Pat McKee
Staff Present:	Town Manager Robert Smith; General Services Director Cecilia Watts (Recorder); Town Attorney Phyllis Smiley

1) CALL TO ORDER; ROLL CALL

Mayor Marley called the meeting to order at 7:23 p.m.

Town Attorney Phyllis Smiley joined the meeting via conference phone at 7:26 p.m.

2) Council may vote to go into Executive Session pursuant to A.R.S. § 38-431.03(A)(3) and (7) for discussion or consultation with the Town Attorney for legal advice and with designated representatives of the Town in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property that is an extension of the existing Road 4 South to the east, in the immediate vicinity of the section line, consisting of approximately 8.6 acres. (Robert Smith, Town Manager)

Ms. Smiley advised that Mayor Marley and Councilmember Turner might have potential conflicts of interest if their companies bid for any of the work associated with this matter. If that was the case, they should not participate in any discussions or decisions in this matter.

Councilmember Turner declared that his brother gave a quote on the windmill and he recused himself from the meeting at 7:28 p.m.

Mayor Marley noted that the well driller he worked for did not submit a bid.

Town Manager Robert Smith reported that staff received estimates from Deep Well on October 11 and they met with Deep Well yesterday afternoon. He handed out the estimates for Council to review.

Ms. Smiley stated that staff was asking Council to review and approve the Letter of Intent and estimates for the work and then approve a Purchase Contract on Tuesday. This item was time sensitive and after Tuesday, Council would not have a regular meeting for three weeks.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Linda Hatch to go into executive session to discuss item 2 at 7:36 p.m.

Vote: 5 - 0 PASSED

Mayor Marley reconvened the special meeting at 7:58 p.m.

(Councilmember Hatch was no longer present as she left during the executive session.)

3) Consideration and possible action to approve either or both a revised Letter of Intent and a Purchase Agreement with Deep Well Ranches #1 LLC, related to and setting forth the terms of the purchase by the Town of approximately 8.6 acres of real property, generally located in the vicinity of the section line as an extension of the existing Road 4 South to the east to lands immediately adjacent to the Peavine Right of Way's eastern limit for the purpose of extending the Road 4 South right-of-way to Peavine Road. (Robert Smith, Town Manager)

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve a revised Letter of Intent, complete with Exhibit B, with Deep Well Ranches #1 LLC, related to and setting forth the terms of the purchase by the Town of approximately 8.6 acres of real property, generally located in the vicinity of the section line as an extension of the existing Road 4 South to the east to lands immediately adjacent to the Peavine Right of Way's eastern limit for the purpose of extending the Road 4 South right-of-way to Peavine Road.

Vote: 4 - 0 PASSED

4) **ADJOURNMENT**

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to adjourn the meeting at 7:59 p.m.

Vote: 4 - 0 PASSED - Unanimously

Chris Marley, Mayor

ATTEST:

Jami C. Lewis, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Special Meeting of the Town Council of the Town of Chino Valley, Arizona held on the 17th day of October, 2013. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 12th day of November, 2013.

Jami C. Lewis, Town Clerk

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

TUESDAY, OCTOBER 22, 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, October 22, 2013.

Present: Mayor Chris Marley; Vice-Mayor Darryl Croft; Councilmember Mike Best; Councilmember Linda Hatch; Councilmember Pat McKee; Councilmember Lon Turner; Councilmember Don Wojcik

Staff Present: Town Manager Robert Smith; General Services Director Cecilia Watts; Town Attorney Phyllis Smiley; Finance Director Joe Duffy; Officer Jody Villalobos; Town Engineer/Public Works Director Ron Grittman; Civil Engineer Richard Straub; Planner Ruth Mayday; Town Clerk Assistant Liz Hart; Town Clerk Jami Lewis (recorder)

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

Mayor Marley called the meeting to order at 6:01 p.m.

Councilmember Best gave the invocation and Mayor Marley led the Pledge of Allegiance.

2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

a) Presentation by Steve ~~Rutherford~~ <u>Walker</u> regarding the Greater Prescott Regional Economic Partnership. (Mayor Marley)

Steve Walker from Yavapai College, and Greater Prescott Regional Economic Partnership (GPREP) board member, spoke about GPREP's commitment to the region as a whole, and its focus on business creation. retention and expansion.

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 criticism.

No one from the public spoke.

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.

There was 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 Hatch reported on the Town's presentation, scheduled for December, to request funding from the Northern Arizona Council of Governments Economic Development Committee.

Councilmember Best reported on a highway median clean-up day on October 26.

Councilmember McKee reported that Freeman Farms gave a portion of the proceeds from their sale of pink pumpkins to Yavapai Regional Medical Center to assist women needing mammograms.

Mayor Marley read the Monthly Mayor's Report, which pertained to current and upcoming SR 89 improvement projects.

a) Presentation regarding the 2014 Community Development Block Grant funding process. (Cecilia Watts, General Services Director)

Tracey Boviere from the Northern Arizona Council of Governments reported that the Town was due to receive $264,000 in Community Development Block Grant ("CDBG") funds in 2014, and the Town could also apply for state special projects funds. She reviewed what the funds could be used for and the application process.

Ms. Watts spoke about previous Town projects funded through CDBG, and Senior Engineering Project Manager Richard Straub spoke about the Town's previous CDBG project for stormwater improvements in the Chino Meadows area, and staff's proposal to use the pending CDBG funds to pave roads in the same area.

6) CONSENT AGENDA

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

Council set down item 6a.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve Consent Agenda items 6b and 6c.

Vote: 7 - 0 PASSED

a) Consideration and possible action to approve the October 3, 2013 study session minutes. (Jami Lewis, Town Clerk)

Councilmember Hatch requested the following amendment on page 4: "A councilmember objected to a warehouse ZONED AS INDUSTRIAL having to go through the CUP process to use more than 50% of the property."

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve Consent Agenda item 6a as amended.

Vote: 7 - 0 PASSED

b) Consideration and possible action to approve the October 8, 2013 regular meeting minutes. (Jami Lewis, Town Clerk)

c) Consideration and possible action to cancel the November 26, 2013 and December 24, 2013 regular Council meetings. (Jami Lewis, Town Clerk)

7) ACTION ITEMS

a) Consideration and possible action to authorize a $10,500 expenditure as the Town's contribution to the Greater Prescott Regional Economic Partnership. Funds to come from Contingencies. (Mayor Marley)

<u>Recommended Action:</u> Authorize a $10,500 expenditure as the Town's contribution to the Greater Prescott Regional Economic Partnership.

Mayor Marley reported that:

- Chino Valley had been invited to join the Greater Prescott Regional Economic Partnership ("GPREP"), which was a public/private sector partnership that encouraged economic development in the quad-city area.
- Other public sector participants included the City of Prescott, Town of Prescott Valley, Town of Dewey-Humboldt, Prescott Indian Tribe, and Yavapai County.
- The amount of funding requested from Chino Valley, based upon population, was $10,500 per year.

Council asked about this organization assisting the Town with infrastructure for interested businesses. Steve Walker with GPREP stated that his understanding was that professional staff and other partners will help facilitate those types of matters.

Although it was a lot of money, Council generally supported the proposal, as any development in the area would benefit Town residents and workers.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Lon Turner to authorize a $10,500 expenditure as the Town's contribution to the Greater Prescott Regional Economic Partnership.

Vote: 7 - 0 PASSED

b) Consideration and possible action to adopt Ordinance No. 13-775, amending the Town Code, Title III: Administration, Procurement Policy. (Joe Duffy, Finance Director)

Recommended Action: Adopt Ordinance No. 13-775, amending the Procurement Policy in the Town Code.

Mr. Duffy reported that the Town's Procurement Policy was last updated in 2005. The proposed policy was drafted with input from Finance staff, the Town Attorney, and Council's Finance Subcommittee. He then reviewed the proposed changes, comparisons between the proposed provisions and those of neighboring entities, and a comparison between current and proposed procedures for a road project. Key changes were:

- Increased expenditure amount needing Council approval from $20,000 or more to $25,000 or more, unless the project was an in-house construction project.
- Added provisions and procedures for Council approval of in-house construction projects of $50,000 or more.
- Finance Director to approve budgeted items over $5,000 prior to goods or services being ordered.
- Bidding to remain the same, except to increase limit to $25,000.
- New language to allow Council to waive policy requirements, except where prohibited by law.

Council expressed concern about language in the sections related to in-house construction and emergency procedures. Town Attorney Phyllis Smiley and Mr. Duffy reported that:

- Certain language in the in-house construction section was defined in state law and this section was added to address the fact that Title 34 exempted in-house projects from certain requirements.
- The definition of "emergency" was defined in the policy, and staff will consult with the town attorney on any potential emergency. The town manager would be authorized to approve an expenditure of up to $25,000, while the mayor's authorization would be needed for anything over that. Staff would then make a full report to Council at their next meeting and Council would need to ratify the expenditure. If possible, Council could call a special meeting to address such matters.

Council and staff discussed Section 32.04: Emergency Purchases: Procedure, and amended it as follows: "In case of an emergency which requires immediate purchases of supplies or services and when time is of the essence, a special emergency meeting of the council shall be called, ~~AS NEEDED, for~~ IF possible FOR APPROVAL OF AN EMERGENCY purchase ~~approval~~."

Council discussion:

- Reasons to approve the proposal were that it appeared to: (i) include provisions for volunteer and donated material; and (ii) hold everyone accountable before and after finance related actions.
- One reason to deny the proposal was that it appeared to usurp Council's authority to monitor the funds.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to adopt Ordinance No. 13-775, amending the Procurement Policy in the Town Code, with the amendment in Section 32.04 to remove "as needed" and insert "for possible approval."

Vote: 4 - 3 PASSED

NAY: Councilmember Linda Hatch
Councilmember Pat McKee
Councilmember Don Wojcik

c) Consideration and possible action to appoint a participating member of the Public Safety Retirement System of the Chino Valley Police Department as a member to the Public Safety Retirement Board for term expiring on June 30, 2016. (Cecilia Watts, General Services Director)

Recommended Action: Appoint the Police Department's selected member to the Public Safety Retirement Board for term expiring on June 30, 2016.

Ms. Watts reported that:

- The Public Safety Retirement Board was comprised of Vice-Mayor Darryl Croft (Chair); two citizens, Mike Tobey and Cheri Romley; and two members from the Police Department who participated in the public safety retirement system, Lt. Vince Schaan and Officer Brian Sanders, who were selected by other participating members within the department.
- As Brian Sanders had left the Town's employ, his position needed to be filled.
- Participating Police Department members elected to recommend Officer Gary Bruso for the term expiring June 30, 2016.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Pat McKee to appoint Gary Bruso to the Public Safety Retirement Board for term expiring on June 30, 2016.

Vote: 7 - 0 PASSED

d) Consideration and possible action to appoint applicants to fill vacancies on various public bodies. (Jami Lewis, Town Clerk)

Recommended Action: Appoint applicants to the Chino Valley Board of Adjustment, Planning and Zoning Commission, Parks and Recreation Advisory Board, Roads and Streets Committee, and Senior Center Advisory Board as recommended by the Appointments Subcommittee and staff.

Mrs. Lewis reported that The Council Appointments Subcommittee met on September October 7, 2013 to review applications for several public bodies. They voted to recommend:

- Corey Mendoza for the Board of Adjustment with term ending July 31, 2015;
- Corey Mendoza for the Planning and Zoning Commission with term ending January 31, 2016;
- Celia Vander Molen for the Parks and Recreation Advisory Board with term ending June 30, 2015;
- Dean Echols for the Roads and Streets Committee with term ending June 30, 2015; and
- Nancy Mitchell for the Senior Center Advisory Board with term ending June 30, 2015.

Mrs. Lewis added that:

- After the subcommittee meeting, staff consulted with the town attorney and town planner about one person serving on both bodies, as well as residency requirements for the Board of Adjustment (BOA), as one applicant, Celia Vander Molen, lived outside the Town boundaries.
- Staff found no law or regulation that addressed either matter, but Planner Ruth Mayday objected to any one person serving on both bodies, as that person could have a conflict of interest should a BOA case be an appeal of a Planning and Zoning Commission (PZC) recommendation.
- Also, at the subcommittee chair's suggestion, staff contacted a new applicant, Gary Pasciak, about serving on the BOA.
- Therefore, Council could also consider appointing Celia Vander Molen and Gary Pasciak to the Board of Adjustment for the terms ending 2016 and 2015, respectively.

Council discussed:

- having themselves sit as the Board of Adjustment if staff could not get enough applicants;
- objections to one person serving on both Board of Adjustment and Planning and Zoning Commission;
- adding a residency requirement for the Board of Adjustment; and
- referring the new applicant back to the subcommittee.

Town Attorney Phyllis Smiley advised that she did not believe councilmembers could sit on the Board of Adjustment without amending the Unified Development Ordinance, which provided for a five-member citizen board.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Linda Hatch to approve appointing Corey Mendoza to the Planning and Zoning Commission; Celia Vander Molen to the Parks and Recreation Advisory Board; Dean Echols to the Roads and Streets Committee; and Nancy Mitchell to the Senior Center Advisory Board, and taking the others back to the subcommittee.

Vote: 7 - 0 PASSED

e) Discussion and possible action regarding a possible Council retreat. (Mayor Marley)

Recommended Action: Direction to staff.

Council discussed possible dates, locations, attendees, facilitators, and budget for a retreat. They preferred that the only staff in attendance be the town manager and town attorney, and that staff select a facilitator unfamiliar with the Town.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to have a Council retreat in the Chamber of Commerce Training Room on November 5 from 9:00 a.m. to 4:00 p.m. at the latest.

Vote: 7 - 0 PASSED

f) Council may recess the meeting to observe Vice-Mayor Croft's and Councilmember Best's birthdays.

Mayor Marley recessed the meeting at 7:32 p.m. and called it back to order at 7:46 p.m.

8) EXECUTIVE SESSION

Council may vote to recess the Regular Meeting and hold an Executive Session, which will not be open to the public, for the following purposes:

a) Pursuant to A.R.S. § 38-431.03(A)(3) and (7) for discussion or consultation with the Town Attorney for legal advice and with designated representatives of the Town in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property that is an extension of the existing Road 4 South to the east, in the immediate vicinity of the section line, consisting of approximately 8.6 acres. (Robert Smith, Town Manager)

b) Pursuant to A.R.S. § 38-431.03(A)(4) for discussion or consultation with the Town Attorney in order to consider its position and instruct the Town Attorney regarding the Town's position in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation in the matter of Cortez v. Town of Chino Valley. (Robert Smith, Town Manager)

Mayor Marley reported that, per staff, there was no need to hold the executive session for item 8b.

Councilmember Turner declared a conflict of interest with item 8a and left the meeting at 7:48 p.m.

Councilmember McKee stated that she declined to go into executive session as she disagreed with the contract's terms. Town Attorney Phyllis Smiley advised that the purpose of an executive session was to discuss the terms of the contract, and if Councilmember McKee had concerns, she should participate in the discussion, as Council needed to hear and consider those concerns. However, if she did not go into executive session, she should also not participate in any vote. Councilmember McKee left the meeting at 7:49 p.m.

Councilmember Hatch also stated that she would not participate and left the meeting at 7:50 p.m.

MOVED by Vice-Mayor Darryl Croft, seconded by Mayor Chris Marley to go into executive session for item 8a at 7:51 p.m.

Vote: 4 - 0 PASSED

Other: Councilmember Lon Turner (RECUSE)

9) **ACTION ITEMS RESUMED**

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

Mayor Marley reconvened the regular meeting at 8:13 p.m.

a) Consideration and possible action to approve either or both a revised Letter of Intent and a Purchase Agreement with Deep Well Ranches #1 LLC, related to and setting forth the terms of the purchase by the Town of approximately 8.6 acres of real property, generally located in the vicinity of the section line as an extension of the existing Road 4 South to the east to lands immediately adjacent to the Peavine Right of Way's eastern limit for the purpose of extending the Road 4 South right-of-way to Peavine Road. (Robert Smith, Town Manager)

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve the purchase agreement as written.

Vote: 4 - 0 PASSED

Other: Councilmember Lon Turner (RECUSE)

10) **ADJOURNMENT**

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to adjourn the meeting at 8:15 p.m.

Vote: 4 - 0 PASSED

Chris Marley, Mayor

ATTEST:

Jami C. Lewis, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the Town Council of the Town of Chino Valley, Arizona held on the 22nd day of October, 2013. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 10th day of December, 2013.

Jami C. Lewis, Town Clerk

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

TUESDAY, NOVEMBER 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, November 12, 2013.

Present: Mayor Chris Marley; Vice-Mayor Darryl Croft; Councilmember Mike Best; Councilmember Linda Hatch; Councilmember Pat McKee; Councilmember Lon Turner; Councilmember Don Wojcik

Staff Present: Town Manager Robert Smith; Planner Ruth Mayday; General Services Director Cecilia Watts; Town Attorney Phyllis Smiley; Finance Director Joe Duffy; Police Lieutenant Vince Schaan; Polce Officer Jeff Pizzi; Magistrate John Walker; Town Engineer/Public Works Director Ron Grittman; Utilities Supervisor Chris Bartels; I.T. Specialist Spencer Guest; Town Clerk Assistant Liz Hart; Town Clerk Jami Lewis (recorder)

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

Mayor Marley called the meeting to order at 6:01 p.m.

Vice-Mayor Croft gave the invocation and Mayor Marley led the Pledge of Allegiance.

2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

a) Presentation by Kay Lauster, President, Chino Valley Historical Society, regarding the 150th anniversary of the governor's arrival in Chino Valley.

Ms. Lauster spoke about an upcoming event in January 2014 to commemorate the 150th anniversairy of the Governor's party arrival at Del Rio Springs to establish the Territorial Government.

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 criticism.

Michael Edmonds asked about the final purchase price and cost of improvements related to the Road 4 South extension contract approved on October 22.

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.

There was 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 reported on a recent Safety Subcommittee meeting with Police and Fire officials.

Town Manager Robert Smith reported on: new mics in the Council Chambers; paintings from local artists in the Town Hall building; the status of the Granite Mountain Hot Shots memorial bench; and a slight increase in residential development.

Mayor Marley read his monthly Mayor's Report, which pertained to the Veteran's Day "Remembrance Day National Roll Call."

a) Quarterly update on Municipal Court operations by Town Magistrate, John Walker.

Magistrate Walker reported on:

- a staffing shortage during the last quarter;
- savings from using nCourt for credit/debit card payments;
- upcoming Court audit;
- final disbursement in June of $46,000 in unaccounted funds;
- potential benefits to the Court from Finance's online banking proposal;
- upcoming Magistrate Evaluation Subcommittee (MES) meeting to review Court policies and procedures;
- initiation of new Life Skills program used in sentencing; and
- new Prosecutor, Cody Johnson.

6) CONSENT AGENDA

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

Council set down item 6c.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve Consent Agenda items 6a, b, d and e.

Vote: 7 - 0 PASSED - Unanimously

a) Consideration and possible action to approve the October 17, 2013 study session minutes. (Jami Lewis, Town Clerk)

b) Consideration and possible action to approve the October 17, 2013 special meeting minutes. (Jami Lewis, Town Clerk)

c) Consideration and possible action to approve Financial Report for the month ended September 30, 2013. (Joe Duffy, Finance Director)

Council asked about a negative figure in the Parks and Recreation Impact Fees. Mr. Duffy explained that it was a credit that overaccrued last year from the prior fiscal year.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Pat McKee to approve Consent Agenda item 6c.

Vote: 7 - 0 PASSED - Unanimously

d) Consideration and possible action to approve Agreement for Professional Consulting Services with Four-D LLC, for email server migration scope of work and ongoing professional services, in an amount not to exceed $15,000.00, through June 30, 2015. Funds to come from the current MIS/GIS budget. (Spencer Guest, IT Specialist)

e) Consideration and possible action to approve the revised Intergovernmental Agreement between the Town of Chino Valley and the Arizona Department of Transportation in the amount of $100,000 for the Town's contribution to the construction of the proposed roundabout at Highway 89 and Kalinich Avenue, and to assign construction and maintenance responsibilities as defined in the Agreement. Funds to come from Roadway Impact Fees. (Ron Grittman, Public Works Director/Town Engineer)

7) ACTION ITEMS

a) Review and discussion of proposed text amendments to the Unified Development Ordinance related to regulating medical marijuana dispensaries, as well as cultivation and infusion facilities, as revised, pursuant to input from the Council study session held on October 3, 2013. (Ruth Mayday, Planner)

Mayor Marley recused himself at 6:43 p.m. to avoid the appearance of any conflict of interest, as he owned agricultural property within 500 feet of SR 89.

Acronym used in this item:
UDO (Unified Development Ordinance)

Ms. Mayday reported that:

- On October 3, 2013, Council held a Study Session for the purpose of discussing potential amendments to the UDO that would further regulate medical marijuana cultivation and infusion facilities, as well as dispensaries. After considerable input from Council and affected citizens, staff refined the proposed text amendments to reflect those comments.
- The Commercial Greenhouse Regulations (UDO § 4.30) provided a significant hurdle in terms of minimum lot size and allowed lot coverage, as well as a required 500-foot separation from State Route 89, eliminating a number of properties that would otherwise be ideally situated for cultivation and dispensary uses. Therefore, staff recommended striking § 4.30 in its entirety, and including the floor area restrictions for retail, restaurant, entertainment, and sales of produce in the property development standards for the appropriate zoning districts. This would also remove the locational restrictions on non-marijuana commercial greenhouses while keeping the secondary use restrictions in place.
- Other changes made were:
    - Added language to ensure cultivation activities took place within a structure and specifically excluded outdoor cultivation.
    - Reduced separation requirements to 200 feet, with the exception of schools, which was regulated by the state.
    - Changed language regarding dust, fumes, odor, or vapors to require mitigation to minimize impact on surrounding properties.
- A public hearing before the Planning and Zoning Commission will take place November 19, 2013.

Ms. Mayday reviewed more detailed changes made to the proposed text with regard to conditional and permitted uses, commercial greenhouse regulations, and cultivation facilities and water.

Council asked about proposed changes to setbacks, building height, and contiguous acres. Ms. Mayday related that staff could not find the original rationale for the current standards, either in written documents or from the greenhouse growers themselves. A 50-foot setback was standard for commercial properties, and she could change building height back to 35 feet if Council so desired.

Mayor Marley returned to the dais at 6:54 p.m.

b) Consideration and possible action to approve Ordinance No. 13-776, amending the Unified Development Ordinance, Chapter 4: General Regulations, Section 4.8: Fences and Walls, related to the standards for erection of fences and walls. (Ruth Mayday, Planner)

<u>Recommended Action:</u> Approve Ordinance No. 13-776, amending the Unified Development Ordinance, Chapter 4: General Regulations, Section 4.8: Fences and Walls.

Ms. Mayday reported that:

- Unified Development Ordinance § 4.8 regulated heights and materials for walls and fences in the Town. The following changes to this section were being proposed:
  - Amend provisions allowing CUPs to be used to grant relief to the regulations by eliminating references to a CUP for fences, as the current regulation circumvented the duties and responsibilities of the Board of Adjustment as set forth in ARS 9-462.06(G)(2) et. seq.
  - Strike provisions that allowed fees to be waived, for the same reason as mentioned above.
  - Add language that would subject non-conforming fences to the regulations set forth in § 4.2 Non-Conforming Uses and Structures.
  - Amend height requirements, pools, spas, and hot tubs to reflect building codes.
- On September 15, 2013, the Planning and Zoning Commission voted to recommend that Council approve the proposed text amendments.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve Ordinance No. 13-776, amending the Unified Development Ordinance, Chapter 4: General Regulations, Section 4.8: Fences and Walls.

Vote: 7 - 0 PASSED - Unanimously

c) Consideration and possible action to approve Ordinance No. 13-778, amending the Unified Development Ordinance, Chapter 4: General Regulations, Section 4.21: Sign Regulations, Subsection 4.21.7: Temporary Signs, related to permitting political signs in Town rights-of-way. (Ruth Mayday, Planner)

Recommended Action: Approve Ordinance No. 13-778, amending the Unified Development Ordinance, Subsection 4.21, related to permitting political signs in Town rights-of-way.

Ms. Mayday reported that currently, UDO § 4.21.7 Temporary Signs, Subsection (C) Political Signs was not in compliance with A.R.S. §16-1019. The proposed amendments will bring this section into full compliance. The Planning and Zoning Commission discussed this matter on August 20, 2013 and September 17, 2013, and held a public hearing on October 15, 2013. There were no comments or objections by the public or the Commissioners, and the Commission voted unanimously to forward the proposed text amendments to the Town Council with a recommendation for approval.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve Ordinance No. 13-778, amending the Unified Development Ordinance, Subsection 4.21, related to permitting political signs in Town rights-of-way.

Vote: 7 - 0 PASSED - Unanimously

d) Consideration and possible action to approve proposal from Xpress Bill Pay to allow Town of Chino Valley Customers to make online payments; and approve Caselle Clarity Software & Services Proposal in the amount of $5,000, to integrate the Xpress Bill Pay system with the Town's accounting system. Funding for the Caselle Software portion will be split between Water and Sewer Enterprise Funds, system maintenance and repair lines. (Joe Duffy, Finance Director)

Recommended Action: Approve proposal from Xpress Bill Pay and approve Caselle Clarity Software & Services Proposal in the amount of $5,000, to integrate the Xpress Bill Pay system with the Town's accounting system.

Mr. Duffy reported that:

- The Town desired to offer its customers the ability to make payments online, providing an enhanced level of customer service and reducing the time spent processing payments each month.
- Staff solicited proposals to provide electronic bill pay services that integrated with the Town's Caselle accounting system. Xpress Bill Pay and Payments Service Network, Inc. submitted proposals and provided demonstrations to staff. The Finance Subcommittee also attended a demonstration and reviewed both proposals. The Subcommittee was recommending Xpress Bill Pay, as it was Caselle's authorized preferred vendor.
- Each company charged small monthly base fees for their service and earned the majority of their fees based on the number of transactions processed every month; there was also a one time fee of $5,000 from Caselle to integrate with Xpress Bill Pay.
- Staff projected savings of $2,500-$5,000 per year in direct costs and significant savings in labor hours.

Council asked about using Pay Pal. Mr. Duffy stated that Pay Pal did not integrate with Caselle and staff was researching related fees and other issues.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve proposal from Xpress Bill Pay and approve Caselle Clarity Software & Services Proposal in the amount of $5,000, to integrate the Xpress Bill Pay system with the Town's accounting system.

Vote: 7 - 0 PASSED - Unanimously

e) Consideration and possible action to approve the Agreement for Professional Consulting Services with Civil Tec Engineering, Inc. for the construction staking and surveying of the Road 4 South project, in an amount not to exceed $23,856.00. Funds to come from Roads Impact Fees and disbursed from the Capital Improvement Fund. (Ron Grittman, Public Works Director/Town Engineer)

Recommended Action: Approve the Agreement for Professional Consulting Services with Civil Tec Engineering, Inc. in an amount not to exceed $23,856.00.

Mr. Grittman reported that:

- Per law, the Town could select the best qualified firm for professional services.
- As Civil Tec Engineering had already developed construction plans for this project and possessed the Town's data points, staff was recommending them for this phase of the project. In addition, Civil Tec will stake the right-of-way as requested by Deep Well Ranches.
- No specifications had been prepared for the project. The Town Engineering Department, working with Civil Tec and the Public Works Department, will field engineer the project in order to assure that it was in compliance with the design engineer and industry standards.
- Road 4 South was to be constructed as two projects, each with two phases, keeping the projects under the state's project expenditure limit. This was also being done so that fill dirt from Phase 1 could be used for Phase 2.

Council asked about the Letter of Intent and specifications for the road, as well as electric poles in the right-of-way. Mr. Grittman explained that staff would work off Civil Tec's 50% plans, as in-house compliance did not typically include engineering plans. The Town had to pay for utility relocations, as APS had prior rights. Town Attorney Phyllis Smiley added that the Letter of Intent concerned only purchase of right-of-way, not construction of the roadway.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve the Agreement for Professional Consulting Services with Civil Tec Engineering, Inc. in an amount not to exceed $23,856.00.

Vote: 7 - 0 PASSED - Unanimously

f) Consideration and possible action to make the finding that there is a reasonable basis for constructing the Road 4 South capital project in-house, and that this project is not being constructed in-house to avoid the bidding requirements, pursuant to the Town's Procurement Policy, with approval to be effective as of November 21, 2013. (Ron Grittman, Public Works Director/Town Engineer)

Recommended Action: Make the finding that there is a reasonable basis for constructing the Road 4 South capital project in-house pursuant to the Town's Procurement Policy, with approval to be effective as of November 21, 2013.

Mr. Grittman reported that:

- Under the newly adopted procurement policy, Town Code § 32.05(D)(1)(g), a capital project could be constructed as an in-house project using primarily regularly employed Town personnel and volunteers. Council must make findings that there was a reasonable basis for doing so and that the project was not being constructed in house to avoid the bidding requirements. Staff was requesting that Council make such findings with respect to the construction of Road 4 South and declare this as an in-house project.
- Doing this as an in-house project will facilitate the resolution of pending litigation by getting the work done expediently at a presumably lower cost, as well as allow the Town to use donated materials and/or labor. Also, the Town was in the unique position of having many Public Works employees with extensive heavy

equipment and road construction experience. Due to these factors, staff believed these factors provided a reasonable basis to support such findings.

- Staff had secured approximately 50% construction plans for the project and intended to field engineer the project using the expertise of the two professional engineers on staff, who will provide the construction oversight to assure that the project was constructed in accordance with industry standards. Civil Tec, the design engineer, will provide construction surveying and staking and additional oversight of construction.
- Pursuant to A.R.S. § 34-201(D), a street, road, bridge, water or sewer work may be constructed either with or without the use of the agent's regularly employed personnel without advertising for bids, provided that the total cost of the work did not exceed approximately $216,000 in 2013. Adding the estimated costs for construction of the components of this project, the total estimated cost was $199,975.00.
- As the new procurement policy adopted via Ordinance No. 13-775 will not be effective until November 21, 2013, approval of this item will be effective as of that date, as long as no referendum on the Ordinance was filed.

Council asked for more details about the cost estimates and expenses that were included in the state limit calculation. Mr. Grittman, Mr. Duffy, and Ms. Smiley reported that:

- Per state law, labor did not have to be included in estimates for in-house projects, and in their experience, it was not done that way; if the Town opted to charge for in-house labor, it would reduce the amount of funding for the rest of the project.
- Staff estimated $350,000 total on both phases for an AB road to be built out 60 feet per day and completed in 3.5 months.
- The statute referenced the "total cost of work for the project," but did not give a definition for "work." She was unsure about staking and surveying, but she would include equipment rental, since that was usually included in a bid.

Council comments:

- Staff's creativity to cut expenses for the project were one reason to support the proposal.
- There was concern about possible cost overruns and the town attorney was researching that.
- A reason to not support the proposal was that labor costs would be included in a bid and it should be included here.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to make the finding that there is a reasonable basis for constructing the Road 4 South capital project in-house pursuant to the Town's Procurement Policy, with approval to be effective as of November 21, 2013.

Vote: 5 - 2 PASSED

NAY: Councilmember Linda Hatch
Councilmember Pat McKee

g) Consideration and possible action to authorize staff to secure contracts to bring back to Council for consideration for rental of a D-8 bulldozer and a paddlewheel scraper from ECCO Equipment Company for an amount not to exceed $109,000.00 and a 12-ton sheepsfoot compactor from United Rentals in an amount not to exceed $17,644.00. Funds to come from Roads Impact Fees and accounted for in the Capital Improvement Fund. (Ron Grittman, Public Works Director/Town Engineer)

Recommended Action: Authorize staff to secure contracts to bring back to Council for consideration for rental of a D-8 bulldozer and a paddlewheel scraper from ECCO Equipment Company for an amount not to exceed $109,000.00 and a 12-ton sheepsfoot compactor from United Rentals in an amount not to exceed $17,644.00.

Mr. Grittman reported that:

- Yavapai County had publically bid various pieces of equipment, and under the Town's procurement policy, the Town could piggyback on other agencies' bidding processes. Two low bidders on Yavapai County's list, ECCO Equipment and United Rentals, notified the Town that they would honor the prices quoted to Yavapai County.
- While staff estimated that the equipment should be needed for only three months, the approval amounts will secure the rental equipment for four months if needed for the vertical cut through the hills.
- Should Council approve this item, staff will bring back a contract with each vendor for Council's approval.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to authorize staff to secure contracts to bring back to Council for consideration for rental of a D-8 bulldozer and a paddlewheel scraper from ECCO Equipment Company for an amount not to exceed $109,000.00 and a 12-ton sheepsfoot compactor from United Rentals in an amount not to exceed $17,644.00.

Vote: 7 - 0 PASSED - Unanimously

Mayor Marley recessed the meeting at 7:51 p.m. and reconvened the meeting at 8:00 p.m.

h) Consideration and possible action to approve the purchase of two sets of basketball equipment for installation at the Community Center Park from Exerplay, Inc. in an amount not to exceed $3,040.14; and update on negotiations with California Skateparks for design of a new skate park. Funds to come from Parks Impact Fees. (Ron Grittman, Public Works Director/Town Engineer)

Recommended Action: Approve the purchase of two sets of basketball equipment for installation at the Community Center Park from Exerplay, Inc. in an amount not to exceed $3,040.14.

Mr. Grittman reported that:

- On March 13, 2011, at the recommendation of the Town's insurance carrier, Council directed staff to remove old and antiquated skate park equipment from a flat slab of concrete that had historically been used as a basketball court. At that time, Council did not direct staff to install basketball equipment on the vacant concrete because of the appearance that the Town was not going to replace the skate park.
- Because there was now an effort to develop a new skate park, the Parks and Recreation Advisory Board were proposing to replace two basketball standards on the vacated concrete, as most youth wanting to play basketball lived behind the park and were not close enough to use the courts at the high school. While this agenda item was requesting equipment for two courts, the Board intended to ask Council for an additional two courts later.
- Staff had been working with California Skateparks on the design of a new skate park in a different location. The fees for this design were not part of this agenda item, nor were they budgeted. Staff estimated a total cost of $50,000 for design and construction management of the skate park; however, staff believed they could reduce that amount by using in-house labor.
- Both of these projects would require the use of the last of the parks impact fees, as the state had eliminated further collection of said impact fees. Any impact fees used for basketball courts would reduce the amount available for the skate park, and there were not enough impact fees to construct the skate park.

Councilmember Best recommended that Council use impact fees for the skate park design, as the Town had an opportunity to apply for a Tony Hawke grant, for which a completed design would give the Town's application better standing. Then the Town could use the in-house process for construction and solicit donated materials.

Council discussion: Council generally supported one set of basketball standards at this time.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Pat McKee to approve the purchase of two sets of basketball equipment for the Community Center Park from Exerplay, Inc. in an amount not to exceed $3,040.14.

Vote: 7 - 0 PASSED - Unanimously

8) EXECUTIVE SESSION

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

a) Pursuant to A.R.S. § 38-431.03(A)(4) for discussion or consultation with the Town Attorney in order to consider its position and instruct the Town Attorney regarding the Town's position regarding an intergovernmental agreement with the City of Prescott related to payments for the transportation of water that is the subject of negotiations. (Robert Smith, Town Manager)

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Lon Turner to go into executive session to discuss those things outlined.

Vote: 7 - 0 PASSED - Unanimously

9) **ACTION ITEMS RESUMED**

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

Mayor Marley reconvened the regular meeting at 8:42 p.m.

a) Consideration and possible action to approve an Intergovernmental Agreement with the City of Prescott related to Payments for the Transportation of Water. (Robert Smith, Town Manager)

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve the Intergovernmental Agreement with the City of Prescott related to Payments for the Transportation of Water.

Vote: 7 - 0 PASSED - Unanimously

10) **ADJOURNMENT**

MOVED by Councilmember Mike Best, seconded by Councilmember Pat McKee to adjourn the meeting at 8:43 p.m.

Vote: 7 - 0 PASSED - Unanimously

~~Chris Marley~~, Mayor

ATTEST:

Jami C. Lewis, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the Town Council of the Town of Chino Valley, Arizona held on the 12th day of November, 2013. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 10th day of December, 2013.

Jami C. Lewis, Town Clerk

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

TUESDAY, DECEMBER 10, 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, December 10, 2013.

Present: Mayor Chris Marley; Vice-Mayor Darryl Croft; Councilmember Mike Best; Councilmember Linda Hatch; Councilmember Pat McKee; Councilmember Lon Turner; Councilmember Don Wojcik

Staff Present: Town Manager Robert Smith; General Services Director Cecilia Watts; Town Attorney Phyllis Smiley; Finance Director Joe Duffy; Senior Accountant Cindy Sandlin; Accounting Technician Kat Lordi; Police Chief Chuck Wynn; Officer Cody Johnson; Town Engineer/Public Works Director Ron Grittman; Planner Ruth Mayday; Town Clerk Assistant Liz Hart; Town Clerk Jami Lewis (recorder)

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

Mayor Marley called the meeting to order at 6:00 p.m.

Mayor Marley gave the invocation and led the Pledge of Allegiance.

2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

Mayor Marley introduced Boy Scout Troop #7617 members, who were attending for civic merit badges.

a) Presentation by Jerry Hart, President, Government Finance Officers Association of the Arizona of Distinguished Budget Presentation Award to the Town of Chino Valley. (Joe Duffy, Finance Director)

Mr. Hart presented the Distinguished Budget Presentation Award to the Mayor and Council, and a Certificate of Recognition of Budget Preparation to Finance Department staff.

b) Presentation by Rick Nichols of the Chino Valley Model Aviators' Annual Report. (Mayor Marley)

Mr. Nichols reported on the organization's membership, facility improvements, and activities over the last year.

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 criticism.

No one from the public spoke.

4) RESPONSE TO THE PUBLIC

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

a) Final purchase price and cost of improvements related to the Road 4 South extension contract approved on October 22.

Mayor Marley reported that the final cost for this item was $219,062.44 for 8.5 acres of land and improvements, to satisfy the terms of a Pre-Annexation Development Agreement and avoid costly litigation.

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 Hatch reported on a presentation given by Town staff before the NACOG Economic Development Committee with regard to funding for an industrial park.

Mayor Marley read the Monthly Mayor's Report, which pertained to the year in review, Town accomplishments, and large future projects.

6) CONSENT AGENDA

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

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve Consent Agenda items 6a-6g.

Vote: 7 - 0 PASSED

a) Consideration and possible action to approve the October 22, 2013 regular meeting minutes. (Jami Lewis, Town Clerk)

b) Consideration and possible action to approve the November 5, 2013 study session/retreat minutes. (Jami Lewis, Town Clerk)

c) Consideration and possible action to approve the November 12, 2013 regular meeting minutes. (Jami Lewis, Town Clerk)

d) Consideration and possible action to approve Financial Report for the month ended October 31, 2013. (Joe Duffy, Finance Director)

e) Consideration and possible action to declare as public right-of-way Road 4 South from the terminus of the existing Road 4 South across the northern line of Section 1, Township 15 North, Range 2 West, also known as the Deep Well Ranch, to the eastern side of the Peavine Trail. (Ron Grittman, Public Works Director/Town Engineer)

f) Consideration and possible action to approve Change Order Number 1 to contact with Hot AZ Hell Welding in the amount of $7,470.96 for additional potholing required as part of the North Campus gas line replacement project. Funds to come from General Fund Contingencies. (Ron Grittman, Public Works Director/Town Engineer)

g) Consideration and possible action to approve the rental agreements with ECCO Equipment Corporation, for one CAT D-8R/T Bulldozer and one CAT 623 F/G Paddlewheel Scraper, and United Rentals, for one 12-Ton Bomag BW 213 Sheeps Foot, in an amount not to exceed $109,000.00 and $17,644.00, respectively, for construction of Road 4 South Phases 1 and 2. Funds to come from Roads Impact Fees and will be accounted for in the Capital Improvement Fund. (Ron Grittman, Public Works Director/Town Engineer)

7) ACTION ITEMS

a) Consideration and possible action to to approve Ordinance No. 13-779, declaring the document entitled "Amendments to the Unified Development Ordinance of the Town of Chino Valley Unified Development Ordinance Related to Medical Marijuana Facilities, dated December 10, 2013" as a public record; adopting the "Amendments to the Unified Development Ordinance of the Town of Chino Valley, Arizona related to Medical Marijuana Facilities, dated December 10, 2013" by reference, and amending the Town of Chino Valley Unified Development Ordinance, as follows: (1) Chapter 2 Definitions, Section 2.1 Meaning of Words and Terms, to add definitions related to Medical Marijuana and amend the definition of "Greenhouse, Commercial"; (2) Chapter 3 Zoning Districts, by amending Sections 3.5.2 Permitted Uses ("AR-36" - Agricultural/Residential (36 Acre Minimum)), Section 3.5.3 Conditional Uses (Conditional Use Permit Required) ("AR-36" - Agricultural/Residential (36 Acre Minimum)), Section 3.6.2 Permitted Uses

("AR-5" - Agricultural/Residential (5 acre minimum)), Section 3.6.3 Conditional Uses (Conditional Use Permit Required) ("AR-5" - Agricultural/Residential (5 Acre Minimum)), Section 3.7.2 Permitted Uses ("AR-4" - Agricultural/Residential (4 Acre Minimum)), Section 3.7.3 Conditional Uses (Conditional Use Permit Required)("AR-4" - Agricultural/Residential (4 Acre Minimum)), Section 3.15 "CL" - Commercial Light, Section 3.16.2 Permitted Uses ("CH" - Commercial Heavy), Section 3.17.2 Permitted Uses ("I" - Industrial); (3) Chapter 4 General Regulations, by amending Section 4.30 Commercial Greenhouse Standards, and adding Section 4.31 Medical Marijuana Dispensaries, Cultivation Sites, and Infusion Facilities as a public record and adopt Ordinance No. 13-779 by reference. (Ruth Mayday, Planner)

Recommended Action: Approve Ordinance No. 13-779, approving and adopting the amendments to the Unified Development Ordinance by reference, all related to regulating medical marijuana uses and facilities in the Town of Chino Valley.

Mayor Marley recused himself from this item at 6:34 p.m., as he owned agricultural property that will be affected by this ruling, and to avoid the appearance of a conflict of interest.

Ms. Mayday reported that:

- In 2010, Arizona voters approved the use of marijuana for medical purposes. Shortly thereafter, Town staff, the Planning and Zoning Commission ("Commission"), and the Council reviewed different proposals for the regulation of marijuana-related dispensaries, infusion facilities, and cultivation sites throughout the Town. After due consideration, the Council decided not to impose additional restrictions on said uses, but rather rely on state law and Department of Health Services regulations.
- As the Town's climate, elevation, availability of agricultural land, and minimal zoning restrictions made Chino Valley attractive to cultivators of medical marijuana; and in order to better protect the health, safety, and general welfare of the community, on September 10, 2013, Council expressed a desire to reconsider regulation of the manner and placement of medical marijuana related facilities, and directed staff to research the matter.
- Staff reviewed past actions by the Commission and Council, as well as ordinances adopted by adjoining communities and other political subdivisions throughout the state and presented draft amendments to Council for discussion on October 3, 2013.
- During the October 3 study session, Council provided input regarding the proposed regulations, as did several members of the community. Council indicated that it did not want to allow outdoor cultivation of Medical Marijuana, and it preferred to reduce the separation between medical marijuana facilities and certain uses from 500 feet to 200 feet, with the exception of the statutory 500 foot separation from public or private schools.
- On November 12, 2013, staff presented revised amendments based on the study session discussion. Council and staff discussed at length the manner in which commercial greenhouse regulations (UDO Section 4.30) affected the manner and placement of greenhouses in general, and medical marijuana cultivation facilities in particular. Certain structures in varying locations in Town that would lend

themselves well to cultivation activities were unable to be considered as they did not meet the standard set forth in the UDO; furthermore, meeting the increased threshold required for a variance would be nearly impossible to achieve.

- Staff further reviewed the regulations related to commercial greenhouses and determined that modification of those requirements would need to be included in order to provide a set of regulations that did not overly regulate general greenhouse related uses, but provided adequate regulation of medical marijuana related facilities.
- On November 19, 2013, the Commission held a Public Hearing to review these proposed changes and make recommendations to Council. By and large, the amendments were unchanged, except that the Commission was recommending a 500-foot separation from parks, recreation, and like facilities, in addition to the statutory 500-foot separation from public schools.

Ms. Mayday then reviewed the proposed amendments for each section. Discussion was held on the following sections:

- *Section 3.5: Agricultural/Residential (36 acre minimum):* In the proposed ordinance, an infusion facility could obtain a conditional use permit in this district, in which setbacks, separations and the like could be conditions, and the applicant risked denial. Amending the language to prohibit infusion facilities, thereby allowing only cultivation in AR-36, was at Council's discretion.
- *Section 4.3: Medical Marijuana Dispensaries, Off-Site Cultivation Sites, and Infusion Facilities:* The Commission recommended the 500 foot separation to provide a greater buffer between medical marijuana uses and other uses. Staff also eliminated the large SR 89 setback and retained only floor area restrictions like any other commercial building.
- An error in the Ordinance was noted, wherein a 200-foot separation should have been changed to 500 feet.

Bryan McLaren, sustainability professional, asked Council to consider renewable resources when addressing outdoor activities, rather than just limiting the activity.

Charles Aldon, medical marijuana stakeholder, expressed concern about a 500 foot separation eliminating some properties from the use. Ms. Mayday stated that such a property owner could apply for a variance.

Duke Rodriguez, medical marijuana stakeholder in several communities, asked Council to further study outdoor growing.

Robert MacCaullay, Commissioner, reported that the Commission's recommendation for 500 feet was not between commercial establishments, but to separate such facilities from residential neighborhoods and children. They also discussed outdoor growing quite a bit and were concerned about winds moving buds and seeds down the street.

Mike Edmonds, Commissioner, added that after an in-depth and detailed review, the Commission preferred to limit growing to indoors for security and controllability reasons.

MOVED by Councilmember Mike Best, seconded by Councilmember Linda Hatch to accept item 7a as the Commission has designated.

Vote: 6 - 0 PASSED

Other: Mayor Chris Marley (RECUSE)

MOVED by Councilmember Mike Best, seconded by Councilmember Linda Hatch to AMEND their motion to include the correction from 200 feet to 500 feet.

Vote: 6 - 0 PASSED

Other: Mayor Chris Marley (RECUSE)

Mayor Marley returned to the dais at 6:58 p.m .

b) Consideration and possible action to award the construction contract for the Shade Structure at the Police Tactical Shooting Range to Hot AZ Hell Welding in the amount of $60,276.78 for the base bid and $3,000 for alternative number 1 for a total contract amount not to exceed $63,276.78. Funding to come from Police Grants for Law Enforcement Shooting Range, to be reimbursed from the R.I.C.O. seizure funds. (Ron Grittman, Public Works Director/Town Engineer)

Recommended Action: Award the construction contract for the Shade Structure at the Police Tactical Shooting Range to Hot AZ Hell Welding in the amount of $60,276.78 for the base bid and $3,000 for alternative number 1 for a total contract amount not to exceed $63,276.78.

Mr. Grittman reported that:

- The Police Tactical Shooting Range was constructed six months ago to allow law enforcement to have a secure and versatile facility to perform both training and qualification.
- The proposed shade structure will provide shade for shooters underneath it, as well as three variants to the roof structure to facilitate sniper training from differing vantages.
- Hot AZ Hell was the low bidder and the alternative bid will construct an eight foot sidewalk behind the shade structure.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to award the construction contract for the Shade Structure at the Police Tactical Shooting Range to Hot AZ Hell Welding in the amount of $60,276.78 for the base bid and $3,000 for alternative number 1 for a total contract amount not to exceed $63,276.78.

Vote: 7 - 0 PASSED

Mayor Marley recessed the meeting at 7:02 p.m. and reconvened it at 7:14 p.m.

c) Consideration and possible action to approve the Agreement for Professional Consulting Services with California Skate Parks for design of the Town of Chino Valley Community Center Skate Park in an amount not to exceed $34,255.00. Funds to come from Parks Impact Fees. (Ron Grittman, Public Works Director/Town Engineer)

Recommended Action: Approve the Agreement for Professional Consulting Services with California Skate Parks for design of the Town of Chino Valley Community Center Skate Park in an amount not to exceed $34,255.00.

Mr. Grittman reported that:

- Two years ago, the Town's insurance carrier informed staff that it would no longer insure the Town's skate park, due to issues with its design and condition of its apparatuses, which had not been designed in accordance with industry standards and posed a liability.
- Although the Town did not have the funds right now to build a skate park, California Skateparks (CSP), which had developed and constructed hundreds of both skateboard and bicycle parks for many different agencies throughout the world, was willing to develop conceptual and final construction documents for a new skate park in accordance with professional and industry standards.
- The Scope of Work provided for CSP to develop a concept with input from the various interested groups, then develop a final concept, provide sufficient oversight to confirm that construction conformed to their engineering plans, and allow them to issue the final construction certification.
- Once the plans were done, the Town will begin seeking creative construction processes to bring the park to fruition and it will be responsible to make sure construction conformed to CSP's plans. Staff was seeking input from CSP on developing a park that would have ample room for both BMX bikes and skateboards, and the parties were recommending only easy to moderate slopes, as the advanced slope in Prescott was rarely used.
- By shifting construction management from CSP to the Town, some costs proposed earlier had been reduced. Also, although it appeared that the Parks Impact Fee budget had insufficient funds, the account now had an $8,000 credit from the prior fiscal year that was found during the recent audit.

Council suggested that staff run the completed plans by the insurance company to ensure that it will be insurable.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve the Agreement for Professional Consulting Services with California Skate Parks for design of the Town of Chino Valley Community Center Skate Park in an amount not to exceed $34,255.00.

Vote: 7 - 0 PASSED

d) Consideration and possible direction to staff with regard to purchasing a bench for placement at the Community Center Park to honor the 19 Granite Mountain Hotshot Firefighters. Funds to come from General Fund Contingencies. (Ron Grittman, Public Works Director/Town Engineer)

Recommended Action: Direction to staff.

Mr. Grittman reported that staff prepared three purchase options for a four-foot bench as a monument to the 19 Hotshot Firefighters lost this past summer:

- Black granite bench from The Granite Guy, a local granite provider, with a concrete pad, for an estimated $3,000-$3,500.
- Granite bench, either black or another color, from Quiring Monuments, a Seattle supplier, with a concrete pad, for an estimated $3,000-$4,000.
- Sandstone bench from Cornerstone Materials, a local provider, for an estimated $500-$1,000.

Council discussed the options and preferred a six foot flagstone bench with an engraved plaque. They asked staff to check with the supplier on a six foot length, for up to $1,500.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve purchase of a sandstone bench with engraved plaque.

Vote: 7 - 0 PASSED

e) Discussion and possible action with regard to setting guidelines for Council members to request staff projects. (Mayor Marley)

Recommended Action: None.

Mayor Marley reported that he had received a request from a Councilmember for a fairly large staff project. During Council's November 5 study session/retreat, Council had discussed setting guidelines for what an individual Councilmember could request of staff in terms of staff time and resources. He had suggested that any request requiring two or more hours of staff labor should go through formal Council action, while anything less could be asked of the town manager directly.

Staff noted that Council could codify any such rule in the Council Rules of Procedure and any information generated in response to such requests would be provided to all councilmembers. Staff also reported on what several other municipalities did:

- Prescott Valley and Camp Verde filled such requests with no restrictions.
- Dewey Humboldt filled such requests and advised the town manager.
- Prescott filled such requests with no restrictions and provided the information to all council members.
- Clarkdale codified a procedure in their Public Service Handbook; if the request went above and beyond that, the council member spoke with the town manager and the request went before the entire Council for approval.
- Phoenix codified a procedure in their Rules of Procedure, which required such requests over eight hours of staff work to be approved by the full Council.

Council discussed:

- Using this as a general guideline, but not codifying it.
- Council lacking sufficient information on some agenda items and the public's right to know.
- Other municipalities not having restrictions.

- Council's responsibility for doing their own research, then going to staff for the missing data.

Council generally preferred to use this as a guideline, rather than codifying it.

f) Consideration and possible action with regard to a Council request for a Staff Project related to the Road 4 South extension project. (Councilmember McKee; Mayor Marley)

Recommended Action: Discussion and possible approval of the Staff Project or other direction to staff.

Councilmember McKee reported that she had requested that staff provide detailed information regarding the Road 4 South extension project. Staff estimated that their response would take six to eight hours of staff time to research and create a report, secure additional information from other parties or agencies, and possibly create narrative to address potential or speculative circumstances. She added that while she had done some further research and answered some of her own questions, she still desired spreadsheets with supporting documentation on how the dollar amount was calculated.

Council also asked staff to provide the cost for diesel fuel and moving utility poles, and if anyone on staff was EOD licensed. Town Engineer Grittman stated that there was no EOD-licensed staff and any blasting needed would be outsourced.

MOVED by Councilmember Lon Turner, seconded by Vice-Mayor Darryl Croft to allow Councilmember McKee to turn the rest of her questions over to the town manager.

Vote: 7 - 0 PASSED

8) EXECUTIVE SESSION

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

a) Pursuant to A.R.S. § 38-431.03(A)(4) for discussion or consultation with the Town Attorney in order to consider its position and instruct the Town Attorney regarding the Town's position in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation in the matter of Cortez v. Town of Chino Valley. (Robert Smith, Town Manager)

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Pat McKee to go into executive session to discuss the matter of Cortez v. the Town of Chino Valley at 7:49 p.m.

Vote: 7 - 0 PASSED

9) ACTION ITEMS RESUMED

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

Mayor Marley reconvened the regular session at 9:33 p.m.

a) Consideration and possible action to approve the proposed agreement with Cortez Enterprises, Inc. in settlement of claims and contemplated litigation. (Robert Smith, Town Manager)

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to postpone item 9a until a later date.

Vote: 7 - 0 PASSED

10) ADJOURNMENT

MOVED by Councilmember Pat McKee, seconded by Councilmember Mike Best to adjourn the meeting at 9:34 p.m.

Vote: 7 - 0 PASSED

Chris Marley, Mayor

ATTEST:

Jami C. Lewis, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the Town Council of the Town of Chino Valley, Arizona held on the 10th day of December, 2013. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 14th day of January, 2014.

Jami C. Lewis, Town Clerk

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

TUESDAY, MARCH 11, 2014
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 11, 2014.

Present: Mayor Chris Marley; Vice-Mayor Darryl Croft; Councilmember Mike Best; Councilmember Linda Hatch; Councilmember Pat McKee; Councilmember Lon Turner; Councilmember Don Wojcik

Staff Present: Town Manager Robert Smith; General Services Director Cecilia Watts; Town Attorney Phyllis Smiley; Police Chief Chuck Wynn; Police Lieutenant Vince Schaan; Police Officer Daniel Beal; Town Engineer/Public Works Director Ron Grittman; Town Clerk Assistant Liz Hart (recorder)

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

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

Councilmember Linda Hatch attended the meeting via conference phone.

Vice-Mayor Croft gave the invocation and Mayor Marley led the Pledge of Allegiance.

2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

3) CALL TO THE PUBLIC

Call to the Public is an opportunity for the public to address the Council 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 criticism.

No one from the public spoke.

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.

Mayor Marley had nothing to report.

a) Monetary obligations with regard to the Provisional Settlement Agreement with Cortez Enterprises.

Mayor Marley reported that:

- As part of the subject Provisional Settlement Agreement, the Town agreed to extend Road 4 South eastward to Cortez's property by July 31, 2014 and pay to Cortez a combination of cash and land by August 29, 2014.
- If the Road 4 South extension was done by June 1, 2014, there were three alternatives for the Town to pay: (i) $50,000 in cash and $250,000 in land; (ii) $25,000 in cash and $300,000 in land; or (iii) no cash and $350,000 in land.
- If the road was not done by June 1, 2014, three alternatives were: (i) $50,000 in cash and $300,000 in land; (ii) $25,000 in cash and $350,000 in land; or (iii) no cash and $400,000 in land.
- Other costs associated with the lawsuit related to attorney fees.

5) CURRENT EVENT SUMMARIES AND REPORTS

This item is for information only. The Mayor, any Councilmember, or Town Manager may present a brief summary or report of current events, or ask a staff member to provide the same. Presentation on information requested by the Mayor and Council will be made and questions answered. No action will be taken.

a) Status report by Town Manager Robert Smith regarding Town accomplishments, and current or upcoming projects.

Town Manager Robert Smith reported on the status of:

- Cortez Provisional Settlement Agreement.
- Road 4 South extension.
- Skate Park concepts and public meeting.

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 Agreement for Towing Services between the Town of Chino Valley and Tim's Towing. (Chuck Wynn, Police Chief)

Recommended Action: Approve Agreement for Towing Services between Town of Chino Valley and Tim's Towing.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Pat McKee to approve Agreement for Towing Services between Town of Chino Valley and Tim's Towing.

Vote: 7 - 0 PASSED

7) **EXECUTIVE SESSION**

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

8) **ACTION ITEMS**

a) Consideration and possible action with regard to establishing guidelines for Council-Town Attorney interaction. (Mayor Marley)

Recommended Action: Approve guidelines for Council-Town Attorney interaction.

Mayor Marley requested that Council postpone this item, as he was still receiving information on it.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Pat McKee to postpone item 8a, guidelines for Council-Town Attorney interaction.

Vote: 7 - 0 PASSED

b) Consideration and possible action to adopt Resolution No. 14-1025, opposing the legalization of marijuana.

Recommended Action: Adopt Resolution No. 14-1025, opposing the legalization of marijuana.

Mayor Marley reported that:

- MATFORCE, the Yavapai County Substance Abuse Coalition, was the primary sponsor of a resolution opposing the legalization of recreational marijuana.
- MATFORCE had been in existence in Yavapai County since 2005, with the goal of reducing substance abuse in the county. The organization's membership consisted of law enforcement agencies, County Attorney's Office, medical professionals, substance abuse counselors, probation departments, politicians, concerned citizens, and many others.
- This resolution had been passed by approximately 30 Native American Tribal groups within Arizona, as well as four jurisdictions in Yavapai County.

Shelia Polk, Yavapai County Attorney, and Co-Chair of MATFORCE, added that:

- Members of the Marijuana Policy Project from Washington D.C. had targeted Arizona for placing a measure on the state's 2016 ballot to allow recreational marijuana use. A Colorado police chief had advised Yavapai County officials that they should start now to provide a united front against this, which might prevent the organization from making the attempt.
- As MATFORCE was concerned about the effects of marijuana on youth, increased use by youth, dramatic increases in addiction in states in which recreational use was legalized, and increased demands upon law enforcement and child protective services associated with marijuana and other drug use, they were asking Yavapai County communities join in sponsoring this resolution to show that Yavapai County had a united front that will, hopefully, set the example for the rest of the state.

Public comment:

Starr Bennett, Paulden resident, opposed the resolution, citing a documentary that presented cases of children being helped by medical marijuana.

Laura Lee Nye, Prescott Valley Vice-Mayor and concerned grandmother, favored the action, citing problems in other states suffering from the drug pipeline to and from Colorado.

Council comments:

- Some questioned the effectiveness of the Resolution to inhibit illicit marijuana use.
- One cited his experience of negative effects from marijuana use in the military and workplace.
- The main issue was keeping the drug out of young peoples' hands while in school and letting them make their own decisions as adults.
- The Resolution afforded Yavapai County municipalities to take stand on the issue.
- The Resolution needed to indicate that it pertained only to recreational use.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to adopt Resolution No. 14-1025, opposing the legalization of recreational marijuana.

Vote: 7 - 0 PASSED

c) Consideration and possible action to approve change order number 2 to contract with Economists.com an amount not to exceed $9,500.00 to prepare the additional financial analysis to look at the impacts of the Prescott Water Acquisition, Wastewater Treatment Plant Acquisition, and a capital improvement project on the existing and future utility rates. Funds to come from the Professional Services Line in the Water Enterprise Fund. (Ron Grittman, Public Works Director)

Recommended Action: Approve change order number 2 to contract with Economists.com an amount not to exceed $9,500.00 to prepare the additional financial analysis to look at the impacts of the Prescott Water Acquisition, Wastewater Treatment Plant Acquisition, and a capital improvement project on the existing and future utility rates.

Mr. Grittman reported that:

- On October 8, 2013, the Town entered into a professional services contract with Economists.com to perform an update on the valuation of the City of Prescott water system. Once the draft report was complete, Town staff and Economists.com concluded that some additional financial work was necessary to determine if the Town could forego future utility rate increases.
- The Town's current utilities rate plan adopted on February 12, 2013 called for rate increases to both water and sewer customers over the next five years. Two of the five rate increases had been implemented, and had not been well received by the customer base. Walker Consulting and Economists.com had previously demonstrated that a nominal general obligation bond had the ability to allow the Town to forego the last two years of the rate increases.
- On February 20, 2014, staff asked Council for direction to have further financial

analysis prepared to determine: (i) if the cost to acquire the Prescott water system and wastewater treatment plant, and extending water and sewer between Road 2 North and Road 3 North along SR 89, funded by a general obligation bond, will allow the Town to forego all three of the proposed water and sewer rate increases; (ii) the minimum number of new commercial water and sewer customers to allow the project to break even; and (iii) the effect of adding Wilhoit's 100 water customers on the proposed utility rates.
- This change order will allow for each of the proposed options to be analyzed and give Council sufficient information to assist in their future decisions, including the potential bond election. Details of the analyses will be presented during a study session on April 3, 2014.
- With this proposed change order, the complete cost of Economists.com's work will be just under $70,000. This change order will provide the last analysis needed for bonding decisions.

Council comments:

- Citizens who were enduring the rate increases had complained about the amount of money spent on this contract.
- As the associated projects were important to the town, it would be valuable to obtain as much information as possible before making a decision.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Lon Turner to approve change order number 2 to contract with Economists.com an amount not to exceed $9,500.00 to prepare the additional financial analysis to look at the impacts of the Prescott Water Acquisition, Wastewater Treatment Plant Acquisition, and a capital improvement project on the existing and future utility rates.

Vote: 7 - 0 PASSED

d) Consideration and possible action to award trucking services to Corbin, Inc. as the primary hauler and Fann Contracting as a secondary hauler, in accordance with the summary of bids. Funds to come from Public Works for road projects or other departments that may need trucking services. (Ron Grittman, Public Works Director/Town Engineer)

Recommended Action: Award trucking services to Corbin, Inc. as the primary hauler and Fann Contracting as a secondary hauler, in accordance with the summary of bids.

Mr. Grittman reported that:

- On February 13, 2014, staff opened two bids for trucking services to haul aggregates for the Town. Corbin, Inc. (C&R Trucking) submitted the low bid, followed by Fann Contracting, Inc.
- Typically this bid would be awarded to the single lowest responsible bidder, but because there were only two bidders, Fann requested that they be awarded as a secondary hauler, which would give the Town the flexibility to secure hauling services in the event that Corbin was unable to perform, although the likelihood of needing Fann's services was very low.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to award trucking services to Corbin, Inc. as the primary hauler and Fann Contracting as a secondary hauler, in accordance with the summary of bids.

Vote: 7 - 0 PASSED

e) Consideration and possible action to approve the intergovernmental agreement between the Chino Valley Unified School District and Town of Chino Valley for the project management and construction of the adjacent ways project at Del Rio and Heritage Schools. Funds in the amount of $200,000 to come from Chino Valley School District Adjacent Ways Program. (Ron Grittman, Public Works Director/Town Engineer)

Recommended Action: Approve the intergovernmental agreement between the Chino Valley Unified School District and Town of Chino Valley for the project management and construction of the adjacent ways project at Del Rio and Heritage Schools.

Mr. Grittman reported that:

- School districts collected Adjacent Ways moneys that could only be used for improving areas adjacent to schools. As the Chino Valley School District lacked personnel who could perform project and construction management, in 2010 they contracted with the Town for an Adjacent Ways project along Center Street.
- They proposed to do the same for proposed project, which would use Adjacent Ways funds to develop, engineer, and construct improvements to Road 1 West and Road 2 North to improve traffic flow at Del Rio and Heritage Schools.
- Once the School District and Town agreed upon the final improvements, the project will be bid and awarded through the Town for construction. Staff hoped to acquire $50,000 for engineering and $150,000 for construction. If the full amount was not available, staff will program the project to get a portion done each year until complete.

Town Attorney Smiley pointed out that the IGA contained an ambiguity with regard to the term year and suggested changing the agreement term to a period of 15½ months commencing March 11, 2014.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve the intergovernmental agreement between the Chino Valley Unified School District and Town of Chino Valley for the project management and construction of the adjacent ways project at Del Rio and Heritage Schools, with the amendment of the term period of 15-1/2 months commencing on March 11, 2014 and ending on June 30, 2015.

Vote: 7 - 0 PASSED

10) ADJOURNMENT

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to adjourn the meeting at 7:21 p.m.

Vote: 7 - 0 PASSED

Chris Marley, Mayor

ATTEST:

Jami C. Lewis, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the Town Council of the Town of Chino Valley. Arizona held on the 11th day of March, 2014. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 8th day of April. 2014.

Jami C. Lewis, Town Clerk

TOWN OF CHINO VALLEY — Detail Ledger - Year End 6 30 14 — Period: 07/13 - 14/14 — Page: 1 — May 08, 2014 11:14AM

Report Criteria:
- Actual Amounts
- Only Accounts With Balances
- Summarize Payroll Detail
- Print Period Totals
- Print Grand Totals
- Print Transactions In Date Order
- Page and Total by Fund
- All Segments Tested for Total Breaks
- Account.Account Number = "05905511"

Date	Journal	Reference Number	Payee or Description	Account Number	Debit Amount	Credit Amount	Balance
ROAD 4 SOUTH RIGHT OF WAY AQUI			07/01/2013 (00/13) Balance	05-90-5511			00
10/29/2013	CD	2014	YAVAPAI TITLE CASH DISBURSEMENT WIRE		21,380.00		
			10/31/2013 (10/13) Period Totals and Balance		21,380.00 *	00 *	21,380.00
11/13/2013	CD	2014	YAVAPAI TITLE AGENCY WIRE TRANSFER		197,682.44		
			11/30/2013 (11/13) Period Totals and Balance		197,682.44 *	00 *	219,062.44
11/27/2013	AP	159	A.D.O.T. - JOINT PROJECT ADMIN		100,000.00		
			02/28/2014 (02/14) Period Totals and Balance		100,000.00 *	00 *	319,062.44
			06/30/2014 (14/14) Period Totals and Balance		.00 *	.00 *	319,062.44

YTD Encumbrance .00 YTD Actual 319,062.44 Total 319,062.44 YTD Budget 300,000.00 Unexpended (19,062.44)

	Debit	Credit	Proof
Number of Transactions: 3 Number of Accounts: 1			
Total CAPITAL IMPROVEMENT FUND:	319,062.44	.00	319,062.44
Number of Transactions: 3 Number of Accounts: 1 Grand Totals:	319,062.44	.00	319,062.44

$219,062.44